

Chapter 71

Exploring Online Marketing Adoption Factors Among Used Car Sellers in Ghana

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ABSTRACT

This article seeks to explore factors responsible for the adoption of online marketing by second hand (used) car dealers to sellers in Ghana. A conceptual framework was adopted from the extant literature using the Technology Acceptance Model as a theoretical base. This article adopts a quantitative research approach. Data for the study was obtained from 60 second hand car sellers through a self-administered questionnaire. Findings from this study revealed that factors responsible for online marketing adoption by second hand car dealers in Ghana are: perceived usefulness (marketing online, customer demand and increase productivity; ease of use (ability to upload pictures, interaction with clients, and online vehicles sales) of the platform. The study however, found no significant relationship between IT knowledge of the owner/manager, age of business and adoption of the online technology. This article highlights the importance of technology adoption in business among SMEs from technologically disadvantaged market.

INTRODUCTION

Businesses in the developing world are now harnessing the potential of the internet to position themselves in the electronic marketplace and to expand their market. This is because of the benefits brought about by the new technology. Today, because the Internet can facilitate the quick and efficient movement of

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information among trading partners at a greatly reduced cost, business via the internet known severally as electronic commerce, internet marketing, online marketing or electronic marketing has become one of the principal means of doing business. According to Payne (2003) it is transacting or enabling the marketing, buying, and selling of goods and/or information through an electronic media, specifically the Internet.

Indeed, businesses everywhere need to understand the why, when and how to use electronic commerce. In some industries, businesses are learning now that this is no longer an option to consider, but a requirement for survival. As Payne (2003) puts it, businesses in developing countries will soon be affected as significantly as others in the developed economies in utilizing online technologies. In this respect, Kofi Annan former UN Secretary General opined that, the ability of developing countries to adopt e-business can be another opportunity to accelerate economic growth and development.

According to Basu and Muylle (2007), online technology 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. According to them, companies in every industry have had to evaluate the opportunities and threats presented by the internet. By thinking strategically about online platforms, managers can select technological solutions that support the company's business strategies and create value for the company and its customers (Cote, Vezina & Sabourin, 2005).

Ghanaian businesses are today able to sell and market their products and services thanks to the proliferation of online marketplace platform. There are over a dozen online marketplace platforms in Ghana marketing and selling various items from household items to business solutions. Increasingly a significant number of people in Ghana and in Africa are accessing the Internet. This is really important for the development of the continent as the internet has the potential to spur economic growth thereby reducing poverty on a large scale. Not only are consumers visiting online retail stores to purchase, businesses are also not left out in this virtual marketing. Most businesses are creating various online platforms with incentives to entice consumers to shift to buying from these businesses. The online platform has become an additional channel for businesses to market and sell their excess products.

There has been a plethora of research on online marketing adoption. Most of these studies however are in the developed countries context. There appear to be however paucity of literature on online marketing from Africa and for that matter Ghana. Again, available literature on online marketing focused on consumer adoption of online marketing consumer-oriented research (Hoffman & Novak, 1996; Lynch & Beck, 2001; Novak, Hoffman & Yung, 2000; Wolfinbarger & Gilly, 2002; Xia, 2010); and technology use (Zhou, Dai & Zhang, 2007; Zhang & Von Dran, 2002; Liao & Cheung, 2002; Palmer, 2002; McKinney, Yoon, & Zahedi, 2002). However, there appear to be scarce research on business perspective of online marketing adoption. This study therefore is positioned to fill the gap in research. Accordingly, this study examines the factors responsible for e-marketing adoption by used or second hand car dealers in Ghana. From the foregoing, this study seeks to achieve the following objectives: to:

- Identify the factors that motivate second hand car dealers in Ghana to adopt online marketing to sell their cars
- Explore the effect of company characteristics on online marketing adoption

This paper is set out as follows: the first section of the paper focused on the introductory aspects of the paper; whilst the second section showcases the literature review and conceptual framework. The third

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