ELECTRONIC COMMERCE AND PROCUREMENT IN RETAIL
BUSINESSES
A CASE STUDY OF GAME

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A RESEARCH REPORT SUBMITTED TO KAMPALA INTERNATIONAL
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DECLARATION

I **KIDEGA JACKSON** hereby declare that this work is entirely my own original work, except where others people's work has been cited, it is fully acknowledged. This has not been submitted before to any other University or Institution of Higher Learning for the award of a degree

Sign................................ Date. 9ᵗʰ /JUN/2010

KIDEGA JACKSON BSP/17171/71/DU

APPROVAL

This research proposal has been submitted for examination with my approval as the candidate's

University supervisor

Sign………………………. ……   Date. 10ᵗʰ/06/2010

MR. MABONGA ERIC.

DEDICATION

To our family;

My elder Brother and all my Siblings

In memory of Mr. and Mrs. Sarafino Olok, Mr. and Mrs. Anywar Gipson, Alex, Monica and others, their legacy last forever in us....

ACKNOWLEDGEMENTS

This piece of work of mine was made possible through the extraordinary efforts of many people. The project was initiated and accomplished with the surport of my Uncles; Bilton, John, Sunde, James and Francis, with the assistance of their meager earnings. As always, a unique team, "Anek's family" will work together to build and complete many facets of today's world. Special thanks goes to the following superb families of; Mr. and Mrs. Lony John, Mr. and Mrs. Ochan Charles, Mr. and Mrs. Atube Ojwang, Mr. and Mrs. Saidi Komakech Mr.and Mrs. Otoo Lammy Lamex others include Mr. Ms Augustine Ojok, Mr. and Mrs. Nyeko, Mr. and Mrs. Labeja, to the family of Opiro, Achire Justine, Milton,...

Special appreciation goes to MR. MABONGA ERIC whose fatherly love, dedicated his own valuable time to lecture and above all supervised me all through the tedious moment of time. My word alone is not worth good appreciation, may the Almighty Father in heaven glorify your name and give you the entire best gift in life.

Finally I recognized the contribution from friends; Chombe V, Mugisha V, Tabu Denis, T A Sule, Ojok R, and not forgetting members in the following associations; CMA, KIU YOUTH LEAGUE, KIUASA, and one that I appropriated for my posterior "KIUPA" and lastly to all my classmate and the entire business fraternity.

"My beloved uncles and aunt your are better than the best . . ."

ACRONYMS

E-C…………………………..Electronic commerce

E-P…………………………..Electronic procurement

B2C…………………………Business to Consumer

M-business (commerce)…….Mobile Business/Commerce

ABSTRACT

The Purpose of this study under the topic of "Electronic Commerce and Procurement" aimed at examining the role of effective e-commerce on the efficiency of the procurement functions in Game retail shop

The methodology applied for this study was mainly a descriptive and analytical type of research. Whereby it also included the use of quantitative and qualitative methods which the researcher used to collect both numerical and non-numerical data respectively, these methods was used in order to avoid bias in formations that would arose from the data being collected

Findings, when the final results were tabulated, the researcher found out that most of the rural living are computer illiterate, hardly know how to read and write, on the technological perspective, there are few technocrats to handle and control the security for efficient running of the online venture,

The researcher therefore recommended the government to introduce a supportive syllabus in Primary and Secondary schools so as to revamp the trend for the next generation, the business fraternity are to recruit skilled personnel, lastly the government currently should embark on mass sensitization on the new development

In conclusion, the government has the biggest role to play in full transformation through her relevant authorities with the help of the Medias, on the business fraternity they have to bare the cost of relevant directives like Auto Teller Machine ATM attendances for purchases using credit cards to enable the shoppers easily learn

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CHAPTER ONE:

INTRODUCTION

1.0 OVERVIEW

This chapter consists of the background of the study, problem statement and purpose of the study, research objectives and the research questions, scope of the study, significance of the study and structure of the study.

1.1 HISTORICAL BACKGROUND

E-commerce applications began in the early 1970s with such innovations as electronic transfer of funds. However, the applications were limited to large corporations and some few daring small business, then later come Electronic Data Interchange (EDI), which added other kinds of transaction processing and extended participation of the Internet and the introduction of the Web in the early 1990s, from then EC application have rapidly expanded. (Turban, Rainer & Potter, 2003)

(McKeown, 2003) the field of e-commerce is broad, there are many applications of EC, such as Home Banking, Shopping in Electronic Malls, Buying Stocks, finding job, conducting an Auction, Collaborating Electronically with business partners around the Globe and Providing customer services.

(Mary, E. Brabston, et al, 2001) Electronic commerce (e-commerce or EC) describes the Buying, Selling and Exchanging of Products, Services and Information via Computer Networks, primarily the Internet. Some people view the term e-commerce as describing transactions conducted between Business Partners. To them, the term E-Commerce seems fairly narrow, so many use the term e-business (electronic business) instead, it refers to a broad definition of EC, not just buying and Selling, but also serving Customers,

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Collaborating with Business Partners, and conducting Electronic Transaction within an organization.

1.1.1 THE THEORETICAL PERSPECTIVE

Sarantakos (1997) defines a theory as a set of systematically tested and logically interpreted propositions that have been developed through research that explains social phenomena.

Kerlinger (1973) defines (theory) as a set of interrelated constructs, definitions and propositions that presents a systematic view of phenomena by specifying relations among variables and predicting the phenomena

1.1.2 GAME THEORY attempts to predict how rational people will have in competitive situations. By so doing, it helps people who are competing develop strategies that will combine high gains with low costs. While game theory is most widely used in military strategy, it is also used in industries where individual firms must adjust their actions to the likely actions of the competitors. Game theorists may, for example attempt to describe how competitors will respond to prices, or a new advertising complain (Stephen P. & David A. 2001).

1.1.3 CONCEPTUAL PERSPECTIVE

According to Leonard Jessup & Joseph Valacih (2003) defined e-commerce as the buying, selling, marketing and services and information over the internet, extranets and other networks, between an internetworked enterprise and its prospect customers, suppliers and other partners, which consumer-to-consumer business-to-business and consumer-to-consumer

James A. O'brien, 2004, agues that e-procurement is an electronic acquisition of goods and services for organizations. It is also of the web-based technology to support the key procurement processes, including requisitioning, sourcing, contracting, ordering and payment

1.1.4 CONTEXTUAL PERSPECTIVE

Game is retail shop established in the year 1970, now it has established her branches in Nigeria, South Africa, and Uganda etc. Game deals in items like, groceries, utensils, detergents, electronic appliances, canned foods, alcoholic and soft drinks, scholastic materials, toys, machineries, sports kits, cosmetics etc.. Game retail shop is located at plot 2-8, Lugogo mall, Lugogo Bypass Road, Lugogo-Kampala approximately four (4) kilometers away from the main city center

