Determining the business success factors of the second-hand vehicle industry in the Vaal Region

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REMARKS

The reader is reminded of the following:

The editorial style as well as the references referred to in this dissertation follows the format prescribed by the NWU Referencing Guide (2012). This practice is in line with the policy of the Programme in the Potchefstroom Business School to use the **Harvard Style** in all scientific documents.

ABSTRACT

Title: Determining the business success factors of the second-hand vehicle industry in the Vaal region.

Key terms: Entrepreneurship, Small Medium Enterprise, South Africa, Vaal Triangle, success factors, car dealership, motor vehicle

The primary objective of the study was to determine the business success factors for the second-hand motor vehicle industry in the Vaal Triangle. This kind of study has never been conducted before within the Vaal Triangle and it is therefore intended to contribute to the body of knowledge within the field of entrepreneurship. A questionnaire was designed and distributed to dealerships within the Vaal Triangle region, and it was administered by the researcher. There are one hundred and twenty three (123) dealerships in the Vaal Triangle and fifty eight (58) participated in the study.

The demographics of the study revealed that males dominate car dealerships as compared to females, and also that Whites and Indians are the dominating races. Most participants are relatively young, i.e. less than 35 years and also the majority of dealerships are less than 15 years old. Furthermore, the study found that participants preferred starting a business from their pockets rather than going to the bank or government institutions such as IDC or NEF for funding. There was no significant difference in opinion between males and females. There were, however, medium to large differences in opinion between owner, manager and sales executive on some of the entrepreneurial constructs, for example, customer services and SME characteristics.

The study concluded that business success factors for the second-hand car industry in the Vaal Triangle region are (ranked from highest to lowest): *Entrepreneurial competences, Marketing of the dealership, Dealership location, Product and Customer services, Characteristics of the Small Medium Enterprise and lastly, Resources and funding of the business.* Based on the results of the analysis and discussions, practical recommendations are made which will assist in improving the knowledge in the field of entrepreneurship within the car industry.

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LIST OF ACRONYMS

AIDS	Acquired Immune Deficiency Syndrome
APDP	Automotive Production and Development Programme
CRM	Customer Relationship Management
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GEM	Global Entrepreneurship Monitor South Africa
HIV	Human Immunodeficiency Virus
IDP	Integrated Development Plan
MIDP	Motor Industry Development Programme
NCA	National Credit Act
NWU	North-West University
SCS	Statistical Consultation Services
SME	Small and Medium Enterprises
SMME	Small, Medium and Micro-Enterprise
VUT	Vaal University of Technology

CHAPTER 1: NATURE AND SCOPE OF THE STUDY

1.1 INTRODUCTION

South Africa's economy is classified as 'developing' alongside those of Brazil, Russia, China, India and many more. The country's economic output ranks 29th in the world, making it one of the ten leading emerging markets (Van Wyk *et al*., 2004:259). South Africa is known as the 'engine of growth' for the African continent, generating 45 per cent of the continent's Gross Domestic Product (GDP) from only 10 per cent of its population. However, the landscape has shifted for South Africa, with Nigeria taking over as Africa's economic powerhouse as of Sunday, 6th April 2014. Even though Nigeria has dethroned South Africa, South Africa still offers a sophisticated business environment in terms of infrastructure, legal system, natural and human resources, telecommunication network and financial services (Van Wyk *et al*., 2004:259). Since 1994, South Africa has undergone sweeping political and economic transformation, but as with all emerging markets, transformation is a work-in-progress.

According to Business Monitor International (2012:26), South Africa has one of the most sophisticated business environments in sub-Saharan Africa, representing a key component of its status as a regional economic powerhouse. The report further stated that strong state institutions fostering relative political and economic stability have been key in attracting foreign investors over the past several years. However, a weakened power sector has dented its image as a top investment destination and could limit Foreign Direct Investment (FDI) inflows. Furthermore, high levels of crime and inflexible labour market will continue to constitute significant structural problems that will blemish the attractiveness of the country's business environment over the longer term. Aside from tight labour regulations and concerns over increasing government control over the economy, weak education levels and the high prominence of HIV/AIDS will constitute considerable challenges over the longer term (Business Monitor International, 2012:25).

1.2 BACKGROUND TO THE STUDY

South Africa's economy needs to grow in order to attain its objectives of reducing unemployment. According to Nieman (2001:445), to achieve economic growth in South Africa the country needs entrepreneurs who perform and achieve growth. It is only then that employment opportunities will be created. According to Mahadea (2012:13), entrepreneurship through the creation and expansion of firms is vital to employment creation. He further said that a long-term solution to South Africa's unemployment and growth problem lies in the consolidation of existing entrepreneurship and in the stimulation of a new entrepreneurial class based on Small, Medium, and Micro-Enterprises (SMME), including the informal sector.

South Africa has nine provinces, and each province comprises a number of districts and municipalities. The geographical area of focus for this study is the Vaal Triangle region located in the Gauteng Province. The Vaal Triangle is formed by three towns i.e. Vereeniging, Vanderbijl Park and Sasolburg. The 'Triangle' is formed by the three industrial giants in the area, i.e. Sasol, Eskom and Iscor (renamed ArcelorMittal). Vereeniging is one of the oldest towns in South Africa. The town was founded in 1892 and located on the northern loop of the Vaal River. The Vaal Triangle is an industrial area, the metals, energy and construction sectors were identified as the main manufacturing sub-sectors in the area. The area consists of agriculture and mining, falling under the primary sector; manufacturing, construction and electricity falling under secondary sector; and lastly the services and government under the tertiary sector. It is stated that district and local municipalities are considered to "have a lead role to play in ensuring that local business environments create the opportunities for shared economic growth and development" (DPLG, 2008:1).

The second-hand motor vehicle industry lies within the tertiary sector and plays a vital role in the economy of the Vaal Triangle region. The region is popularly known for its second-hand motor vehicle industry. The district has more than 120 car dealerships and mostly concentrated around Vereeniging and Vanderbijl Park. The aim of this study is to determine the business success factors in the second-hand car dealerships, and the study will focus on second-hand car dealerships within the Vaal Triangle region. With so many dealerships concentrated in one area, what factors lead to business success?

1.3 PROBLEM STATEMENT

Problem definition refers to the crucial first stage in the research process, determining the problem to be solved and the objective of the research. This is an indication of a specific business decision area that will be clarified by answering some research questions (Zikmund, 2003:740). According to Burden and Roodt in their unpublished dissertation, the problem statement provides basically an overview of the study. It states (1) what the study is about, (2) why it is important and necessary, (3) what contributions are made to knowledge and practice, and (4) how the study fits into the existing state of the art. The problem statement tells the story behind the variables or concepts to be studied and provides background for the purpose statement and research questions.

The Vaal Triangle has a high concentration of car dealerships. In some cases there are more than ten dealerships in one street, so that competition is rife. Second-hand car dealerships compete fiercely for a market share. Almost every street corner comprises a dealership. In any business environment, one has to be competitive in order to succeed and remain alive. Any business must generate enough revenue to cover its cost to remain alive, if not; the business is not sustainable and hence will not survive long. What are the factors leading to a successful dealership in such a congested market? Almost all available land in the area is snatched by entrepreneurs with the intention of opening a dealership. With car dealerships on every street, how do they survive? Previous studies focused on other Small Medium Enterprises (SMEs) other than car dealerships in South Africa, according to the best knowledge of the author, this will be the first study conducted in South Africa.

1.4 RESEARCH OBJECTIVES

A research objective refers to the purpose of the research expressed in measurable terms, the definition of what the research should accomplish. With the background of the above information, the study has two objectives, i.e. primary objectives and secondary objectives.

1.4.1 Primary objectives

The primary objective of the study is to determine the business success factors of the second-hand motor vehicle industry in the Vaal Triangle region.

1.4.2 Secondary objectives

In order to address the primary objectives of the study, the following secondary objectives must be achieved:

- To conduct literature and theoretical review in order to gain insight into entrepreneurship as a phenomenon as well as business success factors for Small Medium Enterprises (SME).
- To conduct empirical study that assesses the participants' perception towards business success factors in second-hand car dealerships within the Vaal Triangle.
- To determine differences in opinions between Vaal Triangle and individual towns i.e. Vereeniging, Sasolburg and Vanderbijlpark.
- To assess differences in opinions of entrepreneurial constructs measuring business success factors between gender groups, race classifications and job title classifications.
- To make practical recommendations to car dealerships within the Vaal Triangle region regarding factors leading to business success.
- To make recommendations to financial institutions i.e. banks and government institutions on how to improve financial support to second-hand car dealerships within the Vaal Triangle.

1.5 SCOPE OF THE STUDY

The scope of this study is limited to both entrepreneurship as a discipline and as per geographical demarcation as outlined below.

1.5.1 The field of the study

The field of this study falls within the discipline of entrepreneurship with special reference to Small Medium Enterprises (SMEs) in second-hand car industry.

1.5.2 Geographical demarcation

The study was conducted in the Vaal Triangle region which falls under the Gauteng Province; the Gauteng Province has a number of districts and regions. The Vaal Triangle is a triangular area of land formed by Vereeniging, Vanderbijl Park and Sasolburg; together they comprise a substantial urban complex in South Africa about 60 km south of Johannesburg. Figure 1.1 below shows the geographical demarcation of the Vaal Triangle region.

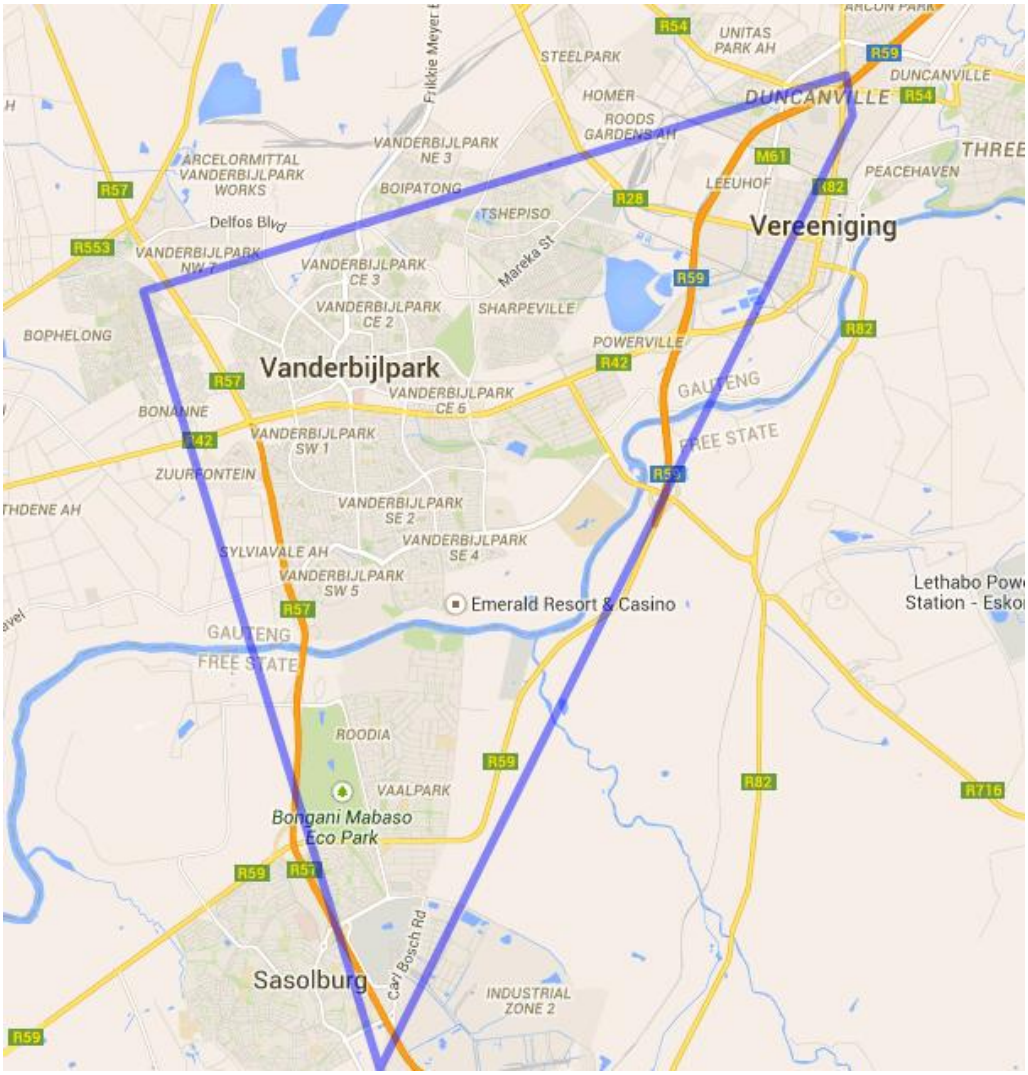

Figure 1.1: Map of the Vaal Triangle region showing geographical demarcation (source: https://maps.google.co.za/maps)

Figure 1.2 below show the demarcation of municipalities of the Gauteng Province, with the region of the Vaal Triangle highlighted on the map. It must also be noted

that the Vaal Triangle forms part of the Sedibeng District and also stretches to the Free State Province, because Sasolburg falls within the Free State Province.

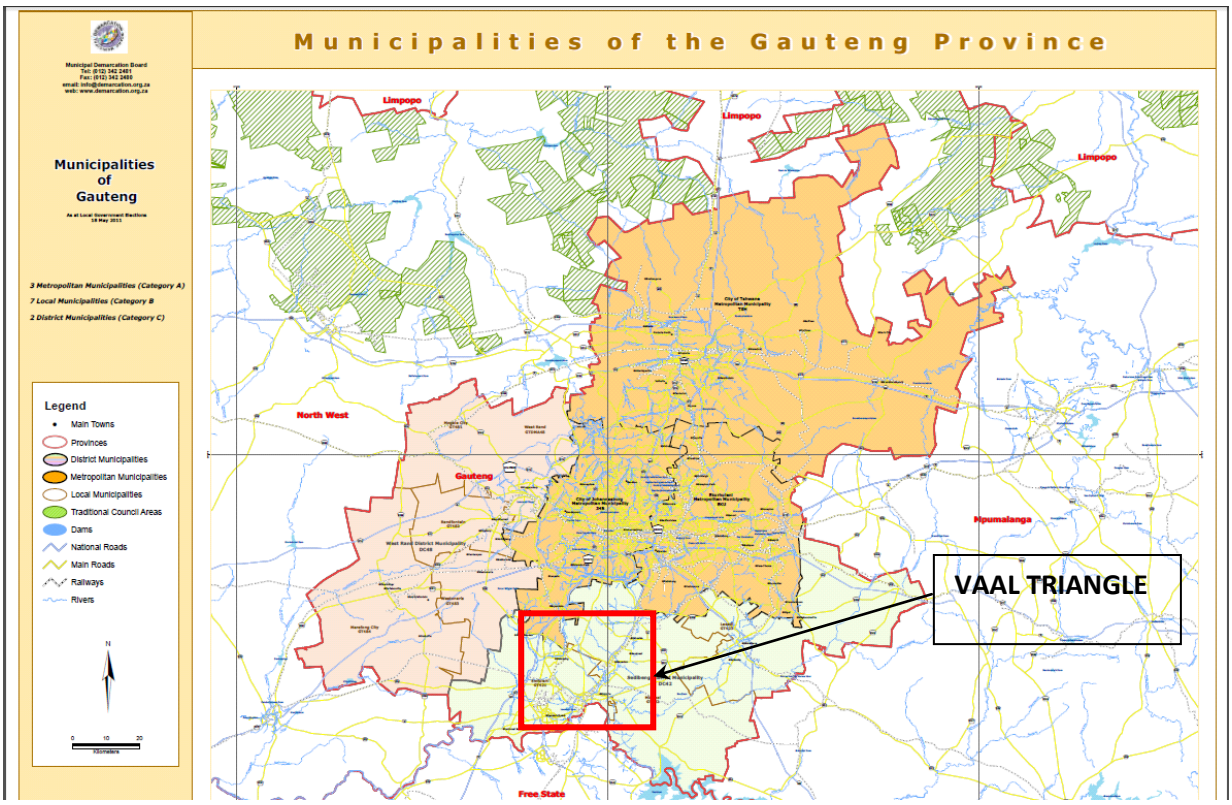

Figure 1.2: Map of Gauteng Province showing demarcation of municipalities.

Source: (http://www.demarcation.org.za)

1.5.3 The Vaal Triangle background

The Vaal Triangle is an old region popularly known for its heavy industrial activities. The region straddles the Vaal River and is a major industrial region, which is home to former Iron and Steel Corporation Iscor, now ArcelorMittal South Africa, Sasol, and ESKOM. The Vaal Triangle falls within the Sedibeng District. According to the Sedibeng District Municipality Integrated Development Plan (IDP) of 2012, Sedibeng is moderately populated and has experienced an exceptional growth in population as well as fairly young people migrating into the area. It seems that the young people are attracted by the two Universities within the area namely the Vaal University of Technology (VUT) and the North-West University (NWU) Vaal Triangle Campus, and Sedibeng College as well as other independent institutions. According to Statistics

SA Community Survey (2007), the total population for Sedibeng was 800 819 indicating an increase of 0.5% as compared to the Census 2001 population of 796 754. According to the Gauteng Province Socio-Economic Review of 2009, the Sedibeng District has a population of 805 000 which constitutes 8% and is the fourth largest in the Province. Sedibeng also has the second smallest population density of 192 people per hectare.

1.5.4 The economics of the Sedibeng District

According to Sedibeng District Municipality (2012:39), Sedibeng is the fourth largest contributor to the Gauteng economy. In 2009, Sedibeng economic growth recorded a negative 5.2%. This was 3.4% worse than the 2009 provincial growth rate of a negative 1.8%. The IDP report further reported that the Regional Gross Domestic Product had slowed down from R23.66 billion in 2008 to R22.43 billion in 2009 and is expected to record R25.93 billion in 2014. However, over the period from 2006 to 2011, the Sedibeng economy increased by 3.1%. This means the average annual growth rate was 0.8% against a targeted annual growth rate of 8% in the first generation Growth and Development Strategy (Sedibeng District Municipality, 2012:39).

1.5.5 Sectoral structure of the Sedibeng economy

The Sedibeng District Municipality (2012:39) reported that more than half of the economy is in the services sector (57.2% in 2010). The biggest contributors are: manufacturing (30.8%), government (17.8%), business services (17.8%), and trade (13.7%). The largest sector, manufacturing, has shrunk by R1.374 million (6%). The following sectors experienced the greatest growth respectively: Government, business services, construction and mining.

1.6 RESEARCH DESIGN

The study was conducted in two phases, viz. the first phase that is the literature review on entrepreneurship and Small Medium Enterprises (SMEs) in South Africa, with a strong emphasis on car dealerships in South Africa and the factors leading to their success. The second phase of the study is the empirical study which prompted

participants to answer structured questions in the field of entrepreneurship competences, SMEs characteristics, marketing, dealership location, customer services as well as sources of financing the business. The research design assisted the researcher on how to obtain the data, where to gather the data, who to ask, what questions to ask and how to analyse the data gathered.

1.6.1 Research approach

The Vaal Triangle region has a high concentration of second hand car dealerships, they are concentrated in Vereeniging and Vanderbijl Park with a few located in Sasolburg. Questionnaires were distributed to these car dealerships. The research approach in this study was a quantitative approach. The quantitative approach captured the essence of the research. It yielded more reliable data to assist in making a meaningful analysis and conclusions. According to Ritchie and Lewis (2004:112), a good research design is clearly defined with coherence between research questions and methods, which will generate valid and reliable data.

1.6.2 Research strategy

The research intends applying a quantitative approach as a research strategy to maximise research output. Creswell (2013:18) defined the quantitative approach as one in which the investigator primarily uses post-positivist claims for developing knowledge, i.e. cause and effect thinking, reduction to specific variables and hypotheses and questions, use of measurement and observation, and the test of theories, employs strategies of inquiry such as experiments and surveys, and collects data on predetermined instruments that yield statistical data.

1.7 RESEARCH METHODOLOGY

The study intends to determine the business success factors of the second hand motor vehicle industry in the Vaal Triangle region. The research is divided into two phases, i.e. **Phase 1**: Literature survey and theoretical review, **Phase 2**: Empirical research.

1.7.1 Literature survey and theoretical review

In order to gain the relevant insight with regard to business success factors in second-hand car dealerships, an appropriate comprehensive literature review is essential. The literature will review extensively the phenomenon of entrepreneurship, its definition as well as its application in the South African context. Furthermore, the focus would be on success factors on Small Medium Enterprises (SMEs). More focus will be on success factors affecting car dealerships in the world and within South Africa, and literature was also sourced covering the Vaal Triangle region. The current state of entrepreneurship in South Africa was investigated as well.

Different sources were consulted for the literature and theoretical review on the subject matter including, but not limited to the following:

- Academic journals provided by the Ferdinand Postma Library of the North-West University.
- Internet searches to examine the current issues such as car sales, second hand car prices trends, job creation by SMEs, customer experiences of purchasing a car, labour issues in South Africa, Vaal Triangle economy, the Sedibeng district economic development, Local Municipality Demarcation Board, state of entrepreneurship in South Africa, government policies.
- The Global Entrepreneurship Monitor (GEM) South Africa reports of 2012, 2011 and 2010 were used extensively in the study; the reports are rich with information related to state of entrepreneurship in South Africa.
- Previous studies including dissertations both local and international.
- Published works such as textbooks.

1.7.2 Empirical study

The study took a quantitative research approach as prompted by circumstances arising from the problem statement. The study consists of the research design, participants, measuring instruments and the statistical analysis. The aim is to provide insight into the sampling methods used, data-collection techniques and various other techniques used to analyse the data.

1.7.2.1 Selection of the measuring instrument

A comprehensive questionnaire was used to collect data in the study. The questionnaire is divided into different sections. The measuring instrument used in this study is a standard questionnaire with structured questions aimed at extracting specific information from the participant. The questionnaire is neither too long nor too short, it is well-balanced in terms of content covered and time required to complete it. The questionnaire has the following sections: A, B, C, D, E, F and G. Section A is aimed at obtaining demographic information and the other sections are aimed at specific questions intended to help in answering the research questions. In Section A the participants answer questions by marking the applicable block ranging from one to six. In Section B to G, a five-point Likert scale is used to measure responses that range from “strongly disagree” with a value of one, to “strongly agree” with a value of five. The summated scale is mostly used in most researches due to its uniqueness of being simple to compile and analyse than any other attitude scale such as semantic differential, the Guttman scale and the Thurstone scale (Welman *et al*., 2010:156).

- Section A: Demographics of the participants

Section A of the questionnaire gathered personal data of the participants as well as other general characteristics. Personal questions asked were aimed at addressing the following: *gender, age, race, job title and level of education*. Other general characteristics questions addressed the following: *years of experience in car dealership, age of the business, number of employees employed, and source of funding*. A total of nine questions were asked in this section.

- Section B: Entrepreneurial competences/characteristics

This section of the questionnaire measures the personal traits of the entrepreneur. Questions probing personal characteristics such as passion for business, persistency, technical skills, financial skills, self-determination, leadership, innovativeness, negotiation skills, risk appetite, and aggressiveness were asked. Two critical questions were also asked to draw attention during discussions of the results, i.e. whether education is a necessity for entrepreneurial success or not, and whether culture does have an impact on entrepreneurial success or not. A total of fourteen questions were asked in this section.

- Section C: SMEs characteristics

Section C of the questionnaire measures the characteristics of the car dealership, the focus in this section is on the description of the dealership itself. Questions probing whether success of the business relies on the following were asked: age of business (old vs. young), size of business (big vs. small), brand of dealership, location of the business, dealership network and franchise dealerships. A total of eight questions were asked.

- Section D: Resources and finance for the business

Section D measures the resources and financing of the business. This section pays special attention to how the business is financed, questions addressing the following were asked: access to finance is easy, government interventions in business financing, knowledge of other financial institutions other than the banks, preference for source of funding, and whether banks do meet the financial needs of the participant. A total of seven questions were asked in this section.

- Section E: Product and customer service

This section of the report focuses on the product itself and the customer services offered by the dealership. The following were probed from the participants: how do they treat their customers, how do they rank their customer service compared to their competitors, are they offering the highest quality product or not, do they often receive customer complaints about failed parts or not, do customers understand the process

of buying a car or not, do dealerships walk an extra mile in educating customers about hidden costs of owning a car or not, are most customers first-time buyers or not, do they perceive female buyers to be more cautious or not as compared to their male counterparts, do they have a Customer Relationship Management (CRM) system in place or not, does the National Credit Act (NCA) have a negative impact on the business or not, and lastly did the 2008 financial crises have any impact on the business. There were fourteen questions asked in this section.

