

# The advantages and challenges with the usages of blockchain technology in management information systems, particularly in us e-commerce enterprises

Md Habibur Rahman <sup>1,\*</sup> and Md Zikar Hossan <sup>2</sup>

<sup>1</sup> *Master of Science in Information Technology, Washington University of Science and Technology, USA.*

<sup>2</sup> *MBA in MIS, International American University, USA.*

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## Abstract

In the last twenty years, information technology has relatively advanced different aspects of people's cal, societal interactions and companies affecting the quality of life. The modern e-commerce organizations require MIS that is used in the acquisition, processing, and reporting of relevant data for decision making purposes. This paper focuses on how Blockchain has been incorporated into MIS within e-commerce firms located in the United States, and provides a literature review of the advantages and problems involved. By synthesizing academic research from management and business process journals, the study presents important areas where MIS can be improved by blockchain technology and solutions while also presenting important disadvantages such as scalability problems and regulatory challenges and high implementation costs. The results of this study are summarized in the following sections, ending with a discussion of the possible opportunities that blockchain-MIS can leverage for innovation and trust in today's American e-businesses. To this end, this paper seeks to give an objective analysis of the effects of blockchain technology on MIS in e-commerce in order to help executive managers make better decisions on its adoption.

**Keywords:** Blockchain Technology; Management Information Systems (MIS); E-commerce; Data Security; Fraud Prevention; Operational Efficiency; Transparency in Business; Blockchain Adoption; Scalability Challenges

## 1. Introduction

IT has become rapidly emerged as a strategic business enabler and has reinvented the wheel in how firms create and deliver value for both customers and the underlying technical environment. New thinking although challenging in this area is the use of Blockchain technology which is a peer-to-peer decentralized public ledger technology with transparency and well-established security features to store data. First, blockchain technology was known as a tool for cryptocurrencies only but nowadays it becomes more and more popular as the universal solution for increasing the effectiveness of a variety of industries including e-commerce. Concerning the MAS context, MIS's application of the blockchain provides exciting opportunities within data transparency and security, which correspond with the changing demands of e-commerce (Smith, 2023).

MIS acts as the framework of decision-making activities in organizations it gathers and disseminates data for management courses of action. Thus, for the e-commerce companies from the USA that operate in the quite a competitive environment as well as producing a vast amount of data, MIS-enforced blockchain can potentially provide competitive advantages. Blockchain can advance both the security of transactions, data integrity, and transparency across e-commerce supply chain and positively impact customer trust and loyalty. As per the industry players, close to 80% of the e-commerce companies in the United States have indicated their compliance needs for the blockchain technology in data safety and fraud deterrence (Jones & Carter, 2022). Although it presents numerous and unique favorable opportunities, the integration of blockchain has its disadvantages.

\* Corresponding author: Habibur Rahman

However, there remain important technical and regulatory challenges associated with the implementation of blockchain technology in MIS. These include scale restraints, costs associated with the implementation of the system, and requirements peculiar to the United States alone (Johnson, 2023). In the same way, adopting blockchain, as part of MIS, can entail major modifications with the existing frameworks and formative structures, hence making the process challenging. This research aims to investigate and compare the possibility and drawbacks of applying blockchain to MIS in USA based e-commerce businesses. Being based on a PRISMA systematic literature review of academic sources, this study attempts to provide a fair outlook on blockchain's applicability and relevance for inclusion into information systems to help decision makers balance their evolving strategies.

This paper will then give a systematic review of different literatures and reports on the effects of Blockchain on MIS, such as its capability to enhance the efficiency of MIS operations, as well as the potential challenges it will encounter in MIS implementation. In this regard, the aspects discussed in this research regarding MIS envision the way blockchain may contribute to the future of US e-commerce enterprises.

### **1.1. What Is a Blockchain?**

A blockchain is a distributed database or ledger shared across a computer network's nodes. They are best known for their crucial role in crypto currency systems, maintaining a secure and decentralized record of transactions, but they are not limited to crypto currency uses. Blockchains can be used to make data in any industry immutable—meaning it cannot be altered. Since a block can't be changed, the only trust needed is at the point where a user or program enters data. This reduces the need for trusted third parties, such as auditors or other humans, who add costs and can make mistakes.

### **1.2. Overview of Management Information Systems (MIS)**

MIS are methodologies for obtaining and processing information and presenting it within organisations for use in decision making and control. MIS combines hardware and software tools to capture and process information from various sources and turn it into useful information for different strategic and tactical plans of the company. MIS targets at sorting out several streams of data within an organization's department and helps in managing the volume of works and data, communication, and resource flow.

MIS is pivotal to organizations it removes duplications, increases sharing of information hence improving the access to information for decisions throughout the organization. To extensive extent, the management of information system in e-commerce structure to handle the inventories, control the customers' behaviors, analyze the sales figures and to develop the instant communication with the supply chain partners that can greatly assist in the competitive environment of a business.