1.2 STATEMENT OF THE PROBLEM

The limitations facing game retail shop are basically categorized in two forms these include Technical limitations ranging from, order fulfillment of large scale B2C requires special automated warehouses, limited accessibility, software development tools are still evolving whereas the Non-Technical ranges from national and internal government regulations are often big obstacle, many legal and public policy issues, such as taxation are as yet unresolved, clients still not sufficiently trust faceless, paperless transactions. (Epfraim et al 2002)

1.3 PURPOSE OF THE STUDY

The purpose of the study will be to examine the role of effective e-commerce on the efficiency of the procurement function in Game retail shop

1.4 OBJECTIVES OF THE STUDY

i. To examine the classification of e-commerce by nature of interaction Game

ii. To examine the effectiveness of e-commerce on the efficiency of the procurement function

iii. To find out the challenges facing Game in using e-commerce option

1.5 RESEARCH QUESTION

i. What classifications of e-commerce are being used in Game retail business?

ii. What is the effectiveness of e-commerce to the efficient operation of the procurement function?

iii. What are the challenges being faced by the Game in using e-commerce?

1.6 SCOPE OF THE STUDY

1.6.1 GEOGRAPHICAL SCOPE

The study was carried out in Shoprite Game branch approximately 4 kilometers away from the main city center of Kampala along Jinja Road in Nakawa Division

1.6.2 CONTENT SCOPE

The study was specifically to cover data on e-commerce as the major element and the first steps in the procurement process when carrying out an efficient procurement function the study will be confined to Game in order to have more valid information.

1.7 SIGNIFICANCE OF THE STUDY

The researcher hopes that the results of this study will help;

To guide Game retail shop to quickly make her economic decision while contemplating to use e-procurement

To contribute to the body of knowledge to the academia with more information concerning effective e-commerce

Future researchers will also be in position to assess the importance of EC basing on this information

1.8 CONCEPTUAL FRAMEWORK

EC is one of the interrelated activities that takes diverse directions to and fro and disseminates information to strategic managers for efficient business plan and service delivery strategies, which looks more broadly, strategically managing all resources for example (procurement, human resource, information technology and physical assets) to match service requirement for today's fierce competitive globe

Illustration of game conceptual framework

E-commerce (I V)

ee
1. Processes
E-Marketing, sales, E-payment, E-support systems, E-fulfillment (delivery) merchants, manufactures, Suppliers and consumers

2. Networks
Corporate (intranet),
Commercial (extranet)
Internet.

(Source Literature)

E-Procurement (DV)

Positive attributes

Global accessibility and sales reach, cost reduction, efficient procurement, customization, new business model, vendors' specialization, market based expansion
Negative attributes
Quite costly
Insufficient technical staff,
No proper security and law governing the venture

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CHAPTER TWO:

LITERATURE REVIEW

2.0 OVERVIEW

This chapter deals with the review of the literature on the role of effective EC on the efficiency of the procurement with the objectives of analyzing its contributions and weaknesses. The researcher will arrange it in accordance to the generic purpose of this study,

2.1 THE VARIOUS TYPES OF E-COMMERCE

Business to business B2B e-commerce a form of e-commerce in which two or more businesses make transactions or collaborate electronically and it is the major current type of e-commerce (as measured by monetary volume) other types include;

Collaborative commerce (e-commerce) in this type of EC, business partners collaborate electronically, such collaboration frequently occurs between and among business partners along the supply chain

Businesses to consumers B2C in this case the sellers are organizations, the buyers are individuals

Consumers to business C2B in this case consumers make known a particular need for a product or services and organizations compete to provide the product or services to consumers

Consumer to consumer C2C In this case an individual sells products (or services) to other individuals

Intra-business (intra-organizational) commerce in this case an organization uses EC internally to improve its operations. A special case of this is known as Business to Employee B2E e-commerce

Government to citizens G2C and others to its citizens via EC technologies government can do business with other governments G2G as well as with Business G2B

Mobile commerce (M-commerce) when e-commerce is done in a wireless environment, such as using cell phone to access the internet, we call it M-Commerce

Each of the above types of EC may have several business models therein their respective models influence the various functional areas of organization thus inevitable to procurement (Wetherbe, Bulluju, et al, 2002)

2.2 THE EFFICIENCY OF THE E-COMMERCE APPLICATION

According to **(Ralph & Reynolds, 2003)** a successful e-commerce system must address the many stages consumers experience in the sales life cycle, at the heart of any e-commerce system is the user's ability to search for and identify items for sale; select those items and negotiate prices, terms of payment and delivery date; send an order to be the vendor to purchase the items; pay for the product or services obtain product delivery and receive after-sales support

A multistage model for purchasing over internet includes;

Search and identification a purchaser can search and identify a wide range of office supplies spare parts, goods and services and maintain supplies using internet

Selection and negotiation once the purchaser has received his price quotation from the various suppliers of the item the purchaser intends to procure, he will examine and

makes his order in respect to a suitable delivery date he opt to receive the goods and services

Purchasing products and services electronically the purchaser shall then be required to complete the purchase order by sending a completed electronic form to the supplier however complication may arise in paying for the products, to avoid this problems, some companies have developed security programs and procedures for example secure electronic transactions (set) is endorsed by IBM, Microsoft, Master Cards can prevent infringement of theft

Product and service delivery the internet can also be use to deliver products and services, primarily software and written materials whereby a purchaser can download software, reports on the stock markets, information on individual companies and varieties of other written reports and documents directly form the internet

After sales services in addition to capturing the information to complete the order, comprehensive purchaser information is captured from the order and stored in the supplier's customer database. This information can include customer Name, Address, Telephone Numbers, Contact Person, Credit History and some other details

(Ephraim, et al, 2002) says electronic-market is a network of interactions and relationships where information, products and payment are exchange. Therefore when the market is electronic, the business center is not a physical building as in ordinary commodity markets but a network based location where buyers and sellers plus other partners in meet electronically

(James, 2002) for payments in EC is protected, it is protected to prevent the possibilities of wide computer criminals who could capture data and use the information to make their own purchases, they cited out the following security requirements for conducting EC;

Authentication The buyer the, the seller and the paying institutions must be assured of the identity of parties whom they are dealing with

Integrity it's necessary to ensure that data and information transmitted in EC such as orders reply to quarries and payment authorization are not accidentally or maliciously altered or destroyed during transaction

Non-repudiation merchants need protection against the customer's unjustified denial/repudiation of placing an order. On the other hand customers need protection against merchants' unjustified denial of payments made

Privacy Many customers wants their identity to be secured, they want to make sure others do not know what they buy. Some prefer complete anonymity as it's possible with cash payments

Safety Customers wants to be sure that it's safe to provide a credit card on the internet

According to Turban, Mclean & Wetherbe, 2001 states that, the transformation that the e-commerce has instituted on the retailing systems by eliminating of the traditional distribution channels and the rise of new once, and the impact on distribution strategy, in the traditional distributional channel, there are intermediating layers, such as Wholesaler, Distributor and Retailer between the manufacturers and the consumers, Owing to the presence of the Internet as a marketing and product selection vehicle, customers are beginning to question the value offered by the traditional channels, by using Online support, the traditional intermediaries are eliminated and this phenomenon is called

Disintermediation, and in response to this great change. Traditional intermediaries like retailers and stores have initiated online stores while keeping their traditional way of dealing though now in a different. The new electronic intermediaries' gazettes include; E-mails, and Production selection agents, and its termed as **Re-intermediation**

2.3.1 SUMMERY FOR GENERAL SECURITY ISSUES

web browser   internet   web server

(Java, applets.)

