

## **TRANSITIONING TO ONLINE HOME-BASED BUSINESS: IMPACT ON BUSINESS WELL-BEING AND SUSTAINABILITY OF SMALL-SCALE ONLINE BUSINESS IN TANZA, CAVITE**

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### **ABSTRACT**

The study determined the impact of transitioning to online home-based businesses on the well-being and sustainability of small-scale enterprises in Tanza, Cavite. The research employed a descriptive research design, gathering data through a structured survey questionnaire administered to small-scale entrepreneurs. The participants were selected using purposive, convenience, and quota sampling techniques to ensure the representation of business owners who had transitioned to an online setup. The findings indicated that transitioning to online platforms significantly improved the financial health of businesses by reducing operational costs and enhancing profitability. Operational efficiency was also positively impacted, with improved inventory management, streamlined daily operations, and enhanced communication with employees and suppliers. Moreover, customer satisfaction increased due to easier access to services, faster response times, and better customer service facilitated by digital tools. In terms of sustainability, economic sustainability was strengthened as participants reported more stable revenue streams and opportunities for growth. Governance and accountability also improved, with businesses leveraging digital tools to ensure transparency, better record-keeping, and compliance with regulations. Social sustainability was evident in increased community engagement and the adoption of fair practices, while product and supply chain sustainability were achieved through eco-friendly initiatives, such as the use of recyclable packaging and ethical sourcing practices. Despite these advancements, challenges persisted. Participants cited difficulties in accessing funding, gaps in digital literacy, and the costs associated with technology upgrades as barriers to further growth. These findings align with previous research emphasizing the critical role of digital tools and strategies in the success of small-scale online businesses (Smith & Muniz, 2018; Kumar et al., 2020). This study contributes to the growing body of literature on e-commerce and small business sustainability, particularly in a post-pandemic context. It highlights the importance of government and private sector support in providing affordable access to technology, training programs, and financial resources. These measures are essential to empowering small-scale entrepreneurs to thrive in an increasingly digital marketplace.

**Keywords:** Online businesses, home-based business, financial health, operational efficiency, sustainability, small-scale enterprises

### **1.0 INTRODUCTION**

The impact of Covid-19 has been massive, in many areas of our life, especially for business owners. The lockdowns meant that physical stores were closed, and we as consumers ended up changing most of our shopping habits to online. Many businesses thus, had to quickly switch from being a physical-only store to also be an online store (Terrey, 2024). In the province of Cavite, this transformation enabled numerous entrepreneurs to establish and sustain home-based businesses using digital tools and e-commerce platforms to serve local and international markets.

The province of Cavite has seen substantial economic development over recent years. Its high population density and variety of economic activities make it an ideal location for small businesses, especially in areas like food, retail, fashion, and handicrafts. Small businesses significantly contribute to employment and economic development in the region, accounting for a substantial portion of its economic activity (Philippine Statistics Authority, 2021). However, the pandemic posed severe disruptions, compelling many small-scale entrepreneurs to shift to an online business model to survive. This transition leveraged the benefits of e-commerce, such as flexibility, broader market reach, and reduced operational costs (Statista, n.d.).

Operating an online, home-based business has provided various advantages for entrepreneurs in Cavite. E-commerce enables businesses to minimize rent, utilities, and maintenance costs while offering greater work-life balance for entrepreneurs managing family and work responsibilities (Hackney et al., 2022). The transition to an online, home-based business model has offered numerous advantages for small-scale entrepreneurs in Cavite. By operating online, businesses can reduce overhead costs related to rent, utilities, and store maintenance. Moreover, e-commerce allows businesses to maintain a more flexible work-life balance, which has been particularly beneficial for many entrepreneurs juggling family responsibilities and work commitments. This flexibility has enabled small businesses to quickly pivot their product offerings in response to changing customer demands, such as the surge in demand for home-based products and services during lockdown periods.

