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EFFECTIVENESS OF ONLINE PURCHASING ATTRIBUTES ON COMPANY PERFORMANCE. A CASE OF TELONE ZIMBABWE.

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The undersigned certify that they have supervised the student, Ashley Mutemararo (**R136267T)** dissertation entitled: **The effectiveness of online purchasing attributes on company performance**, submitted in Partial fulfillment of the requirements of the Bachelor of Commerce Honors Degree in Marketing Management at Midlands State University.

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SIGNED……………………………………………………………….

DEDICATION

To my greatest blessing, the Mutemararo family……...

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Firstly, I would like to express so much gratitude to the Almighty Lord for granting me life, a lot of positive energy and divine intervention to carry on with my project till this time. I would also want to thank my supervisor Mrs Ngwenya for her continued guidance and help throughout the whole project. It is also such an honor to express so much appreciation to everyone who participated in the completion of the project including the customers, Telone staff and the marketing department. Last but not least I would want to appreciate the positive drive that came from my beautiful family and friends. I am deeply grateful is nothing but lack of choice of words. God bless you all…

ABSTRACT

There is stiff competition in the telecommunication sector where companies are coming up with brilliant ideas in order to fight the competitive world. The purpose of the research was to investigate the effectiveness of online purchasing attributes on company performance. A case study on Telone Zimbabwe. The purpose of the research were to find out the impact of web quality on customer loyalty, to determine the effectiveness of e-payment system on sales volume and to determine the effect of online retailing on market share. Research questions further explained the research objectives. Literature review was conducted to know what exactly various authors explained about the research objectives which was answering the research questions. These different authors were highlighted their views so as to get a deeper understanding theoretically. The findings from Gallego et al (2015), Mohd and Tahir (2009) and Jiradilok et al (2014) covered website quality, consumer purchase intention, customer satisfaction, e-commerce and sales volume. In addition of what the researchers looked at, the researcher wants to research on web quality, e-payment system and online retailing basing with a telecommunication company in Zimbabwe on the topic entitled the effectiveness of online purchasing attributes on company performance. A case study of Telone Zimbabwe. Descriptive research design and exploratory research design were used. Questionnaires were distributed to collect data from consumers and the questionnaire made use of a five-point Likert scale in order to rate the effectiveness of web quality, e-payment system and online retailing. Interviews were undertaken of employees and management. The results showed that website quality has an influence on customer loyalty, electronic payment system types has an effect to sales volume and online retailing also has an effect on market share. The results showed that there is an influence in purchasing online and has contributed to the revenue of Telone Zimbabwe. It was evidenced from the study that online purchasing has an influence on company performance. It was recommended that Telone must cultivate its customer relationships to know what customers want on the website and be innovative to have a better website. It was also recommended that Telone must have online sales promotions on voice to boost e-payments. Failure to utilize online purchasing in this era of technology will result in the organization underperforming.

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CHAPTER ONE
GENERAL INTRODUCTION

1.0 Introduction

The researcher investigated on the effectiveness of online purchasing attributes on company performance for Telone Zimbabwe. Online purchasing has now been implemented by so many companies as a strategy to boost sales and convenience of customers. The researcher tackled the background of the study and the statement of the problem. Also in this chapter the researcher did research objectives and research questions, significance of the research, delimitations, assumptions and limitations.

1.1 Background of the study

Online marketing according to TN Media (2003) is any tool, strategy or method of getting the company name out of the public. The advertisements can take many different forms and some strategies focus on subtle messages rather than clear cut advertisements. According to Williams (2012) online marketing is whereby products or services and brands are promoted on the internet. Activities that are practiced under internet marketing or online marketing are e-customer relationship, e-marketing and any promotional activities undertaken by wireless media. It is therefore the use of internet to market and sell goods and services (Sharma: 2014). It aims at driving customers to use the company's website where customers will be able to purchase online or through another channel. Kotler (2000) defines company performance as how effective an organization is in fulfilling its purposes. Company performance focuses on several factors and according to my study they include sales growth, market share and profitability.

Gallego et al (2015) conducted a research to find out the impact of business to consumer e-commerce codes of conduct on sales volume: lessons from the Spanish perspective. The aim of the research was to find out if there is a relationship between corporate image and corporate satisfaction among business to consumer organization who possess codes of conduct and study their effects on sales volume. The purpose was to measure impacts of both corporate image as

well as measure corporate satisfaction on online sales volume increases. The results showed a positive impact on the increase in sales volume.

Another research was mainly focusing on the web quality and customer internet purchase intention of air ticket. Khanh and Kandapully (2002) acknowledges that quality of a website is a tool to increase efficiency and effectiveness of services of firms. This research was done by Mohd and Tahir (2009) in Malaysia where the researchers mainly focused on investigating the relationship between web quality dimensions as antecedents of consumer purchase intention of air ticket. Website quality is a component which has an impact on company performance. The findings in this study vividly displayed a direct relationship between empathy and online purchase intention. Area for further study is customer relationship management, customer online purchase and factors affecting customer online behavior.

In another research done by Jiradilok et al (2014), they analyzed the impact of customer satisfaction on online purchasing. The researcher emphasized on customer satisfaction, purchase intention and e-commerce. Results that came out of this research indicates that experience in purchasing has a significant influence on purchasing intention. These results also showed that variety, website system quality and tangibility have no influence on purchasing intention in customer's decision. Area for further research is to discover the core variables that influence the intention to perform an actual purchase in the perception of e-customers.

The findings from Gallego et al (2015), Mohd and Tahir (2009) and Jiradilok et al (2014) covered website quality, consumer purchase intention, customer satisfaction, e- commerce and sales volume. In addition of what the researchers looked at, the researcher wants to research on web quality, e-payment system and online retailing basing on the topic the effectiveness of online purchasing attributes on company performance. A case study of Telone Zimbabwe.

Telone Zimbabwe is a telecommunication company which offers voice, broadband and satellite services to the general populace. Telone's most famous services that it is offering are ADSL services, wifi hotspot and VSAT internet services and these services have made Telone survive since it was realizing an incremental revenue ever since in 2012 till 2014. Telone Zimbabwe started to have a decrease in revenue in 2015 and this is shown clearly in Fig 1.1:
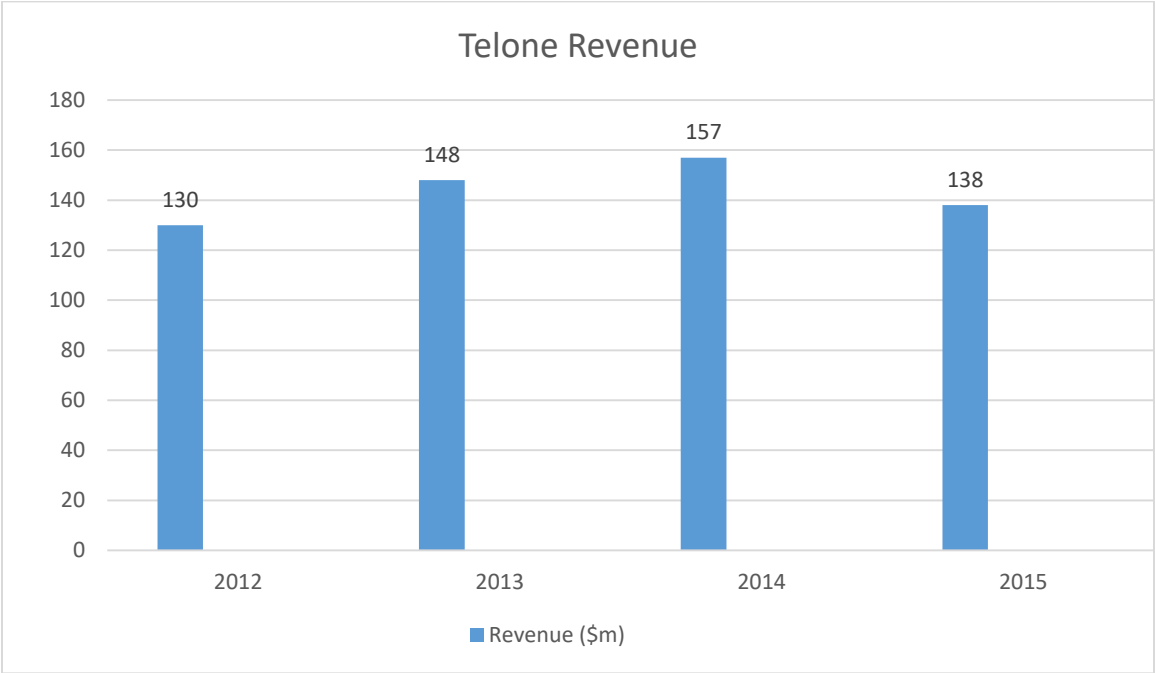
Fig 1.1 **Annual Sales Report   Adapted from Telone Zimbabwe annual sales report 2015**

From fig 1.1 Telone Zimbabwe has been operating in a profitable way till 2014 as evidenced in the diagram above. There was a sudden drop of revenue in 2015 from $157m of 2014 to $138m in 2015. From this state, Telone has been struggling to regain their revenue to increase their profits and sales and stiff competition from other players like Liquid and Zimbabwe Online which are offering fast and affordable just like Telone. There is also loss of customers due to technology, many customers are now using mobile cell phones and are terminating their services from fixed lines of Telone hence less revenue realized.

Given the challenges of revenue collection, Telone Zimbabwe introduced series of sales promotions in order to fight outraging stiff competition but the competitors like Zimbabwe Online in 2016 quickly responded by having similar promotions at competitive prices. Telone also used endorsements for example Killer T in advertisements to fight competition so as to increase revenue. However the problem was not solved even though there were attempts to resolve it.

Therefore the researcher is conducting this research to see the effectiveness of e-payment how it has contributed to the sales volume, to find out the effectiveness of web quality on customer loyalty and to determine the effects of online retailing on market share. The results of this research will resolve the problem of low revenue at Telone Zimbabwe.

1.2 Statement of the problem

The decline of revenue in Telone Zimbabwe has been a problem. There was a drop of revenue in 2015 from \$157m of 2014 to \$138m in 2015. From this state, Telone has been struggling to regain their revenue to increase their profits and sales. The competition is now stiff from other players like Liquid and Zimbabwe Online which are offering fast and affordable internet just like Telone.