Components of   **Privacy**   **Athentication**

Clients' side   Integrity   Authority

Privacy   **Audit**

Authentication   **Integrity**

Non repudiation
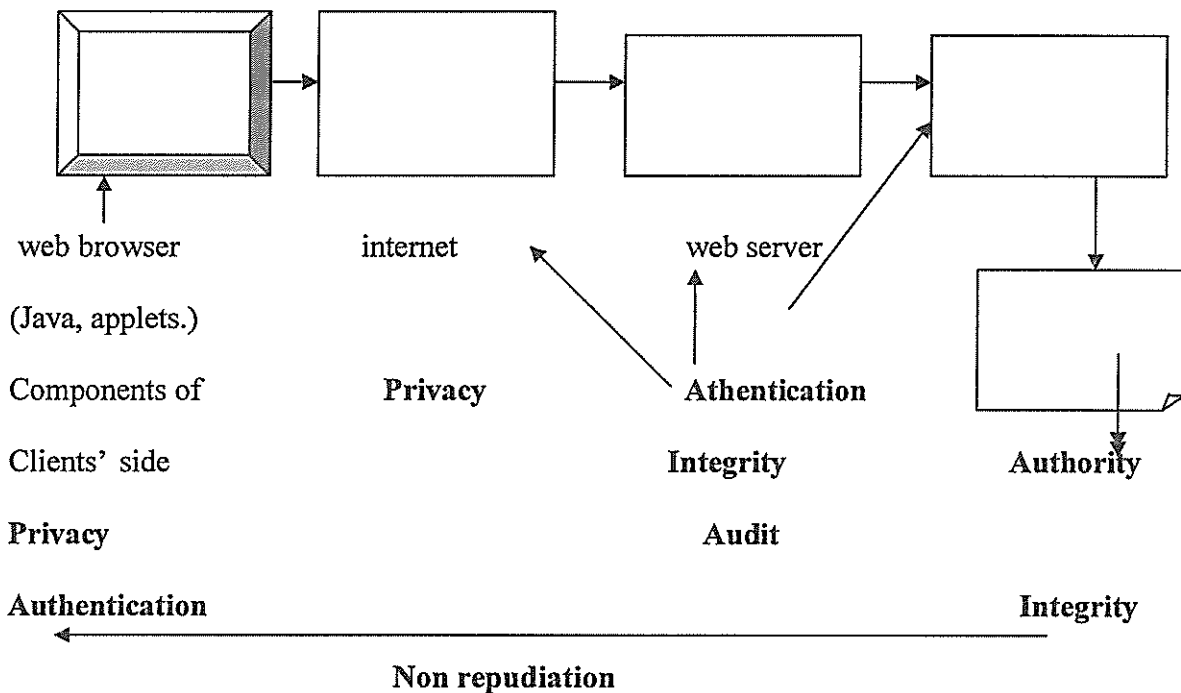
2.3 THE CHALLENGES OF ECOMMERCE

James, 2004 cited that several Legal, Ethical and Public policy issues are associated with the implementation of e-commerce. This comes into action because Buyers, Sellers and some other Partners in the transaction can not physically see each other and might be in different countries, there are chances for dishonest act as often witness on the internet. (James A, 2002) cited some of the following as the challenges the both parties involves in the e-commerce face incase of need for transaction;

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Internet stock fraud Stock promoters falsely spread rumors about the prospective company (ies) they touted. Though in some cases the information provided might be true, the promoters did not disclose that they were paid to talk up the companies. Fraudulent stock promoters specifically target small investors who are lured by the promise of fast profit, such actions trigger frantic buying thus when prices go up, the promoters sell the stocks they purchased at a low price aware that prices are not stable loses money

Other financial fraud Stocks of the many areas in which swindlers are very active these area include selling bogus involvements and Phantom business opportunities. This is being propagated by the availability of web and electronic mail

Fraud in electronic auction there will be much more complaints about fraud in electronic auction than even may be stocks it self because these are cheap golden opportunity that hacker pray to grab by two hands

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CHAPTER THREE:

METHODOLOGY

3.0 OVERVIEW

This chapter presents and describes methods and techniques that were used to collect and analyze data. It included the Research Design, Sampling Procedure, Sample, Data Collection Instrument, Procedure Analysis, and Data Analysis

3.1 RESEARCH DESIGN

The researcher in this study mainly used a descriptive and analytical type of research. Whereby it also included the use of quantitative and qualitative methods which the researcher used to collect both numerical and non-numerical data respectively, these methods was used in order to avoid bias in formations that might arise from the data being collected

3.2 SAMPLING PROCEDURE

The researcher used a simple random sampling technique in a sense that whether one was on probation or confirmed were all considered during the study. The identification of respondents depended on the willingness and availability to take part in the exercise of the study, which were conducted from the various departments. It was from this that the sample of respondents was randomly selected.

3.3 STUDY POPULATION

The study population comprised of 15 respondents and out of this population, a sample of 14 were selected from the different departments from which final report were compiled by the researcher

3.4 SAMPLING TECHNIQUES AND PROCEDURE

The researcher used a simple random sampling technique. The researcher used this technique to avoid biased selection. A correlation was used to find out whether effective e-procurement functions are adopted by retail shops. The various departments formed the total population upon which the researcher randomly selected the respondents.

3.5 SAMPLE SIZE

The researcher was able to obtain a total population from the various departments of purchase, sales, risk and managements. These departments enabled the researcher to draw up sample size from the total population that were involved in the study to come up with the final conclusion

Table One: Numbers of respondents in the respective departments

Department	Number of respondents
Purchase	6
Sales	5
Risk and loss	4
Total	15

[Krejicie and Morgan, 1970]

3.6 DATA COLLECTION INSTRUMENTS

The research data was collected by the use of questionnaires method. Whereby the researcher issued out some structured questions to the willing respondents who are guided by some open ended questions and close ended questions to specific number of

respondents who were be required to fill the multi-choice questions and in some case are meant to give their own opinion

3.6.1 QUESTIONNAIRES

These was a set of written questions which guided the respondent to fill in the gaps that are on the open-ended and close-ended questions from which the researcher was able to capture individuals opinions. Close-ended questions, these are short and direct responses. The data that were given were highly contributive to the researcher's conclusion and recommendation because it was taken as first class information.

