THE ROLE OF E COMMERCE AS A MARKETING TOOL IN THE KENYAN HOTEL INDUSTRY: A CASE OF THE 5 STAR HOTELS IN NAIROBI

BY

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NAIROBI

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DECLARATION

This project proposal is my original work and no other proposal of the same nature has been submitted for examinations in the University or other institutions of learning.

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The project proposal has been submitted with my authority as the University Supervisor and certified as being the original work of the student.

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DEDICATION

This project is dedicated to my beloved children, my son Brian and daughter Kyrajoy who I constantly draw the motivation to succeed from.
ACKNOWLEDGEMENT

I would like to thank all those that helped me to ensure the success of this project. This included the several employees of various five star hotels in Nairobi that took time out of their busy schedule to respond to my questionnaire.

I would also like to thank my supervisor Peter Wawire for his useful comments that they gave me in carrying the research. I would also like to thank all those research assistants who helped me in carrying out the research.
LIST OF ABBREVIATIONS AND DEFINITIONS OF TERMS

EDI - Electronic Data Interchange

Industry - This is a group of competing firms that do similar activities and compete for the same clientele base

Hotel - A place where visitors are served food and can access accommodation for pay

UNCTAD - United Nations Conference on Trade and Development

SPSS - Statistical Package for Social Scientists

ICT - Information Communication and Technology

IT - Information Technology

LAN - Local Area Network
ABSTRACT

E-commerce is the buying and selling of goods and services on the Internet. Despite the advantages that e-commerce and the Internet in specific have, very few firms have yet to fully accommodate its use within its operations. This project focused on the place of e-commerce in Kenyan hotel industry with a case study of the 5 star hotels in Nairobi.

The objectives of the study were to establish the role of e-commerce as a marketing tool in the hotel industry, to determine the extent to which the use of ecommerce has been utilized in the five star hotels in Kenya and to investigate the extent to which facilities (both software and hardware) influence the utility of e-commerce in the industry. In this study, primary data was collected using questionnaire method. An exploratory design was used in this study. A total number of 11 respondents from various five star hotels in Nairobi were involved in the study. The researcher used a subjective sampling to identify exhibition stalls owners that would respond to the questionnaires.

The results of the study showed that most of the respondents agreed that past training had aided them in the achievement of their objectives and generally in their normal areas of work. All the respondents agreed that competition had a great impact on the adoption of new technology. The reasons advanced for this include; global markets in which these companies operated dictated the adoption of new technology and the fact that communication has really made the world small. All the respondents agreed that hotel rating in stars had no effect on determining the necessity of use of e-commerce in hotel operations.
TABLE OF CONTENTS

DECLARATION .......................................................................................................................... II
DEDICATION ........................................................................................................................... III
ACKNOWLEDGEMENT .......................................................................................................... IV
LIST OF ABBREVIATIONS AND DEFINITIONS OF TERMS .............................................. V
ABSTRACT ............................................................................................................................ VI
TABLE OF CONTENTS .......................................................................................................... VII
LIST OF TABLES AND FIGURES ......................................................................................... VIII
CHAPTER 1: INTRODUCTION ............................................................................................... IX
  1.1 BACKGROUND TO THE STUDY ...................................................................................... 9
  1.2 STATEMENT OF THE PROBLEM .................................................................................. 11
  1.3 OBJECTIVES OF THE STUDY ...................................................................................... 12
  1.4 RESEARCH QUESTIONS ............................................................................................... 12
  1.5 SIGNIFICANCE OF THE STUDY ................................................................................... 12
  1.6 SCOPE AND LIMITATIONS OF THE STUDY ................................................................. 13
CHAPTER 2: LITERATURE REVIEW ..................................................................................... 14
  2.1 INTRODUCTION ........................................................................................................... 14
  2.2 THEORETICAL LITERATURE REVIEW ....................................................................... 14
  2.3 ASPECTS OF E-COMMERCE AS A MARKETING TOOL .................................................. 21
  2.4 CONCEPTUAL FRAMEWORK ........................................................................................ 24
CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY ........................................... 26
  3.1 INTRODUCTION ........................................................................................................... 26
  3.2 RESEARCH DESIGN ...................................................................................................... 26
  3.3 POPULATION ............................................................................................................... 26
  3.4 THE CENSUS ............................................................................................................... 26
  3.5 SAMPLE DESIGN .......................................................................................................... 27
  3.6 DATA COLLECTION ...................................................................................................... 27
  3.7 DATA ANALYSIS ......................................................................................................... 28
  3.8 EXPECTED OUTPUT ....................................................................................................... 28
CHAPTER FOUR: DATA ANALYSIS AND FINDINGS ............................................................. 29
  4.1 INTRODUCTION ........................................................................................................... 29
  4.2 QUANTITATIVE ANALYSIS .......................................................................................... 29
  4.5 QUANTITATIVE ANALYSIS .......................................................................................... 31
CHAPTER FIVE: SUMMARY AND RECOMMENDATION ....................................................... 36
  5.1 INTRODUCTIONS ........................................................................................................ 36
  5.2 SUMMARY OF THE FINDINGS ..................................................................................... 36
  5.3 CONCLUSIONS ............................................................................................................ 37
  5.4 LIMITATIONS OF THE STUDY .................................................................................... 38
  5.5 RECOMMENDATION .................................................................................................... 38
  5.6 FURTHER STUDY .......................................................................................................... 39
REFERENCES ......................................................................................................................... 40
APPENDIX I: INTRODUCTORY LETTER ............................................................................. 42
APPENDIX II: QUESTIONNAIRE .......................................................................................... 43
APPENDIX III: ESTIMATED BUDGET ................................................................................. 47
APPENDIX IV: WORKPLAN .................................................................................................. 48
APPENDIX V: LIST OF HOTELS ........................................................................................... 49
APPENDIX VI: THE MAP OF KENYA (SHOWING MAJOR TOWNS) ...................................... 50
LIST OF TABLES AND FIGURES

