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Opportunities and challenges of adoption of ICT marketing by SME's in Botswana

M Thamane

orcid.org/0000-0001-7983-6262

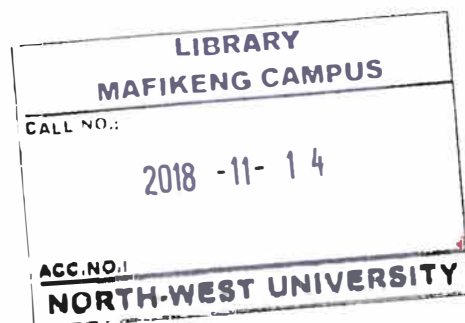


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Supervisor: Prof Thomas Buabeng Assan

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Abstract

The adoption of ICT Marketing could be a significant source of competitive advantage for most business organizations, especially the small and medium sized businesses. Recently a lot of research has shown the role that the adoption of ICT in Marketing could play in enhancing the growth of such businesses.

In this regard, this study seeks to identify opportunities related to the adoption of ICT, which SMEs in Botswana could utilise to improve their marketing instruments and strategies. It further looks into the challenges and barriers that arise in the adoption of ICT as a marketing tool, causing SMEs not to perform optimally. The study examines the strategies that SMEs could explore to enhance the adoption and full utilisation of ICT marketing tools. SMEs around Botswana do not seem to understand the relevance of the adoption of ICT marketing in comparison to other SME's in the international market and the proximity ICT marketing creates for business communities. ICT has shown to be the most relevant tool to use for growth, being relevant to the competitive and diverse market. Adoption of ICT marketing has become popular and is viewed to bring profitability to SME's and any other competing business.

Both quantitative and qualitative approaches were used to collect data from 80 respondents through a set of questionnaires administered to the SMEs as well as 10 respondents from the interviews. These were purposively selected from SMEs in Gaborone. Data was analysed using SPSS for quantitative findings and a thematic approach was used to deduce evidence from interviews.

The findings revealed that there are a lot of opportunities associated with the adoption of ICT marketing tools in SMEs in Botswana. These included facilitating innovation, reduced costs and market access and competitiveness. The results further indicated there are many challenges in capital, personal, cultural beliefs, and lack of government support, high transaction costs and financial constraints. Some of the strategies identified from the findings included the reduction in cost of accessing ICT, entrepreneurial education and government subsidies for SME's. The limitation of the study is that the paper only focused on SME's in Gaborone.

Keywords: ICT, ICT marketing, e-marketing, SMEs, Botswana, marketing strategy, competitive advantage, opportunities, challenges.

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Abbreviations

BIDPA	Botswana Institute for Development Policy Analysis
BWP	Botswana Pula (currency)
CEDA	Citizen Entrepreneurial Development Agency
GDP	Gross Domestic Product
GITR	Global Information Technology Report
ICT	Information & Communications Technology
LEA	Local Enterprise Authority
NICTP	National ICT Policy
SME	Small and Medium Enterprises

Chapter 1

Introduction and background of the study and rationale

1.1 Introduction

In many developing countries, SMEs account for a significant share of production and employment and therefore are directly connected to poverty alleviation efforts in developing nations notes Sentsho, Maiketso, Sengwaketsi, Anderson, and Kayawe (2009). Based on these findings, the success of SMEs should be of paramount importance to these developing countries (Sentsho *et al.*, 2009). According to Garikai (in Katua, 2014) Small and Medium Enterprises (SMEs) are key for poverty reduction as they tend to employ poor and low income workers and sometimes are the only source of employment in rural areas and poor regions. SMEs have been recognised as playing a vital role in the economies of such developing nations (Stanworth & Gray, 1991). According to the Botswana Institute for Development Policy Analysis Report (BIDPA, 2011) small enterprises have a high labour absorptive capacity. The sector absorbs more than 30% of the workforce and contributes between 15 and 20% to the country's GDP. Ariyo (2011) further notes that in Nigeria the SME sector provides, on average, 50% of Nigeria's employment, and 50% of its industrial output.

The ability of SMEs to compete in global markets depends on their access to critical resources and novel technologies. Kozak (2011) emphasises that SMEs grow two or three times faster when they embrace innovative technologies. Generally, the business world realises the importance of innovation for survival in this competitive world, especially embracing ICT. According to Richie and Brindley (2005) and Lucchetti and Sterlacchini (2004), ICT plays an important role in the current 'knowledge economy.' This therefore means that in order to compete and succeed locally as well as globally it is imperative for enterprises, both small and medium, to become part of this knowledge economy. Despite the high potential of SMEs in diversifying the economy and contributing to socio-economic development, the sector continues to face constraints that limit their potential, growth as well as in the adaptation of ICT.

This study examines literature to define ICT, the adoption of ICT marketing within SMEs in order to the current situation in Botswana. It debates the opportunities available to SMEs as

well as interrogates the hindrances encountered in adopting ICT marketing as well as the strategies that could be used to enhance marketing amongst SMEs.

1.2 Background to the study

Although SMEs are diversify the creation of employment, their success has been limited over the years; governments and regional agencies have been seeking opportunities to research and train SMEs to incorporate more ICT into their daily operations. (Sentsho *et al.*, 2009).

Galloway and Mochrie (2005) share the same sentiments as they observed that ICT contributes towards economic growth, hence countries around the globe strive towards making SMEs adopt ICT. Porter (in Fleet, 2012) states that for years the internet and advanced ICT have improved operations and enhanced market reach for SMEs. However, Fleet (2012) continues to suggest that SMEs are generally slower at adopting ICT than their larger counterparts as reported in various studies. This is despite the fact that technology is a solid marketing strategy that provides efficiency in the daily business processes conducted by SMEs. To explain SMEs' slower adoption, Kiveu and Ofafa (2012) highlight some of the market constraints that face these SMEs, namely, lack of knowledge to explore niche markets, poor market research, limited resources to promote their products, as well as poor quality products. Based on their observation and despite the few challenges observed, it is safe to say that ICT is a new obligation for SMEs. In the same vein, the government of Kenya (GOK, 2007) shares the same sentiments as it identified (ICT) as an enabler of the economy, presenting infinite opportunities for SMEs to improve market access. In other words, ICT use in marketing is viewed as an innovation success factor that SMEs should adopt; a factor that applicable to Botswana as a developing nation.

Botswana, like other developing countries, acknowledges that SMEs are the major source of entrepreneurial development, industrial development as well as economic growth resulting in employment creation for poverty eradication. Sentsho *et al.* (2009) indicate that from 1982, the government of Botswana pursued a policy of economic diversification in a bid to move away from dependency on diamond and beef. This was for the simple reason that the majority of the people in the country were not absorbed by the two sectors. Furthermore, it was becoming difficult for the country to achieve economic growth with the full dependency on export-led growth. Despite the numerous policies and efforts the government put in place for SMEs, there is evidence that the sector is not doing as well as was anticipated. Sentsho *et al.* (2009) note

that contribution of SME sector to the Botswana's economy are minimal, even though the sector has the potential to earn foreign exchange. The solution could be the effective use and adoption of ICT since current practices show that a business can only be prosperous by latching onto ICT solutions. Arguably, the world's economy is driven and managed to a larger extent by ICT.

1.3 Rationale

Galloway and Mochrie (2005) assert that there is evidence that ICT propels the economy and this explains the move by countries to foster the adoption of ICT by SMEs to adopt ICT. The adoption of ICT marketing by these sectors allows for positive competition to take place. According to (Culkin & Smith, 2000) cited in Eniola and Ektebang (2014), SMEs make up the prevalent business sector in the world economy. Abdullah & bin Dakar (2000) concurred with Culkin & Smith (2000) and added that governments are momentarily moving towards supporting and encouraging the growth of SMEs as part of their overall national development strategies. (Eniola and Ektebang 2014). Based on these observations, it is imperative that governments appreciate the massive contributions by SMEs in the creation of employment and their GDP and go on to recognise the importance of ICT and ICT marketing tools in ensuring the growth and successes of SMEs.

As mentioned earlier, SMEs are at focal point of the economic growth of Botswana and as such the government considers them seminal sources of employment because of their absorptive aptitudes. SMEs are regarded, and arguably, as paramount to the job creation, diversification and growth of the economy, and as initiatives that could contribute positively to economic growth. The Minister of Trade and Industry in Botswana highlighted a number of challenges faced by SMEs, such as access to finance, lack of access to markets, poor quality of products, lack of proper financial records and lack of proper management structures as well as the misuse of business designated funds. Based on the above observations, it is therefore necessary that the constraints to the sector's competitiveness are effectively addressed, in particular market access and technology. By exploring the opportunities and challenges of the adoption of ICT by SMEs to enhance access to the market, the study provides vital knowledge for the improvement of the SME sector's competitiveness and success.

1.4 Problem statement

The research discusses the opportunities in the adoption of ICT that SMEs in Botswana could utilise to improve their marketing strategies. It further discusses the challenges and barriers that arise in the adoption of ICT as a marketing tool, which causes SMEs not to perform optimally. The study looks at the strategies that SMEs could explore to enhance the adoption of ICT marketing and to fully utilise ICT as a marketing tool. Research has indicated that adoption of ICT marketing informs business practices as well as the outcomes of business engagements for both small- and large-scale enterprises. Kuyoro (2013) state that SMEs have been recognised as the main sustenance of the economy as they create opportunities and have the capacity to boost the economy and human welfare in any given country. This means that having SMEs as economic boosters for a country and ICT as a foundation for possible growth of SME are vital to establishing how the adoption of ICT marketing could help SMEs to succeed. A study on SMEs done in Botswana by BIDPA indicates that the contribution and role of SMEs to the economy of the country thus far are minimal (Sentsho *et al.*, 2009). This is despite the fact that, like other countries in Africa, Botswana recognises that SMEs provide a solid platform for economic diversification. Based on these aspects, the research explores the opportunities that could be brought about through the adoption of ICT marketing in SMEs. Furthermore, the intention is to determine the challenges that could hinder the adoption of ICT marketing in SMEs as well as strategies to enhance the adoption of ICT marketing for this sector.

1.5 Research questions, aims and objectives

1.5.1 Research question

The key research question for this study is “What are the opportunities and challenges in adopting ICT marketing for SMEs in Botswana?”

The following sub-questions were utilised to address the key research question for the study:

- i. What is ICT and ICT marketing?
- ii. What are the opportunities in the adoption of ICT that SMEs in Botswana could utilise to improve the market?
- iii. What challenges are currently faced by SMEs in the adoption of ICT in improving markets in Botswana?
- iv. What are the strategies that could be used to enhance the adoption of ICT marketing for SMEs in Botswana?

1.5.2 Aim and objectives

1.5.2.1 Aim

The aim of the research was to investigate the opportunities and challenges faced by SMEs adopting ICT for the purposes of marketing.

1.5.2.2 Objectives

The following objectives formed the point of departure to achieve the aim of the study, seeking to:

- i. define the ICT and ICT marketing.
- ii. investigate the opportunities of adopting ICT marketing by SMEs in Botswana.
- iii. establish the challenges of adopting ICT marketing by SMEs in Botswana.
- iv. explore the strategies that could enhance the adoption of ICT marketing by SMEs in Botswana

1.6 Significance of the study

The purpose of this study is to explore the opportunities brought about by the adoption of ICT as a marketing tool by SMEs within the Botswana context. It further identifies barriers that SMEs face in the process of adopting ICT as a marketing tool. Through the findings of the research, a learning opportunity is presented to SME business owners and managers who are involved in technology adoption and those who wish to use ICT as a marketing tool. The study opens conversations with consultants, policy-makers, academic researchers, and other professionals involved in technology field to better appreciate and make breakthroughs insofar as addressing the challenges that impinge on the adoption of ICT as a marketing tool by SMEs. For researchers, the findings of the study adds to the literature on the relationships between the success and failure contingencies of an SME. Furthermore, SMEs that may be interested in promoting their businesses through the adoption of ICT could find the results of the study helpful in guiding and influencing their decision-making. If all stakeholders understand the opportunities that brought about by the adoption of ICT as a marketing tool as well as appreciate the challenges that faced by SMEs, they may realise that the adoption of ICT as a marketing tool has the potential to realise a number of significant cost saving opportunities as well as ensuring that the barriers faced by SMEs in the deployment and use of ICT are

addressed. In a nutshell, the findings of this study offer insights into SMEs, in promoting the adoption of ICT as a marketing tool for future business growth and realisation.

1.7 Definition of terms

For the purposes of this research, the following definitions have been adopted:

Small and Medium enterprises: Botswana SME defines micro business as those with the population of six or less employees and an annual turnover of up to P60 000. A small business is one with less than 25 employees and an annual turnover between P60 000 and P1 500 000 while a medium sized enterprise is one with 25-100 employees and an annual turnover of P1.5 million–P5 million. (Mutoko, 2014).

Information & Communication technology (ICT): Information and communication technology refers to technologies that offer access to information through telecommunication. In this research, information and communication technology systems include; tablets, cell phones, desktop computers, laptops, cell phones and tablets, fixed telephone systems, communications networks and software. (Ritchie & Brindley, 2010).

Marketing: Marketing is the method where a business engages with its potential clients to share the importance of its products or service to a buyer for the sole purpose of selling that service or product.

Marketing strategy: this is the company's ability to position itself and its products or services in the market place to the relevant niche as a way of gaining competitive advantage.

Competitive advantage: competitive advantage describes attributes or features that allow SMEs as organisations to outclass their contenders in this study.

Market opportunity: favourable circumstance in which any business, inclusive of SMEs, can make the most of a changing trend or an increasing demand for a product by a demographic group that has yet to be recognised by its competitors. For a market opportunity to exist, an SME must identify its potential customers, the specific needs to be met, the size of the market and the company's capacity to capture market share (Business Dictionary).

Electronic marketing, also referred to as e-marketing, is the practice of promoting products and services using digital and online advertising (Smith, 2011). E-marketing enables business vision to be communicated with the business community.

Social Marketing: Collection of online communication channels, whose examples include Facebook & Twitter

E-Commerce: allows business daily activities involving service providers, customers, companies and intermediaries using computer networks such as the Facebook and internet to conduct business.

Growth and development: In the study, growth and development have been used as the process of improving some measure of SMEs' success. The growth and development of any SME are used as one indicator of the effectiveness of the business and should be seen as a major concern for managers.

Unemployment: For the purpose of this study, unemployment is defined in the labour force framework as the state of not having a job though searching.

Innovation: Is the process of executing new ideas to create value for an organisation. The process involves translating an idea into services that create value for which customers are willing pay (Business dictionary).

Knowledge economy: For purposes of this study, knowledge economy refers to activities that create opportunity in exploiting knowledge and technology rather than physical assets and manual labour. (Business dictionary).

Global competitiveness amounts to the services or products provided by competing companies that serve international customers. Global competition allows companies to avail their products and services internationally as well as purchasing internationally.

Botswana: is a landlocked country in Southern Africa. It is largest exporters of diamonds in the world and a beef exporter to the European Economic Community. The production of Diamond credits for more than one-third of the nation's GDP. Botswana's labour force is estimated around 1 308 000 (2013) of the 2 million population (World Fact-book 2015 retrieved 17 October 2015).

1.8 Limitations and delimitations of the study

The study is limited in its findings in the following ways; firstly, because of budget constraints and the time limit, the scope of the study was narrowed to a few SMEs. Only businesses within Gaborone, Botswana, were used and consequently the study cannot be generalised to all SMEs in the country; nevertheless, these findings can be generalised to the target locations. A larger sample is needed that covers other regions in the country to further validate these results and trends. Secondly, the nature of each SME in the study differs and this may skew the results. Lastly, unlike interviews where respondents asked for clarity, respondents who were completing the questionnaire without assistance were limited to the text in the questionnaire itself for direction about how to complete it.

The study is also delimited in its findings in the following ways; the researcher chose to look at SMEs in Gaborone and only in their adoption of ICT as a marketing tool. The focus was only on the adoption of ICT as a marketing strategy and does not discuss other marketing strategies that could play a role in the success of SMEs. Only questionnaire and interview tools were used to measure the opportunities and challenges of adopting ICT marketing. Despite the limitations, the findings from the study offer valuable insights into the SMEs in encouraging the adoption of ICT Marketing.

1.9 Conclusion

Chapter one presented an introduction to the entire research work and more importantly stated the purpose of the work. It examined the problem statement of the study as well as covered the research questions, aims and objectives of this research. Limitations and delimitations of the study were also outlined. Chapter two is the literature review, which expands on the ideas that have been expressed in this introductory chapter. The chapter defines the concepts SME's, ICT and ICT marketing and SMEs. It further looks briefly at the related theories that influence businesses and individuals to adopt ICT. General opportunities, challenges and strategies that

are related to the adoption of ICT marketing around the globe and in Botswana are also discussed in detail.

Chapter 2

Literature review

2.1 Introduction

SMEs are increasingly seen as an important pillar for economic growth around the globe and by fully adopting ICT in marketing, the sector can contribute to the growth and development of the country and its communities. ICT marketing has come of age and organisations employ various ICT techniques to augment their returns and successes and SMEs are no exception to that. This is for the simple reason that ICT is considered to be a key factor for innovation and entrepreneurship. The adoption of ICT marketing is therefore a must for SMEs to prosper.