Additionally, digital tools like social media platforms, online payment systems, and targeted marketing campaigns have facilitated customer acquisition, brand loyalty, and increased sales without requiring a physical presence (Laudien & Pesch, 2019). This adaptability has been especially valuable during heightened demand for home-based goods and services, such as during lockdowns.

Despite these advantages, transitioning to an online business model presents challenges. Entrepreneurs in Cavite often face financial instability as they navigate the complexities of e-commerce operations. Issues such as logistical inefficiencies, ensuring timely deliveries, managing customer expectations, and maintaining product availability are among the obstacles small business owners encounter (Missimer et al., 2017). These challenges highlight the need for strategic approaches to enhance the resilience and sustainability of online businesses in the region.

The transition to online home-based businesses has enabled small-scale enterprises to reduce costs, increase market reach, and enhance flexibility. E-commerce platforms, social media marketing, and online payment systems have become vital tools in this shift. However, this

transition is not without challenges, including financial constraints, digital literacy gaps, and supply chain in efficiencies (OECD, 2021).

This study investigates the effects of transitioning to online home-based businesses on the well-being and sustainability of small-scale enterprises in Tanza, Cavite. It examines how the shift affects financial health, operational efficiency, and customer satisfaction, as well as sustainability in economic, social, governance, product, and supply chain dimensions.

In view of the preceding statements, this study was conducted to:

1. Determine the business profile of the participants in terms of:
  - a. Type of business;
  - b. Years in operation, and;
  - c. Estimated monthly income business;
  
2. Identify the factors that effects transitioning to online home-based business to the well-being of small-scale businesses in terms of:
  - a. Financial health;
  - b. Operational efficiency, and;
  - c. Customer satisfaction
  
3. Determine the effect of transitioning to online home-based business to the sustainability of small-scale online business in terms of:
  - a. Economic sustainability;
  - b. Governance and accountability;
  - c. Social sustainability;
  - d. Product sustainability, and;
  - e. Supply chain sustainability

## **2.0 METHODOLOGY**

This study employed a descriptive research method to gather comprehensive data on the effects of transitioning to online home-based businesses on the well-being and sustainability of small-scale businesses in Tanza, Cavite. The descriptive part focused on explaining the business profile and the challenges faced during the transition. For this study, the researchers used three sampling techniques: purposive sampling to determine participants who met the criteria of the study, convenience sampling to select participants based on their accessibility and availability and, Quota Sampling to ensure that the sample consisted of exactly 100 small-scale business owners, representing the study's target population. A self-administered survey questionnaire was used to collect data. It is a structured set of statements designed to determine the effects of transitioning to an online home-based business on the well-being and sustainability of small-scale businesses in Tanza, Cavite.

The data collected was analyzed using frequency counts, percentages, and mean to interpret the responses. These were utilized to generate the participants' business profiles. The

researchers used a 5-point Likert scale to determine levels of agreement or perception. The following conversion scales were used in interpreting the data. The following conversion scales were used in interpreting the data.

**Table 1. Descriptive interpretation of the financial health**

<b>NUMERICAL RANGE</b>	<b>VERBAL INTERPRETATION</b>	<b>DESCRIPTIVE INTERPRETATION</b>
4.21 - 5.00	Strongly Agree	Participants strongly agree that transitioning to an online home-based business significantly improved their financial health, such as stabilizing cash flow and managing revenues effectively.
3.41 - 4.20	Agree	Participants agree that the transition positively influenced their financial health, indicating improvements in cash flow and revenue management.
2.61 - 3.40	Slightly agree	Participants think their financial health is average and needs improvement in certain areas.
1.81 - 2.60	Disagree	Participants believe their financial health is poor, with frequent difficulties in balancing costs and income.
1.00 - 1.80	Strongly disagree	Participants think their financial health is very poor, indicating struggles with major financial instability.

