



Cape Peninsula
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THE ADOPTION OF E-COMMERCE IN THE LESOTHO TOURISM INDUSTRY

by

TSEBETSO MAPESHOANE

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Supervisor: Prof S. Pather

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ABSTRACT

Over the years, Information and Communication Technology (ICT) has been revolutionising global markets. Just as developed nations, there has been a push for developing countries to adopt ICT as leverage towards improving their economic development. However, in the current era ICT adoption has not been as widespread as anticipated in some parts of the world with its use in developing countries especially, lagging behind. This is particularly so amongst the small, medium, micro-enterprise (SMME) sector, which is an important driver of the economy in the developing world.

SMMEs in developing countries have largely been hindered in the uptake of ICTs. This is, in part, due to underlying issues such as high cost of ICT, inadequate and unreliable infrastructure as well as lack of policy which promotes competition and growth of the ICT sectors. Amongst varying applications of ICTs, e-Commerce is one area in particular in which SMMEs have been relatively slow to adopt. In the current era many African countries have already taken firm steps to address infrastructure and ICT access issues. However improved access on its own will not result in economic growth. Thus it is important to also understand aspects of ICT adoption in developing countries.

The purpose of this research was to investigate the factors affecting e-commerce adoption in a developing country. Lesotho presented itself as an ideal case to investigate e-commerce adoption amongst SMMEs in the Lesotho tourism industry. This study provides a deeper explanation of the factors that influence e-commerce uptake in the Lesotho tourism sector. In the extant literature, several studies and a number of generic models and frameworks on technology adoption explain a generalised understanding of technology adoption. None of these provide a contextualised perspective prevalent to businesses in the typical developing country environment.

Evidence for the study was collected via questionnaire and interviews with businesses. Questionnaires were distributed, in the first instance, to understand the level of adoption of e-commerce amongst tourism businesses in Lesotho, and to assess what the internet was being used for. Based on this initial assessment, which confirmed the research problem, the researcher conducted interviews to investigate the actual adoption issues amongst tourism SMMEs in Lesotho. In addition, the discussion with SMMEs involved observations and examining the organisation's online activities or websites (where applicable) as well as the investigation of the country's e-commerce environment.

The study was premised on the Unified Theory of Acceptance and Use of Technology (UTAUT) model as its framework. The results showed that SMMEs used the Internet on a daily basis for various purposes. However e-commerce services were not used by

businesses even though there appeared to be a general consensus amongst respondents that e-commerce would increase productivity. The findings revealed that dimensions of the UTAUT model provided a sensible explanation regarding behavioural intention to adopt and use e-commerce amongst tourism SMMEs in the Lesotho tourism sector. In addition new dimensions in respect of adoption were identified, viz. national culture and facilitating conditions. From national culture and facilitating conditions dimensions, factors such as nepotism, masculinity, technological resources, costs, education and organisation"s size were found to be mitigating factors against e-commerce adoption amongst SMMEs in the Lesotho tourism industry. Finally, an adapted UTAUT model is proposed for further study of e-commerce adoption in a developing country context.

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DEDICATION

To the Mapeshoane family for their strength and unfailing support. This is our hard earned work.

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GLOSSARY

ICT	Information communication technology
IT	Information Technology
SMMES	Small, medium, micro-enterprises
UTAUT	Unified Theory of Acceptance and Use of Technology
TAM	Technology acceptance model
DOI	Diffusion of innovations
TOE	Technology Organisation Environment
RBV	Resource-based view
SCT	Social Cognitive Theory
IDT	Innovation Diffusion Theory
MM	Motivation Model
MPCU	The Model of PC Utilization
TPB	Theory of Planned Behavior
TRA	Theory of Reasoned Action

CHAPTER ONE: INTRODUCTION

1.1 Introduction and background

The internet has had a marked effect on the way in which we communicate. It enables individuals and businesses to join group discussions globally by sharing information. It also provides businesses the ability to communicate effectively and directly with customers. The emergence of the Internet has led to the fast growth of electronic commerce (e-commerce) and has significantly affected the nature of business (Yao, 2004). In recent years, Internet and e-commerce technology have had a positive impact on the tourism industry in developing countries and this is acknowledged as being important to the tourism industry in developing countries need (United Nations, 2001, Abou-Shouk, Lim & Megicks 2013).

According to Tan, Chong and Lin (2009), Information communication technology (ICT) has become the most effective tool to assist companies gain a competitive advantage in attracting customers. Norzaidi, Chong, Murali and Salwali (2007) add that the emergence of ICT has contributed to the growth of the electronic marketplace. Furthermore, Internet access allows e-commerce to be diffused rapidly at a low cost globally. However, Gibbs & Grammer (2004) pointed that many organizations have not realized the potential value brought by e-commerce.

Small medium micro-enterprises (SMMEs) in developing countries, in particular, have been hindered in the uptake of ICTs and the benefits of e-commerce. This is, in part, due to underlying issues such as high cost of ICT, inadequate and unreliable infrastructure as well as lack of policy which promotes competition and growth of the ICT sectors. In the current era many African countries have already taken firm steps to address infrastructure, and ICT access issues. However improved access on its own will not result in economic growth. Thus it is important to also understand issues of ICT adoption in developing countries.

1.1.1 Overview of e-commerce in Lesotho



Figure 1.1: Map of Lesotho
Source (ds-lands.com)

Lesotho is a landlocked, mountainous country situated within the geo-political borders of South Africa with a population of 1.9 million, low gross national Income (GNI), gross domestic product (GDP) per capita and high level of poverty (IST Africa, 2014). It was further pointed out that the country's economy was based on subsistence agriculture and was depended on South Africa for jobs particularly in the mining sector as well as goods and services. The country also depends on a small manufacturing of farm products such as milling, leather and canning which provides the main source of income. Science and Technology (S&T) infrastructure for industry and commerce is relatively poor, especially outside the capital city, Maseru and other urban centers (IST Africa, 2014).

Regardless of the low economic GDP activity and income level, the country has a variety of attractions and special features that have great potential for value added prospecting, that can provide citizens with income and employment options. In many areas such as agriculture, tourism, water, energy, industry and commerce there is a promising value on commercial development (World Development Reports, 2015). The acceptance of science and technology would be important particularly to promote and sustain such developments. The extensive highlands, provide Lesotho with extremely large scope and opportunity to build vibrant eco-tourism projects and small export-oriented industries (Maphephe, 2014).

The country has various features that make it distinctly unique. As the only country in the world located 1,000 meters above sea level, its climate and terrain naturally support a variety of outdoor activities such as snow and water skiing, skydiving, ice-skating, trekking, horseback trailing, car racing and many other outdoor eco-tourism attractions.

Lesotho travel and tourism has been significantly low due to low levels of development (Eurononitor International, 2011). According to the World Travel and Tourism Council (2010), the travel and tourism sector in Lesotho is equivalent to just 0.9% (direct impact) of GDP and 0.7% of employment. Even though travel and tourism in Lesotho is not a major source of income, it has the potential to improve the country's economy by generating income and creating jobs. The government of Lesotho supports travel and tourism as it has identified that it is a revenue earner and the biggest employer ((Eurononitor International, 2011).

1.1.2 Relevance of e-commerce to the tourism industry

The introduction of e-commerce has been developed through the Internet and the World Wide Web. These have been impacted on both the tourism industry and the consumer. The expansion of the tourism industry is reaching out to the large number of domestic and international travellers based on e-commerce through information systems to achieve cost reductions and greater productivity (Buhalis 2011). According to Mamaghain (2009), consumers use the internet more to gather travel related information. In addition to this, technology enhanced gadgets such as smartphones and GPS have been used by consumers to improve their travel and tourism experiences. Furthermore, the author points out that e-commerce has had a marked effect on the tourism industry particularly in the automation and distribution channels, this includes providing information regarding the travel destination, accessibility, hotels, attractions and maps (Mamaghain, 2009).

With the high level of internet competency, there is a need for tourism industry to move to an online environment. As per the International Communications Union (2013), the rapid growth in the use of the internet with billions of people online is important to the tourism industry as it is an effective tool to promote the industry opportunities through e-commerce. In addition, the rising usage of the Internet assists the industry in gaining business through e-commerce. In adopting e-commerce, industries are reaching a global population to enhance their business through e-commerce tools (Mamaghaini, 2009). A large customer base of international markets is spread across the world through online service delivery and marketing, this means that many of the logistical problems in dealing with foreign customers can be reduced. However, smaller tourism businesses face many challenges in moving their businesses from a traditional approach to the technological marketplace of e-commerce (Buhalis 2011).

The tourism sector, from amongst various business sectors have exhibited growth due to the benefits of e-commerce. According to Salwani, Marthandan, Norzaidi & Chong (2009:167) e-commerce could determine business performance for different types of sectors including the tourism industry. In addition, e-commerce can assist the tourism industry enhance its services as it is a service based sector. Research has shown that large tourism operators have adopted the Internet, using the medium to distribute their products through their websites, improve communication and create alternative distribution channels. Karanasios and Burgess (2008: 169) suggest that the Internet is described as empowering for even small tourism organizations. It must be noted that in most countries, the tourism sector often comprises of a large number of smaller operators (Gartner 2004; Purcell, Toland & Huff 2004). However, smaller tourism operators traditionally delay in adopting the technology as compared to their larger counterparts (Karanasios & Burgess, 2008: 169).

Several studies (e.g. Kaynak Tatoglu & Kula, 2005; Stockdale & Standing, 2004 and Chitura, Mupemhi, Dube & Bolongikit 2008) have suggested that much of the literature related to internet and e-commerce adoption has been undertaken in developed countries. Kartiwi & MacGregor, (2007) argue that directly transferring these findings to developing countries is not justifiable because the driving forces for businesses' adoption of the internet and e-commerce vary widely from location to location.

Businesses in developing countries face different challenges from those in developed countries (Molla and Licker, 2005) and the driving factors for technology would differ from factors which influence adoption of the same technology in developed countries. The qualitative question of whether or not the same factors applicable in developed countries may readily be applied to a developing country such as Lesotho is best answered by empirical studies and would prove useful when importing ideas and innovations implemented in developed countries (Odera-Straub, 2003). In addition, it will be important to consider what unique factors can lead tourism organizations in a developing country to adopt the internet beyond just information provision but also for more interactive levels such as marketing and actually selling travel services fully online. Gaining knowledge of the drivers and barriers to Internet adoption could provide valuable information that would help enhance the competitiveness of the tourism industry in developing countries.

1.1.3 Lesotho: A developing country context to study e-commerce adoption

There are several terms and definitions that have been used to categorise countries. A developing country is a country that has not yet grasped the economic development stages and industrialisation growth where societies live on lower income, and often lack basic public services (Bannock, 2005, United Nations Conference on Trade and Development (UNCTD, 2012). Similarly, The World Bank (www.worldbank.org) defines developing countries as *“low- and middle-income countries in which most people have a lower standard of living with access to fewer goods and services than most people in high-income countries do”*.

According to the World Bank, about one hundred and twenty five countries with populations over one million and a total population of nearly five billion are considered typically developing countries. The World Economic Outlook (2015) defines a developing country as a country with low levels of living characterised by poor health, low income, inequality and inadequate education. The low levels of living are apparent in developing countries due to low GDP (gross domestic product), diseases such as AIDS and ill health and also in a constant battle against malnutrition. Lesotho like many other countries is referred to a developing country as per the World Bank classification above and the definition given by the World Economic Outlook. The country of Lesotho is also considered a developing country as its population comprises of people with lower income, less access to goods and services and also with a population of over two million people (World Population Review, 2014).

In this study, some common ICTs adoption challenges facing most countries are discussed with the focus on e-commerce adoption challenges amongst small tourism businesses in Lesotho.

1.2 Research problem

In the current era, statistics indicate that there is a far more extensive adoption and use of ICTs in developing countries when compared to the rest of the world. There are legitimate concerns regarding the adoption of ICT including that of e-commerce particularly amongst small businesses, as they play a major economic role in developing countries. A number of factors have been linked with Internet adoption amongst large and small tourism businesses. Small tourism businesses in developing countries have been delayed by several underlying limitations that embody these countries.

The small business sector in developing countries experiences various challenges in respect of Internet and e-commerce adoption. Therefore, the research context of the study reported herein, concerns the adoption of the Internet and the attainment of e-commerce objectives amongst small business in the Lesotho tourism industry. The latter consists of many businesses with various activities ranging from tour operators to cafes and restaurants. The majority of tourism businesses in Lesotho are classified as small medium micro enterprises (SMMEs) like in many other countries. Many of these businesses have adopted Internet technology on a limited basis. The most widely used application is email, while online advertising, selling or buying goods and services on the Internet are the least common uses (Abell and Limm 1996; Poon and Strom 1997). Block and Guptill (1997) also state that the internet is mostly used as a communications medium and email is the dominant use in the content and context period of the electronic market place evolution (Lesotho Ministry of Communications, Science and Technology, 2005).

In view of the foregoing, the crux of the research problem is described as: ***There are generally low levels of e-commerce adoption in Lesotho, and the tourism industry in particular has not yet effectively adopted Internet technology into their businesses.***

1.3 Research question, sub-questions and objectives

Given the above problem, the Table below sets out the main research questions, the associated sub-questions, and the methods and objectives of each.

Table 1:1: Research Question, Sub-Questions, Research Methods and Objectives

Main Research question	What are the factors which affect adoption of e-commerce amongst SMMEs in the Lesotho tourism industry?	
Sub-Questions	Methods	Objectives
1) What are the various models or theories which have been used to study adoption of Internet technology?	Literature analysis	To identify various models theories that have been used to study adoption of Internet technology.
2) Is the unified theory of acceptance and use of technology (UTAUT) model a suitable framework for this study?	Analysis of literature	To assess how the selected model may be used to investigate internet technology adoption in the context of e-commerce in a typical developing country.
3) With regards to the selected research population, what are the <i>elements</i> of each of the determinants of performance expectancy, effort expectancy, social influence, and facilitating conditions which affect the adoption of internet technology in an e-commerce context?	Questionnaire design based on primary data	To design a data collection instrument based on the selected theoretical frame.
4) How are each of the above dimensions relevant to the <i>intention (of tourism businesses) to use e-commerce</i> in the Lesotho context?	Fieldwork Interviews	To determine which dimensions affect intention to use e-commerce amongst the target research population.
5) What are the factors which are relevant to <i>intention to use e-commerce</i> ?	Analysis of data	To identify factors in the research problem domain, and on which the instrument is designed, which are correlated with <i>intention to use e-commerce</i> .
6) Based on the above, what recommendations can be made to improve adoption of e-commerce by SMMEs in the tourism industry in Lesotho?	Interpretation of findings	To make recommendations based on the findings with regards to the improvement of e-commerce adoption rates by SMMEs in the Lesotho tourism industry

1.4 Research design

The study approached the research problem in two main stages:

In the first stage questionnaires were distributed to collect *preliminary* data from a sample of small tourism enterprises to assess what the Internet was being used for, and to confirm the premise of the research problem.

In the second and more substantive step of the study, the research was mainly qualitative using interviews to gather empirical evidence. Tourism small businesses within the Maseru district were the research unit of analysis. The key elements of the research design included the following:

- **Literature analysis:** Information was collected from the literature and this helped gain an understanding of related theories and concepts taking previous similar e-commerce adoption studies into account.
- **Interviews:** Interviews were conducted in a form of semi-structured interviews amongst sixteen tourism businesses. Within each business, selected tourism stakeholders (owners/managers, supervisors, tourism officer, consultants as well as receptionist) were interviewed. The researcher utilized fieldwork notes in conjunction with a tape recorder to capture the data more accurately during the interviews.
- **Data analysis:** Data was collected and analysed using qualitative content analysis. The data was categorised and interpreted according to patterns found in the data. According to Zhang & Wildemuth, (2008), in order to validate and address research questions and objectives, the next step was to compare findings with insights from the literature.

1.5 Delineation of Study

This study focused on how tourism businesses make use of e-commerce and as such touched on the behaviour and social factors influencing the articulation leading to the use of technology as a valid medium to express businesses and individual needs which can be gathered to produce the consumer needs. The research study was limited to Maseru because most tourism players are within the city of Maseru as it is the capital city of Lesotho.

1.6. Significance of the study

The aim of this research was to identify factors relevant to the adoption of e-commerce by small tourism businesses in the Lesotho tourism sector and to provide an understanding of how adoption may be improved. This resultant framework, based on the UTAUT model, provides the basis of an adoption framework in a developing context and which could be applied to address adoption issues amongst tourism SMMEs in Lesotho. The research also raises awareness as to how the use of ICT and e-commerce can benefit these businesses. The study further contributes to the academic body of knowledge regarding SMME's application of e-commerce.

1.7 Overview of dissertation

1.7.1 Chapter One – Introduction

Chapter 1 provides an overview of the research. It also provides details of the research problem, research question, research sub-questions, research objectives and the research design and methodology.

1.7.2 Chapter Two – Literature

This chapter presents a literature review of the key concepts of this research. The elements and characteristics of e-commerce are discussed within the chapter. The chapter also explores the current state of e-commerce and the different theories and technological models underpinning e-commerce adoption. Finally, the chapter provides an overview of tourism in Lesotho.

1.7.3 Chapter Three - Research design and methodology

This chapter focuses on the research design and methods. It discusses qualitative research and details why a qualitative content analysis approach was chosen in juxtaposition with the use of semi-structured interviews. Furthermore, a description of how data was analysed making use of a qualitative data analysis approach. A detailed step by step basis included how the software tool was used to facilitate qualitative data analysis. Lastly, the research explores ethical considerations that were employed when conducting this research.

1.7.4 Chapter Four – Findings

This chapter reports on the findings based on the interview analysis concerning adoption of e-commerce amongst SMMEs in the tourism Lesotho sector. It also draws on the findings of

the analysis of the previous chapters. The evidence provides responses to the research questions, and is mapped to the literature to provide a clear understanding of the research problem.

1.7.5 Chapter Five – Conclusion

The research objective, research problem and research question are addressed according to findings. The adapted UTAUT model is presented in this chapter presenting the unique factors that have been discovered. A proposed guideline is provided to assist SMMEs in their e-commerce strategy initiative. Further, the limitations of the research and recommendations for future research are given.

The structure of this thesis is summarised in Figure 1.1 below.

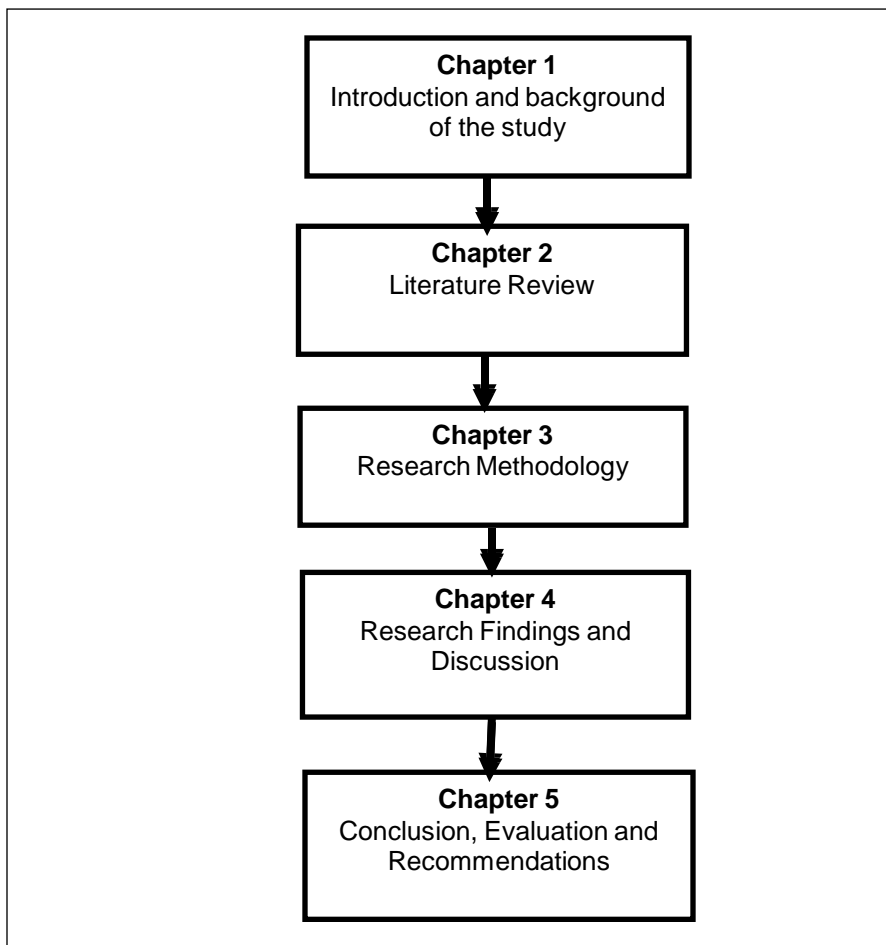


Figure 1. 1: Thesis structure

1.8 Chapter conclusion

This chapter provided an introduction and background of the study undertaken amongst small tourism enterprises in the Lesotho tourism sector. It also provided a detailed research problem, the research question, research sub-questions as well as the relevant relative objectives of the research. Furthermore, it elaborated on the significance of the study. The following chapter discusses the literature relevant to the areas that this study attempts to investigate.

CHAPTER TWO LITERATURE REVIEW

2.1 Introduction

This chapter focuses on a review of literature from previous academic research into e-commerce adoption by SMMEs. Firstly, discussions on e-commerce, developing countries and SMMEs are investigated and explored then, the theories underpinning technology adoption and finally a discussion on Lesotho tourism.

During the literature review, it was found that numerous research studies have been done on SMMEs and e-commerce adoption in recent years. Latest reports on recent information were accessed in order to make the study as relevant and useful as possible. This was made possible by consulting a range of books, journals, articles, and working papers relating to e-commerce.

2.2 E-commerce

E-commerce enables businesses to have access to potential markets throughout the world. There are different definitions of commerce. E-commerce as defined by OECD (2002: 89) is the sale of goods and services via the Internet in which payment and orders may be conducted on or off-line. Similarly, AL-Fawaeer, (2014: 142), Hong and Zhu (2006: 205) define e-commerce as business activities over the internet with the application of Web technologies that generate revenue. In addition, Payne (2002:2) describes e-commerce as the use of Internet in any way that improves an organisation's relationship with its customers and suppliers. This includes transacting business electronically such as placing orders, invoices, marketing and research as well offering new products and services over the Internet. Other researchers such as (McNurlin & Sprague, (2002) and Cloete, (2002) pointed out that e-business and e-commerce are two different concepts with the exception of one author (Damanpour, 2001:18) who discusses the concepts as one definition.

Brown and Jayakody, (2009: 129) stated that e-commerce increased at a markedly fast pace in recent years. E-commerce involves undertaking personal and commercial activities by computer and telecommunications networks in both intra-organisational electronic messaging and information management. In addition a wide variety of activities include; information exchange

and data exchanges between two or more parties conducting business transactions over the Internet in a form of products and services as well as payments (Kao & Decou, 2003; Quayle, 2002, Cloete, 2002, Chester & Kaura, 1990, Kinuthia & Akinnusi, 2013).

A relationship between customers and suppliers has already been redefined by e-commerce (Karanasios & Burgess, 2008). Furthermore, Boateng and Hinson (2007) stated that e-commerce has brought new opportunities as well as threats for business organizations. Many companies apply opportunities brought by e-commerce to explore new ways of conducting business effectively with the increasing competitive environment.

Industries and individual firms gain a competitive advantage through e-commerce development. As geographical barriers broke down, the Internet has increased number of competitors (Chen, Pan, and Ouyang, 2014: 271, Ilesanmi, 2007, 28). Daniel (2003) stated that e-commerce adoption has the potential to assist SMMEs to achieve cost savings and to obtain customers by: 1) reducing costs in areas such as searching and gaining customers, matching suppliers and buyers as well as reduction in the use of paper, 2) handling business process electronically, enabling fast and effective information processing over the Internet. Moreover, e-commerce adoption by SMMEs can be integrated to boost traditional business activities such as direct selling, marketing and supply chains (Warden & van Brakel, 2011).

There has been an extensive review of literature on e-commerce. E-commerce explanation by Payne (2002:2) means that any business use over the Internet can be described as e-commerce (this is also known as e-business). Therefore, for this study, Payne's (2002) definition of e-commerce is adopted. E-commerce and Internet will be used interchangeably in this study when discussing their application in business. E-commerce *adoption* as defined by Shen et al., (2004:3) in AL-Fawaeer, (2014:145) is "*the average level of utilization of e-commerce solutions or applications in merchandising sourcing, logistics, general resources, management, and decision support areas*".

2.2.1 Different types of e-commerce

Andam (2003:9) mentions the following major different types of e-commerce as: business-to-business (B2B); business-to-consumer (B2C); business-to-government (B2G); consumer-to-consumer (C2C); and mobile commerce (m-commerce). Table 1 below summarises the different types of e-commerce.

Table 2.1: The different types of e-commerce source; Andam, (2003)

Type	Explanation
Business-to-business (B2B)	E-commerce between and among companies.
Business-to-consumer (B2C)	Involves customers gathering information, purchasing physical goods or receiving products electronically.
Business-to- government (B2G)	Commerce between companies and public sector
Consumer-to-consumer (C2C)	Commerce between private and individuals or consumers.
Mobile commerce (m-commerce)	Buying and selling of goods and services through wireless technology.

2.2.2 haracteristics of e-commerce April (2007:31) stated that e-commerce can be viewed as a system that enables organizations to capture, process and present information, to support customers as well as decision making in business. Furthermore, organizations are able to market their products and services through ecommerce and provide services that customers can perform themselves (Lee, Pi, Chi-Wai Kwok & Huynmh, 2003).

Lee et al. (2003) pointed out that e-commerce also transforms business operations and relationships between an organization and its customers. E-commerce does not only offer marketing, but also provide customer retention online within three to five minutes and that Internet can enhance the brand relationships and corporate reputations (April, 2007:31). Van Iwaarden, Van der Wiele, Ball and Millen (2003:) added that e-commerce offers advantages such as easy online customer retention which is less than those traditional online activities, and that the Internet enhances brand relationships and corporate reputations.

2.2.3 Benefits of e-commerce

There are numerous and varying predictions as to doing business on e-commerce and adopting Internet technologies (Alam, 2005:188). Maswera, Dawson & Edwards. (2008) also pointed out

that e-commerce has not only changed the way business is conducted but, has greatly increased organizations' revenue particularly the travel and tourism industry.

Many studies have identified the use of the Internet as a communication tool as the major benefit of e-commerce for small businesses (Poon & Swartman 1999, Walczuch, Van Braven & Lundgren 2000). Poon & Strom (1997) indicated that direct and indirect advertising, low cost communication, and easy access to potential customers are most important benefits of e-commerce while competitor's performance benchmarking, access to government and trade organization data as well as inter-office documents exchange are considered to be least important benefits. Purcell, Toland & Huff (2002) adds that reduced cost of advertising, more effective and cheaper communication, exposure to global market, more efficient access to information and a possibility of attracting multinational organizations are some of Internet and e-commerce benefits.

Poon and Jevons (1997) reported that Internet usage for commercial purposes and early signs of usage started showing by 1994, and firms participating in e-commerce activities gained some kind of motivation. Onojaefe and Bytheway (2005) added that the business and socio-economic development is becoming important due to e-commerce. This underpins the perceived benefits of e-commerce that motivates SMMEs to adopt (Poon & Swatman, 1999:15). Furthermore, Poon and Swatman describe these perceived benefits as long-term or short-term (indirect or direct), and how they relate to each other is illustrated by the framework in Figure 2.1 below.

Direct benefits	Examples: -Save in communication costs -Generate short term revenues	Examples: -Secure returning customers -Long term business partnership	Indirect benefits
	Examples: -Potential business opportunities -Advertising and marketing	Examples: -On-going business transformation -New business Initiatives	
	Short term	Long term	

Figure 2. 1: A framework of perceived benefits for small business e-commerce
(Source: Poon & Swatman, 1999:15)

The perceived benefits of e-commerce by most SMMEs such as market access and lower trade cost are some of apparent reasons for e-commerce adoption (Inusa, 2006: 29). Furthermore, Inusa (2006:30) stated that other important benefits considered for small business development include improvement in customer services, information exchange with customers and staff as well as business partners.

In summary the key benefits of e-commerce relevant to small businesses are:

- Primary use of e-commerce is Internet usage as a communication medium between customers and suppliers.
- E-commerce increased organizations revenue.
- Easy access to potential customers is most important benefits of e-commerce.

Three most commonly cited challenges in e-commerce adoption are the inadequate and unreliable telecommunication infrastructure, the cost involved with adopting and using technology and the lack of knowledge and skills (Kuwayama, 2001; Purcell *et al.*, 2002; Rizk, 2006). For e-commerce to realize its targeted business and socio-economic development objectives, Kamel and Hussein (2002:150) pointed out that there are number of challenges that need to be faced that relate to issues such as social, technical, financial and legal elements.

2.2.3.1 Challenges of e-commerce in developing countries

There has been an extensive review of literature discussing the obstacles faced by developing countries on internet adoption. These obstacles are at the macro and micro levels (Kuwayama, 2001). At the macro level they include, the cost of technology access to telecommunications and infrastructure, lack of timely and reliable systems for the delivery of physical goods and lack of governmental and regulatory systems (Murelli & Okot-Uma, 2002; Rananathan & Kannabiran, 2002). Moodley & Morris (2002) stated that at the micro level, challenges include general lack of full potential of Internet knowledge, lack of financial resources and knowledge staff. Additionally, Cloete et al., (2002), De Boer & Walbeek, (1999) and Salman, (2004) further stated that legal and security issues) and lack of knowledge and skills are some of the challenges faced by businesses. Olatokun and Kebonye (2010: 44) explained that the size and type of an enterprise influence the adoption of e-commerce. In addition, adoption of Internet technology can be hindered by the size as well as types of activities of the enterprise whereby a small size is an important factor (Filiatrault & Huy 2006).