This chapter is organised as follows: it defines SMEs within the context of this study and their importance to Botswana's economy, ICT and ICT marketing, the international perspective on the adoption of ICT marketing by SMEs, and Botswana's experiences with adoption of ICT marketing by SMEs. The next part focuses on the opportunities and challenges faced by SMEs in the adoption of ICT marketing, together with the strategies that could enhance the adoption of ICT marketing.

2.2 What are SMEs?

SMEs are viewed as a substantial component of many economies, as noted by Mutula and Van Brakel (2007). The authors further avers that this is because of the contribution they make in creating employment, facilitating regional development and innovation.

Defining SMEs varies because of the level of their participation in the economy and consequently the difficulty in articulating an all-encompassing definition of a small business. Economies differs from country to country and particular standards are adopted by people for particular purposes. An opinion reinforced by Scheers (2011), who notes that secondary research (Bowler, Dawood & Page, 2006; Phakisa, 2009) indicated what is regarded in Europe as a small-sized company by definition would often be regarded as a medium or large business elsewhere in less developed places. OECD (2002) defines an SME as an enterprise with fewer than 500 employees. The South African SME Act defines SMEs as an enterprise with 100 to 200 employees or R5 million turnover (Gordon, 2003).

To define SMEs, the Botswana new SMME policy (BIDPA Briefing, n.d.) states the following: “Micro-enterprises (also referred to as informal sector enterprises) may employ up to six people and have a turnover of up to P60 000. Small enterprises, on the other hand, have less than 25 employees and an annual turnover of between P60 000 and P1 500 000. There are an estimated 6 000 small enterprises in Botswana. Medium enterprises have between 25 and 100 employees and an annual turnover of between P1.5 million and P5 million.” A similar classification is given by Nkwe (2013) in Figure 1.

Item	Enterprise category	Employment levels	Annual turnover in Botswana Pula	In US\$ (equivalent)
1	Micro-enterprise	Fewer than 6 Workers	Less than P60 000	US\$ 10 000
2	Small enterprise	Fewer than 25 Workers	Between P60 000 and P 1 5000 000	Between US\$ 10 000 and US\$25 000
3	Medium enterprise	Fewer than 100 Workers	Between P1 500 000 and P5 000 000	Between US\$ 250 000 and US\$833 000

Figure 1: Classification of SME's in Botswana

Source (Nkwe, 2013)

2.2.1 Importance of SMEs

Universally, small and medium enterprises (SMEs) are perceived as the engine of growth and crucial enablers in socio-economic development. According to Boateng and Essandoh (2014), SMEs influence positively on job generation, poverty reduction, entrepreneurship, rural development and exports of a nation. Mutula and Van Brakel (2007) state that, according to the (OECD, 2000), SMEs are fundamental for the economic growth in its member countries and constitute over 95% of enterprises.

In Botswana, research done by LEA (2007) on SMEs notes that there were roughly 56 300 small, micro and medium enterprise (SMME) businesses operating in Botswana, which employ approximately 125 000 people. The 2015 informal sector survey found that as at 31st March 2015, there were 116,571 informal sector businesses across Botswana, with 43.3% being in Urban Villages, 31.4% in Rural Areas and the estimated total annual economic output of these informal sector, for the 12 months period to 31st March 2015 was P7, 9 billion while the total number of persons employed in the informal sector was estimated at 191,176 persons. It should

be noted that the informal sector covers even the SMEs in the country. The current estimates from the BIDPA briefing indicate that SMMEs still play a vital role in the labour force as illustrated in Figure 2. According to the BIDPA briefing (n.d.) SMEs are alternatives for economic diversification, poverty reduction and employment generation.

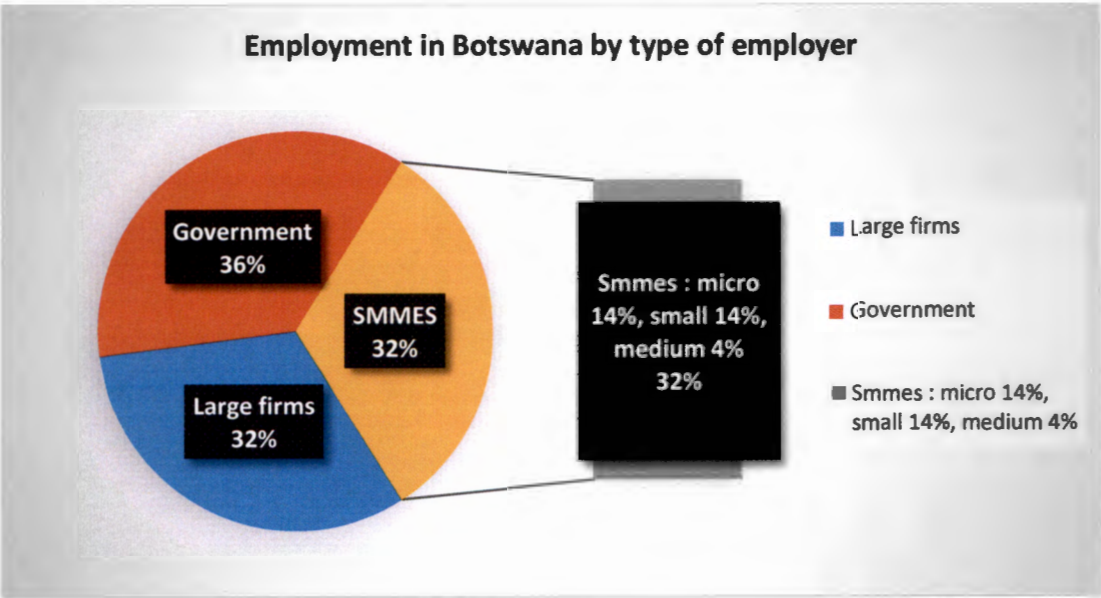


Figure 2: Employment in Botswana by type of employer

Source: BIDPA briefing (n.d)

By understanding and appreciating the relevance of SMEs in the development and economy of the country, the government and business owners have to fully consider the role that the adoption of ICT marketing could play in expanding the growth of SMEs. Both the government and SME managers should aim to have what is termed modern SMEs; these are SMEs that embrace growth and development in all forms. According to Kotelnikov (2014) the key features of a modern SME are that these are ICT-powered, creative and innovative, opportunity driven, engage customers and extend enterprise as well as empower people. On the same note, Rahnama and Beiki (2013) note a few characteristics that are roles of modern marketing in this competitive market, which are related to ICT. In their view, SMEs need to get involved in the modern marketing strategies which include being technology savvy. The authors believe that it is essential that both business owners and their employees are eloquent in using technology as part of their daily activities

2.3 What is ICT?

The use of information communications technology (ICT) is fundamental to most businesses regardless of size. ICT is essential for a company that aims to expand and to improve its efficiency. According to Apulu, Latham and Moreton (2011), ICT entails structured communication networks and data resources that collect, transform and distribute information within and among organisations.

Even though some studies have demonstrated that substantial investment in ICT does not necessarily lead to superior performance, as noted by Kohli Devaraj (2003) and Carr (2003), the literature in Piget and Kossai (2013) confirms that the use of ICT has a positive impact on a company's performance and productivity (Bloom *et al.*, 2010; OECD, 2008). As observed by Vilaseca, Sellens and Zarco (2007), most authors agree that ICT can be a true source of competitive advantage in the development of marketing activities for any company (Bond & Houston, 2003; Tatikonda & Stock, 2003; Prasad *et al.*, 2001; Roberts, 2000; Tzokas & Saren, 1997). Piget and Kossai (2013) note that there is increasing evidence that ICT skills, innovation and technological change determine a company's performance, productivity and growth. It also opens opportunities for the country's capacity to realise development and globalisation. Rahnama and Beiki (2013) assert that technology has opened up enormous business prospects in the shape of the entire globe being one huge market, as well as bringing down geographical barriers.

With the spread of ICT, researchers argue that these technologies create a new economy, an 'information economy', where information is the principal resource and basis for competition (Matambalaya, Francis and Wolf, 2001). These sentiments are also shared by Gagnon and Toulouse (1996), who point out that the use of ICT in business is no longer a matter of preference but rather one of survival, with a better understanding of the processes of adopting new technologies as both essential and urgent. A similar argument was put forward by Lawson *et al.* (2003) stating that organisations that do not embrace new technologies are likely to be left behind.

Having looked at definitions of ICT, SMEs are in a position to appreciate the world of ICT and make decisions that benefit their organisation through effective adoption of ICT Marketing. SMEs can appreciate the fewer costs associated with marketing their products as households

already have applications that SMEs could fully exploit to their full advantage. In a nutshell, there is little doubt about the relevance of adopting ICT Marketing as a tool to access the global market.

2.4 Related Theories on Technology Adoption. (ICT adoption)

Information and Communications Technology (ICT) is a vital tool to enhance competitiveness of the economy in the world. Because of this, it is relevant to understand determinants of ICT adoption and some of the theoretical models addressing ICT adoption.

According to Oliveira and Martins (2011) the most used theoretical models are the technology acceptance model (TAM) (Davis 1986, Davis 1989, Davis et al. 1989), theory of planned behaviour (TPB) (Ajzen 1985, Ajzen 1991), unified theory of acceptance and use of technology (UTAUT) (Venkatesh et al. 2003), Diffusion of Innovations Model (DOI) (Rogers 1995), and the Technology Organization Environment (TOE) framework (Tornatzky and Fleischer 1990). The authors continue to state that DOI and TOE framework are applicable at the firm level while theories such as The TAM, UTAUT and TPB are at the individual level.

Korpelainen (2011) highlights another model, the Technology Acceptance Model (TAM), which avows that perceived usefulness and perceived ease of use are the fundamental determinants of system use and are deployed to predict attitudes toward the use of the system, that is; the user's willingness to use the system. Perceived usefulness refers to "the degree to which a person believes that using a particular system would enhance his or her job performance" and perceived ease of use refers to "the degree to which a person believes that using a particular system would be free of effort" (Davis, 1989: 320) [cited in (Korpelainen, 2011)].

Another relevant theory though viewed as new is the UTAUT model which developed from the TAM model. Venkatesh (2003) in (Straub, 2009) incorporated four key determinants in the UTAUT model. These are effort expectancy, performance expectancy, facilitation conditions and social influence as well as four key moderators such as age, gender, experience and voluntariness. Effort expectancy is the degree to which an individual perceives a particular technology to be easy to use (adapted from F. Davis, 1989). On the other hand, performance expectancy is the degree to which an individual believes that a technology can assist them in

performing job duties. According to the authors, this is influenced by perceived ease of use (F. Davis, 1989) Facilitating is the degree to which an individual believes that his or her organization is supporting change. Social influence is how much an individual feels society's influence and pressure to use a particular information technology. This key determinant is based on the construct of subjective norm from the theory of reasoned action (Ajzen & Fishbein, 1980)

According to Korpelainen (2011) DOI is a general theory of how new ideas are spread and adopted in a community and it seeks to explain how communication channels and opinion leaders shape adoption. According to Oliveira and Martins (2011), and Rogers (1995) DOI theory sees innovations as communicated through certain channels over time and within a particular social system. It is a theory of how, why, and at what rate new ideas and technology spread through cultures, operating at the individual and firm level. According to the theory, individuals possess different degrees of willingness to adopt innovations and adopting an innovation is done over a period of time. Rogers divided the population into five categories of individual innovativeness, from earliest to latest adopters and these are: innovators, early adopters, early majority, late majority and the laggards at the end of the adoption chain (Rogers 1995). According to Rogers (1995) businesses can adopt DOI for some of the following purposes: accounting, inventory control, sales, purchasing, personnel and payroll, Enterprise resource planning (ERP) and E-business.

One other theory that influences adoption of ICT is the 'TOE' (Technology, organization, and environment context). This framework was developed in 1990 (Tornatzky and Fleischer 1990). It identified three aspects of an enterprise's context that influence the process by which a business adopts and implements a technological innovation. These are technological, organizational and environmental context. The technological context describes both the internal and external technologies relevant to the firm such as the firm's current practices and equipment. Organizational context refers to descriptive measures about the organization such as scope, size, and managerial structure. Environmental context is the field in which a firm conducts its business; its industry, competitors and dealings with the government (Tornatzky and Fleischer 1990) [cited in Oliveira and Martins (2011)]. According to the authors the TOE framework is consistent with the DOI theory, in which Rogers (1995) emphasised individual characteristics and organisational characteristics, both internal and external, as drivers for

organisational innovativeness. These are identical to the technology and organization context of the TOE framework, though the TOE framework further includes the environment context (Oliveria and Martins, 2011).

TPB which was developed by Ajzen in 1991, looks at factors of attitude, subjective norms, perceived behavioural control and intentions on the actual behaviour. The theory notes that perceived behavioural control is the perception of internal and external limitations to behaviours of individuals. (Silva & Dias, 2007)

The theories and models discussed above offer foundations for SMEs to plan, execute and evaluate the technology they might want to adopt.

2.5 ICT marketing

There is increasing evidence that a company's performance and productivity can be determined by the growth and adoption of ICT marketing and having looked at ICT as an opportunity that SMEs could use to market themselves, it is therefore important to briefly look at the concept of marketing and how it relates to ICT. Marketing is a technique of conveying the use of goods or services to consumers with the sole intention of deriving sale from the said goods or services. The American Marketing Association defines marketing as the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that would satisfy individual and organisational goals (Kotler, 2005). The author goes further to mention that a leading management theorist, Peter Drucker, avers that the aim of marketing is to make selling superfluous as well as knowing and understanding the customer so well that the product or service fits that customer and sells itself. Uden (2007) asserts that ICT allows remote marketing and the building of relationships with customers and trading partners from a distance.

From a marketing point of view, ICTs have been regarded as a variety of separate applications such as databases, a marketing channel, a communication or promotional medium, a marketing technique and a tool for relationship marketing. (Katengeza *et al.*, (2010), in Vakilzavareh, Lashgarara and Mirdamadi (2014) recognised that market data systems that are based on ICT increase the efficiency of market operations. They further identified some of the new ICT marketing tools as visible. These tools include blogs, websites, satellite television, internet, e-

mail, video conferencing as well as mobile and electronic journals; while the old fashioned ICT tools are the radio, television, telephone, audio tapes and videos. Laudon and Laudon (2009), have argued that those businesses that are not connected to the internet and wireless networks, are not as active and effective as they should. Research indicates that by the end of 2010, the number of internet users around the world would surpass 2 billion and this massive information traffic would continue to double every 1 to 1.5 years (Kaynar & Amichai-Hamburger, 2008) cited in Smith (2011). The author states that, because of these figures, reaching customers through digital media should be considered as the most promising field of development for marketing today. Websites allow companies to receive valuable feedback on customer needs and ideas for improvement, and through faxes, e-mail and telecommunication devices, businesses generate instant and greater accessibility in the business world (Pow Internet and American Life, 2009).

The new ICT marketing tools allow people and organisations to communicate and share information digitally and serve as an opportunity for small business to market their products to a large group of customers. Piget & Kossai (2013) also note that regardless of the size of the company, ICT marketing helps companies increase their general efficiency and thereby increases productivity as well as lowering transaction costs within that company in (Pilat, 2004).

Furthermore, Brady, Fellenz and Brookes (2008) argue that the evolution of marketing practices that are driven by the use of ICT has flourished. According to the authors, the continuing and future development of marketing's is closely linked with technological issues, an observation also noted by Deighton, (1996); Mintzberg et al., (1995) and McKenna, (1998, 2002). As it became obvious that it was necessary to pay attention to ICT as a unique aspect of marketing practice, Brodie et al. (2007) indicated that Coviello et al. (2001) incorporated a detailed ICT dimension into the contemporary marketing practices (CMP) framework, which included a fifth aspect of marketing practice associated with IT-enabled interactivity. Brady, Fellens & Brookes (2008) explain that Coviello et al. (2001) termed this e-marketing (eM) and defined it as using the internet and other interactive technologies to create and facilitate channels of communication between identified customers and firms. The definition characterised e-marketing as reliant on technology to enable interactivity. In Eida and El-Goharyb's (2013) view, adopting e-marketing affects many issues that are related to the

marketing performance and effectiveness of the small businesses, such as: new sales, new customers, developing new markets and good customer relationships, improved productivity, increased market share, increased brand equity and increased productivity. E-marketing has been characterised as a tool for facilitating marketing efforts, as a result leading to a higher level of marketing effectiveness.

Different levels of IT integration and utilisation in organisations have particular implications for marketing practises for the organisation that has adopted ICT for marketing. Requena, Sellens and Zarco (2007) note that ICT provides ready access to the collection of global information resources when making marketing decisions. Through ICT, businesses expedite the collection of valuable competitive knowledge and consumer-related information that helps simplify their decision-making process. Based on that, ICT-oriented marketing do not depend on intuition, experience nor guesswork of businesses. In Jones (2014), (Darch and Lucas, 2002) view, ICT adoption should not be viewed as an alternative, but as vital for the success of the business. Oladimeji, Olofin and Raji (2014) assert that the private sector, which includes SMEs, should invest in an ICT infrastructure and should adopt ICT as a means of competitive advantage to conduct business in the form of commercially-driven connectivity, software, technology, e-commerce and online transactions.

