ADOPTION OF E-BUSINESS IN THE HOSPITALITY INDUSTRY IN GHANA-
A CASE STUDY OF HOTELS

BY

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DECLARATION

I hereby declare that this submission is my own work towards the Executive Masters of Business Administration and that, to the best to my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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ABSTRACT

E-business involves conducting business activities via Information and Communication Technologies (ICT). This research work seeks to study the adoption of e-business by the hospitality industry (hotels) in Ghana focusing more on the level of adoption, benefits and challenges of e-business. This research was conducted by utilising data from secondary and primary sources in arriving at the findings. The primary data was collected through survey of twenty three hotels purposely selected. This study established that e-business has been adopted by the hospitality industry in Ghana. Most of the businesses that have adopted e-business are at the basic level. E-business has contributed to customer servicing, reduced cost of production, enhanced communication, and reduced barriers to new markets and easy access to customers. Businesses in the industry however face the challenges of insufficient network infrastructure, lack of effective e-legal regime, Lack of security and trust for online transactions, the lack of websites in Ghanaian languages and lack of wide deployment of online payment systems. Among the recommendations made are that e-business could be greatly enhanced if the hindrances could be greatly reduced through various government interventions such as investments in building Internet infrastructure and providing other enabling factors. In addition if the businesses (hotels) develop multi-lingua websites especially in Ghanaian languages, it would cater for local language literates and this would encourage customer utilisation of websites. It was recommended that future studies should include the adoption from customer perspective.

DEDICATION

This work is dedicated to my family (Kathumi, Amina, Baba Hmar, Luqueman and Mama Zeinab) for their support and understanding before and during the production of this report. This thesis is also dedicated to Abdul-Jalil Bawa who has contributed immensely towards the completion of this work.

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First of all I wish to acknowledge the almighty Allah (God) for the health, strength and wisdom granted me and all those who took part in the realization of this thesis.

Sir Isaac Newton once said "If I have seen further than others, it is because I stood on the shoulders of giants" and as such I am deeply grateful of the special effort by my supervisor Mr. Patrick Ohemeng Gyaase for his time, resources, patience and direction.
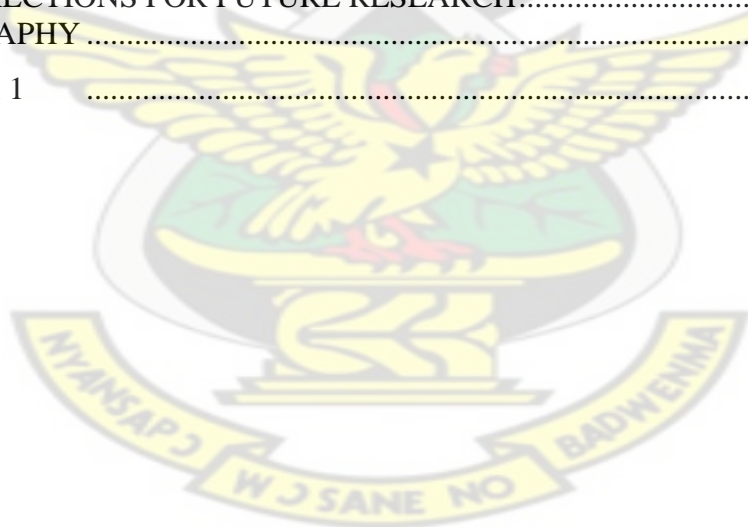
Finally the truth is that it is extremely difficult if not impossible to mention names of all those who contributed directly and indirectly to the success of this work. I will therefore say that I have benefited immensely from many people and thus advance my profound gratitude.

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CHAPTER ONE

INTRODUCTION

This chapter gives an overview of the research. It discusses the background, statement of problem, research question, objectives, significance, and the scope of this research.

1.1 BACKGROUND TO THE STUDY

Information and Communication Technologies (ICTs) have become an essential part of our lives. In the past decade, the use of ICT throughout societies started with the introduction of the internet. The internet started mainly as network for researchers that gave the opportunity to share information and ideas. An important step in the commercialization of the internet was the announcement of the World Wide Web (WWW) in 1991 by Tim Berners-Lee of European Organisation for Nuclear Research (CERN) (Kalakota and Whinston, 1996).

Today, the internet can facilitate the quick and efficient movement of information among trading partners at a greatly reduced cost to businesses via the internet and therefore electronic business has become one of the principal means of doing business (Ministry of Commerce, Barbados, 2005).

The world Trade Organization (WTO) defines E-business as the production, distribution, marketing, sale or delivery of goods and services by electronic means. Broadly defined, electronic business encompasses all kinds of commercial transactions that are concluded over an electronic medium or network, essentially, the internet. Electronic business is a new way of doing business. E-business is transacting or enabling the marketing, buying and selling of goods and or information through an electronic media especially the internet (Payne, 2003).

E-business involves the fundamental reengineering of the business model into an internet based networked enterprise. This has to do with the degree to which an organization transforms its business operations and practices throughout the use of the internet (Hackbarth and Kettinger, 2000 ; Mehrtens et al 2001; Poon 2000; Poon and Swatman, 1997).

According to Basu and Muylle (2007), e-business has dramatically changed how companies' business processes are implemented and has also enhanced industry structure and shifted the balance of power between corporations and their suppliers and customers. Companies in every industry have had to evaluate the opportunities and treats presented by e-business. By thinking strategically about e-business, managers can select technological solutions that support the company's business strategies and create value for the company and its customers (Cote et al, 2005).

The internet is driving the new economy by creating unprecedented opportunities for countries, companies and individuals around the world. Today CEOs worldwide recognize the strategic role that the internet plays in their company's ability to survive and compete in the future (Al-Mudimigh, 200). Indeed, currently businesses everywhere need to understand that if, when and how to use electronic business.

 In some industries, businesses are learning now that this is no longer an option to consider but a requirement for survival. The reach of the underlying information and communication technologies (ICT) making electronic business possible is also causing unprecedented globalization of business. Businesses in developing countries will soon be affected as significantly as those elsewhere (Payne, 2003). In this respect, Kofi Annan, former UN Secretary General opined that the ability of developing countries to adopt e-business can be another opportunity for accelerated economic growth and development.

However, according to research conducted, companies and the private sector in Africa are not been active imitators of e-business. For example, a survey in Ghana (part of a Ghana SCAN-ICT study) revealed that about 65% of ICT companies do not have a presence on the internet and 84% reported that they were not involved in e-Business (Opoku Mensah et al, 2005).

Though there are a growing number of examples of the use of ICT for electronic business (e-business) in developing countries, the effect to date are small compared to what is expected to occur (UNCTAD Report, 2002).

As the economy of Ghana is picking up, the service industry especially the hospitality industry are extending their national and regional coverage to be able to provide the needed hospitality service. In this development, it is expected that the use of the internet would facilitate the adoption of e-business in Ghana hospitality industry as a means of offering reliable, flexible and cost-effective ways of doing business as well as enhance their competitiveness. This especially as volume of trade increases in Ghana and other developed countries require fast transfers of monies, payment across continents and many other services that promote growth of business (Al-Mudimigh, 2007).

As with most developing countries that have pursued economic and structural reforms, Ghana has been undergoing a process of financial sector restructuring and transformation as an integral part of a comprehensive strategy for some time (Acquah, 2006). This is important because electronic transactions will continue to grow and only countries that make a move towards embracing e-business will participate in this revenue generation (Akoh, 2001).

Hospitality in Ghana is one of the industries being radically transformed by ICT. For example, most hotels within the main cities in Ghana now employ cutting edge technologies to roll out their services to their clients. Hotels today are becoming

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increasingly aware of both the threat and the opportunity that the Web represents. ICT-mediated services such as electronic fund transfer, electronic booking, cell phone hospitality among others are transforming the traditional way of hospitality and providing competitive edge for hotels that provide those services. But, to be competitive in the internet economy, companies need to harness the power of the internet successfully (Al-Mudimigh, 2007) hence it is important to understand the benefits, barriers and challenges related to companies' adoption of e-business.

1.2   STATEMENT OF RESEARCH PROBLEM

A problem statement is a concise description of the issues that need to be addressed by a researcher(s) and should be presented to the researcher(s) or created by the researcher(s) before they try to solve the problem. To achieve a particular purpose is to provide the researcher(s) with a problem statement or the problem statement will be created by the researcher. Following this a good problem statement should answer these questions: What is the problem? Who has the problem or who is the client/customer? And what form can the resolution be? The primary purpose of a problem statement is to focus the attention of the researcher(s). However, if the focus of the problem is too narrow or the scope of the solution too limited the creativity and innovation of the solution can be stifling (Ellis & Levy, in press).

It has been emphasized that the immense contribution of ICT towards the development of the hospitality industry and the country as a whole is enormous and that organizations from all over the world now depend almost on the use of ICT to manage and market their services. Therefore those who have not as yet adopted ICT in their operations to take a critical look at it (www.modernghana.com).

The contribution of the hospitality industry to the overall growth of the economy of Ghana cannot be overemphasized. For the hospitality industry to succeed, the need for efficient and responsive hotel subsector which incorporates modern trend of business and customer service cannot be ignored. The efficiency and smart services provided attributable to e-business present a bigger opportunity to firms, industry and the country as a whole necessitating the availability of knowledge through research.

Scepticism about e-business has always been a barrier to reaping the benefits inherent in its adoption especially in the developing countries where information and communication technology (ICT) is yet to see its best days.