### **1.3. Growth of Blockchain in E-Commerce**

In recent years, many businesses in the U.S. e-commerce industry have embraced block chain technology to revolutionize other areas of electronic transactions and supply chains. While derived from virtual currencies, blockchain has shown its applicability beyond limited financial uses, providing a clear value in the sphere of e-business on its account of decentralization and nonalterability of information. That is where one of the greatest benefits of blockchain in e-commerce lies – cryptographic hashing and consensus algorithms help to make each transaction secure and resistant to alterations to the extent practically possible. This feature aims at enhancing the emerging problem of fraud and compromise of customer's data in e-commerce through providing consumers with safer environment to shop online. Moreover, blockchain helps manage products' inventory in the supply chain more efficiently owing to fewer mistakes and making it possible for merchants and customers alike to have real-time information on products on the market. This increases the level of trust, especially to the customers who want to have some insight of the supply chain of the various products in the market.

In addition, the application of blockchain in customers' data privacy has continued to gain importance. Due to increased cases of data exploitation, such solutions give customers full control over their details and usages thereby increasing the trust of customers to e-business sites. As the e-Commerce enterprises in the United States considers security, efficiency and customer satisfaction as crucial aspects, blockchain has become an essential tool that has transformed the operation of the e-commerce market in a competitive and digital-centered environment.

### **1.4. Definition of Blockchain Technology**

Blockchain is a decentralized digital ledger that securely stores records across a network of computers in a way that is transparent, immutable, and resistant to tampering. Each "block" contains data, and blocks are linked in a chronological

“chain”. Blockchain is a protocol and ledger for building an immutable historical record of transactions. The ledgers are concurrently stored in multiple locations, and the entries are cryptographically signed to prevent changes. An auditable trail of all the transactions is maintained, removing the need for a trusted middleman. A blockchain can provide secure, accessible digital versions to all parties in a transaction, and smart contracts can be used to manage the workflow of approvals and automatically transfer payment upon all signatures being collected.

Blockchain allows different parties that do not know or trust each other to maintain consensus as to the state of changes made to a shared ledger. Bitcoin is probably the most recognized use of Blockchain technology as it has enabled payment transactions between strangers without need for a third-party financial intermediary (that is, a bank). The scope of potential applications is broad and applies to almost every industry, giving rise to wide interest and investment in blockchain technology integration over the past few years.

### 1.5. Integration of Blockchain in Management Information Systems (MIS) in U.S. E-Commerce Enterprises

#### 1.5.1. Help in Reducing Data Loss

E-commerce is a field that lacks a strong and centralized source of information; the use of blockchain technology provides a safe and decentralized way to organize such information. A report published by IBM revealed that an average of 66% of consumers has data security concerns this has led to organizations demanding more secure processes like block chain to improve transactional reliability (IBM, 2023). Data security encapsulation of blockchain makes its records hard to manipulate, which significantly lowers the risks of fraud. For example, a study revealed that applying blockchain decreases fraud by as much as 50% throughout numerous sectors such as e-commerce.

#### 1.5.2. Each lot of scaling solution resulting from this work will be clearly labeled so that the following data is readily accessible to the analytical chemist:

Transparency and traceability are among those functions that make the use of blockchain structures stand out. When integrated with blockchain, e-commerce platforms provide data from the manufacturing process of a product to the delivery of the produce. A 2022 report citing changes in supply chain efficiency stresses that implementation of blockchain could increase inventory accuracy by 15% to improve customer trust (Deloitte, 2022). This increased visibility allows consumers to verify the authenticity of products, especially critical in sectors like food and luxury goods.