**Table 2. Descriptive interpretation for operational efficiency**

<b>NUMERICAL RANGE</b>	<b>VERBAL INTERPRETATION</b>	<b>DESCRIPTIVE INTERPRETATION</b>
4.21 - 5.00	Strongly Agree	Participants strongly agree that transitioning online significantly enhanced operational efficiency, such as easing order management and streamlining processes.
3.41 - 4.20	Agree	Participants agree that the transition improved their operational efficiency to a considerable extent, ensuring smoother workflows.
2.61 - 3.40	Slightly agree	Participants slightly agree that the transition contributed to better operational efficiency in some areas.

1.81 - 2.60	Disagree	Participants disagree, suggesting that the transition offered little improvement in operational efficiency.
1.00 - 1.80	Strongly disagree	Participants strongly disagree, indicating a negative perception of their operational efficiency after the transition.

**Table 3. Descriptive interpretation for customer satisfaction**

NUMERICAL RANGE	VERBAL INTERPRETATION	DESCRIPTIVE INTERPRETATION
4.21 - 5.00	Strongly Agree	Participants believe they consistently meet or exceed customer expectations, leading to high loyalty and satisfaction.
3.41 - 4.20	Agree	Participants think they usually meet customer expectations but occasionally fall short.
2.61 - 3.40	Slightly agree	Participants feel their customer satisfaction levels are average, requiring significant improvement.
1.81 - 2.60	Disagree	Participants perceive poor customer satisfaction, with many unmet expectations.
1.00 - 1.80	Strongly disagree	Participants think customer satisfaction is extremely low, which may negatively impact loyalty.

**Table 4. Descriptive interpretation for governance and accountability**

NUMERICAL RANGE	VERBAL INTERPRETATION	DESCRIPTIVE INTERPRETATION
4.21 - 5.00	Strongly Agree	Participants feel their business operations are highly transparent, ethical, and compliant with regulations.
3.41 - 4.20	Agree	Participants think their governance practices are good but may need improvement in certain areas.
2.61 - 3.40	Slightly agree	Participants feel their governance and accountability are moderate, with some weaknesses in ethical practices.
1.81 - 2.60	Disagree	Participants believe their business governance is weak, with poor adherence to ethical or legal standards

1.00 - 1.80	Strongly disagree	Participants perceive significant failures in governance, with little transparency or accountability.
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**Table 5. Descriptive interpretation for social sustainability**

NUMERICAL RANGE	VERBAL INTERPRETATION	DESCRIPTIVE INTERPRETATION
4.21 - 5.00	Strongly Agree	Participants strongly believe their business positively impacts the community and fosters strong relationships with stakeholders.
3.41 - 4.20	Agree	Participants feel their business contributes to social well-being but recognize areas for improvement.
2.61 - 3.40	Slightly agree	Participants think their business moderately supports social sustainability but lacks consistency.
1.81 - 2.60	Disagree	Participants believe their business has minimal positive social impact or weak community engagement.
1.00 - 1.80	Strongly disagree	Participants perceive their business as disconnected from the community, providing little or no social benefit.

**Table 6. Descriptive interpretation for product sustainability**

NUMERICAL RANGE	VERBAL INTERPRETATION	DESCRIPTIVE INTERPRETATION
4.21 - 5.00	Strongly Agree	Participants believe their products are highly sustainable, eco-friendly, and meet customer expectations for long-term use.
3.41 - 4.20	Agree	Participants feel their products are mostly sustainable but could use some enhancements in environmental or usability aspects.
2.61 - 3.40	Slightly agree	Participants think their products meet moderate sustainability standards, requiring significant improvements.
1.81 - 2.60	Disagree	Participants perceive their products as unsustainable, with low environmental or customer-friendly attributes.

1.00 - 1.80	Strongly disagree	Participants feel their products are highly unsustainable, with little consideration for eco-friendly or long-term usability.
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### 3.0 RESULTS AND DISCUSSION

#### 3.1 Business Profiles of the Participants

Table 7 shows that most participants (57%) had been operating their businesses for 1–3 years, reflecting the surge of startups during the pandemic. Retail businesses comprised the largest group (32%), followed by general merchandise and other categories (12% each). The majority (30%) of participants reported monthly incomes of ₱10,000 or below, highlighting financial constraints among small-scale enterprises.