To many businesses, the use of its existing structures, systems and methods help managers and operators remain in their comfort zone without many challenges. E-business however presents a more contrasting option and its adoption brings more benefits and provides global competitiveness for modern business.

This research therefore assesses the level of e-business adoption in the hospitality industry in Ghana, so as to identify the factors impeding the adoption and the benefits that the early adopters have gained.

1.3   OBJECTIVE S OF THE STUDY

In Ghana, the hospitality is crucial to the growth of the economy. As business always need to find ways of improving products and services deliveries, it is useful to understand how the adoption of e-business can benefit the hospitality industry. The objective of this study have been to assess the status of adoption of e-business in Hotels in Ghana.

The specific objectives achieved are:

> ➢ To establish the extent to which the hospitality industry in Ghana have adopted e-business,

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➢ Identify the benefits of e-business to the hospitality industry in Ghana, and

➢ Describe the challenges encountered in the adoption of e-business.

1.4 RESEARCH OBJECTIVES

It has been widely speculated that in Africa and specifically Ghana the use of information and communication technology (ICT) does not go beyond secretarial services. Consequently the research questions addressed by this study are:

➢ To what extend has the hospitality industry in Ghana adopted e-business?

➢ What are the benefits that have been derived by adopting e-business by hotels in Ghana?

➢ What are the challenges in the adoption of e-business by hotels in Ghana?

1.5 SIGNIFICANCE OF THE STUDY

The significance of this study can be seen in the fact that the outcome can be applied in the development of national policy framework as a guide for e-business adoption. The study will improve our understanding of the following issues as they apply in the Ghanaian situation.

➢ It shows the relevance of e-business in hospitality for a developing country like Ghana.

➢ It reveals the benefits derived from adopting e-business

➢ It addresses the challenges that prevent firms from taking advantage of e-business.

➢ It provides the basis of future research into the adoption of e-business in other sectors of the Ghanaian economy.

1.6   SCOPE AND LIMITATION OF STUDY

In this study, it is assumed that e-business concerns the recognition of business opportunities that are based in Information and Communication Technology (ICT). The exploitation of these opportunities for e-business gives competitive edge. This study focuses on the ability of firms to discover and exploit opportunities based in ICT. Again, the emphasis is not on the process of opportunity recognition itself but rather, the result (the expected e-business benefits) is related to a firm's ability to recognize opportunities and the benefits it brings. In other words, which firm characteristics explain the recognition of opportunities for e-business leading to its adoption?

This study has been conducted within the hospitality industries in Ghana by considering all hotels that had established an active organisational websites. Organisations with websites are deemed to have adopted e-business in some magnitude as it recognises the opportunities that are based in ICT.   This study however, did not study hotels operating without active websites and did not also look at hotel with branches as different entities but as one unit neither did it look at hotels outside Ghana. This study only examined the adoption of e-business by Hotels with active web sites.

1.7   ORGANIZATION OF WORK

This research has been presented in five chapters in a well structured and co-ordinated order as outlined below;

Chapter one gives a brief but concise history (background information) of E-business from the application of Information and Communication Technology to business, beginning with the inception of the World Wide Web (WWW) in 1991. It also put forward brief information about the role e-business plays in the hospitality industry in Ghana, its significance towards the economic growth of the economy of Ghana and the

future prospects of e-business in Ghana. The statement of the problem, the objectives of the study, the research objectives, the significance of the study, the scope and limitation of the study, as well the organization of the research has been elaborated.

Chapter two discusses a review of literature related to e-business and hospitality both in Ghana and elsewhere. It presents in detail; some concepts of e-business and e-business adoption, the evolution of e-business, the Technology Adoption Model and the stages adoption theories as the theoretical framework used for this research, the benefits and challenges of e-business and finally it presents the general description of the hospitality industry in Ghana.

Chapter three outlines the methodology employed where details of steps taken in conducting the research, the study area, the population and the sampling techniques used, data collection procedures, research instruments used, research design and the data analysis used.

Chapter four deals with the analysis and discussion of the results gotten from data collected.

Chapter five gives a succinct summary of the findings, conclusions, recommendations and directions for future research.

CHAPTER TWO

LITERATURE REVIEW

2.1   INTRODUCTION

This chapter deals with a survey of existing views, knowledge and other information relevant to the theme, objectives and the research questions of this study. In this regard, the review focused on e-business adoption, benefits, and challenges.

2.2   CONCEPTS AND THEORIES OF E-BUSINESS ADOPTION

2.2.1   INTRODUCTION

E-business has dramatically changed how companies' business processes are implemented and has also enhanced industry structure and shifted the balance of power between corporations and their suppliers and customers (Basu and Muylle, 2007). Companies in every industry have had to evaluate the opportunities and treats presented by e-business. By thinking strategically about e-business, managers can select technological solutions that support the company's business strategies and create value for the company and its customers (Cote et al, 2005).

The Internet is driving the new economy by creating unprecedented opportunities for countries, companies and individuals around the world. Today business managers worldwide recognize the strategic role that the internet plays in their company's ability to survive and compete in the future (Al-Mudimigh, 2007). Indeed, currently businesses everywhere need to understand that if, when and how to use electronic business. In some industries, businesses are learning now that this is no longer an option to consider but a requirement for survival (Payne, 2003). The reach of the underlying information and communication technologies (ICT) making electronic business possible is also causing

unprecedented globalization of business. Businesses in developing countries will soon be affected as significantly as that elsewhere (Payne, 2003). In this respect, the former UN Secretary General opined that the ability of developing countries to adopt e-business can be another opportunity for accelerated economic growth and development (Annan 2001). As the economy of Ghana is growing, the service industry, especially the hospitality industry is extending their national and regional coverage to be able to provide the needed hospitality service. It is expected that the adoption of e-business in Ghana hospitality industry would ensure the offering of reliable, flexible and cost-effective ways of doing business as well as enhance their competitiveness as volume of trade increases between Ghana and other developed countries require fast transfers of monies, payment across continents and many other services that promote grown of business (Al-Mudimigh, 2007).

As with most developing countries that have pursued economic and structural reforms, Ghana has been undergoing a process of financial sector restructuring and transformation as an integral part of a comprehensive strategy for some time (Acquah, 2006). This is important because electronic transactions will continue to grow and only countries that make a move towards embracing e-business will participate in this revenue generation (Akoh, 2001).

Hotels today are becoming increasingly aware of both the threat and the opportunity that the Web represents. ICT-mediated services such as electronic fund transfer, electronic booking, and cell phone hospitality among others are transforming the traditional way of hospitality and providing competitive edge for hotels that provide those services. But, to be competitive in the networked economy, companies need to harness the power of the internet successfully (Al-Mudimigh, 2007)

2.2.2   THE CONCEPT OF E-BUSINESS

The term "e-business" has a very broad application and means different things to different people. Among the common definitions of e-business are presented in this section.

E-business is about re-engineering or redesigning business process to match customers' expectation in the economy through the use of information and communication technologies (Earl, 2000).

E-business has also been defined as the rethinking and redesigning business processes at both the enterprise and supply chain level to take advantage of internet connectivity and new ways of creating value"(El Sawy, 2001). This definition lends itself to both business and ICT development and provides a clear understanding of e-business.

E-business refers primarily to the digital enablement of transactions and processes within a firm, involving only the information system under the control of the firm (Laudon and Traver 2008).

The similarities among these definitions include the improvement of business processes and the use of ICT in intranets, extranets and the internet to conduct business (Melao, 2008). Melao defines e-business as the use of ICT as an enabler to (re)design, manage, execute, improve and control business process both within and between organizations (Melao, 2008).

 Thus front-and-back office integration and multi-channel integration become crucial in e-business, which requires a challenging process improvement approach to support the necessary organizational, technological and social changes.

E-business can describe companies operating in the ICT producing sectors as well as new emerging sectors and industries such as in the area of digital content. However, at a more fundamental level, the term e-business also describes the application of

information and communication technologies to business process in all sectors of the economy to reduce cost, to improve customer value and to find new markets for products and services (El Sawy, 2001).

Electronic business methods enables companies to link their internal and external data processing system more efficiently and flexibly, to work more closely with suppliers and partners, and to better satisfy the needs and expectations of their customers (Yen-Yi, 2006).

There have been some views as to the relationship between e-business and e-commerce. Some authors view e-business as the evolution of e-commerce from the buying and selling over the internet and argue that the former is a subset of the latter (Turban et al, 2006). Others argue that, although related, they are distinct concepts (Laudon and Traver, 2008). Others use both terms interchangeably to mean the same thing (Schneider, 2002). Kalakota and Robinson, 2001 proposed a definition of e-business that clearly stresses the difference between e-business and e-business. More precisely e-business is explained as not just about e-commerce transactions or about buying and selling over web. E-business is the overall redefinition of old business models with the aid of technology to maximize customer value and profits (Kalakota and Robinson, 2001). This definition is of great importance because it describes e-business as an essential business-reengineering factor that can promote company's growth. (European commission, 2007)

Recent authors have begun to delineate more explicitly a difference between (e-commerce and e-business. E-Commerce is emerging as the term used when discussing the process of transacting over internet. E-Business, on the other hand, involves the fundamental reengineering of business model into an internet based networked enterprise. While e-business refers to more strategic focus with an emphasis on the

functions that use electronics capabilities, e-commerce is a subset of an overall e-business strategy. E-commerce aims at adding revenue streams using the World Wide Web and the internet to build and enhance relationships with clients and partners. Often, e- commerce involves the application of knowledge management systems. On the other hand, e-business involves business process that span through the entire value chain: electronic purchasing and supply chain management, processing order electronically, handling customer services and cooperating with business partners. E-Business, can be conducted using the web, the internet, intranets, extranets, or some combination of these (European commission 2007)

The difference in the two terms according to most authors is the degree to which an organization transforms its business operations and practices through the use of the internet (Hackbarth and Kettinger, 2000: Mehrtens et.al, 2001: Poon, 2000: Poon and Swatman, 1997)

2.2.3   THE EVOLUTION OF E-BUSINESS

E-Business probably began with electronic data interchange in the 1960s, however, others suggests that it was only in the 1990s, primarily via the internet, that E-Business has emerged a as care feature of many organization (Melao, 2008). In Melaos' opinion, the hope was that E-Business would revolutionize the ways in which organizations interact with customers, employees, suppliers and partners.

