

ELECTRONIC COMMERCE AND DIGITAL COMMUNICATION AS A PILLAR IN THE TRANSFORMATION PROCESS OF BUSINESSES IN ALBANIA

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Abstract: *Electronic commerce nowadays is offering and developing more and more opportunities, fundamentally changing the way business is developed. The job market in E-commerce is expanding rapidly, driving equally large changes in the global economy. One of the areas most affected in business by internet and mobile platform technologies is marketing and marketing communications. The paper presented by the authors aims to highlight the importance of E-commerce in the conditions of a digital market as an opportunity to change a significant part of industries in terms of their structure, processes and strategies and as an opportunity to expand in the international market. The process of reviewing scientific literature at the national and international levels, as well as the analysis of the cases of the development of electronic commerce offer the opportunity to address the way in which the business fields in Albania are approaching this transformation process and at the same time every difficulty encountered during the development of electronic commerce (Qurtubi, 2022). The findings presented in the paper evidence the fact that investment in Internet technologies and mobile platforms in the development of businesses, adapting to them and improving the customer experience, remain the main elements for a stable and growing presence of Albanian businesses in the digital market.*

Keywords: *E-commerce, Digitalization, Albania, SME, Digital Strategy, Literature Review.*

1. INTRODUCTION

The technological developments of recent decades and the global expansion of Internet access have fundamentally transformed the way businesses operate and interact with consumers. In this context, E-commerce (Wikipedia, 2025) has turned into a key element of digital transformation and a strategic instrument for the inclusion of businesses in a new global economy, it is characterized by the speed, flexibility and adaptability of the offer. The ability to offer products and services through digital platforms is no longer a competitive advantage, but a necessity to survive in an increasingly digitized market (Laudon, 2020). Digitization has not only affected the information technology sector, but has spread widely in the areas of production, services, logistics and finance, reformatting traditional business models. As a result, companies are forced to redefine their marketing, operations and product development strategies, to be closer to customers and meet their expectations in real time (Chaffey, 2022). E-commerce provides businesses with access to new markets, reduces operational costs, increases transparency and improves the consumer experience – essential elements in a digital economy. For developing countries such as Albania, the adoption of E-commerce represents an extraordinary opportunity for economic development and increased competitiveness, but at the same time it faces significant challenges related to the technological infrastructure, the legal framework and the digital culture of businesses and consumers (UNCTAD, 2023). Especially over the last ten years, various studies show a progressive increase in interest from economic entities in relation to online platforms, an increase in electronic payments and the emergence of new digital enterprise formats in

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the Albanian market as well (INSTAT, 2024). In this background, this paper aims to analyze in depth the role of E-commerce in the Albanian context, as part of a wider regional and global development. Through a systematic review of the scientific literature of recent years and a sectoral analysis of the commercial activity of Albanian businesses, it aims to highlight the impact of E-commerce in transforming business models, improving access to consumers and facilitating entry into new markets. Businesses are redesigning their operations to make the most of E-commerce, pursuing alternative approaches to reach their objectives. SMEs are key drivers of economic growth, encouraging private enterprise and enhancing management capabilities (Gadenne, 2009).

SMEs today face increasing pressures due to globalization and technological advances, which force them to adapt to long-term challenges. In most developed and developing countries, they account for over 90% of enterprises and generate more than 70% of new jobs (UNCTAD, 2006). The use of technology and connected information networks has reshaped how businesses operate, making processes more efficient and opening the door to new ways of organizing and managing economic activities. This study also helps fill gaps in the existing research for Albania and the region, offering insights that can guide policymakers and support strategies for inclusive digital transformation. In accordance with this goal, the article is structured in five parts: first, the theoretical framework and methodology used are presented, then an analysis of the Albanian context as a case study is presented, followed by a discussion of the results and conclusions, closing with recommendations for public and private actors.

The main purpose of this study is to analyze the role, impact and development potential of E-commerce in the Albanian context, as part of a broader dynamic of digitalization of operational processes in the economic entities of our country, especially in businesses that aim to maximize profit. Essentially, the study aims to highlight the way in which E-commerce is affecting:

- Interaction between businesses and consumers.
- Expanding access to new markets.
- Increasing the operational efficiency of businesses.
- Adapting marketing and sales strategies to the digital reality of modern times.