3.7 RESEARCH PROCEDURE

The researcher have submitted the research proposal to the University authorized body and then the researcher was permitted by the University, School of Business and Management to Game located at Lugogo by-pass road in order to enable the researcher to carryout the research. The participants who participated in the exercise were guided by the questionnaires and were requ ired to fill in the spaces that were provided in the questionnaires. Data collection was based on the questionnaires from which the answered questions paved ways for the researcher to draw the final conclusion in the final report

3.8 DATA ANALYSIS

After obtaining the data, the researcher coded the data, edited it and critically analyzed it to ensure vivid data that were obtained is not encrypted (denied accessed) to ensure maximum validity of information being searched, these data were obtained from the correctly filled questionnaires. Analysis was carried out by use of frequencies, percentages and true findings were represented using bar graphs, pie-chart, and line graphs.

CHAPTER FOUR

FINDINGS

4.0 OVERVIEW

This chapter presents answers obtained from questionnaires that was distributed to the various respondents and followed by critical analysis of the findings in accordance to the study objectives.

4.1 CHARACTERISTICS OF RESPONDENTS

The respondents were categorized into three different forms in order to establish whether there was fair representation of the study population and that the respondents were informed to provide adequate data that would be relied on to make valid conclusion.

4.1.1 Classification of respondents according to background

Table two: Respondent's age composition

| Age group	Frequency	Percentage %
18-25	5	22
26-35	7	45
36-45	1	15
46 and over	2	18
TOTAL	20	100

(Primary source)
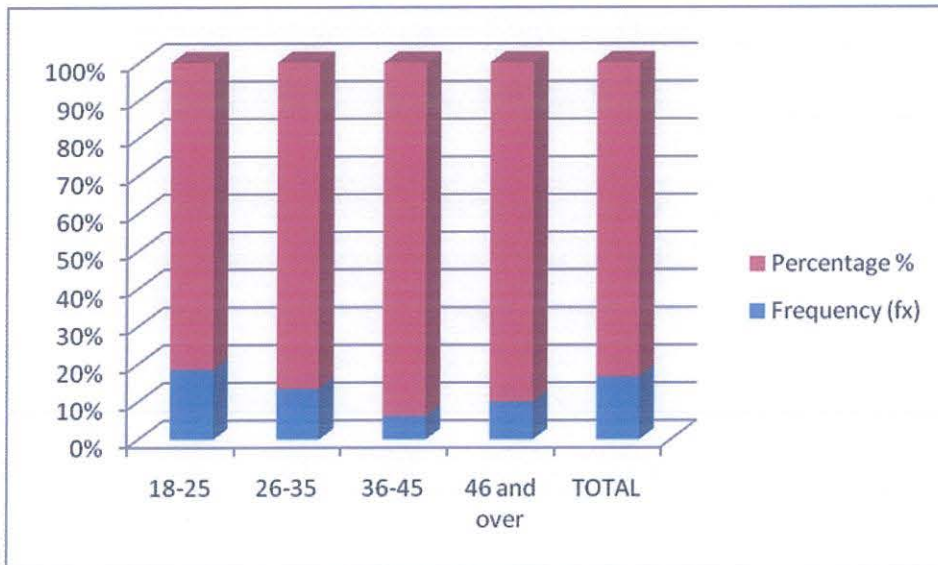
According to table above, 20% were between 18-25 years of age, 10% were between 26-35 years of age, less than 10% were between 36-45 years of age, and 10% were between 46 and over. From the above analysis, it was indicated that at least all age groups were represented irrespective of the reason either under age or over aged according to the retirement age of Uganda or according to the laws of Uganda therefore all age group were catered for in study, the representation was fair.

4.1.2 Characteristics according to gender

Table three: List showing gender composition of respondents

| GENDER	FREQUENCY	PERCENTAGES
MALE	8	35
FEMALE	10	65
TOTAL	18	100

Source: Primary Data
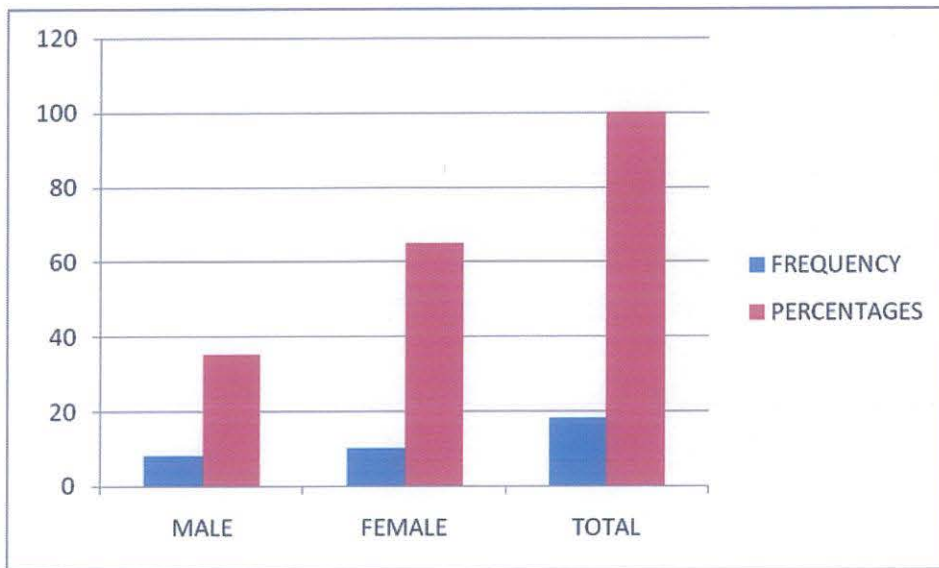
In respond to above table it reveals that female employees are a little more in terms of their percentage composition compared to their male employees, the female were 65% and the male took 35% this galloping female number made it very easy to get vivid information about the new innovation that the country is now trying to adopt

4.1.3 Characteristics according to educational background

Table four: List showing educational level of respondents

Age(years)	Frequency	Percentages
Primary and below	-	-
Secondary	3	15
Tertiary institutions	5	25
Degree and above	7	60
Total	**20**	**100**