1.3 Research Objectives
- To find out the effectiveness of website quality on customer loyalty.
- To determine the effectiveness of e-payment system on sales volume.
- To determine the effect of online retailing on market share.

1.4 Research Questions
- What effect does website quality have on customer loyalty?
- What importance does e-payment system have on sales volume?
- What are the effects of online retailing on market share?

1.5 Delimitations

- Research considered respondents from Mutare Zimbabwe.
- The researcher went on to use secondary data from 2012 to 2016.
- The researcher's respondents at Telone Zimbabwe were individual customers, management and employees.
- The study was carried out from January 2017 to April 2017.

1.6 Assumptions

- The researcher assumed that Telone employees and management cooperated and gave vital information.
- Key subscribers provided information that is not biased and information that is accurate about Telone Zimbabwe.
- The population sample of respondents were fully represented.

1.7 Significant of the study

- To the institution

This research will be of significance to students doing the same program because it contains more knowledge about the telecommunication industry whilst using Telone Zimbabwe as an example. The institution can benefit knowledge about online purchase which will be an added advantage.

- To the organization

The discoveries of the research encourages Telone Zimbabwe to consider various issues like web quality that might affect the organization. The research addresses customer needs and wants and satisfy them and this results in the betterment of the performance of Telone Zimbabwe. The research benefited Telone Zimbabwe to increase its market share and sales volume.

- To the researcher

The research equipped the researcher with so much in depth knowledge and understanding on online purchasing attributes and company performance. The researcher also benefited through acquiring skills of researching which are vital if the researcher join the organization permanently.

1.8 Limitations

- Some key subscribers gave the researcher another insight of TelOne Zimbabwe which is not the actual insight of the company.

- The respondents gave the researcher biased information that is employees because of the company policy not to disclose confidential information.

- Respondents were not readily available.

- The sample population was not the true representation of the total population.

- The researcher did not interview all managers and employees because they had some demanding work to be done.

1.9 Chapter Summary

This opening chapter revealed the background of the study mentioning out the history of the major problem and statement of the problem. Research objectives were outlined to have the direction of the research and research questions. Also in this introductory chapter the researcher highlighted the significant of the study justifying its importance, assumptions, delimitations as well as limitations.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

Literature review refers to a critical analysis of a segment of a published body of knowledge through summary, classification and classification of prior research studies, reviews of literature and theoretical articles. The researcher will be guided by the research objectives of the problem under study so as to focus on issues that the study seeks to address. In this chapter the researcher will be discussing various findings from various authors.

2.1 Defining Online purchase

Online purchase can also be referred to as online shopping or online buying. This refers to the consumer`s actions of placing orders and paying. This action is the most important step in online shopping activities, with most empirical research using number of purchases and value of online purchases as measures of online purchasing (Koofaris et al: 2002). According to Juso and Ling (2012) online purchasing is a process whereby a customer purchase from the internet. Online shopping can be done by customers at their homesteads and even on their leisure time. Park and Kim (2003) defined online purchasing as distance contracts, that is the service provider and the consumer enter into a contract despite of their physical appearance in an electronic way. The transaction can be done through agents, or on the market or in commercial places.

2.1.1 Factors that influence Online Purchasing

Andrade (2000) online purchasing is associated with factors of personal characteristic, vendor service product characteristics, web quality, attitudes toward online shopping, intention to shop online and decision making. Web shopping is considered as a new activity for a wide variety of consumers, online purchases are still perceived as riskier than terrestrial ones. Laroche (2005) therefore postulates that web shopping consumers will heavily depend on experience quality. A customer acquires experience quality through experience in purchasing.

Laroche (2005) have highlighted that online purchase is determined by the quality of the website. Laroche (2005) bases his explanation of online purchases which is strongly cemented by repeat purchases but Andrade (2000) says it is based on personal and product characteristics. Online purchase has several factors that are put in place and it is the last phase in the decision making for consumers to decide whether to buy online or not. However these authors' efforts failed to bring out the fact that online purchasing is a continuous process. There is need to evaluate or analyze the website and constantly updating it always so that it brings the best which is user friendly to the users that is the customers.

Basically, the main essence to make customers have convenience in the way they shop is to lead them to online shopping. Online purchase has got several advantages that is saving time, money and there is convenience. Also customers can recover all the information pertaining the product or service in a space of few minutes. Clients can purchase anywhere, anytime basing on their tastes and preferences (Vegiayan: 2013). In order for online business to prosper it is necessary for online retailers to understand the target market very well. Attitude of customers concerning online shopping is said to be strong in the empirical literature. Halimi et al (2011) emphasizes that the customers' attitudes has a great influence on the intention to shop online. Halimi et al (2011) focused mainly on making the customer love purchasing online and to know the customers' needs and wants and Vegiayan (2013) highlighted on the benefits that the customers can get when they start to use the online platform. Purchasing online depends on the type of customers you deal with. Some have internet phobia especially the generation X customers. Customers therefore must be addressed carefully so that they can quickly adapt to the online shopping. Online purchase is influenced by several factors that are going to be discussed below.

There are several factors that can be put into consideration that influence purchasing online. Rajkumar (2010) acknowledge that lack of shopping experience and postponing delivery of the service or product can influence purchasing online. Customers will not have the knowledge on how to process the purchasing online. If a consumer finds it difficult or complex to make the purchase the customer will not risk to make the online purchase. Sometimes, products or service

to be delivered will take time, there will be a delay in delivering the product or the voucher to be send in order to consume the service, therefore consumers would not be satisfied their needs.

Haque and Khatibi (2007) points out familiarity and confidence as two vital factors that influence online shopping. Successful sales history of an organization creates familiarity to customers with the service or product. Apart from this, the issue of trust affects number of factors which are important to online transactions and these consists security and privacy. When there is no trust, growth of online purchasing cannot reach its potential (Hassan and Abdullah: 2010). Armesh et al (2010) mentions that trust as an element of business relationship that controls the level of dependability basing on the promise offered by one partner and how the other partner rely on the information. When a transaction has been made by a customer, the service or product purchased must be delivered because the customer is confident enough to get the product after the transaction has been complete just as promised by the organization.

Absence of trust is a standout amongst the most often referred to explanations behind customers not purchasing on the internet (Lee and Turban: 2001). Since this shopping medium is generally new and the greater part of them have just little involvement with it, shopping on the internet gives a test to numerous purchasers. Rotter (1971) has found that in novel circumstances, individuals depend on their general attitude to trust. The most remarkable wellspring of trust in a retail setting is the businessperson, where purchaser trust is subject to the sales representative's aptitude, amiability, and likeness to the client (Doney and Cannon, 1997).

Be that as it may, with on the web shopping this physical businessperson is supplanted by help catches and seek highlights, subsequently expelling the premise of customer trust in the shopping background (Lohse and Spiller, 1998). Besides, internet shopping additionally contains a level of hazard. Customers can't physically check the nature of an item or screen the wellbeing and security of sending delicate individual and budgetary data while shopping on the Internet (Lee and Turban, 2001). This condition makes a feeling of frailty among online customers. Along

these lines trust has an essential directing impact on the connection between purchasers' state of mind toward internet shopping and expectation to shop on the web.

Armesh et al (2010), Lee and Turban (2001), Rotter (1971), Doney and Cannon (1997) all agree that trust is a factor that influence online purchase. Hassan and Abdullah (2010) understands that it is vital to know the factors which produce sense of trustworthiness. This is because it eradicates the wrong or doubtful mindset of the customer and improve their customers' consistency of online purchasing towards customers' view. The reason for customers hesitating to purchase online is because of lack of trust. Customers favors to shop online on a condition that is if the organization has good reputation with its clients. Alam et al. (2007) endorsed that several customers have issues over security and confidence lacks in the current setup online shopping. Customers view differently security and it means differently. Security can be an act of confidentially or payment term or receipt of goods. Essentially, when a business is honesty in what they do they can adopt safety of information. Alam et al (2007) and Haque and Khatibi (2007) mentions the same factor of confidentiality of information of customers and it is a key factor for online purchase to be successful. The whole essence of these factors is to make the customer be in a comfort zone to love doing business online.

2.2 To find out the effectiveness of website quality on customer loyalty.
The way a website is designed by an organization determines how many customers are going to stay there and how frequently can they visit the website. When a website is of good quality customers will spend more time and see the products that the organization is offering which can lead to loyalty of customers.

2.2.1 Defining Website Quality
 Khanh and Kandapully (2002) acknowledges that quality of a website is a tool to increase efficiency and effectiveness of services of firms. Service intermediaries have enlarged the interest of service customers because purchasing online has got several benefits that are number of choices, convenience and value of money. Businesses should work on their website quality

firstly before conducting any advertising on their website and improve online traffic as first priority also. Lim et al (2015). Casalo et al: (2008) went on to agree that website quality favors an increase of profitable consumer behaviors. Khanh and Kandapully (2002) mentions that efficiency and effectiveness is a result after an organization has hammered on website quality. When an organization is working under efficiency and effectiveness, there is profitability in that organization which tallies with Casalo et al (2008) theory.

It is common that customers continuously look for web sites that have information which is presented in a better way. Singh (2009) expressed that, 'without a good quality of information in a website, it can probably lead failure to businesses'. Information that is presented by an organization on their website is crucial because it shows professionalism of the company. Quality information displayed on a website of a particular organization can contribute to add value to the customers. Bonilla (2010) acknowledge that, 'one of the most important criteria of a website is that, it should contain readable text. Other than that by having more valuable information or descriptions of the products, customers will have more information to make decisions'. It is very important for the web site to contain relevant information that has no errors on it especially the web site has got so many services or products to sell. Bonita (2010) agrees with Sigh (2009) that a web site must have useful information that a customer may want to use, information that makes a customer convinced to buy the product. Sigh (2009) mentions the consequences of not having a web site that have information that Bonita (2010) did not mention that is failure of the business meaning that sales and profit will be affected because of website quality.

Hassan and Abdullah (2010) in their research said that 'a quality of the website can be determined by few factors such as ease of use, usefulness, easy to navigate and readable'. Zhang et al (1999) add on to mention that various features on the website are essential like loading time, color and font use, navigability and active links. It is essential for an organization to have a website as a requirement in such an ever changing environment where there is so much technological advancement. The way a customer uses the website determines the decision for the customer to purchase online or not. According to Armesh et al (2010) the way the website has

been designed must be user friendly and information must be accessible and there must be searching capabilities. Hassan and Abdullah (2010) assumes that trust is built with the business through website design. How you impress your customers who visit that website strongly develops trust and communication. What Armesh et al (2010) and Hassan and Abdullah (2010) mentions complement each other in the development of good website.