This evolution has enabled business to break through a series of technology boundaries. Initially, simply publishing static information on the Web so people could access it was a boundary. The standardization of Web servers and browsers in the mid-1990s was a breakthrough to this first boundary.

Doing simple business-to-consumer and business-to-business transactions over the Web represented another early boundary that was overcome with the standardization of protocols and applications around e-commerce.

More recently, the IT industry has been working on the broader integration of systems between enterprises and across value chains. This integration is behind value networks, such as e-marketplaces.

The last two phases of e-business have to do with integration. Until recently, our integration generally involved purchasing monolithic enterprise applications and custom coding that created hard-wired, tightly coupled solutions (www.ibm.com).

2.3   THEORETICAL FRAMEWORK

2.3.1   E-BUSINESS ADOPTION

In order to acquire a holistic view to the electronic business adoption phenomenon, academic and research community has focused a lot of attention on the analysis of the electronic business adoption process as well as on the investigation of the significant factors that affect the specific process. This has resulted in the propagation of various theories and model to explain E-business adoption among which are the Technology Acceptance Model (TAM), Diffusion of Innovation theory (DOI) and the Staged Adoption Theory (European Commission, 2007).

In explaining the e-business adoption in Ghana this research employed two theories namely the stages adoption theory and the Technology Acceptance Model (TAM)

2.3.2   THE STAGES ADOPTION THEORY

The staged theory has been widely use as a way of examining the adoption and progression of various aspects of electronic business in organizations. The main assumption of the stages theory is that organizations progress towards electronic

business through a number of clearly defined and successive stages and phases. Each adoption state or phase is characterized by the existence of distinctive applications, benefits and problems while it reflects a particular level of maturity in terms of the use and management of information system s and information technologies (Taylor and Murphy, 2004).

It is also assumed that the electronic business adoption is linear, while the outcome and the developments of the progressive are cumulative (European Commission, 2007).

Electronic business can be approached in many different ways, depending on the specific business process that might be carried out through the internet. Thus, several internet usage profiles or approaches are possible. A company must determine which profiles or combination of profiles best suits its particular business context and strategy (Mendo and Fitzgerald, 2005).

The staged adoption theory clearly delineates five stages:

i. Information gathering stage: Within the staged adoption model, early stages of electronic business adoption are typically characterised by gaining access to the internet,

ii. Simple application stage: followed by the use of relatively simple application, such as electronic mail, in order to dispense and gather information

iii. Information publication stage: Later, the business starts to publish a wider range of information in order to market its products or services and perhaps provide after sales support

iv. E-commerce stage: The deployment of electronic commerce practice comes next, following the use of corporate sites to order and or pay for goods and services.

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v.   E-business stage: In most matured stages, the corporate websites is

fully integrated with the various back office systems such as enterprise resource

planning(ERP), customer relationship management(CRM) and integrated supply chain

management(SCM) applications(Mendo and Fitzgerald, 2005) .

The Table 1 below depicts the main stages of E-business adoption and the key

characteristics of each stage.

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Table 1: Stage and characteristics of adoption

Stage	Characteristics
5. E-business	Fully integrated network. Enterprise Resource Planning(ERP) applications, Customer Relationship Management(CRM) applications and Integrated Supply Chain Management(SCM) application
4. E-commerce	Active corporate sites, Online ordering of goods and services, online payments
3. Information publication	Publish a wider range of information, marketing products or services online provision of after sales support
2. Simple application	Electronic mail, Domain creation, and information storage media
1.Information gathering	Acquisition of computers and accessories, and internet facilities,

Source: Adapted from Mendo and Fitzgerald, (2005)

Figure 1: Stage and Feature of Adoption
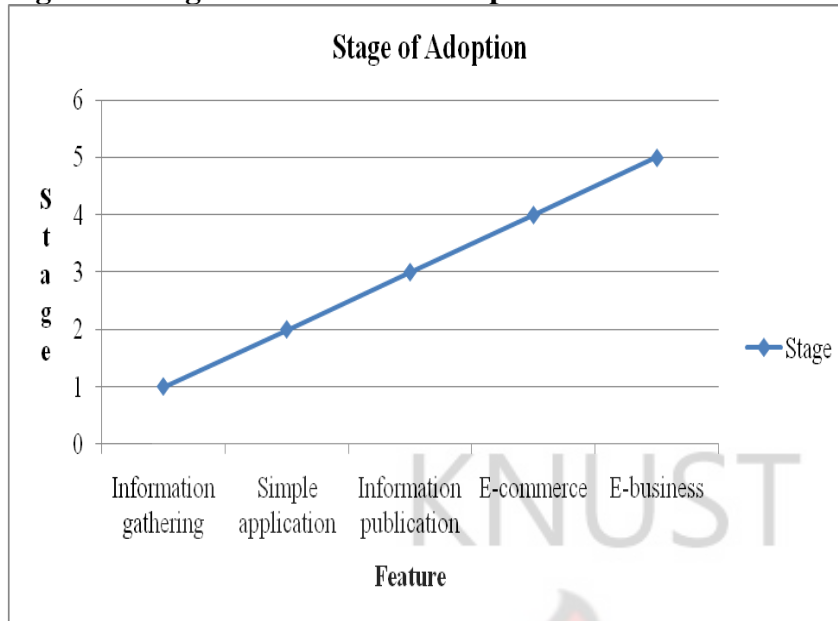
Source: Authors construct 2011

2.3.3   THE TECHNOLOGY ACCEPTANCE MODEL (TAM)

Understanding why people accept or reject new information or communication technology has been one of the most challenging issues in the study of new technologies (Davis, 1989). Among the various efforts to understand the process of user acceptance of information systems, the Technology Acceptance Model (TAM) introduced by Davis (1989) is one of the most cited theoretical frameworks. The model aims not only to explain key factors of user acceptance of information systems, but also to predict the relative importance of the factors in the diffusion of technological systems (Davis, et al, 1989). This model attempts to derive the determinants of computer acceptance that is general, capable of explaining user behaviour across a broad range of end-user computing technologies and user populations, while at the same time trying to be parsimonious and theoretically justified (Davis et al, 1989).

The TAM is rooted in the theory of reasoned action (Ajzen & Fishbein, 1980; Fishbein & Ajzen, 1975), which has been applied to predicting and explaining user behaviours

across a wide variety of domains. According to the theory of reasoned action (TRA), a person's performance of a specified behaviour is determined by his or her behavioural intention to perform the behaviour, and behavioural intention is jointly determined by the person's attitude and subjective norms concerning the behaviour in question (Ajzen & Fishbein, 1980; Fishbein & Ajzen, 1975). Following the logic of the TRA, the TAM explores the factors that affect behavioural intention to use information or computer systems and suggests a causal linkage between two key variables—perceived usefulness and perceived ease of use—and users' attitude, behavioural intention, and actual system adoption and use (Davis, 1989).

Perceived usefulness is defined as "the prospective user's subjective probability that using a specific application system will increase his or her job performance within an organizational context," while perceived ease of use refers to "the degree to which the prospective user expects the target system to be free of effort" (Davis et al., 1989, p. 985). As Figure 1 illustrates, the TAM is a path model that identifies the impact of external factors such as system design characteristics, user characteristics, task characteristics, nature of the development or implementation process, political influences, organizational structure, and so on (Ajzen & Fishbein, 1980). The TAM suggests that information system usage is determined by behavioural intention, which is viewed as being jointly determined by the user's attitude toward using the system and the perceived usefulness of the system (Davis et al., 1989).
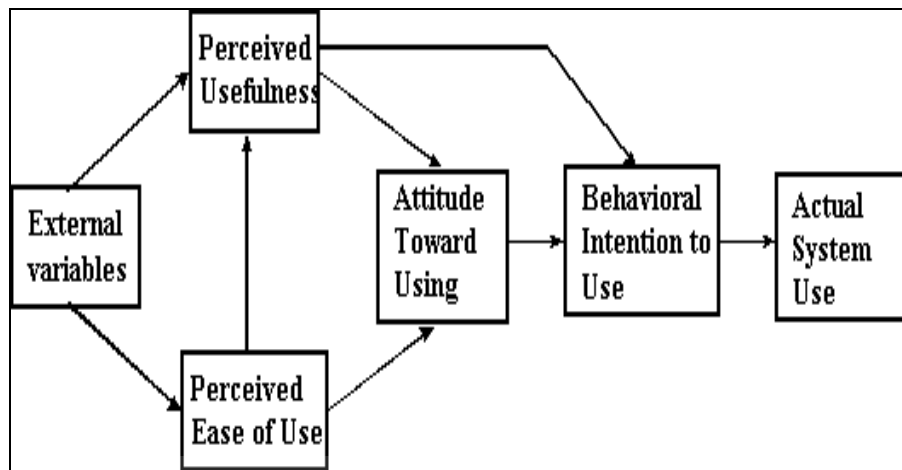
Figure 2: The Technology Acceptance Model (Davis, 1989)

According to the TAM, perceived usefulness and perceived ease of use are relevant to system acceptance behaviours (Figure 1). External variables include system design characteristics, user characteristics, task characteristics, training and documentation. These factors affect the perceived usefulness and ease of use. Ease of use has an effect on perceived usefulness. Perceived usefulness may raise the intention to use the system even when the user does not have a positive attitude towards using the system.