TABLE 1: GENDER OF THE RESPONDENTS ................................................................. 29
TABLE 2: EXPERIENCE AT THE HOTEL ..................................................................... 30
TABLE 3: FAMILIARITY WITH E-COMMERCE ...................................................... 31
TABLE 4: NECESSITY OF E-COMMERCE IN CARRYING OUT BUSINESS .......... 31
TABLE 6: EXTENT OF E-COMMERCE BEING A STRONG MARKETING TOOL ....... 32
TABLE 7: CONSIDERATION OF COMPUTER LITERACY AS A NECESSITY IN ONLINE WORK 32
TABLE 8: TRAINING OF STAFF ON COMPUTER TECHNIQUES ......................... 33
TABLE 9: PAST TRAINING IMPROVING OUTPUT ...................................................... 33
TABLE 10: EFFECT OF DISTANCE ON ONLINE BOOKING .................................... 34
TABLE 11: IMPACT OF COMPETITION ..................................................................... 34
TABLE 12: EFFECT OF HOTEL RATING ON E-COMMERCE .................................. 35

FIGURE 1: DESIGNATION .......................................................................................... 30
FIGURE 2: BOOKINGS ONLINE ................................................................................ 31
CHAPTER 1: INTRODUCTION

1.1 Background to the study

Definition of E-commerce

*O'Connor* (1999) defined E-commerce (electronic commerce or EC) as the buying and selling of goods and services on the Internet, especially the World Wide Web. In practice, this term and a newer term, e-business is often used interchangeably. For online retail selling, the term e-tailing is sometimes used.

*Forrester* (2004) defined E-commerce as the means of selling goods on the Internet, using web pages. This involves much the same processes as selling goods elsewhere, but in a digital format.

*Kotler* (1998) defines E-commerce as the buying and selling process that is supported by electronic means and through electronic markets.

E-commerce can be divided into; E-tailing or "virtual storefronts" on Web sites with online catalogs, sometimes gathered into a "virtual mall", the gathering and use of demographic data through Web contacts, Electronic Data Interchange (EDI), the business-to-business exchange of data, E-mail; and fax and their use as media for reaching prospects and established customers (for example, with newsletters) and business-to-business buying and selling.

Presentation, placement, display, stocking, selling and payment are all familiar concepts, e-commerce demands that all this be done on screen, and as an automated process. He argues that to sell goods, you must display them. E-commerce approaches this in much the same way as a catalogue. Goods are presented as images with text descriptions, prices and product options. *Paul May* (2000).

The adoption and usage of e-commerce in the travel and hotel sector has not been very uniform. The extent of adoption and usage has varied across countries as well as amongst enterprises within a country. It has been observed that the adoption of e-commerce is determined by factors like the size of the enterprise and the target market of the enterprise. The present study looks at the factors that influence the adoption and usage of e-commerce among the enterprises in the hotel industry. The hotel industry in Thailand is
The challenges being faced by companies in terms of competition within and outside the country has necessitated the advancements that have been witnessed in the past decade. Many of these companies have had to develop their websites, redefine their marketing concepts and strategies, which have included the application of Internet and e commerce in general to market themselves. Kenya Airways, an institution in the travel industry, as an example have enhanced the use of direct booking by their clients through the press of a button. This has facilitated the reduction of costs within these firms, enhancement of efficiency and effectiveness as well as saving on time for the company and their clients as well.

1.2 Statement of the Problem

The hotel industry is not doing a good job in marketing itself by using ecommerce as a marketing tool.

According to Abele (1996), despite the advantages that e commerce and the Internet in specific have, very few firms in the hospitality industry have yet to fully accommodate its use within its operations. In most of the cases within the Industry, little actually has been done to use the Internet except for room allocation within the hotels and some limited bookings where the client is a distant far off the hotel adds Abele (1996). The potential customers do not have the ability to book for accommodation in advance at the click of a button akin the computer. This is something that should have occurred in the long ago.

Abele (1996) outlines the fact that e-commerce mainly helps in the generation of leads, presenting information about the hotel product and service to the customers, and facilitating the transaction process electronically mainly using the World Wide Web. Thus hotel-based enterprises are expected to achieve significant benefits by way of growth in sales and profits through the increasing utilization of the Internet. It is therefore against this background that this study seeks to find out and analyze the place of e commerce in the hotel industry in Kenya and especially the five star hotels.