According to OECD (2008) findings, if ICT is used effectively, there is potential for businesses and the host countries reaping the opportunities of development and globalisation. The report noted that “globalisation and technological advances increase competitive pressures, making SME investment in innovation and intellectual assets particularly necessary” (OCED, 2008:32), and in that, the report suggested that country policies should be adapted to the reality of the SMEs and be well-tailored to local conditions.

In the discussion, the relevance of ICT as a marketing tool by SMEs is highlighted. If SMEs understand the package that goes with the adoption of ICT marketing, they make wise and informed decisions and design strategies that would lead to their growth and development.

2.5.1 International perspective on the adoption of ICT marketing by SMEs

Information and communications technology (ICT) has become a prerequisite for all kinds of businesses. To participate and engage in the modern society, expertise of ICT is necessary.

According to Laudon and Laudon (2011), managers are increasingly using technologies such as mobile devices to coordinate work, communicate with employees as well as to provide information for decision-making thereby moving away from the traditional use of PCs and desktop machines only.

Development in telecommunications and improved business software has impacted enormously on the applications of ICT and their uses in businesses such as SMEs. SMEs can use ICT to find, develop, analyse and present information, as well as model situations. SMEs are also able to solve problems that are business oriented. ICT enables rapid access to ideas and experiences. Moodely (2002) views ICT as an enabler for the global networking economy. As much as ICT is seen as vital for SMEs and an enabler for global networking economy, similarly it is very relevant to appreciate other factors that lead to the adoption of ICT marketing by SMEs.

Lucchetti and Sterlacchini (2004) state that to understand the main factors that drive SMEs to the adoption of ICTs marketing, it is useful to divide the available technologies according to some taxonomy based on their typical function. The taxonomy includes general-use ICTs, which cover the use of e-mail and internet access, labelled production-integrating ICTs and market-oriented ICTs. These taxonomies are associated with characteristics of the different companies, including SMEs.

At the level of General-use ICTs taxonomy, the rates of adoption are very high and do not depend on the size of the business. However, it is important to point out that the availability of PCs, internet and basic software does not necessarily bring profit, but rather they allow the company to become competitive. Production-integrating ICTs, on the other hand, comprises Local Area Network (LAN), Electronic Data Interchange (EDI) and Intranet. Administration software, Supplies Relationship Management software are also production-integrating ICTs. According to Lucchetti and Sterlacchini (2004), these ICTs are linked to production processes either carried out within the firm or based on inter-firm relationships. Compared to general-use ICTs, production-integrating ICTs are more expensive and require relevant technological skills that should be internal to the institution. Last of the taxonomy is the Market-oriented ICTs. These are jointly identified by the presence of a company's website. Companies use websites primarily to provide detailed information on their products, with a view to broadening potential

customers hence improving their visibility. These include sales and purchasing done on line and marketing management software. The use of market-oriented ICT does not depend on a company's size nor its technological features, but rises when the company is an exporter or when it is present in foreign markets or when it has employed workers who utilise it.

Basically, there is needs to congruence between increased information provided by ICT and the skills of marketers and their working staff to make sense of the data derived from an array marketing aspect. If SMEs use the web effectively and have the right employees, they could access the available and new markets throughout and gain the leverage to compete with other companies.

Having discussed Lucchetti and Sterlacchini's (2004) taxonomy, it is necessary for owners of SMEs to position their companies strategically and identify the relevant grouping as a way of working towards changing the business processes. Because some of the taxonomies mentioned earlier are expensive, yet essential for the success of any SME, it is imperative that SMEs in developing countries should be assisted to have access. The United Nations Conference on Trade and Development (2006) reports that the promotion of the use of ICT by SMEs in developing countries should be a major priority of national e-strategies as a fundamental tool in the growth of the information society. The report notes that small businesses such as the tourism industry in developing countries call for the support and promotion of e-tourism by public authorities. The report continues to note that SMEs that lag behind their competitors in terms of ICT adoption could see their competitiveness affected seriously.

In a study in Namibia, Rufaro, Chiware and Dick (2008) have noted that information and communication technologies, particularly the internet, have a significant impact on the operations of small and medium-sized enterprises. Mutula and van Brakel (2006) note that through their effective use, ICTs have the potential to help SMEs to capture global markets, sell to international customers, and compete favourably with large corporations. From the survey conducted in Tanzania and Kenya, it was observed that those enterprises using different forms of ICT rated their effects mostly positively. On top of that, computer applications increase management efficiency and competitiveness significantly by 88% and 76%, respectively (Wolf 2001). The author went on to indicate that mobile phones followed by fixed

phones and faxes were considered to contribute significantly to regional market expansion by most of the SMEs

2.5.2 ICT in Botswana and the adoption of ICT marketing

By African standards, Botswana has a good degree of e-readiness, although the country's networked readiness rankings have deteriorated over the past four years as observed from the GITS (2012). Iyanda and Ojo (2008) indicate that the Government of Botswana has developed a National ICT Policy (NICTP), and in keeping with Vision 2016, the policy envisions that "Botswana will be a globally competitive knowledge and information society where lasting improvement in social, economic and cultural development is achieved through effective use of ICT" (Government of Botswana, 2004, p. 12). According to the Policy, the three main objectives are:

- 1) to create an enabling environment for the growth of an ICT industry in the country;
- 2) to provide universal service and access to information and communication facilities in the country; and
- 3) to make Botswana a regional ICT hub so as to make the ICT sector globally competitive (Government of Botswana, 2004).

Based on this impressive internal demand for ICT products and services globally, in its resolution of 2007 (Maitlamo), the government of Botswana's National ICT Policy also stressed the urgency to increase domestic development of specialised ICT skills, as well as the need for on-job training to build human resource capacity. The resolution also emphasised on the need to make certain that young graduates have a career path in Botswana's emerging ICT sector. (Republic of Botswana, 2007)

Government embraced technology as an efficiency tool and as a result allocated P1.3bn for technology programmes in its NDP 9 period (Government of Botswana, 2004). The government of Botswana made attempts to include computer learning in all secondary schools, colleges of education and universities in order to create a skilled base of entrepreneurs, which includes ICT awareness (GOB, 2007). However, according to the author, despite the revenue that the Government of Botswana pumps into improving ICT in the country, its use in

Botswana is still fledgling and very limited and elementary not complex (Wolf, 2001). The author further mentions that research indicates that ICT in Botswana is mainly used for communication and information processing and storage, which has a negative impact on the successes of enterprises.

As one of the initiatives done by the Government of Botswana, in one of its forums, businesses were encouraged to note the importance of ICT adoption as a matter of survival in the new era and beyond (Dzimiri, 2010). In the presentation done for small business by the former Managing Director of Botswana Development Corporation (BDC), Nthebolang, adopting ICT in Business has become a core competency that is if companies want to pursue competitive advantage. ICT was viewed as a strategic resource that aligns knowledge and innovation platforms with business strategies. However, it was highlighted that ICT by itself should not only be seen as a driver of innovation and productivity growth. The presenter noted that there was need for companies to address issues such as staff development, organizational transformation, proper investments in equipment and new marketing strategies to allow ICT to be an enabler of productivity and innovation.

In response to the presentation discussed, Shemi & Procter (2013) finding do indicate that, SME's in Botswana have adopted ICT. SME's use tools such as, mobile phones devices, fax, telephone, and email. According to the authors, email is mostly used by the manager for business communication. This is an indication that though SME's have adopted ICT, it is still limited to the executive of the companies, leaving the rest of the staff who deal with customers on daily basis. For some of the SME's, there is evidence of ICT unit which provide and manages the organisation's website profile, internal business processes such as financial and accounting systems. The most advanced use of ICT or e-commerce in some of the companies discussed include international clients ability to pay through credit cards and while the local business clients continue to use the conventional methods of payment through the bank..

According to Shemi & Procter (2013) some SME's in Botswana do acknowledge the relevance on the adoption of ICT marketing in their day to day running, but they still seem to face a number of hiccups. It has been observed that some of these businesses were still largely dependent on word of mouth as a marketing tool. Furthermore, in the research the authors concluded that lack of skilled ICT personnel is a barrier as well as the financial ability of SME's

to engage ICT experts either on a short or long-term basis. Most importantly, the businesses highlighted cost of maintaining internet as being too high.

On the other hand, Nkwe (2012) deposits that the slow speed of the internet and customer preference for feel and touch features of products is also one of the challenges faced by businesses in Botswana. Customers prefer to visit stores than place orders through the internet. In addition, from the findings, some of the managers indicated that for their companies, e-commerce activities were not a primary concern for their businesses as they were focusing on how to boost their production. This in the view of the researcher is a recipe for disaster, considering how the adoption of ICT marketing could be used to solve the very concern of those businesses. (Nkwe, 2012) notes that lack of citizen awareness and participation has a great influence in the failure for businesses and clients to appreciate the importance of the adoption of ICT and ICT marketing in Botswana. The author notes that, though services have been provided through ICT in Botswana, the adoption rate of these services prove to be way below expectation especially in the government sector. Botswana has not been spared the influence of culture and resistance in the innovative world. For example, overpowering cultural beliefs is one of the main challenges to e-government implementation. It has been observed that both employees and clients in Botswana are resistant to the adoption of ICT. (Nkwe, 2012) acknowledges the impact of culture, a notion noted by (Ndou, 2004) & (Heeks, 2003) in (Nkwe, 2012). According to the authors, culture plays a significant role in this resistance. This observation is applicable to SME's too.

2.6 Opportunities on the adoption of ICT marketing by SME's.

ICT has become an essential means of trade and communication in every type of business. It creates various opportunities for business development. ICT provides companies with a range of tools, crucial to marketing and success. The adoption of effective ICT-based marketing tools helps to promote and expand businesses. SMEs generally stand to gain from ICTs in such areas as reduced transaction costs, information gathering and dissemination, inventory and quality control most importantly in marketing their products and services.

The most important benefit associated with the adoption of ICT Marketing by enterprises is the increase in the supply of information. Information is shared and disseminated to a larger

audience. This is supported by different authors (Argyres, 1999; Tzokas & Saren, 1997) [cited in Requena, Sellens & Zarco, 2007]] who argue that crucial part of the opportunities arise from the use of ICT as a source of acquisition and generation of market information. In their view, ICT is one of the most appropriate media for getting close to the environment and acquiring and creating knowledge about the different agents that are part of it. Basically, using ICT allows companies, which include SMEs, to gain access to information that is timeous and relevant more quickly, cheaply and conveniently as well as distributing the information in the market. According to Ongori (2009), ICT adoption by SMEs has the potential to transform business operations by enabling the rapid, reliable and efficient exchange of huge amounts of information. Furthermore, as the world economy continues to move toward increased integration as a result of advances in ICT, some of the greatest opportunities for businesses such as SMEs come from their ability to participate in regional and international markets and to get the most out of ICT adoption. Kotler, (2005) indicates that the internet eradicates the economic consequences of geographic distance to insignificant levels, which opens up ample opportunities for reaching international as well as domestic markets. The intensive ICT adoption and use in marketing makes the company more innovative, because it perceives that its use removes impediments to innovation and speeds up processes (Gochhait, 2014). Furthermore, Gochhait (2014) indicates that the increase of ICT use in marketing encourages company predisposition to collaborate with and integrate particular agents within the business environment.

Generally, ICT applications offer numerous opportunities across a wide range of business operations and transactions. ICT applications contribute towards improving information and knowledge management inside a company. Modimogale and Kroeze (2011) support this and state that the ability of SMEs to survive in an increasingly competitive global environment is essentially predicated upon their capacity to leverage information as a resource (Mutula & Van Brakel, 2006). On that note, it is important for SMEs to strategically position ICT within their organisation in an approach that they maximises its opportunities. In addition, Apulu and Latham (2011) assert that modern businesses are not possible without the ICT. The electronic commerce aids them in increasing their efficiency in their day-to-day business operations and sustaining their business growth through the opening of new market channels and increasing the flow of information (Ongori & Migiro, 2010). From these authors' viewpoint, ICT has a significant impact on SMEs' operations and is crucial for the survival and growth of economies

in general (Berisha-Namanil, 2009). The literature in Piget and Kossai (2013) confirms that the use of ICT has a positive impact on a company's performance and productivity which includes ICT marketing.

The adoption of ICT could spawn transformation in the local and global markets to function more optimal. According to Kiveu and Ofafa (2013), electronically mediated markets greatly impact on the cost, speed and transparency of market-based transactions. ICT initiates fast accessibility to the market, increases selection power, improves communication, facilitates identification of markets, improves marketing and reduces business transaction costs (Kiveu and Ofafa, 2013). The relevance of ICT marketing in SMEs cannot be overemphasised because without the utilisation of ICT, it would be impossible for SMEs to compete. ICT has a substantial impact on SMEs' operations Apulu & Ige, (2011). According to Kapurubandara and Lawson (2006), for survival and staying abreast in a competitive global economy, it is important that SMEs embrace ICT competitive advantage and for stability in international markets (ApuLu & Ige, 2011).

One of the other benefits in the adoption of ICT marketing is that ICT applications further reduce transaction costs and increase the speed and reliability of transactions for both business-to-business (B2B) and business-to-consumer (B2C) transactions. Numerous authors (Brady, Johnston & Lawrence, 1998; Kahn, 1996, 2001; Corbitt, 2000; Javalgi & Ramsey, 2001, 2002) indicate some of the opportunities of the adoption of ICT marketing, including enhancing the productivity and effectiveness of certain activities or functions, favouring the adoption of new organisational, strategic and managerial models that enable access to new environments. The opportunities also include the generation of new markets and business models along with improving the qualification and specialisation of human resources, which increase the efficiency and effectiveness in the workplace. Galloway and Mochrie (2005) concur with the findings of Lucchetti and Sterlacchini (2004) that the proper leverage of ICTs drives economic growth. Based on the arguments brought forward, it is therefore appropriate to acknowledge that ICT should be seen as the foundation on which the knowledge economy is based and can be adopted for ICT marketing purposes.

In today's world, a business that recognises that information, knowledge and their intelligent application are essential factors of success in the new economy and take full advantage of

information technology to achieve high levels of efficiency and effectiveness are likely to perform better than their competitors (Handzic, 2004). As mentioned earlier, ICT applications include anything from internet, e-commerce, mobile phones and many more and all these have a significant role to play in the success of an organisation. Franklin (1997) suggests that in order to keep up with the competition, companies need to speed up communication between trading partners, establish better relationships with customers, suppliers and partners, and reduce expenditure (Abd, Norjaya & Yasin, 2004). The source goes on to say that in today's technological environment, communication is critical and accuracy and timeliness of information and speed of response are important to successful relationships.

Basically, ICT tools provide benefits for business transformations. According to Li *et al.* (2011), research conducted in specific economies has revealed a number of benefits that internet technologies may bring to SMEs. These include reducing distribution costs and increasing the number of potential customers, customising products and prices, enhancing market position through improved relationships with customers and enhancing global competitiveness. Set (2014) concurs on this point and notes that SMEs can benefit significantly in their adoption of ICT as a marketing strategy.

In a research done on tourism SMEs (TSMES), Set (2014), together with Salwani, Marthandan, Norzaidi & Chong, (2009) posits that the internet as marketing tool is the most cost-efficient tool for small and medium-sized tourism enterprises (TSMES) to gain bigger markets and attract potential customers to their tourism products, services and information. This is in accordance with the advantages inherent in the internet such as speed, user friendliness, low cost and wide accessibility, which have allowed e-commerce to be increasingly diffused globally, bringing countries together into a global networked economy (Gibbs & Kraemer, 2004; Set, 2014). Balamurugan *et al.* (2014) identified the advantages and benefits of using the internet. They concluded that the internet is a heavy investment among SMEs in the current market due to rising market shares. In addition, Abd, Norjaya and Yasin (2004) state that the internet opens public and support applications such as e-mail and the World Wide Web. These facilitate the processes of companies and help these companies to compete.

Furthermore, research done in Indonesia, concluded that there are six e-commerce benefits gained by SMEs and these cover extended market reach, increased sales, improved external

communication, improved company image, improved speed processing, and increased employee productivity (Rahayu and Day, 2017).

A study by Okello *et al.* (2014) on the use of ICT by agricultural SMEs notes that the new generation ICT tools and in particular mobile phones are used by some projects or farmers of SMEs to reduce the gap between market information gathering and its dissemination. According to their findings, these ICT tools allow farmers to obtain real-time prices and other services within hours, which increases efficiency for the organisation. Similarly, web-based applications that upload daily market information enable subscribers to access information anytime and anywhere giving an opportunity for SMEs to make their products visible and available to consumers. The study further revealed that SMS or even MMS in mobiles can be used to provide information on products and services' demand and supply at any period and any location.

Ongori and Migiro (2010) assert that in the contemporary business world, ICT enhances the competition within of business. Moreover, it has immensely contributed to improved knowledge management, efficient administration, control and accountability, access to robust business information, management of resources economically, access to markets and growth of SMEs in both developed and developing economies (Ongori and Migiro, 2010).