Furthermore, trust and security also hinders the growth of e-commerce. In an online environment such as e-commerce, trust is a vital component in building economic relationships due to high perception of risk and insecurity (Chiemeké & Ewwiekpaefe, 2011:1722). Security may also hamper e-commerce growth due to greater threat of security lapses where information can be stolen by hackers resulting in financial loss to technology adopters and users. Love and Irani (2004:238) added that smaller businesses seem to have not invested in networks and issues related to security concerns.

In addition to the above challenges, some of the reasons why adoption of e-commerce in developing countries is hindered are summarised by Lawrence & Tar (2010: 25) (as cited by OECD, 2004) are as follows: enabling infrastructure factors such as (technology, network availability of ICT skills), cost of ICT equipment and networks, security and trust factors as well as poor distribution associated with online purchases. The authors further state that e-commerce adoption varies among countries. Figure 2.2 below shows a framework of barriers hindering e-commerce adoption in developing countries depicted from Lawrence & Tar (2010: 25).

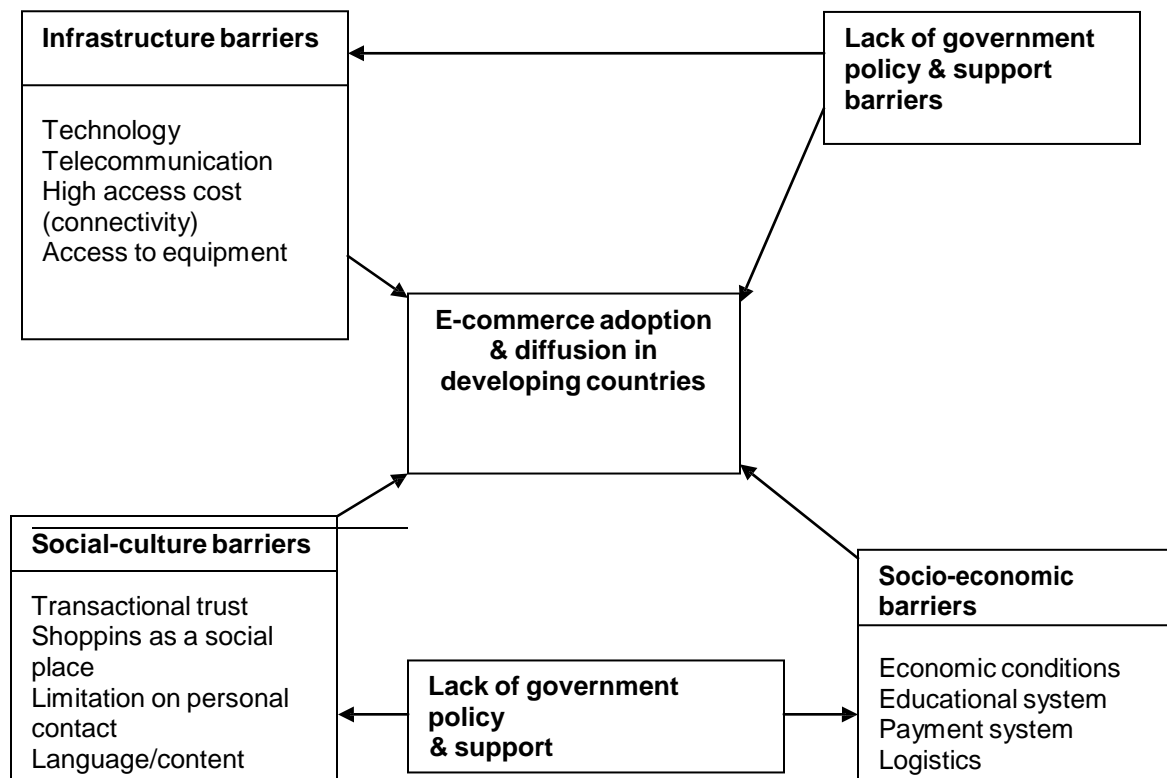


Figure 2. 2: Framework of barriers hindering e-commerce adoption in developing countries (Lawrence & Tar, 2010)

According to Salman (2004: 156), for the developing countries to have a basic platform to embrace e-commerce, they need to do much more than developed countries. Developing countries must address problems such as lack of e-commerce integration, lack of basic automation, poor management skills as well as complete business models of the traditional industrial age. It is not only crucial to address problems of both macro and micro levels at the same time, but it is also the ultimate way for survival (Salman, 2004:156).

A study by Courtney, Cloete and Fintz (2002) on e-commerce adoption by SMMEs in South Africa, found that the major factors that inhibit adoption of ecommerce were within an organization are:

- Lack of access to computers
- Lack of software/hardware components
- Low e-commerce use by supply chain
- Security and legal issues concerns

- Unclear benefits of e-commerce
- Affordable telecommunications infrastructure
- Both employees and management level of e-commerce knowledge.

Kapurubandara (2009) study in Egypt reported that factors contributing to non-adoption included role played by government e-commerce, pricing structures as well as social and psychological factors, telecommunication infrastructure, financial and e-commerce infrastructures and lack of education as well as market size. A major challenge for policy makers and SMMEs is overcoming these barriers. However, these barriers have been asserted that they vary between stakeholders and differ overtime.

2.2.4. Factors influencing e-commerce adoption

The low usage of e-commerce among SMMEs may be caused by many factors which were described in the preceding section. The relevance of e-commerce and its growth opportunity is explored by understanding factors that affect e-commerce adoption. Such factors positively influencing adoption of e-commerce as identified by Kurnia (2007:5) are summarized in Figure 2.3 below. It is demonstrated in the figure how each factor influences other factors.

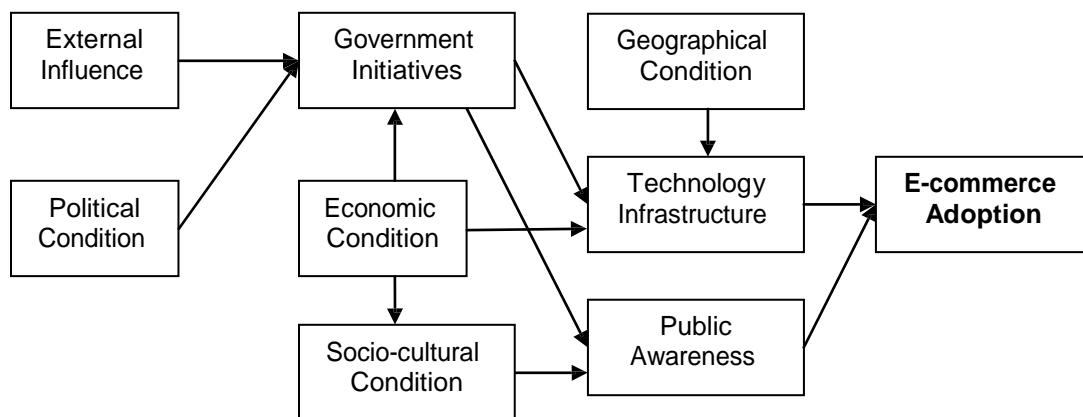


Figure 2. 3: Factors Affecting e-commerce Adoption

(Source: Kurnia, 2007)

Kurnia (2007: 4) mentions that government initiatives are vital in e-commerce adoption and in ICT in general. These initiatives are affected by factors such as the country's political condition, economic condition and external influence from other countries. Unstable political condition in a country is a key factor for e-commerce growth and if any, it is less likely for government to give

little attention on e-commerce development (Dedrick, Goodman & Kraemer, 1995, Kurnia, 2007:4). A country's economic condition also plays a major role in e-commerce adoption. Common indicators for the economic condition of a country include the GDP and income per capita. For many developing countries, e-commerce relies heavily on relatively expensive infrastructure (Kurnia, 2007:4).

The success of e-commerce relies heavily on technology infrastructures. For e-commerce to be efficient, firstly telecommunication infrastructures are required to connect regions within a country and other countries (Molla, 2005, Maryeni, Govindaraju, Prihartono, Sudirman, 2014:45). E-commerce growth is influenced by the cost of accessing the infrastructures. Kurnia (2007:4) adds that a country's overall technology infrastructure development relies heavily on the economic and geographical conditions of the country. The development of technology infrastructure in a country is influenced by geographical conditions and this can be a motivation or barrier to technology infrastructure (Kurnia 2007:4).

In some countries, the adoption of e-commerce depends on social and cultural environment, whereby people take shopping as a hobby; therefore e-commerce is difficult to develop (Boerhanoeddin 2000). People in some developing countries are only aware of e-commerce applications such as chat, email and browsing websites. A lack of public awareness on the use and potential benefits of ICT can also delay the growth of e-commerce (Molla, 2005). With respect to external influence, the growth of e-commerce in a country can be influenced by other countries (Kurnia, 2007). External pressures by competitors also hinder the growth of e-commerce. External pressures such as customers, competitors, suppliers, media and public at large can push firms to adopt technological innovations (Olatokun & Kebonye, 2010: 44). This shows that direct or indirect pressures can force SMMEs to adopt e-commerce.

Other factors that affect e-commerce adoption as identified by Cloete, Courtney and Fintz (2002:5) are owner's, and organization's characteristics. These factors determine why an SMME is at a certain level. Adoption of e-commerce acceptance is dependent on the business owner. If the business owner does not see that technology has potential and that it can be useful he or she will be unwilling to adopt the technology in the business Cloete *et, al* (2002: 4). Additionally, Kirby and Turner (1993) pointed out that the owner's computer literacy and knowledge on how to use the technology will result in the business to adopt e-commerce. Business owners are more interested in profit and this is due to opinions from experiences recommending e-commerce adoption into the organization.

The organization itself has numerous factors that have an effect on the adoption of e-commerce. Cloete *et, al* (2002: 5) also pointed out that current technology in the organization such as PCs with email facilities can relieve the adoption process. To add to the above, Cloete *et, al* (2002: 6) further explain that an organisation"s e-commerce adoption is reliant on external pressures on from competitors and suppliers. If the firm"s competitors are utilizing the technology, the business is more likely to adopt e-commerce so it cannot lose it competitive advantage. In contrast, Akkeren and Cavaye (1999) study on small businesses, found two factors that had previously not been recognized that affected IT adoption. These factors are mistrust of the IT industry as well as lack of time in explaining opportunities and challenges brought by Internet evolution.

2.2.5 E-commerce in developing countries

Businesses in developing countries have not employed an accessible and affordable infrastructure that is well developed as in developed countries (Molla & Licker, 2005: 878). In most developing countries, e-commerce adoption has been held back by the quality, availability and cost of accessing such infrastructure (AL-Fawaeer, 2014, 142). In addition, Internet use and e-commerce practices in most developing countries have yet to reach a decisive mass for network externalities to take effect and encourage businesses to go for e-commerce innovation (Molla & Licker, 2005: 878)

Most businesses in developing countries are small and their lack of complexity can facilitate e-commerce adoption (Goode & Stevens, 2000). Practicing business electronically such as dealing with payments, anonymous and electronic based intra and inter business is important in e-commerce but not common in businesses in developing countries (Molla & Licker, 2005: 878). Montealegre (1996) & Straub (2003) points out that success in the business depends on making changes in the organizational structure, product characteristics and business culture. In developing countries, most businesses tend to have a highly centralized structure, this suggests that the perceptions of managers about their organization, innovation and the environment is likely to be critical in adopting e-commerce (Vreede, Jones & Mgaya, 1999).

2.2.5.1 E-commerce adoption in SMMEs

Gholizadeh, Gilaninia, & Poor (2013) stated that e-commerce usage in businesses differs regardless of the business size. In addition, these authors point out that even though there is little research on effective e-commerce implementation in SMMEs, there are also potential benefits of e-commerce to small businesses. Jeffcoate, Chappell and Feindt (2002) also add that SMMEs fail to make use of e-commerce due to little guidance given to them regarding certain characteristics and circumstances.

Subba Rao & Metts (2003) reported that, globally SMMEs are making use of e-commerce but they are also not using e-commerce to its full potential due to certain barriers. The authors proposed a stage model for e-commerce development shown in Figure 2.4 below which addresses barriers and facilitators for SMMEs at different development stages. In addition, it is explained that facilitators are anything that promote positive impact on a certain stage of development while barriers are anything that promote negative impacts.

2.2.5.2 Stages of e-commerce

Stages of E-Commerce Development and their characteristics

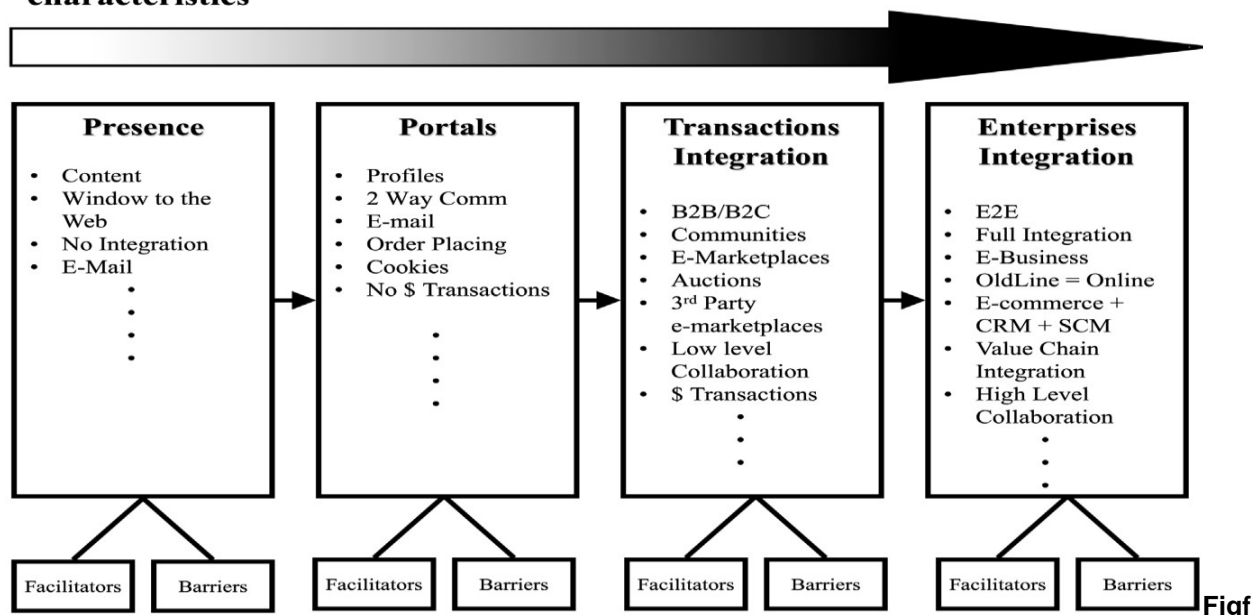


Figure 2. 4: Stages of e-commerce development
(Source: Subba Rao & Metts, 2003)

As shown in the stage-model above, the facilitators are factors that are internal and are within the control of the company and a company can improve on. While factors that are beyond the company's control are classified as barriers such as telecommunication technology, government policies as well as legal environment (Subba Rao & Metts 2003). The following table 2.2 summarises the facilitators and barriers at different development stages.

Table 2.2 : Summary of Facilitators and Barriers for Subba Rao & Metts (2003) e-commerce Stage model

Facilitators	Barriers
Presence Stage	
Commitment by management, content, price flexibility, access cost for consumers	Financial investment, managers' growth acceptance, technological resistance within the enterprise, telecommunication infrastructure development.
Portal Stage	
Changes within the organization, investment and usability.	Development of B2B interfaces, cultural and or language issues.
Transaction Stage	
Ability to extend IT technology within company, ability to gain internal IT competencies, B2B partnerships & third party opportunities e-commerce community development	Financial systems, government tax and trade policies, security & privacy, governmental contractual and legal environments, intellectual property treatment.
Enterprises Integration	
Competencies of internal staff, business process integration and control.	Technology availability, regional and global technology diffusion, international standards for trade and transaction processing, development of e-markets and network complexity.

Similarly, Lefebvre, Lefebvre, Elia and Boeck (2005:1148) have identified six different stages of e-commerce adoption by small businesses, non adopters and adopters:

- Non-adopters with no interest in e-commerce and
- Non-adopters with interest in e-commerce.
- adopters which perform electronic information search and content,
- adopters executing electronic transactions,
- adopters with complex electronic transactions and
- adopters collaborating electronically.

Other researchers such as Mendo & Fitzgerald (2005) suggested that a stage model proposed by Subba Rao & Metts (2003) is inadequate to describe SMMEs' Internet adoption technologies. The researchers examined website evolution over time and gained an insight into the strategies and motivation behind Internet investments. In their study, they propose a broader research framework approach to staged models based on the organizational change concepts. However, Davis & Vladica (2006:2) stated that stage model approach to e-commerce adoption initiates technological change dynamics.

2.2.6 E-commerce in the tourism industry

Information and communication technologies (ICT) particularly the Internet have a significant impact on the operations on small and medium sized enterprises (Mutula, & Van Brakel, 2006:202). Ramsey Ibbotson, Bell, & Gray (2003) explained that through effective use of ICT, SMMEs will be able to compete with their larger counter parts through effective use of ICTs and that they will be able to capture global markets and sell to international customers. New technologies in multimedia, communication and computing are changing the global flow of information, trade and investment and competitive advantage of industries, services, countries and regions (Ramsey et al., 2003). Additionally, GholiZadeh, Gilaninia, & Poor (2013) aver that the application of e-commerce in businesses has promoted communication, power and innovation advantages. E-commerce adoption growth amongst SMMEs include: direct or indirect marketing, strengthening of relationships with business partners, the ability to reach new customers and improvement in customer services.

The use of ICT has supported the tourism industry in reaching the goals of reducing operational costs and increasing their ability to generate value for their customers. Mzumbe (2005:362) added that ICTs enable tourism businesses to interact with customers, add value, personalize services, reduce costs and mainly achieve strategic competitive advantage. The travel and tourism industry as the largest online industry has significantly changed due to the rapid growth of the Internet, particularly the Web (Mzumbe, 2005:362).

Collins, Buhalis & Peters (2003:488) pointed out that small tourism enterprises do not utilize Internet for inter and intra-organisation purposes. However, they use the Internet for sourcing information, online shopping, banking and industry information purposes (Collins *et al.* 2003:488, Karanasios 2008:46). In the late 1990s, the Internet has had a great impact on the

tourism industry and hospitality industry (Collins *et al.* 2003:484). Collins *et al.* (2003:488) further explain that the Internet has been used as a distribution channel to research travel options, airline tickets reservations, hotel rooms, car rentals and price comparison by consumers.

Salwani, Marthandan, Norzaidi, & Chong, (2009:167) stated that e-commerce is a technological advancement phenomenon and research on technological innovations such as diffusion of information technology (IT) and information systems (IS) has led to various theories. Cooper & Zmud, 1990, Rogers, 2003), add that there is an extensive review of literature on technology diffusion on individuals and organizations.

2.3 Technology adoption

In a study about e-commerce adoption, previous research which focused on technology-adoption in general, is an important consideration. Technology adoption is synonymous with the use of computers and the Internet and also, it is a vital vehicle that allows businesses and people to participate in a rapid changing world to gain competitive advantage (Van Donk, 2008). With the emergence of Internet in today's business environment, many organisations are seeking to be competitive through the implementation of information technology (Chong, Ooi, Bao and Lin, 2014:121). In addition Chong, Ooi, Bao and Lin (2014:121) pointed out that the adoption of technology can benefit businesses through distribution of information and knowledge; advancements in communications; speedy response and reduction in costs such as travelling.

Technology adoption involves the choices an individual makes to accept or reject a particular innovation (Straub, 2011: 626). An individual's decision to adopt a particular technology takes time and involves a long source of multiple researches and it impacts business and also involves everyday life (Barron, Kemker, Harmes, & Kalaydijian, 2003). Therefore, it is vital for the individual to understand the process of choosing to adopt and what influences of the social context there is to adopt (Straub, 2011: 625). In previous years, social learning had much influence in the decision to adopt technology but the growth of the Internet, major use of television and radio, and the influx of cellular phones has expanded technology possibilities worldwide. Adoption of technology is influenced by individuals observing others adopting a particular innovation. Thus, an individual's experience of using technology may influence others

whether it is successful or not (Bandura, 2001 in Straub, 2009). Technology adoption has several models and theories with some commonalities across diffusion. These theories and models are discussed individually in the next section.

2.4 Theories and models underpinning e-commerce adoption

E-commerce adoption can be understood through the lens of technology adoption. There are numerous theories which have been used to investigate adoption of technologies. The most frequently applied theories in technology adoption are the technology acceptance model (TAM) (Davis 1989, Davis, Bagozzi & Warshaw, 1989), theory of planned behaviour (TPB) (Ajzen, 1985, Ajzen 1991), unified theory of acceptance and use of technology (UTAUT) (Venkatesh, Morris & Davis, 2003), diffusion of innovations (DOI) (Rogers 1995) and the Technology Organisation Environment (TOE) framework (Tornatzky and Fischer 1990).

Molla & Licker (2005) explained that technological imperative models such as diffusion of innovation (DOI) and technology acceptance model (TAM) consider complexity, compatibility, relative advantage, ease of use, usefulness and other attributes as key drivers of adoption. Literature review reveals the explanatory power of adoption models that are based on the interaction perspective. Studies by Kuan & Chau (2001) have suggested a model of EDI adoption based on technology, organization and environment framework which explain differences in e-commerce adoption.

Other researchers noted that research into technology-based innovation has been productive (Elliot & Loebbecke, 2000:29) and several technology models have been developed. The Technological, Organisational and Environmental (TOE) model was developed by Tornatzky and Fischer (1990) after realizing the importance of technology adoption in order to evaluate technology adoption. Rogers (1983) Theory of Innovation Diffusion in organizations is consistent with the TOE model. The Resource-based View (RBV) theory by Caldeira & Ward, (2003) was developed to aid organizations achieve sustainable competitive advantages.

RBV is of relevance to innovation research because innovation adoption is potentially an element of competitive success. It takes an inside-out or firm specific perspective by focusing on the internal resources of the firm as the major determinant of its competitive success (Dicksen,

1996). Based on the RBV, innovation does not come simply from scanning the external environment in search for market opportunities, but from looking inside the firm to develop and build on core competencies. This indicates that the ability to innovate is related to the resources of the firm (Del Canto & Gonzalez, 1999).

Roger's (1993) Diffusion Theory and Davis (1989) Technology Acceptance Model (TAM) are most commonly discussed technology models on Information Technology (IT) adoption (Datta, 2011:7). In addition, to trace the impact on adoption, Roger's Diffusion Theory focuses on the key characteristics of technological innovations Datta (2011:7). Furthermore Davis (1989) TAM built on Azjen and Fishbein's Theory of Reasoned Action (TRV) model focusing on behavioral elements influencing decision making in IT adoption.

Rogers's (1962) model of innovation adoption can be applied successfully to a variety of innovations. Originally serving the social science area, and in particular rural innovation adoption, and directed toward the individual consumer, it has evolved throughout different decades to encompass technological innovations and to serve both consumer and business adoption units. The model is based on the innovation-decision process which is "the process through which an individual (or other decision-making unit) passes from first knowledge of an innovation, to forming an attitude toward the innovation, to a decision to adopt or reject, to implementation of the new idea, and to confirmation of this decision" (Rogers, 2003:170).

According to (Moore and Benbasat, 1991; Rose & Straub, 1998), TAM and Diffusion of Theory are similar particularly with key characteristics of perceived usefulness, perceived ease of use, social influence and facilitating conditions. Datta (2011:8) points out that when there are concerns on issues such as poverty, famine, hunger, illiteracy and endemic diseases there is high opportunity cost of e-commerce adoption. Both TAM and Diffusion Theory models allow focus on the impact of key technology specific and external factors on the adoption of IT and that both of these theoretical approaches are formulated in an attempt to achieve goals by dealing with determinants of e-commerce adoption (Datta, 2011:8).

The unified theory of acceptance and use of technology (UTAUT) model by Venkatesh, Morris and Davis. (2003) is an extension of the original TAM, taking into account several new constructs. The model was formulated based on eight competing technology acceptance models: Davis' Technology Acceptance Model (TAM), Innovation Diffusion Theory (IDT), the

Theory of Reasoned Action (TRA), the Motivation Model (MM), the Theory of Planned Behavior (TPB), the Combined TAM and TPB (C-TAM-TPB), the Model of PC Utilization (MPCU) and Social Cognitive Theory (SCT) (Venkatesh *et al.*, 2003). The model aims at looking at behavioural intention and the use behaviour of technology. The three direct determinants from the first element include: performance expectancy, effort expectancy, and social influence; and the second has one direct determinant which is facilitating conditions; and four moderators which are gender, age, experience, and voluntariness of use (Venkatesh's *et al.*,2003). These determinants are discussed later in the chapter.

Table 2.3: Summary of different theories and models which have been applied in technology adoption studies.

Theory	Overview	Examples of studies which applied model
Technology Acceptance Model (TAM) (Davis, 1989)	Examines key characteristics of perceived usefulness, perceived ease of use, social influence and facilitating conditions	Klopping & McKinney(2002) Extending the Technology Acceptance Model and the Task-Technology Fit Model to Consumer E-Commerce Gefen & Straub (2000) Relative Importance of Perceived Easeof Use in IS Adoption Thijs, Broekhuizen & Eelko (2002)Investigating the Effect of Consumer Traits on the Relative Importance of TAM Constructs in an E-Commerce Context
Diffusion of Innovation (DOI) (Roger, 1995)	Focuses on characteristics of technological innovations to trace the impact on adoption	Zhu <i>et al.</i> (2005) Usage and value of e-business by organizations. Pedersen, Methlie & Thorbjørnsen (2002) Understanding mobile commerce end-user adoption
Technological Organisational Environmental model (TOE) (Tornatzky & Fischer, 1990)	Evaluate technology adoption. TOE model is consistent with the theory of innovation diffusion in organizations by Roger"s(1983	Kuan & Chau (2001) A perception based model for Electronic Data Interchange (EDI) adoption. Oliveira & Martins (2010) Firms Patterns of E-business Adoption. Zhu <i>et al.</i> (2003) E-business adoption by European firms
Resource-based View (RBV) (Caldeira & Ward, 2003)	Facilitate the understanding of how organizations achieve sustainable competitive advantages.	Zhu & Kraemer (2005) Post adoption variations in usage and value of e-business by organizations.
Unified theory of acceptance and use of technology (UTAUT) Venkatesh et al. 2003)	Looks at behavioural intention and the use behaviour of technology.	Louh, Kallioja & Oittinen (2006) Factors affecting the use of hybrid media applications. Rosen, Tulsa & Hall (2002) The effect of personal innovativeness in the domain of information technology on the acceptance and use of technology. Vijayasarathy(2002) Predicting Consumer Intentions to Use Online Shopping. Shih (2004) Extended technology acceptance model of Internet utilization behavior.

2.5 The research framework for this study

After conducting the preliminary literature review, and considering a number of theoretical frameworks Venkatesh *et al.*'s. 2003 UTAUT model has been selected as a framework for this study. UTAUT is an integration of various technology acceptance models which focus on different technology adoption issues. Venkatesh *et al.* (2003: 446) stated that out of the eight models, UTAUT is said to be a dominating model to explain user intention to use Information system (IS) and also determination of the acceptance of new technologies. Gupta, Dasgupta & Gupta (2008: 145) added that the model can be applied in designing suitable features to facilitate new technology acceptance by users and in understanding factors driving acceptance of new technology. The model also explains which factors affect the user's perceptions about quality of the system (Dada 2006: 7).

Because of its integrated nature, UTAUT explains and presents a more comprehensive picture of technology acceptance and the use of technology compared to other previous models (Dada 2006: 8). The model also helps in understanding factors that force acceptance of new technology within an organisation. Even though UTAUT is formulated by various constructs from previous models, it is considered not to be technology or application specific but relatively high on behavior (Dada 2006: 7). Venkatesh *et al.* (2003:470) state that the model's focus is more on user acceptance behavior. It does not investigate behavioral expectation of users. The model is limited such that, it does not link user acceptance and individual or organisational usage, it is assumed on the positive outcomes of organizational usage and on systems distinguished as successful from IT adoption point of view.

As compared to other competing technology models, the value of UTAUT is that it can be adjusted and moderated either by applying or selecting factors in the model that best suit the research study. Furthermore, it is the most recent technology acceptance model, which has been increasingly tested to explain technology adoption by many researchers since its inception in 2003 (Gupta *et al.* 2008: 145). Some of the recent studies that have proven UTAUT's reliability, suitability and validity in different technology adoption context are for example: Li and Kishore (2006) used it in the context of an online community weblog system, and found that performance expectancy (PE) and effort expectancy (EE) are comparable among weblog users; Wang and Yang (2005) examined roles played by personality traits in UTAUT model under online purchasing and found support for UTAUT; Anderson *et al.* (2006) used UTAUT to find drivers for acceptance of tablet PCs by a faculty in a college of business in higher education, their results validated performance expectancy (PE) as the most significant driver for adoption of PC tablet and Carlsson *et al.* (2006) also used it to

explain acceptance of m-devices/services in Finland and found PE and EE vital in explaining m-devices/services acceptance.

For this study, UTAUT is a useful underpinning framework as the objective of the study is to understand adoption of e-commerce amongst SMMEs in the Lesotho tourism industry. The unit of observation is on the owner-manager of small tourism business. The model can be amended or adjusted to suit the context of the study (Dasguta & Gupta 2010:4, Chiemeké & Ewuekpaeffe 2011:1719). In this study specifically, the study relies on the model's ability to understand behavioral intention. The three factors related to this as per the model are: 1) Performance expectancy which is an extent to which an individual believes that using a system will assist him or her to achieve a higher job performance (Venkatesh *et al.* 2003: 447). 2) Effort expectancy is "*an ease associated with the use of the system, refers to how difficult the user expects the application to be to use or how much effort the user expects the application require*" (Venkatesh *et al.* 2003: 450, Santti 2010: 27). 3) Social influence is an extent the influence by other individuals" impacts on a person's decision to use the system or not (Venkatesh *et al.* 2003: 451). 4) Facilitating conditions is also another factor in the model that has an impact on use behavior, "*it is the degree to which an individual believes that an organisational and technical infrastructure exists to support the use of the system*" (Venkatesh *et al.* 2003: 453). These factors are selected as they are applicable in understanding factors that drive acceptance of new technology. Suitable features can be designed to assist new technology acceptance by users.