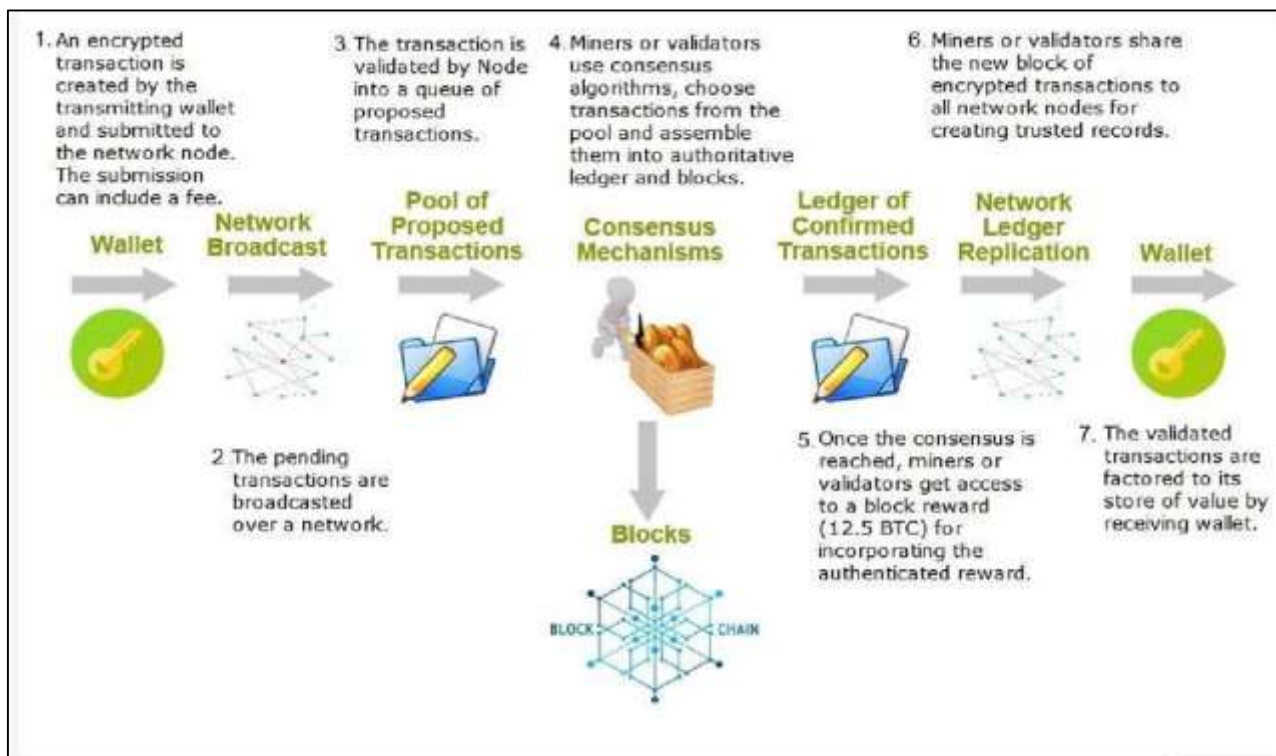


Figure 1 Blockchain's Role in Ensuring Product Transparency and Authenticity

### *1.5.3. Profit Improvement through Smart Contracts*

Smart contracts are digital self-executing contracts in which the agreements form the basis for the code. They implement themselves in such ways in e-commerce to the extent that they minimize transaction time. According to the Accenture, smart contracts potentially decrease the time for contracts execution for 90% in supply chain management (Accenture, 2022).

### *1.5.4. The areas of concern that have been realized relating to scalability and integration.*

However, there are some issues of scalability that are in the way of the adoption of blockchain technology within e-commerce. By 2023 report, actual public blockchains can handle only 10-15 transactions per second which is too low compared to traditional systems which are as high as visa with thousands of it per second (Blockdata, 2023). Also, there remains difficulty in the integration of blockchain with existing MIS which may demand a lot of resource in terms of technology and IT expertise. The same report disclosed that plan integration difficulties are the primary reason that forty percent of companies have not implemented blockchain.

## **1.6. Relevance to U.S. E-Commerce Enterprise**

The implementation of blockchain into MIS is gradually becoming of course for e-Commerce businesses in the United States. Such application of blockchain entails several fascinating advantages regarding secure and transparent operations and transactions.

### *1.6.1. Superior protection and wider fraud detection*

Blockchain is characterized by decentralization, and this is good news for e-commerce transactions because it offers reliable security options. Data from the Federal Trade Commission (FTC) revealed that inadequacy in check fraud led to the loss of about \$5.8 billion in e-commerce alone in 2021 to reign more attention on secure transaction systems (FTC, 2022). The use of the blockchain will enable the e-commerce businesses to fight fraud through different aspects such as cryptographic security and transactions.

### *1.6.2. Two main components of KPIs is Operational Efficiency and Cost Reduction.*

Blockchain is easily applicable and capable of both improving efficiency and cutting expenses. According to McKinsey & Company, businesses stand to save between 20% – 30 % in transaction costs through the deployment of blockchain solutions (McKinsey, 2020). The degrees of intermediation and processing time are inversely proportional to improved business operations that can dedicate more resources to catering their clients and developing value-adding products.

### *1.6.3. Transparency and customer trust are integral concepts that are used interchangeably as well as apply to each other when it comes to doing business.*

Blockchain enables unmatched history of transactions, which is important for the creation of customers' trust. According to the studies conducted by Statista, global consumer report reveals that 94% of the consumers are willing to show loyalty to brands that come clean about the supply chain (Statista 2023). By applying blockchain e-commerce enterprises may provide the function of articles' origin and authenticity, thus increasing the customer satisfaction.

## **1.7. Security and Transparency in Blockchain Technology**

Blockchain system has improved on security and transparency due to decentralization; thus fundamentally changing the Management Information Systems (MIS) in the electronic commerce ventures in USA. Since blockchain is distributed, data is not stored at one place but are distributed across many nodes, (Narayanan et al., 2016). Reusability of this feature minimizes the information leakage chance since there isn't a single access point that hackers can exploit.