Based on observations discussed by various authors, it is important to note that ICT can easily facilitate and support businesses, in particular SMEs. For a company to be unique and visible, its ability to remain competitive means its differentiation features should be visible in comparison to its competitors. Beckinsale and Ram (2006) cited in (Chinyanyu, Mpofu & Watkins-Mathys, 2011) states that the perceived opportunities of adoption of ICT marketing every so often include operational effectiveness, the need to reach out to new markets and benefits and a focus on improving business efficiency,

Having gone over literature, it can be asserted that the integration of ICT with business has the potential to improve the efficiency and competitiveness of a company. It can connect customers, employees and suppliers through communications and transaction. Basically, ICT plays a major role in marketing and when SMEs take note of the opportunities brought about by the adoption of ICT for marketing purposes, they position themselves in the global market.

Though there are countless opportunities accrued by SMEs in the adoption of ICT marketing, there are a number of challenges that face SMEs in the adoption of ICT marketing and these range from socio-economic to technological challenges. These shall be considered next.

2.7 Challenges with the adoption of ICT marketing by SMEs

ICT adoption empowers SMEs to partake in the mainstream of the economics of knowledge management and if implemented properly, it could eliminate extreme gaps in organisations. Mutula and Van Brakel (2006) note that information is an important asset that provides small and medium enterprises a competitive advantage in the economy. However, they also acknowledge that access to information is a problem in developing countries hence the reason to highlight some of the challenges faced by SME's in adopting ICT marketing.

Literature has shown that there are a number of significant issues that inhibit ICT marketing adoption by SMEs and that even if SMEs are aware of the opportunities of ICT marketing, they only adopt ICT if they can overcome the barriers to its adoption. Challenges noted by various sources include lack of awareness, inaccessibility to global markets due to fragmented and incomplete information and technology, which includes mobile devices, policy regulations and lack of strategic vision (Migiro, 2006:36-37; Moyi, 2003:229; Martin & Matlay, 2001:340; Miller & Besser, 2000; Ongori & Migiro, 2010).

Rahnama and Beiki (2013) notes that globalisation has brought down geographical barriers and technological advancement has made the world a smaller place. It has also posed threats to existing market share with the entry of foreign giants in the domestic markets. In a study done in Ghana, Agboh (2015) revealed the six key challenges to ICT adoption amongst SMEs. These ranged from financial inability to invest in ICTs, poor infrastructure due to low bandwidth, and epileptic electric power supply, lack of skilled personnel to engage in ICT, lack of time to implement ICTs, uncertainty of the benefits or returns on investment, and the high level of complexity associated with ICT implementation. Ongori and Migiro (2010) further note that in Kenya, most SME owners or managers do not understand the opportunities of ICT adoption.

When discussing the relationship between ICT development and the digital divide, Ayanso, Cho and Lertwachara (2014) mention other challenges to the adoption of ICT by small businesses, which include the lack of broadband networks, which has limited what the users

can do with mobile devices. They believe that users need education, training and the necessary skills to maximise the use of ICT. They identified barriers that could restrict one from using these mobile devices and these are mental access, skills access and usage access. Mental access refers to the inexperience caused by a lack of interest or computer anxiety. Skills access refers to the lack of skills caused by, among others, inadequate education, while usage skills merely refer to a lack of usage benefits that may be caused by expensive usage fees.

A conclusion reached by Consoli (2012) and supported by Assinform, (2010) is that there is a low diffusion of ICT in small to medium enterprises. In their view, SMEs do not fully exploit the potential of ICT like large companies do and this could be because SMEs have limited resources, technology and capabilities. Consoli continues to identify some of the possible factors that do not stimulate investments in ICT marketing by SMEs as the following: financial factors, where there are high initial investments in ICT and difficulty to access credit by these SMEs. Secondly, it is infrastructure. SMEs face challenges of power, bandwidth and reliable internet connection. Furthermore, SMEs are faced with a lack of skilled staff and coherent strategy. Lastly, there is the technological factor; that is, the evolution of technology without adequate training for business owners and their employees (Consoli, 2012).

Furthermore, Kiveu and Ofafa (2013) argue that a small capital base and limited technology confine SMEs to poor quality products that cannot compete effectively in a globalised competitive market environment. Market access in developing countries is a main challenge to small businesses due to market imperfections that can be attributed to a lack of market information, a lack of linkages between the actors in the supply chain, high transaction costs and a high presence of trade intermediaries (Kiveu and Ofafa, 2013). To improve on these market imperfections and to improve on market access by SMEs, different strategies may be adopted, which may include the deploying ICT for marketing purposes. In França *et al.*'s (2014) view, the survival of small businesses is hampered by the strain in accessing the market, especially on issues related to advertising, lack of market information and poor logistics.

According to Chinyanyu, Mpofu and Mathys (2011), there is probability that SMEs would experience a number of ICT adoption and implementation challenges given their relatively small sizes, simple structures, lack of capacity and shortage of resources to view ICT strategically. Modimogale and Kroeze (2011) note a number of issues that are faced by SMEs

in the adoption of ICT as a competitive tool. These issues affecting successful adoption of ICT marketing by SMEs are both socio-economic and technological, as noted by MacGregor and Vrazalic (2006), who point out that the barriers are both external and internal to the organisation. Kirby and Turner (2012) observes that the bulk of external hindrances come from business-related barriers more than anything else. The figure below notes some of the barriers that SMEs face in their effort to infuse ICT marketing in their running of the business.

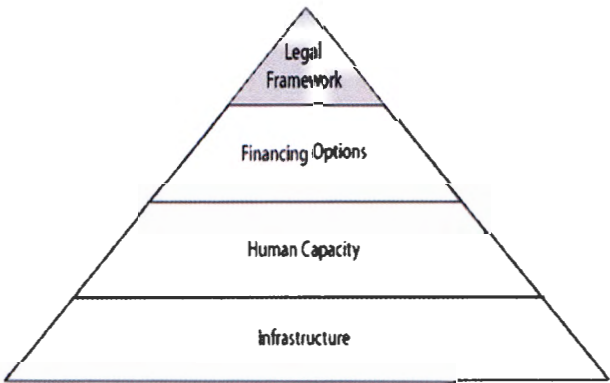


Figure 3: Barriers of ICT adoption

As indicated in Figure 3, a lack of affordable and accessible ICT infrastructure is the first obstacle that SMEs face, whether they are adopting basic ICT such as phones or more advanced ICT such as e-commerce. It is widely agreed that SMEs are held back from participating in business-to-business (B2B) e-commerce because they lack suitable IT infrastructures to support it. Barua (2011) argues that a lack of technological environment including a lack of critical mass use, unavailability of ideal technology, e-business infrastructure are major external hindrances obstructing technology adoption and use by SMEs.

The next obstacle is human capacity. If users of ICT or the human resources within the company do not understand how to use ICT and how it would change the way they do business, chances are the business would not reap the fruits of ICT marketing within the company, and consequently fail using ICT for marketing purposes. SMEs that are oriented towards competition and growth may lack the know-how and resources to adopt ICT and manage growth successfully because of age, cultural and educational background of the owner (Mpcfu and Mathys, 2011). In other words, when business owners and employees lack awareness and are ICT illiterate, it becomes a serious challenge to the success of the company as this can lead

to low levels of ICT adoption or even purchasing of some inexpensive ICT technologies that are not beneficial for marketing purposes.

In Papastathopoulos, Anastassopoulos and Beneki (2010), one of the obstacles identified in SMEs use of ICT for marketing purposes is a lack of experience in ICTs. They note that a significant hindrance to the successful use of ICTs for SMEs is also the lack of understanding of the benefits offered by the adoption of ICT as a marketing strategy by business owners. Eniola and Ektebang (2014) noted that although the internet and e-commerce, compared to physical channels, have given consumers more benefits and a variety of choices on both products and services, many industry analysts, however, attribute the slow growth of SMEs to a lack of awareness of e-commerce applications.

Besides human capacity, one other obstacle that SMEs face is related to issues of finance. A commonly cited reason behind SMEs' slow adoption of ICT marketing is that they lack the financial muscle. Apulu, Latham and Moreton (2011) observe that one problem that SMEs face is lack of access to capital. According to the authors, the development of SMEs becomes constrained by the limited financial resources to meet a variety of operational and investment chores. The source continued to argue that in Nigeria many SMEs struggle with high costs of ICT implementation, which leads to such companies not adopting ICT, but rather using the available resources for other purposes, which they believe could bring about fast profits. Paul and Pascale (2013) points out that many SMEs in Africa face problems in the formulation of innovation strategies because of the limited range of technological competencies and limited financial resources. The cost of deploying ICT systems and services is high and is a disadvantage for SMEs. Lastly, legal frameworks present another obstacle to ICT adoption by SMEs because it mainly applies to on-line transactions.

Besides the four barriers to ICT adoption by SMEs, Ritchie and Brindley (2010) also note three barriers, namely external pressure, which are requirements by trading partners and competitiveness from other players, organisational readiness and perceived benefits of the technology. The observations align to Modimogale and Kroeze's (2011) categories of barriers that prevent SMEs from adopting ICT and ICT marketing, which consist of the following: lack of knowledge about the strategic use of ICT by owners, lack of necessary IT skills base, perceived high setup cost of ICT and the ever-changing ICT environment. The authors continue

to note that limitations of owner-managers can be a huge challenge for the implementation of ICT by SMEs. For instance, the owner's intuition and styles of management have important consequences for the way in which he evaluates and uses technology. Their personal skills and mind-sets influence their organisation's culture. In other words, if the owner is technology averse, it becomes difficult to adopt ICT and use it as a marketing tool by the organisation. Furthermore, forcing the introduction of technology by owners on their workforce is one of the main reasons that may lead to the failure of SMEs to simply adopt ICT Marketing.

Culture and lack of knowledge are other mitigating factors to the challenges that confront SMEs as regards the adoption of ICT as a marketing tool. Ongori (2009), in a study conducted in Botswana, found three major barriers to ICT adoption. Firstly, SMEs' limitation in terms of funds, reported by 84% of firms. Secondly, a lack of internal and external manpower, reported by 77% of firms. Thirdly, a lack of awareness of ICT benefits, reported by 73% of firms" (in Ferreira, 2013, p. 107). Jones (2014) identified similar challenges faced by micro-enterprises in their attempts to adopt ICT. According to the author, the enterprises often have little or no training in ICT use and a lack of awareness of the benefits to be accrued from its adoption.

One other challenge noted by Rahnama and Beiki (2013) is that technological advancement that comes with the adoption of ICT has made the world a smaller place. This development has opened up enormous business benefits in the entire globe, which may be seen as healthy in a competitive market, but pose threats to existing market share with the entry of foreign giants in the domestic markets. SMEs compete with mature businesses, which, in most cases, are advanced in their use of ICT for the same clients.

In agreement with what other researchers have noted, Ongori and Migiro (2010) go on to summarise the challenges in the adoption of ICT as those that include, among others, high costs of access to telecommunication, lack of understanding of ICT benefits by users, lack of skilled and trained manpower, cost of ICT equipment and resistance to change by the concerned organisation. Cragg and King (in Ongori & Migiro, 2010) highlighted that a lack of information system knowledge is the strongest inhibiting factor for the adoption of ICT and its implementation in businesses.

The challenges discussed above serve as advice for SMEs to take note of as they adopt ICT for marketing. As noted earlier on, SMEs should view these as obstacles that they can overcome to be visible in the competitive world that they are part of.

2. 8 Strategies to enhance the adoption of ICT marketing by SME's

From an international perspective, Mutula and Brakel (2007) remark that at the top of their development agenda, the European Union Member States advocates for capacity building strategies which involves investing in skills development for Small and Medium Enterprises. França et al.'s (2014) note that the speed with which technological and economic changes emerge in the social and business world of entrepreneurs calls for more adaptive attitudes and behaviours in order to maintain the competitiveness of businesses. Eventhough SME's have a potential to assist in job creations and boosting the country's economy, they face challenges in adopting to ICT and ICT marketing, hence the need for interventions from stakeholders. An observation made by Iacovou et al., (2009), in Ardjouman (2014), is that, because of their structural characteristics, SME's need financial support more than established companies.

On the same token, Chinyanyu, Lorraine and Mathys (2011) remark that besides the pressure from customers, suppliers and competitors, government interventions can also either drive or deter the adoption of ICT by SME's. To this, Andoh-Baidooa, Osatuyia and Kuneneb (2014) states that governments of developing nations have been encouraged to come up with technology policies which can fuel the development of ICT infrastructure by agencies such as the International Telecommunications Union, International Monetary Fund and the World Bank. This initiative would benefit small organisation, as infrastructure would be provided for them, consequently reducing the cost for such businesses.

Furthermore, Consoli (2012) posits that to stimulate ICT investment in SMEs and to encourage SMEs to adopt ICT for various purposes, which includes ICT marketing in their businesses, it is key in the development of public policies to remove the digital divide by enabling free internet access and by supporting the training of the users. The role of government involves the development of sound policies and supportive regulatory and policy frameworks that would cater for SMEs. This can further help with the legal framework that is viewed as a barrier to the adoption of ICT as a marketing tool.

In addition, as a way of assisting growth and success, governments are viewed to be liable for the establishment of an environment that would enable of SME competitiveness. Uden (2007) goes on to indicate that in Taiwan, the government took an initiative to strengthen stakeholders such as the government itself and private sector roles in improving basic ICT skills together with developing frameworks to boost e-business skill formation and higher ICT level within the country. These government measures will in the end contribute to the success of SMEs, as the owner, customer and prospective partners would all be ICT aware and knowledgeable.

Abd, Norjaya and Yasin (2004) note that the challenge for firms in this global and competitive world is to create appropriate ICT environment by exploiting new media and technologies in developing countries. They continue to state that companies should enhance customer relationship marketing that requires maintaining competitive advantage in a digital economy, and therefore the need to invest in ICT. To do that, SME's management should pre-train to their employees on ways of using ICT systems in their organizations business and raise full awareness among the employees.

Sánchez, Ruiz and Zarco (2007) advance that the path to full awareness of the benefits of ICT adoption for SMEs ought to move from introducing concrete and limited benefits for the company followed by the presentation of more general and long-term advantages. If carried out diligently, SMEs introduction and usage of ICTs can bring reforms in the way the organisation runs its operations including the way it adopts ICT marketing. The authors go on to indicate that the managers' background on the relevance of the adoption of ICT by the SME is key as well as their openness to innovation orientation (Argyres, 1999; Tzokas & Saren, 1997; Wei & Morgan, 2004).

Uden (2007) notes that knowledge management can be used to increase productivity, effectiveness and efficiency for SMEs daily operations. According to Uden (2007), knowledge is at the heart of any business. If SMEs master knowledge, their businesses will thrive. Sánchez, Ruiz and Zarco (2007) go on to advocate adequate training and support for the users. In their view, the adoption of on-going training solutions can be pivotal in increasing ICT awareness. Pansiri and Temtime (2008) furthermore suggested relevance of incorporating entrepreneurship in the education system, development and investment strategies and policies for SMEs. As earlier discussed on the barriers of the adoption of ICT marketing, it is

worthwhile to outline that one of the difficulties for SMEs in exploiting ICT's marketing potential is the failure to be aware of the benefits to be gained out of the full utilisation of ICT marketing. Another difficulty is both managers and their employees may have slight or no explicit training on ICTs, both at application and methodological levels, and therefore failing to appreciate the relevance of ICT in the company. This is where education plays a vital role in changing the mind-set of businesses.

In a nutshell, a strategy for the adoption of ICT marketing by SMEs includes, among others, the introduction of ICT-based solutions gradually to the workforce as well as getting adequate ICT training and support for all users in the organisation. It also involves developing full awareness of the capabilities of ICT within the workforce to their business. Governments should also create enabling conditions for SME's.

2.9 Conclusion

Literature reviewed in this chapter clarified the concept of SMEs and their importance. The chapter further covered the definition of ICT, ICT in Botswana, and related theories to ICT adoption, ICT marketing and international perspectives on the adoption of ICT marketing by SMEs. Furthermore, the chapter discussed opportunities evident in the adoption of ICT as a marketing tool for SMEs. The challenges faced by SMEs in the adoption of ICT as a marketing strategy were examined. Lastly, the chapter interrogated the strategies that could be used to enhance the adoption of ICT marketing by SMEs. The next chapter focuses on the research design and methodology. It discusses the data collection and analysis techniques. It also posits issues on the questionnaires and the interview questions that were used to gather information about SMEs in Botswana.

Chapter 3

Research Design and Methodology

3.1 Introduction

This chapter describes the research design, methods and techniques employed in this study in identifying the opportunities and challenges in adopting ICT marketing by SMEs in Botswana.

The data collected was aimed at addressing the research questions, recapped below:

- i. What is ICT and ICT marketing in Botswana?
- ii. What are the opportunities in the adoption ICT that SMEs in Botswana can utilise to improve the market?
- iii. What challenges are faced by SMEs in the adoption of ICT in improving markets?
- iv. What are the strategies deployed to enhance the adoption of ICT marketing for SMEs in Botswana?