The rapid pace of the development of the Internet has changed the entire dynamic of hotel sales. In the past, technology responded to meet industry demands. Now, the
reverse is true: technology is driving business. Hotels must adapt immediately to this new paradigm, or they will lose their relationship with their customers. *Steve Giblin (2008)*

1.3 **Objectives of the study**
The general objective of the study is to find out the role of e-commerce as a marketing tool in the Kenyan hotel industry but specifically, the study will seek to:

(i) Determine how facilities (both software and hardware) and other capital equipment necessary for e-commerce influence the use of e-commerce in the industry

(ii) Investigate firms' or enterprise internal factors that influence the utility of e-commerce in the industry

(iii) Investigate firms' or enterprise external factors that influence the utility of e-commerce in the industry

(iv) Make recommendations based on the findings.

1.4 **Research Questions**

i. How do facilities (both software and hardware) and other capital equipment necessary for e-commerce influence the use of e-commerce in the industry?

ii. How do internal factors of enterprises affect e-commerce as a marketing tool in the hotel industry?

iii. How do external factors of enterprises affect e-commerce as a marketing tool in the hotel industry?

1.5 **Significance of the Study**
The study will be of particular interest to the following groups:

i. The Hotels so that they could overcome the barriers to e-commerce use and enhance their clientele base

ii. The potential clients of the hotels so that they can actually save time and money in booking for accommodation and other services from the hotel

iii. Other chain of hotels in actualizing the usage of the e-commerce phenomenon

iv. The government and other institutions of interest so that they can employ the recommendations in developing policies that will enhance the hotel industry in the adoption of e-commerce.
The academic arena will also benefit, as it will form a basis for future research and study areas.

1.6 Scope and Limitations of the Study

The study will center itself on 5 star Hotels in the city of Nairobi. The findings will then be applicable to not only the region, but to the rest of the country.

The study population will comprise the entire employee population of the sampled hotels though the sample design will majorly be centered on the decision making management staff of the hotel.

The study is expected that it will be limited and hampered by the following factors:

i. Time – Since the area of research is a relatively new field, the time allocated for the research may be minimal and may not be considerably sufficient to undertake it conclusively.

ii. Finance – Since the research requires finances for traveling and correspondence, it is anticipated that the finances available to the researcher would not be able to suffice the entire and full research on the subject.

iii. Non response – Given that some of the information that will be required for a conclusive may be confidential to the Hotel, it is expected that the exact and full information will not be availed by the management. Some respondents may also not be in a position to actually respond to the questionnaires (non-response) or some of the questionnaires may not be duly filled. This will minimize and limit the response rate.

iv. Lack of sufficient Secondary data – Since this is a new filed of research, the availability of secondary data may be limited and even the available ones may be outdate and may not be relevant to the area of study.

To deal with these limitations, the sample will be drawn from each respective Hotel, which will not be too large to save on time and to utilize financial resources available efficiently. The researcher will try to reassure the respondents on the purpose of the research, which is academic, and maintain confidentiality.
CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

E-commerce and its usage is more or less a new subject and phenomenon specifically in the hospitality industry. Very few hotel chain hotels and other service providers in the industry have conceptualized this idea but are also yet to actualize and maximize the benefits from its usage. Few studies have also been conducted on this subject and this is the basis upon which this study is carried.

2.2 Theoretical Literature Review

According to O'Connor (1999), the main advantages that the Internet provides as a marketing medium for travel and hotel sector are reaching global markets, customers who access the web-sites are much more interested rather than in a conventional marketing communication where, the message is targeted indiscriminately, the web-sites are not affected by capacity constraints, and the possibility of two-way communication offered by the Internet.

The UNCTAD (2000) background paper on e-commerce and hotel states that:

"The Internet and its inherent interactivity empower people to find information quickly and precisely on any destination or recreation that is capturing their interest".

The Internet has also presented the travel and hotel sector with the possibility of both connecting as well as transacting with global customers on a real time basis.

The extent of the use of e-commerce by the hotel industry has increased considerably over the years. Forrester (2004) estimates that in 2004, in the United States alone the travel and hotel transaction through the World Wide Web will be worth US$ 53 billion. The growth in the adoption of e-commerce in the travel and hotel sector has been facilitated by a number of factors including technological advancements, greater Internet penetration among households, heightened competition in the travel and hotel sector etc.

The players in the industry are yet to notice the benefits and merits that they can obtain in using e commerce to communicate and serve their clients. The efficiency and
effectiveness derived from using e-commerce is actually high given that it saves on time and as a total solution to distance barrier between the potential client and the service provider. Instances of inconveniences can be totally eliminated by the use of e-commerce since the client can assured of the availability or non-availability of the required service before the embarking in the search for the service in the hotel. The few studies that have been undertaken in the field provide a basis of the study.

**General Theories on Ecommerce in Marketing and Economics**

(i) **Transaction Cost Theory**

*Laudon & Laudon (1996)*, states that companies exist because they can conduct marketplace transaction internally more cheaply than they can with external companies in the marketplace. Companies and individuals seek to economize on transaction costs. Using markets is expensive because of coordination costs such as locating and communicating with distant suppliers, monitoring contract compliance, buying insurance, obtaining information on products, etc.

Traditionally, companies sought to reduce transaction costs by getting bigger: hiring more employees, vertically integrating and horizontally growing, taking over smaller companies, etc. Information technology helps companies lower the cost of market participation (transaction costs), making it worthwhile for companies to contract with external suppliers instead of using internal sources of supply.