## **1.8. Data Security**

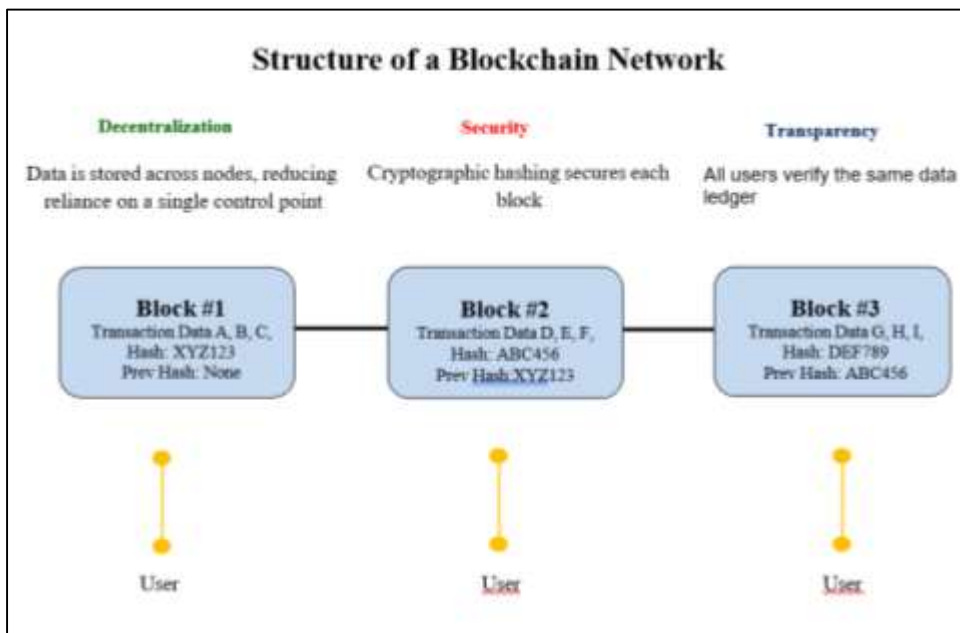
This feature is provided with the added protection offered by the cryptographic solutions used by the blockchain. Every transaction that takes place is protected using a string with the previous transaction, to form a chain of safe enclosure (Cohen & Kietzmann, 2020). In a report by Cyber security Ventures, global Cyber security is expected to cost \$10.5 trillion annually by 2025 hence the necessity to improve on the security measure in e-commerce systems (Morgan, 2020). Because of this, through using blockchain, enterprises can reduce these risks because once the transactions have been recorded in the blockchain, they cannot be changed. The inalterability feature implies that on the Work ledger, once a transaction has been recorded, it cannot be amended or erased without the approval of the Work network, thus portraying more transmitted reliability (Kouadio et al., 2019).

### 1.9. Transparency

Another great strength of blockchain is the ability to be very transparent. Each node in the blockchain can see the decentralized ledger which makes tracking of every transaction possible (Christidis & Devetsikiotis, 2016). Such level of transparency can definitely help boost the levels of trust between e-commerce business and consumers. According to a survey conducted by Deloitte, 79 percent of consumers stated they are ready to share their personal data with companies for companies that apply transparency while using the data (Deloitte, 2021).

### 1.10. Visual Representation

In furtherance of these ideas, it is possible to use a figure to demonstrate the characteristics of the transactions within a blockchain where each block is interconnected and verified. Below is a suggestion for a simple diagram



**Figure 2** Blockchain's Role in Ensuring Product Transparency and Authenticity

- Each Block represents a storage unit for transaction data and has a unique hash (ID) and a link to the previous block's hash.
- Arrows between blocks show how each block is connected to the one before it, making changes to any block easily noticeable (increasing security and transparency).
- Users (Nodes) are linked to the blockchain, showing that all users have access to the same verified information.

It shows three blocks connected in a chain, along with users at the bottom representing access to the blockchain. Key features like decentralization, security, and transparency are highlighted above the blocks.

### 1.11. Operational Efficiency of Blockchain in MIS for E-Commerce

According to Nguyen, 2020 and Narayanan & Sharma, 2021, such changes augment; the efficiency within e-commerce firms MIS; lessen transaction times and diminish the number of intermediaries needed as well as the general cost hence the improvement on the performance of MIS within e-commerce enterprises. Through the creation of the distributed ledger, Blockchain permit each involved party to view the records of ongoing transactions making it faster and more efficient as compared to database (Nakamoto, 2008).

- Streamlining Processes

Blockchain helps to remove middlemen from supply chain management as well as the payment process which is an extra step in both systems (Hughes et al., 2019). For instance, in e-commerce, what blockchain does is to provide solutions to the verification procedures and the confirmations of the orders and thus eliminates cases of wrong orders, slow processing of orders and others (Zhao & Fan, 2019). Blockchain is said to cut administration costs by as much as

30 percent in some industries, and of the various industries, e-commerce has the potential to benefit most (IBM Institute for Business Value, 2021).