2.2.2 Influence of Website quality on customer loyalty

Jiradilok et al (2014) emphasizes that customer loyalty is enhanced through the quality of the website and Ling and Lai (2000) also agrees that for customers to be satisfied it is because of web quality and customers will make a repurchase. The easiness of the website for the customers will be of an advantage even to those customers who are resistant to technology since it will be easy to buy online and customers will be loyal to even continue to purchase online and they will be satisfied. Ling and Lai (2000) review web quality factors influencing internet buying behavior by categorizing them into three groups, two of them are motivators and hygiene factors and media richness factors. Hygiene factors protect the consumers from risks and motivators are those that support the transaction directly. Motivators suggests that providing internet venders with good transaction helps to beat competition and customers will be loyal for repurchasing. Customer loyalty is when products and services meet the expectations of the consumers. It is important that consumers are content with the products and services provided by the website as satisfied customers are likely to be loyal and make repetitive purchases which will increase profitability of the particular e-commerce company (Jiradilok et al:2014).

For an organization to gain loyalty from its online customers, there is need to first gain e-trust. This is according to Gummerus et al (2004). Franzak et al (2001) suggests that companies can create an online profile for online customers so that they can have individual services according to the customer specifications. Satisfied online customers end up emotionally attached to the website thereby gaining customers who will be doing repeat purchase. Eventually through the experience, they will become loyal to buy online any product or service provided the information on the website is updated with better information and provide better services Reichheld et al (2000). This reveals that the relationship between website quality and customer loyalty is not a

once off relationship but it has some stages that an online customer can go through to become loyal. As mentioned by Gummerus et al (2004), there is trust that is built firstly between the service provider and the client, then the customer makes some repeat purchases and through being satisfied he or she becomes loyal to the organization.

Customers remain loyal to an organization given that they feel the business offers them better quality services than another business. Bose & Rao (2011). These quality services are online services. The time taken by customers browsing online depends how much time they are going to spend and how long depends on the structure of the website. Interesting websites have good quality. Loyal customers are evidenced by the performance of the company. According to Khan (2006) customer loyalty refers to a customer who dedicates himself or herself to a store or non-store that he or she is familiar with, that he or she likes and trust. When the website is of good quality it is witnessed according to Mcllroy and Barnett (2000) by recommending friends and relatives to purchase to that organization.

When customers find incorrect or misrepresented information on the web site they may not visit that website again. Customers will lose confidents in doing business online which will affect the business in terms of loyalty and online repurchase. For customers to be motivated and rely with the organization it has to have accurate and relevant information. In addition, organizations have to make sure that their websites are regularly updated with the latest content and updates as it helps the customers to be kept abreast and to build trustworthiness and reputation of the business. In one way or the other, this inspires customers to buy from the business (Singh: 2009). Available information on the website generally must increase the value of the customers who visit the page and the content must meet the demands of the targeted market for consumers to visit the page frequently.

If the website has got readable texts, if the website is easy to use and there is vital information that the customer requires and he or she continues to browse or makes effort to visit the website again, there is a possibility that customer will purchase online. Customer's re-purchase behaviour

is estimated as a basic requisite for loyalty that is followed by satisfaction (Punniyamoorthy & Raj, 2007; Chang, 2010). Pritchard, Havits, and Howard (1999) claimed that understanding why customers become loyal is important in business as it will become a development of a strategy for business providers to perform and deliver excellent services and products to the customers. By understanding the importance of customer loyalty, an organization can build a commitment in terms of capturing its existing customers to recognize and re-purchase the services or products provided by the organization (Oliver, 1999; McMullan & Gilmore, 2008; Abu Hassan, Wan Jusoh & Hamid, 2013). Every organization needs to measure the degree of its marketing mix strategy that will contribute to customer satisfaction as well as customer loyalty (Ibidunni, 2011). In the marketing mix most online retailers emphasize mostly with pricing and promotion. This is because companies work very hard to have a website that is up-to-standard and these two strategies will fight competition also.

2.3 The effect of e-payment system on sales volume

There is a positive influence of e-payment system and sales volume. The type of electronic payment that is used by an organization has an impact on the sales volume in the sense that if it is not used by many people there is going to be a negative impact on the usage of online payment system hence the organization will have low sales.

2.3.1 Define E-payment system

Abrazhevich (2004) defined electronic payment as payments in monetary terms that are done electronically. An electronic payment system is a system that depicts how appreciation (generally cash) is traded for services or products, administrations or data. There are various methods to pay for services or products electronically, for example, by using master cards, e-checks or e-money. The most famous type of payment over the internet is by means of master cards. Banks everywhere throughout the world have put resources into attractive strip card innovation to guarantee that preparing visas and checks is done effectively, safely and rapidly. Electronic payment system allow "exchange of assets without confinement, nor definition with respect to the support or to the innovation utilized for this reason" (Yuan: 2003). They comprise of the guidelines to exchange esteem packaged together with the correspondences systems.

(Kuttner and McAndrews: 2001). These systems brought up to this point for the most part fall into an extraordinary class. In an e-commerce environment, payments take the form of money exchange in an electronic form, and are therefore called electronic payments. Electronic payments are an integral part of e-commerce and are one of its most critical aspects. Generally defined, electronic payment is a form of a financial exchange that takes place between the buyer and seller facilitated by means of electronic communications. An e-commerce electronic payment is a financial exchange that takes place in an online environment, (Kalakota & Whinston, 1997). There are several types of electronic payment systems that can be used.

2.3.2 Types of E-payment systems

With the developing complexities in the online business exchanges, diverse electronic payment systems have showed up over the most recent couple of years. No less than many e-payment system proposed or as of now are discovered (Murthy, 2002). The gathering can be made on the premise of what data is being exchanged on the web. Murthy (2002) classified six sorts of e-payment system that is PC-Banking, credit cards, electronic checks, micro installment, smart cards and e-cash. Kalakota and Whinston (1996) recognized three sorts of electronic payment system namely digital token based electronic payment systems, smart card based electronic payment system, and credit based electronic payment systems. Dennis (2001) characterized electronic payment system into two classifications electronic cash and electronic debit-credit card systems.

Anderson (1998) have a different view also. Electronic payment system can be comprehensively separated into four general sorts which are online credit card payment system, electronic check system, electronic cash system and smart card based electronic payment system. The examination of work done by Kuttner and McAndrews (2001), Abrazhevich (2001), Yu and Alii (2002), Schreft (2002) and Stroborn and Alii (2004) concludes that online payment system fall into one of two noteworthy families those based on accounts and those based on electronic money. From those based on accounts TelOne Zimbabwe introduced mobile payments, visa and master cards which the researcher is going to give a general overview below.

2.3.2.1 Online Credit Card Payment System

It looks to broaden the usefulness of existing acknowledge cards for use as internet shopping installment devices. This payment system has been generally acknowledged by shoppers (Laudon and Traver, 2002). This type of payment system has a few focal points, which were never accessible through the customary methods of installment. The absolute most critical are: protection, honesty, similarity, great exchange productivity, worthiness, comfort, versatility, low money related hazard and secrecy. Added to all these, to keep away from the multifaceted nature related with the computerized money or electronic-checks, customers and sellers are likewise taking a gander at visa installments on the web as one of conceivable time-tried option. Basic procedure of Online Credit Card Payment System is extremely basic.

2.3.2.2 Smart Card Based Electronic Payment System

Chakrabarti and Kardile (2002) acknowledges that master cards are accepting reestablished consideration as a method of online payment. They are basically master card estimated plastic cards with the memory chips and now and again, with microchips inserted in them to fill in as capacity gadgets for substantially more prominent data than acknowledge cards for inbuilt exchange preparing ability. This card likewise contains a few sorts of an encoded scratch that is contrasted with a mystery scratch contained on the user's processor. Some smart cards have arrangement to permit clients to enter a personal identification number (PIN) code.

2.3.2.3 Mobile Payment

Payment systems that permit individuals to pay utilizing their mobile phones are guaranteed to diminish transaction fees, increase convenience, and upgrade payment security. New mobile payment systems additionally are liable to make it simpler for organizations to recognize customers, to gather more data about buyers, and to share more data about buyers' buys among more organizations. (Hoofnagle et al: 2012). Mobile payment innovations offer the capacity to

gather more data than some time recently, and share it with distinctive members in exchanges, giving an appealing administration improvement to both merchants and payment providers.

2.3.3 The effect of e-payment on sales volume

A reduction of queue lines can therefore decrease consumer's cost of payment. (Brits and Winder: 2005). In addition of this it reduces lines in purchasing the service or product and therefore boost the sales of the organization. Many clients will withdraw to purchase physically they will be using the mobile way because it is convenient in terms of time and there are low transaction costs. Franco et al (2016) supports Brits and Winder (2005) in the sense that online payments increase sales volume. By not dealing with a retail facade, any business will have more sales online with a higher net revenue. They can redistribute cash to make the consumer shopping background speedier and more profitable. More items will be offered while being accessible to global markets.

Researches have mentioned that 94.1% worldwide have been using electronic payments systems in making an online purchase. (Pago: 2003). Sumanjeet (2009) also contributed that electronic payment transactions have been made worldwide in e-commerce. Credit cards are the most used electronic payment system and it contributes to the performance of the company based on its financial stamina. Kurnia et al (2006) agrees that the performance of the company increases through the use of electronic purchasing systems that is visa and smart cards. From these ideas indicates that sales volume is affected by electronic payment systems.

2.4 To determine the effect of online retailing on market share.

Online consumers apparently want to receive the right quality and right quantity of items that they ordered within the time frame promised by the online retailers, and they expect to be billed accurately by them. If customers are billed according to the service they receive there is a positive relationship that is being formed between the organization and its customers.

2.4.1 Defining Online Retailing

According to Kotler and Armstrong (1989) retailing is all exercises required in offering products or services specifically to end users or customers for their own use or non-business use. Doing these activities in electronic condition is called electronic retailing. Thus, the matter of electronic retail has been characterized as an offer of products and services through the internet or any other electronic channels, for individual or family unit use by customers. This definition incorporates all web based business exercises results in transactions with the final customers.