3.2 Research Philosophy

3.2.1. Pragmatic approach

In research, philosophies comprise how the researcher views the world of research. In this study, the researcher adopted a pragmatic research approach. The pragmatic approach involves the use of either qualitative or quantitative research or both. The rationale behind a pragmatic approach in this study is for the researcher to complement the weaknesses of each research philosophy and consequently come up with a best to collect and analyse relevant information. The researcher, in adopting the pragmatic approach, took advantage of different philosophical approaches and used various data sources from multiple perspectives in order to interpret the results of empirical findings.

The different techniques have been adopted to enable the researcher to use different data collection techniques. For example, the researcher administered the questionnaire (see Annexure A) to 100 SMEs and then administered interview questions (see Annexure B) to ten SMEs in order to close the gap between the responses from the questionnaire through this interview process.

3.3 Research design

According to Harwell (2011), research design refers only to the methodology of a study such as data collection and analysis. It is a general plan about what the researcher would do to answer the research question. Research designs can be categorised into two; the exploratory and the conclusive.

3.3.1 Exploratory Mixed Method Design

For purposes of the study, the exploratory design was used. The design denotes that the results of the first method can help develop or inform the second method. The design is viewed as appropriate if a researcher wants to generalise results to different groups. Exploratory research, aims to explore specific aspects of the research area. It does not aim to provide final and conclusive answers to research questions. According to Saunders, Lewis & Thornhill (2012), exploratory research design simply explores the research questions, that's leaving room for further researches. In addition, the data collection in this design is flexible and does not have set procedures.

3.4 Research Approach

This study gathered the opinions on SMEs on the perceived and experienced opportunities, challenges and strategies in adopting ICT marketing for SMEs in Botswana. A mixed methods approach was adopted to investigate the research problem. Quantitative research is significant in measuring quantifiable values and in generating statistics used to understand the variables under study. The qualitative approach captures the perception of participants, attitudes and emotions of participants, which cannot be captured by the quantitative approach. The two approaches complemented each other for triangulation of data in the study.

3.5 Research Methodology

3.5.1 Introduction

In order to explore the nature of the opportunities and challenges SMEs face in adopting ICT marketing, this study used a quantitative methodology based on a survey approach. This section

therefore discusses the population, sample and sampling technique as well as the data collection and analysis and interpretation processes.

3.5.2 Population

Ary, Jacobs & Sorensen (2010) describes population as the entire group of individuals to whom the findings of a study apply. Dencombe (2007) defines a population frame as an objective list of the population from which the researcher can make their selection. The population of this study consists of all SMEs in Gaborone, Botswana. There are few records on SMEs in Botswana, due to the nature of the business with less legal and registration requirements to start-up the business. The researcher used convenience sampling to purposively select 100 SMEs to which to administer questionnaires and 10 SME managers for interviews from the Gaborone region only.

3.5.3 Sample

Ary, Jacobs and Sorensen (2010:148) define a sample as “a portion of a population.” According to the authors, sampling involves taking a portion of the population, observing it and then generalising the findings to the parent population from which the sample was drawn. Sampling can be described as a technical accounting device to rationalise the collection of information. Bless, Smith & Kagee (2009) explains that sampling means abandoning certainty in favour of probability. It is viewed as the most practical method of data collection. One of the advantages of sampling is that when data is gathered on a sample, it is less time consuming and a larger population may be spread over a larger geographical area. Mugenda & Mugenda (2003) explains sampling design as a research plan that points out how cases are to be selected for observation or as respondents. When doing research, the general rule-of-thumb when using a small populations is that one has to have not less than 30 respondents, but for bigger populations, a representative sample depends on the mode of selection. According to Hill (2008), a sample of 10% is representative.

For purposes of this study, the researcher used accidental sampling. Accidental sampling, a form of convenience sampling was selected on the basis that, it allowed the researcher to select a population that is easily accessible to the researcher. According to Ross (2005), a sample of convenience describes which elements have been selected from the target population on the basis of their accessibility to the researcher. Accidental/convenience sample was used because

it is situated administratively near to where the researcher conducts data collection. There were many sparsely scattered SMEs and reaching them would take more time for the researcher, given the limited time for the study.

The main assumption in convenience sampling is that the members of the target population are homogeneous. Convenience sampling is easy to carry out as there are few rules governing data collected. Furthermore, the cost and time required to execute a convenience sample are lesser. Hence, this enabled the researcher to reach the sample size that is wanted in a quick and economical way. The participants were conveniently selected based on their knowledge about the subject and willingness and availability to participate in the study.

The sample for this study was conveniently chosen from all SMEs that operate in Gaborone. The researcher opted to use a small sample of 110 SMEs, of which 100 were asked to respond to questionnaires and 10% of that number were asked to respond to interview questions. The justification was influenced by Hill (2008) who suggests that a small sample is justifiable when it is not economically feasible to collect data from a larger sample. As stated earlier in the limitations of the study, time and finance were a problem for the researcher. Another factor that influenced the sample selection is that there were no official figures of the total SMEs in Gaborone, except for the estimates done by the taskforce of 1998 and BIDPA (*n.d*) of SMEs in the country. Based on this, the sample size selected is considered representative and comprehensive in the coverage of the study objectives and economical in terms of time and money.

The researcher, ensured diverse participants by selecting SMEs from different industries and specialise in different business lines. For example, once two businesses in the fashion design industry were selected, then they acted as a proxy for the fashion design industry and consequently the next selection avoided participants from fashion design industry, but other industries. The homogeneity of the groups was dealt with by focusing on SMEs at different operational levels, with some small and others slightly bigger. These SMEs were at different developmental stages and their monthly business turnover was different. Moreover, Gaborone was selected on the basis that it is the capital city of Botswana, with a concentration of SMEs entrepreneurs from different regions, who come to start their businesses in Gaborone.

Therefore, SMEs in Gaborone form a true representation of SMEs in Botswana, due to the variety of business set-ups, entrepreneurial skills and backgrounds from different regions.

3. 6 Data collection

3.6.1 What is Data and Data collection?

Data may be defined as the quantitative or qualitative values of variable. Bless, Smith & Kagee (2009) defines it has facts expressed in the language of measurements. After being collected, and for it to be understood and to communicate, data has to be interpreted into meaningful information. Data collection refers to a process of preparing and collecting data that would help answer the research problem

There are different types of data being the quantitative, qualitative and mixed method. For the purpose of this study, the researcher used the quantitative and qualitative ways of collecting data.

Dawson (2002) defines quantitative research as a research method that generates statistics through the use of large-scale survey research. The author notes that methods such as questionnaires or structured interviews can be used to get data. The advantage of this type of research is that it reaches a lot of people and the contact with those people is much quicker. Quantitative research can be expressed numerically. One challenge noticeable with this form of data collection is that it does not provide critical information needed to interpret that data.

In this study, quantitative data was collected through a questionnaire. The first section of the questionnaire (Annexure A) provided demographic information, followed by section 2, which had closed-ended questions. The closed-ended questions required participants to indicate their options given a list of choices. The open-ended questions were in section 3 and provided respondents with a chance to express their views based on questions relating to ICT adoption by SMEs.

To reduce inconsistencies, quantitative data was edited, summarised and coded for easy classification in order to facilitate tabulation. Interpretation and descriptive statistics were used in describing the sample data. This was meant to reveal the general response pattern by the participants. These statistics were generated by the use of computer software Statistical

Package for Social Sciences (SPSS). SPSS offers broad data handling capability and numerous statistical analysis routines (Muijs, 2004).

Graphs and tables were used to display the various analyses of the study. Descriptive statistics such as frequencies and percentages were used to depict information on the demographic profile of the respondents. Tables and graphs were used to compare the awareness level and patterns of the adoption of ICT marketing among SMEs in Botswana as well as to look at factors that influence ICT adoption choices by the sector.

Qualitative research on the other hand, explores attitudes, behaviour and experiences (Dawson, 2002). It is done through methods such as interviews. The method uses measurement to record and investigate aspects of social reality. The form of research methodology attempts to get an in-depth opinion from participants. However because it is gathered and analysed by a researcher, it can be more subjective.

Using convenience sampling, qualitative data was collected through an in-depth interview (Annexure B) with 10 SME managers. A total of 10 managers formed a tenth of the sample size for questionnaires and the interview process closed the gap between closed-ended and Likert-style questions. The empirical qualitative information was based on finding out experiences, attitudes and opinions of the participants as the interview generated descriptive conversations as opposed to using only numerical data. In conducting the interview (Annexure B), the researchers applied, interpreted and drew conclusions based on personal opinions to the research problem. A thematic approach was used, where the data was analysed using the main themes in the responses given by the respondents.

3.6.2 Data Sources

There are different ways to get the information that is needed in a research. This can be done through the use of primary or secondary sources.

According to Bless, Smith & Kagee (2009) primary data is where a researcher collects own data for the purpose of their study as a way of answering the questions raised by the researcher. Can be done through the use of questionnaires, interviews or observations. The researcher collects data that have not been collected before. Primary data collection allows the researcher to have an opportunity to interpret and present data better. However, one of the challenges with

this source of data is that sometimes the researcher may get inaccurate feedbacks and it may become time consuming especially when using tools such as interviews. For the purpose of this study the research used questionnaires and interviews to collect data

Secondary Data Collection is data that is retrieved from pre-existing sources or data that is being re-used. (Bless, Smith & Kagee, 2009) The secondary sources consist of readily available collections and already compiled statistical statements and reports whose data may be used by researchers for their studies. As is the case with this study, reports from governments, journals, unpublished records, books and the internet were used as secondary data. This source required less time and was not costly.

3.6.3 Data Collection Techniques

Research instruments/ tools or techniques are devices used to collect data. According to Parahoo (1997), a research instrument is “a tool used to collect data. An instrument is a tool designed to measure knowledge, attitude and skills” (Parahoo, 1997:325). There are assorted techniques that can be used when gathering data.

Two forms of tools were used to collect data; being the questionnaire (Annexure A) and the interviews (Annexure B). A questionnaire is a tool used for data collection and consists of standardised series of questions that relate to the research topic and have to be answered in writing by the participants, (Bless, Smith & Kagee 2009). The authors further state that, an interview as a research tool is based on a series of questions relating to the research topic that has to be answered by research participants. This is face to face conversation between the researcher and the respondent.

According to Ary, Jacobs and Sorensen (2010), for convenience, a questionnaire is used as it is cheap and quick to administer. Furthermore, a questionnaire tool allows respondents to complete it at the most convenient time. The tool used a Likert scale to measure perceptions, attitudes, values and behaviours. Few closed-ended questions were part of the questionnaire. The choice of questions was based on the research objectives of the study.

In this study, a close-ended questionnaires (Annexure A) was administered to the participants. The first section of the questionnaires requested for general information about the respondents.

It included five background questions. The second section was designed to collect information about the opportunities, challenges and strategies for improvement on the adoption of ICT marketing for improved SME performance in Gaborone. 100 copies of the questionnaire were produced and distributed and an 80% return rate was recorded.

Questionnaires as a data collection tool were the most effective data collection tools as entrepreneurs were given time to answer the questions. The Likert-style and closed-ended questions measured the concentration of respondents' perceptions whether on the favourable side of the question or unfavourable.

The interview closed the gap between closed-ended questions and reasons for the choice. The interview was an in-depth one, with structured questions, which the researcher used to probe further. The rationale was to standardise the questions to different SMEs and get a view on the basis of the same question structure. The questionnaires were mostly self-administered though with the help of research assistants in some cases.

3.7 Data Analyses Technique(s)

In this study, data source triangulation will be followed. The researcher will ensure that evidence provided is corroborated by at least 3 sources which includes, participant questionnaires, theoretical data and documentary evidence which provides validity to the research in terms of triangulation (Trochim, 2002; Welman & Kruger, 2001; Winegardner, date unknown). The data which will be collected by questionnaire, will be coded. The coding will be on the questionnaire itself and the codes will be entered into the spreadsheet manually. The summary will be taken on different forms, such a tabular or graphic display. This display will provide the researcher with useful information in and of itself, and provides the foundation for more analysis at a later stage. The researcher will use the content analysis method as a means to analyze data extracted from the interview questions and official documents from the different government departments as well as any other documents viewed as relevant to the study.

3.8 Data presentation and discussion

The researcher presented data according to sections related to the research questions as informed by the quantitative analysis conducted. The presentation of data follows the form that

answers each research question in sequence. Data in this study is presented in text, table, and graph format. Tables provide structured numeric information. Graphs were used to demonstrate trends, making comparisons or showing relationships. Frequency distributions were used to organise data, to give meaning to the response rates and to facilitate insight into the study.

3.9 Ethical considerations

In conducting the research, the protection of participants, privacy and voluntary participation without any inducement was taken into account. Participants were required to sign an informed consent form (Annexure C), where the contents of the expectations were explained to them.

Consent

There was consent from all the participants after the participants were informed about the purpose of the research through briefing and a consent letter. There was no inducement to participate or get information or favours from the participants

Withdrawal from the investigation

From the onset, participants were informed of their right to stop participating at any stage of the research if they so wish to.

Confidentiality

In conducting the research, the researcher maintained confidentiality on data gained from the participants and participants were kept anonymous.

Protection of participants

The researcher in conducting the research ensured participants were not subjected to any distress. Participants were not physically, psychologically or emotionally harmed during the research. They were asked to sign an informed consent form where the contents were explained to them before the exercise was carried out.

Data protection

The researcher ensured that the Data Protection Act of 1998 was conformed to. The participants were reassured privacy for information received and no access was given to those who have no authority of viewing it. The information collected was only used for the purpose of the research.

Reporting results and plagiarism

As an ethical researcher, information collected was not fabricated nor falsified in research publications. Care was taken to avoid presenting work of other researchers work as own. Furthermore, throughout the research credit was genuinely given to work of other researchers by citations.

Inducement to participate

There was no inducement to participate to obtain information or favours from participants. The full disclosure policy was adopted to allow consent of participants without any form of pressure of any kind.

3.10 Conclusion

This chapter discussed the methodology that was used for this research study. Quantitative and qualitative research methods were employed. Convenience sampling facilitated the selection of the participants. Interviews conducted facilitated the gathering of data. Following the presentation of data, a discussion of the results of the research are presented in the chapter that follow.

CHAPTER 4

Data analysis and presentation

4.1 Introduction

The previous chapter, Chapter 3, presented the design and methodology of the study. This chapter presents the empirical findings from the data collected during the research process. Presentation and interpretation of data are described, according to Creswell (2013), as the process of examination of information collected aimed at providing answers to research questions and objectives. Data presentation is based on information collected from 80 questionnaires and 10 interviews as part of the research process from SMEs.

4.2 Analysis of data and presentation

100 questionnaires were distributed and a total of 80 SMEs responded to the questionnaires with the response rate representing 80% of respondents. The response rate was high and fairly spread across the area, and therefore the researcher could perceive the results from the response as meaningful. The results can be used as indicative of the levels and challenges of ICT adoption by SMEs in Botswana. The researcher used SPSS to analyse the results. The researcher adopted a pragmatic approach (mixed method), where qualitative and quantitative approaches provided the foundation for an in-depth analysis of the data collected.

4.2.1 Demographic characteristics

Variable n=80		Frequency	Percentage
Gender	Males	43	53.8%
	Females	37	46.2%
Age group	18-25 years	0	0%
	26-35 years	30	37.5%
	36-45 years	27	33.8%
	46-55 years	14	17.5%
	56 years & Above	9	11.3%
Education	Primary certificate	5	6.3%
	High school certificate	12	15%
	University diploma/ degree	33	41.3%
	Post-graduate	25	31.3%
	Other	5	6.3%

Figure 4: Biographical data

Figure 4 summarises biographical data of the sample size of 80 SMEs from which the data was collected. The results indicate that 53.8% of the respondents are male, and 46.2% of the respondents are female. The marginal difference is not large suggesting a minor influence of gender on SMEs and ICT adoption. However, it seems more male participants manage SMEs and participated in the study compared to female participants. Overall, the gender results were used to conclude that more males manage SMEs in Botswana than their female counterparts. The development of ICT marketing is hence skewed more toward adept to males compared to females.

With regard to the age distribution of respondents, the results revealed that 37.5% were the majority participants in the age group 26 to 35 years, followed by 33.8% who are in the age group 36 to 45 years. Those who are in the age group 46 to 55 years formed 17.5% of the

distribution, while the minority group was made up of 11.3% of the participants in the age group 50 years and above. The results suggest the majority of SME entrepreneurs are young adults, a plausible indication of ICT trends locally and globally.

Further, the majority of the participants are educated, with the highest response rate of 41.3% having at least a degree or a diploma, followed by 31.3% of the participants with a master’s degree. A total of 15% of the participants had a high school certificate, with the minority response of 6.3% having primary and other qualifications, respectively. The results indicate most participants have an academic qualification to undertake a SME business. The level of education determines the conceptual skills required to manage SMEs and participants’ ability to comprehend ICT related issues in their business. Therefore, the responses from the participants are from a well-informed group, which are information repositories on managing SMEs and in adopting ICT marketing for the enhancement of the businesses.

4.2.2 ICT Usage

This section presents data dealing with ICT tools that are currently adopted by SMEs in Gaborone.