Transactions costs have also a very important influence on customer value. One of the aims of this thesis is to investigate how transaction costs can be lowered for customers using e-commerce Web sites, and which of these transaction costs can enhance (or worsen) trustworthiness in e-commerce Web sites. For example, it is already clear from the definition that offering goods and services on the Internet cancels traveling costs for customers. Although this type of transaction cost might be the most obvious one, there are many more types to discover.

Trust has an important role in establishing cooperation relationships by lowering the risk of transacting. In other words, trust is expected to reduce the customer's transaction costs.
and should ensure that any inequities can be resolved. Furthermore, usability elements are expected to communicate signs of trust, because they lower customer transactions costs to a great extent. So, a two-way relationship is expected between trust and transaction costs: not only does an increase of trust lowers transactions costs, a decrease of transaction costs should also lead to an increase of trust.

(ii) Agency Theory

The agency theory views the company as a nexus of contracts among self-interested individuals rather than a unified, profit-maximizing entity. Agents need constant supervision and management, which raises agency costs or coordination costs. Information technology, by reducing the costs of acquiring and analyzing information, permits organizations to reduce overall management costs, and allows them to grow in revenues while shrinking the numbers of middle management and clerical workers, Laudon & Laudon, 1996.

Although this definition of agency theory views their associated costs as costs the company incurs, the customer also incurs agency costs in dealing with a company. For example, the interaction with sales people, dealing with employees in problem situations, or just looking for an employee to ask for assistance, involve agency costs for the customer. Information technology would lower these costs on touch of a button and convenience to the consumer.

In a competitive environment, companies have substantial interest in keeping their reputation high, reducing the risk of trading.

(iii) Lock-In and Switching Costs

Shapiro & Varian, 1998, switching costs are defined as the expense a customer or company incurs in lost time and expenditure of resources when changing from one supplier or system to a competing supplier or system. When the costs of switching from one brand of technology to another are substantial, customers face lock-in. So, switching costs measure the extent of a customer's lock-in to a given supplier.
Switching costs are of major importance for e-commerce sites and constitute an important element in design strategy. When you are looking at a Web page, other pages are just a mouse click away. This has many implications as of how to design a Web page. For e-commerce Web sites the implications are even bigger as issues of trust have to be considered as well.

Economic theory argues that e-commerce increases the risk that the transaction will not be performed as the customer initially intended, and therefore usefulness of an e-commerce intermediary will depend on user, who needs to understand, monitor and control the detailed actions of the intermediary. Clearly, usability elements exist to increase the ease of use of e-commerce Web sites. Some of these usability elements are expected to lock-in customers, because they increase the usefulness of a Web site to a great extent, so that customer's switching costs are increased.

**Network Externalities**

According to *Shapiro & Varian (1998)*, the economy is populated with oligopolies (industries in which a few large firms dominate their markets), driven by economies of scale. The hotel industry serves as excellent example belonging to such economy. The information economy, on the other hand, is populated by temporary monopolies, driven by economics of networks.

For many information technologies, consumers benefit from using a popular format or system. When the value of a product to one user depends on how many other users there are, economists say that this product exhibits network externalities or network effects. Network effects lead to positive feedback and successively to demand side economies of scale. Positive feedback makes the strong stronger and the weak get weaker, leading to extreme outcomes. Microsoft's operating system 'Windows' serves as the most obvious example. Microsoft's customers value its operating system because they are widely used. Metcalfe's Law states the value of a network grows by the square of the size of the network. In other words, a network that is twice as large, will be four times as valuable because there are four times as many things that can be done due to the larger number of interconnections. Because of Metcalfe's Law, the largest network always wins over
smaller networks. Note the similarity between Metcalfe's Law and network externalities. Both show the importance of value in enlarging a network.

Amazon.com is one of the most trusted Web sites on the Internet enjoying a high degree of network effects. As Amazon.com was to first to set the standard of buying books on the Internet, they created a cycle of positive feedback leading to their success. Hence, network externalities not only result in positive feedback, but also in trust. Web sites enjoy a high degree of network externalities score high on some of the elements such as competence, expertness, predictability, and credibility. Of course, that's why these Web sites were able to create a cycle of positive feedback in the first place.

Past Studies
Both external and internal factors affect the utility of the Internet in providing these benefits in the hotel industry. A hotel's actual usage of the Internet therefore varies on the basis of the Internet's ability to help the hotel in connecting to more customers and thereby increasing the sales and profits. Due to various reasons, if the Internet cannot contribute significantly in this direction, the hotel would rely more on other sources like travel agents or telephone enquiries for attracting customers. For instance, the viability of the Internet as a medium for marketing is severely affected by the extent of use of the Internet by the hotel's target customers. Therefore if the hotel mainly caters to a population where the Internet penetration is very low, its dependence on e-commerce is also expected to below. Other contextual factors relating to the competitive environment and the organization would also affect a hotel's intensity of usage of e-commerce.