Furthermore, the UTAUT model unlike other technology models focuses more on characteristics within an organization which brings an insight for the external factors relating to the organisation. The UTAUT model also focuses on individual's technology behavior and system usage in the working environment (Venkatesh, *et al.* 2003; Carter, 2000:305). In addition, the model has been used to study consumer technology adoption (Venkatesh, *et al.* 2006, Ozdemir *et al.* 2008; Yang, 2010). In relation to the aim of the study, the model is highly likely to provide a better understanding on technology adoption. Moreover, the independent constructs of the UTAUT model relate to the individual characteristics, organisation's size and structure. Therefore, UTAUT's comprehensiveness, its reliability and validity have encouraged the researcher to adopt it in an e-commerce adoption context amongst SMMEs in the Lesotho tourism sector.

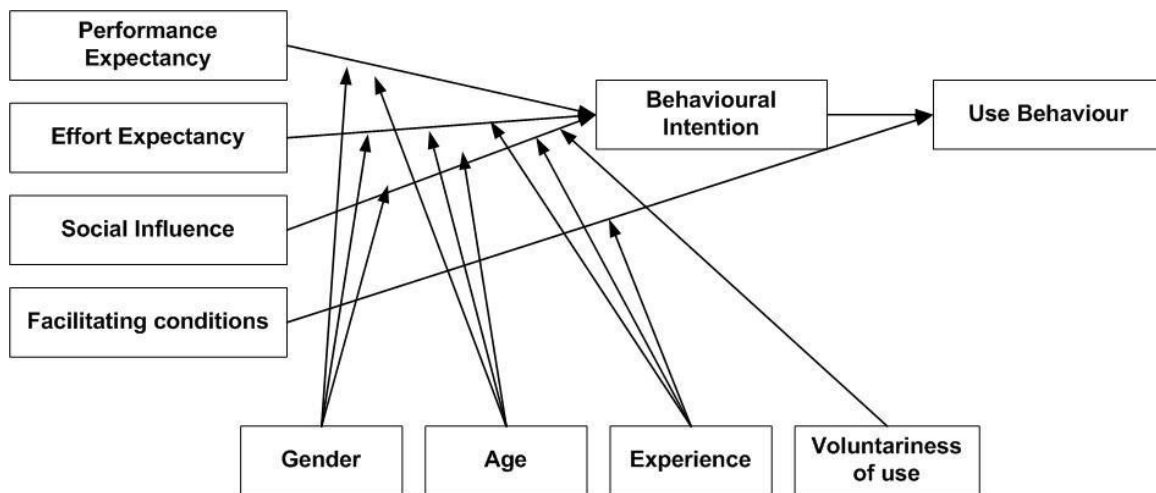


Figure 2. 5: The Unified Theory of Acceptance and Use of Technology (Venkatesh et al., 2003).

Venkatesh *et al* (2003: 447) pointed out that UTAUT model has been constructed using four direct determinants of user acceptance and usage behavior: performance expectancy, effort expectancy, social influence as well as facilitating conditions. Venkatesh *et al* (2003: 447) further explained these determinants as follows:

- **Performance expectancy** was constructed from different models that relate to performance expectancy such as: perceived usefulness derived TAM/TAM2 and Combined TAM and TPB models, extrinsic motivation from (MM), job-fit from (MPCU) relative advantage from (IDT) and outcome expectation from (SCT) models Venkatesh *et al* (2003: 447).
- **Effort expectancy** concept was captured from three different constructs from: perceived ease of use (TAM/TAM2), complexity from (MPCU), and ease of use from (IDT). Effort expectancy construct is important in both voluntary and mandatory usage contexts within each model (Venkatesh *et al* (2003: 450).
- **Social influence** is a direct determinant of behavioral intention represented by subjective norm in TRA, TAM2, TPB, and combined TAM and TPB, social factors in MPCU and image in IDT (Venkatesh *et al* (2003: 451).
- **Facilitating conditions** is derived from three different constructs such as: perceived behavioral control captured from TPB and combined TAM and TPB, facilitating conditions from MPCU as well as compatibility from IDT models (Venkatesh *et al* 2003: 453).
- **Behavioral intention** is consistent with user's attitude toward technology acceptance and usage (Venkatesh *et al* (2003: 456) and use behavior is measured by the frequency of technology usage.

2.6. ICT and E-commerce in Lesotho

Lesotho's ICT infrastructure is currently low, with access to telecommunications services of approximately 3% of the country's population for fixed telephone lines and just 20% for mobile phones (Maphephe, Balkaran & Thakur, 2014: 30). Personal computers are primarily confined to urban areas and were estimated to be less than 30,000 in 2000. The pace at which Lesotho absorbs computer training, programming and systems literacy will determine how quickly they apply and benefit from these rapidly emerging technologies. In order to catch up with regional and international trading partners, development in ICT has to be accorded top priority with urgent financial and infrastructural implications for schools, training and research institutions as well as for businesses and government (Lesotho National Science and Technology Policy, 2002).

In 2005, the Lesotho government through the Ministry of Communications, Science and Technology formulated Information Communication Technology (ICT) Policy entitled „ICT Policy for Lesotho“ to provide the nation of Lesotho with a vision and strategy for becoming a fully integrated member of the Information society. The policy's role on information technology is to unite the government, civil society and the general public (Thabane, 2005). Key areas highlighted in the policy are: e-commerce, e-government, health, education and human resources development, tourism and the environment as well as gender and youth (Lesotho ICT policy, 2005:10).

As stated in the Lesotho ICT policy (2005), e-commerce is acknowledged by the Lesotho government that it has the ability to: increase business opportunities, decrease transaction costs, build up the quality of life for the Basotho nation and assist SMMEs to exploit new opportunities in the new global economy. Therefore, the government has developed the ICT policy to enable Lesotho to achieve its development goals as to how ICT could be utilized to open up new opportunities, improve service delivery and ease poverty on the Basotho nation.

According to the Lesotho ICT policy (2005), for businesses in Lesotho e-commerce has tremendous growth opportunities. Most importantly, it enables local businesses to have access to potential markets globally and it also reduces the barriers to entry for small and medium sized enterprises (SMMEs) as it lowers overhead and marketing costs. The policy further points out that for e-commerce to be effective, private sector and government should work together to:

- Endorse laws that address computer crimes prevention, protection of privacy, intellectual property rights and copyright and security measures for online transactions.
- Introduce incentives for businesses implementing electronic solutions.
- Work with business and consumer groups to develop a consumer protection framework for e-commerce.

E-commerce usage in Lesotho is still in its infancy stage. However, this study will explore the factors that might hinder the adoption of electronic commerce applications among SMMEs in the Lesotho tourism sector.

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2.6.1 Government Initiatives on ICT and e-commerce

Lesotho ICT Policy has provided guidance by allocating various responsibilities to role players: this involves the Ministry of Communications to formulate policies and the Lesotho Telecommunications Authority (LTA) to regulate operations in the telecommunications infrastructure (Maphephe, 2011). Other role players the Ministry of Trade and Industry which monitors international and local market trends in e-commerce, assists in e-commerce development through conferences and forums and in supporting research in the industry (Ministry of Trade and Industry,2012) in association of role players from private sector companies. According to IST-Africa (2012), despite Lesotho's poor ICT infrastructure initiatives to promote ICT access and usage in educational institutions and communities in Lesotho have been taken. This was done through projects in the education sector with references to two key projects; the New Partnership for Africa's Development (NEPAD) eSchools Demo Project and SchoolNet Lesotho. These projects' aim is to impart ICT skills and knowledge by providing education in schools through the application of ICT and Internet usage (IST-Africa, 2012). Furthermore, e-commerce skills and knowledge are encouraged through the diffusion of Internet usage.

Though initiatives have been taken to educate e-commerce, there was a gap around the policy framework which permits online transactions such as payment security which are still not yet accepted widely (Maphephe, 2014:120). Therefore, set frameworks and policies for Cyber Security projects such as monitoring, data protection and reporting have been initiated through the Lesotho Communication Authority (LCA) and the Department of ICT.

2.6.2 Tourism in Lesotho

The tourism sector is one of the fastest growing sectors worldwide and ICT is one of the strongest forces fuelling its growth. Information Systems, computer reservation systems and the Internet are bringing people into contact with a growing number of tourism opportunities throughout the world.

The Lesotho tourism sector is one industry which stands to benefit from the Lesotho Highlands Water Project (LHWP). In recent years, the Lesotho National Development Corporation (LNDC) has been actively promoting the tourism industry and a number of hotels, mountain lodges and a national park have also been developed. It is marketed as a haven for those who enjoy back-to-nature adventures with a wide range of activities offered. The rugged mountains and the simple way of life are a major draw card to Lesotho (LTDC, 2015).

LNDC (2008) pointed out that tourist accommodation is being continually developed with a number of international hotels and a variety of restaurants in Maseru, while other areas offer smaller hotels and lodge accommodation. With the growing backpacker demand, there is also development of inns and youth hostels as well as traditional Basotho-thatched rondavels.

The development of the Katse Dam, a 25-kilometre long dam has become a further attraction offering water-based recreational facilities, bird watching and trout fishing. There is a growing short range of skiing at Oxbow in winter. There is a new Tourism Development and Incentives Bill which provides for an improved tourism institutional framework. The bill also takes into account that there is proper tourism regulation in the country and that there is an appropriate system for the manufacture and retail of handicrafts and souvenirs in the country (LTDC, 2009).

2.7 Conclusion

This chapter reviewed existing literature dealing with e-commerce generally, e-commerce in developing countries, use of e-commerce by SMMEs and tourism in Lesotho. The literature for this research has been based on e-commerce adoption within SMMEs in the developing nation context. The aim of this chapter was to build up theoretical background concerning factors which affect adoption of e-commerce amongst SMMEs in the Lesotho tourism industry. Different technology acceptance model were discussed with an aim to find a model that best suited this research study. The UTAUT model was found to be the underpinning

research framework for this study, towards user adoption of e-commerce in the Lesotho tourism sector. In the case of Lesotho, e-commerce adoption and use by SMMEs is still in an early stage. Therefore a study on e-commerce technology amongst SMMEs has been conducted through a review, selection and application of applicable technology acceptance theories and models.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

Scientific research practice is based on a well-planned research design and methodology (Babbie and Mouton, 2008). The learning of how the world works so that people can manage and foresee events is facilitated by the knowledge gained from scientific research (Neuman, 2003).

This chapter presents the design and methodology of this research and the processes that were followed to gather fieldwork data for the project. The following sections discuss the study design, which includes the reasons for choosing a qualitative approach, and discusses research instruments employed.

3.2 Research design and methodology: context and rationale

Research design and research methodology are described differently and used similarly by researchers (Babbie and Mouton, 2008:74). The concepts are further explained as follows:

Babbie and Mouton (2008:75) define research design as

“a blueprint of how you intend conducting the research”

and research methodology as

“the methods, techniques and procedures employed in the process of implementing research design” (Babbie & Mouton 2008: 75).

Table 3.1 below summaries the differences between research design and research methodology from Babbie and Mouton (2008)

Table 3.1: Differences between research design and research methodology

(Source: Babbie & Mouton, 2008:75)

Research Design	Research Methodology
Focuses on the end –product: What kind of study is being planned and what kind of results are aimed at.	Focuses on the research process and the kind of tools and procedures to be used.
Point of departure= Research problem or question	Point of departure= Specific tasks (data-collection or sampling) at hand.

Focuses on the logic of research: What kind of evidence is required to address the research question adequately	Focuses on the individual (not linear) steps in the research process and the most “objective” (unbiased) procedures to be employed.
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As outlined above, the differences between research design and research methodology illustrate that when a research problem has been formulated clearly and comprehended, the next step will be to formulate a research design associated with research methodology to address the key question. In this study, the problem has been established as *“the low levels of e-commerce adoption in Lesotho, particularly the tourism industry has not yet effectively adopted internet technology into their businesses”*. The main research question was *“What are the factors which affect adoption of e-commerce amongst SMMEs in the Lesotho tourism industry?”*. Based on the latter, the following was identified as being pertinent to the research: there was a key exploratory element in the study as the literature review did not provide a basis for understanding adoption of e-commerce in a developing country environment like Lesotho. As a result it was important that data collection had to be conducted in close proximity to actors in the research problem domain, rather than through detached data collection methods. There was clearly a need for the researcher to have close interaction on the field.

However, the researcher also noted that there was scant information regarding any aspect of technology use, including the Internet, amongst the businesses. This therefore made some of the decisions around data collection unclear. As a result, it necessitated undertaking an initial stage of the study during which we could gather an overview of the situation. The foregoing were key issues which underpinned design issues and selection of methods.

3.3 Research paradigm

A paradigm according to Taylor, Kermode, and Roberts (2007: 5), is *“a broad view or perspective of something”*. In addition, Weaver and Olson’s (2006: 460) avers that paradigm reveals how research could be affected and guided by certain patterns of beliefs and practices that control inquiry within a discipline by providing lenses, frames and processes through which investigation is accomplished. Therefore, the researcher’s structure of inquiry and methodological choices of the paradigm adopted were clarified preceding discussions about specific methodologies employed in this study. In Information Systems (IS) research, three well-known qualitative research paradigm and assumptions have been classified: Positivist, interpretive and critical realism (Orlikowski and Baroudi, 1991, Myers, 1997). The diagram below, illustrates underlying philosophical functions of qualitative research.

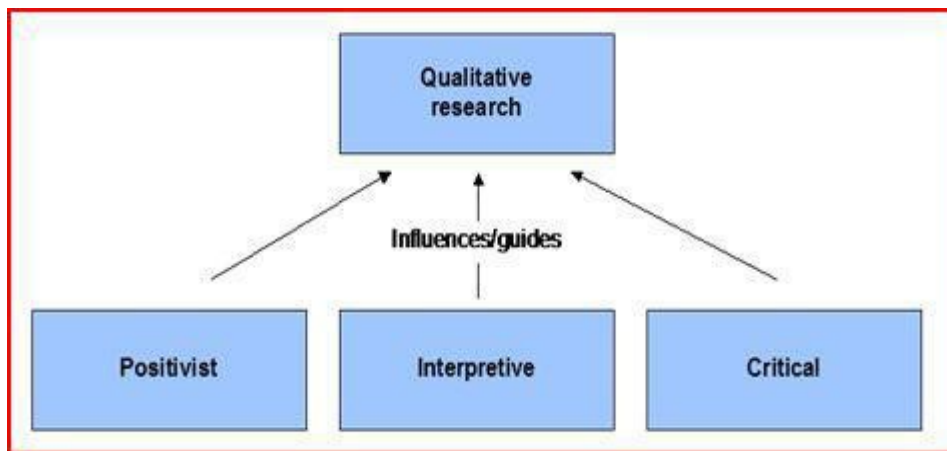


Figure 3. 1: The underlying philosophical functions of qualitative research (Myers, 1997).

3.3.1 Interpretive research

Interpretive research according to Saunders, Lewis and Thornhill (2007), is the attempt humans make to understand what is happening around them. Interpretive approach is often aligned with qualitative research (Williamson, Burstein and McKemmish, 2002). Qualitative researchers start out with multiple constructions and interpretations to access reality through shared meanings of social constructions such as, language and consciousness. Lee (1991: 347) states that interpretive approach requires that social scientists collect data and human behaviour facts that are not only purely objective, publicly observable but are also subjective for the humans as subjects themselves. Walsham (1993:4-5) also asserts that interpretive studies attempt to understand phenomena through meanings that people assign to them. Furthermore, the author argues that, *“the aim for interpretive research methods in Information Systems (IS) is at producing understanding in IS context, whereby the IS process influences and is influenced by the context”* (Walsham, 1993:4-5).

Interpretive research designs as opposed to other underlying epistemologies are affiliated with inductive reasoning. Interpretivists seek deep understanding of a particular context at a particular time and usually the samples are quite small. These researchers execute literature review as a starting point to develop a thorough understanding of the topic under investigation, and then generate research questions and plan to conduct the study based on the literature review (Williamson, Burstein and McKemmish, 2002). As explained above, the researcher followed this approach with this study. Also, the research followed the principles of interpretive research (see Table 3.2) below as depicted from Klein and Myers (1999).

Table 3.2: A summary of the seven principles of interpretive research as proposed by Klein and Myers (1999:72)

Principle	Explanation	Application in this study
1. The fundamental principle of the hermeneutic circle	This principle suggests that all human understanding is achieved by iterating between considering the interdependent meaning of parts and the whole that they form. This principle of human understanding is fundamental to all the other principles.	Iteration between interview transcripts enabled understanding of e-commerce factors available to businesses as a whole.
2. The principle of contextualisation	Requires critical reflection of the social and historical background of the research setting, so that the intended audience can see how the current situation under investigation emerged.	Interviews with the informants, as well as relevant literature a study on e-commerce environment highlighted changes brought by new technologies. This is how the overall investigation of e-commerce adoption emerged.
3. The principle of interaction between the researchers and the subjects	Requires critical reflection on how the research materials (or data) were socially constructed through the interaction between the researchers and participants.	Interviews provided room for questions from both researcher and informants. This helped in correcting assumptions that might arise and affect research interpretations.
4. The principle of abstraction and generalization	Requires relating the idiographic details revealed by the data interpretation through the application of principles one and two to theoretical, general concepts that describe the nature of human understanding and social action.	Data analysis on the current data as well as the historical background was made to get the correct interpretation.
5. The principle of dialogical reasoning	Requires sensitivity to possible contradictions between the theoretical preconceptions guiding the research design and actual findings (the story which the data tell) with subsequent cycles of revision.	Conclusions were only reached after reflection and further reflection that provided not only the expected possibility but also an analysis of what was never expected. The actual findings were compared with the theoretical preconceptions informed by the literature but could not be taken as final truth but contextually bound.
6. The principle of multiple interpretations	Requires sensitivity to possible differences in interpretations among the participants as are typically expressed in multiple narratives or stories of the same sequence of events under study. Similar to multiple witness accounts even if all tell it as they saw it.	Frequencies as well as the value of concepts in the evidence from the various informants were used as the basis for the findings.
7. The principle of suspicion	Requires sensitivity to possible biases and systematic distortions in the narratives collected from the participants.	Respondents were interviewed to try to gain the correct interpretation.

Table 3.2 above shows the principles of the hermeneutic circle which proposes that human understanding is achieved by iterating between considering interdependent meaning of portions and the whole that they form is critical. The meaning in this study is derived from considering portions as well as the whole. The principle of contextualization in this study is important because it reflects on social and historical backgrounds of respondents. Informants' behavior plays a role in social and historical backgrounds and how they operate. In addition, researcher's interaction with informants is of importance in the collection of data. The principle of abstraction and generalization is also employed in this study. Therefore, this provided an acceptable comparison between theoretical preconceptions to the actual findings. Analysis was made from historical background and current data to gain accurate understanding. In research, there are possible differences in interpretations; hence the study took that into consideration. The principle of suspicion is also vital; there maybe biases from informants which researchers should be sensitive to. The researcher was sensitive to any distortions when analysing the collected data in this study.

3.3.3 Research design

Research design according to Welman and Kruger (2002:46) is the plan according which researchers obtain research participants (subjects) and collect information from them. They further state that this describes what is going to be done with participants with a view to reach conclusions about the research problem or research question. Bless and Higson-Smith (1995:46), agree with Welman and Kruger that research design is the plan of how to proceed in determining the nature of relationship between variables.

In concurrence Welman and Kruger, Punch (2002:52) also avers that research design is the basic plan of empirical research and includes four main ideas; strategy, conceptual framework, who or what will be studied and the tools and procedures to be used for collecting and analyzing empirical materials. As suggested by Yin (1994), when conducting research in social science there are two main research approaches to choose from: qualitative and quantitative approaches. When choosing a suitable approach, the focus should be on the problem definition and the characteristics of the gathered information.

3.3.3.1 Mixed methods

Based on the research problem considerations, I decided that a combined quantitative and qualitative approach was needed. This is referred to as a mixed methods approach. According to Cresswell (2006:5), mixed methods research is "a research design with philosophical assumptions as well as methods of inquiry". Furthermore, Cresswell notes that

mixed methods may be unfamiliar to a large number of social, behavioural and human science scholars. In concurrence with Cresswell, Maree (2007:260) notes that mixed methods research is relatively new and builds on both qualitative and quantitative approaches. Mixed methods research is a combination of qualitative and quantitative methods within one study, whereby data is collected both in numeric (numbers) and text (words) simultaneously or in sequence and chooses variables and units of analysis which are appropriate for addressing the purpose of the study and finding answers to the research question (Tashakkori & Teddie, 2003:688).

In this study, mixed methods were applied to provide a rich understanding as well as enabling different dimensions of the problem to be considered of the topic under investigation to increase the confidence in the research results. For example, data from interviews was utilised to reinforce and complement the data from questionnaires because concepts mentioned by the respondents were checked during the analysis. Macnee & McCabe (2008:32) annotates complementary findings in a study make a more valid contribution to theory and knowledge development, and enhance the understanding surrounding the objectives of the study. For this study, findings were validated by exploring different views from small tourism businesses concerning e-commerce adoption factors.

3.3.3.2 Quantitative research

Quantitative research according to Struwig and Stead (2001:4) is a form of research involving large representative samples and fairly structured data collection procedures and employs measuring the quantity or amount of a particular phenomenon by the use of statistical analysis. Struwig and Stead (2001:4) further explain that the primary role of this research is to test hypotheses by establishing the relationship(s) between two or more variables. The importance of this is when a researcher is interested in establishing facts that can be generalised across the population (Inusa, 2006:60). Struab, Gefen and Boudreau (2004) add that quantitative research methods and techniques use numbers to represent values, which is strongly viewed as a way of defining phenomenon. In addition, generalisation within qualitative research is vital.

Silverman (2005:8) states that quantitative methods use impromptu procedures to explain, count and analyse variables. However, Silverman also point outs that usually quantitative research does not consider social and cultural variables under investigation. Dube and Pare (2003:605) state that in Information Systems (IS) research domain, quantitative methods have been dominant. Furthermore, the authors show that other methodologies such as qualitative methods are being used. Myers (1998:6) explains that this is considered now that

there is a change from technological to managerial and organisational issues in the IS research.

In this study, questionnaire was conducted to gather preliminary information on what businesses used the internet for and to obtain understanding of level of e-commerce from tourism SMMEs in Maseru. This was employed not to test relationship variables but to gather descriptive statistics of the status quo amongst tourism SMMEs.

3.3.3.3 Qualitative research

Denscombe (2002:148) also describes qualitative research approach as an enquiry process of understanding in which a researcher develops a complex, holistic picture, analyses words, and reports detailed views of informants and conducts the study in a natural setting. Additionally, Inusa (2006:57) also describes qualitative research as non-statistical examination and clarification of observations in discovering underlying meanings and patterns of relationships. Furthermore, Meyers (1997: 241) points out that qualitative research methodology comprise utilisation of the following approaches: participant observation, archival source analysis, interviews, focus groups, and content analysis. These approaches can be used as a combination or individually. Any chosen approach in adopting qualitative approach in research can possibly attain data from human subjects through discussions (Struwig and Stead, 2001:12).

The study employed qualitative research methods to collect evidence as it was concerned with information that is less understood by numbers, for example: the owner-manager's attitude towards technology acceptance. Qualitative research focuses on developing an in depth understanding of individuals' attitudes, views and behavior (Cresswell, 2003:179). Marshall and Roseman (2006) stated that qualitative research take place in the natural world; it uses multiple methods that are humanistic and interactive and focuses on context rather than statistics and it is interpretative. In agreement, Bell (2005:7), states that researchers adopting qualitative methods are more interested in understanding individuals' perceptions of the world. According to Myers (1997:241), adopting a qualitative research approach in a research helps to acquire data from human subjects through discussions.

The interview approach was adopted in this study to capture the perceptions and understanding of contributing factors affecting e-commerce adoption amongst small tourism businesses in the Lesotho tourism sector. Using qualitative research methods according to Miller & Brewer (2003:238) can help the researcher discover underlying issues. Furthermore, unstructured interviews allowed for the discovering of new and additional information that would not have been captured. Struwig and Stead (2001:11) emphasize that using qualitative method allows for in-depth investigation of a given phenomenon such as the interaction of

small businesses with their context (factors affecting adoption of e-commerce). The research dealt with owner and managers and employees in small tourism businesses to understand their perceptions and interaction with e-commerce technology.

3.3.3.3.1 Features of qualitative research

Table 3.3: Features of qualitative research – adapted from Hoepfl (1997)

HOEPFL'S FEATURE	Application in the study
1. It uses the natural setting as the source of data, researcher attempts to observe, describe and interpret settings as they are. Thus maintaining "empathic neutrality" (Patton 1990)	The empirical study took place at the informants' premises discussing the situation under investigation.
2. In qualitative research the researcher acts as the human instrument of data collection.	Interviews were carried out to collect primary data, myself as the researcher.
3. Inductive analysis is predominantly used in data analysis.	Key themes and concepts identified in the literature were taken into consideration. Codes were informed by the researcher's interpretation.
4. Reports are descriptive, incorporating expressive language and the so called "presence of voice in the text" (Eisner, 1991).	The findings are provided as a description, which serves as the base of the findings.
5. Qualitative research has an interpretive character, aimed at discovering the meaning events have for the individuals who experience them and the interpretations of those meanings by the researcher.	The contextual meaning of the primary data was elicited through the researcher's interpretation.
6. Researchers pay attention to the idiosyncratic as well as the pervasive, seeking the uniqueness of each case.	The researcher also considered non-salient issues from the respondents' interpretations to harness rich data.
7. It has an emergent design, and researchers focus on this emerging process as well as the outcomes or product of the research.	The interviews were semi structured, which allowed emerging issues to be pursued together with the research outcomes.
8. Qualitative research is judged using special criteria for trustworthiness.	Collection of documents was attached as evidence to aid trustworthiness.

Hoepfl (1997) avers that qualitative research according to utilises natural settings as data source, where the researcher goes into the field to observe and collect data, describes and interprets the set up. Data collected is analysed to draw conclusions by the researcher. Hoepfl (1997) further states that inductive analysis is predominantly used in data analysis for qualitative research.

Qualitative research employs an interpretive character in order to discover meanings events have for people experiencing them for reports to be descriptive. Researchers in qualitative research pay attention to the uniqueness of each case in increasing the reliability of the research results.

3.4 Sample and population

The study was limited to Maseru the capital of Lesotho as most tourism businesses are based in this city which is a business hub. Random sampling was employed in the selection of respondents. Random sampling according to Babbie & Mouton (2001: 189) is described as a random selection from a larger population.

3.5 Research methods

Research methods are specific activities conducted within the ambit of the research design. The following section discusses the research methods that were used in this study. Since the study adopted both quantitative and qualitative approaches, questionnaire questionnaires, selection of cases and interviews were chosen as data collection method for this dissertation.

Table 3.4: shows research methods, and their objectives

Research method	Data collection	Objective	Number
Questionnaire	Questionnaires	To obtain an initial understanding of issues around e-commerce adoption in Lesotho tourism industry.	60 questionnaires were distributed amongst 20 businesses.
Interviews technique	Interviews	To use the UTAUT model as a framework to collect evidence on e-commerce adoption from the respondents; and to gather any other evidence related to e-commerce adoption.	16 interviews of SMME tourism business in Maseru
	Documents	To gather more information on the organizations and their operations.	

3.5.1 Questionnaire

Remenyi et al. (2002:290), defines the concept of questionnaire as: “the collection of a large quantity of evidence usually numeric, or evidence that will be converted to numbers, normally by means of a questionnaire”. A questionnaire consists of a list of questions compiled in order to elicit reliable responses from a chosen sample with the aim to determine what the participants do, think or feel.

The questionnaire method as described by Neuman (2003) is suitable for respondents’ behaviours or self-reported belief. It provides a quick and efficient way of reaching a large portion of the research population and gathering data at a relatively low cost as compared to other collection methods (Inusa, 2006:69). The questionnaire method, as suggested by Newsted, Huff and Munro (1998:553), is amongst the most popular research methods used by researchers in Information Systems for the following reasons:

- It is easy administer and simple to score and code.
- Questionnaires allow researchers to values and relations of variables.
- Their response can be generalized to other members of the population studied.
- They can also be used to predict the behaviour and
- They help quantify findings of qualitative research.

However, questionnaires do not allow for face-to-face interaction with respondents, they limit responses that can be extracted from respondents and are subject to unanswered questions by respondents (Oppenheim, 1992:16).

3.5.1.1 Questionnaire instrument development

In this study, questionnaires fall within the broader definition of questionnaire research served as the data collection methodology. A questionnaire consists of a list of questions compiled in order to elicit reliable responses from a chosen sample with the aim to determine what the participants do, think or feel (Neuman, 2003:258).

The questionnaire instrument was designed to confirm the low level of e-commerce adoption amongst SMMEs in the tourism sector in Lesotho. The items for the instrument were thus selected to solicit perceptions of small business actors (including owners and employees) in respect of intention to use e-commerce. The questionnaire sought to:

- obtain data about the level of adoption of e-commerce amongst tourism businesses in Lesotho,
- assess what the internet was being used for in the business.

The questionnaire comprised two sections: the objective of section one was to target the uses of computers by businesses and benefits of Internet. Based on the literature review, the generic benefits of using the internet in a typical small business were identified. These were then cast into questions. The objective of section two was to ascertain the demographics of the respondents. The questions in the questionnaire were worded in simple and comprehensive English to avoid language and literacy barriers. The items were based on a five-point Likert scale ranging from one (strongly disagree) to five (strongly agree). SPSS V20 statistics package was used to derive descriptive statistics on the questions.