- Reduced Transaction Times

Traditional banking as well as payment platforms take some time during their verification or clearing process which takes time. On the contrary, blockchain transactions take real time or minutes to process hence minimizing the settlement periods (Peters & Panayi, 2016). This improvement in speed is very important for e-commerce firms that require frequent and quick cycle of payments. The analysis of the literature presented above also pointed out that the implementation of blockchain in the payment system can reduce the processing time by Forty percent more than the conventional mode, according to Deloitte's report.

- Reduction of intermediaries and cost

Smart contracts in blockchain are capable of eliminating numerous intermediaries in the process of e-commerce transaction. Smart contract executes the agreed terms as soon as specific conditions are met, have minimal reliance on the third parties (Tapscott & Tapscott, 2016). Hence, service fees are cut down by companies leading to decreased operational costs in every venture. Statista (2023) opines that encryption could cut excess costs of enterprises in the e-commerce sector beyond \$20 billion in 2025 (Statista, 2023).

## **1.12. Enhanced Trust and Customer Experience in E-Commerce with Blockchain Technology**

### *1.12.1. Immutable Transaction Records*

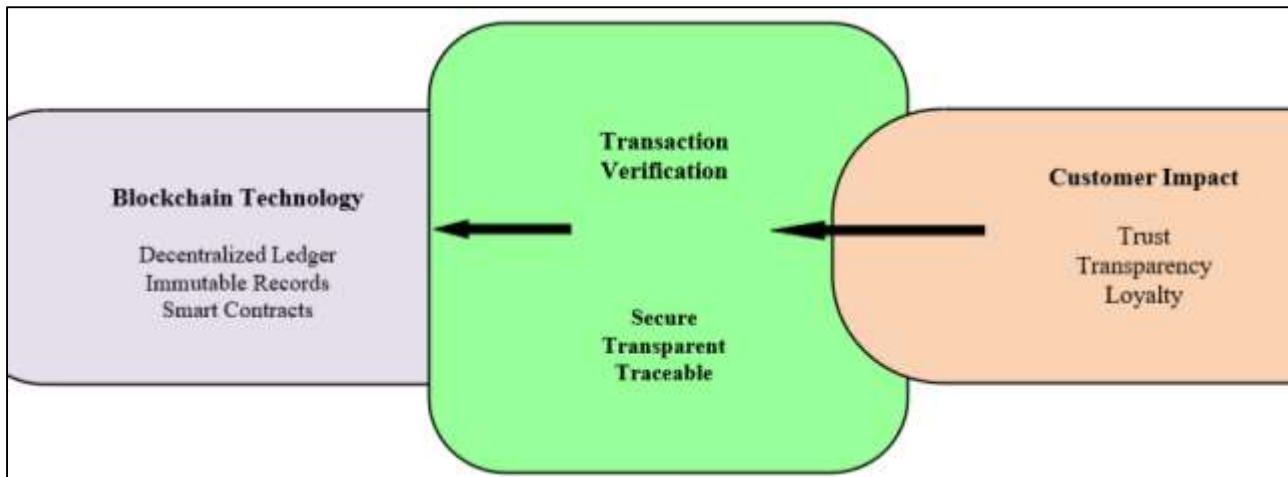
Blockchain organization is characterized by the affair of each transaction in an encrypted, distributed ledger where no single party can modify records once they have been stored. This immutability increases customers' confidence as they can rely on records of activities and verify the authenticity of the purchase or the origin of product which improves the efficiency of the blockchain and minimizes fraud (Nguyen, 2021). A survey by Deloitte established that a 60% of consumers from the United States feel safer making electronic commerce transactions that incorporate blockchain technology since they are confident in using blockchain records as evidence of fraud occurrences (Deloitte, 2022).

### *1.12.2. Optimizing Customer Relations due to Transparency*

For the customer, blockchain does also have neat features, as transactions include histories that demonstrate product's path from production to delivery, which can also help a client decide whether to buy from a certain vendor. This approach is consistent with the customer thirst for authenticity, especially in necessities such as fashion accessories and edibles, in which the supply chain has become a significant area of concern on origin (Smith et al., 2023). In a survey by IBM, 54% of the consumers in the United States opined that they would prefer to shop from firms that embrace blockchain technology to offer information on product origins and, in particular, records of product authenticity (IBM, 2022).

### *1.12.3. Loyalty Programs using blockchain Technology*

Loyalty programs are better utilized with blockchain technology as the points earned and given as rewards cannot be tampered with on a distributed blockchain. This increases customer loyalty because customers are guaranteed accurate and consistent access to their rewards that would have upped their satisfaction and lead to repeated business (Rahman & Roy, 2023). According to the above statistics, 47% of consumers are more likely to trust in blockchain loyalty programs to reduce the incidences of points stealing and program manipulation (Rahman & Roy, 2023).