This study also aims to contribute to the scientific literature on developing countries, by providing a contextualized analysis for Albania, where despite increasing internet access and the advancement of Digital Infrastructure.

The study presented by the authors aims to: through the review of the national and international literature and the analysis of data of a mainly secondary nature in relation to the commercial activity of the economic subjects operating in our country.

- Identify international best practices in the development of E-commerce platforms and examine the possibility of adapting them to the Albanian reality.
- Analyze the challenges and obstacles faced by Albanian businesses, especially small and medium-sized enterprises (SMEs), in adopting online platforms.
- Assess the economic potential of E-commerce as a means of increasing the competitiveness of Albanian businesses, through entering foreign markets and diversifying sales channels.
- Suggest strategic directions for policymakers and the private sector, to build a sustainable E-commerce ecosystem in Albania, in line with global trends and sustainable development objectives.

Research Question: How does E-commerce affect the performance and strategic development of businesses in Albania in the context of economic digitalization and market globalization?

Hypothesis: The adoption of E-commerce in Albania positively impacts market expansion, improving business efficiency, and bringing consumers closer, despite infrastructure challenges and regulatory aspects.

2. LITERATURE REVIEW

2.1 Literature Review

E-commerce has become one of the most defining phenomena of the economic and digital transformation of modern times, bringing profound changes to the way enterprises interact with customers, partners and markets. In academic literature, its impact on empowering businesses, especially small and medium-sized businesses (SMEs), by providing them with new tools to compete in wider and more dynamic markets, has been widely highlighted (Kolsaker, 2002). According to various authors, electronic commerce cannot be defined solely as a technical tool for carrying out transactions over the internet, but represents a contemporary methodology of doing business, which addresses the needs of reducing costs, improving the quality of services and accelerating processes, (Turban, 2008; Lawrence, 2003). Referred Turban (2008), E-commerce involves the electronic process of buying and selling products, services and information via the Internet. This concept has been further expanded by other authors Lawrence (2003) and Lewis (2002) who see E-commerce as a tool to improve operational efficiency and increase the speed of service delivery. It involves not only the exchange of products and services, but also communication, collaboration, and integration of information digitally, creating a more efficient and transparent environment for business operations. From different perspectives, authors have highlighted specific dimensions of E-commerce:

- As a communication process, it enables the digital distribution of information, products, and payments (Zwass, 1996) and (Wigand, 1997).
- As a business function, it means the automation of transactions and workflows through information technologies (Lewis, 2002).
- As a service, it improves interaction with customers, increasing the quality and speed of product and service delivery (Turban, 2008).
- As an online environment, it creates a new platform for conducting exchanges and developing new business relationships (Rayport, 2001).

In recent literature, the importance of integrating advanced technologies, such as artificial intelligence (AI), into E-commerce platforms to improve customer experience and optimize business processes has been emphasized (Fonseka, 2022). This integration helps enterprises better adapt to market demands and increase their competitiveness. Essentially, E-commerce represents a symbiosis between technology and business strategy, which helps organizations restructure the way they operate, reach new customers, and build more sustainable competitive models. In developing countries, such as Albania, this approach has the potential to serve as a catalyst for economic development and broader inclusion in international markets – a topic that this study further explores in detail.

2.2 The impact of Electronic Commerce on the increase of performance and efficiency in small and medium economic entities