A total of 60 questionnaires were distributed among 20 tourism businesses within Maseru. The types of businesses consisted of Bed and breakfast establishments, travel operations, hotels, tourism entertainment, transport, and curio shops. Out of 60 questionnaires distributed, 42 were returned.

3.5.2 Interviews

Saunders *et al.*, (2007) define an interview as a determined dialogue between two or more people. Qualitative interviews according to Myers and Newman (2007:3) is the most common and one of the most important tools in data gathering in qualitative research. Rubin & Rubin (2005) add that qualitative interviews are conversations where the interviewer asks most of the questions in line with her research topic and they usually provide detailed information, understanding of experiences, and a reconstruction of events.

For the purpose of this study, in-depth semi-structured interviews were conducted around specific themes based on the UTAUT model, with tourism stakeholders, entrepreneurs and individuals from the Maseru district. The purpose of interviews was to obtain an in-depth view on e-commerce adoption within small micro medium enterprises in Lesotho. The utilisation of interviews in information systems research also has an opulent history in both small and large enterprises. Shaw (1999) highlights that for collecting rich data about small businesses, in-depth interviews are widely used. Interviews have been popularly used as a tool in investigating a phenomenon within small business in developing countries. Authors such as Rizk (2006) have used interviews to study the adoption of Internet in small businesses in Egypt and Gammack *et al.* (2004) utilised interviews in investigating study of SMTEs in the APEC region.

3.5.2.1 Advantages of interviews

The following are advantages of interviews according to (Neuman 1997; Cavana, Sekaran & Delahaye 2001; Williamson 2002c):

- Interviews generally have higher response rates.
- They allow longer discussions and can last for 15 minutes or hours.
- They can be conducted over the telephone.
- They allow for the adaptation of questions as necessary and this flexibility permits the follow up of interesting leads
- They allow for the clarification of questions and nonverbal cues.
- They allow the interviewer the opportunity to observe the participants.
- Face-to-face interaction builds rapport and higher levels of motivation amongst participants.
- They can provide much richer data than questionnaires.
- Unstructured interviews allow for the flexibility in questioning and the follow up of interesting leads.

3.5.2.2 Disadvantages of interviews

Limitations of interviews according to (Neuman 1997; Cavana, Sekaran & Delahaye 2001; Williamson 2002c) are as follows:

- Interviews can be biased.
- The characteristics of the interviewer may affect the interviewee, this include the interviewers tone of voice and appearance. This might intimidate participants.
- Geographical limitations.
- Respondents may feel uncertain of the anonymity of their responses when interacting face-to-face with the interviewer.
- Interviewer variability can be a problem, if more than one interviewer is used.

To avoid disadvantages during interviews, the researcher remained neutral and made use of simple, clear and concrete wording when asking questions. The informants' premises were used so that they are comfortable and free to engage in the discussions. Also, respondents were informed and assured of their anonymity before and after the interviews.

Interviews were conducted to obtain evidence from 16 businesses to support research sub-question 3 and 4. These interviews were required to solicit the UTAUT model as a framework study for this research. Semi-structured, face to face interviews were undertaken to reveal participants' views on e-commerce adoption. The sample consisted of owner/managers and few employees from sixteen different SMMEs. Owner/ managers are deemed to have the power to instigate change in an organization. The rest of the samples consist of employees from these SMMEs.

Face to face interviews are most suitable for exploratory type of study, because the researcher can adapt the questions as necessary, clarify doubts, and ensure that the responses are properly understood (Lindegger, 2002:72). This is of particular importance as the potential interview participants may not have a clear understanding about e-commerce and its application. Also face to face interviews allow the researcher to explore issues raised by the respondents, which is not possible through questionnaires or telephone interviews.

In addition, Struwig and Stead (2001:98) stated that face-to-face meetings are achievable through the following formats:

- Structured interview: this involves questions that are structured and the discussion is limited between the interviewer and the participant with the response being slightly elaborates.
- Semi-structured interview: is a combination of structured and unstructured questions with multiple responses obtained for a set of questions, which allows for more detailed response.
- Unstructured interview: is conducted through open-ended questions. It provides an in-depth data on the topic being investigated. It also allows participants to be interviewed on separate occasions.

The researcher used semi-structured interviews. Oppenheim (1992: 83) stated that interviews are time consuming, costly and could be difficult to analyse. Miller and Brewer (2003:170) agreed that most especially, interviews were perceived to be biased most of the times.

3.5.2.3 Interview schedule

The interview schedule was used as a guideline for the discussions (refer to Appendix B). This consisted of a sequence of questions that were tailored to be followed during the interview. The interview was aimed to obtain a better understanding the adoption of e-

commerce amongst SMMEs in the Lesotho tourism industry. An interview protocol was designed as follows:

- Questions were designed to collect background information about the company and its employees.
- An interview question guide was created by the researcher in selecting discussion points to guide case study interviews.
- Interviewees can go outside the boundaries of the questions to illustrate significant points that they feel are important.
- Transcripts were sent to interviewees to confirm that the researcher has understood what the interviewee has said correctly.

The interview was semi-structured and followed interview guide consisting of questions that were used to direct discussions with the participants. The researcher allowed participants to discuss details of issues of e-commerce that they felt were important. Furthermore, the researcher did not impose on the participants' views, instead intervened where there was necessary or felt that the respondent was unforthcoming.

3.5.2.3.4 Selection of interview participants

The researcher drew a list of sixteen small tourism businesses from the questionnaire respondents, given that their response to the survey was an initial indication of willingness to participate in this research. The selection was done as follows:

- From the above list, all businesses which had implemented some modes of e-commerce or were planning to do so in the near future were selected.
- Additionally, the selection had to comprise of different *types* of businesses in the tourism industry such as the accommodation sector, travel sector and tour operators. In Lesotho, these businesses are small-one person operations possibly to a few family members or employees. The aim was to target SMMEs conducting e-commerce for their business operations. The researcher identified these businesses as acceptable. The researcher made telephonic and e-mail contact with these businesses to identify a trusted intermediary and to ascertain if the businesses would be willing to participate in the research. At first, these businesses were reluctant to participate and needed careful explanation as to the reasons and possible benefits of participating in this research. The researcher found that businesses were not offering e-commerce facilities and were hosting websites. The researcher undertook an initial face to face meeting with these businesses to ascertain if the business would be willing to participate in the research.

3.5.2.5 Interview process

When conducting fieldwork interviews, careful planning is required to make collected evidence meaningful, relevant and manageable (Warden, 2007: 31). The researcher developed a field protocol that was adapted from Lubbe (2003:9) and Remenyi et al. (1998:172-173). A field protocol used in interviews illustrates activities that were undertaken in the fieldwork.

The researcher made telephonic follow up on the participants' availability; meeting dates and time were arranged. The researcher presented herself at the interviewee's offices with a digital voice recorder, some guideline questions related to the categories to be discussed and the notebook/diary to take notes during the interviews. The interviews lasted from 10 to 45 minutes and were recorded using a digital voice recorder. The interviewer was the first to introduce herself and gave as much details of the research purpose. Confidentiality undertakings were also described. Once the interviewee was clear about the purpose of the interview and agreed to be interviewed, the researcher asked whether the interview session could be recorded, to which some interviewees agreed and others did not agree. With the preliminaries out of the way, the interview commenced. In some instances, where the interviewees did not understand the researcher tried further probing. The interview was done in a relaxed environment. However some interviewees were extremely busy and were interrupted during the session. Some interviewees seemed to be uncomfortable in speaking English because their first language is Sesotho. Because of some interviewee's having difficulties in clearly expressing themselves in English, the interview was conducted in Sesotho. At the end of the interview, the researcher saved the conversation on her laptop for transcribing.

3.5.2.3.1 Field notes and reflective diary

As part of data collection techniques, field notes were used in conjunction with reflective diary during the research process. Field notes are a written record of researcher's observations (David & Sutton, 2004:109). They further noted that field notes offer the researcher an opportunity to reflect upon what they have found. The researcher may derive new issues on what is important in the research from this reflection.

For this study, field notes contained descriptions of the researcher's reflection regarding interview conversations. According to Mayan (2001:112), field notes provide researchers with the opportunity to gain a clear view of one's thoughts. This can therefore be of assistance in planning the process of data collection. A reflective diary according to Burns (2000:439) is

the diaries used for research purposes not usually for personal thought or shopping lists, but logs professional activities which give clear information about work patterns. A reflective diary was kept throughout the duration of the research regarding the ideas and thoughts as well as experiences the researcher had.

3.5.2.2.3 Profile of selected interviewees

At the end of the interview process, a total of sixteen businesses participated in the interviews. The individuals from these businesses comprised a total of sixteen persons as follows: Table 3.3 below presents profile of these interviewees. For ethical reasons, in keeping with the confidentiality agreements, names have been withheld. However, different Interviewees' categories are identified by codes. The codes were assigned as follows: GH1, GH2, GH3, GH4, GH5, GH6 and GH7 for guest houses, TA1, TA2, TA3, TA4, TA5, TA6 and TA7 for travel agencies, HC1 for a handicraft shop and TR1 for tourism transport services.

Table 3.5: Profile of interviewees

Location	Pseudonym/Code given to businesses	Interviewee type	Type of business	Using e-commerce
Maseru East	GH1	Manager	Guest House	NO
	GH2	Owner	Guest House	YES
Maseru West	GH3	Supervisor	Guest House	NO
Maseru Central	TA1	Travel consultant	Travel Agency	YES
	TA2	Manager	Travel Agency	YES
	TA3	Travel consultant	Travel Agency	YES
	TA4	Tourism Officer	Tour Operator	NO
	HC1	Manager	Handicraft shop	NO
	TR1	Employee	Transport Services	NO
	TA5	Travel consultant	Travel Agency	NO
	GH4		Guest House	NO
	TA6	Manager	Travel Agency	YES
	TA7	Owner	Travel Agency	YES
	GH5	Supervisor	Guest House	NO
	GH6	Front Desk Manager	Guest House	YES
	GH7	Receptionist	Guest House	YES

3.5.3 Transcription of interviews

After each interview was conducted, the researcher transcribed the recordings. The researcher played the recordings about three or more times for accuracy, as some of the interviews were conducted in Sesotho. Careful listening and many replays of audio

conversations were undertaken to ensure that the right words were heard and transcribed. The researcher also had to translate the interview from Sesotho to English, given that the research findings had to be presented in English. The transcriptions and field notes were used again during the coding process which was the fundamental activity of qualitative data analysis.

3.6 Qualitative data analysis

Qualitative data analysis involves: coding, categories and themes (Coffey & Atkinson, 1996; Miles & Huberman, 1994) in order to understand and construct rich research settings (Cousin, 2009:31). These authors explain these phases as follows:

Coding: during this phase the researcher engaged with data and obtained a clear understanding of the concept before rearranging it into discrete unit for analysis. Numerous ways of accomplishing this were, through a comment sheet, immediately after data collection. Secondly, listen to an audio-recording and lastly read up the transcripts several times. Several thoughts can be triggered while reading and or listening to the data.

Categories this is where i) the researcher reduced the amount of raw data to that which was relevant to answering the research question; ii) then into more discrete chunks which were relevant to the research question; ii) creation of codes that represent the topic, concepts or categories of events that were undertaken when conducting field interviews iii) Reorganized the codes into categories in a way that addresses research question(s) (See Figure 3.4 below).

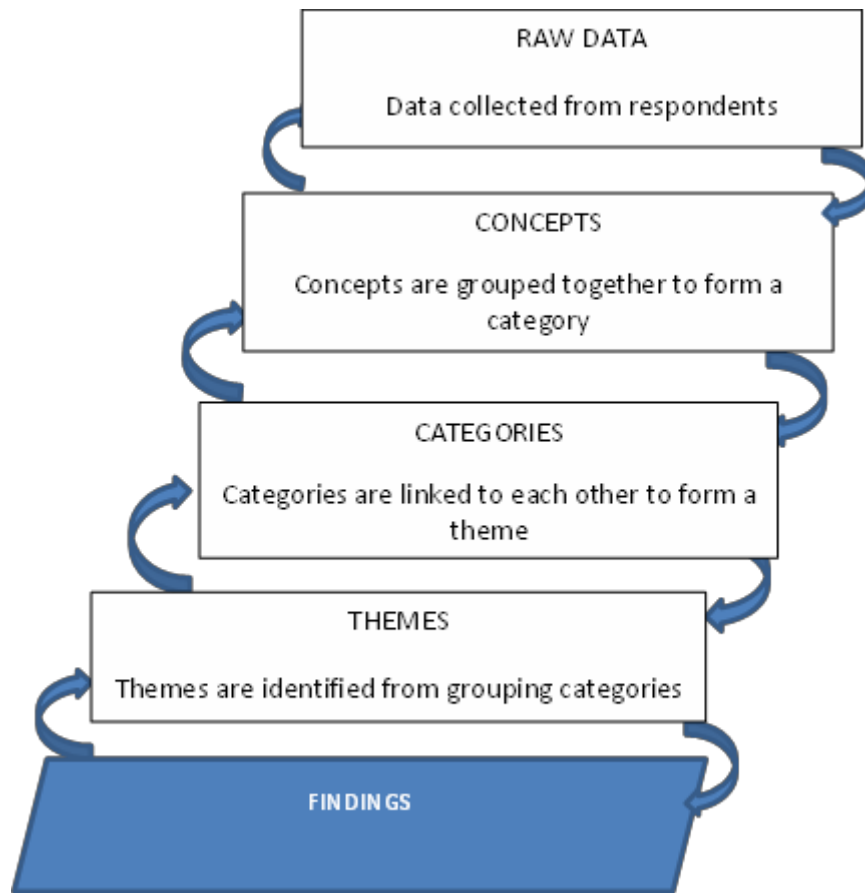


Figure 3. 2: Process in data analysis
(Source: Author)

Miles and Huberman (1994:57) stated that creating codes is an important aspect prior to fieldwork. A start-list approach consisting of various categories, using a master code, sub-code and a key code can be created to link the property to the original question from which it was obtained (Miles and Huberman, 1994:57). In this research, a start-list emanated from the UTAUT model and provided an initial framework for the categorisation of concepts. However, the UTAUT framework did not restrict the researcher to examine the data to identify concepts which may be unique to a developing country context.

Themes: involves writing interpretative and descriptive summaries, displaying key results and drawing conclusions (Miles & Huberman, 1994:57). This is presented in Chapter Four. Furthermore, in qualitative analysis a set of concepts are established and counted into the number of instances in which they fall into each category (Silverman, 2011:64). The purpose of frequency counts is to identify patterns in text (Devi, 2009:2).

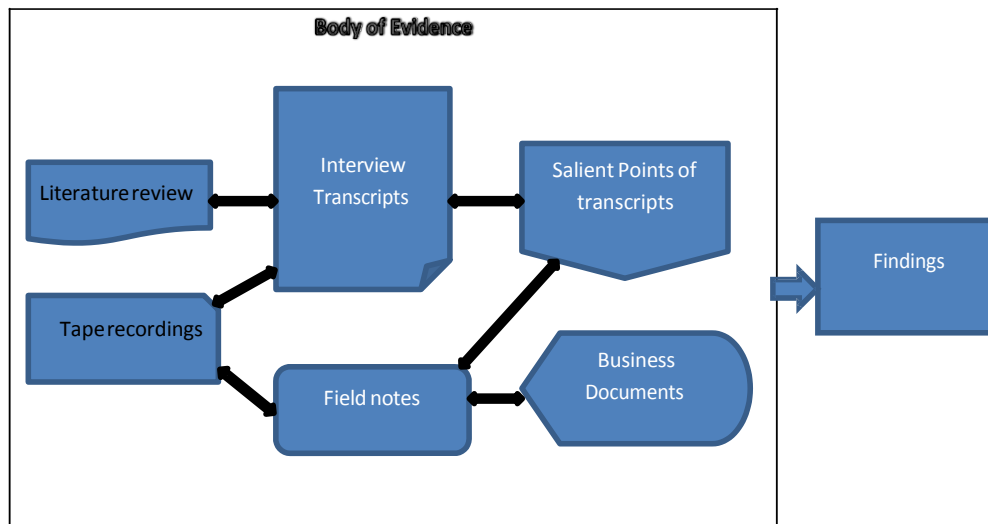


Figure 3. 3: The body of empirical evidence used in the study

As illustrated in Figure 3.5 above, the evidence analysis was informed by mainly textual data. The audio recordings were transcribed and interview transcripts. Business documentation and salient points that emanated from interviews formed field notes. Interview transcripts and field notes developed concepts for this study. Coding of evidence involved identification of concepts that were grouped into categories. Themes emerged from categories through further analysis and reflection. These themes led to the findings after laborious reflection. Following on the above, strategies such as content analysis were carefully designed to ensure sound findings and adhered to the requirements of this research. The following section elaborates on how analysis was conducted with the aid of qualitative data analysis software.

3.6.1 Using software to facilitate the analysis of qualitative data

There are various ways of analyzing evidence collected from textual data: manually, semi-automated (word processor/electronic spreadsheet) or using specialized computer software. Qualitative researchers are increasingly using software to manage data and facilitate data analysis and interpretation (Forman & Damschroder, 2008:59). They add that commonly used software includes ATLAS.ti, MaxQDA and NVivo. These authors further explain that software is a tool that help manage, retrieve and connect data, but cannot perform data analysis. Another qualitative software analysis which is freely available is *Qualitative content analyser* (Bytheway, 2011). This freeware assists with the analysis of qualitative data in

research. It also helps in managing and categorizing textual research data. For this study, Qualitative content data analyser V4 was used to help analyse interviewees’ transcripts, interviewers, interviews, and categories.

3.6.1.1 Using Qualitative Content Analyser (QCA) to conduct data analysis

QCA (see figure 3.4) is a very basic tool that accommodated the full interview transcripts and worked with a full index of all words; furthermore and most importantly, it allowed for the deconstruction of transcripts into large quantity of text (chunks) for analysis related to a particular category defined by the researcher. Transcriptions were loaded onto QCA (See Figure 3.5).

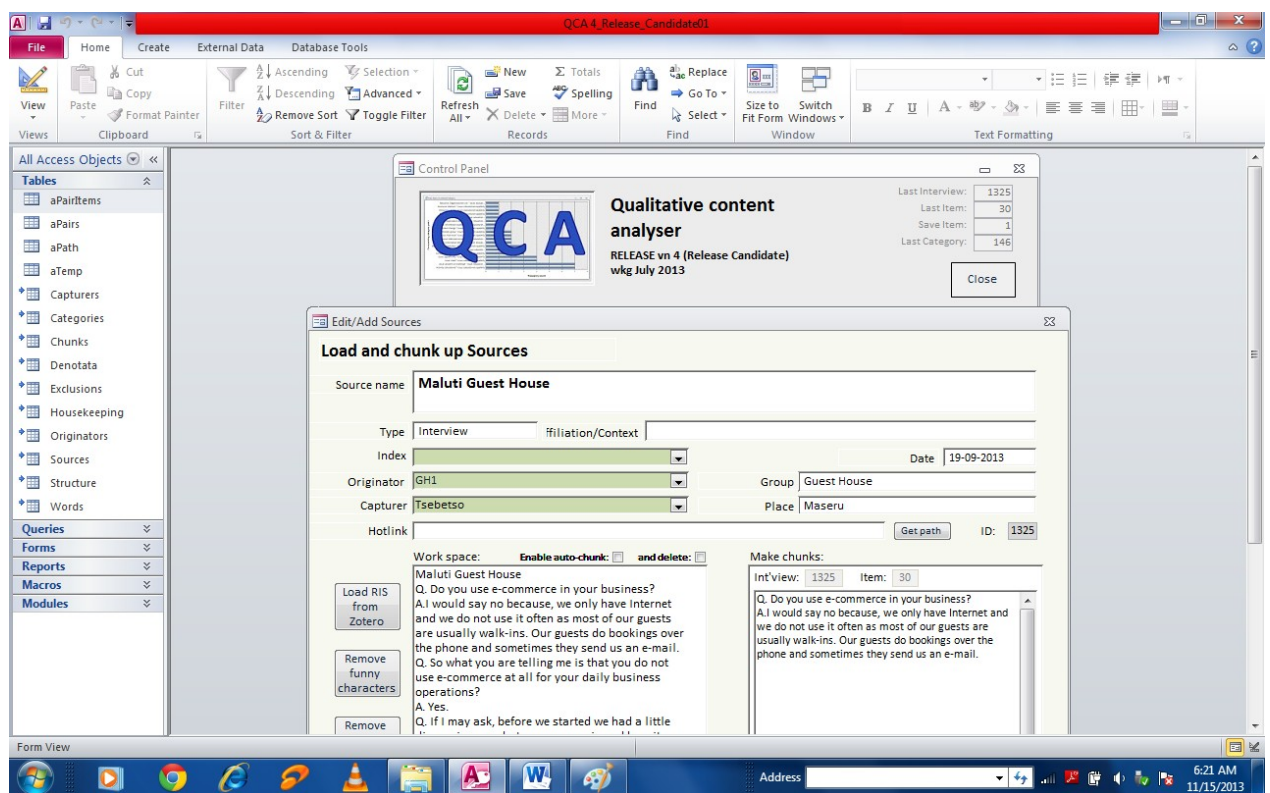


Figure 3. 4: Chunks collection in Qualitative data content analyzer (QCA) (screenshot)

The researcher read the chunk and assigned meanings (First order constructs/ categories (see Figure 3.5 below). A whole chunk or a sentence or group of sentences was assigned meanings. Each “first order construct” was related to a particular category selected from the drop down menu interface of the analyzer. First order constructs populated categories. Frequency of categories were reassessed and linked according to similarities and relevance. More than 20 categories emerged and grouped into ten higher categories (see Table 3.6). These categories were structured as themes (see Figure 3.5). Related categories were

constructed by grouping them, for example “enables me to do my job quickly” is based on “job performance” which is related to “Performance Expectancy”. These sub-categories resulted into a main category Performance Expectancy.

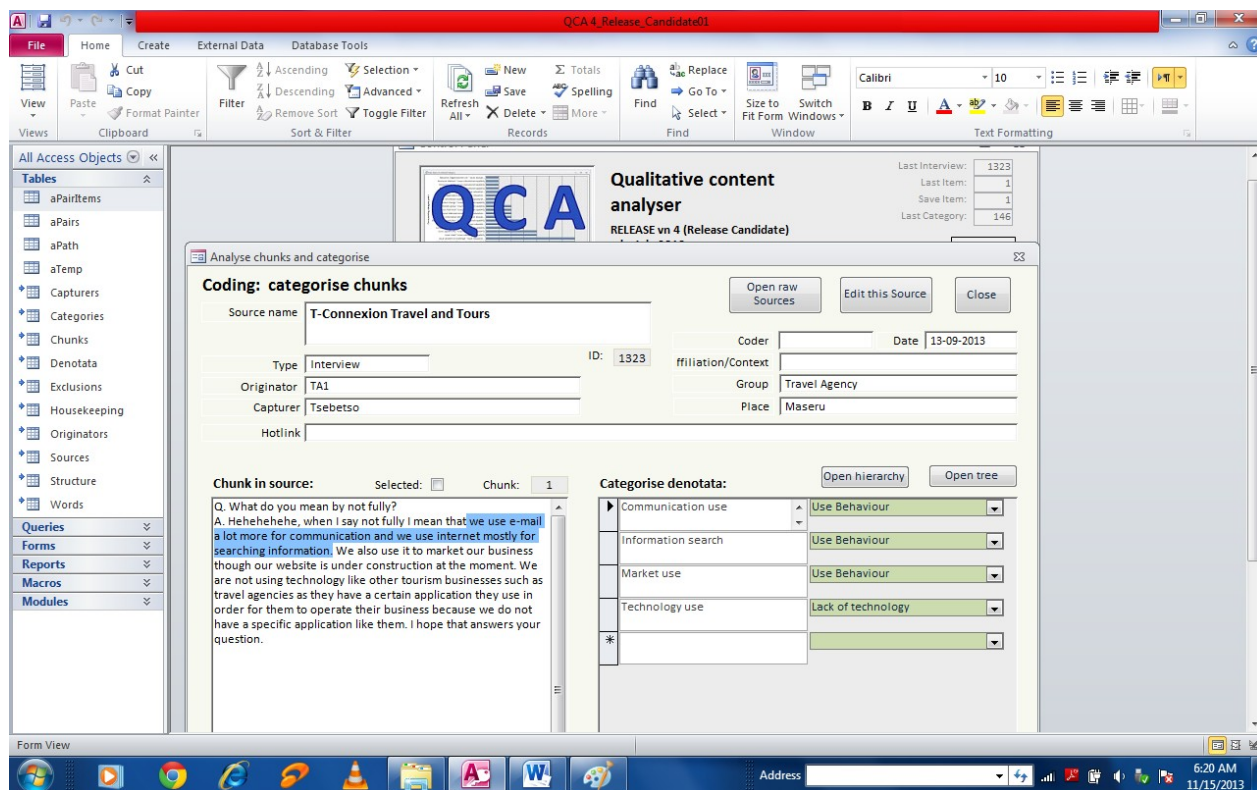


Figure 3. 5: Coding categorise chunks screenshot from QCA

Certain parts of the transcripts were interpreted with the use of a memo. A memo according to Strauss & Corbin (1998) is a document used to write ideas or information that may have emerged during the course of the research and analysis. Additionally, Lapan, Quartaroli, & Riemer (2011:152) state that memos allow the researcher to note why they have arrived at a particular interpretation. Therefore, the researcher took note of this and made use of memos where the meaning of was not clear or the researcher was not sure of the meaning. This was useful as it allowed for the researcher to return to later to the particular section that was not clear.

3.6.2.2 Categorisation: concept grouping

According to Strauss & Corbin (1998:113) after a set of concepts have been identified, the researcher selects and groups those that have a higher abstract order into categories.

Furthermore, the authors aver that a category should be most logical descriptor of what is going on in the data. Table 3.8 presents categories and emerged themes derived from the empirical evidence.

Table 3.6: Categories of concepts derived from the evidence

Categories	Grouped concepts	Themes				
		Performance Expectancy	Effort Expectancy	Social Influence	Facilitating Conditions	National Culture
Performance Expectancy	e-commerce useful, enables quick job performance, safes time, less travel to clients	X	X			
Interaction with e-commerce	Interaction, easy to use, skilful, clear to understand, effective	X	X			
Social Influence	Management support, successful competitors, beliefs, attitude, behavior, customer influence			X		X
Technological Resources	Technical support, software and hardware, e-commerce knowledge, limited resources, skills, education, inadequate internet, IT specialist, internet cost, technology				X	
Behavioral Intention to use	Future use, adopt		X			
Use Behavior	Marketing use, communication use, e-mail, technology importance, information search, information access	X	X			X
Lack of technology	Limited education, awareness, limited resources, technology use, management lack of knowledge, use of e-commerce, technology use awareness		X		X	
E-commerce Trust/Security	e-commerce safety, lack of internet security, lack of internet trust		x		X	
Telecommunication	Poor internet connection, cost of implementing, internet cost, less				X	

Categories	Grouped concepts	Themes				
		Performance Expectancy	Effort Expectancy	Social Influence	Facilitating Conditions	National Culture
Infrastructure	access to computers, lack of technology equipment,					
Cost of technology	cost of technology equipment, internet cost				X	
Government Initiatives	Government policies and legislations		X			

One category was linked to more than one theme (refer to Figure 3.6). With interlinking of categories there were no guided rules employed. Rather interlinking of categories was a reflection of empirical evidence.

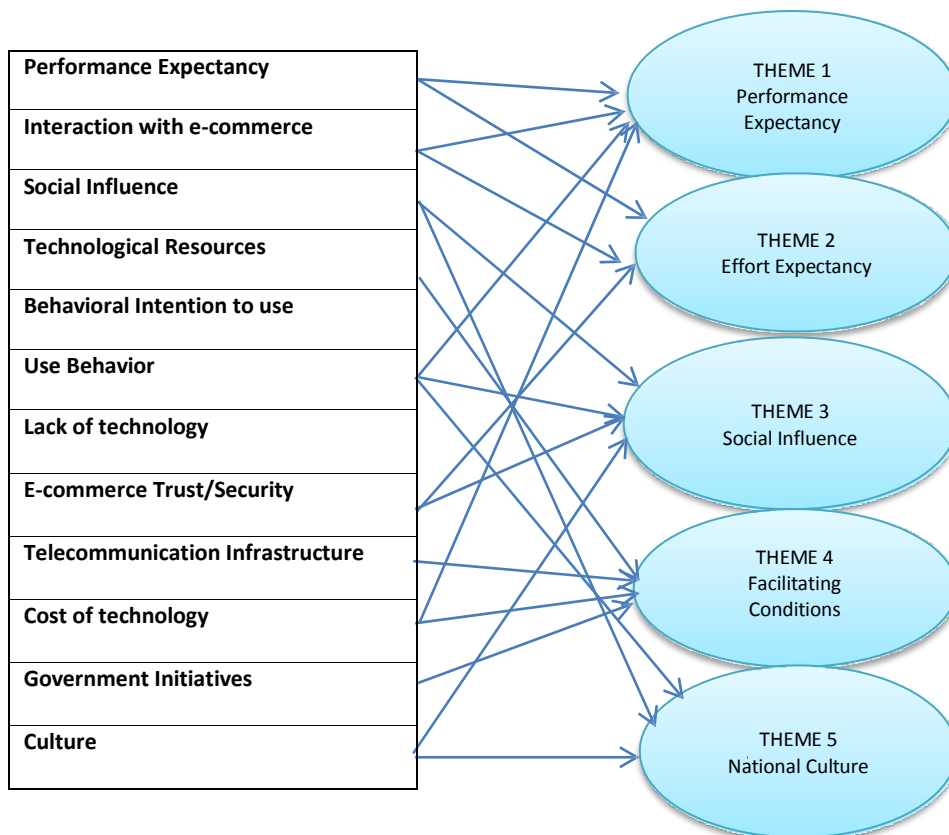


Figure 3. 6: Interlinking of categories

3.7 Ethical considerations

When investigating humans, ethical issues and concerns are bound to rise (Johanson 2002; Ezzy, 2002). Permission to conduct this research was granted upon approval of the research

proposal the Faculty of Informatics and Design Research Committee at the Cape Peninsula University of Technology and the associated ethical clearance to conduct this study. All respondents were informed about the purpose of the research study and how the results were going to be used. Confidentiality of all respondents was maintained throughout the whole research study. Participants were advised that they did not have to answer any questions and could withdraw at any stage of the interview. Respondents were informed about the interview as explained on the cover sheet of the interview guide. They were also reminded that no mentioning of their personal capacity will be done, they could only respond to questions they were comfortable with.