Environmental factors like the level of competition between existing players; organizational factors like the scope of the activities in which the hotel is involved in etc. are also expected to impact a hotel's usage of the Internet. The technology-organization-environment framework introduced by Tornatzky and Fleischer (1990) provides a convincing theoretical rationale for considering the importance of contextual factors in the adoption of e-commerce based technologies. The framework groups the significant contexts into three classes, the organizational context, the technological context and the environmental context.
This framework has been applied across several Information technology domains over
the past decade (Zhu et al., 2002). Several authors have found considerable support for the
framework in their studies. In most of the empirical studies already studied for example
those of Mukhopadhyay et al. (1995), Iaccovou et al. (1995), Kuan and Chau (2001), Zhu
et al. (2002), the specific factors identified within the three contexts have varied. These
variations were reflective of the organizational or market contexts in which these studies
were conducted.

In this study, certain variables unique to the hotel industry are chosen to represent
contextual factors that are thought to be influencing the usage rate for e-commerce. Based
on the technology-organization-environment framework, the intensity of use of e-
commerce in a hotel is expected to be determined by a set of factors associated with the
hotel, and the location where the hotel exists. The adoption and usage of information
technology and other associated technologies has received significant attention in the
travel and hotel related literature in recent years. Studies have considered information
technology related variables both as a dependent as well as an independent variable. For
instance Ozturan and Roney (2004) and Wei et al. (2001) look at the application of
Internet in the travel and hospitality industry by looking at the critical factors that lead to
greater adoption. Martorell (2002), Connolly and Olsen (2000) and Bloch and Segev
(1996) on the other hand consider e-commerce adoption as an independent variable that
could affect and transform hospitality industry in the future.

The main focus of this study is to analyze and explain the main outcomes of rapid use of
e-commerce in the hotel industry. Both these streams have highlighted the variations in
the use of Internet across destinations and across enterprises, and tried to explain these
variations from different perspectives. In the present study, a similar framework is
adopted to assess the importance of certain contextual factors in the intensity of usage of
e-commerce in the hotel. The factors considered in this study have been mentioned in
several other studies as possible influencers of e-commerce or IT adoption in the travel
and hotel sector. The factors considered are classified into three major groups, the location related factors, firm related factors and the technological resources of the firm.

**Past Studies of e-commerce use in Kenya**

E-commerce in Kenya began not long ago when the Internet first became available in Kenya to a small group of technical enthusiasts in 1993, *Mweu, F (2000)*. The only means of accessing the Internet then was through a service known as Gopher which offered access to text based information. The access then was through either international leased lines or through X.25 connection to ITUs TIES. The African Regional Centre for Computing (ARCC), an NGO based in Nairobi, Kenya, became the first provider of web-based Internet service. This they did by providing their subscribers with the first-ever web browser software-Mosaic. The connection to the global Internet backbone was via an analogue leased line.

The first commercial ISP, Formnet began operating in 1995. Soon competition increased with the entry of three other ISPs. All the ISPs would lease analogue or digital data lines from Kenya to the US to access the Internet backbone. There are currently between 30,000 and 50,000 Internet users in Kenya, with an estimated monthly growth of 300 users. The main users of the Internet in Kenya are Multinational corporations (including hotels), international organizations and NGOs, together making more than 50% of all subscribers. The government and educational institutions make less than 5% of all subscribers, due to the relatively high cost of the service. The high cost of computers has deterred many from subscribing directly to the Internet. However, cyber cafes have come to the rescue, providing access to e-mail and the Internet to those who cannot afford phone lines and computers. There are currently more than 100 cyber cafes and the number is growing rapidly each month.

The use of internet in Kenya is on the steep rise. Applications such as e-commerce and VPNs are now being used by quite a good number of businesses. The Ministry of Trade and other stakeholders are championing the use of EDI/e-commerce in Kenya.
2.3 Aspects of E-commerce as a marketing tool

Several factors have been identified to influence the utility of e-commerce in Kenyan Hotels. The factors are as discussed herein below.

User Requirements

The level of literacy of the users (clients) of computer will determine how much they employ the services of a hotel provided through e-commerce. *Journal of Business Research*, (1998). The level of income and their socio-economic status influence a great deal the use of the internet for booking or consuming the services of a hotel by any client. *Mweu, F* (2000), the location related factors considered are the characteristics of the hotel’s location, which could influence its intensity of use of e-commerce. The location related factors considered are:

(i) The percentage of consumers who visit the hotel’s location from high Internet penetration countries,
(ii) The overall market size of the hotel’s location, and
(iii) The level of competition between the hotels in the locality.

Unless the target consumers access the Internet and use the Internet as a medium for transaction, the service providers are not in a position to rely heavily on the Internet for its marketing activities. Thus hotels in locations where most of the visitors come from a country with a high level of Internet penetration are expected to use the Internet to a greater degree than hotels in locations where the major part of the clients are from countries where the Internet penetration is low. High Internet penetration countries are defined as those countries where the access to personal computers and the Internet are high (*EIU 2003*). Regardless of their country of origin clients may of course have access to the Internet. It is however assumed that the practice of booking rooms online is widely prevalent only in the high Internet penetration countries. The market size of a location will also be a significant factor since hotels in smaller underdeveloped locations may try to use the Internet to reach out to the global population more than hotels located in a developed location.
Training of Staff
Seventeen institutions (hotels included) do rarely train their staff in the use of e-commerce and other internet related services, Bloch and Segev (1997). This is because of their limited financial abilities and in some cases, their lack of willingness by the management, in some cases; some managers are not only willing to train but are actually resistant to changes in the technological realms. This has impacted negatively on the implementation of technologies that would have otherwise provided an easier, faster, efficient and cheaper means of service delivery.