The spread and development of Electronic Commerce has shown that it affects the growth of the economic and financial performance of small and medium-sized economic subjects. A recent study (Setiawan, Adhariani, & Harymawan, 2023) shows that the use of E-commerce helps increase revenue, profits and return on assets for small and medium-sized enterprises. Also, the integration of innovative culture and competitive pressure Salah (2024) are factors that drive E-commerce adoption and improve the marketing performance of SMEs. During the COVID-19 pandemic, E-commerce proved crucial for the survival and growth of small and medium-sized enterprises (SMEs). Using digital platforms and online marketing strategies (Gao, 2023) allowed these businesses to continue operating and even improve their financial results. Still, SMEs face several challenges in promoting E-commerce, such're as limited coffers, lack of technological moxie, and inadequate structure. Research suggests that firm size and entrepreneurial skills play a key role in how successfully E-commerce is implemented (Hussain, 2022). Contrarily, E-commerce also offers significant opportunities, especially through leveraging multiple platforms and innovating customer value propositions (Weng, 2025). This approach can help SMEs expand their market presence and strengthen their competitive position. In the paper published by the scientific researcher Pjetri (2025), it is said that the level of use of fintech financial instruments has increased particularly during the last 5 years in Albania.

2.3 Factors influencing E-commerce adoption

Adopting E-commerce is a complex process for SMEs, shaped by a mix of internal and external factors that affect their readiness and decision-making regarding digital technologies. A key element is the technological maturity of the enterprise, including aspects such as information security, network connectivity, compatibility of software and hardware, and the level of integration between internal systems (Curtis, 2006). In particular, internet availability and quality often prove insufficient, especially in non-central areas, becoming a structural obstacle to digital development (Scupola, 2009). On the other hand, financial issues play a crucial role. As an organization adopts new technologies, it faces the need for significant investments in infrastructure, training, and maintenance. However, previous studies suggest that cost is not always a decisive factor in decision-making; for example, Scientific researcher (Simpson & Docherty, 2004) found that british SMEs often do not consider costs as a critical barrier to digitalization. Rather, it is the commitment of senior management that matters, not only setting strategic priorities but also cultivating an organizational culture open to innovation (Grover, 1993; Thong, 1999). In this context, the culture of collaboration, staff dedication, and managerial style directly impact the success of the digital transition (Montazemi, 2006). Another aspect that cannot be overlooked is the level of staff training and qualifications. Investing in education and human resource development constitutes one of the highest costs in the process of adopting E-commerce (Curtis, 2006), but it is also one of the fundamental prerequisites for a sustainable transition. Larger enterprises, in this sense, have the advantage of increased resources and a more developed infrastructure, which allows them to more easily integrate digital platforms. Beyond internal factors, the external environment also has a significant impact. Pressure from competitors, especially in industries where E-commerce has become the market standard, forces SMEs to adapt in order to maintain their positions (Tabor, 2003). An additional factor is the increasing demands from consumers, who expect easier access, but also more personalized and faster services through online channels. Supporting policies, such as standardization, legislation on digital security, and investment in infrastructure, have helped enhance the digital capabilities of the private sector (Ranganathan, 2004; Stoneman, 1986). Many studies highlight the role of institutional intervention as a key driver for E-commerce adoption, particularly in small developing economies (Southern, 2000; Martinsons, 2008). In summary, adopting E-commerce for SMEs is a complex process influenced by technological readiness, financial and human resources, organizational culture, market pressures, and institutional support. Understanding how these factors interact is crucial for designing effective policies and developing sustainable strategies for the digital growth of small and medium-sized enterprises.

In the Albanian context, institutional support and policy initiatives are vital for accelerating E-commerce adoption. The government can act as a catalyst by introducing supportive legislation, providing subsidies and training programs for businesses, and creating public platforms that facilitate integration into the digital economy.

2.4 E-commerce and communication as a strategic process

Communication is a fundamental pillar of successful E-commerce, as it establishes trust, interaction, and value between parties involved in a transaction. In an E-commerce environment, communication takes place in multiple forms: between customers and platforms, between buyers and sellers, and between automated systems and the content delivered in real time. According to Turban (2018), electronic communication is critical for building long-term customer relationships, providing transparency, personalization, and prompt responses to customer needs. It includes not only product or offers notifications, but also the ability to respond to customer concerns and questions, thus improving the user's experience and increasing the likelihood of repeat purchases.

Digital communication also contributes to creating trust, which is crucial for online environments where physical contact is lacking. Various studies, such as that of Pavlou (2004), show that transparency in communication and information exchange are key factors in building trust in digital platforms. From an organizational perspective, internal communication between departments

(Marketing, IT, Logistics) is equally important to ensure efficient order fulfillment and uninterrupted supply chain operation. According to Laudon (2020) the lack of integrated cross-functional communication can lead to delays, misunderstandings, and customer loss. So, communication in E-commerce is more than an information tool - it is a strategic interactive process that impacts overall business performance, brand building, and customer retention.