Source: Primary Data
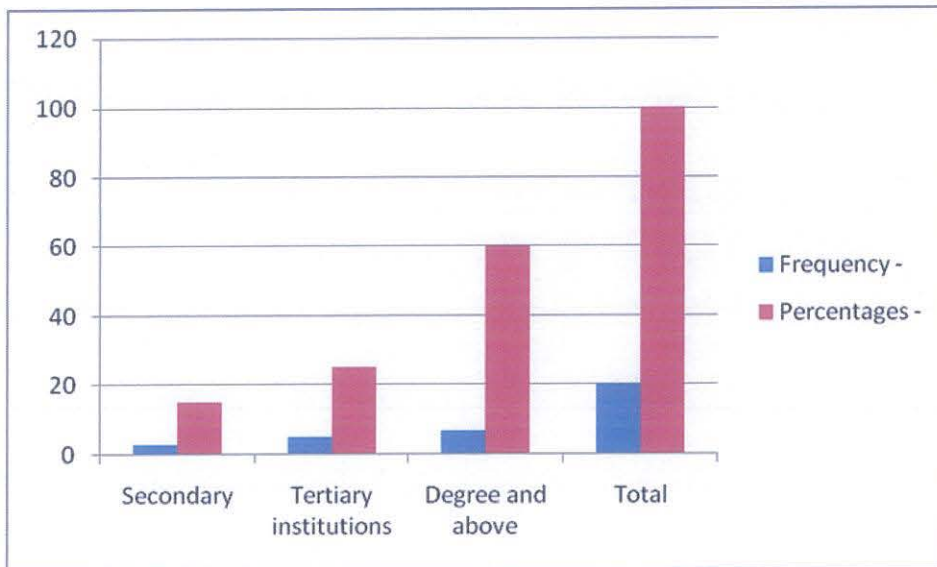
From the table, no employee with his or her education level is was in primary and below,15% the education level was secondary, 25% the education level was tertiary institution and 60% the level of education was degree and above.

There was also fair representation of the study population since the respondents had relatively good education.

## 4.2 CLASSIFICATION OF E-COMMERCE ADOPTED BY GAME

The researcher found out that Game is a retail shop that customers oriented literally known as *Business to Consumers (B2C)*. They are Business to Consumers (*B2C*) because their major interest is to diligently serve their clients with whom Game belief they are the driver of her survival. Game will always purchase goods and services from various selected suppliers and then add value to ensure maximum consumers satisfaction. Among the services that Game offer to the customers are, fresh foods and fruits are well packed refrigerated to keep its quality taste for customers safe from dirt's, chicken fillets are wrapped in safe paper bags, apple are imported from Israel, china for their quality and safely kept to ensure customers are maximally satisfied with their services, complex and

technical machines like DSTV Disk, washing machines are installed to customers who leaves within allocated place also bulk purchases are offered free transport within a specified distance, price and cash discounts are equally offered to ensure customers are fairly rewarded.

SUMMERY OF GAME CLASSIFICATION

Table five: Bar graph showing reasons why Game is B2C

Reason For Classification	Percentage (100 %)	Frequency (fx)
Management	25	5
Cost Effectiveness	20	3
Customer Efficiency	35	10
Nature Of Service	20	4
Total	100	22
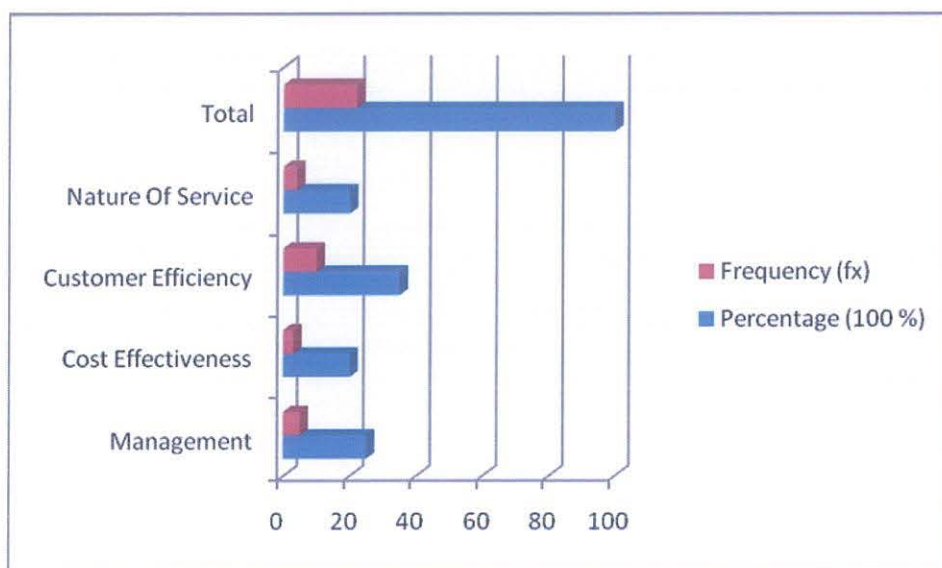
The table above states that those employees who says the reason why Game have chosen to be a cusomer oriented business was to ensure efficient management leading to total

satisfaction were 25%, while cost effectiveness were 20% they augue that being cost effective means injecting low at prouction point whilev obtaining high high quality at the end of the day, up to 40% says their reason for being is customer total satisfaction via being efficient, deligent, and unique in such a way that every person would need them every time, nture of their service took up a lead at 25%.

## 4.3 THE INEFFICIENCIES IN GAME E-COMMERCE APPLICATION

The inefficiencies that game is facing is categorized into two, (1) technologically Game is lagging behind because the technological evolution is at the summit, so rapid that it has become very difficult for Game to adopt them up all in time yet on the other hand customers once hard about new development, they feel like they should adopt it instantly. Some of these advances are like the (i) smart card also known as E-card which involves three types of payment methods. *Credit card, charge card, debit card,* (ii) virtual credit card, (iii) E-wallets and Digital IDs, (iv) Micropayment, (v) electronic checking and (vi) Home delivery for customized orders. These are some of the major loopholes that competitors in that similar or related field around the city have fully exploited, attracting thousands of the potential customers away from Game. Also to mention is the manpower to efficiently drive these machines are inadequate.

Non-technologically, Game is suffering set back of clients being so resistance to new model of business and services Game has adopted, some ask these question "they order and pay up online, what if Game failed to deliver, how will they be compensated and whom will they go to address their problems since the new model of business Game has adopted is not catered for in Uganda court of law". And also some customers from up

country who are in most cases computer illiterate rejects the mode simply because they can not transact online and fears to be robed by the hackers.