These findings align with Taylor and Lee (2022), who observed that startups tend to dominate emerging markets during economic disruptions. The significant presence of retail businesses underscores their adaptability to e-commerce platforms, as noted by Smith and Brown (2021). Furthermore, the prevalence of low-income participants indicates the urgent need for cost-effective business models like online home-based setups, consistent with Chen and Wang’s (2020) study.

**Table 7. Distribution of participants in terms of their business profile**

BUSINESS PROFILES	FREQUENCY	PERCENTAGE
<b>Type of Business</b>		
Wholesale	9	9.00
Retail	32	32.00
Manufacturing	6	6.00
Restaurant	10	10.00
Real Estate	4	4.00
Education	1	1.00
Construction/Electricity	5	5.00
Buy and Sell	9	9.00
General Merchandise	12	12.00
Others	12	12.00
<b>Years in Operation</b>		
1–3 years	57	57.00
4–6 years	22	22.00
7–9 years	8	8.00



10 years and above	13	13.00
<b>Monthly Income</b>		
<b>Table 8. Continuation of Table 7</b>		
10,001–20,000	19	7.30
20,001–30,000	15	6.70
30,001–40,000	6	12.00
40,001–50,000	5	2.70
50,001–60,000	9	2.70
60,001–70,000	5	2.70
70,001–80,000	1	5.30
80,001–90,000	6	1.30
90,001 and above	4	10.70

### 3.2 Effect of Transitioning to Online Home-Based Business on Business Well-Being

Table 9 presents the perceived effects of transitioning to online home-based businesses on financial health. Participants positively viewed the financial benefits of the transition, particularly in terms of profitability and revenue. The highest-rated statement, "Business profitability has significantly improved," had a weighted mean of 4.23, indicating strong agreement. Similarly, "Transitioning online has increased my revenue" received a mean score of 4.22. Participants also acknowledged the reduction in operational costs (mean = 4.13) and improved financial management (mean = 4.10) as notable advantages. However, the statement "The online transition has provided access to additional funding or credit options" scored the lowest (mean = 3.92), suggesting moderate agreement.

Murphy et al. (2022) noted that online platforms allow small-scale businesses to reduce fixed costs and increase revenue streams, resulting in better financial health. Kumar and Patel (2019) emphasized that while operational cost savings are a primary advantage of transitioning online, many small businesses face difficulties in securing additional funding due to limited credit histories or awareness of digital financing options.

Shankar et al. (2021) highlighted that the online model facilitates better financial management by providing tools for tracking income and expenses. These findings reinforce the significant financial benefits of transitioning to online operations while also identifying areas for improvement, particularly in accessing funding opportunities.

**Table 9. Effect of Transitioning to Online Home-Based Business on Financial Health**

FINANCIAL	WEIGHTED MEAN	STANDARD DEVIATION	REMARKS
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1. Transitioning online has increased my revenue.	4.22	0.84	Agree
2. The online setup has reduced my operational costs.	4.13	0.85	Agree
3. Business finances are managed more effectively.	4.10	0.85	Agree
4. The online transition has provided access to additional funding or credit options.	3.92	0.83	Agree
5. Business's profitability has significantly improved.	4.23	0.84	Agree
<b>OVER-ALL</b>	<b>4.12</b>	<b>0.84</b>	<b>Agree</b>

Table 10 presents the perceived effects of transitioning to online home-based businesses on operational efficiency. Participants strongly agreed that the transition improved several aspects of efficiency, particularly communication with employees and suppliers, which received the highest weighted mean of 4.45. Statements about streamlining daily business operations (mean = 4.21), automating orders and payments (mean = 4.14), and enhancing inventory management (mean = 4.10) also received positive responses. Tracking and measuring business performance (mean = 4.23) further highlighted the efficiency gains achieved through the transition.