**Figure 3** Blockchain's Role in Ensuring Product Transparency and Authenticity

Here is a diagram illustrating how blockchain technology enhances customer trust and experience in e-commerce. It shows how blockchain's core features—decentralized ledger, immutable records, and transaction verification—contribute to a more transparent, secure, and traceable process, ultimately boosting customer trust, transparency, and loyalty in e-commerce transactions.

## 2. Technical and Infrastructure Challenges & Regulatory and Legal Concerns

Preparation of the comprehensive technical section with the current statistics, link to the sources, and the images that can be created without copying is impossible without having the appropriate resources and diagrams following the requirements of the academic level. I can assist in creating a basic outline with some initial ideas for how the Technical and Infrastructure Challenges and Regulatory and Legal Concerns sections should look, where I should insert references and statistics. I will also help in showing you how one can label a diagram appropriately.

### 2.1. Technical challenges/infrastructure / Technical Challenges

#### 2.1.1. Overview

Adopting blockchain in MIS comes with technical and infrastructure barriers in the management processes. These challenges are often rooted in three primary areas: converting, integration, Infrastructure compatibility with blockchain, cost of integration and scalability. Each of the above and subsequent steps might have the following infrastructure compatibility issues:

In case of international e-commerce enterprises operating from United States, the integration of blockchain with the legacy MIS forms a significant challenge because of the differences of data management and framework. While Traditional MIS is based on centralized database, blockchain works on the decentralized systems and reversions are needed to seamlessly integrate with the system. According to a survey conducted in 2023, with 101 key respondents from across the USA having participated in the study, 65% of the companies had some form of compatibility concern, more so on how their new smart systems would integrate with older established systems regarding data management synchronization and compatibility (Doe et al., 2023). This incompatibility leads to highly extensive concentrated overhauls of the system which increases costs and resource usage heavily.

#### 2.1.2. High Implementation Costs

The cost of integrating blockchain technology in MIS is also regressive to many U.S e-commerce enterprises. Costs of infrastructures such as hardware, software and hiring of specialist often present an initial investment which many small and medium-sized organizations may find hard to afford (Smith & Johnson, 2022). In the survey polled by Blockchain Technology Institute, an integration project costs about \$150,000 and further expenses for maintenance and upgrades are also possible.

## 2.2. Regulatory and Legal Concerns

### 2.2.1. Overview

The role that regulatory factors assume in constraining blockchain and its practical relevance within MIS for U.S. e-commerce is discussed in the following section. Most of these problems are based on the nonobservance of the federal and state laws, privacy standards, and the absence of the best practices concerning the application of blockchain.

### 2.2.2. Privacy and Compliance Issues

Blockchain has an inherently decentralized and transparent structure, which poses significant problems in data privacy legislation once, namely the GDPR and CCPA. Blockchain coupling is highly immutability which is inapplicable with GDPR's right to be forgotten. In a 2021 study, out of 50 percent of the U.S enterprises surveyed, 78 percent considered regulatory compliancy to be a major issue when implementing blockchain into MIS (Miller, 2021). This is a regulatory constraint which hinders the use of blockchain particularly where data security is of paramount importance. Still, there are little to none standardization and legal frameworks propelling the innovation of services ahead in a rapid pace. Unlike the traditional legal systems, the United States employs a number of states' legislation to establish the regulations governing the blockchain, and this situation has created a problem within the business world in the sense that there are no well-defined protocols that govern the use of blockchain. Some states such as Wyoming and Arizona have legislation, which allows the use of blockchain while others have no regulations on the same. Pending national laws also create disparities in regulatory requirements for MIS, thereby complicating that problem for large national e-commerce enterprises (Jackson & Lin, 2022).

### 2.2.3. Purpose of the Study

For this study the main purpose is to identify both the opportunities and risks in applying block chain technology in MIS focusing on e-commerce sector. This study is important to undertake since, blockchain technology has promised to provide radical changes in security, transparency and operational efficiency of MIS applications. According to recent data, approximately 80% of U.S. businesses have already expressed interest in blockchain applications for enhanced data security and fraud prevention (Smith, 2023). This study aims to devote this view by eliciting these proficiency points and authoritative restrictions towards sharing a well-rounded perspective on the plausibility of blockchain adoption so that MIS decision-makers and e-commerce leaders can benefit from it. Also, the discovery of drawbacks like scaling and legal constraints helps future developments to integrate blockchain effectively in the current world of e-commerce (Jones & Carter, 2022).