**Table six: list showing the level of inefficiencies prevailing in Game business venture**

Prevailing inefficiency	Frequency (fx)	Percentage (%)
Technologically	8	35
Non-technological	12	65
Total	20	100
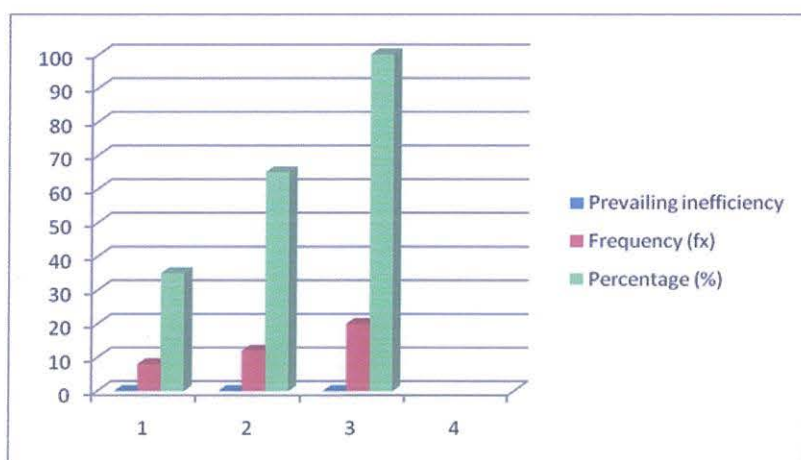
In the table above, 30% agreed that the inefficiency that Game currently is battling with is technological, they argue it that the evolution rapidly dynamic each and every day the new development is coming up yet they are expensive to purchase and install them. Mean while a great number of 65% says it is not so much of technology but rather non-technological and that here customers are not yet oriented to faceless, less transaction, customers themselves still lagging on the new evaluation this post difficulty during and even after transaction

4.3.1 SUMMERY ACCORDING TO THE RATE OF INEFFICIENCY

Rate of inefficiency	Frequency (fx)	Percentage (%)
High	10	50
Low	7	40
Moderate	6	10
Total	23	100
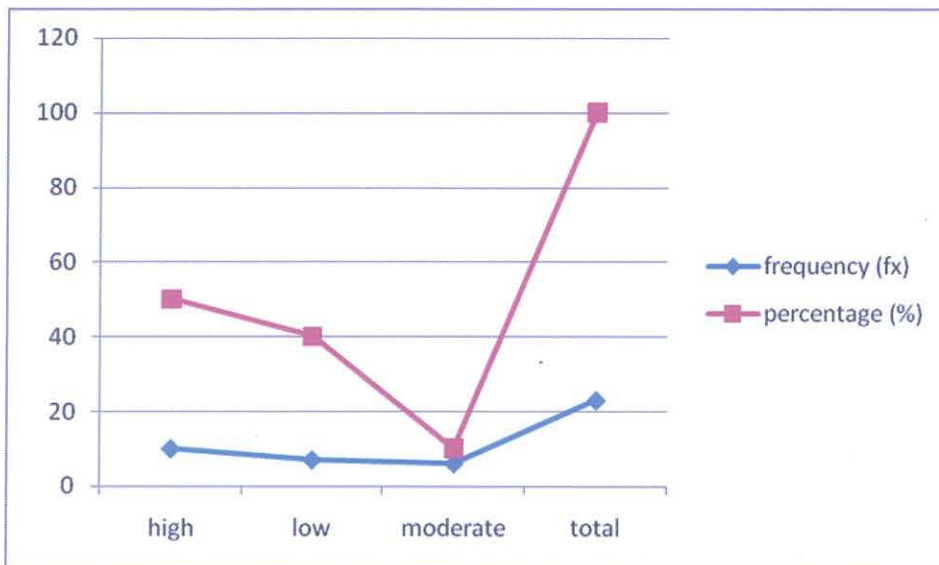
From the above line graph, the level of inefficiency that Game if face is abit high as it is represented up by 50%, infromation is as reflected in the customer purchase level, however Game with all the hope gain back her previiors high sales when customers begins to conform. This is because quite moderate attracting number are appreciating the new innovation, they are reflected by 40% mean while 10% is recorded for low

Although the inefficiencies are being captured, Game has minimally diminished in its sales as compared to the previous days. Quite a good number of potential customers are at least lost transaction with Game, annual dividend of Game has equally gradually diminished in amount.

Table seven: Characteristics according to the result of the inefficiencies on game

Effect of inefficiencies	Frequency (fx)	Percentage (%)
Low sale	10	50
Low turn up	10	50
Total	20	100
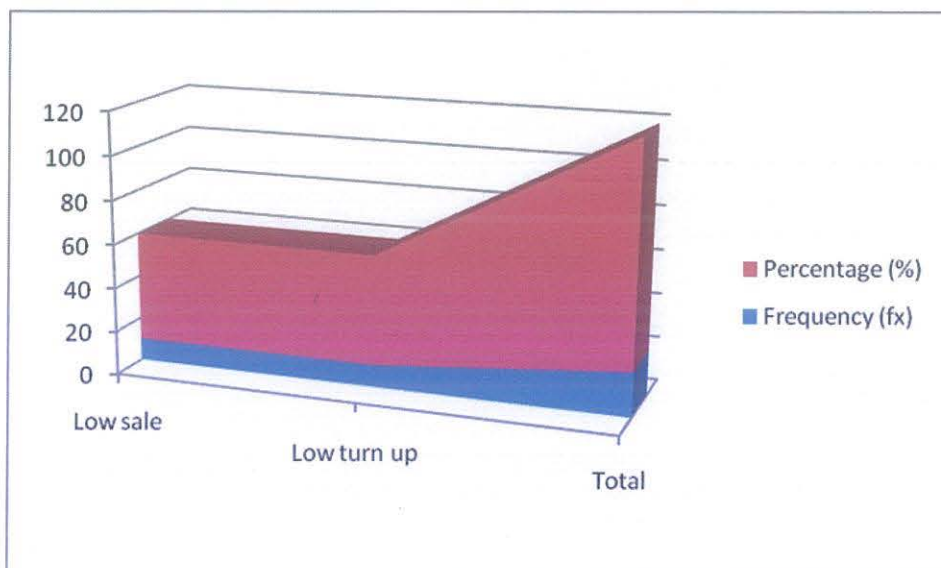
From above area, it depicts that really Game perceives problem, up to 60% says there is low sale and 40% says there is low turn up of the customers. All this justifies that e-commerce is not yet fully adopted

Table eight: The effect of the inefficiency on the department

Effect on the procurement	Frequency (fx)	Percentage (%)
Inadequate purchase	2	5
Disruption of official work	14	50
Limited communication	8	30
Inconveniency to customers	10	15
Total	34	100