2.5 The importance of E-commerce in the Albanian context

In Albania, the adoption of E-commerce is still in its early stages, but it has great potential to help SMEs expand their markets and improve operational efficiency. The integration of digital technologies and the development of the necessary structure is an important way to take advantage of the advantages E-commerce offers. This study aims to analyze the impact of E-commerce on the performance of Albanian SMEs and to identify the best strategies for the successful adoption of this new way of doing business.

3. METHODOLOGY

The model applied by the authors in relation to this is based on qualitative data. events over a specific time interval, through multiple sources of information, and makes descriptions or interpretations (Creswell, 2012). Unlike other types of research, case studies (Stake, 1978), which defines what the study is about, are often preferred in the social sciences. In accordance with the exploratory and analytical nature of this study, the method of systematic literature review was applied Systematic Literature Review - SLR as a basis for theoretical as a basis to be used for our theoretically based analysis and conceptual analysis regarding the development and impact of electronic commerce on economies, with a primary focus on our country. This methodology enables a structured, transparent and reproducible approach to identifying, evaluating and synthesizing the most important scientific contributions in the field of E-commerce, in the context of digitalization and business model transformation (Kitchenham, 2007; Tranfield, 2003). The paper compiled by the authors is based on four methodological pillars:

- Identification of appropriate literature: A systematic search was applied in internationally recognized scientific databases - Scopus, Elsevier (ScienceDirect), SAGE Journals and ERIC. Structured keywords were used such as: E-commerce, Digital transformation, Developing countries, SMEs and online business, Albania and E-commerce, Electronic trade barriers, etc.
- Determination of inclusion and exclusion criteria: Only peer-reviewed articles, in English or Albanian, that had a primary focus on electronic commerce and its impact on the economic, social or institutional aspects were included. Non-academic technical reports, editorial comments and materials without reliable scientific references were excluded.
- Thematic analysis of the literature: The selected articles were analyzed thematically, classifying the main contributions according to the following categories: (a) Development of E-commerce platforms, (b) Impact on business performance, (c) Infrastructural and regulatory challenges, (d) Digital transformation of small and medium-sized enterprises (SMEs), and (e) Empirical cases from countries with similar characteristics to Albania.
- Extending the analysis to the local context: To contextualize the theoretical findings, a comparative and sectoral analysis of trade activity in Albania was included, based on secondary data from national level institutions such as the Institute of Statistics in Albania, such as the Bank of Albania, as well as reports from international organizations such as UNCTAD and data provided by the World Bank.

4. RESULTS AND ANALYSIS: THE CASE OF ALBANIA

4.1 Current state of E-commerce in Albania

E-commerce in Albania has taken a significant leap forward, especially over the last decade, driven by increased internet access, the growing use of mobile devices, and the need for digital

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transformation of traditional business models. Data from INSTAT and reports from the Bank of Albania show a gradual increase in the use of electronic payments and online platforms, especially after 2020, when the COVID-19 pandemic served as a catalyst for the migration of many services to digital channels, more specifically:

- According to Statistical Institution of the Republic of Albania (INSTAT, 2024), 96.7% of Albanian households had access to the internet in 2023, showing a slight increase compared to the previous year.
- Bank of Albania Report (BankofAlbania, 2023) highlights the increasing use of digital payment instruments and developments in the electronic payment system in Albania.

According to reports, around 55% of small and medium-sized enterprises have created an online presence through social networks or websites, but only 20% use genuine E-commerce platforms for direct sales. This shows a clear gap between awareness of the importance of digitalization and the real capacities to implement it functionally.

Among the main sectors in which electronic commerce has had an impact, especially during the last five years, we can say:

- The retail sector, especially in the field of technology, clothing and cosmetics.
- Food services, with a significant increase in online ordering platforms.
- Tourism and accommodation, through the use of international platforms such as Booking and Airbnb.
- Education Education, with the creation and development of technology platforms specialized in the field of education and e-learning.