Institutional theory could explain electronic retailing as an isomorphic effect, where in the same structures and functions from traditional commerce persist in new media. Institutional theory argues that organizational forms persist because they remain socially legitimate. Electronic retailing or e-tailing is one of the key applications of electronic commerce. It entails providing an electronic storefront to allow customers to search for products, submit orders online, and have orders shipped directly to their receiving address. Electronic retailing is now famous in both business-to-business (B2B) and business-to-consumers (B2C). Gangopadhyay (2001). E-retail or electronic retail is defined as the sale of goods and .services via internet or other electronic channels, for personal or household use by consumers. Anderson and Srinivasan (2003), defined electronic .retailing as 'the customer's favorable attitude toward an electronic business, resulting.in repeat purchasing behavior.

2.4.2 Relationship between Online Retailing and Market share

Steinfield et al (1999) recommend that there are a few favorable circumstances of leading business web based, including access to a more extensive potential market and a bigger client base, the potential for volume rebates ascribed to more prominent economies of scale, and a higher level of exchange mechanization. The incorporation of a physical channel with an internet business channel brings a few new cooperative energies that are inaccessible to organizations that treat these channels freely. Steinfield et al (2002) recommend that cost savings, enhanced differentiation, upgraded trust, and market extension are advantages gotten from a coordinated procedure.

Wang et al (2000), for example, contend that long haul manageability and productivity in the online commercial center may be accomplished when internet retailers grasp the test of encouraging on e-loyalty of customers. Various authors have contended that seeing how to create dedication is in a general sense vital to every online retailer. Loyalty is generally viewed in the writing as an essential contributory component to an organization's productivity. Client loyalty emphatically impacts benefit both by lessening marketing costs that is cost of acquiring new clients and increase sales per customer.

Web based retailing is another innovation that is described by an organization for example changes in appearance of the website and customers for example figuring out how to utilize the online interface experimentation. In fact, online retailers persistently re-engineer their techniques to meet the developing needs of online clients (Wind and Mahajan 2002). According to Goldsmith and McGregor (2000) postulate that the quantity of online purchasers and estimation of their buys change always, development is the predominant subject. This means that the company grows imminently because of convenience and meeting the needs of the online customers and loyalty of online customers of that the organization can deliver the service. Therefore there is growth in terms of the market share of the organization.

Loyalty development is a major concern for relationship marketing (Sheth, 1996). Relationship marketing theory proposes that it is more significant for an online retailer to put exertion in creating and keeping up close and durable relationships with clients than attracting customers who just buy for a short period. Clients in long-lasting relationships are observed to purchase more, they are willing to pay more for products or services offered to them, to display a high level of trust, to end up emotionally attached to the organization, and to refer clients to the firm (V. Kumar, Bohling, and Ladda, 2003; Reichheld and Schefter, 2000). The value for online retailing is clear; building relationships with customers is associated with increased loyalty and purchasing (Reynolds and Beatty: 1999a).

There are 2 strategies that are mentioned by Arreola et al (2013) that can be practiced by online retailers which can influence consumers to purchase online and there are pricing and contingent free shipping. Pricing promotions are to be conducted since there is so much competition in online retailing to maximize profits. Placing a competitive pricing for your services will result in consumers' purchasing online and this will boost the performance of the organization. Breugelmans et al (2006) also adds on to say products or services should be available always online so that customers will promote online retailers in form of online purchasing. Through the practice of those two strategies by online retailers, the market share of the company will increase.

Customers are changing from the old ways of buying products or services to the new way of using the internet. Vinerean (2013) states that online retailing leads to a massive increase in the market share. This is because of the introduction mobile payments through the use of mobile devices where one can conduct a transaction when you are miles away from the office or the physical shop. Therefore the more the transactions online the more the sales a company is getting and this improves the market share of the organization benefiting from this online platform.

2.5 Chapter Summary

This chapter revealed literature basing on the objectives under study. The objectives highlighted the direction of the research. Literature has been reviewed on the effectiveness of website quality on customer loyalty, effectiveness of e-payment system on sales volume and effect of online retailing on market share. The chapter was relevant in answering research questions.

CHAPTER THREE
RESEARCH METHODOLOGY

3.0 Introduction

This chapter is going to look at methods and techniques to be used when collecting and gathering data. It also summarizes the procedures and the research instruments to be used in the gathering of data that is relevant to the study. Different methods of data collection will also be outlined in the chapter as they supplement each other's weaknesses. In addition, the chapter will also bring out the different research designs that is to be used, the target population, the sampling methods, the primary and secondary data sources, the research instruments, ethical considerations as well as reliability and validity of the research methodology.

3.1 Research design

According to Teddlie (2009), a research design is an overall strategy that you choose to integrate the different components of a study in a coherent and logic way, this ensures effective addressing of research problem. The researcher will use descriptive research design. Another research design to be used is exploratory research design.

3.1.1 Descriptive research design

Eriksson and Kovalainen (2015) defines descriptive research design as a review, which portrays, records, investigates and interprets conditions that exist. The researcher used descriptive research design so as to accomplish the purpose of the study. Descriptive research design is concerned with obtaining information concerning current status. This research design was useful because the researcher went on to use questionnaires and interviews to collect data that is useful pertaining the dropping revenue of Telone Zimbabwe according to this research. So the researcher selected individual customers to fill in the questionnaires and obtain information of how we can improve the website quality and persuade customers to use the online platform. The researcher selected employees and management to conduct interviews.

3.1.2 Exploratory research design

It is defined as the initial research into theoretical idea. Exploratory research is useful in gathering insights on the impact of online purchases. TelOne Zimbabwe has been facing a drop of its revenue and with this type of research design the researcher got information pertaining to the causes of the decline in revenue. Exploratory research design is unstructured meaning that it does not have a formula or a procedure to follow to acquire the information intended to. The researcher conducted the research using open ended questions since the study is based on the internet or online. Exploratory research design was vital to use because it addresses the problem of dropping sales revenue. Exploratory research design was used because there were less information about the problem and there were no researches that were done to address the issue of online purchasing and exploratory research design therefore was suitable. Exploratory research design uses secondary data, therefore the researcher used Telone Zimbabwe website to extract yearly financial reports and other secondary sources were used on the subject of online purchase and the effect it has on company performance.

3.2 Target Population

According to Eriksson (2015), target population refers to entire group of objects or individuals to which researchers are interested in generalizing conclusions. Targeted respondents are 10 management, 30 employees and 115 customers. Therefore, the researcher's estimated targeted population is 155 respondents.

3.3 Sampling

A sample refers to a representation of a certain population on which a sample can be drawn Sekaran & Bougie (2013). The researcher considered using sampling since there are so many clients in Mutare in order to realistically and effectively measure the population.

3.3.1 Sampling Procedure

There are 2 broad categories of sampling techniques which are probability sampling and non-probability sampling. The researcher used simple random sampling under probability sampling techniques and convenience sampling under non-probability sampling techniques.

3.3.1.1 Simple Random Sampling

According to Gill and Johnson (2010) simple random sampling is a technique where every component of the populace has an equivalent chance of being chosen to the final sample. The components from the strata were picked randomly. Every member of the population had a known and equal chance of selection. This gave every employee and individual customers an equal chance to participate in the study so as to produce unbiased as well as realistic results and it is conducted at a low cost. This was primary data that was collected.

3.3.1.2 Convenience Sampling

Convenience sampling method is a non-probability sampling technique and respondents will be chosen "accidentally" because they will be where the researcher is collecting information. Interviews for the management and employees were conducted in Mutare Telone because the researcher did work related learning in Mutare thus carrying the research in Mutare which will be the representation of the population. Convenience sampling was used in order to gain insights of online purchase. Convenience sampling is an inexpensive way of collecting information because it has few rules governing the procedure on how it should be carried out.

3.3.2 Sample frame
According to Shiu et al (2009) a sample frame is a list of all appropriate sampling units. The sampling frame includes customers 115, management 10 and employees 30.

3.3.3 Sample size
Lucy (2006) postulates that if the targeted population is above 200 respondents, the researcher will sample 10% of the targeted population and if the targeted population are below 200, the researcher will sample 40% which represents the total population. In this research the researcher's targeted population is 155 respondents. This means that the sample size is 40% of 155 which is 62 as highlighted in the table 3.3.3 below.

Table 3.3.3 sample size

Target Population	Sample
Individual Customers	46
Management	4
Employees	12
Total	62

3.4 Data Sources

Both secondary and primary data sources are to be considered by the researcher in the quest to gather the data on the impact of online purchase on company performance.

3.4.1 Secondary Data

Secondary data is published material that already exists from different sources which include published financial records and newspaper articles. This might be a great way of obtaining data related to the study as it saves time and a lot of information may be acquired at the very same time. The researcher used information from TelOne website like the financial records from 2012-2015. These financial records are tallying with the financial reports that were released by Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ). These financial reports were significant because they form a trend of the performance in terms of revenue of Telone Zimbabwe. The external sources of data that the researcher also used to access were textbooks, journals and the internet to collect data from various authors and scholars.

3.4.2 Primary Data

Primary data is accurate and realistic which improves it to be a good method for gathering data. In addition, in some cases there is space for further inquiries were there is a misunderstanding. The researcher is to make utilization of interviews and questionnaires. Interviews provided the researcher with first hand data from the respondents and questionnaires helped those respondents that are not comfortable to be interviewed and who want to hide their identities for correct information to be given to the researcher. By correct information the researcher means

information on how to improve the website quality, information about online retailing and electronic payments systems.

3.5 Research Instruments

Flick (2009) defines research instruments as measurement tools used for the intention to acquire information on a particular topic of interest from research subjects. There are 2 instruments that the researcher used that is questionnaires and face to face interviews.

3.5.1 Questionnaires

Questionnaire by definition it is a research instrument that consist of a chain of questions and other prompts for the researcher to gather information from respondents. The researcher will use questionnaires to collect primary data for the study. The use of questionnaires are to acquire the required quantitative and qualitative data from the respondents. The questionnaire had open ended questions to enable the respondents to air out their views and use their own words in answering the questions. The researcher also used summated ratings scale so that the respondents will express their feelings on the quality of the website. Some of the questions which was asked by the researcher are how long the respondents have been using the Telone service, does the design of the website impress you as a customer and suggest ways in which Telone can improve its website. The researcher guaranteed the respondents anonymity so that they answer the questionnaire truthfully. The researcher collected the questionnaires in person from the targeted respondents and questionnaires were an advantage to the researcher because they are user friendly and they are easy to administer.