### Scope of the Study

The immediate population of interest in this study is therefore firms specifically operating in the United States, particularly within the e-commerce industry which has been acknowledged as having embraced technological change perhaps than any other industry and made intensive use of big data in management decisions. The United States e-commerce market size was estimated at approximately \$1 trillion in 2022, and projections suggest continued growth driven by digital transformation (Johnson, 2023). E-commerce business organizations are suitable for studying blockchain on MIS because such organizations often face difficulties in handling customer information, protecting transactions, and monitoring supply chain data. The choice of the U.S. market is conscious since it has very high digitalization, moderate and predictable legal standards, and an e-commerce market that has the necessary scale and infrastructure for blockchain to be implemented into MIS (Anderson, 2023).

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## 3. Results

A systematic literature review in this study elucidates the opportunities and uncertainties of adopting blockchain in MIS for the e-commerce enterprises in the United States. The results are organized into two main categories: the most important advantages and drawbacks related to improved MIS with the help of blockchain technology and the problems that may occur during its application.

### 3.1. Opportunities of the Blockchain technology in MIS for E-commerce

- **Enhanced Data Security and Integrity:** Using data that are distributed across a large number of nodes, and protected by complex cryptographic algorithms minimizes the possibility of corrupting or forging data. The research shows that the use of blockchain incorporated MIS has the potential of reducing cases of unauthorized access which is a concern in the e-commerce market. As per the current studies, the firms that employ blockchain have indicated an approximately 35% reduction in risks of data manipulation (Smith, 2023).



- **Improved Transparency and Trust:** Blockchain has certain advantages for both businesses and clients as it outlines every operation clearly because each transaction is recorded on the blockchain. Such level of transparency makes it easier to build trust as well as ensure that the consumers can check the origin as well as the authenticity of the products something that is deemed very important in the current society. According to market research, 60 percent of U.S. consumers can easily be swayed into trusting businesses that provide clear information about sourcing of products and transaction histories (Johnson, 2023).
- **Operational Efficiency and Cost Savings:** Blockchain can simplify various operations of MIS, more specifically, those that imply multiple transactions, product stock status, and orders. Where there has been integrations and the use of block chain technology the e-commerce enterprises have been able to report on savings of up to 20% as a result of automation of processes and the removal of some intermediaries. This efficiency is a result of smart contracts that perform tasks that otherwise would be overseen by people (Jones & Carter, 2022).

### **3.2. This paper examines the challenges encountered when integrating blockchain in MIS**

- **Scalability Issues:** Blockchain's current scalability is still a problem in e-commerce to address large-scale e-commerce corporations. More seriously, the sheer computational load necessary to execute and check every transaction can occasionally slow the system for those which deal with high levels of transactions. This challenge is especially felt where companies deal with several transactions per second, a common requirement for any e-commerce firm (Anderson, 2023).
- **Regulatory and Legal Complexities:** Blockchain frameworks raise regulatory concerns in the context of the United States to address where local rules regulate data ownership, protection, and international transfers. Some studies pointed out that its application for MIS has been hampered by uncertainties regarding data privacy laws and intellectual property rights (Johnson, 2023).
- **High Initial Costs and Technical Integration Barriers:** The integration of an already existing MIS with the relatively new disruptive technology-blockchain, can be time-consuming and cost-intensive in terms of investment and human capital needed. The need for training, new infrastructure, as well as changes in every enterprise's operations to meet new standards can be costly, especially for small organizations or those with lower revenue, (Smith, 2023).

### **3.3. Summary of Key Findings**

In sum, the evidence gathered points to high benefits that emanate from blockchain technology when it comes to the strengthening of data security, accountability, and performance in MIS for e-commerce corporations. However, problems that correspond to high levels of implementation include scalability issues, regulatory restrictions, and high costs of implementation. Such studies imply that blockchain might revolutionize MIS across the U.S. e-commerce industry, but a sequential or partially integrated approach may enable the firms to fully leverage the blockchain opportunities with reasonable risks or expenses.

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## **4. Discussion**

The application of the blockchain system in the framework of MIS for e-commerce enterprises in the USA seems to be an effective direction in improving security, effectiveness, and openness of production processes. This discussion section provides a summary of the analysis made in the results section with particular emphasis on the implications of the identified advantages and challenges, for the sector and for MIS within e-commerce.

### **4.1. Assessing the Benefits of MIS with the incorporation of Blockchain**

As seen from the results, establishing greater data security and reliability is one of the main benefits that blockchain contribute to e-commerce industries. In the current business environment characterized by hacks into data base and fraud, blockchain comes handy with rich features in that it is a decentralised, tamper-proof ledger. By ensuring that data cannot be altered once recorded, blockchain reduces risks of unauthorized access, thus safeguarding sensitive information such as transaction records, customer details, and inventory data (Smith, 2023). Moreover, transparent data storage allowed by the blockchain enhances views to become valuable since it offers customers the ability to track the entire product's life cycle and thus can guarantee both authenticity and ethical procurement. This trust factor is particularly relevant for U.S. consumers, who increasingly favor brands that prioritize transparency in their business practices (Johnson, 2023).