Johnson et al. (2020) emphasized that digital tools significantly enhance operational efficiency by streamlining processes and improving communication in small businesses. Brown and Carter (2021) supported these findings, noting that automation reduces workload and errors, allowing entrepreneurs to focus on strategic goals.

Shankar et al. (2021) highlighted the role of online platforms in improving inventory management and business tracking, key components of operational efficiency. These findings reinforce the substantial benefits of transitioning to online home-based business models while identifying opportunities for further leveraging digital tools to sustain efficiency improvements.

**Table 10. Effect of Transitioning to Online Home-Based Business on Operational Efficiency**

OPERATIONAL EFFICIENCY	WEIGHTED MEAN	STANDARD DEVIATION	REMARKS
1. The online transition has made my daily business operations more streamlined.	4.21	0.90	Strongly Agree
2. The inventory management process has been streamlined with the use of advanced online tools.	4.10	0.85	Agree

3. Communication with employees and suppliers has improved substantially.	4.45	0.80	Strongly Agree
4. Automation of processes of orders and payments has reduced workload and errors.	4.14	0.88	Agree
5. The online transition has enhanced my ability to track and measure business performance.	4.23	0.89	Strongly Agree
<b>OVER-ALL</b>	<b>4.23</b>	<b>0.87</b>	<b>Strongly Agree</b>

Table 11 presents the perceived effects of transitioning to online home-based businesses on customer satisfaction. Participants strongly agreed that the transition positively impacted customer satisfaction, particularly in addressing customer inquiries promptly (mean = 4.29) and increasing customer loyalty (mean = 4.23). The ease of purchasing products or services online (mean = 4.23) and improved quality of customer service (mean = 4.14) were also highly rated. Furthermore, the transition enabled a better understanding of customer preferences (mean=4.19).

Nguyen and Simkin (2017) highlighted that online platform significantly enhance customer satisfaction by providing faster and more accessible services. Anderson and Srinivasan (2020) emphasized the role of digital tools in fostering customer loyalty and improving service quality, aligning with the results of this study.

These findings reinforce the critical role of online platforms in improving customer satisfaction and demonstrate the potential for businesses to enhance service quality and customer retention through digital engagement strategies.

**Table 11. Effect of Transitioning to Online Home-Based Business on Customer Satisfaction**

CUSTOMER SATISFACTION	WEIGHTED MEAN	STANDARD DEVIATION	REMARKS
1. Customers find it easier to purchase my products/services online.	4.23	0.83	Strongly Agree
2. Transitioning online has improved the quality of my customer service.	4.14	0.77	Agree
3. Customer inquiries are addressed more promptly through the use of online platforms.	4.29	0.79	Strongly Agree

4. The online setup has helped me gain a better understanding of customer preferences.	4.19	0.82	Agree
5. Customer loyalty has increased since the transitioning to an online home-based setup.	4.23	0.80	Strongly Agree
<b>OVER-ALL</b>	<b>4.22</b>	<b>0.66</b>	<b>Agree</b>

**3.3 Effect of Transitioning to Online Home-Based Business on Business Sustainability**

Table 12 presents the impact of transitioning to online home-based businesses on economic sustainability. Participants positively perceived the transition as it created growth opportunities (mean = 4.28) and enabled businesses to adapt to market demands (mean = 4.10). The reduction in operational expenses (mean = 4.04) and the ability to maintain consistent revenue (mean = 4.03) were also noted as key benefits. However, financial risk reduction received a slightly lower rating (mean = 3.94), suggesting moderate agreement.

Riggins and Mitra (2020) highlighted that online business models enhance economic sustainability by minimizing costs and providing avenues for expansion. Similarly, Schor (2019) noted that online businesses are more resilient to market shifts, ensuring long-term stability. These findings align with the participants' experiences, emphasizing the economic benefits of transitioning to an online setup.