3.5.2 Face to Face Interviews

According to Armstrong and Kotler (2009) personal interview is one on one interviews that is conducted by the interviewer and the respondents. The researcher used face to face interviews to collect data. The researcher interviewed supervisors and managers so as to obtain facts about online purchase, electronic payment and online retailing. Face to face interview has an advantage that individuals' reaction, attitudes, and views will be noted. Questions for this interview were

extracted from the questionnaires so as to have a structured interview. The researcher clarified were the respondents were not understanding and can read non-verbal cues from the respondents.

3.6 Validity and Reliability

There are a different accurate instruments that can be used to measure this research. It decides if the exploration really measures what it was expected to quantify or how true results are of the research undertaken. Blumberg and Schlinder (2005). Smith (2012) postulated that validation is a procedure which includes gathering and analyzing information in order to assess how accurate the instrument is. This implies that there is a requirement for statistical tests and measures to survey the validity of quantitative instruments, which for the most part includes pilot testing. A pilot test is done whereby the researcher selects respondents randomly and conduct a pilot run. Blumberg and Schlinder, (2005) described reliability as a measure which gives the same results consistently. When you measure something with an instrument in two circumstances, you need it to turn out with a similar answer both circumstances. Minors and disabled individuals were not going to be part and parcel of this research. To decide the reliability of the instruments, interviews brought out the same outcome meaning that the research instruments were reliable.

3.7 Ethical Considerations

The researcher will have to seek permission from the management to conduct those interviews and distribute questionnaires to the employees around the company. The researcher will consider making appointments to avoid frustration from the respondents. Apart from this, the researcher will consider punctuality at all times since there are appointments made. Questions to be asked by the researcher to the respondents must be asked in a respectable manner.

3.8 Data Collection Procedure

The researcher will visit the company under study that is Telone Mutare and make appointments with the management and employees through the use of telephone. Questionnaires will be distributed and collected by the researcher in person. The respondents will be explained to concerning confidentiality of their responses. The researcher will be explaining any clarifications from the respondents about the questionnaire if there are any questions which are ambiguous.

3.9 Data Presentation and Analysis

Responses will be classified and recorded as they come. The researcher will have to analyze the trends of the data to solve the research problem. The researcher will use pie charts because they make analysis easier to understand. The researcher will also make use of tables because they are easy to extract pie charts and graphs. Lastly, the researcher will use bar graphs to present data so as to minimize confusion and can easily make comparisons.

3.10 Summary

The chapter aimed at determining the methodologies that are to be used in gathering data for the purposes of the study. It also brought out the research instruments that are most likely to bring out some degree of accuracy in the study. The chapter also aimed at collecting data through the various research instruments.

CHAPTER FOUR
DATA PRESENTATION AND ANALYSIS AND INTERPRETATION OF FINDINGS

4.0 Introduction

The previous chapter the researcher was looking at the theoretical aspect of research. In this chapter the researcher is going to emphasize more on the collection, presentation and analyzation of data. This data was collected in the field. The data is evidenced through the interviews of the management and the questionnaires which were distributed to customers. The data in this chapter that was analyzed is guided from research objectives and research questions of the study. The presentation of data was done using pie charts, graphs and tables.

4.1 Employee Rate

The researcher distributed questionnaires to the targeted respondents and interviews to employees and management were conducted. Tab 4.1 shows the outcome of the response rate on the questionnaires that were issued.

Tab 4.1   Employee Response Rate

	Target respondents	Successful	Response rate%
Employees	12	10	83.33%
Management	4	3	75%

Source: Own primary data
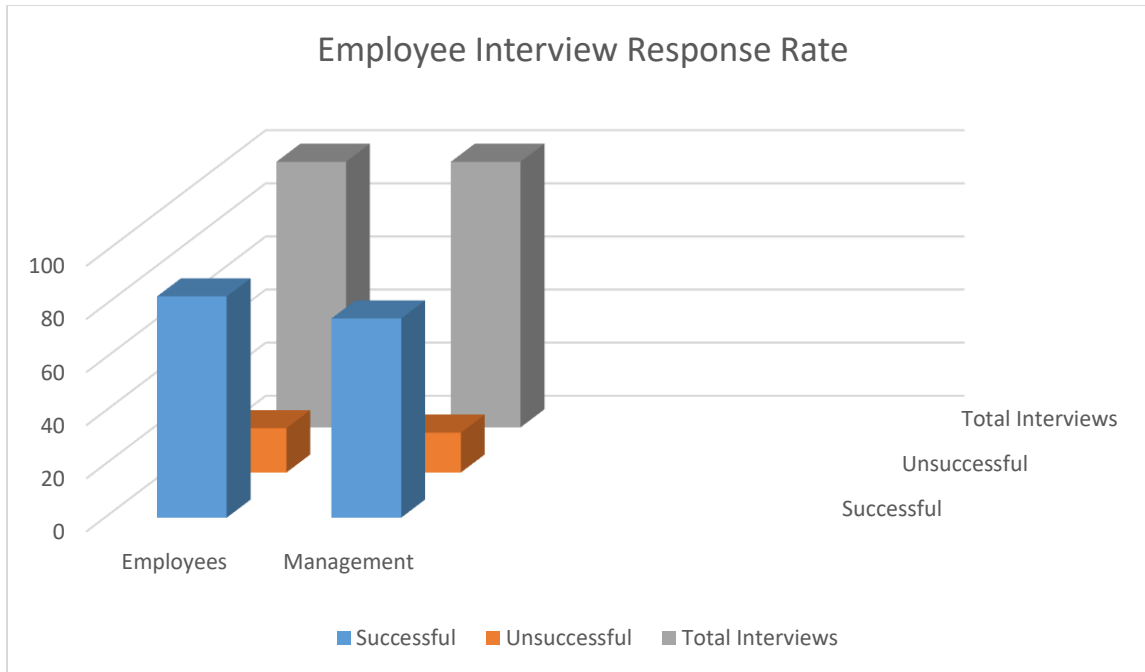
Fig 4.1.2   Employee Interview Response Rate   Source: Own primary data (2017)

From the 12 employees that the researcher wanted to interview, 10 were successful. Also management only 3 were successful. The challenges that the researcher faced during conducting the research is that the managers and the employees had no time to be interviewed as they had loads of work to do. Also managers wanted to conduct meetings and some employees were not available at the work place.

4.1.2 Customer Questionnaire Response Rate
Table 4.1.2 shows a total customers of 46 which are the total representation of the total population.

Table 4.1.2 Customer Questionnaire Response Rate

|	Targeted Respondents	Successful	Response Rate
Customers	46	35	76%

Source: Own primary data calculation (2017)

Some customers did not return the questionnaires and some misplaced them when they took the questionnaires to fill them. This resulted in the response rate to be at 76% and according to Jacob

(2011) the response rate must be above 75% for it to be an adequate research. Some other customers spoiled the questionnaires.

## 4.2 Demographic Profiling

4.2.1 Age
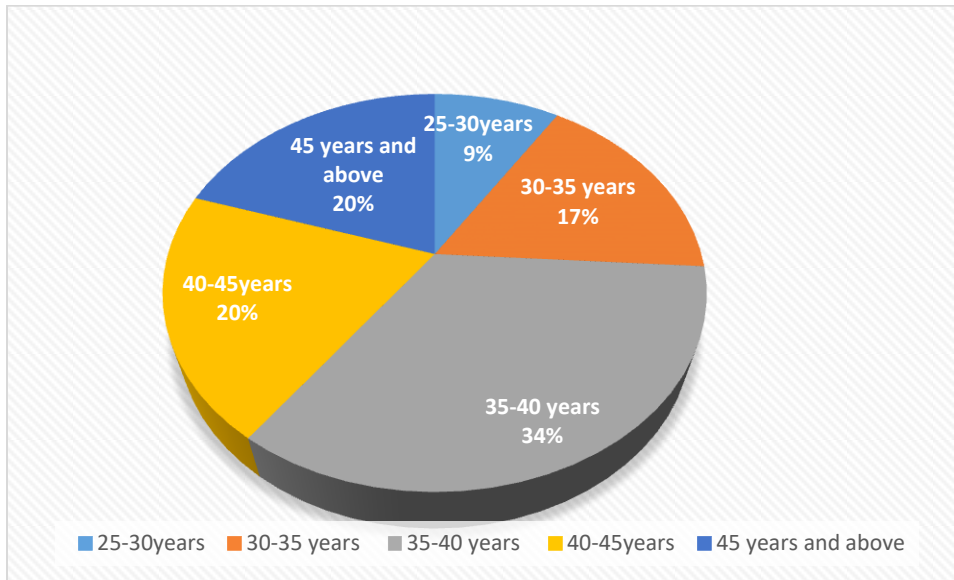
Fig 4.2.1 Age   Source: Primary data (2017)

According to the researcher's findings, there are different age groups that that came to Telone Exchange in Mutare to make their top ups of internet and make bill payments. From the above analysis of fig 4.2.1, the most walk in customers ranges from 35 years to 40 years with a percentage of 34%. Probably most of these customers will be buying the service for work purposes. 40 years to 45 years and 45 years and above is another percentage which contributes to the customers of Telone with similar percentage of 20%. 17% constitutes customers between 30 years to 35 years. Lastly according to the findings, 9% of the sample size their age ranges from 25 years to 30 years.