2.4   BENEFITS OF E-BUSINESS ADOPTION

Companies gain two fundamental types of benefits from e-business. These are generally described as: Value Creation or Value Enhancement for one or more company's stakeholder group; and lower cost of providing goods and services to the market place (Basu and Muylle , 2007)

Among the value creation include are improvement in internal and external communications through effective e-marketing, increment of sales through an e-commerce website integrated with a back-office system and improvement on supplier relations and productivity through collaborative workspaces (Basu and Muylle, 2007).

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Whiles lower cost benefits include: reduction in communication and travel costs using online meeting tools; shared workspaces and benefits from license free open source alternatives to proprietary software (www.nb2bc.co.uk).

Businesses also enjoy tremendous opportunities such as cost saving, revenue generation, increased market share, marketing and market access and improving customer service through direct link that facilitate speedy enquiry and feedback. Similarly, consumers can inter alia, access the world market through the virtual economy on the internet, choose from a wider variety of products, and shop in the comfort of their homes (Bynoe, 2002). Globalization and specifically liberation of communication networks have all facilitated this breakthrough that further present massive boost for international trade (Bynoe, 2002).

It has been argued that firms should go the e-business way and outlines the integrated benefits derived by firms who have already integrated e-business in their process (Akoh, 2001). Research has shown that the cost of a full-service trading transaction is about $150. It will cost $69 doing the same using a discount broker and $10 using an online broker. That is about $140 saving on doing business on the web (Akoh, 2001).

The commercial benefits of e-business lie in five areas:

i.   Firstly, firms are able to expand their geographical reach

ii.   Secondly, important cost benefits lie in improved efficiency in procurement, production and logistics processes

iii.   Thirdly, there is enormous scope for gaining through improved communication and management

iv.   Fourthly, the internet reduces barriers to entry for new markets entrants and provides an opportunity for small firms to reorient their supply chain relationships to forge new strategic partnerships.

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v. Finally, e-business technology facilitates the development of new types of products and new business models for generating revenues in different ways.

2.5 CHALLENGES TO E-BUSINESS ADOPTION

There are many factors affecting the successful adoption of new technologies, such as e-business is generic in nature and that the successful adoption of internet technologies in part depends on how they are used in conjunction with the technologies and management practices that form a 'technology cluster' (Windrum and De Berranger, 2002),

Common barriers include;

i. Unsuitability for the type of business: The challenge of unsuitability of e-business model for the type of business has to do with the reasons for adoption which vary widely among sectors and countries and mostly commonly related to lack of applicability to the business in question and preferences for established business models (OECD, 2004)

ii. Also factors the enable the adoption of e-business are not readily available .Enabling factors such as the availability of ICT skills, qualified personnel, network infrastructure. The most critical barrier can be ascribed to the very limited information and communication infrastructure available in most countries in Africa (Akoh, 2001).

iii. The cost factor of implementing e-business is high in terms of the acquisition of ICT equipments and networks, software and re-organization

iv.   Security and trust factors militate against the adoption of e-business as there is lack of reliability of e-commerce systems, uncertainty of payment methods, poor or no legal frameworks and intellectual property right enforcement. Lack of reliable trust and redress systems and cross-country legal and regulatory differences also impede e-business adoption (OECD, 2004).

v.   Besides all the above challenges in areas of management, skills, technological capabilities, productivity and competitiveness also impede e-business adoption.

2.6   GENERAL DESCRIPTION OF HOSPITALITY INDUSTRY IN GHANA

The hospitality industry in Ghana comes under the purview of the ministry of Tourism. The ministry of tourism was created in 1993 with the mandate to develop, promote and coordinate all the tourism activities in Ghana. The ministry is the policy making body with two implementing agencies-The Ghana Tourism Authority and the Hotel and Catering Training Institute (HoTCATT) (Touring Ghana.com).

The government established the Ministry of Tourism to underscore its commitment to tourism development, and with assistance from the United Nations Development Programme (UNDP) and the World Tourism Organisation (WTO), prepared a 15-Year Tourism Development Plan for the period1996 to 2010 (WTO, 1999).

The tourism sector has received some considerable attention in the economic development strategy of Ghana Since the late 1980s. The number of tourist arrivals and amount of tourists' expenditure has steadily increased, while both public and private investment activity in various tourism sub-sectors have

expanded. Ghana moved up from the seventeenth position in 1985 to eighth in 1998 among the top twenty (20) leading tourism revenue-earners in Africa (WTO, 1999).

The international tourist arrivals in Ghana has increased steadily from nearly 114,000 in 1988 to about348,000 in 1998, at an annual average growth rate of about 20 percent. With respect to tourist's expenditure, international tourism receipts grew at an average annual rate of 41.3percent from about $55.3 million in 1988 to about $285 million in 1998. This makes tourism the third largest earner of foreign exchange currently ranking behind mineral and cocoa exports (Ghana Tourist Board, 1999).

The hospitality industry consists of broad category of fields within the service industry that includes lodging, restaurants, event planning, theme parks, transportation, cruise line, and additional fields within the tourism industry. The lodging sector in the hospitality industry forms the most crucial part since most of the other service are in one way or the other provided by most standard hotels. Lodging is a type of residential accommodation where people who travel and stay away from home for more than a day lodge for a fee (www.wikipedia.org).

The growth in tourism can also be seen in the expansion of activities in the hotel sector.

The number of hotels approved and licensed by the Ghana Tourist Board increased from only 273 in 1989 to 730 in 1998 (Ghana Tourist Board, 1999). Further the number of hotels listed on the Ghana tourist board websites stands at 1,599 (www.touringghana.com).

The current plan for international tourist arrivals per annum is projected to increase from 286,000 in 1995 to1, 062,000in 2010 and consequently requiring 11, 350 accommodation beds (WTO/UNDP, 1996).

It has been emphasized that the immense contribution of ICT towards the development of the hospitality industry and the country as a whole is enormous and that organizations from all over the world now depend almost on the use of ICT to manage and market their services. Therefore those who have not as yet adopted ICT in their operations to take a critical look at it (www.modernghana.com).

The contribution of the hospitality industry to the overall growth of the economy of Ghana cannot be overemphasized. For the hospitality industry to succeed, the need for efficient and responsive hotel subsector which incorporates modern trend of business and customer service cannot be ignored. The efficiency and smart services provided attributable to e-business present a bigger opportunity to firms, industry and the country as a whole necessitating the availability of knowledge through research.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1   INTRODUCTION

This chapter deals with the research methodology. It gives in detail the steps taken in conducting the research, the study area, the population and the sampling techniques used, data collection procedures, research instruments used, research design and the data analysis used.

Many writers have written extensively on research methodology. The underlying factor in most studies on research is that the selection of the methodology is based on the research problem and stated research questions. Methodologies cannot be true or false, only more or less useful (Silverman, 2003).

3.2   STUDY AREA

This research is based on the hospitality industry in Ghana, with specific emphasis on hotels. This is because hotels provide the core foundation for the development of a viable hospitality industry in Ghana. Some of the hotels also provide other hospitality services in addition to lodging. This makes the hotels an interesting research area for the development of e-business in the sector.

The past few years have seen phenomenal growth in the Ghanaian hospitality sector. Ghana hospitality sector has been very liquid, profitable and recording strong asset growth. The hospitality sector has seen major capital injection partly because of the political stability, attainment of micro and macro stability and the government's desire to make Ghana "number one tourist country" of the sub-region. For instance non-interest income for the industry increased by 19% from ¢2.7tn in 2004 to ¢3.2tn in 2005 (George M and B-Milliar, 2007). Over the five year review period, net profit had increased by

56%. Industry net profit tax margin dipped from 29.64% (2001) to 33.99% (2005). Industry returns on equity (ROE) has decrease steadily from a high of 43.9% in 2001 to 26.9% in 2005 while return on assets dropped from 5.7% to 3.5% percent giving an indication of the increasing competitive nature of the hospitality industry (Pricewater House Coopers, 2006)

Most hotels now employ cutting edge technologies to roll out their products to their customers. Hospitality halls are housed in ultra modern buildings, staffed with well trained ladies and gentlemen. Twenty-three hotels are chasing about 10% of first class customers and Nigerian hotels have added to the competition and are well represented in the new hospitality sector in Ghana. (George M and Bob Milliar, 2007)

Because of the very fierce but healthy competition in the hospitality sector, daily newspapers are adorned with catchy adverts of re-branded or products all in an attempt to lure new customers to their products and services. Many hotels in the commercial centres now work half day in Saturday, thus making it possible for busy workers to access hospitality services at the weekends (Pricewater House Coopers, 2006)

Recent and emerging developments suggest that cost competitiveness, customer sophistication, technology and regulatory changes will be the main derivers of change in the industry and hotels are able to position themselves to embrace these challenges will emerge winners (Ibdi)

The hospitality sector in Ghana has remained one of the sectors with brightest opportunities despite increasing competition (Pricewater House Coopers, 2006)

3.3   POPULATION AND SAMPLING TECHNIQUES

The target population for this study are hotels and guesthouses which provides lodgement services with active websites. Website is said to be active when it provides an avenue for customer interaction in the form of mail back, online chats and answers customer concerns online. The numbers of hotels that are listed on the Ghana Tourism Authority website are 1,599; out of this figure 128 hotels were listed with websites of which only 23 were confirmed to be active and thus constituted the population. In all twenty three (23) hotels from five regions of Ghana were surveyed in this research (www.touringghana.com).