- Section F: Dealership location

Section F of the questionnaire assesses the impact of dealership location on the success of the business. Questions asked were probing whether location is directly linked to the profitability of the business, the dealership is perfectly located according to the participant, the street is congested with dealerships, participant would like to move to a better location, dealership has another branch located somewhere else to boost their visibility and lastly whether corner stands are ideal location for a dealership. A total of ten questions were asked in this section.

- Section G: Marketing the dealership

Section G was dedicated to assessing the role of marketing the dealership and the effect it has on the business. Questions asked included the following: whether the dealership advertises in local newspapers, and whether they use all media for advertising such as radio, internet, print, word of mouth. Consideration was also given to whether the internet is seen as the leading mode of advertising, whether the dealership is clearly marked with big visible markings at the front, whether they allocate specific budget for marketing the dealership, whether marketing is the cornerstone of the business and lastly whether marketing does drive sales. There were a total of ten questions asked in this section.

1.7.2.2 Study population and sampling method

It is often too costly and impractical to study an entire population, so researchers make use of sampling to save time and resources. Although sampling is more technical than other research processes, it is not that complicated a concept. Why is

it important to use samples? According to Burger and Silima (2006:657), the most important reason for sampling is feasibility. Burger and Silima further cite that sampling is one of the most important endeavours in the social research process and it is, therefore, important to understand this concept.

The study views all car dealerships within the Vaal Triangle as the target population; it is estimated that the total number of dealerships within the Vaal Triangle falls between 100 and 150. A representative sample is therefore required to make a meaningful conclusion about the entire population. Non-probability sampling was adopted for this study, as this design is more appropriate, economical and less complicated. According to Burger and Silima (2006:667), table 1.1 below offers a suitable guideline for determining the size of the sample relative to the total population.

Table 1.1, Guidelines for sampling (*source*: Burger & Silima, 2006:667)

Population size	Per centage suggested	Number of respondents
20	100%	20
30	80%	24
50	64%	32
100	45%	45
200	32%	64
500	20%	100
1 000	14%	140
10 000	4.5%	450
100 000	2%	2 000
200 000	1%	2 000

The total sample was split between Vereeniging, Vanderbijl Park and Sasolburg. The analysis was done for the entire sample, i.e. the Vaal Triangle, after which it was drilled down to the respective towns forming the region.

1.7.2.3 Data-collection method

Questionnaires were distributed to car dealerships within the Vaal Triangle. The author targeted the owners of the dealerships; however, due to their limited availability, the author made provision for executive managers and sales executive to

also complete the questionnaires. These questionnaires were delivered individually, and the author drove from dealership to dealership, talking to participants and explaining the purpose of the study. Participants were handed questionnaires and asked to fill-in as soon as possible, and only one questionnaire per dealership had to be completed. Participants were given a few days to complete questionnaires and thereafter the researcher drove again from dealership to dealership and collected all the completed questionnaires.

1.7.2.4 Data analysis

All completed questionnaires were collected and split between towns, thereafter sent to Statistical Consultation Services (SCS) at the North-West University in Potchefstroom for capturing, coding and analyses. Validation was not done since a standard questionnaire was used.

The analysed data were used in the results and discussion chapter of this study, the discussion will move from demographics through all different sections of the questionnaire. Specific comparisons were done, for example the opinion of Whites versus Indian participants, and the overall success factors leading to business success. Based on these discussions, conclusions and recommendations were formulated. Factors leading to business success were highlighted. Practical recommendations are made in the final chapter and specific recommendations with regard to government policies to improve the state of entrepreneurship funding also made, recommendations on how a dealership should conduct itself to survive in the a tough competitive environment were also made.

1.8 ETHICAL CONSIDERATIONS

According to Walliman (2007:42), research, however novel its discoveries, is only of any value if it is carried out honestly. The results of a research cannot be trusted if it is suspected that the researchers have not acted with integrity. He further mentioned that working with human participants in the research always raises ethical issues about how they are treated. People should be treated with respect, which has many implications for how exactly you deal with them before, during and after the research. Walliman further said that although the principles underpinning ethical practice are

fairly straightforward and easy to understand, their application can be quite difficult in certain situations. Not all decisions can be clear-cut in the realm of human relations.

To ensure that the study does not contravene the North-West University's Ethics Code, the following ethical considerations were kept in mind:

- Participants were first briefed about the purpose of the study, the specific objectives it aimed to achieve, the methods to be followed as well as the role of each participant.
- All participants participated in this study voluntarily.
- Participant's identities will not be disclosed, i.e. they will remain anonymous.
- Research materials will not be given out to unauthorised persons.
- Participants will benefit from the study and will not be harmed by the study.

The researcher endeavoured not to act unethically in any way possible whilst conducting this research.

1.9 LIMITATIONS OF THE STUDY

This study was undertaken with the intention of enhancing the body of knowledge on success factors of SMEs within the second-hand car dealerships sector of the industry. Findings in this study cannot be generalised to the entire country of South Africa nor can they be generalised to brand-new car industry. The sample cannot be a true representation of South African small to medium businesses within the second-hand car sector. The empirical research was limited to the geographicaldemarcation of the Vaal Triangle area of the Gauteng Province.

1.10 CHAPTER DIVISION

Chapters in this mini-dissertation are presented as follows:

- CHAPTER 1: Nature and scope of the study
- CHAPTER 2: Literature review
- CHAPTER 3: Results and discussions of the empirical study
- CHAPTER 4: Conclusions and recommendations

1.11 CHAPTER SUMMARY

This chapter aimed to give an overall introduction to the study. In the beginning of the chapter, South African economy in the context of the world stage is briefly presented; the role that South Africa is playing in the African continent is also briefly discussed. Background to the study is outlined, the background started off by looking into the country, zooming into the Gauteng Province, then the Sedibeng District and ultimately the geographically demarcated area of the study, i.e. the Vaal Triangle region. The problem statement, research objectives as well as the scope of the study are presented. The chapter further looked at the Vaal Triangle economics. The research design is discussed in detail in this chapter as well as the questionnaire design. Ethical considerations underlying the study are also discussed, and lastly, limitations and the chapter division of the study are presented.

CHAPTER 2: LITERATURE SURVEY

2.0 INTRODUCTION

This chapter seeks to outline the literature review on the topic; it looks into the previous studies conducted by different scholars in the field. This chapter will look into literature on entrepreneurship in general and also within the South African context, the auto industry in South Africa, the business success factors, the current trends in the industry and also available literature within the Vaal Triangle. The literature covers current and past studies published within the auto industry and also general literature which is relevant to the study. The second phase of the chapter focuses on the success factors of SMEs. The study looks into published papers on key success factors and their role in the success of SMEs. The study dwells more on factors which are applicable to the auto industry. It must also be noted that the literature in the subject matter is very scarce, some of the good literature is very old; however, the author uses recent publications. In the event where good publications are old, they are used, but minimally.

The Vaal Triangle is known as the engine of manufacturing for the Gauteng Province since the early 1950s. However, the landscape has changed dramatically since then, back in the days the major employers in the area were Sasol, Eskom and Iscor. Today, the Vaal Triangle region is flourishing with Small Medium Enterprises (SMEs). One of the sectors of SMEs, is car dealerships, as the area is well known for car dealerships. The study focuses on the business success factors of car dealerships in the Vaal Triangle. The intention is to understand how this business can flourish under such tough market conditions. Literature regarding success factors in car dealerships has been researched thoroughly.

2.1 DEFINITIONS OF ENTREPRENEURSHIP

Peter Drucker, an authority on management theory, noted that although the term entrepreneur has been used for over 200 years, he acknowledges the fact that there has been a total confusion over the definition (Lambing & Kuehl, 2007:16). Early definitions of entrepreneurs were developed by economists, and these definitions emphasised factors such as risk and financial capital. (Lambing & Kuehl, 2007:16).

Taking all the different definitions into consideration, the following definition was adopted: “Entrepreneurship is a process activity. It generally involves the following inputs: an opportunity; one or more proactive individuals; an organisational context; risks; innovation, and resources. It can produce the following outcomes: a new venture or enterprise, value, new products or processes, profit or personal benefit, and growth” (Lambing & Kuehl, 2007:16).

Spinelli and Adams (2012:87) defined entrepreneurship as a way of thinking, reasoning, and acting that is opportunity obsessed, holistic in approach, and leadership balanced for the purposes of value creation and capture. They further said that entrepreneurial leaders inject imagination, motivation, commitment, passion, tenacity, integrity, team work, and vision into their companies.

For the purposes of this study, the definition of entrepreneurship as defined by Lambing and Kuehl above was adopted and used.

2.2 THE STATE OF ENTREPRENEURSHIP IN SOUTH AFRICA

Post 1994, South Africa has seen an explosion of entrepreneurs coming from all races and genders of society. The citizens of the country had equal opportunities through which they could all participate in growing the economy of the country. Even though opportunities were there, many entrepreneurs were faced with serious challenges such as access to finance, education, entrepreneurial skills and competences, and also corruption. South Africa is a member of the Global Entrepreneurship Monitor (GEM) survey since 2001. South Africa’s state of entrepreneurship can now be measured and compared to other countries in the world also participating in the survey. This is very important for South Africa as it gives South Africa a measuring stick and can help the country improve on its weaknesses and maximise its strengths.

Potential entrepreneurs are defined by Turton and Herrington (2012:6) as those who perceive good business opportunities AND believe that they have entrepreneurial capabilities. South Africa’s rate of perceived opportunities is 36%, below the average for efficiency-driven economies of 41%. Individuals who intend to pursue a business opportunity within the next three years are defined by the GEM (2012) report as the

intentional entrepreneurs. South Africa's pool of intentional entrepreneurs is 14%, which is well below the average for efficiency-driven countries of 27%, however, societal attitudes towards entrepreneurship are favourable in South Africa, and are higher than the averages for efficiency-driven economies (Turton & Herrington, 2012:6).

According to the GEM (2012) report, with regards to finance, many of GEMs national experts believe that there is sufficient funding in the market place. However, the problem is that the available finance (from both the public and private sectors) is not made easily accessible for new and growing firms, and that which is available comes at a very high cost to intentional and existing business owners. Finance was cited by 43% of the experts as one of the three most constraining factors to developing entrepreneurship (Turton & Herrington, 2012:6). The GEM (2012) report further found that the importance of education is evident in the positive correlation found between early-stage entrepreneurial activity and levels of educational attainment. Turton and Herrington (2012:6) further cited that the Entrepreneurial Framework Conditions most likely to have an impact on the transition from intentional entrepreneurship to early-stage entrepreneurial activity are government policies (in terms of the process for starting a business), finance and education. With regard to business ownership, the GEM (2012) report further found that South Africa's established business rate of 2.3% is once again the second lowest in the world, a consistent finding in GEM South Africa's surveys. The rate is again also far below the average for efficiency-driven countries (8%).

With regards to government policy, the country rates among the worst in the world in terms of labour market efficiency. South Africa's dismissal requirements are expensive and inflexible, which small businesses cannot afford. These, together with uncompetitive minimum wages, centralised collective bargaining and bureaucracy costs, significantly constrain a business's chances of survival and growth (Turton & Herrington, 2012:6). Where government programmes are concerned, the majority of entrepreneurs in numerous surveys have stated that they are not aware of any programmes. Reviews on existing institutions and interventions are required to determine their impact on their target markets. The government's incubator support programmes appear to be focusing on supporting quantity rather than quality.

Corruption is becoming more rampant and affects businesses' ability to survive and grow in South Africa (Turton & Herrington, 2012:6).

Mitchell (2006:351) is of the opinion that entrepreneurship education in South Africa is in its developmental stage, although it is perceived as important in elevating the profile of any institution and there is increasing commitment from institutions in academic, research and outreach offerings in entrepreneurship. The teaching and assessment methods follow traditional classroom delivery while research in entrepreneurship in South Africa is perceived as less rigorous than other management disciplines.

Entrepreneurs must create new SMEs within South Africa in order to grow the economy, Olawale and Garwe (2010:732) cited that the creation and sustainability of new SMEs are vital to the economic prosperity of South Africa. Without the creation of new SMEs, South Africa risks economic stagnation. Given the failure of the formal and public sector to absorb the growing number of job seekers in South Africa, increasing attention has focused on entrepreneurship and new firm creation and its potential for contributing to economic growth and job creation (Herrington *et al*., 2009:14).

2.3 THE ROLE OF SMALL MEDIUM ENTERPRISES IN SOUTH AFRICA

Jasra *et al*. (2011:274) defined Small and Medium Enterprises (SMEs) as those enterprises that employ not more than 250 employees and work on a small scale, the technical definition varies from country to country but is usually based on employment and assets or a combination of both. The National Small Business Act of South Africa of 1996, as amended in 2003, defined an SME as "a separate and distinct entity including cooperative enterprises and non-governmental organizations managed by one owner or more, including its branches or subsidiaries if any is predominantly carried out in any sector or sub-sector of the economy mentioned in the schedule of size standards and can be classified as an SME by satisfying the criteria mentioned in the schedule of size standards". SMEs are defined against various criteria, such as different sectors, the number of workers employed, the volume of output or sales, the value of assets employed and even the use of energy (ILO, 2003:124). For the purpose of this study, the definition as given by the National

Small Business Act will be used; furthermore, car dealerships are classified as SMEs according to the National Small Business Act.

La Porta and Schleifer (2008:3) cited that small medium enterprises are seen by policy-makers as the ideal way to increase sustainable development, worldwide. Within the context of an emerging economy like South Africa, SMEs are pivotal to the growth and development of the South African economy (Seda, 2007:7), and inextricably linked to economic empowerment, job creation, and employment within disadvantaged communities (Davies, 2001:10).

According to Al-Mahrouq (2010:13) the importance of SMEs lies in their role in growth at various stages of economic development, they contribute to output, fulfil social objectives, attract considerable foreign reserves into a country and have a clear importance in providing employment, which means that they are the backbone of the private sector all over the world and they employ around 60 per cent of the total labour force in the world. Uddin and Bose (2013:166) cited that Small and Medium Enterprises (SMEs) occupy a dominant position in any economy of the world. SME activities cover all areas of business including manufacturing, mining, wholesaling, retailing, service and the like. This sector is an integral part of an economy and considered as an active engine of economic growth.

In South Africa, Small and Medium Enterprises play a critical role in the economy of the country, as they generate 35% of the GDP, contribute 43% of the total value of salaries and wages, and employ 54% of all formal private sector employees (Nieman & Nieuwenheizen, 2009:15). SMEs are currently at the forefront of local economic development and are purported to resolve socio-economic problems (Kesper, 2001:52); however, this sector faces a wide spectrum of constraints, which restrict them from reaching and maintaining a competitive position in their respective industries (Cape Metropolitan Council, 2000:38). However, despite the noted contributions of SMEs, their failure rate in South Africa is one of the highest in the world. About 75% of new SMEs in South Africa do not become established firms. According to Von Broembsen *et al*. (2005:14) the probability of a new SME surviving beyond 42 months is less likely in South Africa than in any other GEM-sampled country. This implies that new SMEs will not be able to fulfil their developmental roles in South Africa.

Car dealerships in the Vaal Triangle contribute to propelling the economy of the region, they offer employment, business opportunities for spares shops and they pay tax which is then used to improve public infrastructure and facilities in the area. They are important in creating jobs and promoting the overall growth of the economy, for example, by bringing innovations to the markets (Reijonen *et al*., 2012:55). According to Maas and Herrington (2006:12) new SMEs are seen as a significant component of the solution to South Africa's development issues.

2.4 THE AUTO INDUSTRY IN SOUTH AFRICA

Since its inception in 1920, the South African Auto industry has played an important role in the economy of the country as a large employer. It is the second largest employer after mining. The auto industry plays a critical role in government's ongoing efforts to address unemployment. The auto industry also plays a critical role in the economy of the country as an exporter of cars. South Africa is one of the most competitive vehicle markets in the world. In 2011 the market was worth 570 000 units per annum, of which 400 000 were passenger cars, and the industry has vehicle offerings that span more than 60 different brands and 2200 model derivatives (Harley, 2012:31). The following car manufacturers have well established plants within South Africa in the following cities: BMW and NISSAN in Rosslyn, Ford in Silverton, Mercedes-Benz in East London, Volkswagen in Uitenhage, General Motors in Port Elizabeth and Toyota in Durban.

According to Albuquerque and Bronnenberg (2012:5), in 2009 and the first half of 2010, the car industry suffered a significant decline in demand as a result of the economic crisis that started in October 2008. The increase in the price of gas, combined with the real estate and financial crisis, lowered the annual number of vehicles sold from unusual number of 16.5 million in 2007 to a projected number of about 12 million in 2009 (General Motors, 2008:2). In this study, car dealerships were asked about the impact of the 2008/2009 financial crisis on their businesses, the findings in this specific question will be discussed in the results section.

In South Africa, most car buyers pay more on their car per month than on their house bonds. This illustrates how important a vehicle is in the South African consciousness, and not only because of the prestige and the perceived value involved, but also as a

result of the lack of an effective public transport infrastructure, which makes owning a vehicle a necessity rather than a luxury (Harley, 2012:31).

According to Harley (2012:32), the Government of South Africa introduced a programme initially known as the Motor Industry Development Programme (MIDP) which is aimed at incentivising exports; the programme was replaced by the Automotive Production and Development Programme (APDP) which reward auto manufacturers who produce more than 50,000 units per annum, with an effective reduction in component import duty, and will be able to earn duty credits based on increased production. In addition, an Automotive Investment Allowance will offer direct grants of up to 20 per cent of the value of investments in new plants and machinery (Harley, 2012:32). All these programmes are aimed at stimulating new investments and creating more jobs.

2.5 THE CAR DEALERSHIPS IN THE VAAL TRIANGLE

The highly competitive nature of the industry translates into difficult trading conditions. Customer service and customer retention have become vital to the success of a dealership in the Vaal Triangle, but they demand substantial and ongoing investments in human resources, training, service infrastructure and facilities. Harley (2012:32) found that customer satisfaction goes hand in hand with dealership profitability, and that dealers have to contend with one of the most discerning and emotion-driven car-buying publics in the world. In South Africa, a car is not merely an appliance but an expression of lifestyle, an affirmation of success, and a symbol of independence (Harley, 2012:32).

2.6 FACTORS AFFECTING BUSINESS SUCCESS IN CAR DEALERSHIPS

The success of car dealerships depends on a number of various factors which are multi-dimensional. Some factors are internal and some are external. Both affect success but there is considerable variation in these factors identified by previous studies. Chittithaworn *et al*. (2011:180) explored the business success factors of SME in Thailand based on a survey. In a business environment, the term success has been used extensively in the past and even the recent past, the term was used to refer to financial performance. Success does, however, take different forms, i.e.

happiness, survival, profit, return on investment, sales growth. According to Phillip (2011:120), empirical studies of factors affecting SMEs success can be roughly divided into two groups, i.e. according to whether they focus on a quite limited number of variables or try to capture more holistic profiles of successful SMEs. Indarti and Langenberg (2005:84) identified key components of importance in analysing the business success of SMEs which includes the characteristics of the entrepreneurs; the characteristics of the SMEs, and the contextual elements of SME development.

Chittithaworn *et al*. (2011:182) identified the following factors as factors affecting business success: entrepreneurial characteristics, characteristics of SMEs, management and know-how, products and services, customers and markets, the way of doing business and cooperation, resources and finance, strategy, external environment and internet. In a study conducted by Al-Mahrouq (2010:12), he identified five principal factors that could be major contributors to the success of the small and medium-sized enterprises in Jordan. These factors, in their order of importance, are technical procedures and technology, the structure of the firm, financial structure, marketing and productivity and human resources structure. Jasra *et al*. (2011:274) investigated the role of key success factors in Pakistan and came to the conclusion that financial resources, marketing strategy, technological resources, government support, business plans and entrepreneurial skills have significant relationships with SME's success.

Yahya *et al*. (2011:12) examined the relationships between managerial skills and success of small and medium enterprises in service sectors in Malaysia. They found a number of different skills which contribute to the success of SMEs. Those skills are budgeting skills, human relations skills, business operating skills, skills to obtain share from market, management expertise skills, skills to offer special services, skills to focus on quality and design of product and services, organizational structuring skills, marketing strategy skills. These skills significantly affect SME's success in the service sectors. In this study the financial and operations skills are studied.

The literature above illustrates different factors which affect the business success of Small Medium Enterprises, and for the purposes of this study, the following factors have been studied in detail: Entrepreneurial competences/characteristics,

characteristics of the dealership, resources and finance for starting a business, product and customer services, dealership location and marketing of the dealership.

2.6.1 The entrepreneurial characteristics/competences

According to Islam *et al*. (2011:289) characteristics of an entrepreneur play an important role on ensuring the business success in SMEs. Islam *et al*. (2011:289) further affirmed that characteristics of an entrepreneur referred to demographic characteristics and individual characteristics. Several previous studies found that demographic characteristics, such as age and gender, and individual background, e.g. education and former work experience, had an impact on entrepreneurial orientation, e.g. autonomy, innovativeness, risk taking, pro-activeness, competitive aggressiveness, and motivation, entrepreneurial readiness refers to self-efficacy (Islam, *et al*., 2011:289). With regard to gender participation in entrepreneurial activity, Reynolds *et al*. (2002:26) found that men are about twice as likely to be involved in entrepreneurial activity than women. In another study by Minniti *et al*. (2005:58), they found that in all countries participating in the Global Entrepreneurship Monitor in 2004, men were more active in entrepreneurship than women.

There are many entrepreneurial characteristics that define a successful entrepreneur, however, the study focuses on the following as they are more applicable to the car dealership industry: passion for the business, tenacity despite failures, confidence, self-determination, the management of risk. These characteristics are discussed in details below and are also covered in the questionnaire.

2.6.1.1 Passion for the business

According to Lambing and Kuehl (2007:18) the entrepreneur must have more than a casual interest in the business because he or she must overcome many hurdles and obstacles. Lambing and Keuhl further said that if there is no passion or consuming interest, the business will not succeed.

2.6.1.2 Tenacity despite failure

According to Lambing and Kuehl (2007:19) the entrepreneur must be consistently persistent. They further said that many successful entrepreneurs succeeded only after they had failed several times. It was also stated that “successful entrepreneurs don’t have failures but they have learning experiences”.

2.6.1.3 Confidence

Entrepreneurs are confident in their abilities and the business concept; they believe they have the ability to accomplish whatever they set out to do (Lambing & Kuehl, 2007:19).

2.6.1.4 Self-determination

Lambing and Kuehl (2007:19) cited the fact that self-determination is a crucial sign of a successful entrepreneur because successful entrepreneurs act out of choice, they are never victims of fate.

2.6.1.5 Management of risk

Entrepreneurs take risks in their ventures, and most successful businesses we see today were formed by entrepreneurs who took a risk, for example Google; fortunately for the Google founders, their risk-taking spirit was then rewarded, and the business grew into the global giant it is today. Risk is at the heart of running a business, and the ability to manage risk is one of the qualities of any successful entrepreneur (Lambing & Kuehl, 2007:19).

The owner of a very small firm may not see any gain in management development through education, and therefore, not pursue any training or education. An owner’s time and resources are consumed by the daily operation of the business, in which the owner usually works alongside the employees. Saleem (2012:25) investigated some socio-economic factors like age, education, experience, skills on the success of small business. He found investment, business profile; entrepreneurial experience and culture to be significant for the success of a business.

According to a study conducted by Al-Mahrouq (2010:12), regarding the level of entrepreneurial experience in the SME Sector, the results showed that more than half of the respondents have less than ten years of experience within SMEs. In recognising that skills and competencies are critical success factors driving SMEs, the South African Government has initiated the provision of accessible and appropriate skills training for SMEs. One such initiative is the South African Skills Development Act, No 97 of 1998 that acknowledges the need to increase the skills levels of individuals, by promoting self-employment and training (Clover & Darroch, 2005: 239; Berreira, 2004:15).

Small businesses cannot prosper unless the leadership has strong entrepreneurial competencies. According to Dorf and Byers (2008:73), an entrepreneur's technical and operations competencies are important form of expert power that facilitate the implementation of the business vision and strategy. Technical skills are requisite for start-ups and operations skills are often acquired only through experiential learning (Perks & Struwig, 2005:179). Barreira (2004:25) cited that not only do industry-specific skills and relevant operations skills directly affect performance, but when combined with entrepreneurial skills may together serve as a source of competitive advantage that rivals find difficult to identify and imitate. Managerial competencies are very important to the survival and growth of new SMEs. Martin and Staines (2008:112) found that lack of managerial experience and skills is the main reason why new firms fail. In South Africa, Herrington and Wood (2003:12) pointed out that lack of education and training has reduced management capacity in new firms in South Africa. This is one of the reasons for the low level of entrepreneurial creation and the high failure rate of new ventures.

