

IMPACT OF E-COMMERCE ON THE ECONOMIC DEVELOPMENT OF THE INTERIOR OF CEARÁ

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ABSTRACT

The rise of e-commerce has generated significant economic changes, expanding the reach of small and medium-sized companies in regions outside large urban centers. In the interior of Ceará, municipalities such as Redenção, Baturité and Barreira represent a promising scenario for e-commerce, which can facilitate consumer access and boost local economic development. However, companies such as Company A, which operates only in the physical format, face digitalization challenges, while Company B, which already operates in the digital environment, demonstrates the competitive advantages of e-commerce. This study has the general objective of analyzing the impact of e-commerce on the economic development of the interior of Ceará, focusing on the operations of companies A and B. Specifically, it aims to examine the advantages and challenges of implementing a digital channel in Company A and to evaluate the economic impacts of e-commerce for Company B. and comparative analysis combined with participant observation, a method that allows a direct immersion in the local context and facilitates the collection of qualitative data on practices and perceptions of companies and consumers in relation to e-commerce. The results indicate that Company A could significantly expand its audience and promote digital inclusion by adopting an e-commerce platform, while Company B, with its consolidated digital operation, already strengthens the local economy by expanding access and competitiveness, generating new partnerships and job opportunities. It is concluded that e-commerce offers a transformative potential for the economic development of the interior of Ceará, although its implementation requires investment in infrastructure and digital inclusion. This transition would benefit the regional market by creating a more dynamic and accessible economic ecosystem for local businesses and consumers.

Keywords: E-Commerce, Economic Development, Digitalization, Digital Inclusion, Small Businesses.

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INTRODUCTION

The rise of e-commerce has transformed the global economic scenario, creating new possibilities for consumption and facilitating the expansion of companies beyond their locations. In Brazil, the internalization of e-commerce has boosted economic development in areas outside large urban centers, promoting convenience for consumers and expanding the reach of small and medium-sized companies. In the interior of Ceará, municipalities such as Redenção, Baturité and Barreira reflect this transformative potential of e-commerce, although they still face challenges in the digitalization of local businesses.

Local companies, such as Company A, a supermarket chain, which currently operates only in physical format, and that could benefit from the transition to e-commerce, which would facilitate access to their products and services to a wider audience. The possibility of online shopping would bring convenience to residents of these regions, especially for those with reduced mobility or who live in more remote areas. Additionally, the adoption of e-commerce could drive local economic growth, generating new job opportunities in areas such as logistics, customer service, and technology.

On the other hand, Empresa B, a shoe store located in Redenção, which already integrates e-commerce into its business model, has experienced increased competitiveness and a broader market reach, reaching customers from other regions. This example illustrates how e-commerce not only strengthens local commerce, but also promotes partnerships with suppliers and logistics companies, creating a network of services that positively impacts the regional economy. Thus, analyzing the effects of the adoption of e-commerce by different types of companies in the interior of Ceará allows us to understand how this tool can boost regional economic development, promoting digital inclusion and generating a local value chain.

While e-commerce represents an opportunity for expansion and development, questions arise about its effectiveness in inland regions, where digital infrastructure and familiarity with online shopping may still be limited. In this way, the following questions were raised: What would be the impact of e-commerce on the economic development of the interior of Ceará? Could Company A, currently exclusively physical, benefit from a digital channel? How can Company B's already digital model serve as an example for other local companies? Understanding the challenges and opportunities of e-commerce in these areas is essential to propose actions that favor regional economic growth and the strengthening of the local market.

In this sense, we present as a general objective to analyze the impact of e-commerce on the economic development of the interior of Ceará, taking as reference the



operations of Company A and Company B in the municipalities of Redenção, Baturité and Barreira. And as specific objectives, to examine the advantages and disadvantages of implementing an e-commerce channel for Company A; and evaluate the economic impacts of Company B's e-commerce operations in the region.