A non-probability sampling technique was employed. In using this sampling technique, purposive sampling was selected. The purposive sampling technique was used because it was the best means of getting respondents who had adopted and used e-business and were knowledgeable and abreast with this subject matter (Sarantakos, 1993).

Non-probability sampling is a sampling technique where the samples are gathered in a process that does not give all the individuals in the population equal chances of being selected. Purposive sampling is a non-probability sampling technique where the researcher selects units to be sampled based on their knowledge and professional judgment (Neuman, 1997).

In line with the purposive sampling method, hotels that operated with active websites were selected and consequently the managers and information technology supervisors of these hotels were contacted to participate in the study through email.

3.4   SAMPLE SIZE

The sample size for a given study is derived by considering the population size of that study.

In line with this, the sample size of twenty three (23) respondents was recruited for this study. The target population yielded twenty three hotels that operated with active websites and for smaller populations of hundred potential subjects or fewer; there was little point in sampling but to survey the entire population (Kirk 1995).

The number of hotels listed on the website of Ghana Tourist Board was one thousand, five hundred and ninety nine (1,599) and out of this number one hundred and twenty (128) hotels were listed with websites addresses. Finally only twenty three (23) of these hotels were operating with active websites (www.touringghana.com). The questionnaires were then administered to the twenty three (23) with active website and eighteen (18) responses were received.

3.5 DATA COLLECTION PROCEDURE

Two main sources were used in this research namely primary and secondary data. Primary data was collected through the administration of a structured questionnaire. The responses were given by the managers of the sampled hotels.

Secondary data was also obtained from websites, research reports, annual reports, books, journals and articles.

3.6 RESEARCH INSTRUMENTS

The primary instrument used in the data collected was a questionnaire.

Reliability was a key consideration in this study and thus the questionnaire was pretested in six hotels. The responses received helped in the fine tuning of the final questionnaire.

Reliability means dependability or consistency (Neumann, 2006: 196). It indicates that the likelihood that a given measurement technique will repeatedly yield the same description of a given phenomenon. The role of reliability is to minimize the errors and biases in a study (Yin, 2003).

The pretesting revealed issues regarding clarity, accuracy and appropriateness. Providing solution to these issues ensured that the final questionnaire was valid, reliable and appropriate for the study.

Validity refers to the extent to which a measure reflects the concepts it intends to measure. If the measures used actually measures what they claim to, and if there is no logical errors when drawing conclusions from the data, the study is said to be valid (Trochim, 2005).

3.7   RESEARCH DESIGN

The strategy adopted in carrying out this research was case study approach. Case study can be explained as the intensive analysis of a single or few cases in their own right with little relationship with each other or the social context. This was chosen because the respondents were perceived as experts but not just a source of data, that there was the need to avoid errors and distortions and to enable us study the whole units in totality. The number of hotels that met the criteria was taken as cases for detail study through the use of survey.

Yin (2003) has described five primary strategies for research in social sciences to collect empirical data. According to him, depending on the character of the research questions, to which extent the researcher has control over behavioural events and to what degree the focus is on contemporary event, the research can choose from the following;

- Survey

- Analysis of archival records

- History

- And Case study.

In this study case study and survey approach has been used since this research deals with the extent, benefits and challenges of e-business adoption in Ghana hotels.

3.8   DATA ANALYSIS

The data so collected was analysed using Microsoft Excel. Findings have been presented in figures, narrative form, descriptive form, graphs and bar charts.

Data analysis generally consists of examining, categorizing, tabulation or otherwise recombining the evidence to address the initial proposition of study. The ultimate goal of analyzing data is to treat the evidence fairly to produce compelling analytical conclusions and to rule out alternative interpretations (Yin, 1994). In another sense data analysis is seen to consist three concurrent flows of activities. These three are data reduction, data display and conclusion drawing and verification (Miles and Huberman, 1994).

Data reduction as an integral part of data analysis will be carried out to sharpen, sort, focus, discard and organized the data in a way that allows for final conclusions to be drawn and verified. In this sense, data reduction refers to the process of selecting, focusing, simplifying, abstracting and transforming the raw data (Miles and Huberman, 1994).

Data display refers to an organized assembly of information that permit conclusions, drawing and action taking. Deductions and conclusions will be drawn from the data to decide what things mean from the beginning of the data collection. We do this by noting regularities, patterns, explanations, possible configurations, casual flows, and propositions. However we hold such conclusions lightly, whiles maintaining both openness and degree of skeptism. The stability and consistency of results derived from

research is contingent on the probability that the same result could be obtained if the measures used in the research were replicated. Essentially, reliability is connected consistency, accuracy, and predictability of specific research findings. In addition, the role of reliability is to minimize the errors and biases in this study.

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CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION OF RESULTS

4.1   INTRODUCTION

This chapter deals with the analysis of data collected from the respondents. The chapter discusses the respondents (hotels) used, the level of e-business adoption (the e-products adopted and the reasons for adoption), the benefits and challenges of e-business adoption. In addition the data was used to determine the level of e-business adoption.

4.2   HOTELS AND SERVICES

The hospitality industry covers a wide range of organizations offering food service and accommodation. The industry is divided into sectors according to the skill-sets required for the work involved. Sectors include accommodation, food and beverage, meeting and events, gaming, entertainment and recreation, tourism services, and visitor information.

The accommodation sector in the hospitality industry forms the most crucial part since most of the others service are in one way or the other provided by most standard hotels. Lodging (or a holiday accommodation) is a type of residential accommodation. People who travel and stay away from home for more than a day need lodging for sleep, rest, safety, shelter from cold temperatures or rain, storage of luggage and access to common household functions. Lodging is mostly done in hotels.

The figure below indicates that majority of hotels in Ghana are located in the major cities and more importantly those operating with active websites. The data revealed that

out of eighteen (18) respondents 13(72.2%) was located in Accra, 2(11.1%) in Kumasi, with 1 each in Takoradi, Cape coast and Sunyani.

Figure 3: Respondents used

Respondents Used

	Sunyani	Accra	Kumasi	Cape Coast	Takoradi
■ Respondents	1	13	2	1	1
■ Percentage	5.6	72.2	11.1	5.6	5.6
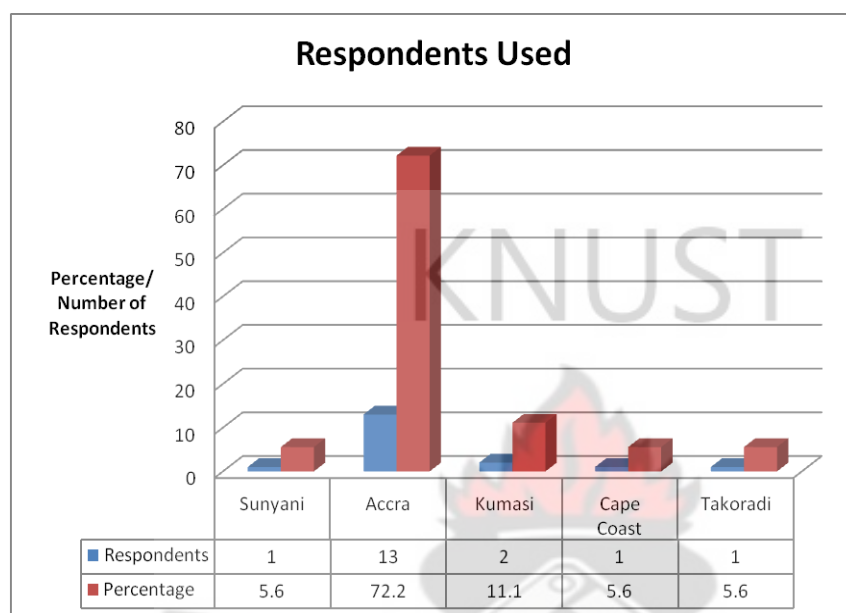
Source: Fieldwork August 2011

4.3 LEVEL OF E-BUSINESS ADOPTION

4.3.1 WEB PRESENCE

The figure below indicates the web Presence of the hotels studied. The number of hotels listed with the Ghana Tourist Board totaled 1,599. Out of these, 128 were listed with websites and email addresses whiles 1, 471 were listed without website addresses