4.2.2 Gender

Customers that visit the Telone buildings are of different sex. 60% of the total population that go to Telone are males and 40% are females. This implies that men use more of the internet than women and Telone need to know how to get attention from men through online marketing

activities and how to engage in better relationships with males so as to know their needs and wants. 60% males and 40% women are shown in fig 4.2.2.
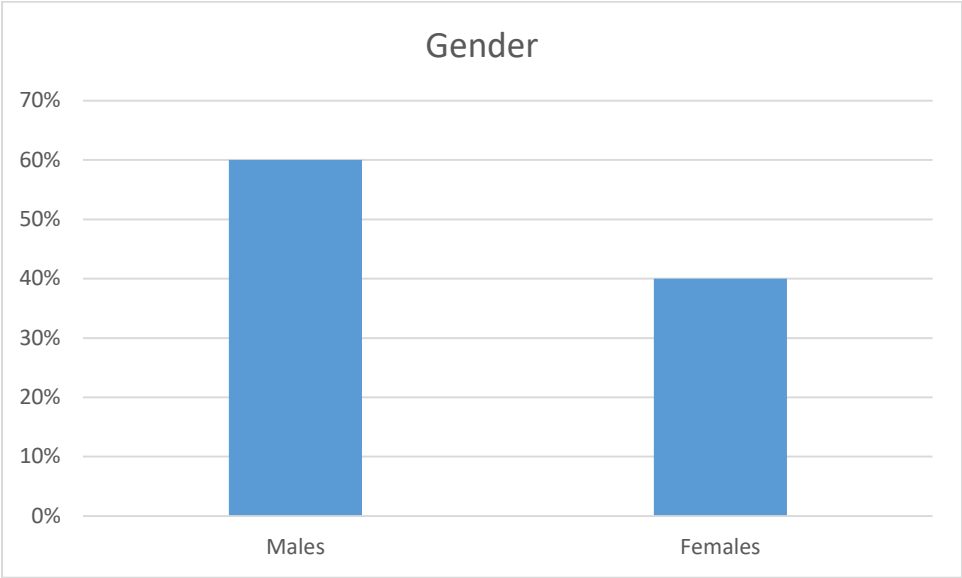
Fig 4.2.2   Gender   Sources: Primary data (2017)

4.2.3 Income Level

People earn differently which means that the income levels are differently and it is important as a researcher to know the income levels of customers. In fig 4.2.3, 14% of the sample size earn $200 and below and the highest percentages of 49% earn between $200 and $400. From the analysis of age and income level we can say that between $200 and $400 are those that lies between 35 years and 40 years. This information is vital for the management to implement online marketing so as to increase market share. Fig 4.2.3 also shows 23% of the customers who earn between $400 and $600 and 14% of the total population ranges from $600 and above. All these percentage calculations are shown n fig 4.2.3 that is below.
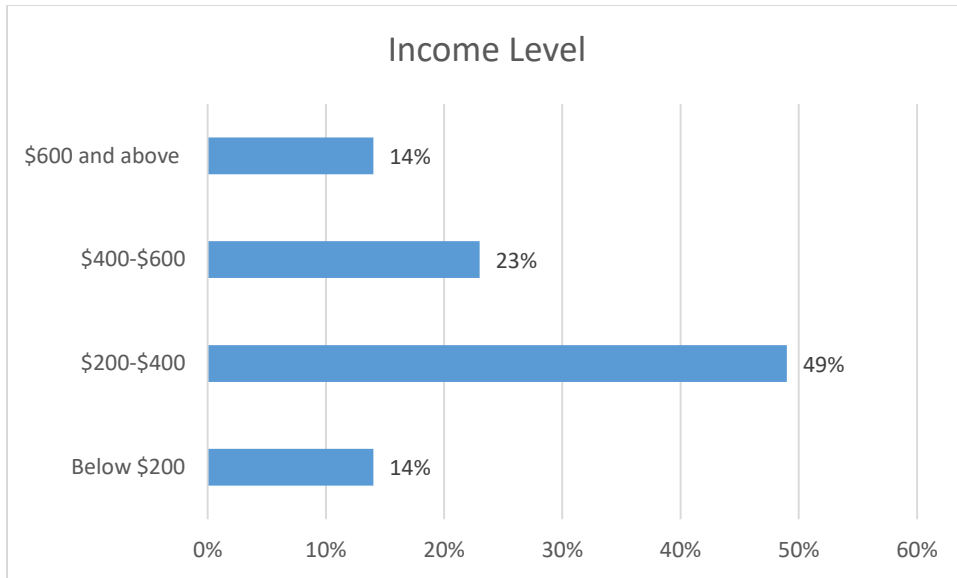
Fig 4.2.3   Income Level   Source: Primary data (2017)

4.3 Influence of web quality on customer loyalty
4.3.1 Determining customer loyalty
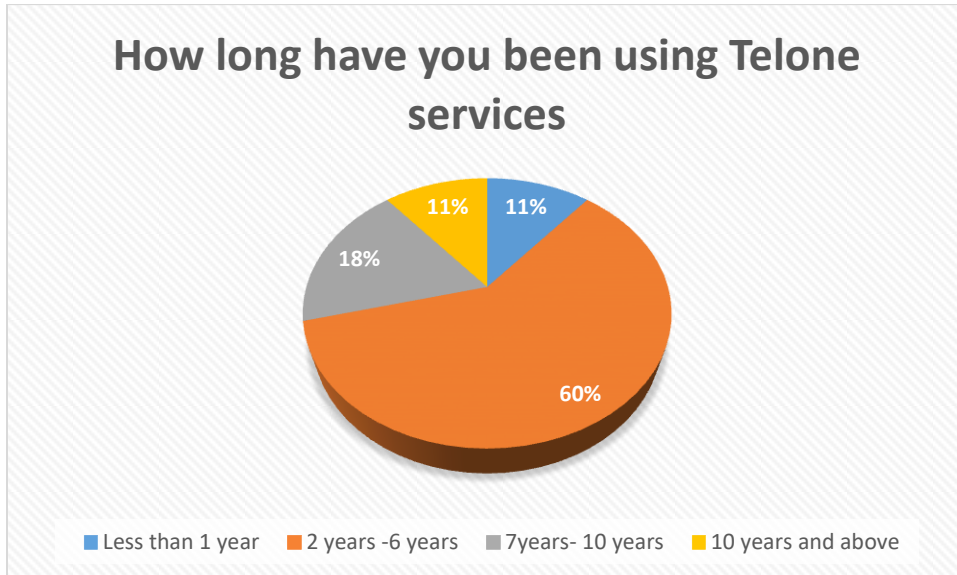
Fig 4.3.1   Duration of using Telone services   Source: Primary data (2017)

60% of the total population are those clients that lies between 2 years and 6 years. This is the highest population according to the researcher`s findings. 7 years to 10 years are those customers that have 18% in fig 4.3.1. 11% is for those customers that have been using Telone services for

more than 10 years and those that haven`t used the service that much which are less than 1 year in partnership with Telone.

Customers have a process in achieving loyalty to a particular service. A customer starts as a prospect to the company, then he or she develops to be a customer, then client then partner and finally advocate. Most of the Telone customers are lying between clients and partner to the company. This is because an advocate is one who stands with the brand no matter what and have so many years conducting with the organization. Loyalty is determined by the duration a customer has used or consumed the service and this is done through satisfaction of the customer. Partners and clients are loyal to their brand and from fig 4.3.1, most of the customers which lie from 2 years and above using the service are loyal. Relationships with such customers is vital so as to know what they consider to be appropriate on the website since they are the users of the website.

4.3.2 Influence of website quality

The way a website is designed by an organization has an influence as to the loyalty of the customers. Below are series of questions that were asked to several customers of Telone Zimbabwe.
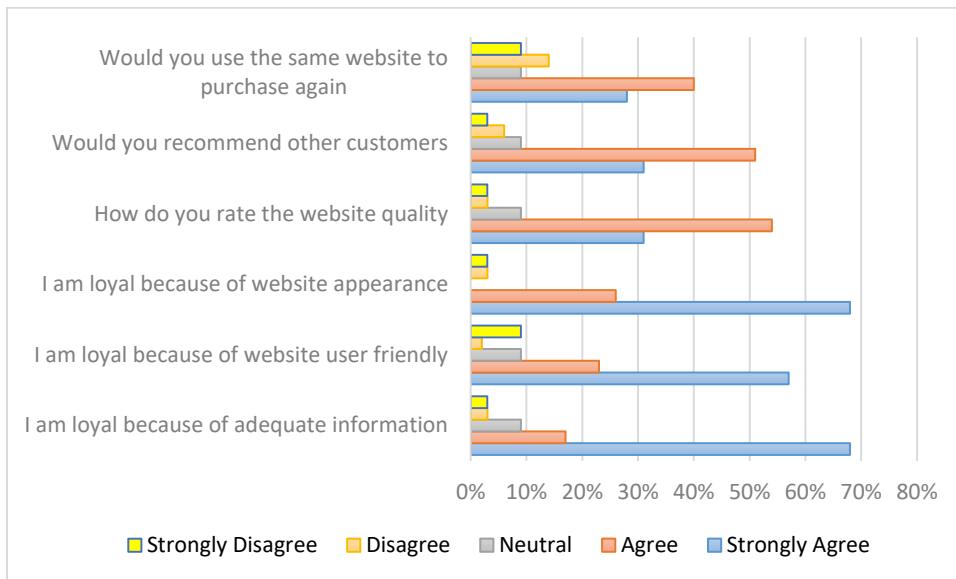

Fig 4.3.2   Influence of Web quality   Source: Primary data

There are several questions that were asked by the researcher in order to get responses from the customers on what they view about the website quality and customer loyalty. In fig 4.3.2 the first top question is how customers view website quality for them to make a purchase again on the website. The respondents who had the highest percentages when calculated where those who agreed with 54% and 3% were those respondents who strongly disagreed to make another purchase on the website of internet. 51% agreed to recommend other customers to use the online platform to make a purchase and 3% strongly disagreed with that. The respondents responded positively on overall experience they had whilst using the website. They agreed with 54% and those who did not have a good experience on the website constituted 3% who strongly disagreed. Website attributes like appearance, user friendly and adequate information were used to rate the website quality. Customers strongly agree that they are loyal to use the website because of the appearance and in fig 4.3.2 68% strongly agreed and 3% strongly disagreed. Those customers who strongly agreed to be loyal because of the website which is user friendly were 57% and 9% of the respondents strongly disagreed with that. Lastly, respondents who strongly agreed that they are loyal because of adequate information on the website were 68%, 3% of the respondents strongly disagreed.

Website quality influences customers to be loyal. The appearance of the website has an influence to the customers to become loyal. The website must be eye catching that is it must be of good colour and even the font use must be readable. This is supported by Zhang et al (1999) who mentions that color and, font use readable text are various features a website must contain. This is witnessed with the respondents who strongly agreed with 68% meaning that the website`s appearance is of good quality and because of that they are loyal. When designing a website it should be user friendly that is customers must not be confused or to take time to navigate what they want. Armesh et al (2010) agrees with the findings that a website must be user friendly and searching capabilities. Lastly, 68% of the respondents strongly agreed that adequate information is essential on the website for them to be loyal. These findings are supported by Singh (2009) who postulates that a website must have good quality information. Armesh et al (1999) also said that the information on a website must be accessible. Bonilla (2010) went to agree saying also that the website must contain readable texts.