Table 1: Tools used in ICT

Tool	Percentage Response
Cellular phones	100%
Internet and e-Mail	60%
Radio	52%
Computers and networks	45%
Television	40%
Fax	20%

The respondents indicated that they use a combination of many ICT tools in their businesses. This is in line with current business trends where ICT adoption is key to marketing success. Among the mostly used tools are cellular phones, with all participants indicating they make use of cellular phones, followed by internet and e-mail, 60% with 45% of all the participants indicating they make use of computers and networks. The fax machine is used by only 20% of the respondents, while television and radio are used by 40% and 52% of the respondents,

respectively. From the information above, cellular phones and internet are the most common ICT tools used in SMEs.

4.2.3 Benefits of ICT marketing in SME’S

The findings from participants who indicated ICT facilitates innovation are outlined below:

Table 2: Facilitates Innovation

Scale of Responses		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	50	62.5	62.5	62.5
	Strongly Agree	30	37.5	37.5	100.0
	Total	80	100.0	100.0	

The results from the findings indicated that there is an agreement among the respondents that ICT adoption facilitated innovation. Therefore, the results indicate that the majority of the participants strongly agreed and agree that ICT adoption as a marketing tool facilitates innovation. The participants displayed a positive view of the relation between ICT adoption and innovation.

The participants were asked whether or not ICT adoption accelerates transactions. The findings from empirical results obtained are summarised in Table 3;

Table 3: Accelerates transactions

Scale of Responses	Frequency	Percent	Valid percent	Cumulative Percent
Don't Know	1	1.3	1.3	1.3
Agree	57	71.3	71.3	72.5
Strongly Agree	22	27.5	27.5	100.0
Total	80	100.0	100.0	

The majority of the participants, (71.3%+ 27.5%) 98.8% agreed that ICT adoption facilitates transactions. Those who did not know were 1.3% of the participants. The findings indicate that the majority of participants at 98.8% agreed that ICT adoption facilitates transactions. The facilitation of transaction presents benefits relating to ICT adoption which provides SMEs with a business opportunity to expand their growth initiatives using ICT marketing. Therefore, there are more benefits and opportunities for business growth and expansion for SMEs that have adopted the use of ICT.

The participants were asked whether or not ICT adoption reduces costs of business. The findings from empirical results obtained are summarised below;

Table 4: Reduced costs

Scale of responses	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Don't Know	10	12.5	12.5	12.5
Agree	40	50.0	50.0	62.5
Strongly Agree	30	37.5	37.5	100.0
Total	80	100.0	100.0	

The relationship between benefits of cost reduction and ICT adoption is observable from empirical findings. The highest score of 87.5% (50%+37.5%) indicated that participants agreed that ICT marketing reduces costs of business. Those who do not know were 12.5%. These

results indicate that the majority of the respondents agree to the fact that ICT as a marketing tool reduces costs of transactions. The adoption of ICT marketing by SMEs provides an opportunity to improve on the profitability given lower costs of operations and these could bring about a competitive advantage through lower costs of operations in Botswana. Reduced operational costs provide SMEs with an opportunity to improve profitability.

The following results were obtained from the empirical findings, when the participants were asked their view on whether the ICT adoption improves market access and competitiveness.

Table 5: Market and competitiveness

Scale of responses		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Don't Know	5	6.25	6.25	6.25
	Agree	8	10.0	10.0	16.25
	Strongly Agree	67	83.75	83.75	100.0
	Total	80	100.0	100.0	

The distribution of the response indicates that most participants agreed (83.10% +10%) that ICT adoption brings about market access and competitiveness. The findings indicated positive benefits to SMEs of adopting ICT which presents opportunities in the form of market access and high levels of SMEs competitiveness in marketing. Those who indicated that they don't know were 6.25%. The market growth for SMEs highly depends on their ability to access the market and improved competitive advantage over and above key competitors in the industry.

The participants were asked if the adoption of ICT improves productivity. The summary of the results from the respondents are given in Table 6;

Table 6: Improved productivity

Scale of responses		Frequency	Percent	Valid Percent	Cumulative Percent
valid	Don't Know	6	7.5	7.5	7.5
	Agree	61	76.25	76.25	83.75
	Strongly Agree	13	16.25	16.25	100.0
	Total	80	100.0	100.0	

Relationship between ICT adoption and SME productivity is viewed as an important element in providing benefits and opportunities for improved growth to SMEs. In response to the question on whether ICT adoption improves productivity, the majority of the participants with a response rate of 76.25% and 16.25% indicated that they agreed and strongly agreed respectively that the adoption of ICT improves productivity. An increase in productivity presents benefits to SMEs in adopting ICT, hence an opportunity to improve profitability. The minority response rate was 7.5% did not know. Suggestions are that those who do not know have no clear answer on the relationship between ICT adoption and productivity.

The findings from the participants on their views on whether or not the adoption of ICT improves efficiency are summarized below.

Table 7: Improved efficiency

Scale of responses		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Don't Know	5	6.25	6.25	6.25
	Agree	51	63.75	63.75	70.0
	Strongly Agree	24	30.0	30.0	100.0
	Total	80	100.0	100.0	

The majority of the participants, (63.75%+ 30%), agreed that ICT adoption improves efficiency. There is a positive relationship between efficiency and profitability as indicated by

the response rate of those who agreed. However, a total of 6.25% participants were did not know.

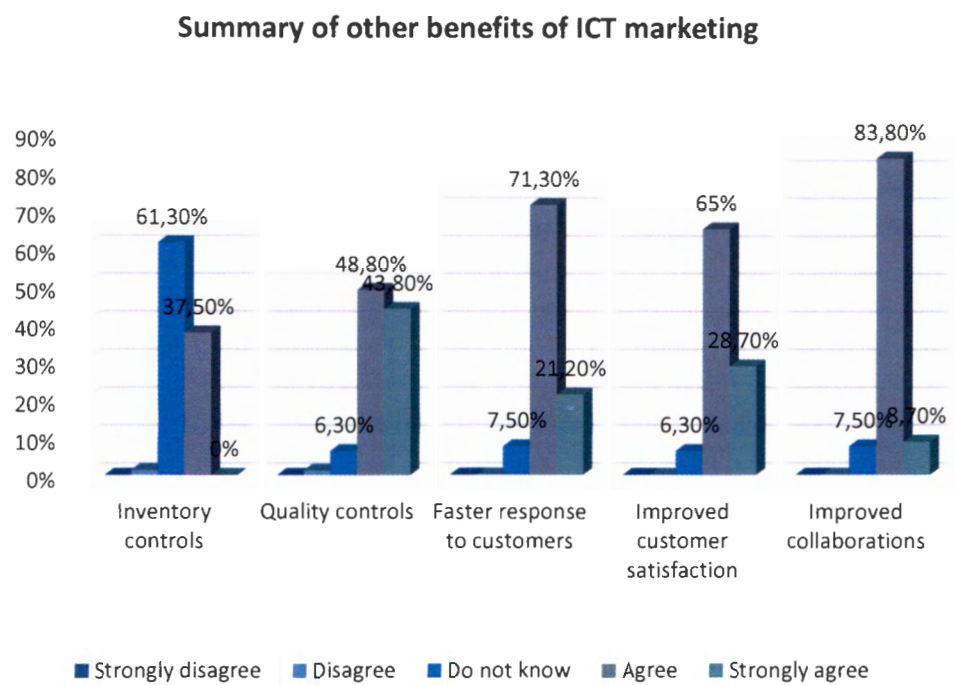


Figure 5: Summary of other benefits of ICT marketing

From the figures above, the highest proportions (61.3%) did not know about ICT adoption and inventory management benefits, while 37.5% knew about the relevance of ICT in inventory controls. The minority response rate of 1.3% disagreed. Hence participants are not informed about the cumulative benefits of ICT for purposes of inventory control which could improve opportunities for increased efficiency. The results indicate that the majority of respondents are not sure about ICT benefits relating to inventory control.

When asked about the benefits of ICT on quality controls, (48.8% + 43.8%), 92.6% of the respondents agreed that ICT assists in quality controls. The minority response rate of 6.3% and 1.2% did not know and disagreed, respectively. The results show that the majority of the participants pegged at 92.5% have realised the benefits of ICT in terms of quality control. Quality control benefits attributed to ICT present opportunities for SMEs to expand, based on internal operational benefits presented by adoption ICT marketing.

The participants were asked whether or not the adoption of ICT results in faster response to customers. The majority of the participants (71.3% + 21.2%) 92.5% indicated that they agree. High response to customer needs improves turnaround times and hence presents an opportunity for SMEs to serve more customers. A minor response rate of 7.5% of the participants indicated that they did not know whether or not the adoption of ICT results in faster response to customers. The results indicate that most of the participants have realised the benefits of ICT adoption to faster response to customers.

In further investigating the benefits of ICT, the researcher inquired from the participants to indicate whether or not the adoption of ICT may lead to improved customer services. The majority (65% + 28.7%) 93.7% agreed that ICT adoption leads to improved customer services. However, there were 6.3% of the minority responses who did not know much about benefits of ICT adoption in terms of improved customer satisfaction.

The researcher enquired whether or not ICT adoption leads to improved collaboration. A total of (83.8 + 8.7%) 92.5% of the respondents agreed that ICT adoption does improve collaboration, while a minority response of 7.5% was neutral. The results generally indicate that the majority of the participants agree that there are indeed benefits that accrue from ICT adoption in terms of improved collaboration which presents a growth opportunity.

4.2.4 Challenges of ICT marketing for SMEs

No	Question 7	Strongly disagree	Disagree	Do not know	Agree	Strongly agree
	Lack of ICT access	0%	0%	13.7%	56.3%	30%
	Lack of awareness and market access	0%	0%	12.5%	48.5%	40.8%
	Personal/ cultural beliefs	0%	0%	7.5%	47.5%	45%
	Lack of management support and commitment	0%	1.3%	13.7%	41.3%	43.7%

High transaction costs	0%	0%	7.5%	42.5%	50%
Quality of ICT personnel	0%	0%	12.5%	51.2%	36.3%
Compatibility issues	0%	0%	6%	71.5%	22.5%
Lack of skilled ICT personnel	0%	0%	7.4%	48.8%	43.8%
Ineffective integration of ICT and business	0%	0%	6.3%	63.7%	30%
ICT marketing expensive	0%	0%	31.2%	27.5%	41.3%
Complex procedure	0%	0%	6.3%	60%	33.7%
Limited diffusion of computers	0%	0%	8.8%	42.5%	48.7%
Resistance to change	0%	0%	7.5%	67.5%	25%

Figure 6: Challenges of ICT marketing

The highest proportion (56.3% and 30%), 86.3%, agreed that a lack of access to ICT among SMEs is the major challenge in making the decision to adopt marketing on ICT-enabled platforms. This was followed by 13.7% of the participants who did not know whether a lack of ICT access is the major challenge in ICT adoption. The results indicate that the majority of the participants are of the view that lack of ICT access is the major challenge to ICT adoption.

The lack of awareness and market access were also highlighted as some of the major challenges in ICT adoption. A total of (40.8 + 48.5) 89.3% of the participants indicated that a lack of awareness and market access negatively affected ICT adoption. It was only 12.5% of the participants who did not know how lack of awareness and access to market is a major challenge to the adoption of ICT.

Moreover, personal and cultural barriers were part of challenges noted in the adoption of ICT in SMEs, with (47.5% + 45%) 92.5% of the participants agreeing that personal and cultural

beliefs form part of the major elements that negatively affect the adoption of ICT in their SMEs. 7.5% of the respondents did not know.

Lack of management support and commitment were highlighted as major challenges, with (43.7% + 41.3%) 85% agreeing that a lack of management support and commitment hinder the adoption of ICT. A total of 13.7% respondents indicated that they did not know whether a lack of management support affects the adoption of ICT, while 1.3% disagreed that a lack of management support is a challenge of the adoption of ICT marketing. The results suggest that the majority of the participants (85%) view lack of management support and commitment as one of the major attributes that affects the implementation of ICT.

The high levels of transaction costs were identified as major challenges in ICT adoption. Among the 80 respondents (50% + 42.5), 82.5% agreed that ICT adoption is associated with high transactional costs, which acts as a major challenge in the adoption of ICT, and 7.5% of the participants not knowing the financial implications that may be brought about by the adoption of ICT.

The quality of ICT personnel was identified as one other challenge in the adoption of ICT marketing by the majority of the respondents. (51.2% + 36.3%) 87.5% of the respondents noted that the quality of ICT personnel in their businesses is a barrier, while the remaining 12.5% did not on that attribute. Moreover, compatibility issues were viewed as another key challenge to the adoption of ICT. A total of (71.5% + 22.5%) 94% of the participants agreed with the fact that compatibility issues affect ICT adoption.

Furthermore, a lack of skilled personnel was highlighted as one of the main challenge affecting ICT adoption. The majority of the participants, (48.8%+ 43.8), 92.6%, agreed that a lack of skilled personnel affects ICT adoption. Those who indicated that they did not were 7.4% of the respondents. The results therefore indicate that the majority of the participants, 92.6%, generally view a lack of skilled personnel as one of the major challenges.

Those who agreed that ineffective integration of ICT to business was a major challenge were (63.7% + 30%) 93.7%. The minority response of 6.3% did not know. The results generally show that most of the participants (63.7 + 30) 93.7% concur that integration between ICT and

business is one of the major challenges of ICT adoption. Some of the participants, (41.3% + 27.5%) 68.8% highlighted that they agree that ICT marketing is expensive, while 31.2% did not know as they neither agreed nor disagreed. The cumulative 68.8% of the respondents show that the majority of the participants agree that ICT marketing is expensive and consequently affects the implementation of the ICT process.

Those who perceived that ICT adoption has complex procedures affecting the adoption were (60%+ 33.7%) 93.7%. Those who did not know were 6.3% of the respondents. Consequently, the majority of the participants 93.7% are of the same view that ICT has complex adoption procedures that pose as the major challenges. A total of (48.7% +42.5%) 91.2% of the participants agreed, and 8.8% were did not about limited diffusion of ICT adoption. The results, when generalised, may indicate that the majority of ICT adoption is affected by limited diffusion of computers. Limited diffusion affects the operational efficiency of SMEs. ICT adoption in the business is key to transactional and information management efficiency in SMEs.

Moreover, resistance to change contributes to challenges relating to ICT adoption. The majority of the participants, (67.5% +25%), 92.5%, agreed that resistance to change affects ICT adoption and implementation among SMEs. Resistance to change affects SMEs ability to adopt ICT and take advantage of market opportunities brought about ICT.

4.2.5 Strategies for improving ICT adoption among SMEs

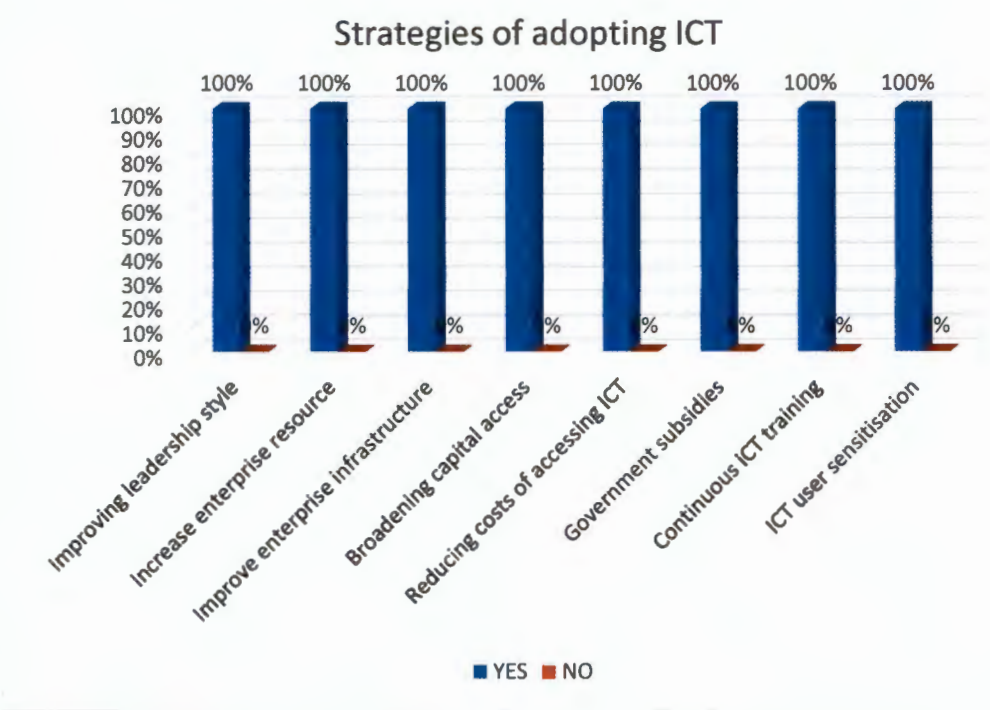


Figure 7. Strategies to improve ICT adoption in Botswana

All of the respondents, 100%, indicated that improved leadership style, an increase in enterprise resources, an improvement in enterprise resource, a reduction in cost of accessing ICT, government subsidies and ICT user sensitisation are key factors that can be used to improve ICT adoption in Botswana among SMEs. The implementation of these factors plays a big role in ICT adoption as a marketing tool and implementation among the SMEs in Botswana.