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Figure 4: Web Presence

	Hotels with Webites	Hotels without website	Total Number of Hotels
■ No	128	1471	1599
■ Percentage	8	92	100
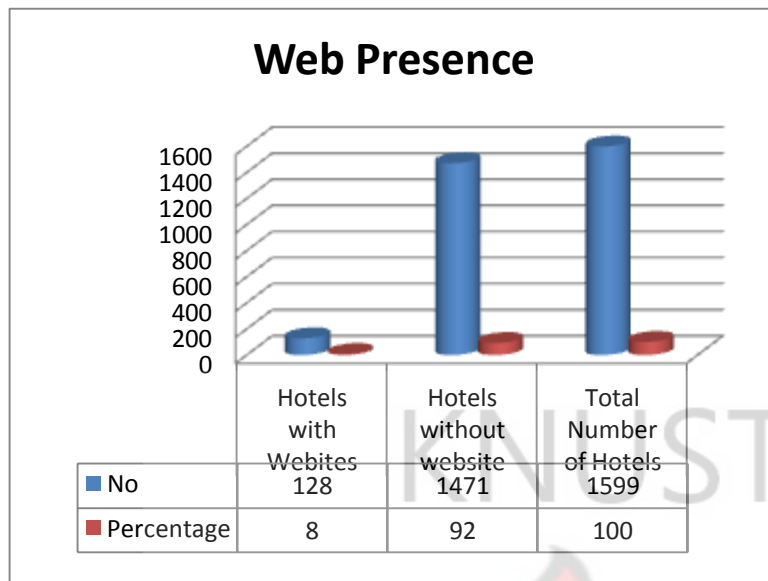
Source: www.touringghana.com

4.3.2   ACTIVE WEBSITES

In determining the activeness of the websites, emails were sent to the hotels that provided websites and email addresses. The figure below indicate that out of 128 hotels which had websites and provided email addresses, emails sent to 78 of them were not successfully delivered, 50 were delivered and only 23 responded. However when questionnaire for this study was sent to the active web presence, 18 returned the answered questionnaire

Figure 5: Active websites
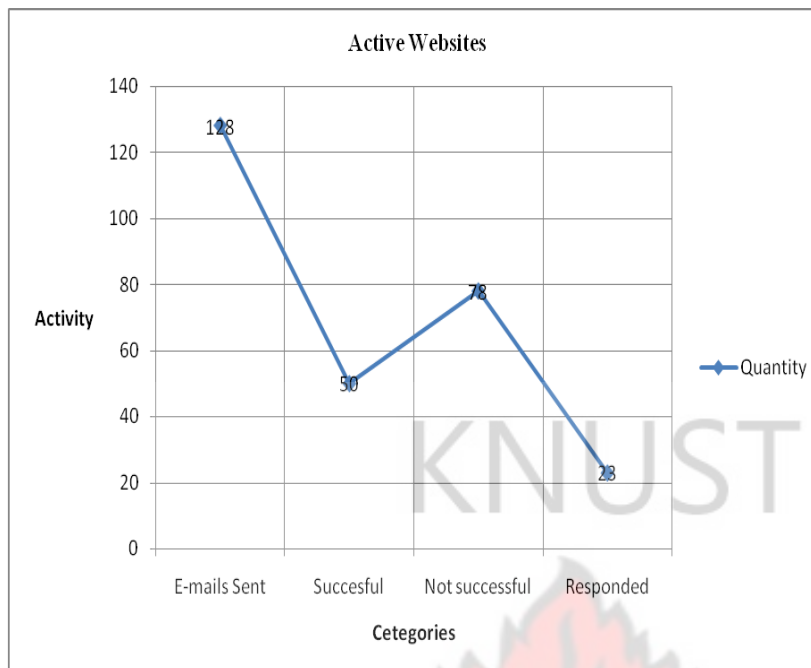
Source: Fieldwork August 2011

4.3.3   E-PRODUCTS AND OR SERVICES

The figure below indicates that (100%) of response received had e-mailing service as basic feature of their e-business strategy, 88.9% conducted online reservation, 77.8 provided online customers servicing, 83.3% provided e-travel guard and 44.4% of the respondents indicated that they provided WIFI internet access for customer.

Figure 6: E-Products adopted
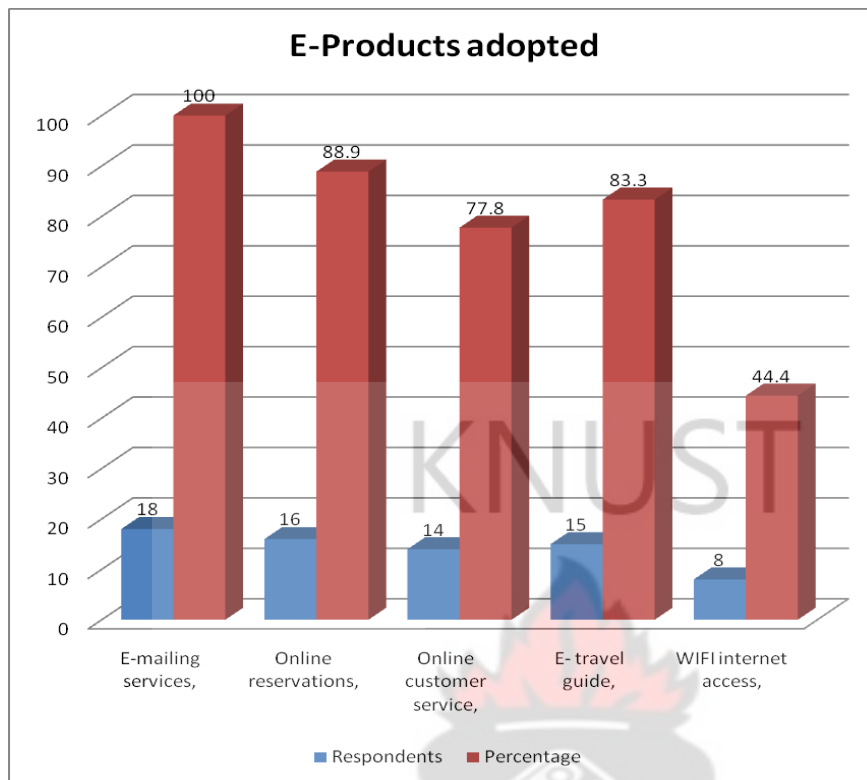
Source: Fieldwork August 2011.

4.3.4   REASONS FOR E-BUSINESS ADOPTION

The figure below indicates that all respondents (100%)   adopted e-business because of customer demands and for the purposes of data capture and management, 85% indicated that speed of service delivery was the reason for e-business adoption, 45% indicated that it was for cost reduction reasons and 55.5% indicated that it was adopted as a additional medium for advertisement.

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Figure 7: Reason for adopting e-business
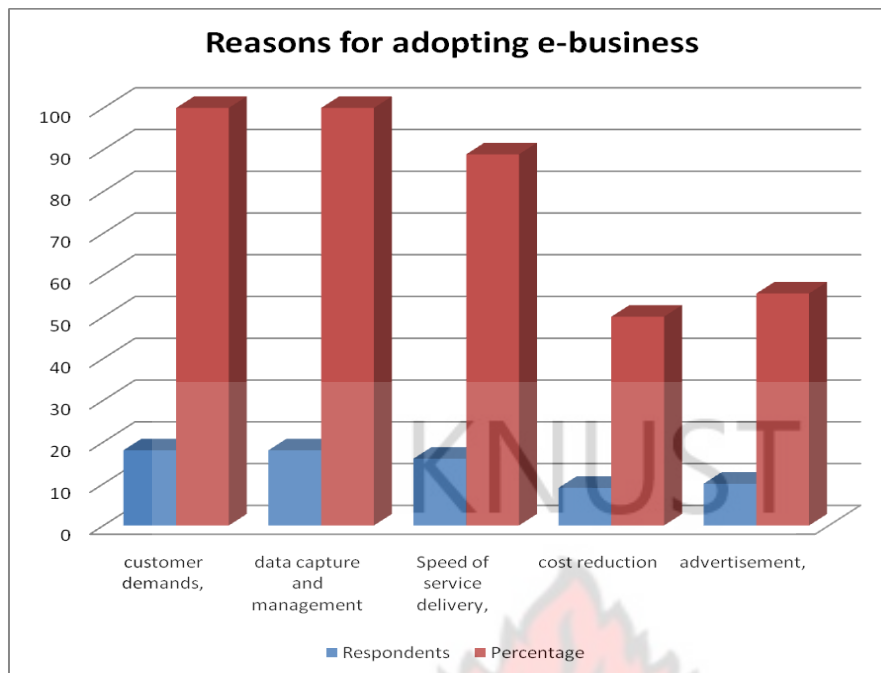
Source: Fieldwork August 2011

4.4 STAGES OF ADOPTION

The graph below indicates that 16.7% of respondents indicated that e-business strategy was to gather information, manage it and handle correspondence. Also 33.3% indicated that apart from using it for information gathering and handling correspondence it is also been used for storage and communication purposes. Another 33.3% also uses it for the publication of information including advertising. Whereas 16.7% indicated that, they included some form of buying and selling online in their e-business operation. However none of the respondents indicated a total integration in their e-business strategy.