4.4 Influence of electronic payment systems on sales volume

The research tend to bring out to light the electronic payment systems used by several customers so as to know where the sales volume of the company is really coming from. The first questions in fig 4.4.1 are simple questions which the researcher want to know the percentages of those customers who uses electronic payment systems.
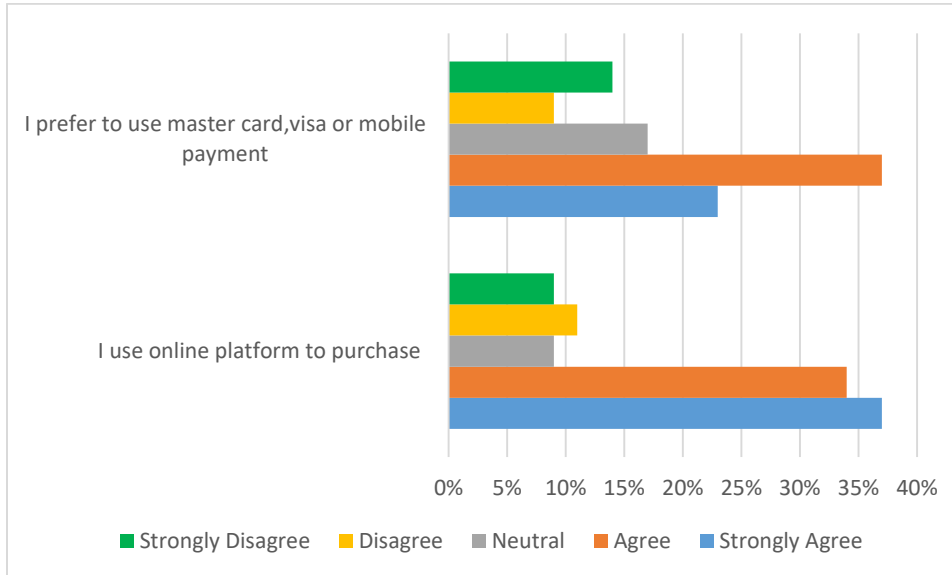
Fig 4.4.1   Preferences of Electronic Payment Systems   Source: Primary data

23% strongly agreed that they use electronic systems like master cards, visa and mobile payments and 37% of the respondents agree also which constitutes 60% who are in agreement of using electronic payment systems. 14% of the respondents strongly disagreed to use the online platform. Also from the other question, 37% strongly agree and 34% of the respondents agreed that they use online platform and only 9% disagreed with this statement. From the analysis of these respondents it means that electronic payment systems contributes to the sales volume of the organization since 71% in total agree to use the online platform to purchase the internet, ADSL or Voice.

In fig 4.4.2 below the researcher obtained information on the type of payment system customers use. The findings on this research is that master cards are the most used payment system with 37% followed by mobile payments with 31% followed by cash payments of 23% and lastly 9%

respondents who use visa. These electronic payments systems are the most frequently used because of the cash crisis and the Reserve Bank of Zimbabwe is promoting the use of plastic money.
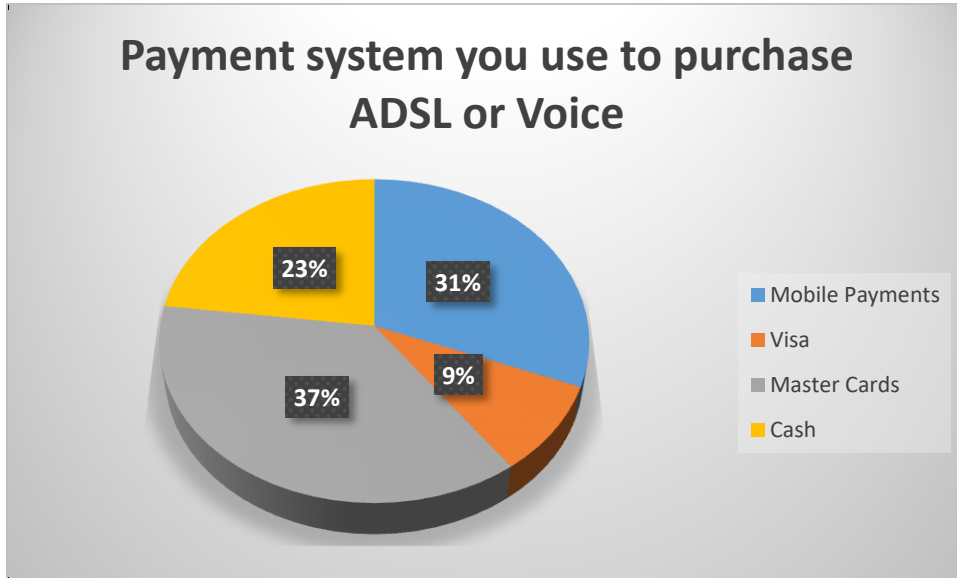
Fig 4.4.2   Payment Systems Types Source: Primary data

Fig 4.4.3 shows how frequently online customers use their electronic payment systems to purchase online. The packages of internet are active for one month from the first day to make a recharge so 57% recharge once per month which is a normal recharge. Other customers purchase twice and they constitute 37% according to the researcher`s findings. Brits and Winder (2005) supports these findings by saying that online purchasing reduces cost of consumer`s payment thereby boosting the organization`s sales volume. Customers without thinking of waiting in a line to get a service where there is a quick way they just purchase sometimes making impulse buying.
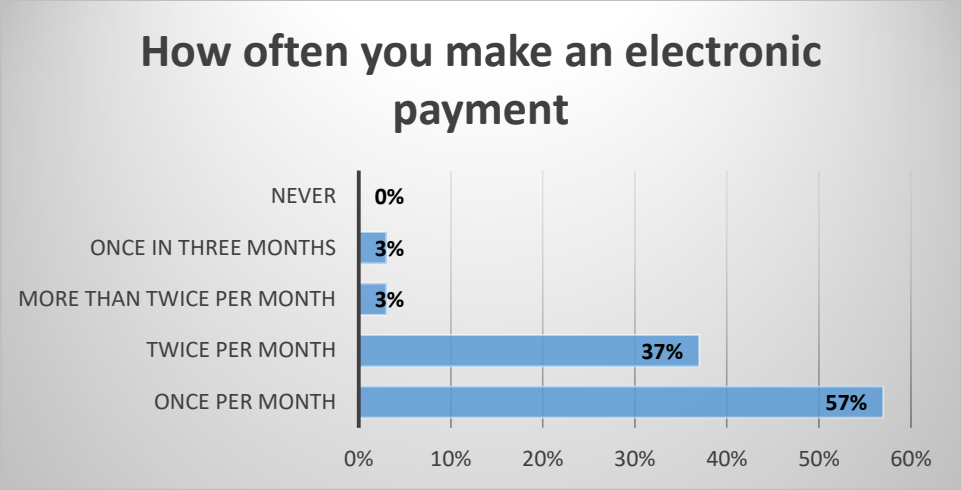
Fig 4.4.3   Frequency of Purchasing Online   Source: Primary data

Fig 4.4.4 below shows on average how customers spend their income on internet mostly. 46% of the respondents purchases packages that are below $25 and 42% of the customers use packages between $25 and $50. Most of these packages are for home use. These respondents are those that earn their income between $200 and $400 and they will be using mostly master cards and mobile payments to purchase the internet.
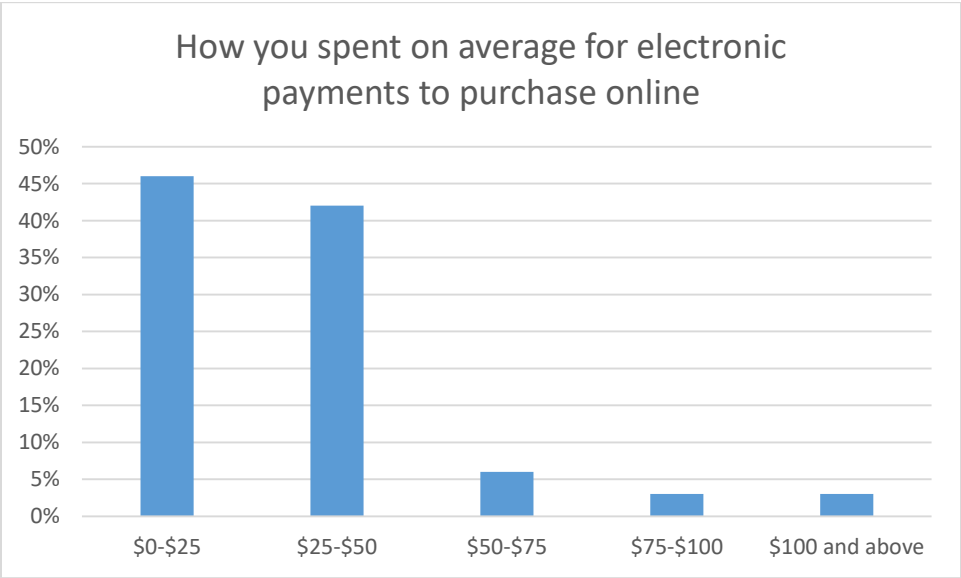
Fig 4.4.4   Average Payments Online   Source: Primary data