3.8 Summary

The discussion in this chapter shows different methods used when collecting data for this study. After careful consideration of all the relevant issues, it was decided that the study should employ qualitative research methods to collect evidence using questionnaire and interviews methods. The study followed an inductive approach as data was gathered and analysed to come up with a framework and recommendations on the factors affecting the adoption of e-commerce amongst tourism SMMEs in Lesotho to aid their decision making in the uptake of this technology. Also, the data analysis techniques used to analyse data were discussed.

The following chapter presents the results obtained from applying the research method described in this chapter.

CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

The objective of this chapter is to provide detailed discussion on the findings based on the interview analysis concerning adoption of e-commerce amongst SMMEs in the tourism Lesotho sector. This chapter draws on the findings which emanated from the questionnaire and the analysis process described in the previous chapter. The findings provide a response to the research questions, and where necessary draws on the literature to ensure a more comprehensive response with occasional reference to the literature to provide for the discussion with the research questions. The findings culminate with the framework which provides an understanding of the key research question, in respect of e-Commerce adoption in the study domain. This framework is the basis upon which the final conclusions of the study are based.

The findings in this chapter are in response to the following research sub questions:

- How are each of the dimensions of the UTAUT model relevant to the intention to use e-commerce in the Lesotho tourism context?
- What are the factors which are relevant to intention to use e-commerce?

The chapter starts by providing a contextual overview of Lesotho tourism industry, and thereafter presents the research findings, and the discussion thereof.

4.2 Research context: SMMEs in the Lesotho tourism industry

Tourism SMMEs in Lesotho are the particular unit of analysis under study in this research. Small businesses in the Lesotho tourism industry consists of many businesses with various activities ranging from tour operators, cafes to curio shops. The majority of tourism enterprises in Lesotho are categorised as small micro enterprises (with less than five employees). Tourism businesses according to the Growth Strategy Paper (2012:12), currently comprises between two and four percent and of Lesotho's economy. SMMEs are noted to be major contributors to the work force with its diverse activities and they are said to be women run businesses (State of Small Enterprise in Lesotho, 2008:64). The majority of the tourism SMMEs are located in Maseru as it is the capital city and the only business hub of this small country.

The objective of this study was to identify factors affecting adoption of e-commerce amongst the sector contributors. In the initial situational analysis, it was found that some small tourism

businesses relied on the use of the Internet, and others did not. The investigation was therefore undertaken amongst businesses which were both adopter and non-adopters of the Internet within the business operations. Amongst the adopters were travel agencies, guesthouses and tour operators.

- *Travel Agencies and Tour Operators*

Travel agents and tour operators according to (Silva, Carvalho, Lima & Oliveira, 2009) are service providers offering travel and tourism related services to the public on behalf of suppliers such as airlines, car rentals, cruise lines, hotels, railways, and package tours. A travel agency and tour operator's main function is to act as an agent or intermediary, selling travel products and services on behalf of suppliers. Like in many countries, they are individuals or businesses selling tickets and are required to be licensed with International Association of Travel Agents (IATA) as travel agents. Furthermore, they use computer reservations systems (CRS), which include SABRE, Amadeus CRS, Galileo CRS and Worldspan. These CRS" allows them to book and sell airline tickets, hotels, car rentals and other travel related services. Businesses that used these systems were regarded as adopters of e-commerce. These businesses are categorised as SMMEs because they have maximum of five employees including owner and managers.

- *Guesthouses*

These businesses are a particular type of small hotel but with smaller room and conference venue facilities and hold less capacity as opposed to hotels. Guesthouses have limited staff. Because of its limited staff, check in at a guest house is often by appointment. Guesthouses make up the majority of small tourism businesses in Lesotho. They differ in service, thus some guesthouses are adopters of e-commerce and some are non-adopters. The workforce in this sector is more than that of travel agencies with employees of up to twenty depending on the size of the guesthouse.

- *Handicraft shops*

These are businesses that produce and export Basotho woven mohair mats, grass mats (Moseme), Basotho hats (Mokorotlo), clay pots (Lefisoana) and home décor to mainly Germany, United Kingdom, United States and Italy. The Basotho Hat is the most popular curio shop located in Maseru Central. The products are supplied by local men and women working with mohair. Other suppliers provide products made from grass Loli as known in Lesotho, and clay pots. It is the major supplier of handcrafted items and also plays the role of agent to smaller handicrafts" suppliers and manages large capacity orders from local and international markets. This category of SMME comprises limited e-commerce adopters. They receive large volume of orders, and business processing is mostly e-mail based.



Figure 4. 1: Clay Pots & Grass Hat (Mokorotlo) with ladies displaying Woven Mohair Mats
(Source: www.motobong.com)

4.3. Questionnaire response

The questionnaire was conducted to gather data to obtain what the businesses used the Internet for. A total of the sixty (60) questionnaires were distributed and forty two (42) questionnaires were returned. The results of the questionnaire showed the demographic information of the participants. This included: gender, age and experience based on the number of years the business has been in operation. With respect to gender, the majority of the respondents were female working in various tourism businesses in Lesotho as opposed to their male counter parts. Therefore, the stereotypical attitudes given towards women empowerment were flagged as a factor for further investigation during the qualitative analysis. Also, it was revealed in the questionnaire that the majority of all respondents used the Internet on a daily basis for various purposes such as: i) for searching for information and document processing; ii) for e-mail. A majority of respondents indicated that their businesses did not use e-commerce services even though there was an agreement that it would increase productivity. This is indicative that there had been positive expectations of e-commerce benefits from a productivity perspective. Furthermore, the results of the questionnaire showed that there were other mitigating factors against e-commerce adoption such as cost, access, education and government support in facilitating both Internet policy and infrastructure role to promote e-commerce uptake.

The results of the questionnaire thus confirmed the research problem that there is indeed a low-level of e-commerce adoption amongst small tourism businesses in the Lesotho tourism sector. The questionnaire also assisted in providing a broader understanding of the contextual issues in which the tourism SMMEs operated in. The questionnaire thus served as an important foundation on which to proceed with the qualitative phase of the research. In

addition, the questionnaire results were also used as a basis to select businesses to participate in the interviews. The following sections present the findings in respect of those businesses whom were selected for in depth interviews. The quantitative demographic data presented in sections 4.4 and 4.5 are drawn from the questionnaire data.

4.4 Demographic overview of Interviewees

Demographic data was extracted from the questionnaire with the sixteen tourism businesses selected for interviews. Businesses' demographic information is shown in Table 4.1 below.

Table 4.1: Demographic information of businesses ¹

Business	Gender	Approximate age (years)	Experience (years in business)	Industry sector
GH1	Male	40s	10	Accommodation
GH 2	Female	20s	8	Accommodation
GH 3	Female	40s	25	Accommodation
TA1	Male	30s	7	Travel Agency
TA2	Female	40s	22	Travel Agency
TA3	Male	30s	12	Travel Agency
TA4	Female	50s	35	Travel Agency
HC1	Female	60s	40	Handicraft shop
TR1	Female	20s	6	Transport services
TA5	Male	20s	9	Travel Agency
GH4	Female	60s	30	Accommodation
TA6	Male	50s	28	Travel Agency
TA7	Female	40s	32	Travel Agency
GH5	Female	30s	12	Accommodation
GH6	Male	30s	10	Accommodation
GH7	Male	20s	5	Accommodation

Table 4.1 presents various demographic characteristics of the business. This included, their ages ranging from 20s or more years, length of work experience which was indicated between 5 and 40 years. Work experience also varied with the sector of the industry: handicraft shop showed to have higher level of experienced employees, followed by accommodation, while travel agents and transport services had lesser years of experience. Owners and managers were noticed to have highest levels of experience. Interviewees' level of education ranged from less qualified but with high levels of work experience, to

¹ Actual names of the informants are uphold in line with the confidentiality agreement with informants that "the evidence will not be referenced to you either in person or your position" (see Appendix B for the full confidentiality clause)

undergraduates to doctorates. Furthermore, most businesses were owned by women but with a male manager, in marketing and administration and finance.

4.4.1 Use of e-commerce

This section details the usage of e-commerce by business. The business stated that their businesses mainly used ICT to support their business transactions, such as, computers and fax but the use of e-commerce in the Lesotho tourism industry is not pervasive (Table 4.2).

Table 4.2: Use of e-commerce

Respondents	Industry Sector	E-commerce Use
GH1	Accommodation	None
GH2	Accommodation	Yes
GH3	Accommodation	None
TA1	Travel agency	Yes
TA2	Travel agency	Yes
TA3	Travel agency	Yes
TA4	Tour Operator	None
HC1	Curio shop	None
TR1	Transport Services	None
TA5	Travel agency	Yes
GH4	Accommodation	None
TA6	Travel agency	Yes
TA7	Travel agency	Yes
GH5	Accommodation	Yes
GH6	Accommodation	None
GH7	Accommodation	Yes

4.5 Moderating factors

A moderating factor modifies the influence of an independent variable on a dependent variable. For this study, independent and dependent variables are based on the UTAUT model. Independent variables include, performance expectancy, effort expectancy, social influence and facilitating conditions and dependent variables include; behavioural intention to use and use behaviour. Gender, age and experience are categorised as moderating factors in the acceptance of technology theories (refer to Venkatesh *et. al*, 2003). These were considered important when interpreting the results from the interviews. Many authors such as (Davis, 1989) have assumed age and gender contribute to the factors which affect intention to use and usage behaviour. These moderating factors are discussed in the next section.

4.5.1 Gender

This relates to sexual orientations and various characteristics between masculinity and femininity of Internet users in the business. Figure 4.1 depicts the gender splits of respondents in this research. It was found that gender and age were factors which were important in terms of e-commerce adoption. It was also found that older women tend to be struggling more towards new technologies because they felt they were difficult to learn and use. Evidence was depicted from younger interviewees in their twenties that technology would be easy to use, as they were generally more knowledgeable and skilled in technology.

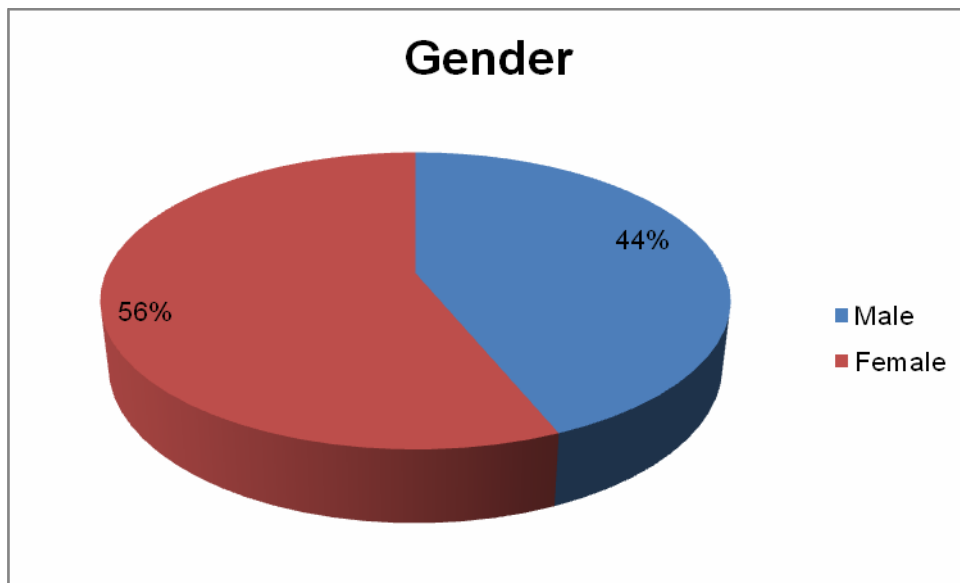


Figure 4. 2: Pie chart showing gender of the respondents

4.5.2 Age

The evidence showed that age resulted in the length of time that respondents have been in existence. In this study, age was influencing all of the four constructs of the model: performance expectancy, effort expectancy, social influence and facilitating conditions. For this study, age range was from 20 to 60 years (Figure 4.2).

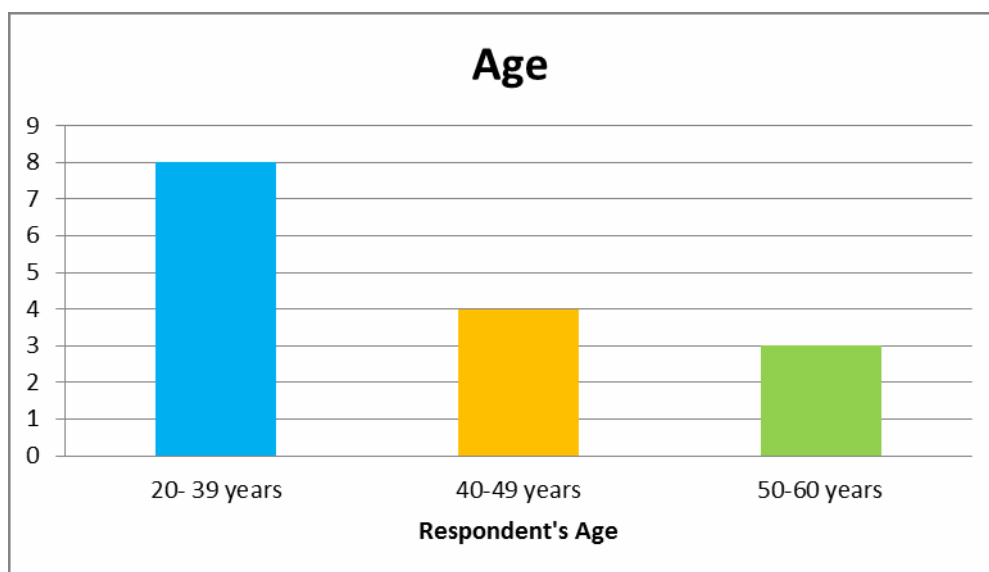


Figure 4. 3: Graphical presentation of respondent's age

The evidence also indicated that younger users are more experienced in using and accepting new technologies. Younger employees were more skilful in working with technology. Thus, having been raised in a technology centred age, they have more computer exposure and experience with less fear of using technology. This was associated with knowledge and their educational background. Moreover, using computers and technology is becoming a prominent culture amongst younger generation and they are able to understand and enjoy using technology. It was also found that strong peer and social influence pressure impacted on them to conform to use technology. Thus, their knowledge had an effect on their acceptance of adopting new technologies.

4.5.3 Experience

Experience was associated with the number of years the businesses made use of ICT in their businesses. From the businesses selected, experience ranged between 5 and 40 years. Evidence showed that the level of business's operational experience was linked to a higher perception of trust for e-commerce business processes. As younger generations are more frequent users of technology, the level of performance may increase with age. This indicated that frequent use of technology had more effect on younger people especially men. Observations from the interview analysis showed that younger users and men had a lot of experience in using technology and perceived usefulness of e-commerce technology as more than the traditional way of doing business. On the other hand, older female users tend to be careful with technology and expect applications to be easy to use as this makes them feel like they are in control. Another observation from the interview analysis was that

experienced users did not consider putting more effort in using technology as important. This was because they had skills to use technology and did not find it more complicated and threatening when the system was difficult to use.

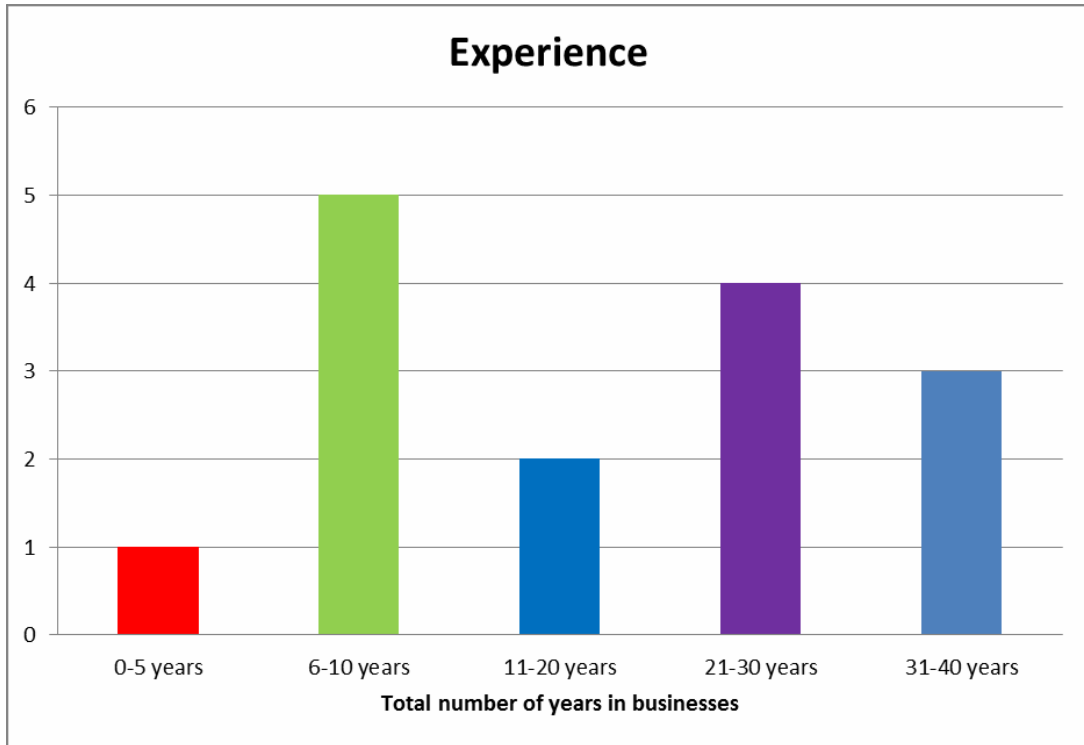


Figure 4. 4: Total number of years businesses were in operation

4.6 Research Findings

This section presents findings that are narrated according to the themes which were derived from the qualitative analysis. Furthermore, it reflects on the results from the interview analysis which were designed to address the main research question. In investigating factors that affect e-commerce adoption within small tourism businesses, numerous factors were identified. Figure 4.1 presents a summary of the key factors (referred to as themes in the qualitative analysis process) and their associated categories as derived through the qualitative analysis process.

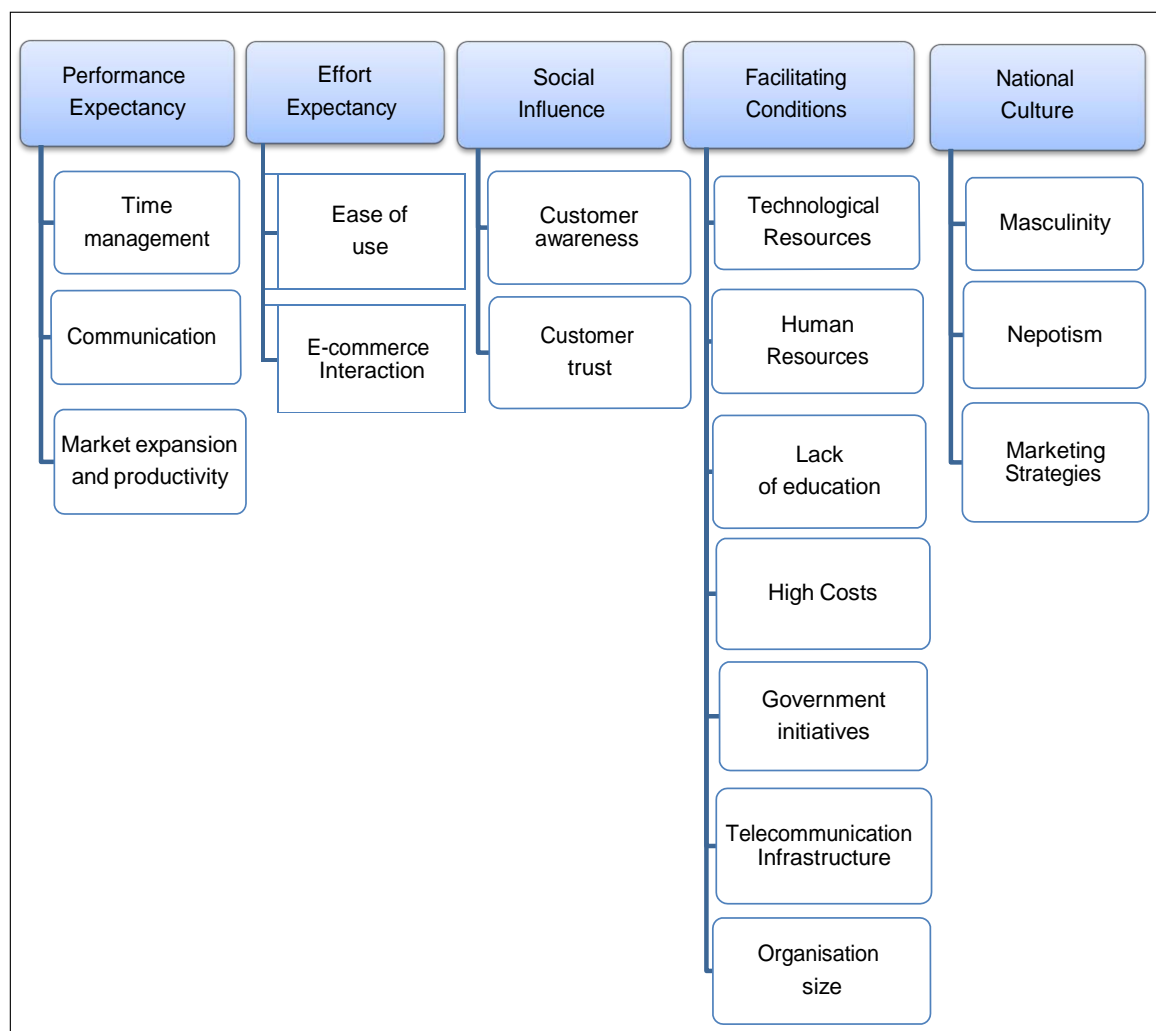


Figure 4. 5: Emerged themes from categories

This section reflects on the results from the interview analysis which were designed to address the main research question. Key constructs of the UTAUT model were used as a frame to probe the data. In addition to the latter, other factors which were deemed not to align to the typical UTAUT constructs were also identified. The following are key factors found and will be discussed in detail in the next section.

1. Performance Expectancy
2. Effort Expectancy
3. Social Influence
4. Facilitating Condition
5. National Culture

Detailed presentation of findings is discussed in the next section, according to the key themes depicted in the foregoing Figure 4.6. Each theme is discussed in terms of the main

categories or by sub-themes. Where it is necessary to amplify the points, interview extracts are used from the main dataset, so as to provide substance and context to the discussion.

4.6.1 Performance Expectancy

Performance Expectancy according to Venkatesh *et.al* 2003) is defined as how a person believes that using a system will assist in achieving higher job performance. The literature however, discusses performance expectancy from job performance perspective, focusing on the user perceptions on how technology helps attain his or her job performance. Performance Expectancy also relates to the quality of outcome expectations, decrease in time needed for job responsibilities and making it easier for the user to do their job effectively. Furthermore, using a system can also increase productivity, provide value outcome on the tasks and the quantity of outcome for the equal amount of time. Performance Expectancy involves benefits that a user can acquire by using technology such as e-commerce, this includes; market expansion, saving time and effective communications. Interviewees noted the importance of using internet and e-commerce in their daily business operations.

Terms such as “job performance”, “easy to use”, “time” and “useful e-commerce” were frequently cited in the evidence. A general observation was that businesses felt a positive perception that e-commerce applications relate to facilitating an ease of the job function. However, some businesses stated that in the beginning the application takes some time to learn and according to them at that point the application is not making the job easier. Evidence showed that once businesses learned how to use the application efficiently, it eases their job. Furthermore, businesses acknowledged that they should adopt e-commerce particularly as the tourism industry is an information intensive industry. Figure 4.4 below illustrates different sub-categories supporting the research theme. This involved time management, communication, market expansion and productivity.

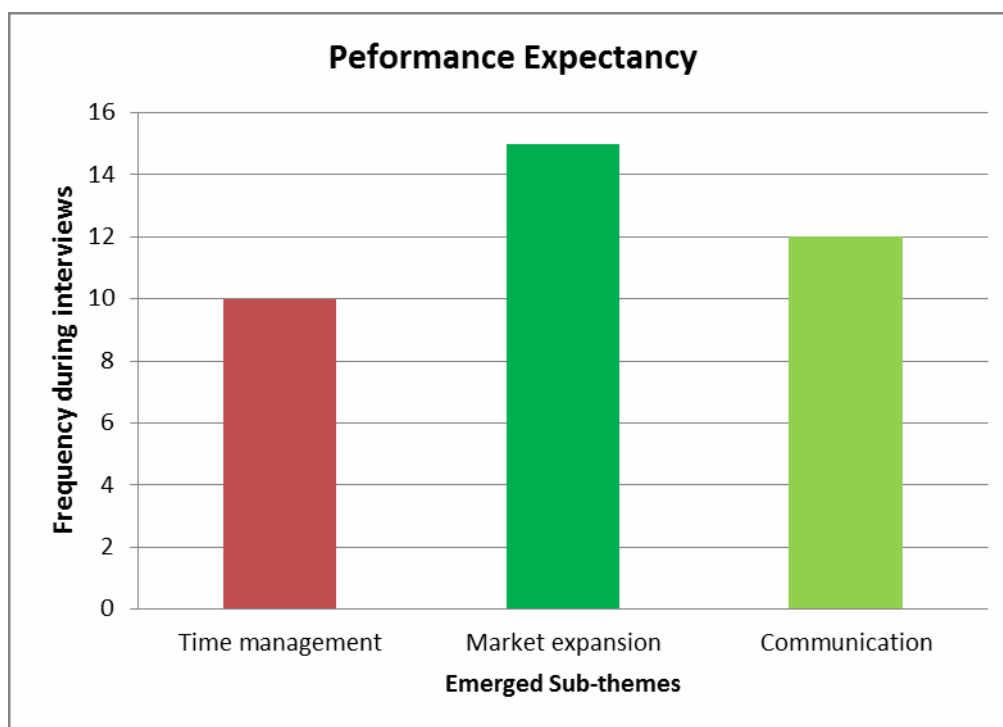


Figure 4. 6: Categories supporting Performance Expectancy

The following section presents a detailed report on the categories associated with Performance Expectancy.

4.6.1.1 Time management

Time was found to be an important issue among interviewees. Businesses indicated that through use of ICT they save time and this was of acute importance. This is an implication that time saving was accepted as a factor in pursuing ICT and e-commerce through, communications and data transfer. E-commerce was considered as a tool that would enhance productivity, particularly in improving job performance. This was indicative that using e-commerce was effective and helped in accomplishing tasks faster. The following interview examples illustrate this:

“To be honest working with e-commerce is one of the best things in my job. It enables me to do my job fast and it is useful in our kind of business because our business is dependent on it” (Interviewee6, 2012).²

“It is fast and it enables me to do my job quickly. It is quite useful in that, I do not have to travel to clients. It safes me time to travel” (Interviewee 3, 2013).

“I think it helps in that, I am able to do or perform my job faster with just a click of a button unlike when I do things manually because there you have to write up

² Note that names of the informants and their businesses are uphold in line with the confidentiality agreement with informants that “the evidence will not be referenced to you either in person or your position” (see Appendix B for the full confidentiality clause)

everything and sometimes when you write fast you tend to use a bad hand writing and not be able to read what you have written afterwards. In my opinion anyway, I think it could be useful to use e-commerce in my job and it would save me time as it will be a quicker way of doing business” (Interviewee4, 2013).

4.6.1.2 Communication

Communication refers to the exchange and flow of information. It was found that communication is an important aspect of using e-commerce in businesses. The evidence suggests that exchange and flow of information through the use of technology is important in communication. Evidence from majority of businesses showed that they valued the ease and speed of communication which internet based applications provided. Thus, the Internet offers the means to effective communications as well as saving time to travel to clients and suppliers. To support this, particular examples were reported by a number of businesses:

“It makes things easy and you are able to know things easily and quickly. For example we are able to communicate and send messages easily and fast” (Interviewee4, 2013).

“....using e-commerce is effective and most of the time if not always we do not spend much on postage because we are able to communicate with clients and suppliers online and at times we even do business over the internet” (Interviewee2, 2013).

The examples above show that effective communication and information sharing are important factors of e-commerce. The benefit of communication is tangible as correspondence is traceable. However, some respondents noted that this benefit of e-commerce will be limited if there is inadequate and poor internet connectivity.

4.6.1.3 Market expansion and productivity

Market expansion is a strategy for growth in which an business sells its existing products to new markets, market development by targeting new geographic markets, new demographic or psychographic segments, or totally new users. This means it helps businesses and customers to be able to find and select products and services easily. The study discovered that majority of the business using e-commerce in their businesses agree that e-commerce provides advantages and considered e-commerce to be a tool that would improve work performance and enhance productivity. The responses showed that Internet can offer the means to advertise their businesses, provide customers with a variety of products and this is a great opportunity and benefit. This was justified by the following statements:

“It is easy for customers to find products and to select products. There is no need for customer to visit a store for service, they can do it themselves” (Interviewee8, 2013).

“E-commerce can provide faster buying/selling way and it is easy to find products. Customers can easily select products from different providers without moving around physically” (Interviewee3, 2013).