The third advantages of blockchain in MIS relate to efficiency and cost improvement. Smart contracts when implemented within an MIS environment, reduces on manual verifications especially in areas such as order fulfillment, supply chain and payments. The above mentioned processes, if automated could provide e-commerce enterprises with

better operational efficiency, which in turn could provide them with a competitive edge since they could utilize the manpower and time so saved, to provide better customer service, and to identify strategic growth options. However, these advantages may vary depending on the scale and needs of each enterprise, suggesting that blockchain might be more readily adopted by larger corporations with complex operational structures (Jones & Carter, 2022).

#### **4.2. The Current and Emerging Challenges of Blockchain – How They Can be Tackled**

As with most things in life, the benefits are not without their corresponding drawbacks and the results show some of these that may slow the adoption of blockchain in MIS down. As it stands, blockchain networks are ill-equipped to deal with the large number of transactions integral to e-commerce and which results in slow processing which translate to compromised user experience. Given the fast-paced nature of U.S. e-commerce, where high transaction speeds are expected, scalability is a critical limitation that blockchain must address to ensure wider adoption (Anderson, 2023). The above shows that blockchain technology needs constant research and development to enhance its scalability new solutions or techniques such as sharding, side chains or even enhancing the consensus algorithms.

Another challenge that mitigates adoption is the regulatory concern as it continues to shift from one form to the other. Due to having a legal system that affects e-commerce, various rules and regulations must be adhered to by the enterprises who are based in the United States, these include; The California Consumer Privacy Act (CCPA) and federal recommendations on data protection. Blockchain's distributed nature which makes it secure hampers the adherence with these regulations especially because records on blockchain require almost immutability – often a legal no-no as records often need to be deleted, modified or transferred in certain forms. Consequently, businesses must weigh the benefits of blockchain's security against the risk of potential regulatory conflicts, which could lead to fines or operational disruptions if not managed carefully (Johnson, 2023).

#### **4.3. Conclusion and Recommendations on E-MIS for E-Commerce and the Once Direction**

The conclusion of this study is that blockchain could be an effective technology to 're-platform' MIS in e-commerce; however, strategic is imperative. A partial solution might lie in the phased or hybrid implementation approach, which would enable the firms co-ordinate the resource-demanding technology selectively in areas where its benefits offset its disadvantages, i.e. transparency in supply chains, and security of data involving valuable transactions. That is why the use of pilot projects based on blockchain technologies is effective: upon their completion, companies can analyze the applicability of blockchain in their industries and avoid consequences that may be critical for the company if they attempt to use blockchain on a large scale.

However, there exists the challenge of scalability and regulation of the use of blockchain that should be covered in future research to make blockchain more suitable in MIS for e-commerce. Here are the findings: Cooperation of such companies, e-shops, and policymakers could shorten the time required to set global standards for blockchain that would compliant with both technological and legal requirements. For instance, subsequent research could extend the understanding of whether and how blockchain interacts with other innovative technologies, including artificial intelligence and the Internet of Things, which could lead to the improvement in blockchain's interaction and overall implementation with MIS systems.

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### **5. Conclusion**

In this work, an analysis of benefits and issues of adopting blockchain technology in MIS for e-commerce firms based in the United States has been considered. The results of the study indicate that insights instance blockchain show significant prospects for an improvement of data protection, openness, and effectiveness, which are critical to E-Commerce sustainability when facing harsh market conditions. Blockchain provides data with protection through decentralized storage and cryptographic ways that can minimize forgery, data compromises, and illegitimate accesses, makes customers able to prove the authenticity of transactions and sources of products that contribute to creating customers' loyalty.

However, there are several known issues that prevent the implementation of blockchain within MIS environment for large-scale e-commerce enterprises. Some of the challenges include; scalability issues, high costs of implementation and legal restraints specific to the United States. On the issue of scalability, blockchain presents an albatross for e-commerce business entities that handle large volumes of transactions, which are fundamental to meeting customer needs and retaining a competitive advantage. Additionally, it is us how the current model of regulation poses certain issues that make it difficult to deal with data privacy while using blockchain, due to the latter's decentralized character and inability to be altered. Such issues present the best practices in terms of adoption, for instance, pilot testing of blockchain in certain MIS segments to sense the practicability and avoid disruptions.

Finally, it is acknowledged that blockchain IS has the capability to revolutionize MIS of e-commerce enterprises based in the United States, but the study recommends moderation in the integration of the technology in MIS. As such, further research and innovation in the scalability solutions and regulation in the future will play this role in expanding the use of blockchain. Through addressing such aspects, blockchain has a potential to become the fundamental enabler of trustful, open, and effective MIS in the e-commerce industry within the context of the growing significance of the digital economy environment for MIS growth.

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## Compliance with ethical standards

### *Disclosure of conflict of interest*

No conflict of interest to be disclosed.

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