4.5 Online retailing and market share
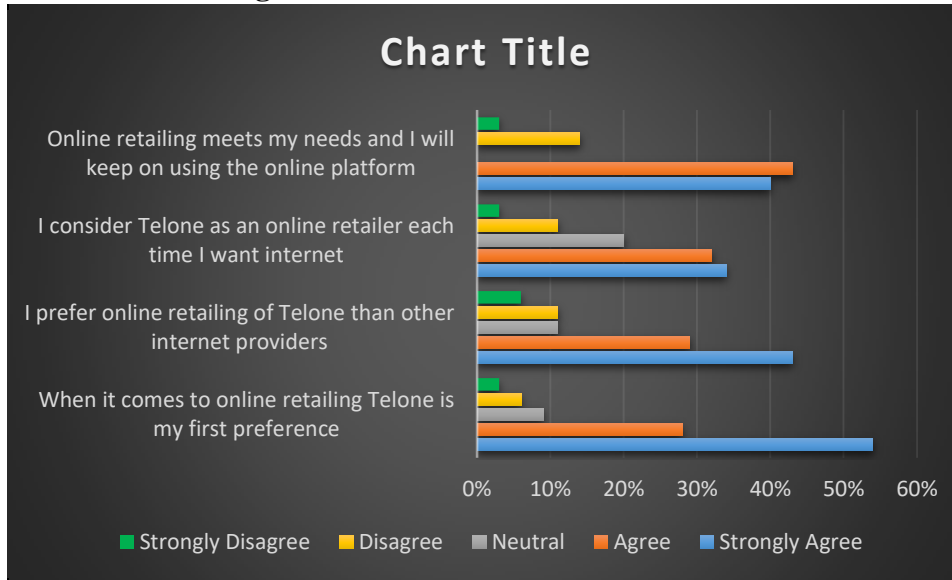
Fig 4.5.1   Influence of online retailing on market share Source: Primary data

54% and 28% strongly agree and agree respectively to prioritize Telone online retailing. They are just a few who does not prioritize that is who strongly disagree Telone online platform and they constitute only 3%. Also respondents who strongly prefers online retailing are 43% and those who agree are 29% which implies that online retailing has an influence on market share. So many respondents of 34% and 32% strongly agree and agree respectively to use the Telone website each time they want to make a payment. Only 3% strongly disagree not to use the website to purchase. 40% and 43% strongly agree and agree that their needs on the website are being met and they will continue to use the website to purchase online.

All the managers were in agreement that online retailing has a significant relationship with market share. Employees pointed out that the introduction of online retailing contributed so much to the survival of the organization since there is stiff competition from other telecommunication service providers. Managers highlighted that technology advancement has made the introduction of online retailing to be effective and efficient since customers receives more benefits from it like convenience and to the organization it is a blessing, customers will prefer the digitization way.

4.6 Chapter Summary

The chapter mainly focused on data presentation, interpretation and analysis. The researcher used tables, bar graphs and pie charts in order to analyze the primary data that was collected by the researcher. The findings from the chapter shows the effectiveness of website quality, electronic payment systems and online retailing have on customer loyalty, sales volume and market share.

CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Summary

The study set out to discover the effectiveness of online purchase attributes on company performance of Telone Zimbabwe. The following were the objectives of this study to find out the impact of web quality on customer loyalty, to determine the impact of e-payment system on sales volume and to determine the effect of online retailing on market share. In the process of this research the researcher used exploratory research design and descriptive research design. The target population of Telone Zimbabwe consisted 10 Telone management, 30 Telone employees and 100 individual customers and 20 corporate customers. The respondents were selected by the researcher using simple random sampling and convenience sampling respectively. Both primary and secondary data sources were used to collect the data and the techniques used to acquire the data were questionnaires, interviews, sales reports, textbooks, internet and journals. The research was undertaken and data was analyzed and interpreted using bar graphs, pie charts and tables. The results in this research showed that most of the respondents are contributing to the effectiveness of online purchase of Telone Zimbabwe. The research's outcome showed that website quality has got an impact of customer loyalty. E-payment systems has got a positive contribution to the sales volume of Telone Zimbabwe. Also online retailing is effective in improving the market share of the company under study, Telone Zimbabwe.

5.1 Conclusions

5.1.1 Website quality and customer loyalty

From the findings in the previous chapter, the study concluded that website quality influences customers to be continue using the website to make payments which results at the end customer loyalty. Most customers are from the research findings have positively indicated how the website is working and their suggestions on how to improve the website to suit their customer needs and wants are being addressed. Fig 4.3.2 clearly shows how customers are familiarizing with the website. The research also brought out how website quality contributes to the effectiveness of the organization and the website attributes that are making the website appealing to the customers.

5.1.2 Electronic payment system and sales volume

The study revealed that electronic payment system has an effect on sales volume. The more the payments done online the more the volume of sales. It also revealed the most packages that are bought online by customers and their frequency of online purchasing. This information helps the organization on how to promote these internet packages to increase sales volume. More so, it revealed the type of electronic payment that is mostly used by customers and it is master cards with 37% and mobile payments with 31% as it helps the organization to have more access points and get contracts with SPAR and Pick n Pay to swipe online vouchers.

5.1.3 Online retailing and market share

The study concluded that activities online have made customers continue to visit the website of Telone. Fig 4.5.1 shows that 54% strongly agree that online retailing meets customers` needs and wants. This means that the organization has to continuously satisfy the needs of the customers on the website. Also 20% of the customers are indecisive on whether to use online payment or just to use cash.

5.2 Recommendations

5.2.1   Telone Zimbabwe should cultivate customer relationships to create loyalty from customers. For a website to be of good quality, it is determined by the satisfaction of consumers. Also Telone Zimbabwe should approach its customers so as to know what customers needs and wants on the website. This helps because customers will be satisfied according to their specification they requested for. Apart from the above, from the customers, the website must have a search engine on the home page of the website to enable first users who are not familiar that much with the website to search the area they want to go or view.

5.2.2   Telone should promote more on its Voice to be purchased online to increase more sales since most online customers are using ADSL. Telone should conduct online promotions for Voice so that it creates more awareness and knowledge on how to purchase online. More so, Telone has to increase purchasing points to enable easy access of Telone vouchers.

5.2.3 Telone Zimbabwe should make the self-service portal page available despite the unavailability of the internet since other customers use their internet till there are no data bundles to purchase online. This strategy will help such clients and have convenience hence increased market share in the organization. Apart from the above, Telone Zimbabwe.

5.3 Suggestions for further research

The descriptive nature of this particular research and it is all about qualitative research. There is still a lot however to be researched on since there were less studies done on online purchasing. Factors of online purchasing included website quality which was researched on therefore the researcher recommends other factors like e-trust and social e-shopping as mentioned by Andrade (2000).

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Appendix A

Questionnaire for Telone Customers

I am Ashley Mutemararo (R136267T), currently doing Bachelor of Commerce Honors Degree in Marketing Management at the Midlands State University. I am conducting a research on the impact of online purchase on company performance at Telone. This study will help Telone customers to benefit on improved website quality due to the recommendations from this form. I kindly ask you to fill in honestly since it is going to be confidential and be used for academics only.

Section A- Demographic Information

Tick in the appropriate box below

1. **Age:**

1	25-30 years	
2	30-35 years	
3	35-40 years	
4	40-45years	
5	45-50 years	
6	Over 50 years	

2. **Gender**

1	Male	
2	Female	

3. **Income Level**

1	Less than $200	
2	$200-$400	
3	$400-$600	

4	$600 and above	

Section B- Web quality and Customer loyalty

Tick in the appropriate box below

4. How long have you been using Telone product and services?

   (1)Less than 1year ☐   (2)2-6 years ☐   (3)7-10 years ☐   (4)10 years and above ☐

5. Which of the following services of Telone do you use?

   (1)ADSL ☐   (2)Voice ☐

   (3)Both ADSL and Voice ☐

6. How would you rate the website quality basing with the overall experience on the website?

   (1)Excellent ☐   (4)Poor ☐

   (2)Very good ☐   (5)Very poor ☐

   (3)Neutral ☐

7. Would you recommend our website to other customers that you know?

   (1)Very likely ☐   (4)Moderately unlikely ☐
   (2)Moderately likely ☐   (5)Very unlikely ☐
   (3)Neither likely nor unlikely ☐

8. If you need the same or another similar service in the future would you use our website again mainly focusing on the quality of the website you experienced before?

(1)Definitely would ☐   (2)Probably would ☐

(3)Probably wouldn't ☐   (4)Definitely wouldn't ☐

9. Indicate the extent to which you agree that the Telone website attributes influence you to be a loyal customer? These website attributes are going to measure the impact of website quality on customer loyalty. (Strongly Agree -1, Agree -2, Neutral-3, Disagree -4, Strongly disagree -5)

		1	2	3	4	5
WA/I	I am loyal because I use a website which has adequate **information**					
WA/U	I am loyal because I use a website which is **user friendly**					
WA/A	I am loyal because I use a website which has a good **appearance**					

10. Suggest ways in which Telone can improve its website quality.

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....

Section C-Electronic payments system and sales volume

Tick in the appropriate box below

11. How often do you make an electronic payment?

(1)Once per month ☐   (3)Once in three months ☐

(2)Twice per month ☐   (4)Never ☐

12. Indicate electronic payment system have you used to purchase Telone services that you mentioned in 4?

(1)Mobile payments ☐   (2)Visa ☐   (3)Master cards ☐

13. How much do you spend on electronic payments to purchase ADSL or Voice per month?

(1)$0-$25 ☐   (2)$25-$50 ☐   (3)$50-$75 ☐   (4)$75-$100 ☐   (5) $100 or more ☐

14. How much do you spend on average on electronic payments to purchase ADSL or Voice per month?

(1)$0-$25 ☐   (2)$25-$50 ☐   (3)$50-$75 ☐   (4)$75-$100 ☐   (5)$100 or more ☐

(Strongly Agree -1, Agree -2, Neutral-3, Disagree -4, Strongly disagree -5)

		1	2	3	4	5
EPS1	I use the online platform to purchase ADSL or Voice					
EPS2	I prefer to use mobile payment, visa or master card each time I want ADSL or Voice					

Section D-Online retailing and market share

Tick in the appropriate box below

(Strongly Agree -1, Agree -2, Neutral-3, Disagree -4, Strongly disagree -5)

		1	2	3	4	5
OR1	When it comes to online retailing Telone is my first preference					
OR2	I prefer online retailing of Telone than other internet providers					
OR3	I consider Telone as an online retailer each time I want internet					
OR4	Online retailing meets my needs and I will keep on using the online platform					

Yours Faithfully

Ashley Mutemararo (R136267T)

Appendix B

Interview guide for Management

1. What strategies have been put in place to inform or educate customers about the electronic payment?

2. How often are walk in customers reminded about the electronic payment systems by the staff?

3. How often do you receive and attend customers who have experienced problems with electronic payment systems and how has it contributed to the growth of sales volume?

4. What effect does the master cards, visa and mobile payments have on sales volume?

5. The introduction of online retailing, what has it contributed to the market share of Telone?

6. What strategies have been put in place of online retailing to increase market share?