**Table 12. Effect of Transitioning to Online Home-Based Business on Economic Sustainability.**

ECONOMIC	WEIGHTED MEAN	STANDARD DEVIATION	REMARKS
1. Transitioning online has reduced my overall business expenses.	4.04	0.87	Agree
2. The online setup has helped me maintain consistent revenue.	4.03	0.79	Agree
3. The Business has adapted well to changes in market demands.	4.10	0.84	Agree
4. The online platform has created opportunities for growth in my business.	4.28	0.73	Strongly Agree
5. Financial risks in my business have decreased since transitioning online.	3.94	0.88	Agree

<b>OVERALL</b>	<b>4.06</b>	<b>0.88</b>	<b>Agree</b>
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Table 13 highlights the perceived improvements in governance and accountability resulting from the transition to online businesses. Participants strongly agreed that communication with employees and suppliers improved (mean = 4.22). Enhanced business record-keeping and financial tracking, accountability, and transparency each received a mean of 4.14. Compliance with local regulations and policies also scored positively (mean = 4.17).

Lee et al. (2018) emphasized that digital tools facilitate better governance practices by improving transparency and ensuring compliance with legal requirements. Additionally, Kwon and Kim (2020) stated that online platforms enable more effective communication, fostering accountability. These findings reinforce the role of digital tools in strengthening governance practices among small-scale enterprises.

**Table 13. Effect of Transitioning to Online Home-Based Business on Governance and Accountability**

<b>GOVERNANCE AND ACCOUNTABILITY</b>	<b>WEIGHTED MEAN</b>	<b>STANDARD DEVIATION</b>	<b>REMARKS</b>
1. Managing business records and financial tracking has improved in the online setup.	4.14	0.79	Agree
2. Business operations are monitored more effectively with the use of online tools.	4.14	0.85	Agree
3. The online business complies with local business regulations and tax policies.	4.17	0.77	Agree
4. Communication with employees or suppliers has improved with online systems.	4.22	0.83	Strongly Agree
5. Accountability and transparency in my business have increased.	4.16	0.84	Agree
<b>OVERALL</b>	<b>4.16</b>	<b>0.89</b>	<b>Agree</b>

Table 14 outlines the impact of online business transitions on social sustainability. Participants strongly agreed that their business practices contributed positively to social well-being (mean = 4.24). Serving a diverse customer base (mean = 4.15) and engaging more frequently with customers (mean = 4.12) were also highlighted as benefits. However, the impact on local job creation scored slightly lower (mean = 3.95), indicating room for improvement.

Jenkins (2016) found that online businesses can enhance social sustainability by fostering community engagement and adopting socially responsible practices. Smith and Alexander (2019) similarly noted that digital platforms enable businesses to cater to diverse populations.

These findings align with the study's results, demonstrating the social benefits of transitioning to online models while highlighting the need for greater local impact.

**Table 14. Effect of Transitioning to Online Home-Based Business on Social Sustainability**

SOCIAL	WEIGHTED MEAN	STANDARD DEVIATION	REMARKS
1. My online business has improved with providing local jobs or services.	3.95	0.85	Agree
2. Customers perceive my business as socially responsible in the online home-based setup.	4.08	0.79	Agree
3. I engage with my customers more frequently through online platforms.	4.12	0.81	Agree
4. The online transition has helped me serve a more diverse customer base.	4.15	0.77	Agree
5. My business practices contribute positively to social well-being.	4.24	0.76	Strongly Agree
<b>OVERALL</b>	<b>4.13</b>	<b>0.81</b>	<b>Agree</b>

Table 15 presents the effects of transitioning online on product sustainability. The highest-rated statement was customer feedback leading to improvements in product quality (mean = 4.39). Participants also agreed that the online setup improved product quality (mean = 4.23) and enabled more sustainable product options (mean = 4.17). While product packaging and delivery became more environmentally friendly (mean = 4.00), this area requires further attention.

Green et al. (2020) noted that online platforms provide opportunities to expand product lines and integrate sustainable practices, such as eco-friendly packaging. Johnson et al. (2018) emphasized the importance of customer feedback in refining products. These findings align with the study's results, showcasing the potential for online businesses to enhance product sustainability.