The application of E-commerce to SMEs helps them create a competitive advantage with large companies. It serves as a strategic tool for increasing competitiveness, especially in an environment where technology and low cost of information and communication directly affect the efficiency of operations. However, it should be noted that many businesses still operate informally on social platforms, without integrating full E-commerce solutions such as online payments, inventory management or automated deliveries. This indicates an intermediate stage of digital transformation, where participation exists, but support structures and sufficient education to maximize benefits are lacking.

4.2. Technological developments and digitalization in Albanian businesses

In the last decade, Albania has experienced a significant increase in the diffusion and use of information and communication technologies (ICT), which have created a favorable basis for the development of E-commerce and the digitalization of business processes. The push towards digitalization has been reflected both in public policies and in the strategic approach of businesses seeking to expand their presence in new markets and increase operational efficiency. According to data from INSTAT (2024), a chance of 99.3 of enterprises with 10 or further workers used computers with internet access for professional purposes during 2024, marking a modest increase in the value of 99.1 of SMEs who reported that they used this type of service during 2023. The use of cloud services, customer management software (CRM), and electronic payment systems is gaining ground, although still limited. However, the level of digitalization varies significantly according to business size, location, and sector of activity. A positive development to highlight is the intervention of the Albanian government through initiatives such as “Digital Albania 2030” through AI, which aims to increase the digital skills of the population and modernize public administration and services to citizens and businesses. Through this strategic vision, the creation of an innovative ecosystem that helps in the adoption of new technologies by enterprises is also encouraged. On the other hand, according to a World Bank Report (W.B.Report, 2020), despite the high potential, structural barriers such as the lack of digital infrastructure in rural areas, the high cost of technology, the lack of digital skills and the skepticism of businesses towards digital transformation remain significant challenges for the private

sector in Albania. The services and trade sector appears to be more advanced in the adoption of digital technologies, using online platforms for marketing, sales and interaction with customers. In contrast, sectors such as agriculture and industrial production remain poorly digitalized, highlighting a significant gap that needs to be addressed through targeted policies as well as technical and financial support. In this light, digitalization is not merely a technological option but a critical strategy for enhancing competitiveness, fostering innovation, and expanding market reach for Albanian businesses. Addressing these challenges is essential to fully realize the benefits of transitioning to E-commerce-driven business models.

4.3 Challenges and opportunities for Albanian businesses in E-commerce

Although Albania has made notable progress in digitalization and the adoption of information technologies, several structural obstacles continue to limit the development of E-commerce. Key challenges include inadequate logistics infrastructure, low consumer trust, incomplete legal and regulatory frameworks, limited digital literacy, and slow uptake of advanced platforms by small and medium-sized enterprises. The World Bank (2020) reports that many Albanian businesses operating online struggle to access international markets due to high shipping costs, complex external bureaucracies, and the absence of sustainable logistics partnerships. Furthermore, internal challenges such as lack of experience in managing digital channels, as well as limited financial capacities, limit the potential of digital transformation into a sustainable growth tool. On the other hand, the opportunities that arise are numerous and tangible. Albania enjoys a high level of internet use among the population and a growing penetration of mobile telephony, which creates a favorable terrain for the development of mobile platforms and E-commerce. Referred Statistical Institution of the Republic of Albania (2024), the high percentage of enterprises that used the internet for business purposes indicates a continuous increase in digitalization in daily business practice. Furthermore, the support of state institutions through platforms such as e-Albania, as well as efforts to engage in new markets through participation in regional and global trade networks, are positive indicators for the further development of this sector. However, the long-term success of E-commerce in Albania will depend on structural interventions that address existing shortcomings, as well as on the ability of the private sector to build capacity in line with global digital trade standards. Investing in technology education, building functional logistics networks, and a more comprehensive legal framework remain key elements for a competitive future for Albanian businesses in e-markets.