Malloy and Fennell (1998), studies show that where training is provided, the quality of the trainers on the subject is wanting. This despite the efforts to train and improve the quality of the staff has a retrogressive influence in that as the staff “learns” the new skills, they learn irrelevant or substandard skills on the e-commerce according to Gustin and Weaver (1996). Given the current competition level, most hotels need to develop their staff and ready them for any eventuality and with regards to competition which has been increasing by the ready. New hotels using new, advanced and more efficient systems sprout up and offer a stiff competition to the existing ones. This in essence exerts pressure on these hotels to retrain their staff and clients so as to stay in business.

Computer Hardware and Software
The Information and Communication Technology resource of the enterprise is also considered as a factor that could impact the intensity of use of e-commerce. Zhu et al, (2002) has found that the technological capabilities of manufacturing enterprises positively affect an enterprise’s usage of e-commerce. The ICT resources of an enterprise is defined here as the enterprise’s possession of a variety of ICT technologies and has to be distinguished from the intensity of use of e-commerce. ICT technologies, like Global Distribution Systems and Information Systems for back office operations, have been used in the hotel industry even before the advent of the Internet and e-commerce. Hotels with high levels of ICT adoption are expected to be more interested and more capable of utilizing the possibilities presented by the internet in communicating and transacting with the potential customers than firms with low levels of ICT adoption. According to akamai (2004), the use of e-commerce enhances business. The director of Global E commerce
services (Dell Ross), “Akamai has had a positive impact on our Web business, which has translated into increased revenues for Intercontinental Hotels Group.”

He stated that the software had increased online sales due to measurable improvements in page download time, transaction processing speed, and overall site availability with $3.5 million in reservations booked online each day, 70% of bookings done via Web whereas site performance and availability upholds brand image, supports peak traffic without additional infrastructure and can support global customers without fail.

Nature of business
The competition level amongst the hotels in a location, considered as part of the locational factor, can also influence the intensity of use of the Internet by a hotel. Many empirical studies including that of Crook and Kumar 1998 and Grover 1993, Iacovou et al 1995) have found evidence to suggest that competitive pressure drives innovation. In this study this factor is measured as the occupancy rate in the location where the hotel exists. High levels of occupancy rate imply that the hotels can expect to get their rooms filled with relative ease without much competition, while low levels of occupancy point towards higher levels of competition to attract customers between the hotels in the location.

The enterprise related factors considered are:

(i) The size of the hotel in terms of the number of rooms,
(ii) The scope of activities of the hotel in terms of activities that the hotel is engaged in,
(iii) The type of the hotel in terms of economic segment it is targeting and
(iv) The age of the hotel.

The survey conducted by Wei et al (2001) amongst the managers in the hotel industry supports the fact that the size of the hotel and the scope of activities of the hotel have considerable influence on the usage of e-mail and Internet. In a study conducted with manufacturing enterprises, Zhu et al, (2002) found that the size of the enterprise influences the intensity of use of e-commerce based facilities and processes.
2.4 Conceptual Framework

The study will center its work on the following independent variables considered to influence the adoption and ultimate place of e-commerce in the hotel industry:

i. The user requirements and staff training

ii. The computer hardware and software (technological) and

iii. The nature of the business (environmental) context

The staff training context concentrate on the formal structures, the policies and regulations of the hotel governing the availability and the use of e-commerce in the hotel. It will also examine the receptiveness of technological advances by the hotel management as well as its workforce especially within the premises. The establishment of the hotel in terms of the staff that can handle clients inquiring through the Internet will also be of main concern to the researcher.

New technologies and advances thereof greatly affect the operations of businesses in every type of investment including the hospitality industry. The researcher will seek to understand the effects that such advances within the hotel industry impact on the use of e-commerce within the industry. The readiness by the management to adopt changes in technology will be examined. The development and status of the IT department will also be studied so as to understand whether it has a role in the usage of e-commerce. The department plays a critical role in the enhancement of e-commerce within the hotel. The readiness by staff to employ Internet services will also be of great importance to the researcher. The availability of Local Area Network (LAN) will also tell much about the usage of the e-commerce in the hotel.

The availability of competition within the industry also influences the use of the Internet within a particular hotel. If the competitors use e-commerce as a tool in attracting and serving their clients, the hotel under study will also need to adopt the same so that they can stay in competition otherwise they can be bundled out of operations. The ability of the competitors to reach the clientele with ease and effectively will have a direct impact on the operations of the hotel, which consequently pushes the hotel to adopt the new techniques that the market brings with over the time.
The dependent variable, use of e-commerce, is as a result of the interaction between the independent variables and the intervening variables. When an Industry invests in technology, training or dedicates finance to e-commerce, there would be an increased usage of the same.

The framework under which this study will be carried will be as follows:

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Intervening Variable</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>User Requirements</td>
<td>Computer literacy, income levels, distance, socio economic status and location</td>
<td>E-commerce Application and Utility</td>
</tr>
<tr>
<td>Staff Training</td>
<td>Financial status, qualified trainers, management will, competition and changes in operations</td>
<td></td>
</tr>
<tr>
<td>Computer Software and Hardware</td>
<td>Financial status, compatible software, training and new technology</td>
<td></td>
</tr>
<tr>
<td>Nature of Business</td>
<td>Competition, management skills, location, financial status and type of hotel</td>
<td></td>
</tr>
</tbody>
</table>
3.1 Introduction
The research was designed in such a way that it generated a lot of critical information about e-commerce for the researcher to make a judgment and a decision on the factors that affect the use of e-commerce in the hospitality industry. The methodology was also friendly to the respondents so that they can be able to release more information on the research area.