**Table 15. Effect of Transitioning to Online Home-Based Business on Product Sustainability**

PRODUCT	WEIGHTED MEAN	STANDARD DEVIATION	REMARKS
1. Transitioning online has improved the quality of my products/services.	4.23	0.81	Agree

2. The online setup has helped me introduce more sustainable product options.	4.17	0.85	Agree
3. Product packaging and delivery methods have become more environmentally friendly.	4.00	0.91	Agree
4. My product/service offerings have expanded due to online opportunities.	4.04	0.83	Agree
5. Customer feedback has led to improvements in product/service quality.	4.39	0.76	Strongly Agree
<b>OVERALL</b>	<b>4.17</b>	<b>0.80</b>	<b>Agree</b>

Table 16 details the effects of transitioning online on supply chain sustainability. Participants strongly agreed that sourcing materials and products became more efficient (mean = 4.29). Improved supplier relationships and inventory management both scored a mean of 4.25, while delivery and logistics processes also saw significant improvements (mean = 4.26). However, adaptability to changing demands scored slightly lower (mean = 4.11).

Sharma et al. (2021) emphasized that online tools improve supply chain efficiency by enhancing communication with suppliers and streamlining inventory management. Dufresne et al. (2019) similarly highlighted that transitioning online can optimize logistics and delivery processes. These findings align with the study's results, showcasing the supply chain advantages of digital transitions while identifying areas for further improvement in adaptability.

**Table 16. Effect of Transitioning to Online Home-Based Business on Supply Chain Sustainability**

SUPPLY CHAIN	WEIGHTED MEAN	STANDARD DEVIATION	REMARKS
1. Transitioning to online home-based business has made sourcing materials/products more efficient.	4.29	0.73	Strongly Agree
2. Effective use of online tools fostered stronger relationships with suppliers.	4.25	0.77	Agree
3. Managing inventory and stock levels has become easier with online systems.	4.25	0.76	Agree

4. Delivery or logistics processes have improved with the online setup.	4.26	0.75	Agree
5. Business processes have been more efficient and adaptable to changing demands.	4.11	0.81	Agree
<b>OVERALL</b>	<b>4.23</b>	<b>0.73</b>	<b>Agree</b>

**4.0 CONCLUSIONS AND RECOMMENDATIONS**

The study explored the effects of transitioning to online home-based businesses on small-scale enterprises in Tanza, Cavite. It assessed the implications of this transition on the overall business well-being, operational efficiency, customer satisfaction, and sustainability of small-scale enterprises. Based on the findings, the following conclusions were drawn:

1. Most participants operate retail or general merchandise businesses that transitioned online during the COVID-19 pandemic. This indicates a shift towards e-commerce platforms, with a significant number of these businesses having been established within the past 1–3 years. This reflects an adaptation to changing market conditions and highlights the diverse business strategies and technological approaches employed by participants in response to the pandemic.
2. Transitioning to online platforms resulted in notable improvements in financial performance, including increased profitability, revenue growth, and reduced operational costs. However, securing additional funding or credit remains a challenge.
3. Sustainability, including economic stability and governance practices, was enhanced. However, opportunities exist to adopt eco-friendly practices and strengthen the local impact of supply chains.

Based on the above conclusions, the following recommendations are made:

1. Small-scale enterprises may continue leveraging online tools to improve operations, customer engagement, and profitability. Adopt eco-friendly practices, such as sustainable packaging and energy-efficient processes, to align with global trends and attract environmentally conscious consumers. Explore local partnerships to strengthen supply chains and create a positive community impact.
2. Future researchers should Expand their study by including other business sectors and geographic areas to gain a broader understanding of the effects of transitioning to online platforms. Investigate the long-term sustainability and growth of small-scale enterprises operating online.
3. Business community may use the findings of this study to craft targeted marketing strategies that focus on customer needs and preferences. Enhance customer loyalty programs to build stronger relationships and encourage repeat purchases.

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