The study is relevant for entrepreneurs, public managers and researchers interested in the economic development of inland regions, especially in contexts of increasing digitalization. The survey offers contributions on how e-commerce can boost the local economy, promote digital inclusion and create new job opportunities and partnerships. Additionally, the results can guide companies in making decisions about the adoption of e-commerce, in addition to supporting public policies aimed at sustainable economic development.

METHODOLOGY

The research will be qualitative and will use participant observation to understand the practices and perceptions of local companies and consumers in relation to e-commerce. During the study, the researcher will observe the operations of Company A and Company B, as well as collect information from managers and consumers to understand the impact of e-commerce on local economic dynamics. The analysis of the data collected will allow us to explore the economic and social effects of e-commerce in the region, considering both the challenges and the growth possibilities it offers.

According to Mónico et al. (2017), participant observation, inserted in ethnography, involves the observer in practical activities, allowing direct and frequent contact with participants in the context studied. In their analyses, the authors reinforce that this method allows access to events and behaviors that are difficult to capture by other methods, such as interviews. Originally used in Cultural Anthropology, the technique was expanded to the Social Sciences, being applied to diverse groups and organizations. For participant observation to be effective, the researcher must immerse himself in the daily lives of the subjects, adapting to their roles and habits, which favors a more authentic and detailed understanding of natural interactions and events that might otherwise be altered or repressed in the presence of strangers.

Participant observation, situated between participation and observation, according to Mónico et al. (2017), requires the researcher to develop specific skills to deal with subjectivities, maintaining a critical distance and thoroughly recording their experiences. This method allows for qualitative and narrative interpretations, creating in-depth descriptions that help in the formulation of hypotheses and the adaptation of interpretive



theories. Used mainly in exploratory and descriptive studies, the method values the relationship between the researcher and the group, which provides a differentiated view, difficult to obtain in external observations.

RESULTS AND DISCUSSION

In this chapter we will bring the analysis of the experience report of companies A and B, from this methodology, we will carry out a comparative analysis relating to authors who corroborate the study. In this way, the analysis allows us to understand the differences and potential impact of e-commerce in a region like Redenção and its surroundings. Both businesses have a broad target audience, with a focus on accessibility and convenience to meet local needs. However, while Company A, a supermarket chain, operates exclusively in the physical format, Company B, a shoe store, already has consolidated digital operations.

The analysis of e-commerce presented by Mendes (2013) addresses its emergence, development and economic importance. E-commerce began in the United States in the 1990s, spreading rapidly around the world, including Brazil, where its adoption was driven by the growth of the internet and the evolution of electronic payment technologies. According to the author, in Brazil, the expansion of e-commerce has allowed the creation of a digital business environment, which represents a strategic alternative for companies to expand their reach and get closer to consumers.

The author describes how e-commerce has evolved from a model initially focused on transactions between companies to directly serve consumers. Competitive strategies include offering convenience, competitive pricing, and product diversity. In addition, there is a growing focus on security and privacy to gain the trust of consumers. This environment also promotes innovations, such as m-commerce, which uses mobile devices for transactions, and s-commerce, which integrates social networks, increasing customer engagement and loyalty (Mendes, 2013).

For companies, Mendes (2013) highlights that e-commerce is important for economic development, as it expands market reach, reduces costs and facilitates partnerships. In Brazil, despite still facing challenges, e-commerce is growing rapidly, creating new perspectives for digital commerce and boosting competitiveness. Mendes points out that the success of this model depends on its adaptation to consumer demands and continuous innovation in marketing and technology strategies. Considering the author's analyses, we brought our participant observation, making a comparison in some aspects:



ON THE "IMPACTS OF FACE-TO-FACE AND DIGITAL OPERATIONS"

Company A, by maintaining its activities only in the physical format, is restricted to the flow of local customers and a consumer base that frequents its stores. The absence of e-commerce limits expansion and accessibility for customers who, for various reasons, prefer or need to shop remotely, such as people with reduced mobility or who live in distant areas. The inclusion of an e-commerce platform for Company A could bring significant benefits, such as easier access for consumers and the creation of new job opportunities in logistics and customer service. E-commerce would also allow a competitive differential, expanding the customer base and encouraging digital inclusion in the region.