3.2 Research Design
The study was undertaken through exploratory method. According to Mugenda and Mugenda (1999), this method is often conducted because a problem has not been clearly defined as yet, or its real scope is as yet unclear. It allows the researcher to familiarize herself with the problem or concept to be studied. It helps determine the best research design, data collection method and selection of subjects, and sometimes it even concludes that the problem does not exist! This method was suitable since it provided an avenue for the researcher to explore and discover new information about the area of the study.

3.3 Population
The target population to be studied was the members of the hotel industry (Appendix 5), a total number of 28 hotels listed in the country according to www.epzenya.com, (2006). The respondents targeted were drawn from either of the 5 line managers in different sections in the hotel.

3.4 The Census
By way of a census, the research was done in the City of Nairobi for all the existing 5 star hotels. The five star hotels within this city, 11 in total according www.eastafricashuttles.co.ke (2006) then formed the sample population. These hotels are as tabulated below;
5 Star hotels in Nairobi:

<table>
<thead>
<tr>
<th>Serial</th>
<th>Hotel</th>
<th>Rank</th>
<th>Town</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Safari Park Hotel</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
<tr>
<td>2</td>
<td>Nairobi Serena Hotel</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
<tr>
<td>3</td>
<td>Windsor Golf and Country Club</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
<tr>
<td>4</td>
<td>Grand Regency Hotel</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
<tr>
<td>5</td>
<td>Holiday Inn Nairobi</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
<tr>
<td>6</td>
<td>Hilton Hotel</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
<tr>
<td>7</td>
<td>Panari Hotel</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
<tr>
<td>8</td>
<td>Intercontinental Hotel</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
<tr>
<td>9</td>
<td>The Sarova Stanley Hotel</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
<tr>
<td>10</td>
<td>The Norfolk Hotel</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
<tr>
<td>11</td>
<td>Nairobi Safari Club</td>
<td>5 star</td>
<td>Nairobi</td>
</tr>
</tbody>
</table>

3.5 Sample Design

The researcher obtained 2 respondents in each of the above hotels out of 5 main managers in the hotel. This is because 2 different managers would give adequate information without duplication. The 2 were either from: General Manager who is the decision maker in the hotel, the ICT Manager, responsible for hardware and software of the business, the Finance Manager, who determines on hotel liquidity to undertake projects, the Marketing Manager who is directly involved in sales and marketing the hotel to the outside world and the Front Office Manager who actually is in charge of all the hotel bookings, online or offline.

With the 11 hotels in the city (see Table 1)) and 2 respondents from each, a total of 22 respondents was used. A sample size of 22 was then be used. At 80% response rate, a conclusive and representative research will have been done.

3.6 Data Collection

The data collection method was done through questionnaires administered by the researcher and also by use of interviews. The questionnaires contained both open and closed ended questions, which helped in the analysis of the data collected.
The researcher employed both primary and secondary sources of data. The primary data was obtained through the questionnaires administered by the researcher on the respondents. The researcher collected the answered questionnaires from the hotel. The questionnaires were appropriate as they solicit more information than other research techniques. The respondents also feel freer in answering the questions in it since they consider them to be very confidential unlike an interview where the researcher is present when the respondent is answering the questions and may feel prejudiced and scared to answer some of the questions that can be classified as personal. This ensured at least a higher response rate. The secondary data was obtained from earlier studies on the subject, journals, and other literature on the subject.

3.7 Data Analysis

Once the data was collected, an analysis of the same was then be done so that interpretations could be done, conclusions drawn and recommendations made. The collected data was then tabulated and descriptive statistical methods used to determine the factors that affect the use of e commerce in the industry. The use of measures of central tendency and of dispersion was then of great use here. The use of Statistical Package for Social Scientists (SPSS) was also employed to enhance conclusions to be drawn for the qualitative data. The use of pie charts and bar graphs as well as curves helped users in visualizing the conclusions and thus the researcher will also use them to draw conclusions.

3.8 Expected Output

The research proposal was expected to produce a research project. The researcher used the proposal and the findings thereof to write and present a project on the place of e commerce in the Kenyan hotel industry. The proposal also drew conclusions from its findings and gave suggestions and recommendations which the stakeholders (hotels, governments and research institutions) used or implement to better their service provision within the industry in Kenya. The project also formed a basis for further research by other researchers who wanted to further on the unconcluded matters/issues in this research.
CHAPTER FOUR: DATA ANALYSIS AND FINDINGS

4.1 Introduction
This chapter presents analysis and findings of the research. Findings in this chapter have tried to fulfill the objectives of this study. A total of 22 respondents were involved in the survey.

4.2 Quantitative Analysis

Gender
This section sought to find out the gender of the respondents. The results are as shown in the table below:

Table 1: Gender of the respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>13</td>
<td>59.0</td>
</tr>
<tr>
<td>Female</td>
<td>9</td>
<td>41.0</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100.0</td>
</tr>
</tbody>
</table>

It can be seen that 59% of the respondents were male while 41% were female.