Frequency (fx)
- inadequate purchase
- disruption of official work
- limited communication
- inconveniency to customers
- Total
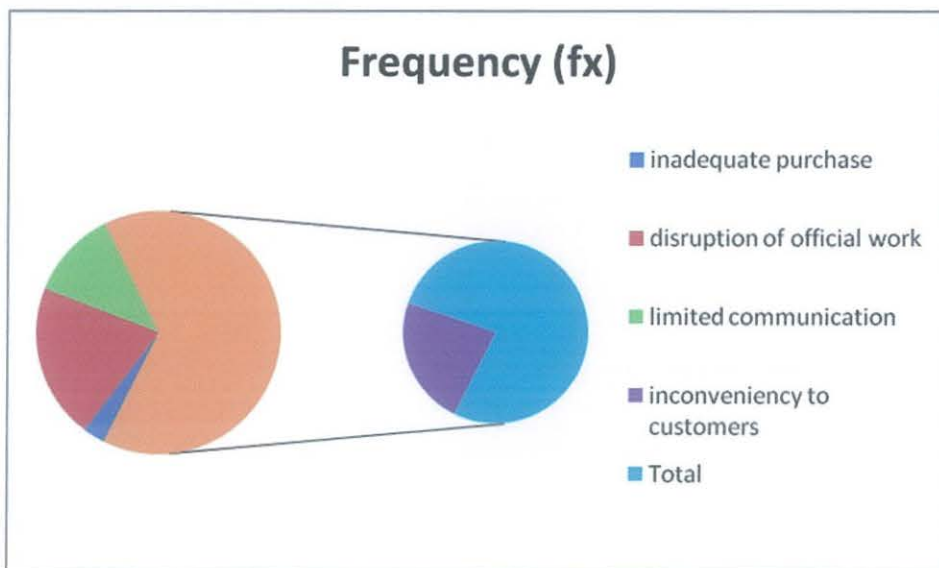
From the pie-chart the inefficiency as had maximum out come more especially the procurement department causing it to inadequately purchase stocks in time, when the machine breaks down it disrupt the official work, and so it inconveniences customers for what they need due to cut off in the communication link.

Table Nine justifies why game is experiencing the inefficiency

Why the inefficiency	Frequency (fx)	Percentage (%)
Hiked price	8	29
Competitors	14	60
Net work conjunction	2	4
High taxes by Government	4	7
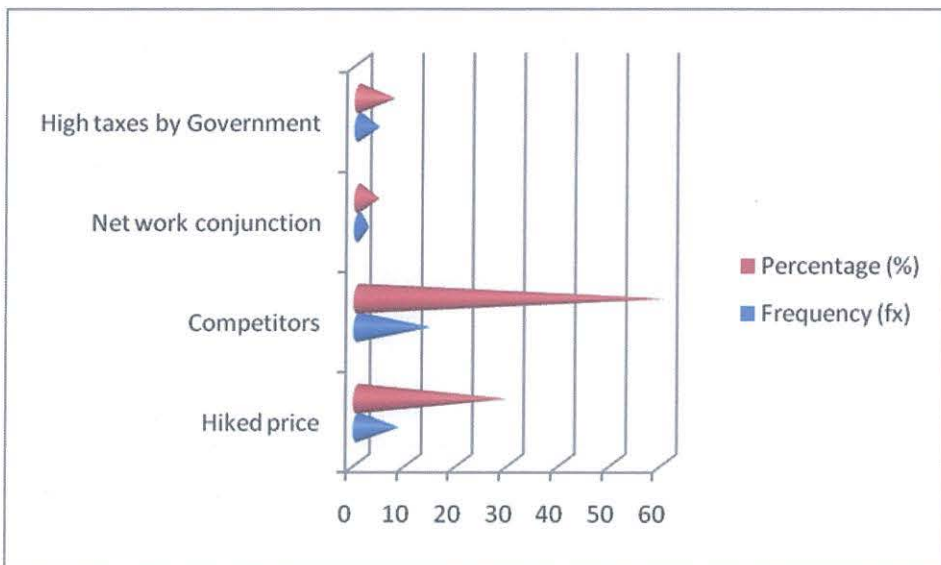
In the pyramid, much as the government have hand in giving unsuitable conditions of operation to Game, it is not so much of government since it represents a very minute percentage, conjunction equally have very low that could not be a big threat finally the recent global economic crisis leading to hiking of price also had limited influence on efficient function of the procurement but the biggest catastrophe is the competitors represented by 60%, this is as its represented by rapid emergency of the new retail shops.

4.3.2 PROBLEMS FACING PROCUREMENT DEPARTMENT OF GAME

Basically the procurement department is facing the challenges of inadequate skilled personnel who could have easily step up the necessary technical problems. In most cases transacting online means getting connected to the whole world, Game's computer breaks down with technical fault, the hackers block the connected systems by using a Distributed Denial Of Services (DDOS) or descends Malicious Damage with the aim of overloading its resources there are hardly any quick turn up for the repair or powerful security measure executed in time, these has had maximum impact on the shop to mention but a few are; the shop obtain law sales, some then prefer to use the former system of transaction, disruption of official works, limits communications.

Table Ten: Summery of challenges e-commerce

Challenges faced	Frequency (fx)	Percentage (%)
Inadequate technical personnel	9	18
Hiked price	8	15
Clients preference	4	2
All mentioned	12	40
Environmental factors (low buying power)	8	15
Seasonal factors	7	10
total	48	100

Frequency (fx)

- Inadequate technical personnel
- Hiked price
- Clients preference
- All mentioned
- Environmental factors (low buying power)
- Seasonal factors
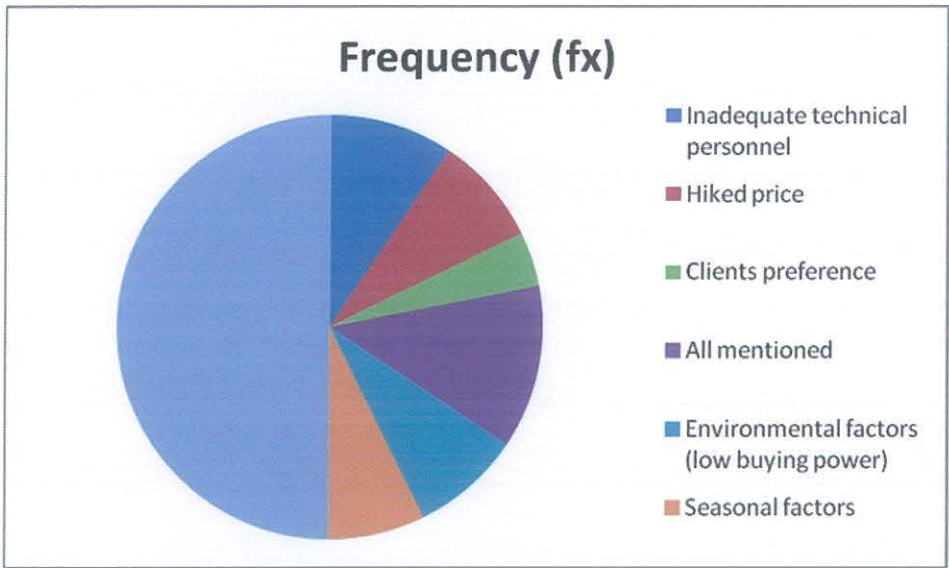
In the pie-chart, there are a lot of challenges of inadequate technical personnel, hiked price, clients still wanting to be treated in the old style of face-to-face system, also to mention are the environmental factors that might be pressuring the customers therefore limiting their purchasing power and of cause the seasonal factors of school fees, season of the year and many more as it also determine effective purchase power of various purchasers.