4.3 Findings from interviews

Findings from the 10 interviewed SME managers are presented using the thematic approach.

Question: Have you already adopted ICT marketing in your business?

The responses from the managers indicated that the 50% of participants had adopted ICT, while the remaining 50% had not. In adopting the thematic approach, the most participants indicated that they had “not exactly” or “partly” or “not fully” adopted ICT. The findings indicated less ICT adoption among the participants. The part adoption of ICT was done by using ICT tools

which included mobile phones, radio, internet and e-mail. Indications from the participants in the interview show that most SMEs had not fully embraced the use of ICT.

Question: Which ICT tools have you adopted?

When asked about the type of ICT tools that SME managers have adopted, the majority of those who participated in the interview sessions indicated that adoption of ICT was “simple ICT” and “convenient tools.” Findings indicated most SME managers adopted mainline ICT tools for convenience and they had not fully conceptualised the benefits and opportunities presented by ICT adoption in the market place. This is proved by the basic ICT tools adopted which included radio, television, cellular phones, internet, e-mail and telephones.

Question: What drove you to adopt them?

The researcher inquired into what drove the SME managers to adopt ICT tools. The responses indicated key thematic words of “improve business performance”, “efficiency” and “convenience.” The adoption of ICT tools was meant to improve “business performance” and “convenient” to the managers. For example, cell phones could make the manager reachable at any time. Cell phones also allowed the managers to communicate with the customers in terms of responding to their enquiries as well as informing them of any new products in some of the SMEs. The use of e-mails and internet “improves information” sharing and therefore “efficiency.”

Question: How has ICT marketing benefitted your business?

The response from the SME managers revealed the following themes: “efficiency”, “improved performance”, “improved confidence” and “convenience”. The adoption of ICT is said to improve business efficiency and performance through effective cost reduction methods. The managers indicated that the availability of ICT tools such as internet improves business confidence since the manager can easily access any information from any point. There is convenience in the use of internet for information access, and e-mails for accessing information and communicating with other employees and customers.

Question: What are challenges associated with ICT marketing in your business?

The responses indicated key thematic words such as: “finance” and ‘office space’. The adoption of ICT tools is restricted by availability of finances as indicated by the majority of the

participants. According to the participants, a lack of government support through finance or subsidies has hindered their adoption of ICT. Furthermore, the respondents indicated that they did not have the offices that would permit them to purchase and safely store their ICT appliances and some stated that it was expensive for their businesses to get ICT. The responses further indicated that they had little experience in the use of ICT and ICT marketing and most importantly due to the cost attached, they were unable to employ skilful workforce.

Question: What strategies would you recommend to improve ICT marketing in SMEs?

The response from the SME managers concentrated on the following themes: “financing”, “subsidies”, “tax holiday” and “training of managers and employees”. The strategies according to the participants, which could be used to improve ICT adoption, includes finance by the government, subsidies and the training of SME managers on ICT adoption ICT marketing..

4.4 Conclusion

Primary data was collected through the questionnaires coded into MS Excel. SPSS was used to analyse that data and the results were recorded and discussed. The secondary information from journals, books and newspaper writings assisted the researcher in gaining additional awareness on the subject matter. A thematic approach was used to present interview results. From the results, the majority of respondents have not yet fully adopted ICT marketing in their business. However, they highlighted positive benefits of ICT adoption and indicated the challenges associated with ICT adoption in their businesses. The next chapter presents the summary of findings, conclusions and recommendations.

CHAPTER 5

Summary of findings, discussion, conclusions and recommendations

5.1 Introduction

Chapter 4 presented empirical findings from the study using information gathered from questionnaires and interviews. The current chapter offers a discussion pertinent to those findings, offers conclusions and recommendations derivative from the research. The chapter also connects the results and findings of the study with literature relating to the adoption of ICT marketing by SMEs in Botswana and recommendations are based on some of the empirical findings.

Research was conducted to investigate and establish the benefits and challenges in adopting ICT marketing on SMEs in Botswana. In order to meet the mandate of the research, the following objectives have been outlined in order to:

- i. define the ICT and ICT marketing technologies available to enhance SMEs product value.
- ii. investigate the opportunities of adopting ICT marketing by SMEs in Botswana.
- iii. establish the challenges of adoption of ICT marketing by SMEs in Botswana.
- iv. explore the strategies that could enhance the adoption of ICT marketing by SMEs in Botswana.

The current study strove to reach these through the review of literature related to the adoption of ICT marketing, including administering questionnaires to 80 SMEs in Gaborone, Botswana, and 10 interviews conducted with SME managers. The results of the findings were presented in tables and graphs in Chapter 4 of this study.

5.2 Summary of findings

This section discusses the objectives of the study based on the findings as set out in Chapter 1. It also provides an analysis of how the purpose of the study was achieved.

5.2.1 ICT and ICT marketing.

The first objective in this study was to describe the ICT and ICT marketing technologies and practices in Botswana as well as to look at the adoption of ICT marketing by SMEs. Findings indicated that there are few ICT tools that are adopted by SMEs in Botswana. Figure 5 confirmed that most SMEs have adopted technologies such as cell phones, internet, e-mail, radio, computer networks, television and fax, though some of them are viewed as being just basic accessories to the enterprises.

These findings are confirmed by Eida and El-Goharyb (2013), and Laudon and Laudon (2011) who indicate that the forms of ICT used in most businesses include tools such as internet, electronic mailing, and e-marketing which provide wide market coverage for SMEs' products. Omari and Daniel (2015), and Laudon and Laudon (2011) note that managers increasingly use technologies such as mobile devices to communicate with employees, to coordinate work, as well as to avail information for decision-making and consequently moving away from the traditional use of PCs and desktop machines only. This finding was supported by eight of those interviewed, who are SME managers. They indicated that SMEs adopted convenient ICT tools that are affordable to them.

Interview answers from the participants further indicated that SMEs have adopted ICT in terms of phones and e-mails due to the inherent benefits available in the use of those ICT tools. The internet is used by most of the SMEs for marketing purposes. This is augmented by Smith (2011), who notes that research conducted indicates that by the end of 2010, the number of internet users around the world would exceed 2 billion and this massive information traffic would continue to double in every 1 to 1.5 years. The use of internet by SMEs can therefore provide a convenient marketing opportunity. The results also indicated that some ICT tools are not yet fully exploited in Botswana, which could be a disadvantage to the SMEs. Laudon and Laudon (2009) are convinced that if businesses are not networked to the internet and wireless networks, chances are that they are not as operational as they should be. Omari and Daniel (2015) concur with this observation and further state that a study in India recommends that SMEs should engage in the intense promotion of their products and services through social media, such as Facebook, Twitter and business websites, while Mazzarol (2015) points out that those SMEs that are considered the best make much greater use of Web 2.0 technologies, a notion supported by Okello *et al.* (2014) that web-based applications that upload daily market

information enable subscribers to get access at any time. According to these authors, these include using internet for online platforms that would nurture communication and information sharing, though some SMEs are still lagging behind.

Even though there is so much avocation for the adoption of ICT, evidently, business people in Botswana still think that they can get their products going without necessarily using ICT as evident by the business person interviewed in business forums (Nkwe, 2012). According to the business person, their main aim is to increase their production. In the researcher's view, the business person is not aware of the relevance of the adoption of ICT for marketing purposes and the role of the performance of ICT. This is a notion that has been highlighted by the UTAUT model (unified theory of acceptance) in (Straub, 2009). One of the key determinants of UTAUT in the adoption of technology is performance. Performance is the degree to which potential users of technology believe that technology will help them perform their tasks. If the business person does not see the relevance of adopting ICT, then they will not adopt ICT as a marketing strategy. For Some SMME's in Botswana the adoption of ICT marketing is not a priority. (Nkwe, 2012)

5.2.2 Opportunities of using ICT marketing by SMEs.

The second objective was to identify opportunities in the adoption of ICT marketing by SMEs. The information gathered from the primary responses using questionnaires indicated that there are many opportunities associated with the adoption of ICT in Botswana's industry.

From the respondents it is noticeable that adoption of ICT marketing facilitates innovation. The findings are supported by Gochhait (2014) who affirms that ICT adoption and use in marketing makes a company more innovative. The significant observation is that to halt down barriers to innovation and to enable speeding up of information-sharing processes, the adoption of ICT marketing is critical. Requena, Sellens & Zarco (2007) also affirm that in marketing decisions, ICT provides easy access to enormous display of global information resources and expedites the collection of valuable competitive knowledge and consumer-related information that simplify the decision-making process. In the interviews carried out, respondents also mentioned that internet allowed them to access information easily hence their quick responses to both employees and customers, a notion affirmed by Piget and Kossai (2013) that ICT skills,

innovation and technological change determine a company's performance, productivity and growth.

As displayed in Table 3, the benefits of ICT marketing include ICT accelerating market transactions. In this context, market transactions mean the exchange of goods and services by SMEs and other businesses through the adoption of ICT marketing. According to Kiveu and Ofafa (2013), electronically facilitated markets has an impact on the cost, promptness and transparency of market-based transactions. Furthermore, Eida and El-Goharyb's (2013) note that e-marketing affects numerous issues that are associated to the marketing performance and success of the small and medium businesses and those includes developing new markets, increased market share and increased productivity, over and above the visibility of the SMEs. Through the use of internet, emails and cell phones respondents in the interviews indicated that they have improved information sharing and experienced a lot of convenience.

The respondents saw an opportunity in the adoption of ICT marketing. The responses align with the TAM model that, the degree to which a person believes that using a particular system would enhance his or her job performance influences the willingness to use the technology. Respondents appreciate that ICT can help grow their business. They perceive ICT as useful. According to (Adams, Nelson, & Todd, 1992; Agarwal & Prasad, 1998a; Lippert & Forman, 2005) in (Straub, 2009) perceived usefulness has been found to have a great influence on future individual use of a technology. In the researchers view, respondents appear to be technology ready. (Parasuraman and Colby, 2001) view in Lai (2017) technology readiness refers to people's propensity to embrace and use of new technologies for accomplishing goals. The adoption of ICT marketing by SME's in Botswana should be treated as vital for business success because it is market focus.

The findings also indicate that there are reduced costs (Table 4) associated with the adoption of ICT marketing by SMEs. This has been noted by Set (2014) who posits that as a marketing tool, internet is the most cost-efficient tool for small and medium-sized enterprises. According to the author, the internet allows the small businesses to gain larger markets and to attract prospective customers to their products, services and information sites. To support that, Consoli (2012) calls for public policies to eliminate the digital divide, adding that small enterprises should be provided with free internet access. The findings from Mazzarol (2015) and Eida and

El-Goharyb (2013) further indicate an opportunity for the SMEs reducing the costs of operations and consequently increasing return on investment when they effectively use ICT or e-marketing. In reducing the cost of operations, through a high input-output ratio, SMEs are able to compete effectively both in global market by charging competitive prices due to low cost of operations. The findings are supported by Li *et al.* (2011), who conducted research in specific economies, showing that ICT, in particular the internet, has benefits such as reducing distribution costs and accumulating possible customers, as well as enhancing market positioning through improved relationships with customers.

Table 5 depicts that the majority of the respondents concurred that ICT adoption improves the SMEs' market access and competitiveness. The opportunities lie in the improvement in productivity, as indicated by participants' responses in Table 6. These findings are confirmed by Apulu and Ige (2011) and Piget and Kossai (2013) who indicate that, for survival and to stay abreast in the global economy, SMEs should embrace ICT to gain competitive advantage and stability in international markets as well as opportunity for business expansion. Findings indicate that ICT improves efficiency which presents SMEs with an opportunity to improve their profitability. Efficiency explains the input-output ratio indicating less is needed for higher input levels on SMEs. Improved turnaround times through high response rate are a form of efficiency and creates more opportunities in the market which are utilised faster compared to less efficient competitors.

Authors such as Balamurugan, *et al.* (2014) and Vilaseca, Sellens and Zarco (2007), highlight that the adoption of ICT improves customer services and customer demand through the development of strategic marketing activities such as online marketing. Online marketing gives wide market coverage in any industry at a lesser cost. In Table 5, it is reflected that the adoption of ICT marketing leads to improved customer services which present an opportunity for an SME to build customer loyalty through improved services. Customers are willing to pay high prices for high quality products and remain loyal to a particular brand (Abd, Norjaya & Yasin, 2004). The source adds that in today's technological set up, communication is vital and that accuracy, promptness and speedy feedback are crucial in building successful relationships.

Findings from the interviews further show that the adoption of ICT allows companies to take part in the global information flow and benefit SMEs as they take full advantage of marketing

benefits through information gathering and interacting with the environment. In a business forum in Botswana (Dzimiri, 2010) SME's were encouraged to utilise the availability of ICT in the market world as an enabler. This finding is confirmed by Ongori and Migiro (2010), who affirm that in today's industry, ICT enhances competition among enterprises. These authors note that through ICT, a company accesses global information, ultimately helping SMEs to simplify decision-making processes, which would include its marketing strategy. This is consistent with the findings of Gochhait (2014) and Modimogale and Kroeze (2011), who state that the SMEs' ability to stay-float in the market, is centred upon its ability to leverage information as a resource. Gochhait (2014) states that using ICT intensively to market, allows companies to be more creative and encourages collaboration with various agents in the business industry. Collaboration presents an opportunity for business expansion through connections with key stakeholders such as suppliers and customers.

5.2.3. The challenges of using ICT marketing by SMEs

The third objective was to establish some of the challenges in the use of ICT marketing by SMEs in Botswana. The findings relating to ICT adoption are detailed in the subsequent segment.

The findings in Figure 6 indicated that a lack of ICT access, awareness of market access and personal or cultural beliefs negatively affect the pace at which ICT is adopted. This is supported by the findings of Ayanso, Cho and Lertwachara, (2014), Chinyanyu, Mpofu and Mathys (2011), and Mutula and Van Brakel (2006), who acknowledge these challenges relating to ICT access in various developing countries. According to these authors, a number of significant factors that inhibit ICT adoption by SMEs include, but are not limited to, relatively small-sized SMEs being simple structures, scarcity of resources and a lack of ability to position ICT strategically within the organisation.

As evident from the participants' responses in Figure 6, the quality and capability of ICT personnel play a part in the adoption of ICT. Respondents concur that there is lack of skilled manpower or there are limited competent ICT personnel in SMEs, which makes it difficult for SMEs to adopt ICT technology for marketing purposes. This finding aligns with Cragg and King (2012) who contend that significant barrier for small and medium businesses to implement information technology is a lack of competence in handling information systems.

According to the authors, most SME employees do not have the critical skills needed in information technologies, resulting in it becoming a challenge for such employees to adopt cutting-edge ICTs in the workplace.

Furthermore, from the participant responses in the interviews, SMEs hire unqualified personnel in relation who fail to deploy ICT fully as a marketing tool. From these responses, it emerged that SMEs are unable to pay competitive salaries for qualified staff members and fail therefore to retain those with the expertise, thereby making the integration of ICT in the business a complex task. Ayanso, Cho and Lertwachara (2014) believe that users of ICT, even within businesses, need education, training and the necessary skills to maximise the use of ICT. Ongori and Migiro (2010) confirm that one of the challenges in the adoption of ICT by SMEs includes a lack of skilled and trained manpower.

According to the responses given on the challenges of adopting ICT marketing, the ineffective integration of ICT and complex procedures have an impact on the capacity of SMEs fully integrating ICT into their business profiles. The findings from both the questionnaire and interviews further indicate that the barriers to the adoption of ICT as a marketing tool are often external. This is an observation that has also been noted by Patel and Shukla (2014) that commitment to supporting SME's and a lack of a technological flair are main external deterrents that obstruct technology adoption and use by SMEs. Oliveira and Martins (2011) also add that a lack of access to ICT has been widely seen as a hindrance, a point that the majority of the participants concur with. More than 80% stated that access to ICT is limited by the high costs of implementing ICT and a lack of finance among SMEs. This has been augmented by the findings of Apulu Latham and Moreton (2011), who highlight that SMEs lack the financial muscle required for the adoption of robust ICT marketing, and therefore their development is unsurprisingly constrained by their limited finances. Ferreira (2013) has the same sentiments, indicating that funds are the major barriers to ICT adoption by SMEs. As noted earlier, SMEs in Botswana have insufficient funds to effectively adopt ICT marketing. Because of this, SME's are likely not going to invest in technology and perceive it to be expensive

Further findings point to the lack of management support, lack of skilled staff and the absence of a coherent strategy as additional challenges in the adoption of ICT as a marketing tool –

factors also noted by Consoli (2012). This was confirmed by primary data of respondents who highlighted that SMEs are reluctant to spend on ICT, with some employers and employees caught up in resisting change. Ongori and Migiro (2010) also note that SMEs generally resist change.

The interview question revealed common challenges, which include lack of finances that compel SMEs to only adopt what they can afford. The majority of respondents from interviews concur that affordability is the main challenge. This is also supported by Mazzarol (2015) and Chinyanyu, Lorraine and Mathys (2011). Chinyanyu, Lorraine and Mathys (2011) who note that significant factors that obstruct ICT adoption by SMEs include the small sizes of SMEs, unavailability of resources and lack of capacity to position ICT effectively in the work place, while Mazzarol (2015) calls for the training, education and implementation process for ICT users by governments as a way of alleviating the financial burden.