Challenges for Albanian SMEs:

- **Digital and technological infrastructure:** According to a 2024 study made by Hasa (2024) on technology adoption in the retail sector in Albania, factors such as the lack of stable internet connectivity and the lack of integrated information systems have been identified as key barriers to the adoption of new technologies by small and medium-sized enterprises.
- **Limited financial resources:** The Investment Council of Albania's 2024 report highlights that SMEs face difficulties in accessing finance to invest in new technologies, including E-commerce (IC, 2024).
- **Human and managerial capacities:** The lack of qualified staff and adequate training for the use of new technologies is another challenge identified by small and medium-sized enterprises in Albania (Hasa, 2024).
- **Organizational culture and resistance to change:** Some Albanian SMEs show a tendency to stick to traditional business practices, being wary of technological changes and the adoption of E-commerce.
- **Lack of institutional support:** While there are efforts to improve the digital infrastructure in Albania, the lack of clear policies and consistent support from state institutions is a factor that slows down the adoption of E-commerce by SMEs.

In recent years, Albania has witnessed a gradual increase in the number of businesses adopting digital technologies as a means to extend the economic life of a product and increase market presence. Despite Albania lacking a largely advanced structure compared to more advanced countries, some

small and medium-sized enterprises have demonstrated that outsourcing E-commerce can lead to measurable advancements in profit, request reach, and functional effectiveness.

4.4 The impact of policies and legislation

State programs and legislation are among the most important factors in promoting or hindering the relinquishment of E-commerce, especially in developing agriculture similar to Albania. Clear legislation, supporting measures and nonsupervisory structure are essential rudiments to insure a favorable climate for the development of E-commerce. The legal framework applied by the Albanian state regarding electronic commerce has been improved and adapted, including the repeal of Law No. 10 128, dated 11.5.2009 on Electronic Commerce and updates in line with EU directives on consumer protection, electronic hand and online deals. Sub-legal acts have also been created that end to regulate digital payment practices and data storehouse. Still, the perpetration of these rules faces practical difficulties. According to the World Bank Report (2020), the lack of effective enforcement of laws, the lack of information to businesses on the scores and openings offered by the law, and the lack of supporting institutions for resolving digital controversies constitute significant obstacles to the further development of E-commerce in the country. Likewise, the lack of a public strategy specifically concentrated on the digital metamorphosis of SMEs highlights a gap between legal perspectives and request reality. Transnational studies Ranganathan (2004) and Martinsons (2008) emphasize that government intervention with sustainable programs and profitable impulses is vital to support technological invention and make trust in E-commerce. Accordingly, while Albania has made efforts to ameliorate the legal frame for E-commerce, the impact of these programs in practice remains limited due to institutional challenges and the limited capacity of businesses to borrow and apply these regulations.

4.5. Compatibility of Albanian reality with conclusions from international literature

Through the analysis of factors influencing the adoption of E-commerce in Albania, a significant agreement is observed with the conclusions provided by the international literature on SMEs. Foreign studies Scupola (2009) and Montazemi (2006) consistently emphasize the role of technological infrastructure, managerial support, staff capacities and external pressures as key factors in the success or failure of E-commerce adoption.

In the Albanian case, factors such as internet availability, human resource preparation and access to finance have been identified by INSTAT, BoA and WB reports as real obstacles for domestic businesses. For example, as in the literature, it is observed in Albania that small enterprises face more challenges to invest in technology due to lack of financial resources and internal expertise Simpson (2004) and Grover (1993). In his scientific paper, researcher Thong (1999), says that, international literature considers organizational culture and the level of management commitment as important determinants of the success of digital transformation which coincides with the Albanian reality where the success of certain businesses is directly linked to the entrepreneur's vision and willingness to embrace technology. Market pressure and growing consumer demands for easy and fast access to products or services constitute another point of convergence. In both contexts – domestic and international – these factors have driven the reorientation towards digital sales channels Tabor (2003) and Allen (2000). On the other hand, discrepancy emerges in the level of institutional support. in many countries governments have played a catalytic role in promoting E-commerce (Ranganathan, 2004; Martinsons, 2008), in Albania this support still remains sporadic and fragmented, without a coordinated and long-term strategy for SMEs. In conclusion, the Albanian reality confirms many of the factors identified by the international literature as obstacles or drivers of E-commerce adoption but also highlights the need for a more structured and sustainable approach by public institutions to support this transformation.