On the other hand, Company B already operates in e-commerce and, as a result, is able to expand its reach beyond local borders. The digital operation allows Corp B to reach a wider and more diverse audience, both at the state level and in other regions of the country. The convenience of e-commerce also adds value for consumers, who can make their purchases anytime and anywhere. This strengthens the brand, increases competitiveness and enables the development of strategic partnerships with logistics companies, boosting the local economy. In addition, e-commerce contributes to the appreciation of the B Corp brand, which can become recognized as a solid and reliable regional option, attracting consumers from other areas.

ON THE "COMPARATIVE ANALYSIS OF GROWTH POTENTIAL"

While Company A faces challenges by relying exclusively on the physical market, Company B already has the competitive advantage of diversification between physical and digital operations. Comparative analysis indicates that if Company A were to adopt a similar approach, it could take advantage of the region's economic growth potential by creating new jobs and facilitating access to products for a broader population. The development of e-commerce could also promote the digital inclusion of consumers and, consequently, boost the modernization of the regional market.

The analyses of the companies studied here are in accordance with what Leão & Teixeira (2017) bring, as they state that e-commerce stands out for its ability to provide fast and up-to-date access to goods and services, overcoming limitations of time and space inherent to physical commerce, and thus consolidating itself as an essential factor of economic growth. According to the authors, in Brazil, e-commerce achieved a significant growth of 22% in 2014, positioning the country among the ten largest global markets, while on a global scale the sector represented 5.9% of retail sales, led by powers such as the USA and China.



However, Leão & Teixeira (2017) make it clear that the expansion of e-commerce faces challenges, such as "digital illiteracy" in certain segments of the population, although this barrier is being overcome by generations more connected to the internet. The digital age, marked by decentralization and interoperability, has brought new economic, political, and social tensions that impact international trade. E-commerce, by transcending physical and fiscal borders, questions the sovereignty of states and creates disputes for regulation, reducing the reach of national laws on issues of privacy, data security, and consumer rights.

The expansion of e-commerce in the region, considering the two companies, could consolidate Redenção and adjacent municipalities as hubs of economic and digital development.

CONCLUSION

The study carried out made it possible to highlight the significant impact of e-commerce on the economic development of inland regions, focusing on the municipalities of Redenção, Baturité and Barreira, in the interior of Ceará. The analysis carried out by companies A and B demonstrates that the adoption of digital practices can transform the local economic scenario, bringing benefits to both companies and consumers. Company B, which already operates in e-commerce, expands its reach beyond local boundaries, strengthens its competitiveness and contributes to the creation of a network of services that boosts the region's economy. This example shows that e-commerce, in addition to facilitating access to products and services, enables the appreciation of local brands, encouraging the emergence of partnerships and generating new job opportunities.

Company A, by operating exclusively in the physical format, limits its potential for growth and market reach. If it adopted an e-commerce platform, it could serve a wider clientele, promoting digital inclusion and facilitating access to its products for consumers in more remote locations. The transition to e-commerce, therefore, could increase the competitiveness of Company A and contribute to local economic development through the generation of employment and the modernization of its operations.

In addition to the economic benefits, the analysis reveals that the expansion of e-commerce in the interior region also faces challenges. Among them, the need for digital inclusion and the familiarization of part of the population with online commerce stands out, which is crucial to maximize the positive impact of this technology. It is also observed that the growth of e-commerce transcends physical and fiscal barriers, requiring adequate



regulations to ensure the security and privacy of consumers, in addition to promoting a competitive and transparent environment.

Finally, it is concluded that the adoption of e-commerce by companies in the interior of Ceará has a transformative potential, both for business growth and for regional economic development. This transition, however, requires coordinated efforts between companies, government, and society to overcome the challenges and create an inclusive and sustainable digital environment, consolidating Redenção and adjacent municipalities as emerging hubs of digital and economic development.



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