Potential customers gradually use the internet to find information and compare prices. This was seen as an opportunity by businesses to both improve their marketing and productivity. It was also found that a database can be used for market segmentation and to provide travel arrangements trends that customers preferred. Thus, customer information and a wide data on the industry could lead businesses into considering direct marketing packages through email and social media. This was considered by an individual firm to discover which profitable approaches they can implement. Furthermore, it was discovered that advantages brought by e-commerce made small businesses realize the potential benefits that e-commerce can offer and the exposure to their businesses and possibility to attract clients. One owner/manager, for example, shared this view:

"I'm convinced that marketing our products through the internet is useful and productive, we will adopt it ...we get to know our preferred suppliers and our preferred products that's how we interact with our customers and our preferred suppliers over the internet, all this parties get to interact with" (Interviewee6, 2013).

4.6.1.4 ummary of Performance expectancy

According to the analysis, performance expectancy (PE) is based on how e-commerce helps technology users perform in their jobs, how they attain tasks and most importantly on benefits that business acquired by using e-commerce. In the e-commerce environment, businesses revealed communications and market expansion as factors mostly applied for on online services. Furthermore, it was indicative that business had positive perspective on opportunities brought by e-commerce. This implies that majority of tourism business agreed that they relied heavily on the Internet for daily business operations with less e-commerce activities practice. Thus, PE was considered an enabler for e-commerce adoption and assisted in accomplishing tasks and enhancing job performance.

4.6.2 Effort expectancy

This refers to the amount of effort that SMMEs expect to operate and learn e-commerce. Effort Expectancy can also be described as perceived ease of use according to (Venkatesh et. al 2003). This factor is an important key role in supporting e-commerce use. The implication is how technology users perceive and interact with e-commerce is vital. Several businesses referred to e-commerce as being easy to use and clear to understand. Even though the evidence shows that e-commerce is easy to use, some of the businesses in the travel and accommodation sector showed that it requires training for proper utilisation. Thus, with more training on a system, there is a greater benefit gained from it.

4.6.2.1 se of use

Ease of use refers to the usability and learnability of a man-made object that a human can interact with, such as a software application, a book, website, book, tool, machine (Nielsen, 2000, Chiou et al. 2009). In addition, user learnability and memorability are associated with ease of use. Ease of use has a major effect on how e-commerce users rate and evaluate an application. In the e-commerce environment, businesses showed that with experience, a high-quality application can lead to better customer satisfaction and better revenues. Evidence showed that concepts aligned to effort expectancy were: ease of use; minimal time to train staff for successful implementation; and simplicity of application interfaces and functions so that staff with low level of experience could use them. But with more training on a system, there is a perception that more benefits are attained from e-commerce applications. The following interview example illustrates that technology was easy to use:

“Well it is very easy to use after you have received training for the CRS or Galileo that we use. It’s easy because with Galileo all you need to do is know your map and country, cities and airports’ codes because it uses only codes. This application is very easy to understand and use. It makes transfer of documents and connectivity easy and fast due to its speed, especially when sending documents abroad and responses were received instantly” (Interviewee6, 2013).

In addition to the above discussion, the following interview extract highlighted that technological change could be successfully implemented:

“We do not experience difficulties in the technology we use because we have technicians available to assist. We also offer appropriate training to our staff” (Interviewee2, 2013).

The above interview excerpt indicates that SMMEs have technical support available for e-commerce applications. Therefore, it was found that e-commerce applications were user-friendly and people with less experience can also use them. Also, with training offered there was a greater benefit gained.

4.6.2.2 E-commerce interaction

In juxtaposition with ease of use, interaction with e-commerce is based on how an application has an effect on users. Evidence showed that users’ interaction with e-commerce applications was effective and efficient. Thus, user effort was found as a matter to overcome usability issues. Following ease of use, the evidence confirmed that businesses found interaction with e-commerce as comprehensible to utilise. The following interview extract elucidates the interaction of e-commerce by businesses:

“It is easy to use because I have a proper training to use this system I just showed you. However I think when you were to use because you don’t have any training in

this, it is going to be difficult for you to use as you do not know what it is all about” (Interviewee5, 2013).

Effort expectancy comprised of ease of use and e-commerce interaction. These main finding showed that businesses found that e-commerce had a contributing impact on the intention of tourism businesses to adopt e-commerce. It was therefore considered that effort expectancy was an important factor in the uptake of e-commerce planning and implementation.

4.6.3 Social influence

Social Influence was defined as the extent to which influence by others” impacts on an individual”s decision to use a system (Venkatesh *et. al* 2003). This involves specific interactive agreements that a person has made with others in specific social situations. Social influence also has an impact on an individual”s behaviour. In this study businesses” behaviour towards e-commerce utilisation and not individual intention was focused on. Therefore, the focus of this study is on tourism enterprises response to social influence as well as adoption of new technologies.

Issues related to attitudes, beliefs, and behaviours of the informants in the tourism e-commerce environment comprised the main aspects of Social Influence. Thus, customer expectations were found to influence a business”s decision to adopt e-commerce. This comprised of customer influence, low levels of customer trust which was found to be a major concerns to the tourism businesses participating in this research. Customer awareness was also found to be an important factor which businesses acknowledged that it was vital for customers to be aware of e-commerce services in the industry. Relative to social influence, competitiveness in the travel and tourism industry also influenced adoption uptake. Thus, a firm”s technological competency and its ICT infrastructure reflect its ability to compete in the market. For a business to thrive in the market, it seeks a competitive advantage through products and services. In addition, industry practice in adopting e-commerce influences the business”s decision to innovate. Influences from industry leaders, competition from other businesses and target market size were also exerting influence.

4.6.3.1 Trust

According to Ha & Stoel (2009, 565) trust is the degree to which a person believes that new technology usage will be sound and dependable. Santii (2011, 45) also avers that trust is an essential predetermining factor when evaluating technology acceptance in the e-commerce environment. For this research, customer beliefs about trust influenced the business decision to adopt e-commerce. Due to greater risk and uncertainty in an online environment, trust is perceived as a critical factor in e-commerce. Most tourism business use the Internet but do

not execute advanced online services because of their beliefs and that of their customers about the safety of conducting business over the Internet. Consumers believe that online services are not safe. This may be due to possible threat of security lapses where vital information can be hacked. Therefore, trust for online business was found to be a threat to businesses and was perceived as unsafe. Evidence from the data showed that conducting business online was perceived risky. Customer trust was cited as important and businesses in this study pointed out that people have trust issues with making payments via internet. The following comments were highlighted the lack of trust:

"...one of the major disadvantage is safety and security. I am personally afraid of giving my personal or even my bank details online" (Interviewee1, 2013).

"You know when it comes to payments; most people are reluctant to do online payments, so it is not always safe to do payments online. A lot of people myself included don't feel comfortable and safe to use their credit cards online" (Interviewee2, 2013).

"Many people are still very reluctant that they may see it as not safe because obviously they have to put in their names or their personal details and credit card details and stuff like that so they fear that and find it no secure to use e-commerce, especially for online banking services or online payments" (Interviewee6, 2013).

"I personally do not trust these internet sites where you can buy products online. There are many bad sites which eat up customers' money and claim to be safe" (Interviewee3, 2013).

"I think it is not safe to do business on line, because I have a fear that my goods will get lost or never get to the right place or person" (Interviewee8, 2013).

Thus, trust is identified as an important and critical factor with regards to the adoption and use of e-commerce amongst businesses. This indicated that lack of e-commerce security hinders adoption. Though most businesses found it to be unsafe, they pointed out that government should intervene in the safety and security of e-commerce adoption. Government need to have a well-promoted ICT vision with workable objectives supporting innovation diffusion. It should ensure that all country's stakeholders including businesses, public and private work together to reach shared technological development objectives. Because of fear of using online transactions, evidence from the interviews indicated that use of e-commerce had been discontinued due to issues related to credit card fraud and other online crimes. The following interview extract demonstrates that the low levels of trust are a significant barrier, and to the extent that even other electronic channels, such as pay-points are in doubt:

"We would like to adopt on-line payments even though we do not find it safe to do so. We do not trust on-line payment, we had a speed point service machine for our clients here in the office but we discontinued to use it because when we hear stories about credit card fraud and other online crimes made us to discontinue using it" (Interviewee5, 2013).

"One of our client's e-mail was used without her knowing and the e-mail said that she has a problem overseas knowing that she is our client, we had to call her to find out

what could be the problem only to find out that she was still in the country so it is not safe for us to introduce or adopt online payments” (Interviewee13, 2013).

To date, it is difficult for tourism businesses to practice online payment because they still lack trust and knowledge in performing business online. This indicates that businesses find it challenging to adopt e-commerce. In addition customer influence affects a business’s e-commerce adoption level. This means that e-commerce adoption can be promoted through customer influence and a business’s readiness. Furthermore, customer’s insecurity has had an influence on businesses’ decision to adopt e-commerce. Thus, customer insecurity regarding on-line payments has become one of the major obstacles to the growth of online shopping and security concerns have become important issues for tourism businesses. It was evident that insecurity of the online environment influences consumers’ and businesses attitudes and intentions towards online trading, which in turn affects the business decision to adopt e-commerce.

4.6.3.2 Awareness

Awareness refers to knowledge or understanding of a particular situation. This is associated with the previous discussion on trust concerning differences in the approach to travel service purchases. Awareness of ICT use, particularly internet and e-commerce, was found to be an issue because e-commerce is still new in Lesotho and the needed awareness is not there. For it to be accepted, people need to be educated on it and on how to use it. However, electronic cash transfer services such as Moneygram and e-Wallet have been introduced recently and this was growing rapidly. There was low awareness of e-commerce amongst tourism business:

“E-commerce awareness in developed countries forces traders to provide online services. Retailers in those countries are well equipped with technology. For example (In Lesotho) how many businesses offer this?Few... the reason is that businesses go where the customers are and believe me, the tourist is unaware of e-commerce” (Interviewee7, 2013).

“The general way of thinking about this [ICT] has changed during the last two years. People are becoming more interested in using electronics. I think their views about technology are changing” (Interviewee 12, 2013)”.

The evidence from interviews highlighted that SMMEs were avoiding online trading because of unfamiliarity with e-commerce; this means there was no education on e-commerce. Lack of e-commerce understanding and awareness affected innovation of technology. This implies that people and businesses must be made aware of e-commerce and its usage. The following interview quotes confirmed the above findings:

"I personally think there is a need for e-commerce education. The only people who use it and are well of are the highly educated . . . but I think the coming generation will be much more aware of it" (Interviewee2, 2013).

"Age directly affects usage of e-commerce. For example, those people between 12 and 25 (years) were more informed about adopting the electronic culture over the next decade, whilst those between 40 years and above have high illiteracy rates on the electronic culture" (Interviewee 10, 2013).

The evidence showed that younger, educated users will readily adopt e-commerce for their travel preparations as opposed to the older users. Thus, evolving e-commerce technologies should be espoused to meet future customers' requirements. Awareness training on technology is needed so that people become familiar with it. This will aid knowledge and understanding of technology particularly online trading amongst the people and businesses.

4.6.3.3 ummary of Social influence

The main findings which comprise social influence are concepts related to customer influence, customer trust and customer awareness. The evidence confirms that individual customer attitudes and beliefs influence tourism business decisions on the uptake of e-commerce technology. Social influence is arguably evident in small tourism business with expectation of a strong experience. This indicates that perceptions of various businesses within the Lesotho tourism sector show a different view on acceptance of using e-commerce. The evidence showed that there was lack of trust in the use of internet based travel arrangements. However, it was evident that the ideal principle of trading in tourism was of face-to-face relationship which was perceived as trust-building. Through, a face-to-face transaction, an agency's reputation was considered more secure. Due to immature market, lack of trust and low awareness of online trading was also a concern. Additionally, doing a face to face business is still a standard practice in Lesotho. Awareness was thus also found as another driver impeding the adoption of e-commerce.

4.6.4 Facilitating conditions

Facilitating conditions refers to resources necessary to use technology (Venkatesh *et. al.* 2003). In the e-commerce environment, facilitating conditions comprises of technical support, software and hardware, e-commerce knowledge, human resources, skills, education, inadequate internet, IT specialists, bandwidth costs and technology. For businesses to adopt and use e-commerce facilities, certain factors were identified in the evidence which were key. The dominant concepts related to facilitating conditions, which were related to e-commerce adoption were based on technical and management support, human resources and lack of

education and skills. Different sub-categories that emerged are summarized in Figure 4.6 below.

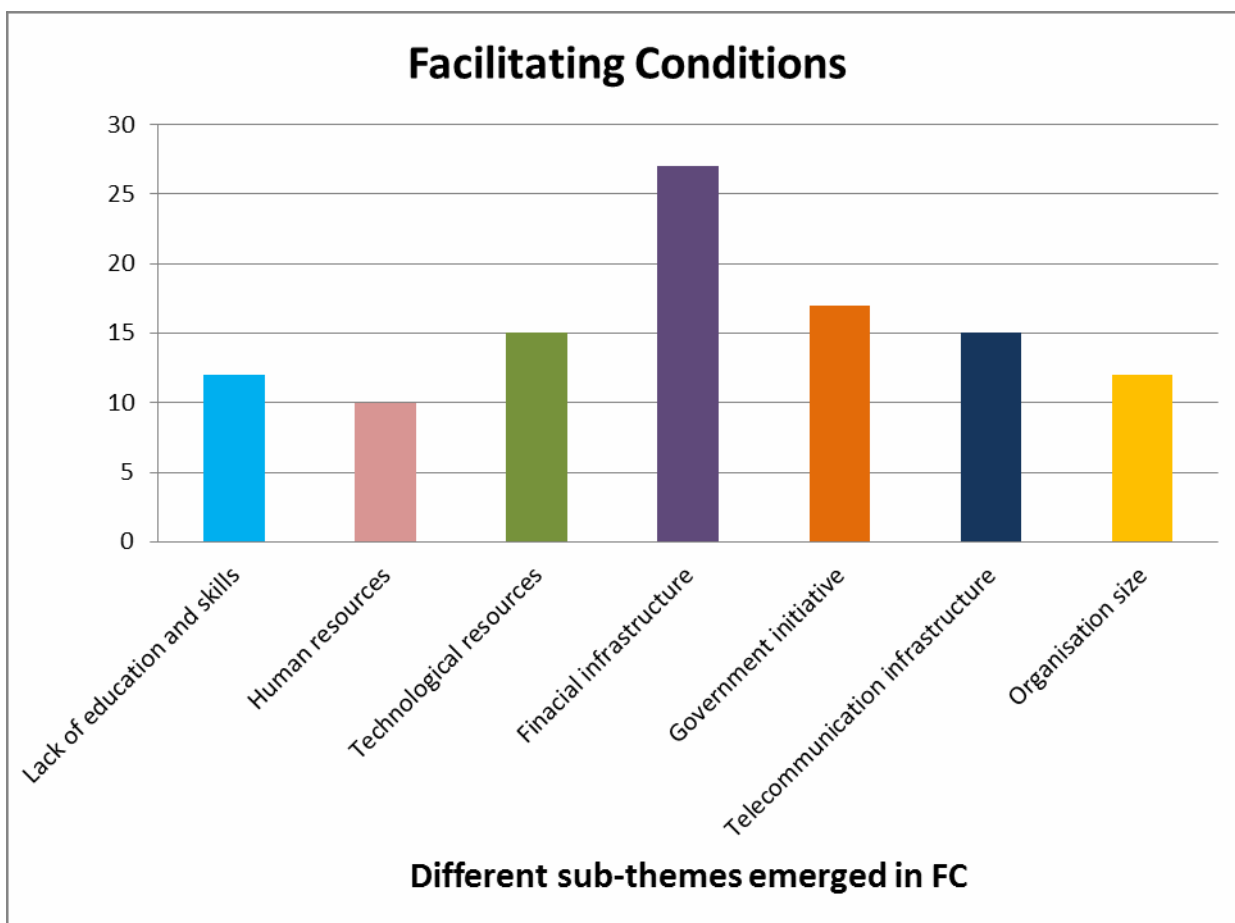


Figure 4. 7: Graphical overview illustrating sub-themes supporting FC

Issues that were found important in relation to facilitating conditions included factors such as technological resources, financial infrastructure, telecommunications and government initiatives. Overall, facilitating conditions encompasses internal and external factors that could impact on an organization’s e-commerce uptake.

4.6.4.1 Technological resources

Technological resources involve computer equipment such as software and hardware needed to use e-commerce. It is very important to have technical support in the e-commerce environment as it is the fundamental requirement for conducting e-commerce practices. This implies that technology equipment is a necessary base for those tourism SMMEs wanting to practice online business. Thus, technological resources can assist in improving a business’s performance by cutting down on a lot of workload which helps in completing tasks. It also underpins ICT activities as required for business wanting to utilise business online. Available

technology infrastructure and facilities in a business permits it to respond to e-commerce challenges and opportunities. Technological resources challenges impeding SMMEs" e-commerce adoption include low level knowledge of employees and management, lack of skills needed to use the internet, lack of qualified staff to develop and support e-commerce as well as lack of access to computer hardware and software.

The evidence noted that technical knowledge and skills are essential in management of e-commerce. Computerization and network based experience in a business form part of ICT capacity mandatory to technology resources. It was observed that businesses" technical and management support were at a level which was adequately assisting in problematic situations. This was evident across the evidence. Those businesses which have adopted e-commerce do have the necessary support in place, e.g.:

"Our management or the owners are very supportive that they make sure that our internet is working all times; they have a relationship with one other guy who is an IT specialist and owns a computer school" (Interviewee3,2013).

Thus the availability of relevant knowledge and skills in the form of technical and management support were an important factor which promotes adoption of e-commerce. Amongst the different tourism business categories which were investigated, travel agencies have more effective and efficient technical support. For example, the following interview excerpts illustrate the statement:

"We have a server agency here or travel port a company which manages Galileo the CRS that we use here, they offer us technical support with their technicians always on call, with the nearest to us being in Bloemfontein that we deal with gives us support in terms of Galileo, then we do work with Telekom Lesotho which also gives us internet support and whenever we have problems we just call them for assistance and they come help" (Interviewee6, 2013).

"Another thing is that one of the owner's sons is always here to check our computers and see if they are still working properly with no problems. I would say he is the one who services the company's machines or equipment" (Interviewee5, 2013).

Tourism businesses acknowledged the importance of the availability of technical support. Therefore, this was an important factor which influences e-commerce adoption. It also showed that there was a cohesive technical support management which could decrease resistance towards e-commerce adoption.

The evidence showed that tourism businesses which are current adopters have a lot of support from both the management and technicians. Thus, management and technicians are available at all times to assist. Therefore, they need to be consistent in improving their capabilities and functions in order to be competitive in the marketplace. And for non-adopters of e-commerce, the evidence showed that

businesses acknowledged that technical knowledge and skills were needed in order to adopt and manage e-commerce.

4.6.4.2 human resources

Human resources involve individuals and the knowledge they embody to contribute in an business's workforce. This implies that in order to adopt and effectively use e-commerce systems the SMME needs appropriate labour that is equipped with skills and knowledge of e-commerce environment. Innovation of ICT in businesses is influential in improving employee and firm's competency (Zhang & Ma 2009). Thus investing in employees' ICT knowledge and skills accelerates and increases a firm's awareness and understanding of e-commerce technological level. The analysis indicates that SMMEs were aware that for successful use of technology, they need to equip their employees with skills and provide them with training.

Qualified and experienced personnel are required for businesses to perform in e-commerce activities. Availability of IT personnel is required to offer training to staff and address technology and or systems user issues in acceptance, and technology. Management support is required in the utilization and innovation of e-commerce because management has influence in decision making regarding a business. This implies that support of e-commerce use from management is required because management influences and decides on technology usage within the business. The following interview extract illustrated that:

"Our management is very supportive because it makes sure that every month it makes payment to our Internet provider which is LEO as you know that LEO is an independent Internet services provide after Telkom Lesotho. Every time when we have any problems with our internet connection our internet service provider (LEO) is just a phone call away and to this date they have never given us any problems, they always respond to our problems and their response is very quick" (Interviewee5, 2013).

The above interview excerpt indicated that supportive management availability was important for business because it has a major influence on the business's decision to adopt technology. This was therefore considered as an important factor in e-commerce and ICT adoption and use in the Lesotho small tourism businesses.

4.6.4.3 of education, training and skills

Lack of education, awareness and skills were also discovered to be a concern within the SMMEs. The evidence analysis shows a strong consensus that education, skills and awareness impeded e-commerce adoption amongst small tourism business. Furthermore, it was found that the majority of tourism businesses' leaders were not knowledgeable of

technology and practiced basic commercial models. For instance, the following comment offered by three businesses was typical:

“Another thing that I have noticed is that, our people need to have skills and a proper training and a bit of education because we deal with people from all walks of life. So to be able to work efficiently one must be skilled. If there are no skills, then it can be very difficult for one to be in business because in that way they are found to be not competent” (Interviewee2, 2013).

“One needs to have skills and education because you need to have those before you can be employed in this industry. You need to have a proper training if you are or you want to be in this industry” (Interviewee5, 2013).

“Education and skills also play a role because a lot of people in this industry are older and they do not have educational background in tourism or any other business they just saw a business opportunity and grabbed it, that’s how they got to be in the tourism business in the first place” (Interviewee4, 2013).

There was a consensus across all business types that the necessary education and skills to use e-commerce in the industry were limited. Consequently this was an important e-commerce adoption consideration. It is important for small businesses to keep informed and educated in today’s competitive e-commerce environment. Thus, education and skills are needed for a successful technology development and implementation.

4.6.4.4 High costs

One element of cost is the charge of e-commerce services to users through transactional charges and services accumulated from e-commerce financial incentives (Chiemeké & Evwiekpaefe, 2011:1722). In this study, evidence did not show how cost related to e-commerce services to users through charges and services affects users. However, it showed cost related to technology equipment. The study found that tourism SMMEs in Lesotho indicated that high equipment cost as well as website development cost were major hindrance to implement e-commerce. Findings of this study indicate that lack of funds inhibit SMMEs to invest in the implementation of e-commerce. The following interview extracts were examples that elaborate e-high cost of e-commerce:

“...cost can be a barrier why because running a business costs a lot of money and with a business like ours that uses Internet, computers and telephones, we must always be able to pay for those things and if we do not have then it is a problem...” (Interviewee2, 2013).

“Funding is an issue because if there are no funds implementation of e-commerce will be difficult. To add to this, you would find that for you to be able to start using technology you need equipment and also it is still expensive to purchase” (Interviewee8, 2013).

“Computers are expensive and Internet connectivity is too much” (Interviewee3, 2013).

“These businesses especially travel agencies for them to be in business they need to use e-commerce because their business operations are mostly done online. So for them not to use e-commerce and internet is impossible and it will be useless to be in business” (Interviewee2, 2013).

The evidence showed that cost was another factor impeding businesses’ decisions to adopt e-commerce. Because of expensive e-commerce technology equipment, businesses found it difficult to uptake e-commerce. However, they are eager to adopt e-commerce because their business operation is depended on it.

4.6.4.5 Government initiative

The literature study (see section 2.), highlighted that government initiatives are strongly influenced by the country’s political condition, economic condition and external influence from other countries. Lesotho is a developing and a monarchy country. Both public and private sectors businesses are governed by country’s policies and regulations. The evidence indicates that SMMEs were impeded by insufficient government interaction regarding regulations, infrastructure and programs to support businesses. Therefore, the absence of government policies and regulations was discovered as a constraint impacting e-commerce adoption in Lesotho. As business people the SMMEs were wary of the lack of legislation and policies that govern e-commerce. For instance, the following comments were offered by some of the business:

“I think government authorities should get involved a lot especially when it comes to mmh...let me talk about legislation making laws and policies that govern the management of e-commerce and the industry...This is just repetition of what I said earlier that government initiative such as implementing policies for e-commerce is important but we still do not have a lot of support from government” (Interviewee6, 2013).

“...I also think internet security is a barrier and our government should implement or have strategies regarding this...” (Interviewee2, 2013).

“There are no government policies concerning e-commerce, such as internet security projects or programs that have been implemented” (Interviewee8, 2013).

Some SMMEs showed that though e-commerce policies and legislations were insufficient, there was a need for government to improve in support of e-commerce. However, it was also suggested that government could implement ICT administration laws. It was indicative that businesses were in agreement that the government of Lesotho has not done enough to support the use of Internet by tourism businesses.

The implications from this were that businesses in general expect government to play a facilitating role for both policy and infrastructure perspective to promote Internet access and uptake. The comments offered by the different tourism industry businesses proposed

government to provide further infrastructure and improved logistics such as introducing policies governing e-commerce and technology costs. This was evident that better technology infrastructure could improve technology and this would affect business" productivity.

4.6.4.6 Telecommunication infrastructure

For the connection of technology to various regions and parts of the country, telecommunications infrastructure is required. Infrastructure quality was an issue in small tourism business. The study noted that there is lack of internet infrastructure and challenges in communication. This was discovered to be a concern amongst the businesses. Thus, inadequate internet connectivity and high Internet connection costs were impeding businesses" uptake of e-commerce. This means that the adoption of e-commerce can be delayed by poor telecommunication infrastructure.

To support the claim above the following examples illustrate that:

".....Infrastructure also contributes to this because sometimes you find that internet connectivity is very poor because you will find that during peak time we experience a low or slow connectivity or even have no internet connection at all" (Interviewee4,2013).

"I mean if our country was flat and not mountainous I think we would have a better telecommunication infrastructure. Internet here was going to be a lot better because you would find that sometimes while you are still busy working there is low connectivity which is a problem."

A similar situation emerged in the accommodation sector when it was expressed that slow internet connections was affecting businesses:

"Poor internet connection can be a barrier. Our Internet is inadequate. It is so unreliable because sometimes it can just not respond" (Interviewee2, 2013).

Evidence highlighted that poor Internet connection and high internet costs hinder the uptake of e-commerce. These situations were clearly preventing the development of small tourism businesses to think beyond the current situation and consider adopting e-commerce as a useful tool for their business operations. Through this research, tourism businesses in Lesotho confirmed that there was poor technological infrastructure resulting in an inadequate network. Internet connectivity was seen as problematic by SMMEs. It was also observed that most businesses suffered from erratic Internet connections. Majority of businesses agreed that inadequate infrastructure was of concern. This questioned government"s dedication and efficiency in providing widespread ICT systems essential to reach businesses.

4.6.4.7 usiness Size

The size of an organization was found to influence adoption of e-commerce by tourism enterprises. It was evident that size does matter for technology growth and implementation. A firm's size has often been regarded as a predictor of the adoption of innovations and information system use (Mabert, Soni & Venkataramanan, 2003, Harris & Katz 1991). Evidence from the data supported the assertion on business size. Size increase can either place extra demands on ICT resources facilitation and its general use. Greater ICT investment may be provided to solve communications problems which may arise from increasing size. The following interview extracts supported that by asserting that firm size is a factor, stating that larger businesses need more ICT resources to operate:

"I hope to find a (internet) provider who understands technology and the size of my business. For instance a company that has a larger labour force tends to have larger turnover and can afford e-commerce, but one that has perhaps lesser turnover cannot give it a try because it is expensive" (Interviewee13, 2013).

"A large business tends to offer its products online which make it well known. Harvey World Travel should have this online product services as it has offices around the globe and they are well known and this means they should have investment amounting to billions in the market. This needs high levels of capital for investment" (Interviewee10, 2013).

"I think a business with more employees, to me shows that it is doing very well and it is successful. I hope our company will grow like theirs since we have a good clientele and the business has been operating since 2003" (interviewee5, 2013).

It was evident that size was a key factor in an organization to invest in e-commerce activities such as online shopping. The key finding from this was that different businesses with different sizes approach technology differently. Furthermore, larger businesses were found to have more success in implementing and using e-commerce as opposed to their smaller counter parts. This is due to that they tend to have a larger turnover and labour force and can afford e-commerce.

4.6.4.8 ummary of facilitating conditions

In summary, this finding concerned the internal and external factors that affected an business's e-commerce adoption. The internal factors comprise of human resources, lack of education and skills, business size and high costs, while external factors comprised technological resources and government initiatives. It was noted with special reference that this theme explained e-commerce value such as size and cost for businesses. It was also noted that government must play a role by implementing policies that will govern and provide e-commerce support. Businesses were concerned about the cost of technology, this included equipment and telecommunication connectivity.

4.6.5 National Culture

According to (Leidner & Kayworth, 2006) national culture refers to shared patterns of behaviour between people or a country. It was found that national culture could hinder or motivate a business's e-commerce adoption. Lesotho tourism is not just influenced by the government; it is also influenced by other international businesses such as the World Bank, the United Nations and World Tourism organisations. Although Lesotho is a member of international businesses, the importance in understanding e-commerce adoption is also grounded by traditional Basotho socio-economic business practices such as agriculture, livestock, manufacturing and mining. A rich explanation of Lesotho cultural values that affected decision-making in the adoption of technologies such as e-commerce within tourism enterprises was depicted from the interviews. Though the study seeks to explore factors of UTAUT model to fit e-commerce adoption amongst tourism SMMEs, national experience, the perceptions, attitudes and behaviours of the informants were depicted from the evidence. Effects of national culture were found from the informants' opinions, indirect reactions and direct quotes towards technology. The evidence indicated that decisions of adopting e-commerce were influenced by various cultural factors such as trust, awareness and educational background in the Lesotho market. It was noted that majority of tourism businesses' owner and managers were technology illiterate and practiced basic business operation models.

4.6.5.1 Masculinity

Masculinity according to Hofstede (1980, 2001) refers to the sharing of roles between genders. This comprise of male and female. It was discussed earlier in the chapter that the majority of small tourism businesses in Lesotho were owned by women. Women in countries where masculinity is embedded in the cultural orientation may be assertive but not as much as their male counter parts. This underscores the differences between their values. Basotho women have been empowered to join the labour force though they still do not hold senior positions in the labour force. This was not known before this research was undertaken. Although tourism SMMEs in Lesotho are women owned, it was found that men influence and have power on the decision to adopt and use new technology in the work place. Basotho women are being noticed in business regarding the contribution they bring in the country's economic growth through their involvement in business.