5. DISCUSION AND CONCLUSION

Based on the findings from the international literature and the case analysis of Albania, some important recommendations for improving the E-commerce climate and increasing the participation of SMEs in this sector are:

- To create and develop a national strategy regarding the digital transformation, especially of small and medium-sized enterprises, considering that these entities make up over 95% of economic entities operating in our country. A comprehensive strategy is needed that directly addresses the needs and capacities of small and medium-sized businesses, with measurable objectives and monitoring mechanisms. This strategy should include digital education, access to financing and the promotion of technological tools suitable for the Albanian market.
- One of the difficulties observed has to do with the lack of information at the level of trust on the part of the economic subjects. For this reason, national information campaigns and dedicated training for entrepreneurs should be developed, including partnerships with universities and technological incubators (OECD, 2023).
- Investment in digital and technological infrastructure. The expansion of the fast internet and the creation of accessible platforms for online sales are prerequisites for the success of E-commerce.
- Effective implementation of existing laws and their improvement in line with international technological developments is essential. Simplified mechanisms should be created for resolving digital disputes and guaranteeing online consumer right (W.B.Report, 2020).
- The government and financial institutions should offer grant schemes or fiscal incentives for SMEs that invest in digital transformation, including technology, consulting, training or online marketing.
- Promoting and increasing the level of cooperation between the state as entities and private economic subjects in relation to the development of Electronic Trade. Creating cooperation networks between market actors, state institutions, business organizations and technology providers will facilitate the exchange of knowledge and best practices in this area.

This study contributes to the academic literature on E-commerce in the Albanian context, combining a theoretical approach with the analysis of local empirical data. In the absence of in-depth studies addressing the adoption of E-commerce by SMEs in Albania, this paper provides a clear and structured overview of the influencing factors, highlighting the existing gaps and specific needs of this sector. It also encourages reflection on the importance of institutional intervention to improve the digital business climate. For future research, it is suggested to develop quantitative and comparative studies between different economic sectors, as well as to assess the impact of specific E-commerce platforms on the performance of SMEs. This paper aimed to examine the factors influencing the adoption of E-commerce by small and medium-sized enterprises (SMEs) in Albania, relying on a combined approach between a literature review and an analysis of the specific Albanian context. In line with the research question, key factors that constitute obstacles or opportunities for the full integration of SMEs in digital commerce were identified and analyzed.

The findings from the literature highlight those internal factors such as the level of technological development, staff training, organizational culture and managerial support, as well as external factors such as market pressure, state policies and digital infrastructure play a key role in the process of E-commerce adoption. Similarly, in Albania, businesses are gradually expanding their participation in E-commerce, yet they face notable challenges such as limited IT investments, low digital skills, and the absence of coordinated strategies. This situation aligns closely with international research on the factors affecting E-commerce adoption among SMEs, including technological infrastructure, employee expertise, and management support. The main obstacles in Albania are related to the lack of financing, expertise and a stable internet, while organizational culture and market pressure have a similar impact to international cases. A striking difference is the weak institutional support in Albania, in contrast to countries where governments play a catalytic role. This indicates the need for a coordinated and long-term strategy to help Albanian SMEs in their digital transformation.

As a result of the increase in the number of economic transactions in number and value that have been carried out by individuals, small and medium category entities on the Internet, more

investments are needed in consumer protection, information and transparency on the conditions included in financial products and services (Pjetri, 2025).

However, concrete examples from practice show that the transition to digital formats has brought real benefits to some Albanian businesses - such as increased turnover, access to new markets and improved communication with customers. This proves that, when the supporting factors are present, the potential for development is considerable. Digital transformation should not be seen as an option, but as a necessity for the long-term sustainability and growth of businesses.

Consequently, to further stimulate the adoption of E-commerce in Albania: investments in technological capacities, raising the digital competences of the workforce and creating a supportive legal and strategic framework; are essential to ensure that Albanian SMEs really benefit from the opportunities offered by E-commerce in the digital age.

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