Figure 8: Analysis of Stage of Adoption

Level of E-business Adoption

	Information Gathering	Simple Application	Information publication	Buying and Selling	Total Integration
Frequency	3	6	6	3	0
Percentage	16.7	33.3	33.3	16.7	0.0
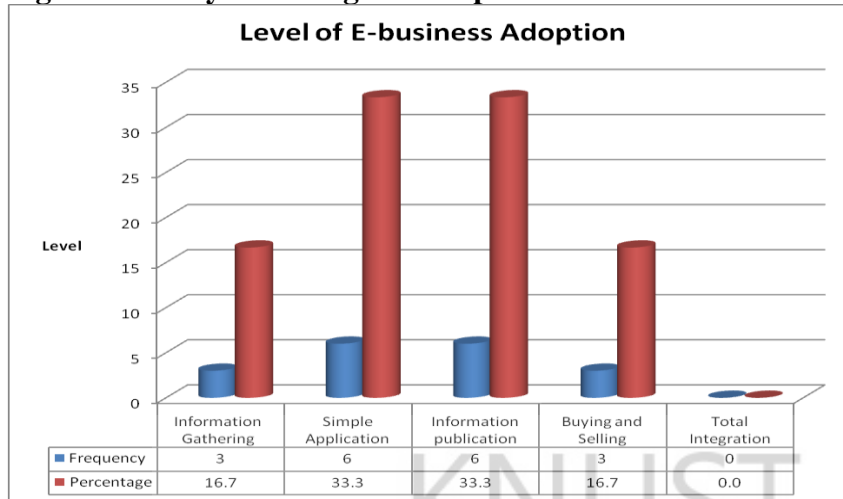
Source: Fieldwork August 2011

The table below indicates that three (3) out of Eighteen (18) respondents are at the first stage of e-business adoption, six (6) are at the second stage, Six (6) at the third stage and the remaining three (3) are at the fourth stage. However none has attained the fifth stage.

Table 2: Stages of adoption

Stage	Frequency	Percentage (%)
5. E-business	0	0
4. E-commerce	3	16.7
3. Information publication	6	33.3
2. Simple application	6	33.3
1.Information gathering	3	16.7

Source: Fieldwork August 2011

4.5   BENEFITS FOR ADOPTING E-BUSINESS

The figure below indicates that all respondents enjoyed the following benefits as a result of e-business adoption: reduced cost of doing business, improved communication, enhanced medium for advertisement and promotions, improved customer servicing, access to global customers and reduced market entry difficulties. Also ten of the respondent stated that it lead to increment in sales whiles the remaining 8 stated otherwise. With regards to improvement in supplier relations 7 indicated that e-business adoption has enhanced and the 11 sated otherwise.

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Figure 9: Analysis of benefits of e-business

Benefits of e-business

	Lower cost of doing business	Improvement in communication	Increment of sales	Improvement in supplier relations	Advertisement and promotion	Improving customer service	Expand geographical reach	Reduce barriers to entry for new market
■ Agreed	18	18	10	7	18	18	18	18
■ Disagreed	0	0	8	11	0	0	0	0
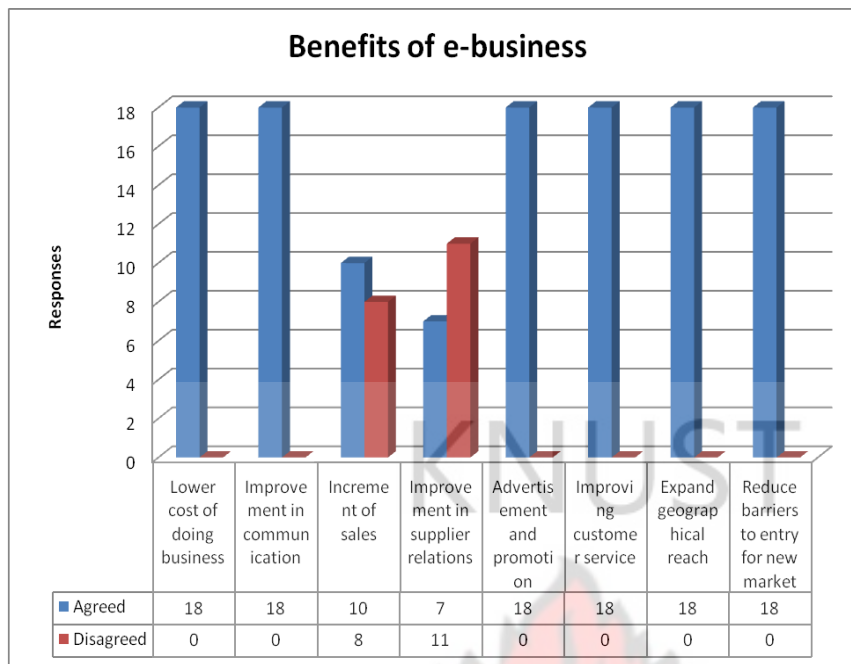
Source: Fieldwork August 2011

4.6 REASONS FOR NON-ADOPTION OF E-BUSINESS

The figure below indicates that all the respondents indicated that they encounter three major challenges in the process of e-business adoption and usage and these are: the lack of availability of enabling factors, lack of security and trust in transacting business on line and the lack of effective and comprehensive network infrastructure including other related support services. On the other hand all respondents indicated that cultural hindrance and the lack of applicability of electronic means to their business was not a problem in the process of adopting e-business. Also 7 indicated information and communication technology (ICT) competencies was a challenge in using e-business whiles the 11 stated otherwise.

Figure 10: Reasons for non-adoption of e-business

	Lack of applicability to the business	Enabling factors	Security and trust factors	ICT competencies	Network infrastructure	Cultural hindrances
■ Agreed	0	18	18	7	18	0
■ Disagreed	18	0	0	11	0	18

Source: Fieldwork August 2011

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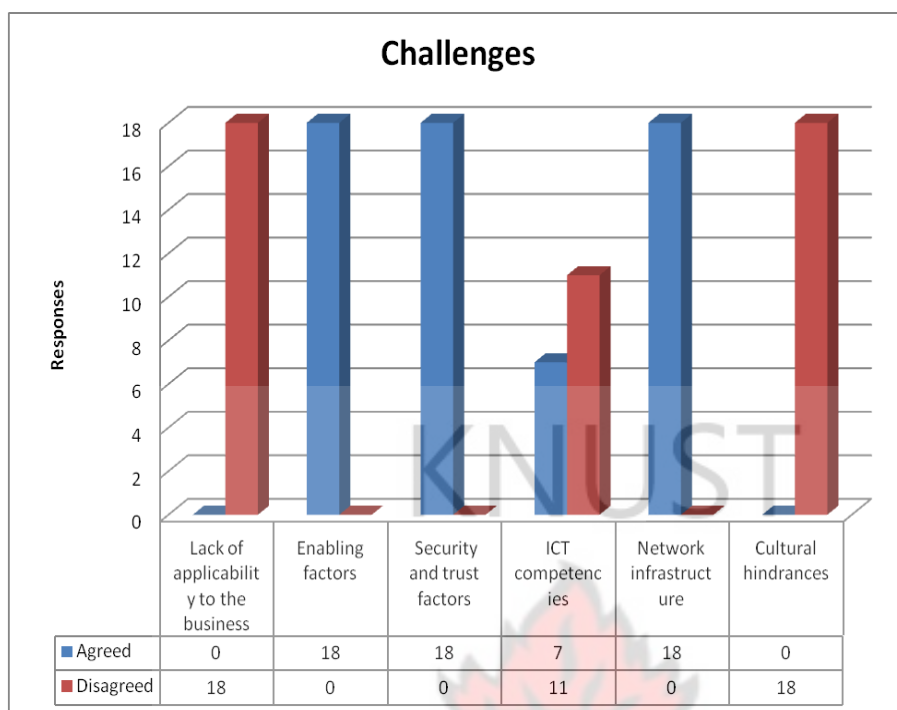
CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1   INTRODUCTION

This chapter summarises the key findings from the study, draws conclusions arising

from the findings and then makes recommendations.

5.2   SUMMARY OF FINDINGS

Based on data obtained and analysed, the following key findings were made:

5.2.1   LEVEL OF E-BUSINESS ADOPTION

On the adoption of e-business as a model of business operation the study confirmed that,

customer demands, data capturing and data management, speed of service delivery, cost

reduction and advertisement. It was also established that e-product used by these hotels

were e-travel guide, online reservation, online customer servicing, e-mailing and WIFI

internet access for public use.

The study established that hotels e-business strategy is to perform information gathering

and management, emailing services, information publication and some basic buying and

selling. In this study, it can be concluded that the adoption of e-business in hotels in

Ghana were in the early stages of e-commerce development.

The staged theory has been widely use as a way of examining the adoption and

progression of various aspects of electronic business in organizations. The main

assumption of the stages theory is that organizations progress towards electronic

business through a number of clearly defined and successive stages and phases. Each

adoption state or phase is characterized by the existence of distinctive applications,

benefits and problems while it reflects a particular level of maturity in terms of the use

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and management of information system s and information technologies (Taylor and Murphy, 2004).

It is also assumed that the electronic business adoption is linear, while the outcome and the developments of the progressive are cumulative (European Commission, 2007).

The staged adoption theory clearly delineates five stages:

i. Information gathering stage: Within the staged adoption model, early stages of electronic business adoption are typically characterised by gaining access to the internet,

ii. Simple application stage: followed by the use of relatively simple application, such as electronic mail, in order to dispense and gather information

iii. Information publication stage: Later, the business starts to publish a wider range of information in order to market its products or services and perhaps provide after sales support

iv. E-commerce stage: The deployment of electronic commerce practice comes next, following the use of corporate sites to order and or pay for goods and services.

v. E-business stage: In most matured stages, the corporate websites is fully integrated with the various back office systems such as enterprise resource planning(ERP), customer relationship management(CRM) and integrated supply chain management(SCM) applications(Mendo and Fitzgerald, 2005) .