The interviews with SME managers further confirmed that human capacity has also been identified as an obstacle of ICT adoption when company personnel do not understand how to use ICT nor discern the benefits on how it may change the way they market the business. These findings are confirmed by Papastathopoulos, Anastassopoulos and Beneki (2010), who note that one of the obstacles identified in SMEs in their use of ICT for marketing purposes is a lack of experience. The authors observe that a lack of understanding on the benefits offered by adopting ICT as a marketing strategy by managers and employees is a challenge. Agboh (2015) also revealed that the lack of skilled personnel to engage in ICT is key to the challenges to ICT adoption amongst SMEs.

Other factors relating to human capacity include age, gender as well as the cultural and educational background of the owner (Figure 4). This finding is supported by Kiveu and Ofafa (2013) as they note that for SMEs to survive in an increasingly competitive setting, it is generally dependent upon their ability to see information as a resource and to gain from that information. This can only be possible if both the owner and the employees are educated and appreciate that ICT adoption is relevant to their organisation. In the researcher's opinion and experience, Botswana SME's have a serious challenge of attitude to the reception and usage of technology. This is evident with the interviews conducted during some business forums where business owners are adamant that they can do without adopting ICT marketing. The business

owners in this case can be rated as laggards as classified by (Parasuraman and Colby, 2001) TAM model in (Lai, 2017).

Though the figures indicate that gender does not really play a vital role in the adoption of ICT in Botswana, there is a sign that gender and age does have an influence in the adoption of ICT marketing. Research has shown that female are slower to move from the unknown to the known and that they are cautious in taking decisions hence their slowness in decision making process. According to (Venkatesh, Morris & Ackerman, 2000) TPB model, the process-orientation of females and the lower levels of control generally perceived by women in the business industry has a significant role when females have to decide on issues relate to ICT adoption. The authors believe that the perceived ease or difficulty of using technology is expected to have an influence over females' decisions to either adopt or reject new technology in businesses or even at the work place. Research suggests that women display higher levels of computer anxiety than males.

5.2.4 To explore the strategies that could enhance ICT marketing by SMEs

The fourth objective focused on strategies that could enhance the adoption ICT marketing by SMEs. The findings highlighted a number of common strategies that could benefit SMEs in the adoption of ICT for marketing purposes.

One such response is improved leadership style in SMEs. Responses from both the questionnaires and interviews indicate that leadership style has an essential role to play in the adoption and effective use of ICT for marketing purposes. This is supported by França *et al.* (2014), and Modimogale and Kroeze (2011). Modimogale and Kroeze (2011) state that a lack of knowledge on the strategic use of ICT by owners and a lack of the necessary IT skills-base are some of the barriers to the adoption of ICT marketing, while França *et al.* (2014) call for business owners to have more adaptive attitudes and behaviours in order to maintain the competitiveness of their businesses. If business owners do not understand the value of ICT adoption and usage, they cannot lead their organisations in the globally competitive and knowledge economy. This is further supported by Sellens and Zarco (2007) and Gochhait (2014) that, through ICT, business owners are in a better position to expedite the collection of valuable competitive knowledge and consumer-related information that could help make

decision-making processes simple. As inferred from the findings, if SME managers have improved leadership skills, they could enhance the adoption of ICT as a marketing tool.

The findings also indicate that a reduction in the cost of accessing ICT (Table 4) could enhance ICT marketing by Botswana SMEs. This finding is supported by Consoli (2012), who posits that it is important in the development of public policies to eliminate the digital divide and that small enterprises should be provided with free internet access as a way of supporting the training of the users. This step would encourage SMEs to adopt ICT for various purposes, which include ICT marketing, within their businesses – a notion also supported by Mazzarol (2015).

Furthermore, responses from the questionnaire and interviews revealed that government subsidies and ICT user sensitisation are key factors that could be used to improve ICT adoption and marketing tools in Botswana among SMEs. This is in accordance with Iacovou *et al.*, (2009) (in Ardjouman, 2014) as they note that ICT usage in businesses could be improved upon and be influenced by government subsidies, training of entrepreneurs and financial support on major ICT tools. If the government of Botswana subsidises ICT for SMEs, it may assist these SMEs in using the internet for networking purposes and bridging the gap between the smaller and the larger businesses.

The findings from the study also highlight that SMEs should be assisted with entrepreneurial education and ICT education by the government. According to Pansiri and Temtime (2008), improvement in ICT usage by businesses is influenced by factors that include the assimilation of entrepreneurship skills in the education system, which cover developmental and investment strategies and policies for SMEs (Government of Botswana, 1999). The implementation of these factors plays a big role in ICT adoption. ICT adoption in SMEs could be driven or repressed by government intervention, which is also viewed as an external source of pressure by Chinyanyu, Lorraine and Mathys (2011) and Andoh-Baidoo, Osatuyia and Kuneneb (2014). In a nutshell, as indicated by the findings, if SME's in Botswana are given support by the government, it could enhance their ICT marketing in this regard.

5.3 Conclusions

From the discussions above, the findings on literature concur with empirical findings, in that there are many market benefits that exist for SMEs through the adoption of ICT marketing in any industry. The literature and empirical findings indicated that the adoption of ICT marketing has an array of benefits based on larger market share, reduced costs of operations and easy market access among many benefits. These benefits could potentially benefit the SMEs by making them more competitive in both global and local markets. If ICT benefits are utilised efficiently, then SMEs could become more efficient and consequently improve their levels of productivity.

It is appreciated that factors affecting the adoption ICT marketing for SMEs differ from developed countries to developing countries. Developing countries such as Botswana have major challenges in capital, personal, cultural beliefs, lack of government support, high transaction posts, with ICT marketing being expensive and massive financial constraints. To correlate with that, some of the participants have not fully adopted ICT marketing for their businesses due to the factors listed above. Looking at (Roger, 1995) S- shape Innovation Adoption Curve in (Lai, 2017) SME's in Botswana are either at the late majority stage or at the laggards stage. The adoption of ICT for marketing purposes among SMEs in Botswana is still low, with high market potential. The results could be generalised to indicate that similar factors affect the adoption of ICT marketing in African states and elsewhere, with developing countries having more financial constraints as compared to developed countries. The majority of SMEs in Gaborone, Botswana, lack ICT strategies to compete successfully in the available markets even though the business sector has high potential. Most of the enterprises are owned by young and educated entrepreneurs, who, however, lack support and the financial muscle to adopt ICT strategies to compete more effectively in the market. There are common challenges that have to be overcome by SMEs in adopting ICT marketing strategies in Botswana. These range from personal belief systems, culture, lack of finance power, with a few external challenges. In overcoming internal challenges, these SMEs could potentially overcome the external challenges.

The strategies for overcoming the adoption of ICT marketing strategies are common across all the SMEs in Gaborone, Botswana. The strategies entail inward-looking by organisations,

focusing on leadership, infrastructure, resources and getting access to capital. The success of inward strategies could enhance the adoption of ICT marketing among the SMEs.

5.4 Recommendations

The following recommendations are drawn based on the findings of the study:

5.4.1 E-marketing

SMEs in Botswana can make use of the conducive environment to adopt ICT through corporate planning on affordable ICT strategies such as e-marketing. These can help the companies to increase their market reach and gain a positive perception among customers through interactive marketing. The adoption of a proper e-marketing plan, which improves customer interaction, would help SMEs to know their customers personally and retain them for a longer time period and consequently earn profit.

5.4.2 Expert advice

There is a need to appoint an ICT director and separate ICT decision-making from owners of the business. The entrepreneur could then make decisions based on expert advice from an ICT department in the organisation. The separation of powers and responsibilities enables the ICT manager to make and implement the best possible ICT marketing decisions in the organisation.

5.4.3 Budgeting

There is need for SMEs to set aside a budget for the adoption of ICT marketing strategies each year. This budget could be spread on inward-looking policies such as improving the business, facilitating efficiency in every business unit and consequently improving competitiveness of the SME in the market place.

5.4.4 Training

Employees must be trained on the importance of ICT adoption as a marketing strategy and should therefore employ an educated workforce who appreciate ICT marketing in the business. A well-trained personnel corps on ICT adoption ensures the proper implementation of practices and adherence.

5.5 Areas for further research

This study focused on benefits and challenges of the adoption of ICT marketing in Botswana. This study of SMEs in Botswana succeeded in highlighting the current levels of ICT adoption, benefits existing in the market, as well as challenges that SMEs in Botswana face in adopting ICT marketing strategies. Future research could focus on investigating the reasons why some SMEs in Botswana have managed to adopt ICT marketing strategies while others are failing, despite the same operating environment conditions.

5.6 Limitations

The study is limited in following ways; firstly, because of budget and time constraints, the scope of the study was narrowed to only a few SMEs in Gaborone and consequently the study cannot be generalised to all SMEs in the country. Nevertheless, these findings can be generalised to the target locations. A larger sample is needed that covers other regions in the country to further validate these results and trends. Secondly, the nature of each SME in the study differs and skewed the results. Lastly, unlike interviews where respondents asked for clarity, respondents who were completing the questionnaire in this study without assistance were limited to the text in the questionnaire itself for direction on how to complete it.

The study is also limited in its findings in the following ways: the researcher chose to look at SMEs in Gaborone and only in their adoption of ICT as a marketing tool. The focus was only on the adoption of ICT as a marketing strategy and does not discuss other marketing strategies that could have played a role in the success of SMEs. Only questionnaire and interview tools were used to measure the opportunities and challenges of adopting ICT marketing. Despite the limitations, the findings from the study offer valuable insights into the SMEs and their adoption of ICT Marketing technologies.

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Annexure A: Questionnaire

Dear respondent (Manager),

Your organisation has been selected to participate in the study that is intended to assess the opportunities and challenges in adopting ICT marketing for SMEs in Botswana. The information is purely for academic purposes and will be treated with utmost confidentiality.

Section A: Background information (Please tick where appropriate)

1) Gender category of the respondent

Male	Female

2) Age of the respondent

18-25 years	26-35 years	36-45 years	46-55 years	> 55 years

3) Education (tick one)

Primary school certificate	High school	University diploma/degree	Postgraduate	Other (specify)

4) Monthly income (tick one)

Less than P500.00	
P501.00-P1500.00	
P1501.00-P3000.00	
P3001.00-P4500.00	
P4501.00-P6000.00	
P6001.00-P7500.00	
P7501.00-P10000.00	
>P10000.00	

5) Management level (tick one)

Upper-level manager	
Middle-level manager	
Lower-level manager	

Section B: ICT usage

6) Have you already adopted ICT marketing in your business?

Yes ☐ No ☐

7) Please indicate the ICT tools in use in your business

Radio	
Television	
Mobile phones	
Computer & networks	
Satellite systems	
Videoconferencing	
Internet and e-mail	
Fax	

8) If Yes to Question 6, please specify what you use ICT marketing for?

Tele-marketing		Marketing	
Data management		E-mail	
Training		Transactions (banking & financial services)	
Direct mail marketing		Advertising	
Cooperation with agents		Competitive advantages	
Market intelligence		New product development	
Communication		Innovation	
Customer relationship management		Researching for new products	

9) Benefits of ICT marketing in SMEs

Use the scale above to match your opinion in respect of the benefits of ICT marketing to SMEs or (1=strongly disagree; 2=Disagree; 3=Do not know; 4=Agree; 5=strongly agree)

Benefits of ICT Marketing	1	2	3	4	5
Improves competitiveness, market access & global networking					
Facilitates product innovation					
Accelerates market transactions					
Reduced transaction costs, inventory controls & quality controls					
Improved productivity & enhances efficiency					
Improved product/ service quality					
Faster response to customers					
Improved customer satisfaction					
Improved collaborations					
Keep up with competitors					

10) Challenges of ICT marketing for SMEs

Use the scale above to rate the challenges of ICT marketing for SMEs in Botswana

(1=Strongly disagree; 2=Disagree; 3=Do not know; 4=Agree; 5=Strongly agree)

Challenges of ICT Marketing	1	2	3	4	5
Lack of ICT access					
Lack of awareness & market access					
Personal/cultural beliefs					
Lack of management support & commitment					
Lack of linkages between actors within the supply chain					
High transaction costs					
Prohibitive legal regime & poor ICT policy in Botswana					
Quality of ICT personnel					
Compatibility issues					
Intensity of competition					
poor infrastructure					
lack of skilled or limited ICT personnel					
ineffective integration ICT into business processes					
Non-governmental support					
Expensive initiative risk					
Complex procedure					
Increased turnover of technical staff					
Declining customer service					
Limited diffusion of computers					
Inadequate transportation and delivery					
Financial constraints & lack of internal technical capabilities					
SMEs are reluctant to spend on information technology and take risks					
Uncertainty of returns					
Time to implement					
Lack of relevant technology					

Privacy and psychological barriers					
Resistance to change because of the fear of new technology amongst employees					
Lack of ICT standards					

11) Strategies to improve ICT marketing adoption in Botswana

Below is a list of strategies that can be used to improve the plight of ICT adoption in SMEs. In your opinion, which strategies would you recommend to SMEs to adopt.

Strategies	Yes	No
Improving leadership style		
Increasing enterprise resources		
Improving enterprise infrastructure		
Broadening access to capital		
Reduction in cost of accessing ICTs services		
Government to cushion the purchase of ICTs		
Continuous ICT training		
ICTs user sensitisation		

END

Thank you for taking part in this survey

Annexure B: Interview questions

Dear respondent, your organisation has been selected to participate in the study that is intended to assess the opportunities and challenges in adopting ICT marketing for SMEs in Botswana. The information is purely for academic purposes and will be treated with utmost confidentiality.

Section A: Background information (Please tick where appropriate)

1) Gender category of the respondent

Male	Female

2) Please select your age category

18-25 years	26-35 years	36-45 years	46-55 years	> 55 years

3) Education (Tick One)

Primary school certificate	High school	University diploma/degree	Postgraduate	Other (specify)

4) What is your monthly business turnover (Tick One)

Less than P500.00	
P501.00-P1500.00	
P1501.00-P3000.00	
P3001.00-P4500.00	
P4501.00-P6000.00	
P6001.00-P7500.00	
P7501.00-P10000.00	
>P10000.00	

5. What is your position in the organisation?

6. Have you already adopted ICT marketing in your business?

Yes/no

i) If your answer is **no** to question 6, please explain why.

ii) If **yes**, which ICT tools for marketing did you adopt?

iii) What drove you to adopt them?

7. How has ICT marketing benefited your business?

8. What are the challenges associated with ICT marketing in your business?

9. What strategies would you recommend to improve ICT marketing in SMEs?

10. Any additional comments?

Thanks for taking part in this survey

Annexure C: Informed Consent Form

NORTH-WEST UNIVERSITY

INFORMED CONSENT FORM

RESEARCH TITLE: Opportunities and challenges of adoption of ICT marketing by SMEs in Botswana

DESCRIPTION OF THE STUDY

The researcher is a student at NORTH-WEST UNIVERSITY, studying towards a Master's in Business Administration (MBA). The aim of the research is to investigate **the Opportunities and challenges of adoption of ICT marketing by SMEs in Botswana**.

PURPOSE

The purpose of this paper is to explore the opportunities that are brought about by the adoption of ICT as a marketing tool by SMEs within the Botswana context. It further attempts to identify barriers that the SMEs face in the process of adopting ICT as a marketing tool. Through the findings of the research, a learning opportunity is presented to SME business owners and managers who are involved in technology adoption and to those who wish to use ICT as a marketing tool. The paper can help policy-makers, academic researchers, consultants and any other professionals involved in technology adoption to understand better and find practical ways of addressing the challenges that impinge on the adoption of ICT as a marketing tool by SMEs.

PROCEDURE FOR PARTICIPATION

Participation in this study is on a voluntary basis. If you decide to participate, you will be kindly requested to sign a letter of consent. The researcher and two research assistants will visit your organisation to explain in detail the procedures of this research prior to the distribution of the questionnaire or interviews. If you decide not to continue with the participation, you are free to withdraw at any time without any penalty.

BENEFITS AND /OR COMPENSATION

Please note that there are no monetary benefits or any form of compensation for your participation.

CONFIDENTIALITY

The information provided will be kept confidential. The data collected through the questionnaire or interviews will be presented to the North-West University only.

YOUR RIGHTS IN JOINING THE STUDY

You have the right not to answer any questions during the study, or not to provide information in any form except the ones stated in the form or you have agreed upon with researcher.

If you have questions and concerns about the study and if you have questions about your rights or feel that you have been harmed during the study, please contact: **The Graduate School of Business Research Unit, Mafikeng Campus, Private Bag x 2046 or call +2718 389 2827**

COSTS ATTACHED TO THE STUDY

There will be no costs associated with participation in the study. If you agree to take part you will be followed to your business premises for meetings and data collection.

AUTHORISATION

Your willingness to participate in this study will require you to indicate by signing that you have read and understand the information provided above.

Name of research participant (please print)

date

Signature of participant

**If you have any questions or queries concerning this study, please feel free to contact the
The Graduate School of Business Research Unit, Mafikeng Campus, Private Bag x 2046
or call +2718 389 2827**