2.6.2 The characteristics of a Small Medium Enterprise

Islam *et al*. (2011:289) cited that SMEs' characteristics refer to the origin of enterprise, length of time in operation (age), size of enterprise and capital sources which play important role on the business success. They further found that the origin of enterprise in small firms, where ownership and management were typically combined in one or more individuals and future goals for the business might be determined as much by personal lifestyle and family factors as by commercial considerations. Length of time in operation may be associated with learning curve,

and old players most probably have learned more from their experiences than have newcomers (Islam, *et al*., 2011:293). According to Kristiansen, Furuholt and Wahid (2003:258) length of time in operation was significantly linked to business success. McMahom (2001:22) found that enterprise size significantly linked to better business performance. Larger enterprises were found to have a higher level of success.

2.6.3 The resources and funding of the dealership

Olawale and Garwe (2010:731) stated that all businesses require financial resources in order to start trading and to fund growth. Lack of access or availability can be a constraint on business growth (Cassar, 2004:262). Whether business owners can access adequate and appropriate finance to grow their business, is a particular concern for policymakers. New SMEs can be financed from founders' own wealth and/or by accessing external sources of finance, whether from 'informal' sources such as family and friends, or from 'formal', market-based sources such as banks, venture capitalists and private equity firms. The study will prompt participants to state how they funded their businesses.

Herrington *et al.* (2009:14) found that access to finance is a major problem for the South African entrepreneur. Lack of financial support is the second most reported contributor to low new firm creation and failure, after education and training in South Africa. According to Shen *et al*. (2012:52), SMEs have difficulty securing financing from banks. Large banks are generally not interested in serving SMEs. Berger and Udell (2006:15) argued that large banks are not disadvantaged in small business finance because they can deliver funds to SMEs through various lending technologies which can overcome the problems of informational opacity. SMEs usually lack the amount of slack resources and administration systems that help larger companies in their decision-making processes and, consequently, SMEs have to rely more on the abilities of their managers (Lubatkin, Ling and Veiga, 2006:56). McMahon (2001:26) discovered that greater dependence upon external finance associated with better business growth. In Indonesia, Kristiansen, Furuholt and Wahid (2003:102) found that financial flexibility was significantly correlated to business success. The SMEs that took advantage of family and third-party investment experienced higher level of success. A study conducted by Al-Mahrouq

(2010:10) concluded that the financial structure of the firm was the third most important success factor.

FinMark Trust (2006:6) found that only 2% of new SMEs in South Africa are able to access bank loans. Foxcroft *et al*. (2002:12) found that 75% of applications for bank credit by new SMEs in South Africa are rejected. This suggests that new SMEs without finance may not be able to survive and grow. This presents a serious problem in terms of empowering entrepreneurs in South Africa.

2.6.6 The product and customer services

Veena and Venkatesha (2008:60) argued that factors influencing customers in purchasing of cars would defiantly vary from time to time depending on environmental factors. The environmental factors always change. In this scenario it is necessary for the dealerships to know these factors which influence the customers to buy their cars. According to Oliver (2006:45), the central determining factor of customer loyalty for dealers and manufacturers is customer satisfaction. Hence, it is necessary for those dealerships who have strong loyalty to nurture their strength and those who are weak to develop this strength to attract customers.

The author identified this old article by Jose and Lemmink (1992) as being rich in content and relevant to the study. Jose and Lemmink (1992:355) focused on the positive influence of customer satisfaction on brand and dealer loyalty. The two types of customer satisfaction are the sales service and the after-sales service. The satisfaction with the service (both sales and after-sales service) would be the major determinant of dealer loyalty. Jose and Lemmink distinguished these two different types of service because in the automobile industry these concepts are seen as important but quite different in the perceptions of the customer. Jose and Lemmink (1992:355) further commented that the rationale for investigating the relationship between customer satisfaction and customer loyalty is that satisfaction with a product or a service affects buying intentions as well as actual future behaviour in a positive way. They concluded in their study that customer satisfaction plays an important role in explaining brand and dealer loyalty. When they asked respondents, 80% of the reasons given for brand or dealer loyalty were related to satisfaction, only 20% of the reasons concerned price and other reasons. Jose and Lemmink finally

concluded that satisfaction with the service as well as satisfaction with the product is essential for creating and maintaining brand loyalty.

2.6.7 Dealership location

Olawale and Garwe (2010:731) argued that location has an impact on the market potential and growth opportunities of new firms. Geographical proximity to either critical buyers or suppliers produces a form of enhanced environmental scanning that enables new firms to more easily identify and exploit growth opportunities in the market. In a study conducted by Albuquerque and Bronnenberg (2012:7), they found that little is known about how dealer location and the geographic distribution of consumers interrelate to shape demand and competition patterns in the car industry.

Albuquerque and Bronnenberg (2012:12) cited that when customers are deciding where to buy a car, they inferred that consumers dislike travelling long distances to car dealerships and the majority of demand of a car dealership originates from consumers located in close proximity. As a result, dealerships typically have their own local demand “backyard", the size of which is determined by the location of competitors. Albuquerque and Bronnenberg (2012:17) further concluded that across all dealers included in their analysis, consumers travel an average of ten miles to buy a car, while the median travel distance is 7.3 miles. Only 10% of consumers travel more than 20 miles, whereas about 27% purchase a car at a dealer located less than five miles from their location of residence. They further discovered that the presence and location of the other dealership has a major impact on demand.

2.6.8 Dealership marketing

Kotler and Amstrong (2012:248) defined ‘product’ as anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need. Products include more than just tangible objects such as shoes, cars or food, it also includes services. Products are therefore a key element in the overall market offering. A product form part of the marketing mix, i.e. product, promotion, price and place.

In consumer marketing, brands often provide the primary points of differentiation between competitive offerings, and as such they can be critical to the success of companies (Wood, 2000:664). For consumers, brands can be used to identify the manufacturers or distributors while letting manufacturers or distributors know their responsibility. Most importantly, brands have a special meaning to consumers because consumers learn brands based on their experiences; by using the products and from the years of manufacturers' marketing plans that enable them to find out which brand is more acceptable and satisfy their needs the most. As a result, brands have become a kind of shorthand to simplify product purchasing decision tools or methods (Keller, 2001: 229).

Veena and Venkatesha (2008:64) found that promotion by a dealer greatly influences a customer's decision. Marketing by the dealer, advertisement and response to enquiry are important items under this dimension. The timing, budget, and media are the crucial factors that a dealer has to decide in his promotion. Veena and Venkatesha (2008:69) concluded in their study that word of mouth and facilities, promotion, accessibility, personalized service, acquaintance, and association with the dealer play a very important role in customers' choice of the dealer.

2.7 CHAPTER SUMMARY

The objective of this chapter was to review the literature conducted by past and present scholars in the field of entrepreneurship. The chapter starts off by giving introduction into the chapter, followed by general definitions of entrepreneurship whereby a definition by Lambing and Kuehl was adopted for the study. The chapter looked at the state of entrepreneurship in South Africa, the Global Entrepreneurship Monitor (GEM) reports were used extensively in understanding the state of entrepreneurship in South Africa. The role of Small Medium Enterprises in South Africa was reviewed, and literature from different authors was assessed. The chapter then started zooming in on the field of this study, i.e. the second-hand car industry and it started off by looking at the auto industry in South Africa, the market trends, different production lines within South Africa.

The chapter then zoomed into the car dealerships within the Vaal Triangle region. Literature findings on factors affecting business success in car dealerships were presented and discussed. Different factors were presented by different scholars; the study further zoomed-in on the following factors: the entrepreneurial characteristics, characteristics of a Small Medium Enterprise (SME), Resources and funding of the business, product and customer services, dealership location and lastly marketing of the business. Extensive literature was reviewed covering the above factors.

CHAPTER 3: RESULTS AND DISCUSSION OF THE EMPIRICAL STUDY

3.1 INTRODUCTION

This chapter outlines the sequential steps taken to gather and analyse data from the study, and the analysis and discussion of the results are done in this chapter. The results are accompanied by the statistical measurements utilised in the study. A statistical analysis is performed giving all necessary statistical data required in answering the research question.

Early in the year, around March, when the researcher had decided on the topic of this study, with the understanding that most dealerships are family-owned businesses, and that they are more closed-up than normal businesses, the researcher was concerned about willingness of car dealerships to participate in the study. The researcher therefore took the initiative of visiting few dealerships in the Vereeniging area to inform them of the intended study, its benefit to them and to the society, especially the academic community. The researcher was overwhelmed by the positive response he received from the dealerships, as they were positive and affirmed that they would be keen to participate in such a study and that should the researcher battle to get participation from other dealerships they would assist in referring the researcher to other dealerships who would participate in the study.

After receiving a positive feedback from car dealerships, the researcher proceeded with questionnaire design, working closely with his supervisors and also the Statistical Consultation Services (SCS) of the North-West University. In July the questionnaires were distributed to most dealerships in the Vaal Triangle area. They were administered by the researcher himself.

Questionnaires were distributed to Sasolburg, Vanderbijl Park and Vereeniging. These are the three towns forming the famous Vaal Triangle ‘second-hand car city’. The willingness to participate in the study was very overwhelming; the researcher was impressed with the positive attitude and positive spirit bestowed upon him by the participants.

3.2 GATHERING OF DATA

Participants were asked to voluntarily participate in the study, they were not forced in any way, the covering letter was explained to them thoroughly, and the objectives of the study were further explained to them.

3.2.1 Study population

The target population for this study was all car dealerships operating in the Vaal Triangle region, which falls within the Gauteng Province. The Vaal Triangle region has three towns, i.e. Vereeniging, Vanderbijl Park and Sasolburg. The Vaal Triangle forms part of the Sedibeng District, which consists of Emfuleni Local municipality, Midvaal local municipality and Lesedi Local municipality. The study looks at business success factors for the entire Vaal Triangle region; however, questionnaires were split per town, analysis was done per town to check whether there are disparities amongst the opinions of participants per town.

There are four (4) car dealerships in Sasolburg, and all of them participated in the study, i.e. the sample was 100% of the local population. There are twenty-one (21) car dealerships in Vanderbijl Park, and fourteen (14) of them participated, which means the sample was 66.7% of the local population. In Vereeniging, there are seventy-five (75) car dealerships and an overwhelming forty (40) participated in the study, the sample was therefore 53.33% of the total local population. The number of dealerships was manually counted by the researcher and the error percentage is quite small.

3.2.2 Questionnaire used in this study

The questionnaire used in this study was adopted from a questionnaire designed by Luiz and Mariotti (2011:55) from a study known as *Entrepreneurship in an emerging and culturally diverse economy: A South African survey of perceptions*. The questionnaire has a cover letter addressed to the participant giving a background and objectives of the study, also assuring the participants about the confidentiality and anonymity of their participation. The second page is designed with a few highlighted aspects that outline the confidentiality clause, the example of how to mark or indicate the appropriate answer, and a note from the researcher to

acknowledge the participation of people in this study. Refer to **ANNEXURE A** for further details on the questionnaire including the thank you note to all respondents. The questionnaire consists of seven sections, namely:

Section A: Personal Information

This part of the questionnaire focuses on the demographics of the respondents; its objective is to cluster all relevant information pertaining to gender, race, age, education level, job title and the age of the business. Furthermore, it serves to draw correlations between demographic information and results as per constructs, with intentions to evaluate factors leading to business success.

Section B: Entrepreneurial competences/characteristics

From this section onwards, all sections were based on a five-point Likert scale instrument, with an option to select between the ranges of strongly agree (5) and strongly disagree (1). In assessing whether the participant has entrepreneurial competences or characteristics, questions were asked probing most traits of successful entrepreneurs such as passion, innovativeness, risk appetite and self-determination. All questions asked were positive questions. Positive questions such as, **"I am a self-determinant entrepreneur"**.

Section C: SMEs' characteristics

The car dealership characteristics have an impact on the success of the dealership, this section intends to uncover the impact SMEs characteristics has on the success of the business. Questions about the age of the business were asked, the size of the business as well as the brand of the business. All questions asked were positive questions, such as, **"larger dealerships are more successful than smaller dealerships"**, the participant must state whether he or she strongly agree or strongly disagree or somewhere in between.

Section D: Resources and financing of the business

This part of the questionnaire aims at exploring the perception of participants with regards to the availability of business funding for starting up a business. Questions

were structured to extract participants' personal experiences with regard to funding, questions such as **"I prefer to start a business from my own pocket"** were asked.

Section E: Product and customer services

This section deals with how dealerships perceive their customer services and also how they perceive their product offerings. The intent here is to uncover whether customer services are a success factor in this business or not, if so, to what extent customer service is a success factor compared to other factors. A mix of positive and negative questions was asked in this section. A positive question such as **"our customer service is the best in this are"**. A negative question such as **"most customers do not understand the process of buying a car"**.

Section F: Dealership location

This part of the questionnaire aims at exploring the views of participants with regard to dealership location and the effect it has on the success of the business. All questions asked were positive questions. The literature review commented a lot on the dealership location, based on the findings of previous researchers; questions were designed to uncover the effect of location to dealerships in the Vaal Triangle region. This question was asked: **"The location of the business is directly linked to profitability of the business",** another positive question asked was the following: **"Corner stands are a best location for a dealership".**

Section G: Marketing the business

In this section, the effect of marketing the business was assessed. The intent was to assess whether participants believe marketing is critical for their business success or not. This section also assesses whether dealerships with marketing budgets are more successful than dealerships that do not spend money on marketing at all. Questions such as **"dealerships with big marketing budgets are rewarded with increased sales"** were asked. All questions were constructed on a five-point Likert scale instrument.

3.3 DATA PROCESSING

Completed questionnaires were collected by the researcher and submitted to the Statistical Consultation Services (SCS) of the North-West University (Potchefstroom Campus) for data capturing, coding, and statistical analysis using the Statistical Package for Social Science (SPSS, 2008). The results from the SCS were presented in a tabular format and the researcher constructed tables, bar graphs and pie charts in order to graphically present the results for easy understanding. In view of the results the mean was employed as a measure of central tendency and the standard deviation to indicate dispersion of data around the central point. A reliability test that ensures the participants' understanding towards the posed construct is done. The Cronbach's alpha will be used to check internal consistency of the questionnaire. Independent t-tests and Anovas will highlight the difference between groups based on the demographics variables as deemed critically important.

3.4 RESULTS AND DISCUSSIONS

This section discusses the results as obtained from the questionnaire, demographics are analysed and presented in the next sub-section.

3.4.1 DEMOGRAPHICS RESULTS

The following demographics results are presented and discussed in this subsection.

3.4.1.1 Participating dealerships

The following results zoom-in to participating dealerships per town as described before. Figure 3.1 below illustrates the percentage split of the sample of the total study population.

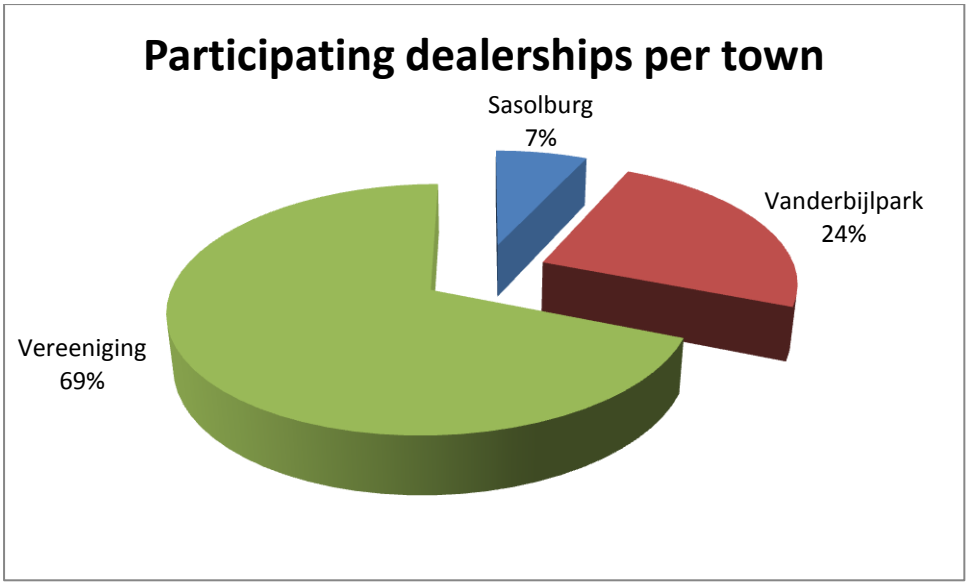

Figure 3.1: participating dealerships per town

The results shows that the majority 40 (69%) of sampled population come from Vereeniging, fourteen (24%) from Vanderbijl Park and four (7%) from Sasolburg. These results were manually captured, questionnaires were manually split per town of residence, and there was no question inside the questionnaire asking the participant to state their town of residence.

3.4.1.2 Gender participation

The objective of this statement was to indicate the number of respondents based on their gender composition. The composition of the respondents is classified according to gender as depicted in table 3.1.

Table 3.1: Gender classification

Gender classification	Frequency	Percentage
Male	48	82.8%
Female	10	17.2%
TOTAL	**58**	**100%**

Of the 58 participants, 48 (82.8%) were males and ten (17.2%) were females. This is in line with the findings of Minniti *et al*. (2005:58), who showed that in all countries participating in the Global Entrepreneurship Monitor in 2004, men are more active in entrepreneurship than women.

3.4.1.3 Age classifications

The purpose of this question is to group the participants according to their age, in the literature review it was stated that age does have an effect on the entrepreneurial competences. Table 3.2 below illustrates the age distribution of the sample.

Table 3.2: Age distribution

Age distribution	Frequency	Percentage
18-25	12	20.7%
26-35	13	22.4%
36-45	11	19.0%
46-55	17	29.3%
56-65	3	5.2%
66+	2	3.4%
TOTAL	**58**	**100.0%**

Table 3.2 reveals that of the 58 participants, the majority 17 (29.3%) were between the ages of 46 and 55. Participants older than 56 year were marginally small. However, it is to be noted that youth (35 years and less) were contributing 43.1% of the total sample. This clearly shows that young people find this line of business attractive.

3.4.1.4 Race count

Respondents were requested to indicate their racial group according to the South African racial group classification. The objective of this statement was to acquire the race classification in order to determine the extent to which race is influencing success in the business. The results of the racial group classification are reflected in Table 3.3 below.

Table 3.3: Race distribution of the total sample

Race Classification	Frequency	Percentage
African	6	10.3%
Indian	14	24.1%
White	37	63.8%
Coloured	0	0%
Asian	1	1.7%
Other	0	0%
TOTAL	**58**	**100.0%**

This table reveals that of the 58 respondents, the majority 37 (63.8%) were Whites, followed by Indians 14 (24.1%), thirdly the Africans were six (10.3%), and only one participant was Asian.

3.4.1.5 Job title classification

The sample was also grouped according to job title classification; the purpose of this question was to determine the level of authority within the business. Table 3.4 below illustrates the job title classification of the total sample used in the study.

Table 3.4: Job title classification

Job Title Classification	Frequency	Percentage
Owner	17	29.3%
Manager	14	24.1%
Sales Executive	24	41.4%
Other	3	5.2%
Total	**58**	**100.0%**

From the table above, the majority of participants 24 (41.4%) who participated in the study were sales executives, followed by business owners 17 (29.3%), managers were 14 (24.1%) and a marginally small number of participants (5.2%) with job title not specified in the survey and hence falling as Other.

3.4.1.6 Education level classification

This question seeks to identify qualification level from the participants, the question is critical in the study as according to previous studies; education has an impact on

entrepreneurial success. Table 3.5 below illustrates the qualification level of the respondents.

Table 3.5: Education Level Classification

Education level Classification	Frequency	Percentage
No formal education	1	1.7%
Matric	34	58.6%
National Diploma	18	31.0%
Bachelor's degree	5	8.6%
Post-graduate degree	0	0.0%
Total	**58**	**100.0%**

Of the 58 respondents, the overwhelming majority 34 (58.6%) had only Matric as their highest qualifications, followed by a National Diploma at 18 (31%). No formal education and Bachelor's degree were marginally small, 10.3% combined. It must be noted that none of the participants had a post-graduate degree.

3.4.1.7 Years of experience in the industry

This question was asked so participants could state their years of experience in the dealership industry, the purpose of this question is to group participants according to their years of experience and to assess if their years of experience has any influence in the business success factors. Table 3.6 below illustrates the distribution of years of experience for the sample used in the study.

Table 3.6: Years of experience distribution

Years of experience in car dealerships	Frequency	Percentage
Less than 1 year	15	25.9%
6 – 10	14	24.1%
11 – 15	12	20.7%
16 – 20	7	12.1%
21 +	10	17.2%
Total	**58**	**100.0%**

The table reveals that most respondents 15 (25.9%) have less than one year of experience in the business, followed by those with 6 -10 years 14 (24.1%), and 20.7% contribution came from participants with 11 – 15 years of experience. This implies that when looking into years of experience, the overwhelming 70.7% had less than 15 years of experience in the industry. The smallest contribution (12.1%) came from participants with 16 – 20 years.

3.4.1.8 Age of the dealership classification

The age of the business is very important in this study, as current and previous scholars have commented a lot about older business versus younger business, the impact age has on the success of a business. This question aims at assessing such an impact. Table 3.7 below illustrates the age distribution of car dealerships who participated in the study.

Table 3.7: Age of the business distribution

Age of the business	Frequency	Percentage
Less than 1 year	16	27.6%
6 – 10	11	19.0%
11 – 15	9	15.5%
16 – 25	10	17.2%
26 +	12	20.7%
Total	**58**	**100.0%**

Table 3.7 above reveals that 27.6% of the dealerships sampled, had been in business for less than one year, followed by those who have been in business for more than 26 years at 20.7%, dealerships with 6 – 10, 11 – 15 and 16 -25 years were almost equally distributed with 19%, 15.5% and 17.2% respectively. The literature found that older businesses have an advantage as compared to younger businesses. Islam *et al*. (2011:293) found that length of time in operation may be associated with learning curve, old players most probably have learned much more from their experiences than have done newcomers. Kistiansen, Furuholt and Wahid (2003:258) found that length of time in operation was significantly linked to business success.

3.4.1.9 Number of employees in the dealership

The number of employees employed by the dealership will give an indication about the size of the dealership. The researcher could not ask a sensitive question such as the business' turn-over to establish the size of the dealership and hence he relied on this question to give an indication about the size of the business. The literature did comment about bigger dealerships versus smaller business, and hence this question was aimed at assessing such an impact. Table 3.8 below illustrates the number of employees' distribution in the business.

Table 3.8: Number of employees employed by the dealership

Number of employees employed	Frequency	Percentage
Less than 6	18	31.0%
6 – 10	12	20.7%
11 – 15	8	13.8%
16 – 25	14	24.1%
26 +	6	10.3%
Total	**58**	**100.0%**

According to the results shown in table 3.8, dealerships with fewer than 6 employees were 31%, followed by dealerships with 16 – 25 employees at 24.1%, closely followed by dealerships with 6 – 10 employees at 20.7%. Dealerships with 11-15 were 13.8%. Dealerships with more than 26 employees are considered large in this study and they were 10.3%. Most of the dealerships who participated in the study are therefore small i.e. 51.7% dealerships employed less than 10 employees.

3.4.1.10 Resources and Financing of the business

Few entrepreneurs have the financial resources to start a business from their pockets, most rely on financial institutions such as banks, government institutions such as Industrial Development Corporation (IDC), National Empowerment Fund (NEF), and UMSOBOVU, or partnerships. This question is very important in this study, and hence the purpose of this question is to establish how the participant funded their business and how does that affect the success of the business. Table 3.9 below illustrates the type of funding used to start the business.

Table 3.9: Resources and financing of the business

Type of funding	Frequency	Percentage
Own funds	32	55.2%
Bank	15	25.9%
Government institutions (IDC, NEF, UMSOBOVU)	0	0%
Partnership	6	10.3%
Other	5	8.6%
Total	**58**	**100.0%**

Of the 58 participants interviewed, an overwhelming majority 32 (55.2%) started their businesses using their own funds, followed by those who used banks at 25.9%. Partnerships and Other were marginally small, 10.3% and 8.6% respectively. It is also worth noticing that none of the 58 participants funded their business through Government institutions.

3.4.2 THE RELIABILITY

The internal consistency of the questionnaire was determined by the calculation of Cronbach's alpha. The establishment of Cronbach's alpha was developed by Lee Cronbach in 1951 in order to check the internal consistency, and it is expressed with numbers between 0 and 1. Internal consistency describes the extent to which all items or statements in the test measure the same construct (Tavakol, 2011:53). He further cited that the value of a reliability estimate tells you the proportion of variability in the measure attributable to the true score. A reliability of 0.5 means that about half of the variance of the observed score is attributable to truth and half is attributable to error. A reliability of 0.8 means the variability is about 80% true ability and 20% error, and so on. Table 3.10 below illustrates the Cronbach's alphas for this study.

