

THE IMPACT OF ELECTRONIC BUSINESS ON THE DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES IN THE REPUBLIC OF KOSOVO

Agim Derguti

PhD Candidate, European University of Tirana

KOSOVO

&

Lulzim Shabani

PhD Candidate, European University of Tirana

KOSOVO

ABSTRACT

Use of electronic commerce (e-Commerce) in small and medium enterprises (SMEs) has become an important topic in information research systems. E-Commerce is a technological innovation that enables SMEs to compete in the same level with other major companies. According to statistics, SMEs are the main sources of innovation and are a step forward compared to large companies, because they are more flexible to market changes. The feature of nowadays is the digitization of business; therefore the use of the Internet and the use of technology has become a tool to gain competitive advantage in business. Competitiveness at the global level and exports in the future will largely depend on the deployment of new technologies in commercial matters. SMEs have grown significantly in the global economy over the past two decades due to the fact that their number represents about 90% of the total worldwide facilities. Even in Kosovo, SMEs represent the majority of production units of Kosovo economy; therefore the current directions of national policy should address the ways and means of developing capacities of SMEs. Like many other countries around the world in Kosovo SMEs play an important role in generating employment and ensuring the economic development, the rapid developments in information and communication technologies (ICT), especially the Internet, have brought many changes in the world, both in developed countries and developing countries. The purpose of this study is to determine how many SMEs in the Republic of Kosovo are familiar with e-commerce, the opportunities it offers for business, and how many of them use it as a basic strategic definition in their businesses. We will explain the advantages of e-commerce for SMEs as an innovative way to improve business performance. Given that e-commerce is the future of enterprises, managers of SME should focus their efforts on innovation processes, as part of the development strategy of the enterprises where they work.

Keywords: E-commerce, SMEs, ICT.