4.3.3 LIKELY THREATS THAT WILL AFFECT PROCUREMENT DEPARTMENT IF IMMEDIATE ATTENTION IS NOT TAKEN

The likely threats that procurement will face is sabotaging the image of the procurement, three shall be frequent stock-out in the stock, the procurement department will readopt to the former logistical system and decision, all these results shall bounce back to the quality as are now being focused at, and the delivery shall be slow

Table eleven, showing the likely threat that will emanate from e-commerce inefficiencies

E-commerce threats	Frequency (fx)	Percentage (%)
will sabotage image	11	51
none of these	-	-
low clients turn up	10	49
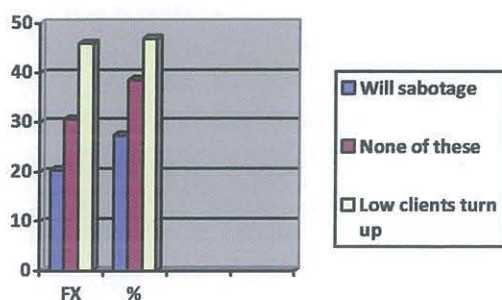
Quite a big number of catastrophe will be realized when the e-commerce transaction is not properly handled as early a now, otherwise the low clients turn up will persist and will also sabotage the good reputation of the Shop. Basing on this study it will fair when the inefficiencies in the e-commerce are early addressed.

4.3.4 REMEDIES TO PREVENT THE ANTICIPATED CATASTROPHES

The only remedies that Game can adopt to prevent the anticipated catastrophe shall be by training a good team of technicians, educating the public on how to positively adopt the new innovation; then Game should also install the new evolution such as credit card and debit transaction, door to door delivery for hard ware goods

CHAPTER FIVE:

DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.0 OVERVIEW

This chapter presents discussion, conclusions and recommendations drawn from the discussions of findings and are closely related to the purpose and objectives of the study. From the discussion will take on the generic purpose of the study, upon which the hypothesis will be tested. The interpretation of the study will also be expressed to elaborate why the results are presented in tables, graphs, pyramid and pie-chart and vital to note is how this information on E-commerce are related to what other researchers have already reported. The conclusion will be take on report from the research study and the last part of this shall be the recommendations which will cover where further research can be mounted in future by young energetic academicians, will also show what other researchers have presented on that same topic.

5.1 DISCUSSION

This research will focus on the researcher's finding, E-commerce as seen in the study is a new developments that was established in 1970s but only became to be more attractive in the early 1990s. This is the period when both small and big business firms, offices, the general public began to adopt the e-commerce activities. Now it is blazing up to it's submit every where both town and rural living in most western countries have already adopted this innovation, but Uganda is still basically urban based. During the study the researcher made a critical field study of classification, inefficiencies and the catastrophic features of e-commerce that the users are prone to or are already facing therefore this

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study sought to address such catastrophe that an individual engaged in such would not cherish.

The study covered the inefficiency that is persisting amongst the e-commerce whereby the study aim at addressing such loopholes, giving highlights of what to do if such happens. It is reflected in table eleven. It showed the strengths of competitors who are aggressively rooted in the e-commerce in comparison they end up holding quite a big number of clients whom they diligently, effectively and within very few minutes serve quite a big number of them. The best example is depicted in soft goods delivery, online orders are made out by thousands customers but within few seconds each is served per order made (Leonard & Joseph, 2003)

The absent of e-commerce is also measured during the study it reveals that the business will lose its reputation and that it will experience a very low sale (table ten)

These findings are made in table and figures because the researcher prior to the choosing, the researcher had discovered the total population of the study that made it easy for the researcher to determine the sample size presented in figures and table upon which computation of data will be based (Krejcie and Morgan 1970). With this standard computation of the data and its interpretation

5.2 CONCLUSIONS

During this study, the researcher in testing the data it reveals that "it's only from research that is when somebody will know that there is/are problem (s). One might indirectly or directly get affected but not until one is told about it, one will never realize, that there is/are problem (s) thus will fail to find out the remedies and this will be a problem forever".

5.3 RECOMMENDATIONS

Basing on the study carried out, the researcher recommends the following;

The government through its relevant authority should embark on intensive mass education program on how to coup with the new evolution that seems to be the current trend of life especially for business communities. This should be done through various media houses such as radios, televisions, printing and press media, through the magazines, and also through the government stakeholders.

The business fraternity should employ skilled personnel to ensure that efficient monitoring and evaluation are observed and also to help in giving out relevant technical support to the potential customers

At institutional level the government should endeavor to form a supportive syllabus to address the high illiteracy level which is so much rooted in the rural places for the brighter future of the next generation education should be included in primary and secondary school syllabus to ensure that the next generation do not suffer the same

5.4 AREAS FOR FURTHER RESEARCH

How should the redress of the online purchase be handled?

What should be done to ensure the citizens more especially rural living to appreciate the importance of e-commerce?

What should be done to overcome the problem of computer hackers?

What should be the relevant remedies to enrich the telecommunication bandwidth is insufficient, especially for Mobile business (M-Commerce)
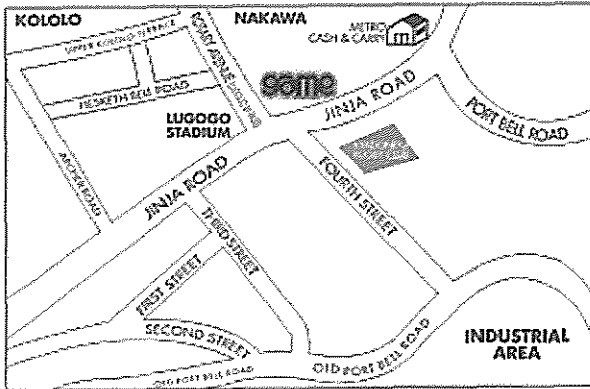
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APPENDIX A. TIME FRAME OF THE STUDY

Months	Activities	J	F	M	A	M	J	J	A	S
Jan										
Feb										
Mar										
Apr	Proposal				▉					
May	Data collection					▉				
June	Dissertation						▉			
July	Submission							▉		
Aug										
Sep										
Oct										
Nov										
Dec										

Appendix B. Budget for the study

ITEM	AMOUNTS ARE IN UGX.
Typing and Printing e.g. Stationeries, secretarial services, data analysis, data access, binding etc	150,000
Literature collection e .g. Source of data such as Library, Journals, Current affairs, surfing, etc	100,000
Field Data collection e.g. tax fare...,	90,000
Communications talk time. Easy access to people whom I shall be required to inquire vital information's from	50,000
Miscellaneous e.g. any unplanned occurrence but deserve immediate attention either from the field or in the course of the research	70,000
GRAND TOTAL	**460,000**

Appendix C. Illustration showing the location of game retail shop

(Google game store Uganda.com)