Table 3.10: Cronbach's alpha values from the questionnaire

CONSTRUCT	Cronbach alpha
Section B: Entrepreneurial competences/characteristics	0.776
Section C: SME Characteristics	0.613
Section D: Resources and funding of the business	0.605
Section E: Product and customer services	0.599
Section F: Dealership location	0.506
Section G: Marketing of the business	0.862

Table 3.10 above illustrates the internal consistency of the questionnaire per section. All Cronbach's alpha values are higher than **0.50**, which shows acceptable level of reliability according to Field (2005:668). The normal cut-off point as determined by Field (2005:668) is **0.70**. However, Field further commented that values less than **0.70** should not be ignored, especially when measuring attitudes, however, when measuring ability, the cut-off point should be **0.70**. The construct; marketing of the business, showed the highest internal consistency of **0.862**, meaning the variability is about **86.2%** true ability and **13.8%** error. The second highest construct is entrepreneurial competences with Cronbach's alpha value of **0.776**. Dealership location received the lowest value of **0.506**, however, still above the minimum cut-off value of **0.50**.

3.4.3 ENTREPRENEURIAL CHARACTERISTICS/COMPETENCES

The statements from B1 to B14 (see ANNEXURE A) in Section B were all adapted to establish the entrepreneurial competencies or characteristics of the participants. The primary objective of these statements was to determine whether the participants have the personal traits required for entrepreneurial success. An entrepreneurial competence is one of the leading success factor identified by previous and current scholars. A detailed summary containing all variables from the questionnaire is shown in table 3.11 below. This section had positive statements as shown on the table. Each question had a minimum of 1 (strongly disagree) with a maximum of 5 (strongly agree). A number close to 5 indicate a positive condition of entrepreneurial competences, and a lower number represent a weak condition.

Table 3.11: Entrepreneurial competences/characteristics

STATEMENT	N	Mean	STD dev
I am passionate about this business	58	4.41	1.009
I am persistent, (even after several failures; I still rise to the occasion).	58	4.38	0.834
I have technical skills suitable for running this business	58	4.05	0.944
I am confident in my abilities to start this business.	58	4.28	0.894
I have financial skills suitable for running this business	58	4.02	0.927
I believe I am a born entrepreneur	57	4.09	0.892
I am a self-determinant entrepreneur	58	4.26	0.785
I am a good leader to my team	58	4.28	0.833
I like taking risks as an entrepreneur	58	3.88	0.957
I am aggressive in my business ventures	58	3.84	1.121
I am a good negotiator	58	4.43	0.596
I am innovative	57	4.14	0.667
I believe formal education is a necessity for entrepreneurial success	58	4.02	1.100
My culture helps me succeed in business	58	3.48	1.246
Average	**58**	**4.1121**	**0.47179**

Table 3.11 results reveal an average mean score of **4.1121** out of the five-point Likert scale. The mean score of 4.1121 imply participants' perceptions fall between agree and strongly agree, but learning towards agree. This indicates that participants have a positive personal competences or characteristics required for entrepreneurial success. Figure 3.2 below illustrate the graphical presentation of the mean score organised in increasing order.

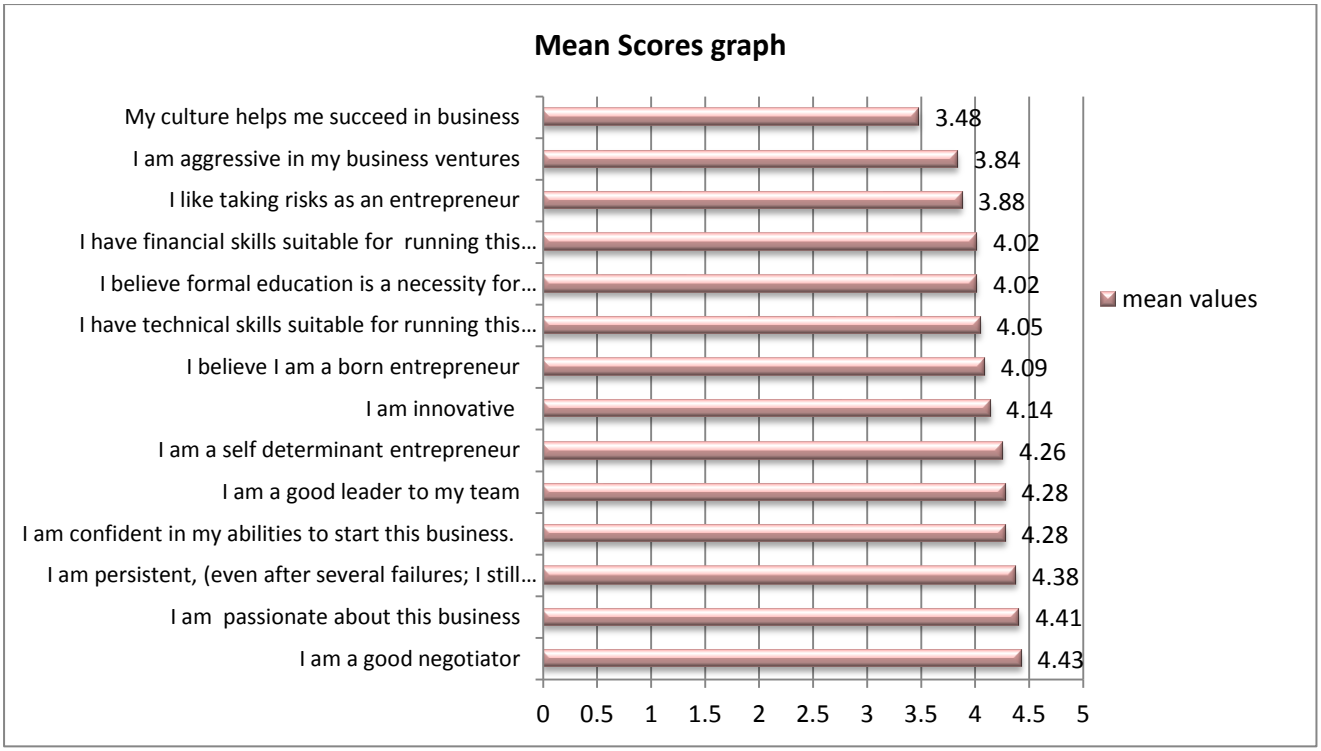

Figure 3.2: Entrepreneurial competences mean scores ranked from lowest to highest

The statement, **"I am a good negotiator"** had the highest mean of **4.43,** meaning agree but leaning towards strongly agree, this make sense since car dealerships involves a lot of negotiations with customers and hence persuasive skills are crucial in the business. It is therefore not surprising that this competence came up on top. The statement, **"I am passionate about this business"**, scored second highest (4.41), a strong positive (strongly agree). This is in line with literature findings, i.e. Lambing and Kuehl (2007:18) stated that the entrepreneur must have more than a casual interest in the business because he or she must overcome many hurdles and obstacles. On the other hand, the statement, **"my culture helps me succeed in business"** had the smallest mean **(3.48)**, meaning neutral to agree. This statement shows that in this type of business culture has relatively less influence, however, later in the study, the opinion of whites vs. Indians will be discussed, this might change the picture about the role of culture in business success.

3.4.4 SMEs' CHARACTERISTICS

This section of the questionnaire was designed to determine the characteristics of the dealership. All questions asked were intended to establish whether characteristics of the business such as the age have any effect on the success of the business. Table 3.12 below illustrates the mean and standard deviation for all eight questions asked. Questions C1 to C8 are shown in ANNEXURE A.

Table 3.12: SMEs Characteristics

STATEMENT	N	Mean	STD dev
In this type of business age of the business is relevant	58	3.57	1.110
Success in this type of business relies heavily on the location of the business	58	4.26	0.849
Larger dealerships are more successful than smaller dealership	58	3.03	1.169
Older dealerships are more successful than younger dealership	58	3.21	1.166
The brand of the dealership is important in this type of business	58	3.74	1.001
We sell all types of passenger cars and different models	58	4.47	0.681
This dealership is part of a bigger network of dealerships	58	2.97	1.600
We have more than one dealership branches	58	2.97	1.737
Average	**58**	**3.5259**	**0.62861**

The above table shows that the average mean score is **3.5259** out of the five-point Likert scale. This average mean score (3.5259) shows that participants who participated in this study mostly agree when it comes to characteristics of the business as a factor leading to business success. This shows a positive influence towards entrepreneurial success. The results of the survey are graphically represented in Figure 3.3 to enable easy comparing of mean score, results are ranked from lowest to highest.

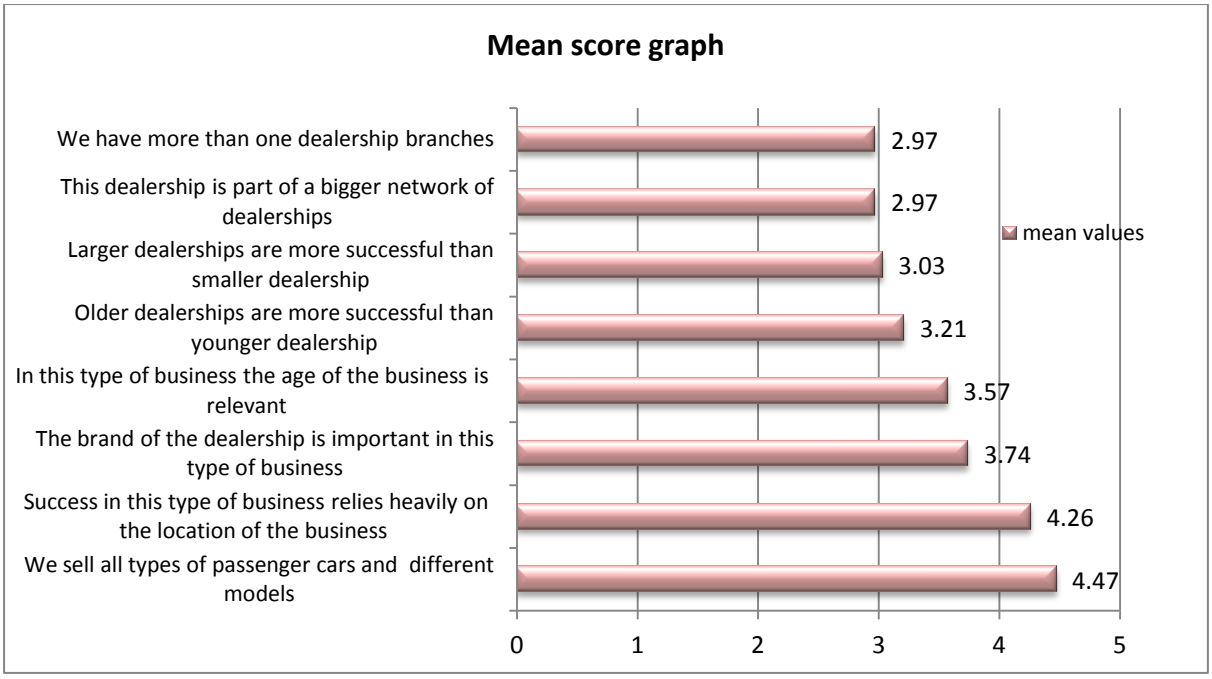

Figure 3.3: SME characteristics mean values ranked from lowest to highest

Four of the eight statement asked i.e. **In this type of business age is relevant** (3.57), **the brand of the dealership is important in this type of business** (3.74), **success in this type of business relies heavily on location of the business**, **we sell all types of passenger cars and different models,** all these statements scored higher than the mean score, indicating their positive inclination towards SME characteristics. Surprisingly, age and size of the dealership scored less than the mean score, indicating their irrelevance towards dealership success. This is in contradiction with literature findings; Kistiansen, Furuholt and Wahid (2003:258) found that length of time in operation was significantly linked to business success. McMahom (2001:22) found that enterprise size significantly linked to better business performance, meaning larger enterprises had a higher level of success than smaller enterprises.

3.4.5 RESOURCES AND FUNDING OF THE BUSINESS

This section consists of seven statements about resources and financing of a new business. Funding of a new business is critical in entrepreneurial development in South Africa, these statements are probing the participants to state their views regarding funding of the business, do they play an important role in the success of

the business? Table 3.13 below illustrates the mean and standard deviation of all statements as answered by the participants.

Table 3.13: Resources and financing of the business

STATEMENT	N	Mean	STD dev
Getting finance to start a dealership is easy	58	1.78	0.879
Government made it easy to secure financing for a dealership	58	1.64	0.931
There are other financial institutions to assist with financing (except banks).	58	2.52	1.301
I prefer other financial institutions other than the banks for financing	58	2.40	1.350
I prefer starting a business from my own pocket	58	3.83	0.958
Banks does meet my financing needs	58	2.91	1.159
The type of financing plays a critical role when starting a dealership	58	4.03	0.955
Average	**58**	**2.7291**	**0.59397**

Table 3.13 above presents the results of the survey, the mean score for this section is **2.7291** (disagree), thus this score is indicating a negative feedback regarding Resources and funding of the business, participants disagreed on average with the statement made in the questionnaire. Figure 3.4 below illustrates the mean and standard deviation in a graphical format; values are ranked from lowest to highest.

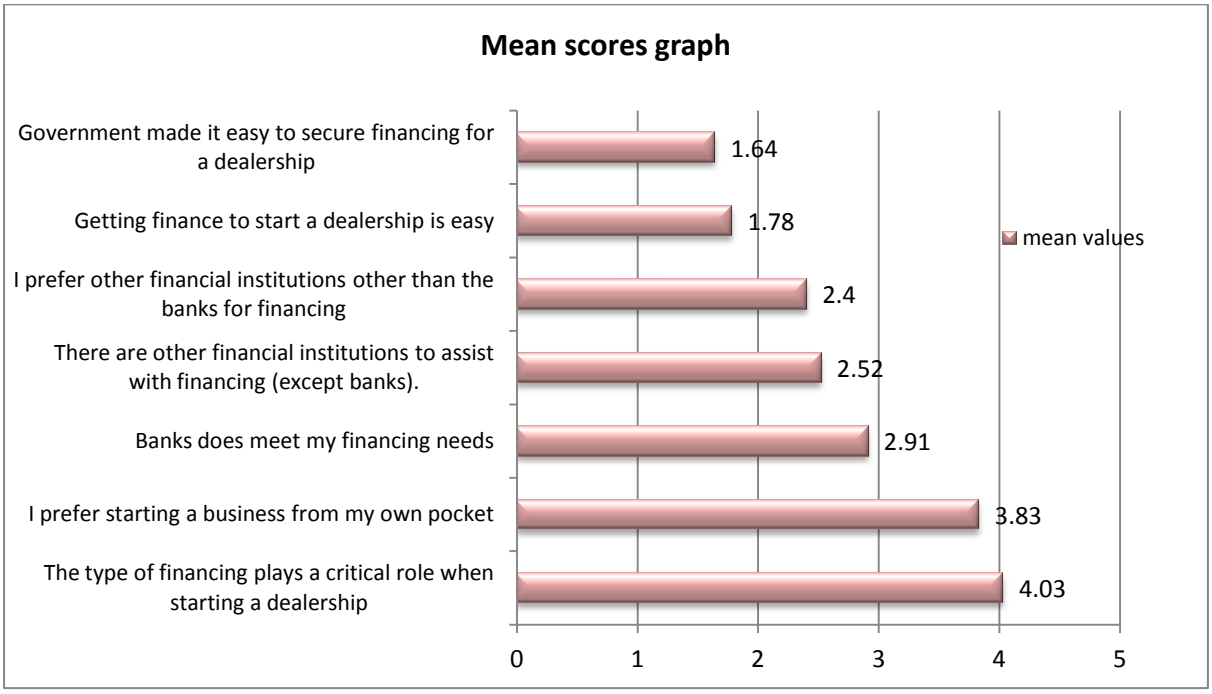

Figure 3.4: Resources and funding mean score graph, ranked from lowest to highest

The figure above reveals that only three questions scored more than the mean score, and those were: **Banks do meet my financing needs (2.91), I prefer starting a business from my own pocket (3.83), the type of financing plays a critical role when starting a dealership (4.03). In t**he remaining statements, participants showed a negative view towards them. The lowest mean score was the statement that: **government made it easy to secure financing for a dealership**, this statement scored 1.64 (strongly disagree), meaning participants strongly disagreed with that statement. This shows just how negative participants were towards government institutions; they feel government is not assisting them in starting their business. These findings are in line with literature findings. According to Herrington *et al.* (2009:14) access to finance is a major problem for the South African entrepreneur. The study reveals that car dealerships are battling to get funding. Herrington *et al*. (2009:14) found that lack of financial support is the second most reported contributor to low new firm creation and failure, after education and training in South Africa.

3.4.6 PRODUCT AND CUSTOMER SERVICES

Product and customer services play a critical role in many businesses, and many scholars have commented on the effect of good and bad product and customer service. The purpose of this section was to assess the impact of product and customer services on business success in the second hand car dealership industry in the Vaal Triangle. Table 3.14 below illustrates the mean and standard deviations for all questions asked in this section.

Table 3.14: Product and customer services mean values

STATEMENT	N	Mean	STD dev
In this dealership we treat our customers like Kings and Queens	58	4.52	0.682
Our customer service is the best in this area	58	4.29	0.795
Our product range is of the highest quality	58	4.21	0.913
We often receive customer complaints about failed parts of purchased vehicles	57	2.49	0.984
Most customers don't understand the process of buying a car	58	3.36	1.135
We go an extra mile in educating our customers about hidden costs of owning a car	58	4.14	0.847
Most customers who buy from us are first-time buyers	58	2.79	0.853
Customers prefer our dealership because we sell the latest models	58	3.21	1.225
Difficult customers are also worth selling our cars to them	58	3.79	1.039
We sell cars to whoever can afford, we do not care how much he or she knows about cars	58	3.31	1.301
Female buyers are more cautious than male buyers	58	3.41	0.899
We do keep customers contact details and call them after a month or so to hear about their purchased car experience	58	3.62	1.240
Banks are stumbling blocks to our success as potential customers are refused credit	58	3.53	1.217
Financial recession had a negative impact on the business	58	3.86	1.191
Average	**58**	**3.5917**	**0.42751**

Table 3.14 shows a mean score of **3.5917** (neutral-agree) for this section. The mean score is positioned between neutral and agree but leaning more towards agreeing. This shows that most participants have a positive view towards product and customer services, they view it as important to the business success, however, the researcher expected a better mean score than this, as the researcher's view is that customers are sensitive to how they are treated in dealerships, and also the quality of the car they buy from these dealerships makes a big difference in their decision whether to buy or not. The graphical presentation of mean scores ranked from lowest to highest is shown below in figure 3.5.

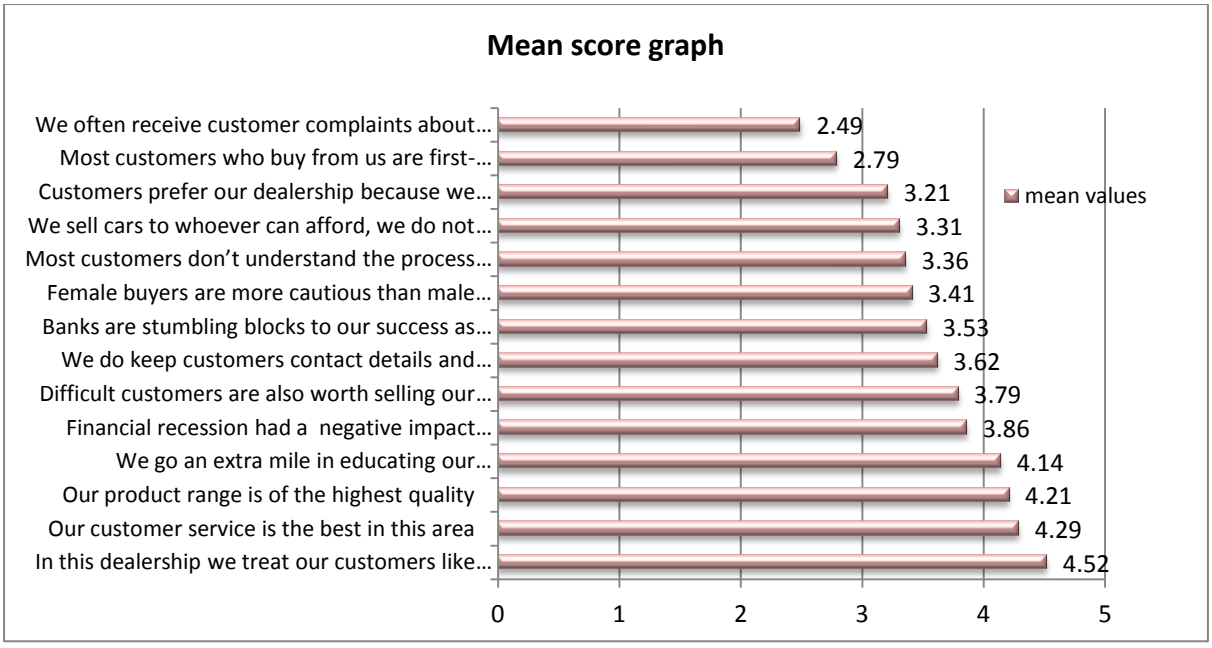

Figure 3.5: Product and customer service mean scores ranked from lowest to highest

From figure 3.5 above it can be shown that the highest mean was scored by the question: "**in this dealership we treat our customers like Kings and Questions"**, with a mean score of **4.52** (strongly agree). The statement: "**we often receive customer complaints about failed parts of purchased vehicles"** received the lowest mean score of **2.49** (disagree), indicating that most participants disagree with the statement. No single factor can be singled out as the most important factor influencing customers' decisions when purchasing a car, and this was confirmed by Veena and Venkatesha (2008:60) when they found that factors influencing the customers in purchasing of cars would defiantly vary from time to time depending on the environmental factors.

3.4.7 DEALERSHIP LOCATION

Dealership location is very important in the car business. Present and past scholars wrote different articles about different business location and the role it plays in the success of that business. Questions in this section were aimed at ascertaining whether location plays a role in business success, and if so, whether positive or negative. Table 3.15 illustrates the results of the survey for this section.

Table 3.15: Dealership location mean and standard deviations

STATEMENT	N	Mean	STD dev
The location of the dealership is directly linked to profitability of the business	56	4.04	0.785
This dealership is perfectly located	57	4.02	0.855
The are many dealerships in my street	56	3.84	1.218
My dealership's location gives it a competitive advantage	57	3.81	0.990
We would like to move the dealership to a better location	56	2.41	1.262
Car dealerships; located in the main street benefit more from location than others	57	3.79	1.114
We have another branch located somewhere else to boost our visibility within the Vaal Triangle	57	2.54	1.536
Both our neighbours i.e. left and right are dealerships	57	3.53	1.364
Corner stands are best location for a dealership	56	3.91	1.049
Dealership location can make or break you in this business	57	3.82	0.984
Average	**57**	**3.6954**	**0.50586**

This table show results with a mean score of **3.6954** (neutral-agree), indicating an opinion falling between neutral and agree, but leaning more towards agreeing. This clearly shows that most participants have a positive view towards location, they view this construct as important and that it plays a critical role in dealership success. Figure 3.6 below is a graphical presentation of the mean.

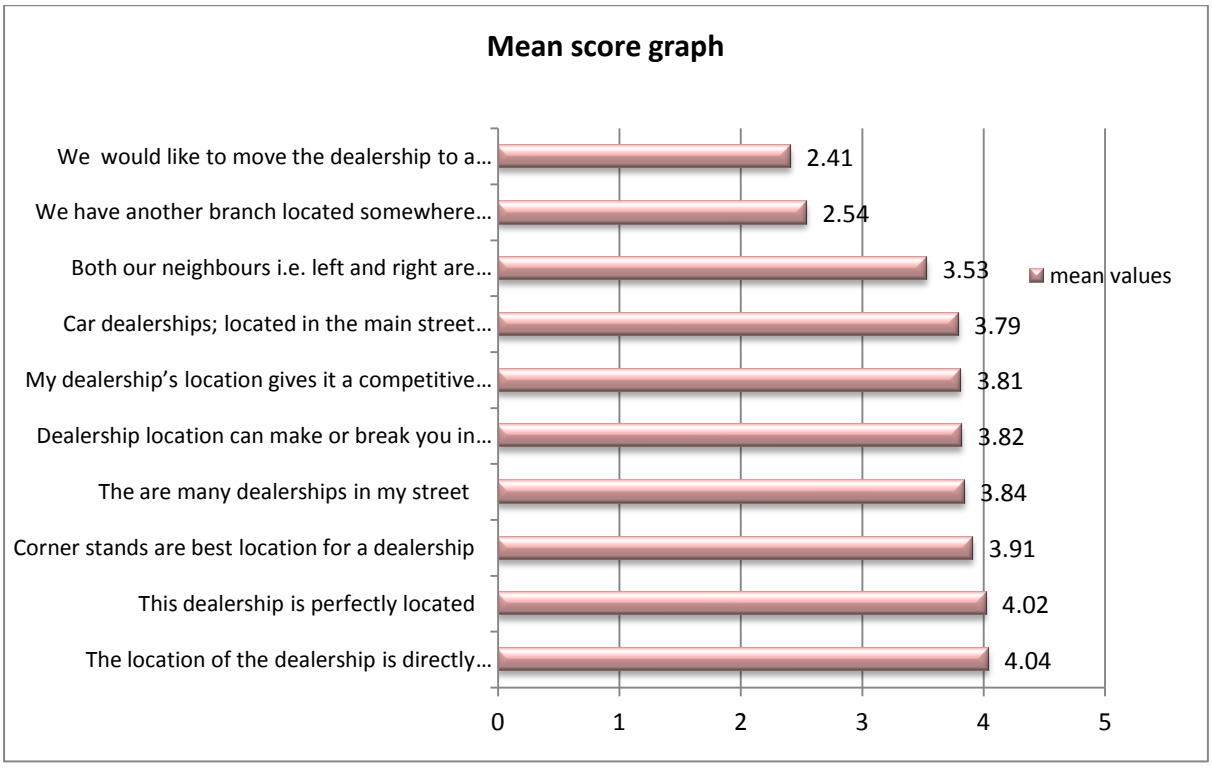

Figure 3.6: Dealership location mean scores ranked from lowest to highest

The figure above shows that the majority of the questions, i.e. 7 out of 9 scored more than the mean. The statements; **"the location of the dealership is directly linked to profitability of the business"** ranked the highest with mean score of **4.04** (agree), followed by; **"this dealership is perfectly located"** with **4.02** (agree) mean score. Only two questions scored below the mean, however they scored dismally lower than the mean and the two questions were: "**We would like to move the dealership to a better location" (2.41)**(disagree), **"we have another branch located somewhere else to boost our visibility" (2.54)**(disagree). There was a generally negative response towards these two questions, indicating that most dealerships are happy where they are, and also that most of them have only one branch. Participants have a positive view towards this construct; this is in line with the literature review. Olawale and Garwe (2010:731) found that location has an impact on the market potential and growth opportunities of new firms.