4.6.5.2 nepotism

Nepotism relates to showing favouritism in business and politics to relatives or friends particularly by giving them jobs (Huseyin & Mustafa, 2008). The businesses acknowledged

that most small tourism businesses were family oriented businesses with few larger businesses where performance criteria were not based on family succession. The challenge was posed by the businesses' ownership as most businesses are owned or operated as family businesses, which often reduces their competitiveness and competency. This was supported by the following interview extract:

"Most tourism businesses especially travel agencies are family businesses, and are quite backward in their use of websites for promoting services. Usually the owner is the founder and fully controls the business. Sometimes relatives are employed and may not be able to make the right decisions to develop the businesses." (Interviewee5:2013).

Because most tourism businesses are family owned, it was found that nepotism within Lesotho businesses was a damaging influence. This showed that staffing process lead to lack of effective management which had the ability to make right decisions on issues like e-commerce adoption. This interview expert supported the statement:

"Employees and managers are not nominated for positions because of their qualifications, experience and capability. It is in rare cases that qualifications and experience are considered. But relationships play an important role here. Significantly the owner and managers' decisions do not maximise potential benefits for their firms and that includes technology" (Interviewee7, 2013).

4.6.5.3 Marketing Strategies

Following on market and productivity and customer trust, it was highlighted that the buying behaviour of Basotho was also another factor that influences marketing. Thus, Basotho prefer scrutinising the product and like to discuss the product sale with the trader before purchasing. They prefer face-to-face interactions when conducting business transactions. When making a purchase, a final decision is influenced by reference and an opportunity to discuss their tourism purchases. This was due to level of trust that they can gain from the trader and the quality of the product:

"Basotho prefer to see what they are buying, not just hear about a product. Consumers go to the agents to meet the agent, talk about their plans, build a trusting relationship and negotiate prices" (Interviewee8, 2013).

"We get to know our preferred suppliers and our preferred products that are how we interact with our customers and our preferred suppliers over the internet, all this parties get to interact with each other because of nothing thing which is the product. And that's how we often interact with other service providers in the industry using more often the internet and other means" (Interviewee6, 2013).

The following interview extract illustrates influence of national culture and customer demand on e-commerce:

"From my experience, selling and marketing is all about word of mouth. Most of our customers like to discuss their preferences at length, asking many questions and getting reasonable answers about their concerns. Actually, offering an e-commerce

would help but still we need to make face to face contact with our customers because of the personal touch and that's the way we like it" (Interviewee14, 2013).

4.7 Summary of findings

The study investigated the factors affecting adoption of e-commerce amongst Lesotho tourism SME. The outcomes of the study indicated there was still low e-commerce adoption among tourism businesses. Thus, majority of SMMEs have only implemented basic e-commerce applications and do not provide online order processing and payments facilitations. Businesses have adopted basic e-commerce application with e-mail being the most used application. The foregoing indicates that there is still a major adoption issue within this sector. The study showed that factors affecting adoption may differ from business to business. Therefore, it was essential to understand what factors affected businesses' aptitude to accept technology. The findings showed that the adoption of e-commerce is still low among the tourism SMMEs.

Performance expectancy

Performance expectancy as proposed by Venkatesh *et al.* (2003) in the Unified Theory of Acceptance and Use of Technology (UTAUT) indicated the degree to which technology user gains better performance from using a new innovation. Therefore, in terms of the findings of this study this UTAUT dimension can be confirmed as one of the key determinants in the model as well as the empirical research conducted by many authors in the field of technology adoption that have applied this theory (Anderson & Schwager 2004, Wang & Yang 2005, Marchewka, Liu & Kostiwa 2007, Wills, El-Gayar & Bennett 2008, Shaobo & Gang 2008). This dimension was found to be not as important by the majority of businesses. However, it showed that there was appreciation of e-commerce usage. Businesses accepted that their businesses should adopt new technologies such as e-commerce, mainly when there are evolving markets for the tourism industry. It was however noted that performance expectancy offers quicker job performance, productivity and it also saves time.

According to the analysis, performance expectancy is based on how e-commerce helps technology users perform in their jobs, how they attain tasks and most importantly on benefits that business acquired by using e-commerce. In the e-commerce environment, businesses revealed communications and market expansion as factors mostly applied for on online services. Furthermore, it was indicative that businesses had positive perspective on opportunities brought by e-commerce. This implies that majority of tourism businesses agreed that they relied heavily on the Internet for daily business operations with less e-commerce activities practice. Thus, performance expectancy was considered an enabler for e-commerce adoption and assisted in accomplishing tasks and enhancing job performance.

It should be noted that this dimension works with other factors that encourage e-commerce adoption. The evidence supports the notion that the use of Internet is time saving and financial benefit as there was no need to travel to suppliers and clients. It was further pointed out that Internet enabled easy access to information and research.

Effort expectancy

This refers to the amount of effort that SMMEs expect to operate and learn e-commerce. Effort Expectancy can also be described as perceived ease of use according to (Venkatesh et. al 2003). This factor is an important key role in supporting e-commerce use. The implication is how technology users perceive and interact with e-commerce is vital. Several businesses referred to e-commerce as being easy to use and clear to understand. Even though the evidence shows that e-commerce is easy to use, some of the businesses in the travel and accommodation sector showed that it requires training for proper utilisation. Thus, with more training on a system, there is a greater benefit gained from it. The evidence showed that businesses found that e-commerce had a contributing impact on the intention of tourism businesses to adopt e-commerce. It was therefore considered that effort expectancy was an important factor in the uptake of e-commerce planning and implementation.

Social influence

Social influence also has an impact on an individual's behaviour. In this study businesses' behaviour towards e-commerce utilisation and not individual intention was focused on. Therefore, the focus of this study is on tourism enterprises response to social influence as well as adoption of new technologies. Issues related to attitudes, beliefs, and behaviours of the informants in the tourism e-commerce environment comprised the main aspects of Social Influence. Thus, customer expectations were found to influence a business's decision to adopt e-commerce. This comprised of customer influence, low levels of customer trust which was found to be a major concerns to the tourism businesses participating in this research. Customer awareness was also found to be an important factor which businesses acknowledged that it was vital for customers to be aware of e-commerce services in the industry. Relative to social influence, competitiveness in the travel and tourism industry also influenced adoption uptake. Thus, a firm's technological competency and its ICT infrastructure reflect its ability to compete in the market. For a business to thrive in the market, it seeks a competitive advantage through products and services. In addition, industry practice in adopting e-commerce influences the business's decision to innovate. Influences from industry leaders, competition from other businesses and target market size were also exerting influence.

SMMEs revealed that there was still a lack of awareness, and insufficient education and skills on how to effectively harness Internet technologies for business benefit. Most businesses showed awareness on how to overcome challenges of using the Internet and have understood its importance. It was indicated through proper training and education SMMEs can overcome the challenges of using the Internet. Thus, SMMEs would have necessary skills to make use of technology. An organization's IT deployment requires skills and technical staff. This encourages higher technology acceptance and improves performance. For business's utilisation of e-Commerce information systems, skilled staff with capacities and relevant qualifications was needed. This study has discovered that travel and tourism businesses in Lesotho acknowledge that human resources and ICT competency were important to the success of e-commerce adoption. Human resources and ICT resources were highlighted as important decision for e-commerce adoption facilitation. This indicated that these factors were internal factors which include related technology resources, managerial as well as organizational factors. Inadequate availability of technology and human resources in businesses pose problems in executing e-commerce in Lesotho. Qualified and skilled staff is needed by businesses to develop, handle and maintain e-commerce systems.

Facilitating conditions

It was indicative that e-commerce success was dependent on technological resources. The findings have indicated that most SMMEs realised and have become aware of the barriers hindering e-commerce adoption. Furthermore, lack of education and skills impacted on the businesses internal factors to practice e-commerce. High costs of technological equipment were a concern for implementing e-commerce. Further reasons surrounding low adoption of e-commerce by SMMEs in Lesotho related to external factors such as government initiatives, telecommunications infrastructures and geographic location. Government initiative is a major concern influencing usage of e-commerce in the tourism industry. In addition, there was also evidence that government still has to get involved and support the SMMEs to adopt e-commerce applications. The government of Lesotho should have legislations to govern transactions. More so, the lack of explicit law to regulate e-commerce due to the fact that users have trust issues regarding online transactions and they are unaware of who accepts the responsibility in the event of disputes arising against loss. This was followed by lack of financial and telecommunication infrastructures, which managers found as inadequate to motivate adoption of e-commerce.

National culture

National culture was explained by several issues that influence e-commerce adoption decision. These were highlighted in the interview analysis which was noted from social and cultural influences. It was found that there was mistrust with online business, a general fear about security and privacy were constituted by low level of e-commerce awareness services. Also, it was found that most travel agencies in Lesotho had a risk-averse management because they were family businesses and they like to stick to the status. The analysis further found that there were tourism businesses that developed their own strategies without other tourism businesses. The non-existent collaboration was considered as another cultural attitude caused by tourism owner/managers in Lesotho. This weak support between industry stakeholders led to lower level of technology adoption and implementation.

The national culture influences the country's corporate structure, and also inhibits the e-commerce initiatives in technological innovation. Thus the finding concerning national culture is considered important in this research because of the issues affecting adoption such as norms, behaviour, gender, tradition, and beliefs. It has been evident that national culture plays a role in decision-making, in user behaviour and in business practices. The cultural factors in this study explained the lagging use of e-commerce in Lesotho. As indicated in the interviews, some of the informants mentioned that low levels of e-commerce awareness were realized and growth among young people in the country. Through the new generation, technology dispersion was considered as part of cultural variance in a country. Technology literacy could be an enabler to the diffusion of e-commerce.

With regards to factors which may be hindering e-commerce adoption, the following issues emerged regarding acceptance to practice e-commerce by SMMEs in Lesotho. These were:

- **Education and awareness:** Awareness seemed to be at low levels because e-commerce is still new. The implication from this is that people still need to be educated on what e-commerce is. However, education was observed to be affecting factors relevant to SMMEs behavioural intention to use e-commerce.
- **Cost:** It was observed that SMMEs were in agreement that the cost of computer equipment and Internet connection was too high, and therefore an inhibiting factor for businesses to adopt e-commerce.
- **Accessibility:** SMMEs indicated that their business operations relied highly on Internet facilities. In addition, it was found that telecommunications infrastructure were inadequate and unreliable, whilst some SMMEs tend to disagree. Thus access to telecommunications infrastructure is an inhibiting factor for the majority.

- **Government role:** The government of Lesotho has not done enough to support the use of Internet by tourism businesses. The inference from this is that businesses in general anticipate government to facilitate policies and infrastructure perspective to promote Internet access and uptake.
- **Organization's size:** Size of an organization played role in e-commerce adoption influence. Larger enterprises are likely to use technology as they may also have larger trading capacity unlike their smaller counter parts.
- **National culture:** Culture could impede or motivate adoption of new technologies. Issues relating to business's recruitment process, purchasing behaviour as well as beliefs also contributed in influencing decisions on e-commerce uptake.
- **Perception of benefits:** SMMEs have realised the importance of e-commerce and have agreed that they can benefit from it. This implies that businesses had a positive perspective about benefits brought by e-commerce.
- **External factors:** It was also observed that factors such as financial infrastructure, trust, government initiatives, and telecommunication infrastructure affected SMMEs ability to adopt Internet and e-commerce. These were the external pressures that affected e-commerce uptake.

4.8 Conclusion

The research findings were in response to the research sub-questions as reported earlier in the chapter. The analysis showed that factors of the UTAUT model were relevant to businesses uptake and use of e-commerce in the Lesotho tourism sector. The research also found factors motivating and factors which were barriers affecting e-commerce.

The following chapter is the final chapter and reports on the recommendations and conclusions of this research.

CHAPTER FIVE: RECOMMENDATIONS AND CONCLUSIONS

5.1 Introduction

This chapter provides an overview of the preceding chapters. It summarises the research problem and research questions and assesses if the latter has been addressed. Furthermore, it provides recommendations on the findings that could help in addressing practical challenges from the interaction with informants as reported and discussed in Chapter Four. It also examines the limitations of the research, guides future research and concludes the thesis.

The main objective of this research was to explore the application of one of the well-established models of technology adoption (UTAUT) in a typical developing country context to identify factors which relate to intention to adopt e-commerce amongst tourism SMMEs in Lesotho.

The research objective has been achieved; given that it is evident from this research that:

- The tourism industry in Lesotho is an important sector contributing to the country's GDP;
- SMMEs were not fully aware of e-commerce benefits in their businesses for sustained growth;
- There are still low level of e-commerce adoption among tourism businesses;
- The dimensions of the UTAUT model provide a good understanding of e-commerce adoption intention amongst tourism SMMEs in Lesotho.
- The new dimensions which were also found to influence adoption of e-commerce amongst SMMEs in the Lesotho tourism sector are national culture and facilitating conditions.

5.2 Factors affecting adoption of e-commerce amongst Lesotho tourism SMMEs

Several factors that affected adoption of e-commerce technologies within Lesotho tourism businesses were discovered from the interview analysis in Chapter 4. These factors included performance expectancy and the impact this would have on their businesses; the availability of government policies and telecommunications infrastructure to support organisations on e-commerce uptake; national culture influence also impacted on the managerial practices. These factors were presented in Figure 5.2 and their relevance to e-commerce adoption was derived through the analysis of the empirical data. The adoption factors depended on a

variety of both internal and external factors which were found to be more influential as per the UTAUT model. The following factors were found to be influential in respect of e-commerce adoption within SMME tourism enterprises:

- Performance Expectancy
- Effort Expectancy
- Social Influence
- Facilitating Conditions
- National Culture

5.2.1 A framework for understanding e-Commerce adoption in Lesotho

The research conceptual framework of the study (Figure 2.5 indicated on page 26) was based on the analysis of the extant literature. This framework was the platform for the empirical investigation and with the results at hand, the initial framework was revisited and adapted to align with the outcomes of the data analysis.

The resultant framework is designed to depict the key relationships between determining technology adoption factors of the proposed model for this study. The goal of the framework was to reveal determining factors" relevance specifically to e-commerce adoption amongst SMMEs in the Lesotho tourism sector. Figure 5.1 presents a graphical overview of key factors" relationship between constructs of the UTAUT model.

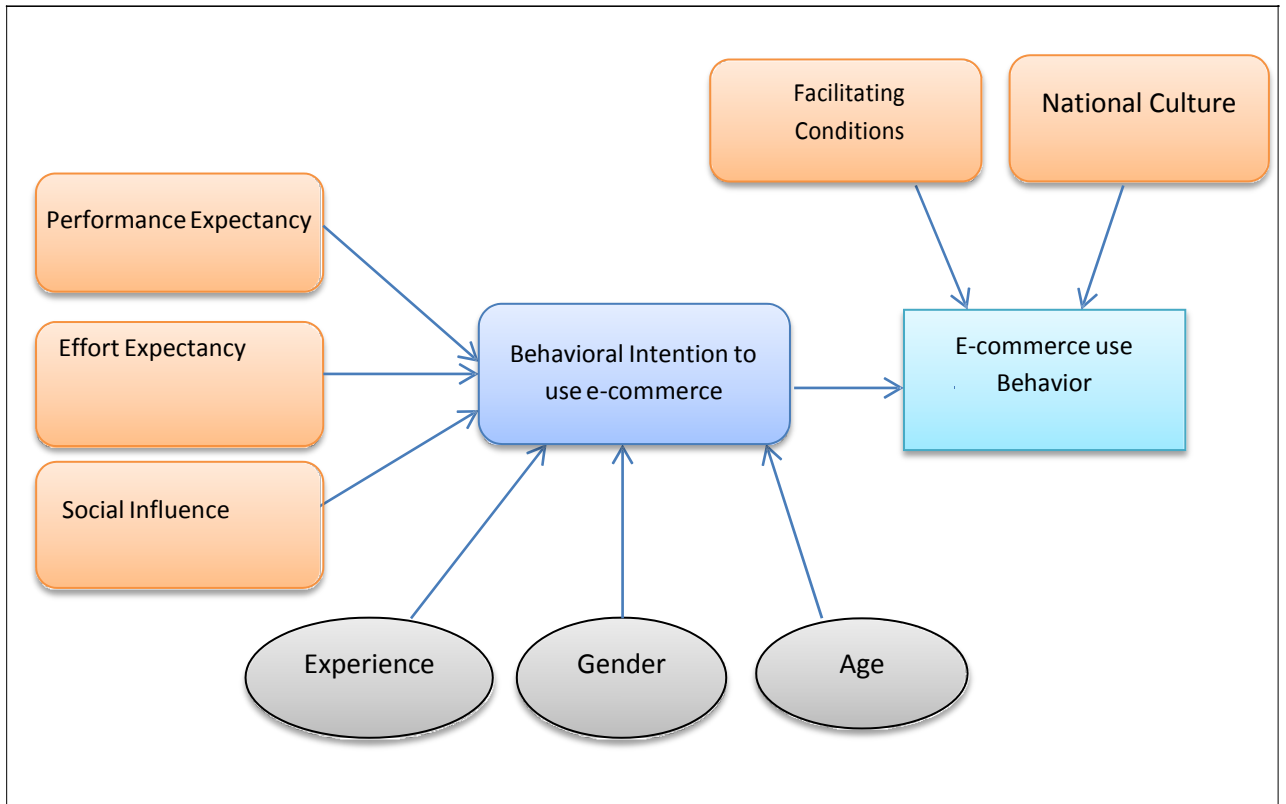


Figure 5. 1: Graphical overview of the key factors adopted from the UTAUT model

Table 5.1 Summary of factors influencing e-commerce adoption amongst tourism SMMEs in Lesotho

Factors influencing e-commerce adoption in the Lesotho tourism industry	Description
Independent influencing factors	
<i>Performance expectancy</i>	A degree to to which an individual believes that using a system will assist him or her to achieve higher job performance
<i>Effort expectancy</i>	Is a belief that using a particular technology will be easy
<i>Social influence</i>	Is an extent that an individual believes people important to him/her impacts on their decision to use the system or not.
<i>Facilitating conditions</i>	In an extent to which an individual believes that both organisational and technical infrastructure are needed to support the use of a particular system.
<i>National culture</i>	Is collective forms of behaviour between people or a country
Moderating factors	

Factors influencing e-commerce adoption in the Lesotho tourism industry	Description
<i>Experience</i>	Experience was associated with the number of years SMMEs were in business
<i>Gender</i>	Relates to the sex of informants, either male or female
<i>Age</i>	Refers to how old the informant is, represented by number of years.

For this study analysis of performance expectancy, effort expectancy and social influence of e-commerce were factors which influenced the tourism business" behavioural intention to use e-commerce systems. It was found that facilitating conditions and national culture had an influence on e-commerce use behaviour. Moderating factors of gender and age were divided into two groups: gender, age (categorised as young and older) and experience. This was done to establish if the factor had an effect on the determining factor or not. The relationship between moderating and determining factors are explained in section 4.4. It was discussed in this section that younger members of the labour force have a more constructive outlook towards e-commerce than their older counterparts. From an experience perspective, the majority of organisations have more years of work experience. This indicated that the majority of the businesses have been exposed adequately to the tourism industry. With regards to gender from performance expectancy perspective, both females and males were exposed to the use of technology. This therefore indicated that gender was a contributing factor to adoption.

5.2.2. Use of UTAUT model to assess adoption of e-commerce in a developing country: Lesotho

The study showed that the UTAUT model is a valid model to understand ICT and e-commerce adoption among SMMEs in a developing country. The model revealed that for tourism SMMEs to adopt and use e-commerce, existing ICT were influencing adoption. Furthermore, the study identified the potential determinants of e-commerce users" adoption in a developing country using an adapted UTAUT model. The evidence revealed that performance expectancy, effort expectancy, social influence, facilitating conditions, intention to use and national culture were essential factors in the adoption of e-commerce services in Lesotho. The evidence also suggested relationships among the model"s variables. This indicated that the UTAUT model was applicable to predicting e-commerce adoption and it demonstrated that it provided a better understanding of technology adoption in a developing country with regards to e-commerce uptake.

It is necessary to point out that the application of the UTAUT model in this study was a departure from its traditional mode of application, as evidenced in the extant literature. This study applied the UTAUT model in a qualitative study. This was because of a limited number of SMME tourism organisations in the research problem domain, and further that the intention of the research was to *derive* adoption factors. The UTAUT model thus served as a framework for the investigation rather than as a quantitative test of established adoption factors. In-depth semi-structured interviews were utilised around the model's determining factors to investigate issues related to e-commerce. This was conducted amongst 16 tourism enterprises within the Maseru district. The purpose of interviews was to obtain an in-depth view on e-commerce adoption within small micro medium enterprises in Lesotho. The results obtained from using the qualitative approach confirmed the alignment of the model's core constructs with that of the adoption of technology in a developing country environment. The results also identified additional dimensions of adoption which were not reflected in the core UTAUT model.

In terms of the delineation of the study, it focused on tourism SMMEs within Maseru. Thus the objective is not to lay claim to a wider generalisability of the findings. However, it can be argued that the research does provide a useful understanding into the motivations underlying the intentions to use e-commerce in developing countries.

5.3 valuation of the Research

This section encapsulates the evaluation of the responses to the research questions, as well as an overall evaluation of the research outcomes in terms of qualitative research principles.

5.3.1 Evaluation of response to research questions

This sub-section assesses the response to the main research question and research sub-questions. These were responded to in different sections of this study and gave an overall response to the main research question. This is presented in table 5.1 below:

Table 5.2 Response to the research sub-questions

RESEARCH SUB-QUESTIONS	RESEARCH RESPONSE TO QUESTIONS
What are the various models or theories which have been used to	Section 2.2 Theories and models underpinning e-commerce adoption Various models or theories that have been used to study Internet technology adoption have been discussed in response to the afore

study adoption of Internet technology?	research sub-question.
How can the unified theory of acceptance and use of technology (UTAUT) be applied in the context of this study	Section 2.2.1 The research framework for this study Section 5.5 Application of UTAUT in a qualitative study UTAUT model has been a utilised as a lens to investigate e-commerce adoption amongst SMMEs in the Lesotho tourism industry.
How are each of the dimensions relevant to the intention (of tourism businesses) to use e-commerce in the Lesotho context?	Section 4.5 Research findings Section 4.8 The conceptual framework The dimensions of the UTAUT model were found relevant to the intention to use e-commerce in the context of this study. The study also found a new dimension of national culture which was found to be relevant to the intention to use e-commerce.
What are the factors which are relevant to intention to use e-commerce?	Section 4.7 Discussion of findings Section 5.2 Factors affecting adoption of e-commerce amongst Lesotho tourism SMMEs With respect to the main research question, the findings discussed in chapter four are in response to the response to the factors relevant to intention to use e-commerce and the adoption of e-commerce.
Based on the above, what recommendations can be made to improve adoption of e-commerce by SMMEs in the tourism industry in Lesotho?	Section 5. 7 Recommendations Recommendations for future research in the study are proposed to help improve e-commerce adoption by SMMEs in the Lesotho tourism industry.

5.3.2 Assessment of the qualitative research

Various strategies aligned with the qualitative research tradition were adopted to record in detail how the research was considered, planned and achieved. This involves the credibility, transferability and dependability of the findings. These strategies according to Lincoln & Guba (1985:300) have been used as evaluation tools in qualitative research. They have guided and designed the execution of this study. Other qualitative studies such as Shenton (2004) in strategies for ensuring trustworthiness in qualitative research projects, Morse, Mayan, Oslon & Spiers (2002) verification of strategies for establishing reliability and validity in qualitative research and Hoepfl (1997) choosing qualitative research is primer for technology education researchers have also used these strategies.

5.3.2.1 Research Credibility

Credibility according to Bradley (1993:436) is “*adequate illustration of the constructions of the social world under study*”. Lincoln & Guba (1985) recommended that the use of raw data and, persistent observations, peer briefing and member checks would support improve the credibility of research findings.

Peer briefing and member checks were conducted with colleagues and the academic community. The following were conducted as part of member checks and peer-briefing:

- Summarised notes of the aspects of the interviews were provided to three professionals on which to comment. This helped improve the quality of interviews.
- The researcher also presented the results of her research to her peers as part of research in progress. The feedback received has helped improve the understanding of the findings.

Multiple viewpoints for the evidence were employed to ensure understanding and depth to analysis. Quotations were cited to support the findings and several observations were also reported from the use of raw data. In addition to this, field notes taken during interviews were also utilised to verify the interview transcripts. The researcher also held frequent briefing sessions with the supervisor. This assisted in improving the interpretation and the value of the evidence.

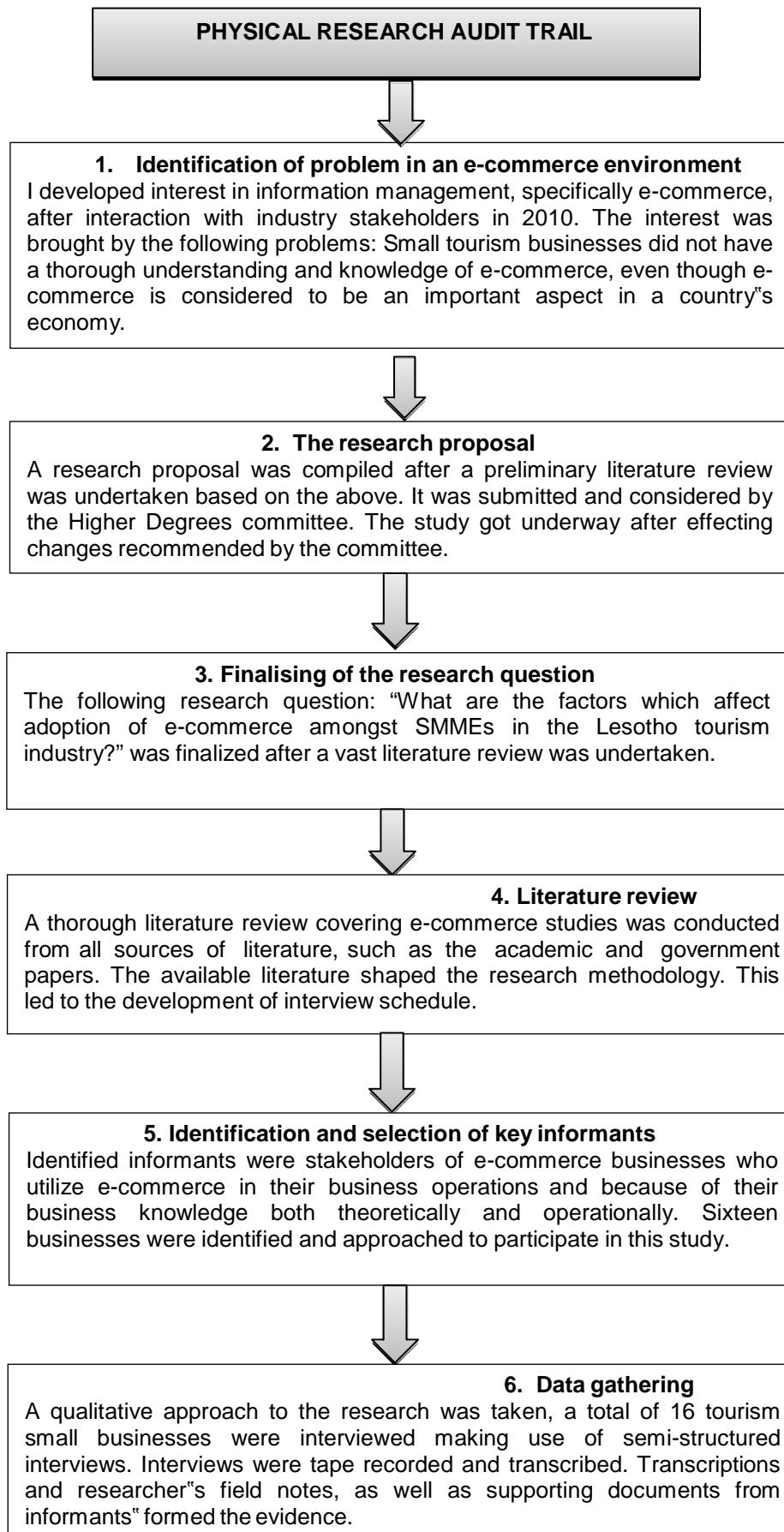
5.3.2.2 Transferability of the research

In qualitative research, transferability denotes the degree to which similar research would result in similar findings. Lewis & Ritchie (2003:268) reports that this is made possible by using detailed quotations when reporting the findings. In Chapter four, a higher order narrative meets the requirements within the discussion of the evidence collected. Thus, the reader is able to determine whether the results in a similar situation are applicable with the provision of adequate evidence. The findings were supported throughout by quotations from the interviews to substantiate the discussion.

5.3.2.3 Dependability

Dependability refers to the consistency and quality valuation of the study processes of integrated process of data collection and data analysis Lincoln & Guba (1985). Furthermore, the authors advise on the use of an audit trail. Thus, the concept indicates research development and how the research has unfolded; commencing with the researcher’s interest to the final assertion added to the body of knowledge. This is demonstrated in Figure 5.1

which presents a physical audit trail showing that the study has been conducted within a logical and comprehensible framework.