The Table 1 below depicts the main stages of E-business adoption and the key characteristics of each stage.

5.2.2   BENEFITS OF E-BUSINESS

From chapter two of this research authors have alluded to the fact that companies must gain two fundamental types of benefits from e-business. These are general described as:

Value Creation or Value Enhancement for one or more company's stakeholder group; and lower cost of providing goods and services to the market place (Basu and Muylle, 2007),.

An example of value creation include improvement in internal and external communications through effective e-marketing, increment of sales through an e-commerce website integrated with a back-office system and improvement on supplier relations and productivity through collaborative workspaces (Basu and Muylle, 2007).

And examples under lower cost are: reduction in communication and travel costs using online meeting tools; shared workspaces and benefits from license free open source alternatives to proprietary software (http://www.nb2bc.co.uk/what_is_e-business).

Just as the theories point to this research findings has proved that on the issues of benefits of e-business it was confirmed that, enhanced advertisement and promotions, improved customer service, improved supplier relations, increased sales, improved communication, expanded geographical reach, lower cost of doing business and reduced barriers to new markets was some of the benefit that accrued to them as a result adopting e-business. It was found out that the adoption of e-business has helped improved the efficiency and effectiveness of the business and helped improved competitiveness.

It can therefore be said that hotels in Ghana are benefiting immensely from adopting e-business as part of it business process re-engineering.

The reasons and benefits cited for adopting e-business goes to confirm that e-business has been perceived as useful and that the perceived usefulness is influencing the attitude towards the use of e-business, thus behavioural towards use and consequently the actual use of the system as stated in the Technology adoption model (TAM).

5.2.3   CHALLENGES OF E-BUSINESS

Many writers of e-business extol the enormous potential and opportunities provided for consumers and business globally. However, there are some drawbacks(Mark Bynoe, 2002).

While many commentators hold the view that e-business has many advantages for developing counties, the African continent has a number of major challenges to overcome before it can more fully exploit the benefits of e-business. A number of constraints, specific to doing e-business in Africa, are apparent (Akoh, 2001). These include but not limited to the following: low level of economic development and small per-capita incomes; limited skills base with which to build e-business services; the number of internet users need to build a critical mass of online consumers and; lack of familiarity with even traditional forms of electronic business such as telephone sales and credit card use (Ibid).

Some other challenges are the cost of implementation, security concerns, perceived customer readiness, lack of knowledge of IT and e-business, the relatively high cost associated with investment in ICTs, the lack of technical and managerial skills and reluctance on the part of companies to network with other enterprises and lack of executive support and concerns regarding the reliability of technology (Department of Enterprise, Trade and Employment, 2004).

This study found out that despite the benefits that accrues to business operating with the aid of e-business it was still fraught with challenges. The major challenges identified were lack of a legal regime for e-business, poor network infrastructure and the lack of alternate local language websites. The other challenges are the lack of applicability to the business, lack of enabling factors, security and trust factors, ICT competencies, and

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cultural hindrances. These challenges were found to be the major bane to total business integration.

Though all respondents had some technology that enabled them use e-business, these factors affected negatively attitudes of stakeholders towards using it.

The challenges militating against the adoption of e-business is indicative of the difficulties in the in adopting e-business.

This is negatively affecting the level of adoption thus validating the Technology acceptance theory which states among others that the ease of use of technology affects attitudes towards use, thus behavioural towards use and consequently actually using e-business.

5.3   CONCLUSION

This study revealed that hotels in Ghana have adopted e-business as part of its strategy. The purposes for adopting it is to: gather information and manage it, perform e-mailing functions, publish information of websites and perform some buying and selling activities. Some of the e-products being used are e-mailing, online booking/reservations, and online customer servicing. However hotels have not been able to undertake total systems integration with other stakeholders.

It can also be concluded that e-business has been beneficial to the businesses that adopted it. In respect of benefits accruing to the hotels it was established that adopting e-business has lead to some improved efficiency and effectiveness in the performance of business activities such as communication, managing peak times and advertising new products.

It can also be concluded that e-business adoption is still confronted with some challenges. Notwithstanding the fact that e-business has been taunted as a valuable concept in leveraging business opportunities it is still fraught with a lot of problems in

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Ghana. Problem such as lack of network infrastructure, lack of enabling factors, Lack of websites designed in Ghanaian languages have affected attitude towards the use of the e-business concept.

5.4   RECOMMENDATIONS

Based on the findings of this study, the following recommendations have been made to improve and encourage the growth of e-business in the hospitality industry:

i.   To resolve the problem of enabling factors and network infrastructure there is the need for the government and its development partners to create an enabling environment for the development of e-business infrastructure and to provide avenues for the production of e-business experts by undertaking educational reforms that address the vacuum created by this new technology. This will enable business to undertake total system integration which will lead to world class service provision.

ii.   Also there is the need for an enactment of a viable e-legal regime into the national legal system that will ensure a redress for persons and entities affected by the non performance of parties in an e-agreement or contract.

iii.   It is also recommended that hospitality (Hotels) businesses and other business entities in Ghana adopt some Ghanaian languages in the design of websites to take care of the vast majority of Ghanaians that understand other languages other than English.

5.5   DIRECTIONS FOR FUTURE RESEARCH

In addition, it is recommended that students and the academia conduct further studies to enhance knowledge that will address e-business concepts in Ghana and for that matter

Africa especially from the customers' perspective. The following could be possible areas of interest:

- The prospects of local language web sites and it contribution to the growth of e-business

- Market factors, obstacles, problems and issues affecting the growth of e-business in Ghana.

- What is the future of e-business legal regime in Ghana?

- What are the ground rules for Telecommunications companies in the area of e-business infrastructure?

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APPENDIX 1

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY
COMMONWEALTH EXECUTIVE MASTER OF BUSINESS AADMNISTRARTION
Thesis Topic
THE ADOPTION OF E-BUSINESS IN THE HOSPITALITY INDUSTRY IN GHANA
QUESTIONNAIRE

Dear Sir/madam

This questionnaire was designed purposely to assist in undertaking a master's degree thesis as part of the programme requirement. You are therefore implored to provide answers as objectively as possible to assist in accomplishing the research work as your anonymity is guaranteed.

a)   Background Information

1.   How long have you been in the hospitality industry?

[   ] 1-3   [   ] 4-6   [   ] 7-9   [   ] 10-12
                  [   ] 13-15
Others
……………………………………………………………………………………………

2.   What type of services do you offer clients in your facility?

[   ] Accommodation   [   ] Food   [   ] health and fitness   [   ]
Entertainment
[   ] All of the above

Any other specify ………………………………………..

3.   Do you have a web site?
[   ] Yes   [   ] No

4.   In which languages is your website?

 1........................... 2............................. 3.................................

b)   Adoption of E-business by Hotels

1.   Do you subscribe to any Internet service provider?

[   ] Yes   [   ] No

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If yes move to question three and if no what is your available

option?..

....

2.   Which internet service provider do you subscribe to?

Facility	Yes	No
Busy Internet		
Vodafone Ghana		
NCS		
Africa online		
iBurst Limited		
Other Specify		

3.   Which of the following e-products and or services do you use? Tick

as appropriate

E-BUSINESS PRODUCTS	APPLICABLE TO MY HOTEL
E-mailing services,	
Online reservations,	
Online customer service,	
E- travel guide,	
WIFI internet access,	

4.   Which of the following reason(s) lead to the adoption or use of e-business ? Tick as appropriate

Reason	Applicable in our case
customer demands,	
data capture and management	
Speed of service delivery,	
cost reduction	
advertisement,	
Other, Specify	

c)   Benefits of adopting e-business

1.   Is the internet service useful to the operation of your business?

[ ] Yes   [ ] No

2.   Does it support effectively your business processes?

[ ] Yes   [   ] No

3.   Do you agree or disagree that the following are the benefits you

derive from using the electronic means? Tick as appropriate

BENEFITS	AGREED	DISAGREED
Lower cost of doing business		
Improvement in internal and external communication		
Increment of sales		
Improvement in supplier relations		
Advertisement and promotion		
Improving customer service		
Expand geographical reach		
Reduce barriers to entry for new market		
Other, specify		

4.   As a medium for advertisement which of the following gets much of your effort?

Medium of advertisement	10-100%
Website	
Radio	
TV	
Press	
Magazines	

d)   Challenges faced in using e-business

1.   Do you face difficulties in adopting and using e-business?

2.   [   ] Yes   [   ] No

3.   Which of the following internet accessories do you access satisfactorily?

Facility access	Agreed	Disagreed	Other – response specify
Bandwidth,			
Computers/Accessories			
Service delivery			
maintenance support			
Software			

4.   Do you agree or disagree that the following present challenges in

adopting and using e-business? Tick as appropriate

CHALLENGES	AGREED	DISAGREED
Lack of applicability to the business		
Enabling factors (that is cost of ICT equipment, software and re-organization)		
Security and trust factors		
ICT competencies		
Network infrastructure and inter-related support services		
Culture hindrances		

5.   What do think will be the consequences for hotels not using the

internet: Today and the near

Future?………………………………………………………………………………

……………………………………………………………………………………

……………………………………………………………………………………

Thank you