3.4.8 MARKETING THE BUSINESS

Marketing of any business has been studied thoroughly, is it important that dealerships must market their businesses? The purpose of this section is to assess the opinions of participants on whether marketing affect success of the business in the second hand car industry or not. Table 3.16 below illustrates the mean and standard deviation of the questions answered in this section.

Table 3.16: Marketing the dealership standard deviation and mean

STATEMENT	N	Mean	STD dev
We advertise the dealership in local newspapers	57	3.88	1.151
The dealership uses all modes of advertising (i.e. radio, print media, internet, word of mouth).	57	3.96	1.085
Internet is the leading mode of advertising	57	4.14	1.109
The dealership is clearly marked in big letters	57	4.18	1.020
Advertising is crucial in this type of business	57	4.16	0.941
Dealerships who does not advertise do not succeed in this business	57	3.58	1.194
We allocated specific budget for marketing the dealership	57	3.84	1.099
Dealerships with big marketing budgets are rewarded with increased sales	57	4.14	0.833
Marketing is the cornerstone of this business	57	4.04	0.886
Marketing in this type of business drives sales	57	4.18	0.947
Average	**57**	**4.0088**	**0.68928**

Table 3.16 reveals a mean score of **4.0088** (agree), indicating that most participants see marketing as an important success factor. The score falls within agree and strongly agree, but leaning towards agree. This shows a strong positive view towards the construct. Figure 3.7 below is a graphical presentation of the mean values ranked from lowest to highest.

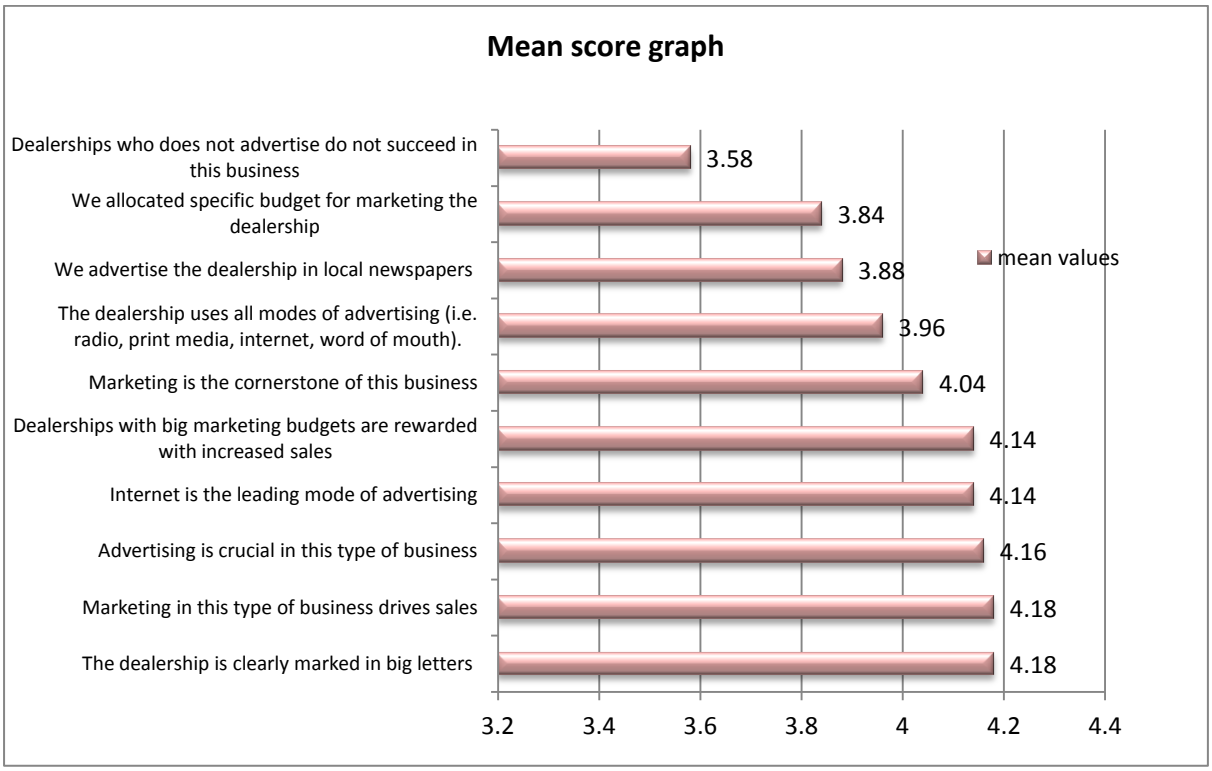

Figure 3.7: Marketing mean scores ranked from lowest to highest

Six questions out of ten show a strong positive opinion about marketing as compared to four questions which are below the mean score, but still showing a positive view (weak positive). The lowest score went to **"dealership who does not advertise does not succeed in this business"(3.58)** (neutral-agree), most participants were neutral with this statement, agreeing but leaning towards agreeing than neutral. The highest score was achieved by the following two statements: "**Marketing in this type of business drives sales"(4.18)** (agree), and **"Our dealership is clearly marked in big letters"(4.18)** (agree). Veena and Venkatesha (2008:64), found that promotion by a dealer greatly influences customers' decisions; this finding is supported by the findings from this study.

3.4.9 Summary of business success factors mean scores per entrepreneurial construct

Determining the business success factors in the second-hand car dealerships, involves bringing all the factors together and assessing which ones were perceived as the strongest by the participants, then ranking them from lowest mean score to highest. Table 3.17 below summarises the results of the survey, showing the mean score per section of the questionnaire.

Table 3.17: Summary of mean scores per section of the questionnaire

CONSTRUCT	N	Mean	STD dev
Section B: Entrepreneurial competences/characteristics	58	4.1121	0.47179
Section C: SME Characteristics	58	3.5259	0.62861
Section D: Resources and funding of the business	58	2.7291	0.59397
Section E: Product and customer services	58	3.5917	0.42751
Section F: Dealership location	57	3.6954	0.50586
Section G: Marketing of the business	57	4.0088	0.68928

Table 3.17 above illustrates the entrepreneurial constructs' mean scores obtained from the study. Figure 3.8 below illustrates the graphic presentation of the results ranked from the lowest to the highest.

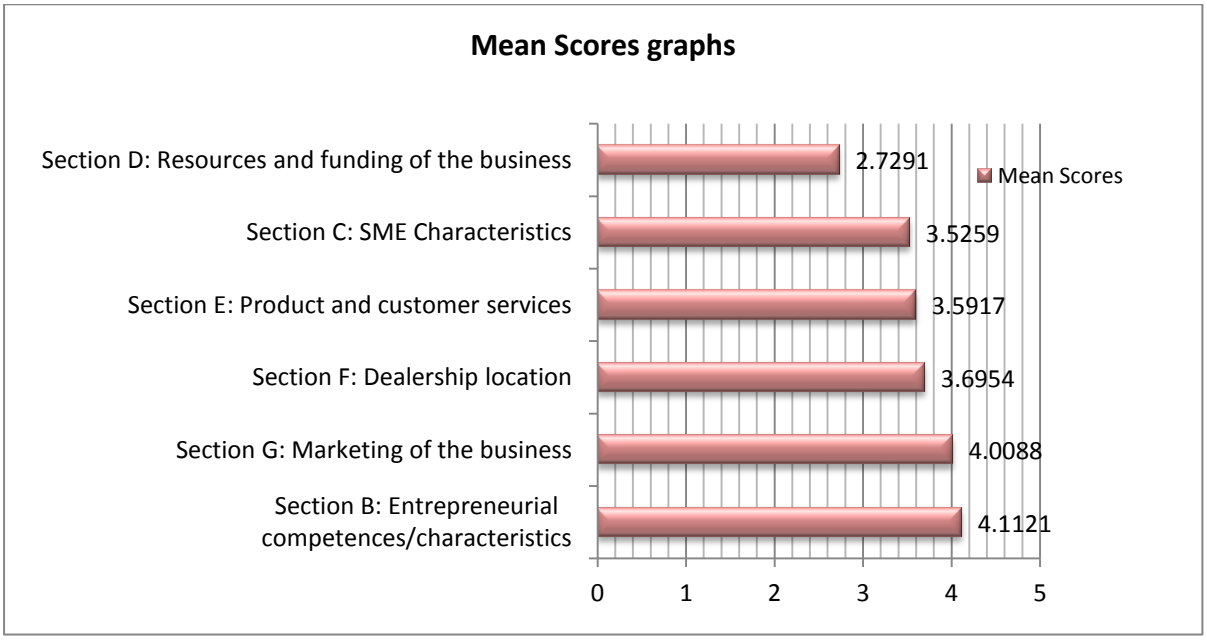

Figure 3.8: Summary of mean scores per entrepreneurial construct of the questionnaire.

This graph above shows that entrepreneurial competences/characteristics have the highest mean score compared to the rest **(4.1121)** (agree), followed by marketing of the dealership **(4.0088)** (agree). The graph also shows that resources and funding of the business has the lowest mean score **(2.7291)** (disagree). In the Vaal Triangle, second-hand car dealerships view entrepreneurial competences more positively than other factors for business success, followed by marketing of the business, then dealership location, then product and customer services, then SME characteristics and lastly resources and funding of the business. Some of the factors listed above are in line with the findings by Jasra *et al*. (2011:274) who investigated the role of key success factors in Pakistan and came to the conclusion that financial resources, marketing strategy, technological resources, government support, business plans and entrepreneurial skills have a significant relationship to SMEs' success. However, government support and financial resources received a negative view from the respondents.

3.4.10 Summary of mean scores of Vaal Triangle versus individual towns

Figure 3.9 below illustrates the comparison between Vaal Triangle results and individual towns i.e. Vereeniging (VRN), Vanderbijl Park (VDB) and Sasolburg. The samples of the individual towns were analysed separately and then compared to the results of Vaal Triangle. The aim is to assess whether the findings of each town will differ significantly with the findings of the bigger sample, i.e. the Vaal Triangle region. The figure below illustrates the comparisons.

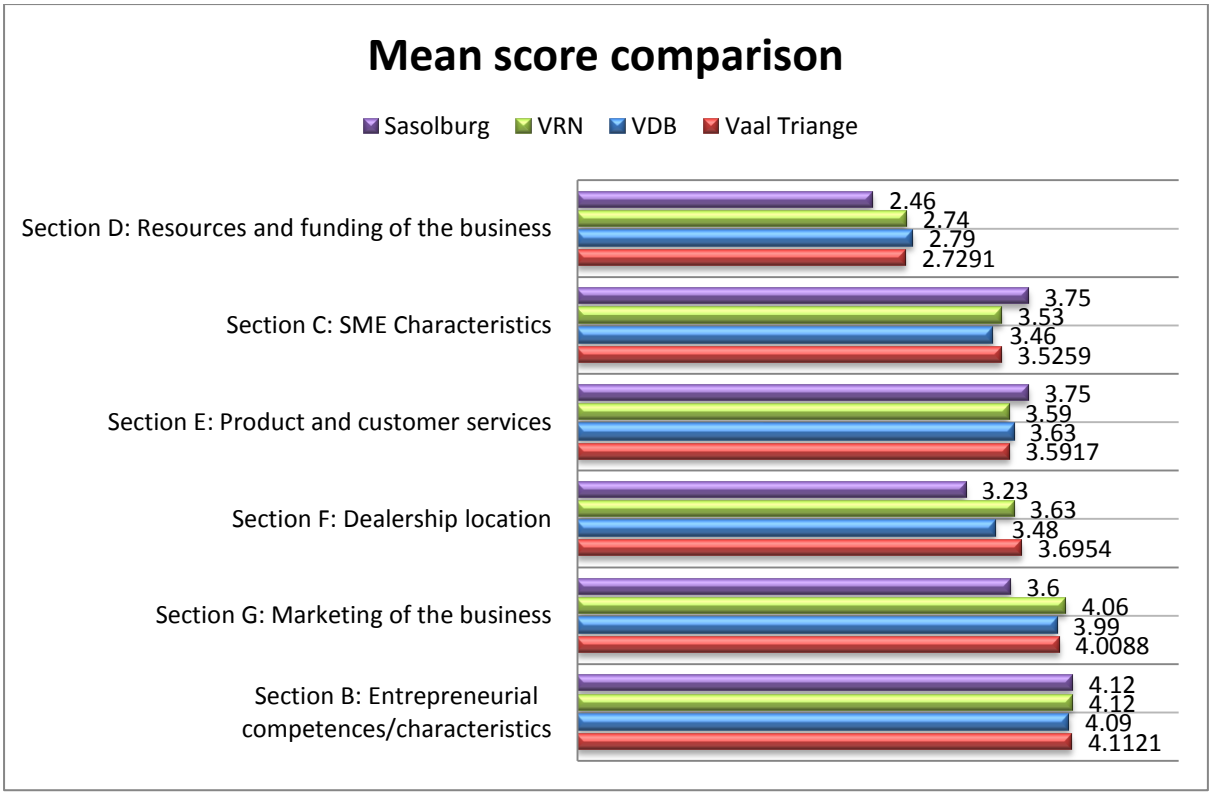

Figure 3.9: Mean score comparison of Vaal Triangle compared to the individual towns

The figure shows results of the Vaal Triangle as compared to the individual towns, the purpose of this comparison is to assess whether there is a significance difference between the analyses of the entire sample versus analyses of the individual towns. The results show that there is no significant difference between the findings of the individual towns and the findings of the Vaal Triangle. It is also worth noting that Sasolburg had four dealerships only, and hence the sample is too small to make a meaningful conclusion.

3.4.11 DIFFERENCES BETWEEN GROUPS BASED ON DEMOGRAPHIC VARIABLES AND ENTREPRENEURIAL CONSTRUCTS

In this section differences between groups need to be tested, the independent (two-sample) t-test is therefore used. In addition to the t-test, the Mann-Whitney test was also used. Cohen's **d**-*value* was used to determine practical significance based on the t-test, the **d**-*value* is a guideline and not a benchmark, the guideline is as follows: **d~0.20** – *small or no practical significance difference*, **d~0.50** – indicates a *medium effect with visible practical difference*, and **d~0.80** represents a *large effect*

practically significant difference (Ellis & Steyn, 2003:51). Non-parametric effect size was also used to determine practical significance based on the Mann-Whitney test.

3.4.11.1 Differences of opinions of entrepreneurial constructs measuring business success factors between gender groups

Table 3.18 below illustrates the differences of opinions of six entrepreneurial constructs measuring the business success factors and the demographics variable gender, with the use of a mean score **(*mean*)**, standard deviation **(STD)**, t-test **(*p-value*)** and effect size **(*d*),** and Mann-Whitney test.

Table 3.18: Differences of opinions of entrepreneurial constructs measuring business success factors between gender groups

	Male			Female			(t-test)		(Mann-Whitney)	
CONSTRUCT	**n**	**Mean**	**STD**	**n**	**Mean**	**STD**	**p-value***	**d**	**p-value***	**Effect size**
Entrepreneurial Competences	48	4.1830	0.39266	10	3.7714	0.66989	0.089	0.61	0.063	0.24
SME Characteristics	48	3.5104	0.64713	10	3.6000	0.55528	0.659	0.14	0.483	0.09
Resource and Funding	48	2.6905	0.52744	10	2.9143	0.85767	0.445	0.26	0.852	0.024
Product/customer services	48	3.6028	0.45449	10	3.5385	0.27377	0.560	0.14	0.820	0.030
Dealership location	47	3.7157	0.51738	10	3.6000	0.46021	0.492	0.22	0.487	0.092
Marketing	47	4.0149	0.68079	10	3.9800	0.76565	0.896	0.05	0.933	0.011

* *p-values are reported for completeness purposes only, and will not be interpreted since a convenience sample instead of a random sample was used.*

The demographic variable gender (male or female) classification showed a medium effect (**$d_{\text{-value}}$=0.61**), with a practically visible difference on entrepreneurial competences. Male respondents showed more entrepreneurial competences (**mean = 4.1830**) than their female counter parts (**mean = 3.7714**).

3.4.11.2 Differences of opinions of entrepreneurial constructs measuring business success factors between race classification

Table 3.19 below illustrates the difference of opinions of the six entrepreneurial constructs measuring business success factors and the race classification of the participants. From the race count classification in Table 3.3, it was noted that Indians constituted 24.1% of the sample, and whereas Whites constituted 63.8%, the two races were the dominant races in the study and hence opinion comparisons of the two races will add meaningful value to the study.

Table 3.19: Differences of opinions of entrepreneurial constructs measuring business success factors between race classifications

	Indians			**Whites**			**(t-test)**		**(Mann-Whitney)**	
CONSTRUCT	**n**	**Mean**	**STD**	**n**	**Mean**	**STD**	**p-value***	**d**	**p-value***	**Effect size**
Entrepreneurial Competences	14	4.2041	0.44285	37	4.0431	0.48461	0.270	0.33	0.3098	0.1422
SME Characteristics	14	3.8304	0.72987	37	3.3649	0.52073	0.042	0.64	0.0454	0.2802
Resource and Funding	14	2.7347	0.61088	37	2.7761	0.59050	0.830	0.07	0.9324	0.0119
Product/customer services	14	3.5440	0.52819	37	3.6053	0.40833	0.699	0.12	0.4915	0.0963
Dealership location	13	3.7927	0.54417	37	3.6186	0.50616	0.325	0.32	0.3749	0.1255
Marketing	13	3.7769	1.04096	37	4.0541	0.58670	0.377	0.27	0.7481	0.0454

* *p-values are reported for completeness purposes only, and will not be interpreted since a convenience sample instead of a random sample was used.*

The demographic variable race classification showed a statistically medium effect with practically visible difference on Customer services (**$d_{\text{-value}}$=0.699**) section, the Resources and funding entrepreneurial construct (**$d_{\text{-value}}$=0.830**) showed a statistical large effect, practically significant difference. The remaining constructs showed d-values ranging from **0.042** to **0.377,** i.e. no effect to small-medium effect. Table 3.19 does reflect some differences in opinions between Indians and Whites in the study.

3.4.11.3 Differences of opinions of entrepreneurial constructs measuring business success factors between job title classification

Table 3.20 below illustrates the differences of opinions of the six entrepreneurial constructs and job title classification of the participants. With the use of a mean score **(Mean)**, standard deviation **(*STD*)**, t-test **(*p-value*)** and effect size **(*d*),** and Mann-Whitney test. Job titles selected for the comparisons were **owner**, **manager** and **sales executive.**

Table 3.20: Differences of opinions of entrepreneurial constructs measuring business success factors between job title classifications

	Owner			**Manager**			**Sales Executive**			**(t-test)**		
#CONSTRUCT	**n**	**Mean**	**STD**	**n**	**Mean**	**STD**	**n**	**Mean**	**STD**	**p-value***	**d_1**	**d_2**
Section B	17	4.2017	.36267	14	4.1189	.46492	24	4.1419	.37889	0.829	.18	.16
Section C	17	3.1029	.33725	14	3.5446	.71152	24	3.7708	.59398	0.002	.62	1.12
Section D	17	2.5630	.44741	14	2.8265	.67281	24	2.7143	.50199	0.391	.39	.30
Section E	17	3.3846	.37782	14	3.6822	.45028	24	3.7051	.42356	0.045	.66	.76
Section F	17	3.7042	.40599	13	3.6581	.63256	24	3.7546	.51804	0.858	.07	.10
Section G	17	3.9941	.59736	13	3.8231	.85844	24	4.1833	.58656	0.283	.20	.32

* *p-values are reported for completeness purposes only, and will not be interpreted since a convenience sample instead of a random sample was used.*

 # Section B: Entrepreneurial competences, Section C: SME characteristics, Section D: Funding, Section E:Customer services, Section F: Dealership Location, and Section G: Marketing

Table 3.20 above illustrates the differences of opinions between each entrepreneurial construct and job title classification of the participants. This relationship is very important as owners may or may not see the business in the same way as compared to their sales executives and managers, and hence this relationship will share some light. The interpretation used here would be owner's opinion versus manager **(d_1)** and sales executive **(d_2)**. From the table above it can be seen that there is a statistically medium effect with practically visible differences (**$d_{1\text{-value}}$=0.62**) between owner of the business and the manager with regard to SMEs

characteristics, and between owner and sales executive (**$d_{2\text{-value}}$=1.12**), there is a statistically large effect, and a practically significant difference in opinions. The results also show a statistical medium effect (**$d_{1\text{-value}}$=0.66**) with practical visible difference between owner and manager on product and customer services, however, between owner and sales executive the practical difference (**$d_{2\text{-value}}$=0.76**) is leaning towards a statistical large effect. There was no practical difference in opinion between owner, manager and sales executives on the following entrepreneurial constructs: marketing, dealership location and entrepreneurial competences. There were, however, small to medium differences in opinion between owner and manager (**$d_{1\text{-value}}$=0.39)**, owner and sales executives (**$d_{2\text{-value}}$=0.30)** with regard to resources and funding of the business.

3.5 CHAPTER SUMMARY

The objective of this chapter was to present the results of the study, perform analysis and offer discussion surrounding the findings. The discussion was structured in such a way that drawing conclusions in chapter 4 will be easier. The chapter started off by giving introduction and brief discussion on research methodology, a detailed look into the questionnaire was done. Furthermore, the chapter looked into data processing and how the data were captured and analysed.

The chapter presented the results as obtained from the SCS report. The chapter looked into the internal consistency of the questionnaire by calculating and presenting the Cronbach's alpha. It is also worth noting that all constructs were reliable, i.e. all Cronbach's alphas were more than 0.50. The demographics information was presented first, followed by the entrepreneurial constructs, thereafter the comparisons was made between the results of the total sample and results of the individual towns (Vereeniging, Vanderbijl Park, Sasolburg) forming the Vaal Triangle. The chapter further looked at the differences in opinion between demographics variables such as gender, race and job title and the entrepreneurial constructs.

CHAPTER 4 : CONCLUSIONS AND RECOMMENDATIONS

4.1 INTRODUCTION

The purpose of this chapter is to derive conclusions from the findings and discussions of the previous chapter (Chapter 3). Conclusions are made after the analysis. Recommendations are made in this chapter; which will pave the way going forward. The chapter attempts to follow the chronological order of the previous chapter. The chapter starts off by concluding on the demographics of the participants. Thereafter, the chapter focuses on the detailed discussions of the variables that measure constructs such as entrepreneurial competences and dealership location. The chapter further concludes on differences in opinions between demographics data and entrepreneurial constructs as discussed in chapter 3.

Finally the chapter makes practical recommendations. The primary and secondary objectives are revisited, an assessment is done to determine whether primary objectives have been met or not, also whether secondary objectives were met or not.

4.2 CONCLUSIONS

The conclusion is structured in a way that follows the structure of chapter 3, and discusses and concludes on demographics data, and also looks at the different entrepreneurial constructs, i.e. entrepreneurial characteristics, SMEs' characteristics, resources and funding of the business, product and customer services, dealership location, and marketing. The conclusion brings together literature, results and discussion and makes a general and specific conclusion that will add value to the body of knowledge in the subject matter.

4.2.1 Demographic information of participants

The demographic data used for this study was the following: gender, age, race, job title, level of education, years of experience, age of business, number of employees, and source of funding.