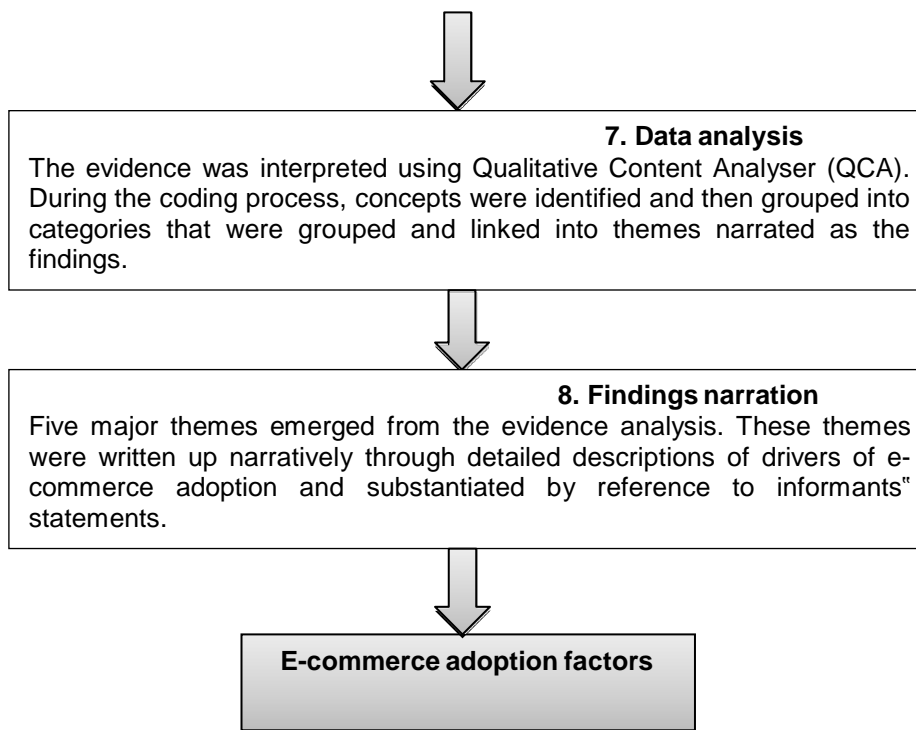


Figure 5. 2: A physical audit trial

5.4 Contribution of research

The research findings contribute to both academic knowledge on e-commerce adoption as well as to government policymakers in Lesotho. Several studies have been used to investigate adoption of technologies. However, this research is based on understanding the factors influencing e-commerce adoption in the Lesotho tourism sector from the business usage perspective. This study is the first study undertaken focusing on the diffusion of e-commerce in the Lesotho tourism sector and also to the adoption of e-commerce in Lesotho. E-commerce adoption challenges that might face the travel and tourism industry in Lesotho may be solved with future research projects. Government policymakers can identify strategies to use in the e-commerce promotion in tourism businesses. Distrust regarding online transactions among organisations and customers may be reduced with government support and help. Another trust building initiative that government may take could be developing and sustaining reliable Internet security infrastructure.

The research model was used to help understand e-commerce adoption problems issues and benefits. The research's main theoretical implication was based on UTAUT model. However, the model was modified to investigate the acceptance of e-commerce. The four

determining factors of the model, performance expectancy, effort expectancy, social influence and facilitating conditions were found to influence the intention to use e-commerce. Additionally, age, gender and experience were found to be the moderating factors that influenced the determining factors of the model. It should be taken into consideration that main contribution of this research was on the validation of empirical data collected from small tourism enterprises in Lesotho. Several constructs of the model covered various sets of technology innovation, managerial, organisational, and environmental factors.

5.5 Research limitations

The study was conducted within Maseru because most tourism businesses are within the city of Maseru as it is the capital city of Lesotho. The study was focused on small tourism businesses and did not extend to larger tourism enterprises. A small sample size in this research was a limitation. A larger sample is presumed to provide greater strength of the findings. The research took more than the initially estimated time due to some informants cancelling interview appointments; this was a serious challenge for me. Many participants were unwilling to participate for the interviews and this proved to be challenging. Another limitation was that owner/managers did not allow the researcher to collect evidence from several informants within the business. After evaluation of the research limitations, it is recommended that there is need for future research.

5.6 Recommendations for future research

- Important future research: The UTAUT model was validated using quantitative and statistical techniques. Future research can undertake the development of a set of items, the conduct of item-analysis, and factor-analysis to assess the adapted UTAUT model produced in this study.
- Overall findings of this study should be investigated within other sectors in Lesotho. Thus, future research should be conducted to determine if the factors identified in this study influence other organizations' adoption of e-commerce just as in the tourism sector.
- It is proposed that future research should explore the proposed research framework see Figure 4.1 to obtain constructive response on the acceptance and use of e-commerce in the Lesotho tourism context. Such findings can guide future research about the motivations and barriers to ICT use in the developing country contexts such as Lesotho.
- The study focused on general perceptions of e-commerce amongst tourism businesses. Further research should be undertaken to highlight differences between employees and management in the tourism industry engaging in IS. The study also focused only in

interrogating tourism businesses with that issues impacting ecommerce adoption originated from poor government and in the ICT providers. Thus, further research should be on exploring these stakeholders for a more careful and holistic valuation of the situation.

- This study was considered as exploratory research. It investigated factors perceived to be of importance for e-commerce adoption. Future research could be on exploring attitudes directly related to the current level of ecommerce adoption, through a comparative study of organisations that have not yet adopted and that have adopted a specific technology. Furthermore, research may be conducted to investigate change in owner/manager perceptions of e-commerce usage in the tourism industry.
- The research examined various types of businesses in the Lesotho travel and tourism sector. This included travel agencies, guesthouses, and handicrafts/curio shops, each sub-sector in the tourism industry was found different. For example, the accommodation sector is limited by some internal factors such as human resources, skills and awareness. Therefore, further research may be required to identify if factors impacting adoption of technology vary among the sub-sectors.
- The possible e-commerce adoption services by tourism SMMEs was projected based on the key variables of performance expectancy, effort expectancy and social influence, and on the basis of facilitating conditions as well as the moderating factors of the UTAUT model. The developed model in this research has established a need for further research investigating the adoption of e-commerce in developing countries.

5.7 Concluding remarks

Apart from the low diffusion of e-commerce amongst tourism businesses in the Lesotho tourism sector, this study found that the Lesotho tourism businesses were unaware of the various internet activities that can be applied in their e-commerce practices. Moreover, this research indicated that even those tourism SMMEs in Lesotho that were partially using e-commerce technologies did not accomplish the anticipated benefits. The study employed qualitative research methods to investigate e-commerce adoption in Lesotho tourism industry. The study used the UTAUT model as a foundation to help understand acceptance and use of e-commerce in the Lesotho tourism sector. The findings of the study suggested that some constructs of the model were able to provide a judicious explanation regarding behavioural intention to adopt and use of e-commerce.

This research focus was to identify factors that affected the adoption of e-commerce and understanding why adoption was limited in the tourism industry in Lesotho. The study revealed that many tourism enterprises in the Lesotho tourism industry did not comprehend

the benefits brought by online shopping. However, e-commerce was regarded as a possibility in the future, and it was currently not regarded by businesses and the tourism industry. Findings suggested that government initiatives and telecommunications infrastructure were inhibiting businesses to adopt e-commerce. Some other barriers hindering e-commerce adoption included internal factors such as limited human resources, technological resources and the organisation's size. Delay on e-commerce adoption within tourism enterprises is dependent on the owner/manager as they are decision makers. It was revealed that lack of awareness amongst the participants. This shows that education and training should be provided for e-commerce to be widely instigated. For e-commerce implementation to take place in the Lesotho tourism industry, several issues need to be addressed. These include; trust and security for e-commerce activities should be supported by the government with policies reassuring consumers of online transaction safety. Other factors that were found relevant in the delay of e-commerce uptake by the Lesotho tourism SMMEs included the national culture and facilitating conditions. It was suggested factors such as masculinity, nepotism, technological resources, business size and high costs were found to have major influence to hinder business's e-commerce adoption. Thus, a clear study on these dimensions must to be looked at and their direct impact.

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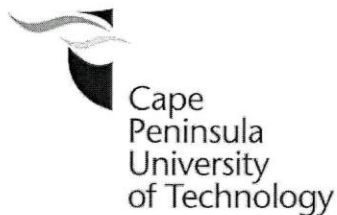
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APPENDICES

Appendix A: Letter to SMMEs



RESEARCH UNIT
FACULTY INFORMATICS & DESIGN
PO BOX 652
Cape Town, South Africa
8000

Tel + 27 21 469 1032
Fax + 27 21 469 1002

email: pathers@cput.ac.za

9 August 2013

Dear Sir / Madam

REQUEST FOR INTERVIEW : RESEARCH PROJECT ADOPTION OF E-COMMERCE IN THE LESOTHO TOURISM INDUSTRY

We would like to kindly request an interview from you and/or other relevant staff in your business. The purpose of the interview is to gather information for a research project which is being conducted towards a Master's Degree in Information Technology at the Cape Peninsula University of Technology (CPUT).

This letter also serves to confirm that Miss Tsebetso Mapeshoane is currently a registered student (Student Number 206169183) under my supervision. I understand that you have limited time, and therefore would like to express my sincere appreciation of if you are willing to share your expertise and contribute to the advancement of research and knowledge creation. More importantly, this project concerns an important issue of e-commerce, and the challenges in adoption of such

This project has received the necessary ethical clearance at the University. As such Miss Mapeshoane undertakes that the information shared by you and/or your organization will be kept confidential, and that this will not be used for commercial gain or purpose in any way whatsoever. In terms of the reporting of the research, only summarized information will be used, and this will not be attributed to you in your personal or professional capacity nor your business, unless you have expressly given your permission.

We thank you kindly for offering your time. Please refer to the attached for further details regarding the interview.

Please do not hesitate to contact me should you have any queries.

Yours faithfully

Handwritten signature of Professor Shaun Pather.

.....
Professor Shaun Pather
Supervisor

Handwritten signature of Tsebetso Mapeshoane.

.....
Tsebetso Mapeshoane
Student

Appendix B: Questionnaire questionnaire

 <p>Cape Peninsula University of Technology</p>	<p>RESEARCH UNIT FACULTY INFORMATICS & DESIGN P.O. BOX 652 Cape Town, South Africa 8000</p> <p>Tel + 27 21 409 1002 Fax + 27 21 409 1002</p> <p>email: pathera@cpu.ac.za</p>
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01 July 2012

Dear Sir / Madam

RESEARCH SURVEY: THE ADOPTION OF E-COMMERCE IN THE LESOTHO TOURISM INDUSTRY

Thank you for your time in participating in this survey. This survey is being conducted towards a Master's Degree in Information Technology at the Cape Peninsula University of Technology (CPU).

This letter also serves to confirm that the researcher, Ms Tsebeso Maphoane is currently a registered Masters student under my supervision. I understand that you have limited time, and therefore would like to express my sincere appreciation of your willingness to share your expertise and contribute to the advancement of research and knowledge creation.

The research concerns the adoption of e-commerce in the Lesotho tourism industry. The attached questionnaire seeks to obtain your views regarding e-commerce in your business. The objective of the research is to obtain insight into e-commerce adoption amongst SMMEs in the Lesotho tourism industry. The research outcome seeks to assist organisations and government to improve SMMEs' internet technology usage in the context of e-commerce by providing a framework that has potential to assist SMMEs to penetrate the international electronic business environment.

What we will do with the results

- Firstly, please be assured that individual responses will be kept secure and in complete confidence.
- Secondly, the findings will be analysed and summarized, and will not be attributed to your personally nor your business.
- Thirdly, the summary of the findings will be made available upon request.

Finally, the summary of the findings may be published academically (i.e. in research journals), should they merit the attention of researchers and others who work to improve the technology status of communities, especially in Lesotho.

We thank you for your time.

Regards



Shaun Patheer, Prof
Research Supervisor



RESEARCH QUESTIONNAIRE

Instructions:

1. Please note that questionnaire consists of 3 sections, namely Sections A, B and C.

Anonymity is assured in that all responses will be held in the strictest confidence.

Your kind and timely response will be highly appreciated.

Please answer all questions by placing an X in the appropriate box.

2. Please return the completed questionnaire to:

Tsebetso Mapeshoane
e-mail address: tmapesh@yahoo.com

SECTION A : Use of computers and benefits of internet

1. Do you use computers in this business?

1	Yes	<input checked="" type="checkbox"/>
2	No	<input type="checkbox"/>

2. Do you use the internet for business operation on a daily basis?

1	Yes	<input checked="" type="checkbox"/>
2	No	<input type="checkbox"/>

If you answered NO to question 2 - go to section B.

If you answered Yes to question 2, please proceed to the following question 3.

3. Please indicate which of the following your business uses the internet for.

Place an 'X' against those uses relevant to your business.

1	Document processing : for word processing for letters, manuscripts etc and printing documents	X
2	Information searching: e.g. To obtain information and news and conduct research.	X
3	Website: The business has an online presence - i.e. we have our own web-site	
4	Communication with customers: Our email address is advertised on the internet. We receive and respond to emails.	X
5	Marketing: We market our products and services on our web-site	X
6	Facebook or Twitter: The business has a Facebook page or Twitter account	
7	Electronic bookings: Making online bookings (e-booking) especially for airline tickets and accommodation for our clients.	X
8	Intranet: We use Internet technology <u>within</u> our company to help workers communicate better and work more productively	
9	Publishing: We publish news (activities) about the organization on the internet.	
10	Entertainment and non-business uses: Employees of this business use the internet for general browsing, personal use, and entertainment needs.	X

SECTION B: Your perceptions about e-commerce

Please take note of the following explanations before you answer the questions.

E-commerce- is selling of goods and services over the internet. It is also the use of Internet in any way that improves a businesses' relationship with its customers and suppliers. This includes transacting electronically such as placing orders, marketing and researching information.

- **Examples of use of e-Commerce in a tourism business:** Booking a hotel room, an airline ticket or a bus ticket using computers.
- **Examples of e-commerce applications used by a business are:** Booking systems (to book air-tickets, cars, hotels) which interact with major supplier systems, travel itinerary management systems, email, direct marketing systems, web-based systems for SMS notifications, web-site content management systems, service quality survey tools.

4. Based on the above, please indicate the extent to which you agree or disagree with the following statements. Please place an X in only one box for each statement.

		Strongly disagree	Disagree	No sure	Agree	Strongly Agree
1	I would find e-commerce useful in my job.				X	
2	Using e-commerce would increase my productivity			X		
3	e-Commerce will enable me to accomplish my tasks more quickly			X		
4	The use e-commerce, will increase my chances of getting a raise		X			
5	e-Commerce will lead to increased profits for the business.			X		
6	When I interact with e-commerce applications, this interaction would be clear and understandable to me.				X	
7	It would be easy for me to learn the appropriate skills to use e-commerce effectively.				X	
8	Learning to operate e-commerce applications such as booking systems will be easy for me				X	
9	I would find e-commerce applications easy to use				X	
10	The manager/s of this company will be helpful, and will provide assistance in the use of e-commerce systems.				X	
11	In general, this business has supported the use of internet and e-commerce.			/	X	
12	I believe that those people in my life, who influence my behavior will think that I be using should use e-commerce			X		
13	I expect that people who are important to me will think that I should use e-commerce and internet in my job.		X			
14	I have the resources necessary to use e-commerce.				X	
15	I have the knowledge necessary to use e-commerce				X	

		Strongly disagree	Disagree	No sure	Agree	Strongly Agree
16	e-Commerce systems will not be compatible with the systems that we currently use.		X			
17	I expect that if we use e-commerce that a specific person (or group of persons) will be available for assistance with system difficulties.				X	
18	Using e-commerce is not a good idea			X		
19	The use of e-Commerce will make work more interesting.				X	
20	I expect that working with e-Commerce systems will be fun.				X	
21	I intend to use e-commerce in the next 12 months.			X		
22	I predict I would use e-commerce in the next 12 months.				X	
23	I plan to use e-commerce in the next 12 months			X		
24	The cost of computer equipment is too high, and therefore e-commerce is not an option in this business.				X	
25	Internet is important, but there are no internet facilities in this area.		X			
26	There telecommunication infrastructure in this area is inadequate and unreliable		X			
27	The employees in this business do not have the right level of education and therefore using e-commerce will be difficult.		X			
28	The government of Lesotho has not done enough to support the use of internet by businesses such as ours.					X

SECTION C: Demographic Data

5. What is the name of your business?

..... CAESLS TRAVEL AGENCY

6. Type of your business

1	B&B	
2	Travel operations	<input checked="" type="checkbox"/>
3	Hotels	
4	Shops and curios	
5	Transport	
6	Entertainment	

7. Your Gender

1	Male	
2	Female	<input checked="" type="checkbox"/>

8. How long has the business been operating?

1	1-3 years	
2	4-6 years	
3	7-9 years	
4	10-12 years	<input checked="" type="checkbox"/>
5	13 and above	

9. What is your work experience?

1	Less than one 1 year	<input type="checkbox"/>
2	2-4 years	<input type="checkbox"/>
3	5-10 years	<input checked="" type="checkbox"/>
4	11-20 years	<input type="checkbox"/>
5	20 years and above	<input type="checkbox"/>

10. For how many years have you been using computers?

1	Less than one 1 year	<input type="checkbox"/>
2	2-4 years	<input type="checkbox"/>
3	5-10 years	<input type="checkbox"/>
4	11-20 years	<input checked="" type="checkbox"/>
5	20 years and above	<input type="checkbox"/>

End of Questionnaire

Thank you very much for participating and for taking time out of your busy schedule to contribute towards this research study

Appendix C: Interview guide

TITLE OF RESEARCH: ADOPTION OF E-COMMERCE IN THE LESOTHO TOURISM INDUSTRY

Background

Tsebetso Mapeshoane, is a Postgraduate Researcher at the Cape Peninsula University of Technology (CPUT). Her master's research is driven by the notion that in this 'information age', government institutions are joining the private sector in the quest for improved networked information management, and improved service delivery as an end goal. Some critics raise questions as to whether the high costs and effort linked to e-commerce implementation result in added-value, and whether public institutions cannot continue using the stand-alone systems to achieve the same result.

The research problem thus focuses on the low levels of E-COMMERCE adoption in the Lesotho tourism industry, especially amongst small medium micro enterprises businesses.

The Interview

You have been identified as a key stakeholder and potential knowledgeable informant to this research. You are kindly requested to avail yourself for approximately forty five to sixty minutes for a research interview. The question guide below, will form the basis for the session:

1. For non e-commerce user's, How would you expect the use of e-commerce to help in your job?

When using e-commerce in your job, can you please describe your interaction with e-commerce? How easy is it to use e-commerce?

2. For non e-commerce user: If you had to use e-Commerce in this business, how easy do you think it will be? For e-commerce user: Please describe the support offered by the organization to use e-commerce?

3. What support do you think is needed, but isn't in place?

For non e-commerce user: What support would you expect to be in place in the business for you to be able to use e-commerce? Is it effective to make use of e-commerce?

4. When looking at other businesses offering the same services as yours, is it important to you whether they use e-commerce in their business? Who would you consider to be a successful tourism business? Do you think they are using e-commerce?

5. For e-Commerce users: How do you intend to use e-commerce in the future? Explain.

For non- Ecommerce users: Given your understanding about e-commerce, would you intend to adopt and use e- Commerce. Explain why.

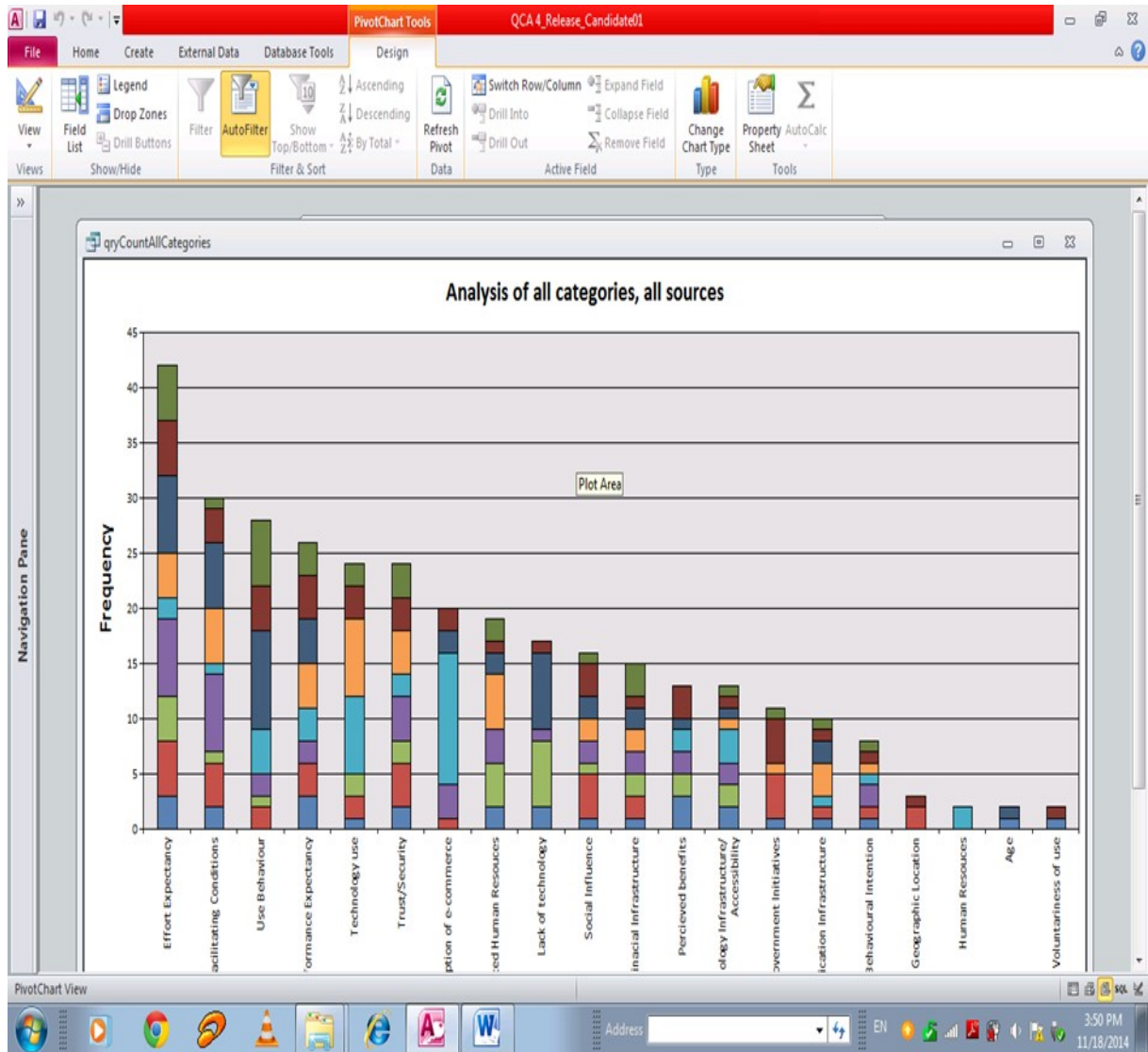
6. Do you think the growth of e-commerce is important in your organization? Why?

7. Please describe the pros (advantages) and cons (disadvantages) of using e-commerce?

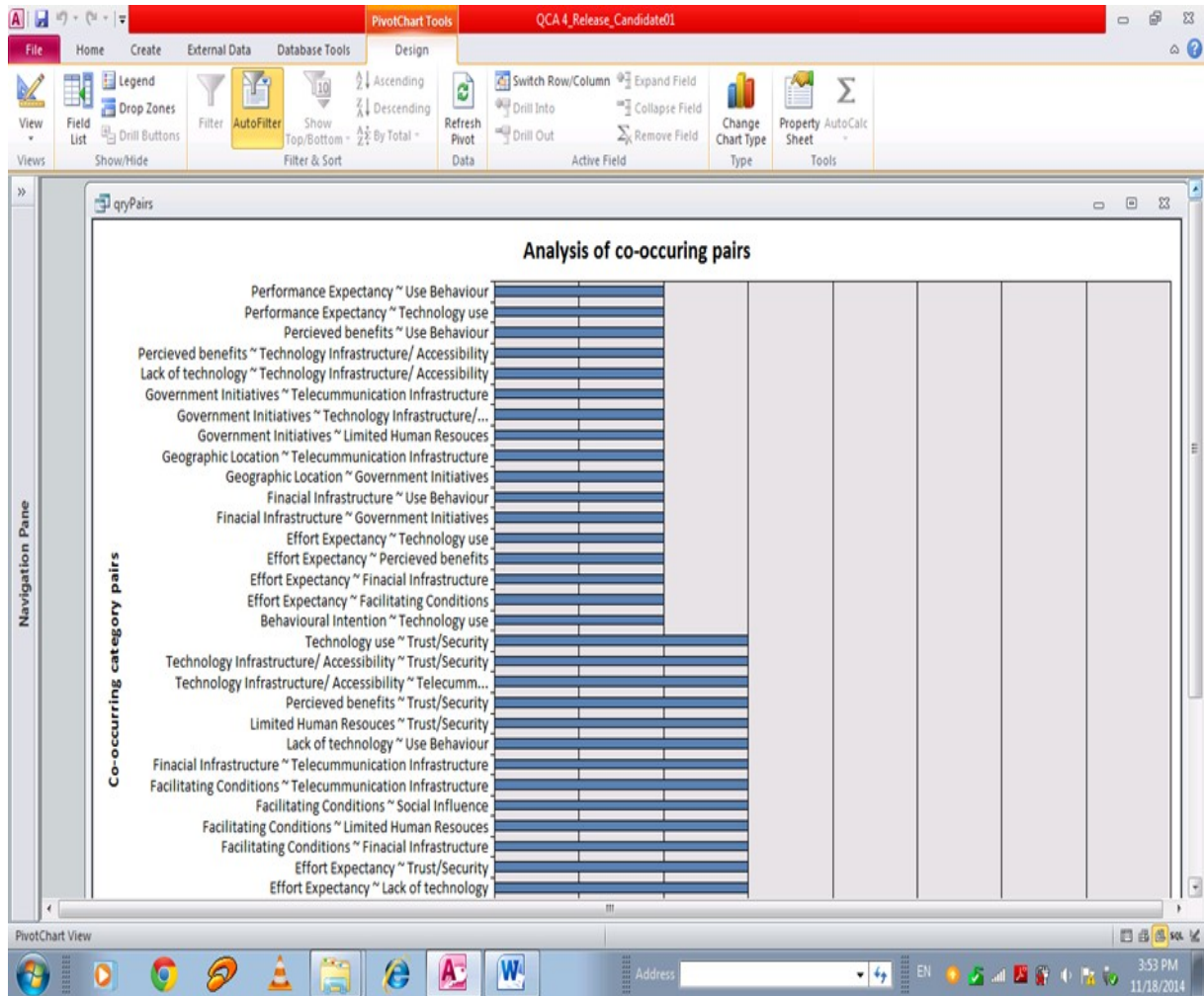
Appendix D: Data category from QCA

Data Category																	
fIdCategoryName	GH1	GH2	GH3	TA1	TA2	TA3	TA4	HC1	TR1	TA5	GH4	TA6	TA7	GH5	GH6	GH7	Total Of Count Of inferences
Effort Expectancy		1	2	5	2	4	7		5	4		2	2	3	2		39
Facilitating Conditions	2	4	1	7	1	5	6	3	1	1	5	1	5	6	3	1	52
Use Behaviour		2	1	2	4		9	4	6	1	2	4		9	4	6	54
Performance Expectancy		2		2	3	4	2		1		2	3	2		1	2	24
Technology use	1	2	2		7	7		1	2	2		4	5		3	2	38
Trust/Security	1	2	2	4	2	4		3	3	2	4	2	4				33
Perception of e-commerce		1		3	12		2	2			3	12		2	2		39
Limited Human Resouces	2		4	3		5	2	1	2	4	3		5	2	1	2	36
Lack of technology	2		6	1			7	1		2	1			7	1		28
Finacial Infrastructure	1	2	2	2		2	2	1	3	2	2		2	2	1	3	27
Social Influence	1	4	1	2		2	1	3	1		2		2			1	20
Percieved benefits	3		2	2	2		1	3		2	2	2		1	3		23
Technology Infrastructure/ Accessibility	2		2	2	3	1	1	1	1	2	2	3	1	1	1	1	24
Government Initiatives	1	4				1		4	1					1		4	17
Telecommunication Infrastructure					1	3	2		1			1	3				11
Behavioural Intention	1	1		2	1	1		1	1		2	1	1		1	1	14
Geographic Location		2						1							1		4
Human Resouces					2							2					4
Age	1						1							1			3
Voluntariness of use	1							1							1		3

Appendix E: Screenshots samples emerging from QCA



Appendix F: Screenshot sample showing co-occurring pairs from QCA



Appendix G: Screenshot sample on categories within all interviews

The screenshot displays a software application window titled "Categories by Interviews - QCA 4_Release_Candidate01". The interface includes a ribbon menu with tabs for "File", "Home", "Create", "External Data", and "Database Tools". The "Database Tools" tab is active, showing options like "Filter", "Sort & Filter", "Refresh", "Delete", "Find", "Go To", "Size to Fit Form", and "Switch Windows".

The main content area is titled "Categories within all Interviews" and contains the following information:

- Project:** E-commerce adoption in Lesotho tourism industry
- Category:** Chunk(s) First order construct(s)
- Interview:** Basotho Hat- Lesotho Co-operative and Handicrafts SI

The data is organized into sections, each with a question (Q) and an answer (A):

- Age:**
 - Q. If you had to use e-Commerce in this business, how easy do you think it will be?
 - A. I think it would be easy to use, but for younger people though. You see I am getting old and I can't look at the computer screen for a long time and this technology thing is for them. Again,
younger people
- Behavioural Intention:**
 - Q. Given your understanding of e-commerce, would you intend to adopt and use e-Commerce? Why?
 - A. Yes I would adopt and use it, because it seems to be useful and easy to use.
adopt
- Effort Expectancy:**
 - Q. Given your understanding of e-commerce, would you intend to adopt and use e-Commerce? Why?
 - A. Yes I would adopt and use it, because it seems to be useful and easy to use.
easy to use
 - Q. If you had to use e-Commerce in this business, how easy do you think it will be?
 - A. I think it would be easy to use, but for younger people though. You see I am getting old and I can't look at the computer screen for a long time and this technology thing is for them. Again,
easy to use
 - Q. When using e-commerce in your job, can you please describe your interaction with e-commerce?
 - A. I think for it will be easy and one will be able to do well in their job.
easy

The interface also features a "Navigation Pane" on the left and a "Report View" at the bottom. The Windows taskbar at the bottom shows the system clock as 4:12 PM on 11/18/2014.