The following general conclusions can be drawn from the demographics data.

- A total of 58 dealerships participated in the study; all of them fell within the boundaries of Vaal Triangle. 40 (69%) dealerships are located in Vereeniging, 14 (24%) located in Vanderbijl Park and 4 (7%) located in Sasolburg. It must be noted that Sasolburg only had four dealerships in the area. From the above, it can be concluded that the results of the study will be skewed towards Vereeniging as the sample sizes are not equally distributed amongst different towns.
- There were 48 (82.8%) male respondents and ten (17.2%) female respondents. Males dominated females in the study. There was therefore an imbalance between the two genders. From this study, it can be concluded that the second-hand car industry in the Vaal Triangle is dominated by males. Women empowerment in this sector needs to be reviewed. We can therefore conclude that the gender distribution in this study is in line with literature findings, which showed that males are twice more likely to participate in entrepreneurship than females.
- Of the 58 participants, the majority (29.3%) were between the ages of 46 and 55. Participants older than 56 year were marginally small. However, it is to be noted that youth (35 years and less) were contributing 43.1% of the total sample. This clearly shows that young people find this line of business attractive. We can therefore conclude that car dealerships in the Vaal Triangle have a significant number of youth involved in the business.
- Race was classified according to South African race classification, in which the majority of the participants were Whites (63.8%), followed by Indians (24.1%), then Africans (10.3%). There was only one participant who was Asian. The study can therefore conclude that the second-hand car industry in the Vaal Triangle is dominated by Whites, followed by Indians, then Africans. This might be due to the fact that getting funding to start a car dealership is difficult and other races may not have the necessary capital to start the business.
- Of the 58 participants, 41.4% were Sales Executives, followed by owners at 29.3%, and managers at 24.1%. Only 5.2% were classified as Other. There are more Sales Executives than owners, and this might be due to the fact that Sales Executives are more easily accessible than dealership owners. The

contribution by owners in the study (29.3%) is sufficient to make meaningful conclusions about their views.

- The majority of respondents (58.6%) had Matric, followed by respondents with National Diploma (31%), only 8.6% respondents had Bachelor's degrees. Only one participant had no formal education and there was no participant with a post-graduate degree. From the analysis above, it can be concluded that a high level of education is not a necessary requirement to enter the industry. The majority of respondents have matric only, indicating the low level of education required in the industry.
- Most respondents (25.9%) have less than one year of experience in the business, followed by those with 6 -10 years (24.1%), and 20.7% contribution came from participants with 11 – 15 years of experience. This implies that when looking into years of experience, the overwhelming 70.7% had less than 15 years of experience in the industry. The smallest contribution (12.1%) came from participants with 16 – 20 years. We can therefore conclude that most participants (owners, managers, sales executives) in the Vaal Triangle have low levels of experience in the business, i.e. less than 15 years.
- Of the sampled dealerships, 27.6% had been in business for less than one year, followed by those who have been in business for more than 26 years at 20.7%, dealerships with 6 – 10, 11 – 15 and 16 -25 years were almost equally distributed with 19%, 15.5% and 17.2% respectively. The literature found that older businesses have an advantage as compared to younger businesses. Islam *et al.* (2011:293) found that length of time in operation may be associated with learning curve, old players most probably have learned much more from their experiences than have done newcomers. Kistiansen, Furuholt and Wahid (2003:258) found that length of time in operation was significantly linked to business success. The results of the study show that most dealerships in the Vaal Triangle are relatively younger, i.e. 62.1% are less than 15 years, this could be attributed to new dealerships being opened in the past few years. The researcher can conclude that years of experience do not play a significant role in the success of business in the second-hand car industry in the Vaal Triangle, and this is in contradiction with literature which

found that length of time in operation was significantly linked to business success.

- Dealerships with fewer than 6 employees were 31%, followed by dealerships with 16 – 25 employees at 24.1%, closely followed by dealerships with 6 – 10 employees at 20.7%. Dealerships with 11-15 were 13.8%. Dealerships with more than 26 employees are considered large in this study and they were 10.3%. Most of the dealerships who participated in the study are classified as small i.e. 51.7% i.e. dealerships who employed less than 10 employees. It can be concluded that the size of the dealership does not make any significant impact on the success of the business, however, literature found that large business are more likely to succeed compared to smaller businesses.
- Of the 58 participants interviewed, an overwhelming majority (55.2%) started their businesses using their own funds, followed by those who used banks at 25.9%. Partnerships and Other were marginally small, 10.3% and 8.6% respectively. It is also worth noting that none of the 58 participants funded their business through Government institutions. The study can therefore conclude that within the Vaal Triangle, the majority of car dealerships funded their businesses from their own capital, and it can be further concluded that getting finance to start a business is not easy. This conclusion is in line with the findings of Herrington *et al*. (2009:14), who found that access to finance is a major problem for the South African entrepreneur.

4.2.2 Entrepreneurial competences/characteristics

This section draws conclusions from the fourteen positive statements asked in the questionnaire, discussion and analysis performed in chapter 3 are used to arrive at a meaningful conclusion.

The statement, “I am a good negotiator” had the highest mean of 4.43 (strongly agree), this make sense since car dealerships involves a lot negotiation with customers and hence persuasive skills are crucial in the business. It is therefore not surprising that this competence came up on top. It can therefore be concluded that car dealerships in the Vaal Triangle value negotiation skills the most, followed by the statement, “I am passionate about this business”. This is in line with literature findings, i.e. Lambing and Kuehl (2007:18) argued that the entrepreneur must have

more than a casual interest in the business because he or she must overcome many hurdles and obstacles.

The statement, “my culture helps me succeed in business” had the smallest mean (3.48), this statement shows that in this type of business culture has relatively less influence. This could be attributed to the fact that Vaal Triangle has a good mixture of all races and hence the market is racially diverse. The second lowest statement was: “I am aggressive in my business ventures” with a mean score of 3.84. The researcher suspects that the reason why this statement scored lower was due to a misunderstanding of the word ‘aggressive’, in this context it means a good entrepreneurial competency; however, if ‘aggressive’ is taken out of context it will have a negative impact. The reason why the researcher makes this assumption is because when some of the participants were filling the questionnaire in his presence, he was asked to clarify what the statement (I am aggressive in my business ventures) means. On the basis of the above, the researcher cannot make a meaningful conclusion with regard to the statement.

A general conclusion can be made in this construct; most participants had a positive view towards the construct. The engine driving the business is the entrepreneur himself/herself and that he or she must have the necessary entrepreneurial competences to drive the business forward.

4.2.3 SMEs’ characteristics

This section will draw conclusions from the eight positive statements asked in the questionnaire, discussion and analysis performed in chapter 3 will be used to arrive at specific and or general conclusions.

Four of the eight statements asked, i.e. “In this type of the business age is relevant” (3.57), “the brand of the dealership is important in this type of business” (3.74), “success in this type of business relies heavily on location of the business”(4.26), “we sell all types of passenger cars and different models” (4.47), all these statements scored higher than the mean score, indicating their positive inclination towards SME characteristics. The study can therefore conclude that selling all types of cars and different models plus having the right location are the two most leading factors to business success within the SMEs characteristics construct.

Age and size of the dealership scored less than the mean score, in addition to scoring lower than the mean; they received negative views, indicating their irrelevance towards dealership success. The study can therefore conclude that within the Vaal Triangle second-hand car dealerships, age and size of a dealership do not have a significant effect on the success of the business. This finding is in line with demographic data results, which show most dealership being relatively young, i.e. majority younger than 15 years of age. And this conclusion is in contradiction with literature findings of Kistiansen, Furuholt and Wahid (2003:258) who found that length of time in operation was significantly linked to business success, and also the findings of McMahom (2001:22), who found that enterprise size significantly linked to better business performance, meaning larger enterprises had a higher level of success than smaller enterprises.

4.2.4 Resources and funding of the business

This section uses the seven questions asked during the study to draw conclusions regarding the resource and funding of the business within the Vaal Triangle.

Only two statements received a positive view from the participants, and those were: “I prefer starting a business from my own pocket” (3.83), and “the type of financing plays a critical role when starting a dealership” (4.03). Participants showed a negative view towards the remaining statements. The study therefore concludes that dealerships in the Vaal Triangle prefer to fund the business from their own pockets, and also that it is important to consider what type of funding when starting a business. This conclusion is in line with demographic findings where the majority participants funded their businesses from their own capital.

The lowest mean score came from the statement: “government made it easy to secure financing for a dealership”, this statement scored a mean of 1.64, meaning that participants strongly disagreed with that statement. It can be concluded that government is not making it easier for the car dealerships in the Vaal Triangle area to secure funding to start their businesses. This conclusion is in line with the findings of Herrington *et al*. (2009:14) who found that lack of financial support is the second most reported contributor to low firm creation and failure, after education and training in South Africa.

The general conclusion in this section is that second-hand car dealerships in the Vaal Triangle area do not receive sufficient assistance when it comes to funding their business, neither from banks nor from government institutions such as IDC, NEF and UMSOBOVU.

4.2.5 Product and customer services

From this section, the highest mean was scored by the question: “in this dealership we treat our customers like Kings and Questions”, with a mean score of 4.52. Followed by “our customer service is the best in this area” (4.29), and then followed by “our product range is of the highest range” (4.21). The study concludes that customer services are very important and have a significant effect on business success in the Vaal Triangle region. The researcher would like to caution about this conclusion, as the best judge to judge customer service, would be the customers themselves. The dealerships perceive themselves as offering “the best service in the area” however, the true findings would be uncovered if customers were to be interviewed.

The statement: “we often receive customer complaints about failed parts of purchased vehicles” received the lowest mean score of 2.49, indicating most participants disagree with the statement. It can therefore be concluded that car dealerships in the Vaal Triangle receive fewer complaints from customers. No single factor can be singled out as the most important factor influencing customers’ decisions when purchasing a car, this was confirmed by Veena and Venkatesha (2008:60) when they found that factors influencing the customers in purchasing of cars would defiantly vary from time to time depending on the environmental factors.

4.2.6 Dealership location

In this section 7 out of 9 questions scored more than the mean. The statements; “the location of the dealership is directly linked to profitability of the business” ranked the highest with a mean score of 4.04, followed by; “this dealership is perfectly located” with a 4.02 mean score. It can be concluded that participants strongly value location of dealership as important business success factor. It can also be concluded that most dealerships in the Vaal Triangle are perfectly.

Only two questions scored below the mean; however, they scored dismally lower than the mean and the two questions were: “We would like to move the dealership to a better location” (2.41), “we have another branch located somewhere else to boost our visibility” (2.54). There was a generally negative response towards these two questions, indicating that most dealerships are happy where they are, and also that most of them have only one branch. Participants have a positive view towards this construct; this is in line with literature review. Olawale and Garwe (2010:731) found that location has an impact on the market potential and growth opportunities of new firms.

The following general conclusions can be made: dealerships in the Vaal Triangle are happy in their current location, they value the importance of location, and most dealerships have only one branch.

4.2.7 Marketing the business

In this section ten (10) questions were asked, all questions asked were addressing the entrepreneurial construct (marketing). Six out of ten questions show a strong positive opinion about marketing as compared to four questions which are below the mean score, but still showing a positive view (weak positive). The top two mean scores went to the following two statements: “Marketing in this type of business drives sales”, and “Our dealership is clearly marked in big letters”. It can be concluded that dealerships in the Vaal Triangle strongly agree that marketing drives sales and therefore a success factor in this type of business.

The lowest score went to “dealership who does not advertise does not succeed in this business”, most participants were neutral with this statement, but leaning more towards agreeing than neutral. Veena and Venkatesha (2008:64) found that promotion by a dealer greatly influences customers’ decisions, this finding is supported by the findings from this study.

The general conclusion that can be derived from this section is that marketing is a very important factor, most second-hand car dealerships in the Vaal Triangle have their names clearly marked on the outside.

4.2.8 Business success factors for the second-hand car industry in the Vaal Triangle

Based on the analysis of each construct in the preceding sub-sections and the previous chapter, the following conclusions can be made: the business success factors for the second-hand car industry in the Vaal Triangle region are listed below, ranked from highest to lowest: *Entrepreneurial competences/characteristics, Marketing of the dealership, Dealership location, Product and customer services, Characteristics of the Small Medium Enterprise, and lastly, Resources and funding of the business.*

4.2.8 Differences between groups based on demographic variables and entrepreneurial constructs.

The conclusions based on the results of the analysis regarding the differences in opinions between the demographic variables such as gender, race, and job title are discussed in this section.

4.2.8.1 Differences of opinions of entrepreneurial constructs measuring business success factors between gender groups

Based on the results of the analysis regarding the differences in opinions between gender and entrepreneurial constructs, there was a statistically medium effect (d_{value}=0.61), with a practically visible difference on entrepreneurial competences. Male respondents showed more entrepreneurial competences (mean = 4.1830) than their female counterparts (mean = 3.7714). It can therefore be concluded that there is a practically visible difference between males and females when it comes to entrepreneurial competence constructs. With regard to the remaining constructs, there is no significant practical difference between the two genders.

4.2.8.2 Differences of opinions of entrepreneurial constructs measuring business success factors between race classification

Based on the results of the analysis regarding the differences in opinions between race classification and entrepreneurial constructs, it has been concluded that there is a medium effect with a practically visible difference on customer services between

Indians and Whites. This could be explained by their differences in cultures and the way of doing business. It can be further concluded that the Resources and funding entrepreneurial construct ($d_{\text{-value}}$=0.830) showed a statistically large effect, a practically significant difference between Indians and Whites and this could be due to Indians' strict cultural belief when it comes to borrowing and lending of money. There were no differences in opinions between Indians and Whites on the remaining entrepreneurial constructs.

4.2.8.3 Differences of opinions of entrepreneurial constructs measuring business success factors between job title classifications

Based on the results of the analysis regarding the differences in opinions between race classifications and entrepreneurial constructs, it was concluded that there is a statistically medium effect with practical visible differences ($d_{1\text{-value}}$=0.62) between owner of the business and the manager with regard to SMEs characteristics, and between owner and sales executive ($d_{2\text{-value}}$=1.12), there is a statistically large effect, a practically significant difference in opinions. This could be explained by the fact that owners of the businesses look at the business with entrepreneurial eyes whereas managers and sales executives only look at the business from the 'employee perspective'.

The results also show a statistically medium effect ($d_{1\text{-value}}$=0.66) with a practically visible difference between owner and manager on product and customer services, however, between owner and sales executive the practical difference ($d_{2\text{-value}}$=0.76) is leaning towards a statistically large effect. It can be concluded therefore that there is a difference in opinion between owner and manager, and also owner and sales executives with regard to customer service construct. This could be explained by the fact that managers and sales executive are at the fore-front of the business, they are the contact point between customers and the business, and hence they interact with customers more often than owners of the business. This would explain the difference in opinion between the owners, managers and sales executives with regard to customer services.

There was no practical difference in opinion between owner, manager and sales executives on the following entrepreneurial constructs: marketing, dealership

location and entrepreneurial competences. There were, however, small to medium differences in opinions between owner and manager ($d_{1\text{-value}}$=0.39), owner and sales executives ($d_{2\text{-value}}$=0.30) with regard to resources and funding of the business.

4.3 RECOMMENDATIONS

Based on the results analysis and discussions covered in chapter 3, conclusions were derived in section 4.1 and 4.2 of this chapter. This section now is looking at making recommendations that will add value to the participants, academic community, the banking sector, the government institutions and the society at large. Recommendations are made as per the entrepreneurial constructs as discussed in the preceding sections.

4.3.1 Entrepreneurial competences

According to Islam *et al*. (2011:289) characteristics of an entrepreneur play an important role on ensuring the business success in SMEs. The study found that most participants did show a positive view towards entrepreneurial competences, however, the following recommendations are drawn: the owner must do soul-searching before embarking on such a business, he/she must perform self-evaluation to check if he/she does have the necessary characteristics of being an entrepreneur. Lambing and Kuehl (2007:18) stated that the entrepreneur must have more than a casual interest in the business because he or she must overcome many hurdles and obstacles. It is also recommended that managers and sales executives must be sent for training to acquire or polish their negotiation skills, according to the results discussion in previous sections, negotiation skills are key to success in this business.

4.3.2 The Characteristics of a Small Medium Enterprise

The study found that most dealerships in the Vaal Triangle are relatively young and small and also that selling different types of makes and models gives a dealership a competitive advantage, It is recommended that dealerships should try and diversify their stock as much as possible to attract a bigger base of customers. According to Islam *et al*. (2011: 289), SMEs characteristics refer to the origin of enterprise, length of time in operation, size of enterprise and capital sources which play important role

on the business success. It is proven in this study that size and length of time do not have any significant impact on the success of the business.

4.3.3 The resources and funding of the dealership

Based on the results and discussions in the sections above, the recommendations with regards to resources and funding of the dealership are hereby derived. Only two statements received a positive view from the participants, and participants showed a negative view towards the remaining statements. The study therefore concluded that dealerships in the Vaal Triangle prefer to fund the business from their own pockets, and also that it is important to consider what type of funding to use when starting a business. From the study it can be concluded that dealerships are battling to get finance from the banking and government institutions, government institutions got a strong negative view. It is recommended that the banking sector introduces products that are tailor-made for car dealerships, a d this will help dealerships with access to finance, which might then lead to economic growth in the sector and hence more job opportunities. It is also recommended that government institutions like the IDC, NEF should introduce products and programmes that will facilitate ease of access to funding. With ease of access to funding, this might change the current demographics in the industry, as there could be other races that participate actively in the sector, and this could lead to more women-owned dealerships in the Vaal Triangle.

4.3.4 The product and customer services

According to Veena and Venkatesha (2008:60), factors influencing the customers in purchasing of cars would defiantly vary from time to time depending on the environmental factors. The study concluded that customer services are very important and have a significant effect on business success in the Vaal Triangle region. It is therefore recommended that dealerships should pay serious attention to customer services, the author recommend that dealerships introduce a Customer Relationship Management (CRM) system that will help dealerships manage the relationship even better. In order for dealership to get a better view of how customers perceive their customer service, it is recommended that dealerships should conduct an after-sales survey to get the customers' perceptions regarding dealership's customer services rating. Selling high-quality cars will also draw customers, it is recommended that where possible, dealerships should sell good quality cars; this will

also boost their brand image. Wood (2000:664) found that brands often provide the primary points of differentiation between competitive offerings, and as such they can be critical to the success of companies.

4.3.5 Dealership location

Based on the results and discussions in the sections above, the recommendations with regard to Dealership location are derived within this section. In a study conducted by Albuquerque and Bronnenberg (2012:7), they mentioned that little is known about how dealer location and the geographic distribution of consumers interrelate to shape demand and competition patterns in the car industry. The study concluded that most dealerships do not have a second branch located somewhere else to boost visibility, and this could be due to capital constraints. It is recommended that dealerships should consider running more than one branch to improve their visibility within the region; this could easily be achieved if access to funding was made easy as per the recommendations of sub-section 4.3.3.

4.3.6 Dealership marketing

Veena and Venkatesha (2008:69) concluded in their study that word of mouth and facilities, promotion, accessibility, personalized service, acquaintance, and association with the dealer play a very important role in customers' choice of the dealer. This study found that dealerships in the Vaal Triangle strongly believe that marketing does drive sales, however, when a question was asked whether dealerships do allocate a specific budget for market, the question scored the second lowest mean score. This implies that most dealerships do not allocate budget for marketing. It is therefore recommended that dealerships should allocate budget for marketing and run promotional campaigns to boost their sales.

4.4 ACHIEVEMENT OF OBJECTIVES

The assessment of whether this study was successful or not is measured on the basis of whether the primary objectives were met or not and whether the secondary objectives were met or not. In this section the primary and secondary objectives are revisited.

4.4.1 Primary objectives

The primary objective of the study was to determine the business success factors of the second hand motor vehicle industry in the Vaal Triangle region.

4.4.2 Secondary objectives

In order to address the primary objectives of the study, the following secondary objectives were formulated:

- To conduct literature and theoretical review in order to gain insight into entrepreneurship as a phenomenon as well as business success factors for Small Medium Enterprises (SME).
- To conduct empirical study that assesses the participants' perception towards business success factors in second-hand car dealerships within the Vaal Triangle.
- To determine differences in opinions between Vaal Triangle and individual towns i.e. Vereeniging, Sasolburg and Vanderbijlpark.
- To assess differences in opinions of entrepreneurial constructs measuring business success factors between gender groups, race classifications and job title classifications.
- To make practical recommendations to car dealerships within the Vaal Triangle region regarding factors leading to business success.
- To make recommendations to financial institutions i.e. banks and government institutions on how to improve financial support to second-hand car dealerships within the Vaal Triangle.

Point no.1 of the secondary objectives was addressed in chapter 2, and chapter 3 addressed all remaining points mentioned in the secondary objectives, satisfaction of secondary objectives subsequently lead to achievement of primary objectives. Based on the analysis and discussions in chapter 3, chapter 4 concluded on the business success factors for second-hand car industry within the Vaal Triangle region.

4.5 SUGGESTION FOR FURTHER RESEARCH

The scope of the study was limited to the geographical area of the Vaal Triangle. It is recommended that the scope of the study be expanded to cover the bigger area, most probably the Gauteng province. This will assist in collecting and analysing more data which may lead to either the same or different conclusions to this study. It must be further noted that this study was the first of its kind in the Vaal Triangle and hence more still needs to be done to improve the research findings.

Based on the findings of this study, the following suggestions are put forward for consideration pertaining to related future research topics in determining success factors in second-hand car dealerships.

- Assessment of car dealerships' performance vis-à-vis the location of the business.
- The effect of car dealership design and layout to the purchasing decision of the customer.
- Investigating the best and effective advertising platform for second-hand car dealerships.
- Performance comparison of second-hand car dealerships versus new-car dealerships.
- Determining the effect of increased/decreased interests rates to second-hand car sales
- Performance comparisons of bank-registered car dealership versus non-registered car dealerships
- Determining customer perceptions towards second-hand car dealerships customers services
- Investigating the effect of Indian culture and religion on performance of car dealerships.
- "to buy or not to buy a car?"- customer decision-making processes involved in purchasing a car
- The meaning of owning a car in a Black community versus White and Indian communities.

The research topics listed above will assist in gathering more data and adding more value to the body of knowledge within the car industry in South Africa. Such investigations will assist the banking sector as well as the government institutions in understanding the car industry even better, which will help with measures to improve the state of entrepreneurship in South Africa.

4.6 CHAPTER SUMMARY

The main objective of this chapter was focused on concluding on the results obtained in chapter 3, and also to make practical recommendations which will help improve the body of knowledge within the field. This chapter discussed the demographic information such as gender, age, race, job title and many more.

After reflecting on the demographic information, conclusions were drawn on the constructs that measure business success factors, including entrepreneurial competences, dealership location and resources and funding of the business. This was then followed by concluding on the relationship between demographic information and constructs measuring business success for car dealerships.

After presenting the conclusions of the study, practical recommendations were made which are aimed at improving the current available knowledge within the field and also assisting car dealerships in understanding their environment better. Recommendations included training of managers and sales executives on negotiation skills, introduction of banking products tailor-made for car dealerships and drawing-in government interventions to assist with funding to grow the local economy. The researcher revisited the primary and secondary objectives and assessed whether they had been achieved or not, and he was satisfied that they had been achieved. A few proposed research topics were also presented to take this research field to the next level.

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ANNEXURE A: QUESTIONNAIRE USED IN THE STUDY

NORTH-WEST UNIVERSITY
YUNIBESITI YA BOKONE-BOPHIRIMA
NOORDWES-UNIVERSITEIT
VAAL TRIANGLE CAMPUS

PO Box 1174, Vanderbijlpark
South Africa, 1900

Tel: (016) 910-3411/3
Fax: (016) 910-3425
Web: http://www.nwu.ac.za

2014

Dear Participant

RESEARCH PROJECT

I am a registered final year MBA student in the Potchefstroom Business School at the North West University. As partial fulfilment of my MBA degree, I am currently conducting a research project for a mini dissertation. The title of my research is "**Investigating business success factors of the second-hand motor industry in the Vaal Triangle**"

The aim of the study is to determine key success factors and also look at the role the banking sector and government sector is playing to enhance SMEs growth in the motor industry.

I hereby request your participation in my study by completing the attached questionnaire. All information will be STRICTLY CONFIDENTIAL and will be used for ACADEMIC PURPOSES ONLY. Your contribution to the study will be highly appreciated, as the study's success is dependent on the number of participants who are willing to partake.

It would be greatly appreciated if the questionnaires be returned as swiftly as possible, not exceeding three days after the distribution date. Feedback to the institution, in the form of a dissertation, will be done as soon as the statistical analyses are finalized.

The questionnaire will take 10-15 minutes to complete.

Thank you for investing your time and effort into my study.

Should you have any queries regarding the study do not hesitate to contact me or my study leader:

Researcher: **Mr. Enock Mabaso** **Cell: 0825983434** **E-mail:** mabasoe@capegate.co.za
Promoter/study leader: **Dr. Henry Lotz** **Tel: 0182991635** **Email:** henry.lotz@nwu.ac.za

Thank you for your participation

SUCCESS FACTORS FOR SMEs IN SECOND-HAND CAR INDUSTRY

PLEASE NOTE:
THIS QUESTIONNAIRE MUST ONLY BE COMPLETED BY DEALERSHIP OWNER, MANAGER OR SALES

All information will be treated as **STRICTLY CONFIDENTIAL** and will only be used for academic purposes.

INSTRUCTIONS FOR COMPLETION:

1. Please answer the questions as objectively and honestly as possible.
2. Place a **cross (X)** in the space provided at each question which reflects your answer the most accurately. Use the following key: **1**= Strongly disagree; **2**= Disagree; **3**= Neutral; **4**= Agree; **5**= Strongly agree

EXAMPLE

		Strongly disagree	**Disagree**	**Neutral**	**Agree**	**Strongly agree**
B1	I always generate fresh business ideas	1	2	3	~~4~~	5

It is essential to indicate your choice clearly with a **pen**

3. Please answer all the questions, as this will provide more information to the researcher so that an accurate analysis and interpretation of data can be made.
4. The results of the study will be made available to the respondents should a need arise.

Your cooperation is highly appreciated and we believe filling this questionnaire will be such a wonderful experience.

RESEARCHER:

Mr. ENOCK CALVIN MABASO

Cell: **082 598 3434** Email: mabasoe@capegate.co.za

SECTION A: PERSONAL INFORMATION

This section of the questionnaire refers to your background or biographical information; it lists the characteristics of the respondents in the survey with regards to gender, race, level of study, entrepreneurship experience. Once again, we assure you that your response will be anonymous. Your cooperation is appreciated.

A1	What is your gender	Male	Female
		1	2

A2	In which age group do you fall?	18-25	26–35	36– 45	46- 55	56-65	66+
		1	2	3	4	5	6

A3	What is your race	African	Indian	White	Coloured	Asian	Other
		1	2	3	4	5	6

A4	What is your job title?	Owner	Manager	Sales executive	Other
		1	2	3	4

A5	What is your highest level of education?	No formal education	Matric	National diploma	Bachelors degree	Post-graduate degree
		1	2	3	4	5

A6	My years of experience in the SME sector	Less than 6 years	6 – 10 years	11 – 15 years	16 – 20 years	21 +
		1	2	3	4	5

A7	Age of the business	Less than 6 years	6 – 10 years	11 – 15 years	16 – 20 years	21 +
		1	2	3	4	5

A8	Number of employees employed	Less than 6	6 – 10	11 – 15	16 – 25	26+
		1	2	3	4	5

A9	How did you finance Your business??	Own funds	Bank	Government	partnership	Other
		1	2	3	4	5

This section refers to your experiences as an entrepreneur or executive manager of the car dealership, please answer the question and mark the one which suit your experience the most. Once again, we assure you that your response will be anonymous. Your cooperation is appreciated.

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
SECTION B: ENTREPRENEURAL COMPETENCES/CHARACTERISTICS						
B1	I am passionate about this business	**1**	**2**	**3**	**4**	**5**
B2	I am persistent, (even after several failures; I still rise to the occasion).	**1**	**2**	**3**	**4**	**5**
B3	I have technical skills suitable for running this business	**1**	**2**	**3**	**4**	**5**
B4	I am confident in my abilities to start this business	**1**	**2**	**3**	**4**	**5**
B5	I have financial skills suitable for running this business	**1**	**2**	**3**	**4**	**5**
B6	I believe I am a born entrepreneur	**1**	**2**	**3**	**4**	**5**
B7	I am a self-determinant entrepreneur	**1**	**2**	**3**	**4**	**5**
B8	I am a good leader to my team	**1**	**2**	**3**	**4**	**5**
B9	I like taking risks as an entrepreneur	**1**	**2**	**3**	**4**	**5**
B10	I am aggressive in my business ventures	**1**	**2**	**3**	**4**	**5**
B11	I am a good negotiator	**1**	**2**	**3**	**4**	**5**
B12	I am innovative	**1**	**2**	**3**	**4**	**5**
B13	I believe formal education is a necessity for entrepreneurial success	**1**	**2**	**3**	**4**	**5**
B14	My culture helps me succeed in business	**1**	**2**	**3**	**4**	**5**
SECTION C: SME's CHARACTERISTICS						
C1	In this type of business the age of the business is relevant	**1**	**2**	**3**	**4**	**5**
C2	Success in this type of business relies heavily on the location of the business	**1**	**2**	**3**	**4**	**5**
C3	Larger dealerships are more successful than smaller dealership	**1**	**2**	**3**	**4**	**5**
C4	Older dealerships are more successful than younger dealership	**1**	**2**	**3**	**4**	**5**
C5	The brand of the dealership is important in this type of business	**1**	**2**	**3**	**4**	**5**
C6	We sell all types of passenger cars and different models	**1**	**2**	**3**	**4**	**5**
C7	This dealership is part of a bigger network of dealerships	**1**	**2**	**3**	**4**	**5**
C8	We have more than one dealership branches	**1**	**2**	**3**	**4**	**5**

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
SECTION D: RESOURCES AND FINANCE						
D1	Getting finance to start a dealership is easy	**1**	**2**	**3**	**4**	**5**
D2	Government made it easy to secure financing for a dealership	**1**	**2**	**3**	**4**	**5**
D3	There are other financial institutions to assist with financing (except banks).	**1**	**2**	**3**	**4**	**5**
D4	I prefer other financial institutions other than the banks for financing	**1**	**2**	**3**	**4**	**5**
D5	I prefer starting a business from my own pocket	**1**	**2**	**3**	**4**	**5**
D6	Banks does meet my financing needs	**1**	**2**	**3**	**4**	**5**
D7	The type of financing plays a critical role when starting a dealership	**1**	**2**	**3**	**4**	**5**
SECTION E: PRODUCT AND CUSTOMER SERVICES						
E1	In this dealership we treat our customers like Kings and Queens	**1**	**2**	**3**	**4**	**5**
E2	Our customer service is the best in this area	**1**	**2**	**3**	**4**	**5**
E3	Our product range is of the highest quality	**1**	**2**	**3**	**4**	**5**
E4	We often receive customer complaints about failed parts of purchased vehicles	**1**	**2**	**3**	**4**	**5**
E5	Most customers don't understand the process of buying a car	**1**	**2**	**3**	**4**	**5**
E6	We go an extra mile in educating our customers about hidden costs of owning a car	**1**	**2**	**3**	**4**	**5**
E7	Most customers who buy from us are first-time buyers	**1**	**2**	**3**	**4**	**5**
E8	Customers prefer our dealership because we sell the latest models	**1**	**2**	**3**	**4**	**5**
E9	Difficult customers are also worth selling our cars to them	**1**	**2**	**3**	**4**	**5**
E10	We sell cars to whoever can afford, we do not care how much he or she knows about cars	**1**	**2**	**3**	**4**	**5**
E11	Female buyers are more cautious than male buyers	**1**	**2**	**3**	**4**	**5**
E12	We do keep customers contact details and call them after a month or so to hear about their purchased car experience	**1**	**2**	**3**	**4**	**5**
E13	Banks are stumbling blocks to our success as potential customers are refused credit	**1**	**2**	**3**	**4**	**5**
E14	Financial recession had a negative impact into the business	**1**	**2**	**3**	**4**	**5**

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
SECTION F: DEALERSHIP LOCATION						
F1	The location of the dealership is directly linked to profitability of the business	**1**	**2**	**3**	**4**	**5**
F2	This dealership is perfectly located	**1**	**2**	**3**	**4**	**5**
F3	The are many dealerships in my street	**1**	**2**	**3**	**4**	**5**
F4	My dealership's location gives it a competitive advantage	**1**	**2**	**3**	**4**	**5**
F5	We would like to move the dealership to a better location	**1**	**2**	**3**	**4**	**5**
F6	Car dealerships; located in the main street benefit more from location than others	**1**	**2**	**3**	**4**	**5**
F7	We have another branch located somewhere else to boost our visibility within the Vaal Triangle	**1**	**2**	**3**	**4**	**5**
F8	Both our neighbours i.e. left and right are dealerships	**1**	**2**	**3**	**4**	**5**
F9	Corner stands are best location for a dealership	**1**	**2**	**3**	**4**	**5**
F10	Dealership location can make or break you in this business	**1**	**2**	**3**	**4**	**5**
SECTION G: MARKETING						
G1	We advertise the dealership in local newspapers	**1**	**2**	**3**	**4**	**5**
G2	The dealership uses all modes of advertising (i.e. radio, print media, internet, word of mouth).	**1**	**2**	**3**	**4**	**5**
G3	Internet is the leading mode of advertising	**1**	**2**	**3**	**4**	**5**
G4	The dealership is clearly marked in big letters	**1**	**2**	**3**	**4**	**5**
G5	Advertising is crucial in this type of business	**1**	**2**	**3**	**4**	**5**
G6	Dealerships who does not advertise do not succeed in this business	**1**	**2**	**3**	**4**	**5**
G7	We allocated specific budget for marketing the dealership	**1**	**2**	**3**	**4**	**5**
G8	Dealerships with big marketing budgets are rewarded with increased sales	**1**	**2**	**3**	**4**	**5**
G9	Marketing is the cornerstone of this business	**1**	**2**	**3**	**4**	**5**
G10	Marketing in this type of business drives sales	**1**	**2**	**3**	**4**	**5**

WE THANK YOU FOR YOUR PARTICIPATION AND TIME.

ANNEXURE B: RESEARCH RESULTS

Frequencies

Notes

Output Created		17-OCT-2014 13:50:24
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\MabasoE1_Oct2014.sav
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data.
Syntax		FREQUENCIES VARIABLES=PLACE A1 A2 A3 A4 A5 A6 A7 A8 A9 B1 B2 B3 B4 B5 B6 B7 B8 B9 B10 B11 B12 B13 B14 C1 C2 C3 C4 C5 C6 C7 C8 D1 D2 D3 D4 D5 D6 D7 E1 E2 E3 E4 E5 E6 E7 E8 E9 E10 E11 E12 E13 E14 F1 F2 F3 F4 F5 F6 F7 F8 F9 F10 G1 G2 G3 G4 G5 G6 G7 G8 G9 G10 /ORDER=ANALYSIS.
Resources	Processor Time	00:00:00.08
	Elapsed Time	00:00:00.16

Frequency Table

PLACE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	4	6.9	6.9	6.9
	2	14	24.1	24.1	31.0
	3	40	69.0	69.0	100.0
	Total	58	100.0	100.0	

A1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	48	82.8	82.8	82.8
	2	10	17.2	17.2	100.0
	Total	58	100.0	100.0	

A2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	12	20.7	20.7	20.7
	2	13	22.4	22.4	43.1
	3	11	19.0	19.0	62.1
	4	17	29.3	29.3	91.4
	5	3	5.2	5.2	96.6
	6	2	3.4	3.4	100.0
	Total	58	100.0	100.0	

A3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	6	10.3	10.3	10.3
	2	14	24.1	24.1	34.5
	3	37	63.8	63.8	98.3
	5	1	1.7	1.7	100.0
	Total	58	100.0	100.0	

A4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	17	29.3	29.3	29.3
	2	14	24.1	24.1	53.4
	3	24	41.4	41.4	94.8
	4	3	5.2	5.2	100.0

	Total	58	100.0	100.0	

A5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.7	1.7
	2	34	58.6	58.6	60.3
	3	18	31.0	31.0	91.4
	4	5	8.6	8.6	100.0
	Total	58	100.0	100.0	

A6

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	15	25.9	25.9	25.9
	2	14	24.1	24.1	50.0
	3	12	20.7	20.7	70.7
	4	7	12.1	12.1	82.8
	5	10	17.2	17.2	100.0
	Total	58	100.0	100.0	

A7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	16	27.6	27.6	27.6
	2	11	19.0	19.0	46.6
	3	9	15.5	15.5	62.1
	4	10	17.2	17.2	79.3
	5	12	20.7	20.7	100.0
	Total	58	100.0	100.0	

A8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	18	31.0	31.0	31.0
	2	12	20.7	20.7	51.7
	3	8	13.8	13.8	65.5
	4	14	24.1	24.1	89.7
	5	6	10.3	10.3	100.0
	Total	58	100.0	100.0	

A9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	32	55.2	55.2	55.2
	2	15	25.9	25.9	81.0
	4	6	10.3	10.3	91.4
	5	5	8.6	8.6	100.0
	Total	58	100.0	100.0	

B1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	3	5.2	5.2	5.2
	2	1	1.7	1.7	6.9
	3	1	1.7	1.7	8.6
	4	17	29.3	29.3	37.9
	5	36	62.1	62.1	100.0
	Total	58	100.0	100.0	

B2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.7	1.7
	2	1	1.7	1.7	3.4
	3	4	6.9	6.9	10.3
	4	21	36.2	36.2	46.6
	5	31	53.4	53.4	100.0
	Total	58	100.0	100.0	

B3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2	3.4	3.4	3.4
	3	12	20.7	20.7	24.1
	4	23	39.7	39.7	63.8
	5	21	36.2	36.2	100.0
	Total	58	100.0	100.0	

B4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2	3.4	3.4	3.4
	3	5	8.6	8.6	12.1
	4	24	41.4	41.4	53.4

	5	27	46.6	46.6	100.0
	Total	58	100.0	100.0	

B5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2	3.4	3.4	3.4
	2	1	1.7	1.7	5.2
	3	9	15.5	15.5	20.7
	4	28	48.3	48.3	69.0
	5	18	31.0	31.0	100.0
	Total	58	100.0	100.0	

B6

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.8	1.8
	2	2	3.4	3.5	5.3
	3	8	13.8	14.0	19.3
	4	26	44.8	45.6	64.9
	5	20	34.5	35.1	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

B7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.7	1.7
	3	6	10.3	10.3	12.1
	4	27	46.6	46.6	58.6
	5	24	41.4	41.4	100.0
	Total	58	100.0	100.0	

B8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.7	1.7
	3	8	13.8	13.8	15.5
	4	22	37.9	37.9	53.4
	5	27	46.6	46.6	100.0
	Total	58	100.0	100.0	

B9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.7	1.7
	2	6	10.3	10.3	12.1
	3	6	10.3	10.3	22.4
	4	31	53.4	53.4	75.9
	5	14	24.1	24.1	100.0
	Total	58	100.0	100.0	

B10

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2	3.4	3.4	3.4
	2	7	12.1	12.1	15.5
	3	8	13.8	13.8	29.3
	4	22	37.9	37.9	67.2
	5	19	32.8	32.8	100.0
	Total	58	100.0	100.0	

B11

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	3	3	5.2	5.2	5.2
	4	27	46.6	46.6	51.7
	5	28	48.3	48.3	100.0
	Total	58	100.0	100.0	

B12

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	1	1.7	1.8	1.8
	3	6	10.3	10.5	12.3
	4	34	58.6	59.6	71.9
	5	16	27.6	28.1	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

B13

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2	3.4	3.4	3.4
	2	5	8.6	8.6	12.1
	3	7	12.1	12.1	24.1

	4	20	34.5	34.5	58.6
	5	24	41.4	41.4	100.0
	Total	58	100.0	100.0	

B14

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	4	6.9	6.9	6.9
	2	7	12.1	12.1	19.0
	3	22	37.9	37.9	56.9
	4	7	12.1	12.1	69.0
	5	18	31.0	31.0	100.0
	Total	58	100.0	100.0	

C1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	4	6.9	6.9	6.9
	2	5	8.6	8.6	15.5
	3	14	24.1	24.1	39.7
	4	24	41.4	41.4	81.0
	5	11	19.0	19.0	100.0
	Total	58	100.0	100.0	

C2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	3	5.2	5.2	5.2
	3	6	10.3	10.3	15.5
	4	22	37.9	37.9	53.4
	5	27	46.6	46.6	100.0
	Total	58	100.0	100.0	

C3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	5	8.6	8.6	8.6
	2	16	27.6	27.6	36.2
	3	16	27.6	27.6	63.8
	4	14	24.1	24.1	87.9
	5	7	12.1	12.1	100.0
	Total	58	100.0	100.0	

C4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	5	8.6	8.6	8.6
	2	10	17.2	17.2	25.9
	3	20	34.5	34.5	60.3
	4	14	24.1	24.1	84.5
	5	9	15.5	15.5	100.0
	Total	58	100.0	100.0	

C5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2	3.4	3.4	3.4
	2	5	8.6	8.6	12.1
	3	11	19.0	19.0	31.0
	4	28	48.3	48.3	79.3
	5	12	20.7	20.7	100.0
	Total	58	100.0	100.0	

C6

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	2	3.4	3.4	3.4
	4	25	43.1	43.1	46.6
	5	31	53.4	53.4	100.0
	Total	58	100.0	100.0	

C7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	18	31.0	31.0	31.0
	2	6	10.3	10.3	41.4
	3	8	13.8	13.8	55.2
	4	12	20.7	20.7	75.9
	5	14	24.1	24.1	100.0
	Total	58	100.0	100.0	

C8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	21	36.2	36.2	36.2
	2	6	10.3	10.3	46.6

	3	3	5.2	5.2	51.7
	4	10	17.2	17.2	69.0
	5	18	31.0	31.0	100.0
	Total	58	100.0	100.0	

D1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	25	43.1	43.1	43.1
	2	25	43.1	43.1	86.2
	3	5	8.6	8.6	94.8
	4	2	3.4	3.4	98.3
	5	1	1.7	1.7	100.0
	Total	58	100.0	100.0	

D2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	34	58.6	58.6	58.6
	2	15	25.9	25.9	84.5
	3	6	10.3	10.3	94.8
	4	2	3.4	3.4	98.3
	5	1	1.7	1.7	100.0
	Total	58	100.0	100.0	

D3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	18	31.0	31.0	31.0
	2	12	20.7	20.7	51.7
	3	11	19.0	19.0	70.7
	4	14	24.1	24.1	94.8
	5	3	5.2	5.2	100.0
	Total	58	100.0	100.0	

D4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	19	32.8	32.8	32.8
	2	17	29.3	29.3	62.1
	3	8	13.8	13.8	75.9
	4	8	13.8	13.8	89.7
	5	6	10.3	10.3	100.0

	Total	58	100.0	100.0	

D5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.7	1.7
	2	4	6.9	6.9	8.6
	3	14	24.1	24.1	32.8
	4	24	41.4	41.4	74.1
	5	15	25.9	25.9	100.0
	Total	58	100.0	100.0	

D6

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	7	12.1	12.1	12.1
	2	14	24.1	24.1	36.2
	3	20	34.5	34.5	70.7
	4	11	19.0	19.0	89.7
	5	6	10.3	10.3	100.0
	Total	58	100.0	100.0	

D7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.7	1.7
	2	3	5.2	5.2	6.9
	3	10	17.2	17.2	24.1
	4	23	39.7	39.7	63.8
	5	21	36.2	36.2	100.0
	Total	58	100.0	100.0	

E1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	3	6	10.3	10.3	10.3
	4	16	27.6	27.6	37.9
	5	36	62.1	62.1	100.0
	Total	58	100.0	100.0	

E2

		Frequency	Percent	Valid Percent	Cumulative Percent

Valid	2	1	1.7	1.7	1.7
	3	9	15.5	15.5	17.2
	4	20	34.5	34.5	51.7
	5	28	48.3	48.3	100.0
	Total	58	100.0	100.0	

E3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	3	5.2	5.2	5.2
	3	10	17.2	17.2	22.4
	4	17	29.3	29.3	51.7
	5	28	48.3	48.3	100.0
	Total	58	100.0	100.0	

E4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	9	15.5	15.8	15.8
	2	20	34.5	35.1	50.9
	3	21	36.2	36.8	87.7
	4	5	8.6	8.8	96.5
	5	2	3.4	3.5	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

E5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2	3.4	3.4	3.4
	2	14	24.1	24.1	27.6
	3	13	22.4	22.4	50.0
	4	19	32.8	32.8	82.8
	5	10	17.2	17.2	100.0
	Total	58	100.0	100.0	

E6

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	3	5.2	5.2	5.2
	3	8	13.8	13.8	19.0
	4	25	43.1	43.1	62.1
	5	22	37.9	37.9	100.0

	Total	58	100.0	100.0	

E7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.7	1.7
	2	23	39.7	39.7	41.4
	3	23	39.7	39.7	81.0
	4	9	15.5	15.5	96.6
	5	2	3.4	3.4	100.0
	Total	58	100.0	100.0	

E8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	7	12.1	12.1	12.1
	2	8	13.8	13.8	25.9
	3	18	31.0	31.0	56.9
	4	16	27.6	27.6	84.5
	5	9	15.5	15.5	100.0
	Total	58	100.0	100.0	

E9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2	3.4	3.4	3.4
	2	6	10.3	10.3	13.8
	3	8	13.8	13.8	27.6
	4	28	48.3	48.3	75.9
	5	14	24.1	24.1	100.0
	Total	58	100.0	100.0	

E10

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	5	8.6	8.6	8.6
	2	13	22.4	22.4	31.0
	3	13	22.4	22.4	53.4
	4	13	22.4	22.4	75.9
	5	14	24.1	24.1	100.0
	Total	58	100.0	100.0	

E11

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.7	1.7
	2	7	12.1	12.1	13.8
	3	23	39.7	39.7	53.4
	4	21	36.2	36.2	89.7
	5	6	10.3	10.3	100.0
	Total	58	100.0	100.0	

E12

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	5	8.6	8.6	8.6
	2	5	8.6	8.6	17.2
	3	14	24.1	24.1	41.4
	4	17	29.3	29.3	70.7
	5	17	29.3	29.3	100.0
	Total	58	100.0	100.0	

E13

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2	3.4	3.4	3.4
	2	12	20.7	20.7	24.1
	3	14	24.1	24.1	48.3
	4	13	22.4	22.4	70.7
	5	17	29.3	29.3	100.0
	Total	58	100.0	100.0	

E14

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	3	5.2	5.2	5.2
	2	7	12.1	12.1	17.2
	3	6	10.3	10.3	27.6
	4	21	36.2	36.2	63.8
	5	21	36.2	36.2	100.0
	Total	58	100.0	100.0	

F1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	2	3.4	3.6	3.6

	3	10	17.2	17.9	21.4
	4	28	48.3	50.0	71.4
	5	16	27.6	28.6	100.0
	Total	56	96.6	100.0	
Missing	System	2	3.4		
Total		58	100.0		

F2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.8	1.8
	2	2	3.4	3.5	5.3
	3	8	13.8	14.0	19.3
	4	30	51.7	52.6	71.9
	5	16	27.6	28.1	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

F3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	4	6.9	7.1	7.1
	2	6	10.3	10.7	17.9
	3	4	6.9	7.1	25.0
	4	23	39.7	41.1	66.1
	5	19	32.8	33.9	100.0
	Total	56	96.6	100.0	
Missing	System	2	3.4		
Total		58	100.0		

F4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.8	1.8
	2	7	12.1	12.3	14.0
	3	7	12.1	12.3	26.3
	4	29	50.0	50.9	77.2
	5	13	22.4	22.8	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

F5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	15	25.9	26.8	26.8
	2	20	34.5	35.7	62.5
	3	9	15.5	16.1	78.6
	4	7	12.1	12.5	91.1
	5	5	8.6	8.9	100.0
	Total	56	96.6	100.0	
Missing	System	2	3.4		
Total		58	100.0		

F6

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	4	6.9	7.0	7.0
	2	3	5.2	5.3	12.3
	3	9	15.5	15.8	28.1
	4	26	44.8	45.6	73.7
	5	15	25.9	26.3	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

F7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	22	37.9	38.6	38.6
	2	10	17.2	17.5	56.1
	3	6	10.3	10.5	66.7
	4	10	17.2	17.5	84.2
	5	9	15.5	15.8	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

F8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	6	10.3	10.5	10.5
	2	10	17.2	17.5	28.1
	3	6	10.3	10.5	38.6
	4	18	31.0	31.6	70.2
	5	17	29.3	29.8	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		

Total		58	100.0		

F9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	7	12.1	12.5	12.5
	3	12	20.7	21.4	33.9
	4	16	27.6	28.6	62.5
	5	21	36.2	37.5	100.0
	Total	56	96.6	100.0	
Missing	System	2	3.4		
Total		58	100.0		

F10

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	7	12.1	12.3	12.3
	3	12	20.7	21.1	33.3
	4	22	37.9	38.6	71.9
	5	16	27.6	28.1	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

G1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	3	5.2	5.3	5.3
	2	5	8.6	8.8	14.0
	3	8	13.8	14.0	28.1
	4	21	36.2	36.8	64.9
	5	20	34.5	35.1	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

G2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	3	5.2	5.3	5.3
	2	3	5.2	5.3	10.5
	3	7	12.1	12.3	22.8
	4	24	41.4	42.1	64.9
	5	20	34.5	35.1	100.0
	Total	57	98.3	100.0	

Missing	System	1	1.7		
Total		58	100.0		

G3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	3	5.2	5.3	5.3
	2	3	5.2	5.3	10.5
	3	4	6.9	7.0	17.5
	4	20	34.5	35.1	52.6
	5	27	46.6	47.4	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

G4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.8	1.8
	2	3	5.2	5.3	7.0
	3	10	17.2	17.5	24.6
	4	14	24.1	24.6	49.1
	5	29	50.0	50.9	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

G5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.8	1.8
	2	3	5.2	5.3	7.0
	3	6	10.3	10.5	17.5
	4	23	39.7	40.4	57.9
	5	24	41.4	42.1	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

G6

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	4	6.9	7.0	7.0
	2	7	12.1	12.3	19.3
	3	12	20.7	21.1	40.4

	4	20	34.5	35.1	75.4
	5	14	24.1	24.6	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

G7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	2	3.4	3.5	3.5
	2	6	10.3	10.5	14.0
	3	9	15.5	15.8	29.8
	4	22	37.9	38.6	68.4
	5	18	31.0	31.6	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

G8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	2	3.4	3.5	3.5
	3	10	17.2	17.5	21.1
	4	23	39.7	40.4	61.4
	5	22	37.9	38.6	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

G9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	5	8.6	8.8	8.8
	3	6	10.3	10.5	19.3
	4	28	48.3	49.1	68.4
	5	18	31.0	31.6	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

G10

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.7	1.8	1.8
	2	3	5.2	5.3	7.0

	3	6	10.3	10.5	17.5
	4	22	37.9	38.6	56.1
	5	25	43.1	43.9	100.0
	Total	57	98.3	100.0	
Missing	System	1	1.7		
Total		58	100.0		

Descriptives

Notes

Output Created		17-OCT-2014 13:53:46
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\MabasoE1_Oct2014.sav
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
Missing Value Handling	Definition of Missing	User defined missing values are treated as missing.
	Cases Used	All non-missing data are used.
Syntax		DESCRIPTIVES VARIABLES=B1 B2 B3 B4 B5 B6 B7 B8 B9 B10 B11 B12 B13 B14 C1 C2 C3 C4 C5 C6 C7 C8 D1 D2 D3 D4 D5 D6 D7 E1 E2 E3 E4 E5 E6 E7 E8 E9 E10 E11 E12 E13 E14 F1 F2 F3 F4 F5 F6 F7 F8 F9 F10 G1 G2 G3 G4 G5 G6 G7 G8 G9 G10 /STATISTICS=MEAN STDDEV MIN MAX.
Resources	Processor Time	00:00:00.03
	Elapsed Time	00:00:00.03

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
B1	58	1	5	4.41	1.009
B2	58	1	5	4.38	.834
B3	58	1	5	4.05	.944
B4	58	1	5	4.28	.894
B5	58	1	5	4.02	.927
B6	57	1	5	4.09	.892
B7	58	1	5	4.26	.785
B8	58	1	5	4.28	.833
B9	58	1	5	3.88	.957
B10	58	1	5	3.84	1.121
B11	58	3	5	4.43	.596
B12	57	2	5	4.14	.667
B13	58	1	5	4.02	1.100
B14	58	1	5	3.48	1.246
C1	58	1	5	3.57	1.110
C2	58	2	5	4.26	.849
C3	58	1	5	3.03	1.169
C4	58	1	5	3.21	1.166
C5	58	1	5	3.74	1.001
C6	58	2	5	4.47	.681
C7	58	1	5	2.97	1.600
C8	58	1	5	2.97	1.737
D1	58	1	5	1.78	.879
D2	58	1	5	1.64	.931
D3	58	1	5	2.52	1.301
D4	58	1	5	2.40	1.350
D5	58	1	5	3.83	.958
D6	58	1	5	2.91	1.159
D7	58	1	5	4.03	.955
E1	58	3	5	4.52	.682
E2	58	2	5	4.29	.795
E3	58	2	5	4.21	.913
E4	57	1	5	2.49	.984
E5	58	1	5	3.36	1.135
E6	58	2	5	4.14	.847
E7	58	1	5	2.79	.853
E8	58	1	5	3.21	1.225
E9	58	1	5	3.79	1.039
E10	58	1	5	3.31	1.301
E11	58	1	5	3.41	.899
E12	58	1	5	3.62	1.240
E13	58	1	5	3.53	1.217
E14	58	1	5	3.86	1.191

F1	56	2	5	4.04	.785
F2	57	1	5	4.02	.855
F3	56	1	5	3.84	1.218
F4	57	1	5	3.81	.990
F5	56	1	5	2.41	1.262
F6	57	1	5	3.79	1.114
F7	57	1	5	2.54	1.536
F8	57	1	5	3.53	1.364
F9	56	2	5	3.91	1.049
F10	57	2	5	3.82	.984
G1	57	1	5	3.88	1.151
G2	57	1	5	3.96	1.085
G3	57	1	5	4.14	1.109
G4	57	1	5	4.18	1.020
G5	57	1	5	4.16	.941
G6	57	1	5	3.58	1.194
G7	57	1	5	3.84	1.099
G8	57	2	5	4.14	.833
G9	57	2	5	4.04	.886
G10	57	1	5	4.18	.947
Valid N (listwise)	51				

Descriptives

Notes

Output Created		17-OCT-2014 14:10:19
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\MabasoE1_Oct2014.sav
	Filter	<none>
	Weight	<none>
	Split File	PLACE
	N of Rows in Working Data File	58
Missing Value Handling	Definition of Missing	User defined missing values are treated as missing.
	Cases Used	All non-missing data are used.
Syntax		DESCRIPTIVES VARIABLES=B1 B2 B3 B4 B5 B6 B7 B8 B9 B10 B11 B12 B13 B14 C1 C2 C3 C4 C5 C6 C7 C8 D1 D2 D3 D4 D5 D6 D7 E1 E2 E3 E4 E5 E6 E7 E8 E9 E10 E11 E12 E13 E14 F1 F2 F3 F4 F5 F6 F7 F8 F9 F10 G1 G2 G3 G4 G5 G6 G7 G8 G9 G10 /STATISTICS=MEAN STDDEV MIN MAX.
Resources	Processor Time	00:00:00.03
	Elapsed Time	00:00:00.03

Descriptive Statistics

PLACE		N	Minimum	Maximum	Mean	Std. Deviation
Sasolburg	B1	4	5	5	5.00	0.000
	B2	4	3	5	4.50	1.000
	B3	4	4	5	4.75	.500
	B4	4	3	5	4.25	.957
	B5	4	1	4	3.00	1.414
	B6	3	4	5	4.67	.577
	B7	4	4	5	4.75	.500
	B8	4	3	5	4.50	1.000
	B9	4	1	5	3.50	1.732
	B10	4	2	5	4.00	1.414
	B11	4	4	5	4.50	.577
	B12	4	4	4	4.00	0.000
	B13	4	2	5	3.25	1.500
	B14	4	2	4	3.00	.816
	C1	4	4	4	4.00	0.000
	C2	4	4	5	4.75	.500
	C3	4	2	5	3.25	1.500
	C4	4	2	4	3.25	.957
	C5	4	3	5	4.00	.816
	C6	4	2	5	4.00	1.414
	C7	4	1	5	3.75	1.893
	C8	4	1	5	3.00	1.826
	D1	4	1	2	1.25	.500
	D2	4	1	2	1.25	.500
	D3	4	1	4	2.25	1.500
	D4	4	1	4	2.25	1.258
	D5	4	4	4	4.00	0.000
	D6	4	2	3	2.25	.500
	D7	4	2	5	4.00	1.414
	E1	4	5	5	5.00	0.000
	E2	4	4	5	4.75	.500
	E3	4	4	5	4.75	.500
	E4	4	1	3	2.00	.816
	E5	4	2	4	2.75	.957
	E6	4	3	5	4.00	.816
	E7	4	2	4	2.75	.957
	E8	4	4	5	4.25	.500
	E9	4	4	5	4.50	.577
	E10	4	2	5	3.75	1.258
	E11	4	3	5	3.75	.957
	E12	4	4	5	4.50	.577

	E13	4	1	4	2.50	1.291
	E14	4	1	4	3.25	1.500
	F1	4	4	5	4.25	.500
	F2	4	3	5	4.25	.957
	F3	4	1	2	1.25	.500
	F4	4	3	5	4.00	.816
	F5	4	1	4	2.25	1.258
	F6	4	4	5	4.25	.500
	F7	4	1	5	2.50	1.732
	F8	4	1	2	1.25	.500
	F9	4	3	5	4.50	1.000
	F10	4	2	5	3.75	1.258
	G1	4	1	5	3.75	1.893
	G2	4	1	4	2.50	1.291
	G3	4	1	4	3.00	1.414
	G4	4	4	5	4.75	.500
	G5	4	1	5	3.75	1.893
	G6	4	1	4	3.00	1.414
	G7	4	1	5	3.75	1.893
	G8	4	4	5	4.50	.577
	G9	4	2	4	3.50	1.000
	G10	4	2	4	3.50	1.000
	Valid N (listwise)	3				
VDB	B1	14	2	5	4.21	.893
	B2	14	3	5	4.21	.699
	B3	14	3	5	4.21	.699
	B4	14	3	5	4.14	.770
	B5	14	3	5	4.21	.699
	B6	14	3	5	4.14	.864
	B7	14	3	5	4.07	.730
	B8	14	3	5	4.21	.699
	B9	14	2	5	4.00	.784
	B10	14	2	5	4.07	.997
	B11	14	3	5	4.43	.646
	B12	14	2	5	3.86	.770
	B13	14	1	5	4.00	1.109
	B14	14	1	5	3.43	1.453
	C1	14	1	5	3.71	1.069
	C2	14	2	5	4.14	1.099
	C3	14	1	4	2.50	.760
	C4	14	2	5	3.36	.929
	C5	14	1	5	3.71	.994
	C6	14	4	5	4.43	.514
	C7	14	1	5	2.93	1.592

	C8	14	1	5	2.86	1.610
	D1	14	1	4	1.57	.938
	D2	14	1	3	1.50	.760
	D3	14	1	4	2.29	1.267
	D4	14	1	5	2.50	1.454
	D5	14	2	5	3.64	1.082
	D6	14	1	5	3.57	1.158
	D7	14	3	5	4.43	.756
	E1	14	3	5	4.50	.760
	E2	14	3	5	4.07	.829
	E3	14	3	5	4.29	.726
	E4	13	1	5	2.54	1.198
	E5	14	2	5	3.57	1.016
	E6	14	2	5	4.07	.997
	E7	14	2	3	2.36	.497
	E8	14	1	5	3.14	1.292
	E9	14	1	5	4.07	1.072
	E10	14	2	5	3.36	1.151
	E11	14	2	5	3.57	.938
	E12	14	1	5	3.79	1.251
	E13	14	1	5	3.50	1.506
	E14	14	2	5	4.00	1.240
	F1	13	2	5	3.77	.927
	F2	14	2	5	3.79	.893
	F3	13	2	5	3.15	1.144
	F4	14	2	5	3.57	1.089
	F5	14	1	5	2.57	1.399
	F6	14	3	5	4.36	.633
	F7	14	1	5	2.50	1.506
	F8	14	1	5	3.43	1.284
	F9	13	2	5	3.62	1.261
	F10	14	2	5	4.07	.917
	G1	14	1	5	3.93	1.072
	G2	14	1	5	4.14	1.099
	G3	14	2	5	4.43	.852
	G4	14	1	5	4.00	1.359
	G5	14	3	5	4.36	.633
	G6	14	1	5	3.50	1.286
	G7	14	2	5	3.64	.929
	G8	14	3	5	4.00	.877
	G9	14	2	5	3.86	.770
	G10	14	1	5	4.07	1.072
	Valid N (listwise)	11				
Vereeniging	B1	40	1	5	4.43	1.083

B2	40	1	5	4.43	.874
B3	40	1	5	3.93	1.023
B4	40	1	5	4.33	.944
B5	40	1	5	4.05	.904
B6	40	1	5	4.03	.920
B7	40	1	5	4.28	.816
B8	40	1	5	4.28	.877
B9	40	2	5	3.88	.939
B10	40	1	5	3.75	1.149
B11	40	3	5	4.43	.594
B12	39	3	5	4.26	.637
B13	40	1	5	4.10	1.057
B14	40	1	5	3.55	1.218
C1	40	1	5	3.48	1.176
C2	40	2	5	4.25	.776
C3	40	1	5	3.20	1.224
C4	40	1	5	3.15	1.272
C5	40	1	5	3.73	1.037
C6	40	2	5	4.53	.640
C7	40	1	5	2.90	1.598
C8	40	1	5	3.00	1.812
D1	40	1	5	1.90	.871
D2	40	1	5	1.73	1.012
D3	40	1	5	2.63	1.314
D4	40	1	5	2.38	1.353
D5	40	1	5	3.88	.966
D6	40	1	5	2.75	1.127
D7	40	1	5	3.90	.955
E1	40	3	5	4.48	.679
E2	40	2	5	4.33	.797
E3	40	2	5	4.13	.992
E4	40	1	5	2.53	.933
E5	40	1	5	3.35	1.189
E6	40	2	5	4.18	.813
E7	40	1	5	2.95	.904
E8	40	1	5	3.13	1.223
E9	40	1	5	3.63	1.030
E10	40	1	5	3.25	1.373
E11	40	1	5	3.33	.888
E12	40	1	5	3.48	1.261
E13	40	2	5	3.65	1.075

E14	40	1	5	3.88	1.159
F1	39	2	5	4.10	.754
F2	39	1	5	4.08	.839
F3	39	1	5	4.33	.772
F4	39	1	5	3.87	.978
F5	38	1	5	2.37	1.239
F6	39	1	5	3.54	1.211
F7	39	1	5	2.56	1.569
F8	39	1	5	3.79	1.239
F9	39	2	5	3.95	.972
F10	39	2	5	3.74	.993
G1	39	1	5	3.87	1.128
G2	39	1	5	4.05	.972
G3	39	1	5	4.15	1.113
G4	39	2	5	4.18	.914
G5	39	2	5	4.13	.923
G6	39	1	5	3.67	1.155
G7	39	1	5	3.92	1.085
G8	39	2	5	4.15	.844
G9	39	2	5	4.15	.904
G10	39	2	5	4.28	.887
Valid N (listwise)	37				

Reliability

Notes

Output Created		20-OCT-2014 13:38:09
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\MabasoE1_Oct2014.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=B1 B2 B3 B4 B5 B6 B7 B8 B9 B10 B11 B12 B13 B14 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA /STATISTICS=CORR /SUMMARY=TOTAL CORR.
Resources	Processor Time	00:00:00.03
	Elapsed Time	00:00:00.03

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	56	96.6
	Excluded[a]	2	3.4
	Total	58	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.776	.800	14

Reliability

Notes

Output Created		20-OCT-2014 13:38:50
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\MabasoE1_Oct2014.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=C1 C2 C3 C4 C5 C6 C7 C8 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA /STATISTICS=CORR /SUMMARY=TOTAL CORR.
Resources	Processor Time	00:00:00.03
	Elapsed Time	00:00:00.05

Case Processing Summary

		N	%
Cases	Valid	58	100.0
	Excluded[a]	0	0.0
	Total	58	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items

.613	.577	8
Reliability		

Notes

Output Created		20-OCT-2014 13:39:14
Comments		
Input	Data	
		Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\Mabaso E1_Oct2014.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=D1 D2 D3 D4 D5 D6 D7 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA /STATISTICS=CORR /SUMMARY=TOTAL CORR.
Resources	Processor Time	00:00:00.02
	Elapsed Time	00:00:00.06

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	58	100.0
	Excluded[a]	0	0.0
	Total	58	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.605	.602	7

Reliability

Notes

Output Created		20-OCT-2014 13:39:53
Comments		
Input	Data	
		Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\Mabaso E1_Oct2014.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=E1 E2 E3 E4 E5 E6 E7 E8 E9 E10 E11 E12 E13 E14 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA /STATISTICS=CORR /SUMMARY=TOTAL CORR.
Resources	Processor Time	00:00:00.02
	Elapsed Time	00:00:00.03

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	57	98.3
	Excluded[a]	1	1.7
	Total	58	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.546	.559	14

Reliability

Notes

Output Created		20-OCT-2014 13:40:57
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\Mabaso E1_Oct2014.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=E1 E2 E3 E4 E5 E6 E7 E8 E9 E10 E11 E12 E13 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA /STATISTICS=CORR /SUMMARY=TOTAL CORR.
Resources	Processor Time	00:00:00.00
	Elapsed Time	00:00:00.02

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	57	98.3
	Excluded[a]	1	1.7
	Total	58	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.599	.602	13

Reliability

Notes

Output Created		20-OCT-2014 13:41:53
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\Mabaso E1_Oct2014.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=F1 F2 F3 F4 F5 F6 F7 F8 F9 F10 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA /STATISTICS=CORR /SUMMARY=TOTAL CORR.
Resources	Processor Time	00:00:00.03
	Elapsed Time	00:00:00.03

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	54	93.1
	Excluded[a]	4	6.9
	Total	58	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.381	.442	10

Reliability

Notes

Output Created		20-OCT-2014 13:42:13
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\Mabaso E1_Oct2014.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.

Syntax		RELIABILITY /VARIABLES=F1 F2 F3 F4 F6 F7 F8 F9 F10 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA /STATISTICS=CORR /SUMMARY=TOTAL CORR.
Resources	Processor Time	00:00:00.00
	Elapsed Time	00:00:00.00

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	55	94.8
	Excluded[a]	3	5.2
	Total	58	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.506	.557	9

Reliability

Notes

Output Created		20-OCT-2014 13:42:36
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\Mabaso E1_Oct2014.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58

	Matrix Input	
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=G1 G2 G3 G4 G5 G6 G7 G8 G9 G10 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA /STATISTICS=CORR /SUMMARY=TOTAL CORR.
Resources	Processor Time	00:00:00.02
	Elapsed Time	00:00:00.02

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	57	98.3
	Excluded[a]	1	1.7
	Total	58	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.862	.866	10

Descriptives

Notes

Output Created		20-OCT-2014 14:29:55
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\Mabaso E1_Oct2014.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
Missing Value Handling	Definition of Missing	User defined missing values are treated as missing.
	Cases Used	All non-missing data are used.
Syntax		DESCRIPTIVES VARIABLES=SecB SecC SecD SecE SecF SecG E14 F5 /STATISTICS=MEAN STDDEV MIN MAX.
Resources	Processor Time	00:00:00.00
	Elapsed Time	00:00:00.00

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
SecB	58	2.14	5.00	4.1121	.47179
SecC	58	2.63	5.00	3.5259	.62861
SecD	58	1.57	4.86	2.7291	.59397
SecE	58	2.77	4.69	3.5917	.42751
SecF	57	2.67	4.89	3.6954	.50586
SecG	57	1.90	5.00	4.0088	.68928
E14	58	1	5	3.86	1.191
F5	56	1	5	2.41	1.262
Valid N (listwise)	56				

T-Test

Notes

Output Created		20-OCT-2014 14:44:15
Comments		
Input	Data	Q:\KONSULTASIEDIENS\SKD\M\Mabaso_Enock_Oct2014\Mabaso E1_Oct2014.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	58
Missing Value Handling	Definition of Missing	User defined missing values are treated as missing.
	Cases Used	Statistics for each analysis are based on the cases with no missing or out-of-range data for any variable in the analysis.
Syntax		T-TEST GROUPS=A1(1 2) /MISSING=ANALYSIS /VARIABLES=SecB SecC SecD SecE SecF SecG E14 F5 /CRITERIA=CI(.95).
Resources	Processor Time	00:00:00.02
	Elapsed Time	00:00:00.03

Group Statistics

A1		N	Mean	Std. Deviation	Std. Error Mean	Effect size
SecB	1	48	4.1830	.39266	.05668	0.61
	2	10	3.7714	.66989	.21184	
SecC	1	48	3.5104	.64713	.09340	0.14
	2	10	3.6000	.55528	.17559	
SecD	1	48	2.6905	.52744	.07613	0.26
	2	10	2.9143	.85767	.27122	
SecE	1	48	3.6028	.45449	.06560	0.14
	2	10	3.5385	.27377	.08657	
SecF	1	47	3.7157	.51738	.07547	0.22
	2	10	3.6000	.46021	.14553	
SecG	1	47	4.0149	.68079	.09930	0.05
	2	10	3.9800	.76565	.24212	
E14	1	48	3.81	1.232	.178	0.23
	2	10	4.10	.994	.314	
F5	1	46	2.41	1.359	.200	0.01
	2	10	2.40	.699	.221	

males	
2.6905	.52744
3.6028	.45449
3.7157	.51738
4.0149	.68079
females	
2.9143	.85767
3.5385	.27377
3.6000	.46021
3.9800	.76565

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
SecB	Equal variances assumed	1.878	.176	2.638	56	.011	.41161	.15605	.09901	.72421
	Equal variances not assumed			1.877	10.324	.089	.41161	.21929	-.07492	.89814
SecC	Equal variances assumed	1.035	.313	-.407	56	.686	-.08958	.22013	-.53056	.35139
	Equal variances not assumed			-.450	14.590	.659	-.08958	.19889	-.51455	.33538
SecD	Equal variances assumed	2.749	.103	-1.086	56	.282	-.22381	.20615	-.63677	.18916
	Equal variances not assumed			-.794	10.462	.445	-.22381	.28170	-.84775	.40013
SecE	Equal variances assumed	2.453	.123	.430	56	.669	.06437	.14968	-.23548	.36421

	Equal variances not assumed			.593	20.978	.560	.06437	.10862	-.16153	.29027
SecF	Equal variances assumed	.642	.426	.654	55	.516	.11572	.17707	-.23914	.47058
	Equal variances not assumed			.706	14.289	.492	.11572	.16394	-.23522	.46666
SecG	Equal variances assumed	.102	.750	.144	55	.886	.03489	.24217	-.45042	.52020
	Equal variances not assumed			.133	12.215	.896	.03489	.26169	-.53418	.60396
E14	Equal variances assumed	1.013	.318	-.691	56	.492	-.288	.416	-1.121	.546
	Equal variances not assumed			-.796	15.373	.438	-.288	.361	-1.056	.481
F5	Equal variances assumed	6.813	.012	.029	54	.977	.013	.444	-.878	.904
	Equal variances not assumed			.044	26.313	.965	.013	.298	-.600	.626

Mann-Whitney Test

Ranks

A1		N	Mean Rank	Sum of Ranks
SecB	1	48	31.38	1506.00
	2	10	20.50	205.00
	Total	58		
SecC	1	48	28.79	1382.00
	2	10	32.90	329.00
	Total	58		
SecD	1	48	29.31	1407.00
	2	10	30.40	304.00
	Total	58		
SecE	1	48	29.73	1427.00
	2	10	28.40	284.00
	Total	58		
SecF	1	47	29.70	1396.00
	2	10	25.70	257.00
	Total	57		
SecG	1	47	29.09	1367.00
	2	10	28.60	286.00
	Total	57		
E14	1	48	28.97	1390.50
	2	10	32.05	320.50
	Total	58		
F5	1	46	28.03	1289.50
	2	10	30.65	306.50
	Total	56		

Test Statistics[a]

	SecB	SecC	SecD	SecE	SecF	SecG	E14	F5
Mann-Whitney U	150.000	206.000	231.000	229.000	202.000	231.000	214.500	208.500
Wilcoxon W	205.000	1382.000	1407.000	284.000	257.000	286.000	1390.500	1289.500
Z	-1.857	-.702	-.186	-.227	-.695	-.084	-.553	-.477
Asymp. Sig. (2-tailed)	.063	.483	.852	.820	.487	.933	.581	.633

a. Grouping Variable: A1

N	58	58	58	58	57	57	58	58
Effect size	0.24	0.09	0.02	0.03	0.09	0.01	0.07	0.06

ANNEXURE C: DECLARATION LETTER BY PROFESSIONAL LANGUAGE EDITOR

Declaration

This is to declare that I, Annette L Combrink

Accredited language editor and translator of the

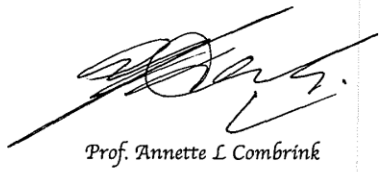
South African Translators' institute

have language edited the dissertation by

ENOCK CALVIN MABASO

with the title

DETERMINING THE BUSINESS SUCCESS FACTORS FOR THE SECOND-HAND MOTOR VEHICLE INDUSTRY IN THE VAAL TRIANGLE



Prof. Annette L Combrink

Accredited translator and language editor,

South African Translators' Institute

Membership no. 1000356

Date: 13 November 2014