Designation
In this category, the researcher sought to find out the designation of the respondents. The result is shown in the figure below:
It can be seen from the above figure that majority of the respondents constituting 40% of the respondents were reservations officers, 30% were IT staff, 20% were IT managers while 10% were IT were assistants.

**Experience at the hotel**

This section sought to find out the experience in terms of years the respondents had.

**Table 2 Experience at the Hotel**

<table>
<thead>
<tr>
<th>Number of years</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5 years</td>
<td>8</td>
<td>36.0</td>
</tr>
<tr>
<td>5-10 years</td>
<td>12</td>
<td>57.0</td>
</tr>
<tr>
<td>10-15 years</td>
<td>2</td>
<td>7.0</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Most of the respondents involved in the study comprising of 57% had been in the company for 5 to 10 years, 36% had been in the company for less than 5 years while 7% had been in the company for 10 to 15 years.
Bookings done in a Month online

The participants were asked to indicate the number of bookings on average in a month.

Figure 2: Bookings online

![Bar chart showing bookings online](chart)

<table>
<thead>
<tr>
<th>Range</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-100</td>
<td>20</td>
</tr>
<tr>
<td>301-600</td>
<td>30</td>
</tr>
<tr>
<td>Above 1000</td>
<td>50</td>
</tr>
</tbody>
</table>

4.5 Quantitative Analysis

Familiarity and Necessity of E Commerce as a Marketing Tool

The extent of the use of e-commerce by the hotel industry has increased considerably over the years. This category sought to find out the extent of familiarity and necessity of e-commerce in carrying out normal business.

E-commerce mainly helps in the generation of leads, presenting information about the hotel product and service to the customers, and facilitating the transaction process electronically mainly using the World Wide Web. The respondents state whether they agreed that it was necessary in carrying out business in the hotel.

Table 3: Familiarity and Necessity of E-Commerce in carrying out business

<table>
<thead>
<tr>
<th>Response rate</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>22</td>
<td>100.0</td>
</tr>
<tr>
<td>No</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100.0</td>
</tr>
</tbody>
</table>

31
All the respondents were familiar and agreed that E-commerce was necessary in carrying out business in the hotel.

Figure 2 shows that half of the respondents involved in the study had an average of over 1000 online bookings in a month, 27% of the respondents had online bookings averaging 301 to 601 in a month while 18% had online bookings ranging from 10 to 100.

**Extent of E-commerce being a strong marketing tool**

This section was set to find out the extent to which the participants regarded e-commerce as a strong marketing tool.

**Table 5: Extent of E-commerce being a strong marketing tool**

<table>
<thead>
<tr>
<th>Extent of use</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great extent</td>
<td>16</td>
<td>73.0</td>
</tr>
<tr>
<td>Good extent</td>
<td>6</td>
<td>27.0</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100.0</td>
</tr>
</tbody>
</table>

It can be seen from the above table that 86% of the respondents agreed that e-commerce was a strong marketing tool to a great extent while only 14% considered it to be a strong marketing tool to a good extent.

**Consideration of computer literacy as a necessity in online work**

The knowledge about computers is a prerequisite to the use of technology that comes in this information age. The respondents were asked to state whether they considered computer literacy as a necessity in online work.

**Table 6: Consideration of computer literacy as a necessity in online work**

<table>
<thead>
<tr>
<th>Response Rate</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>22</td>
<td>100.0</td>
</tr>
<tr>
<td>No</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100.0</td>
</tr>
</tbody>
</table>
All the respondents agreed that computer literacy was a necessity in online work. The reasons advanced for this is that the respondents said that all their operations were computer based and all systems were computerized. The caliber of clients the hotel dealt required such technology and that such a knowledge was the backbone for all operations. The respondents also mentioned the fact that service delivery was much better with computerization since it simplified the work carried out.

**Training of staff on computer techniques**

Training is an important way in which people acquire knowledge. The respondents were asked to give their opinion on the frequency the organizations should carry out training of staff on computer techniques.

**Table 7: Training of staff on computer techniques**

<table>
<thead>
<tr>
<th>Frequency of training</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly</td>
<td>22</td>
<td>100.0</td>
</tr>
<tr>
<td>Annually</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100.0</td>
</tr>
</tbody>
</table>

All the respondents stated that training of staff on computer techniques should be carried out quarterly.

**Past Training Improving Output**

This part sought to find out how training had improved the output of the respondents.

**Table 8: Past training improving output**

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes in normal areas of work</td>
<td>4</td>
<td>18.0</td>
</tr>
<tr>
<td>Yes strengthening the achievement of objectives</td>
<td>18</td>
<td>82.0</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Table 8 shows that 82% of the respondents agreed that past training had aided them in the achievement of their objectives. On the other hand 18% said that the training had improved their operations in their normal areas of work.

**Effect of distance on online booking**

The participants were asked to state how they perceived distance as an influence on online booking.

Table 9: Effect of distance on online booking

<table>
<thead>
<tr>
<th>Effect</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>As a convenience</td>
<td>22</td>
<td>100.0</td>
</tr>
<tr>
<td>As a hindrance</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100.0</td>
</tr>
</tbody>
</table>

All the respondents agreed that distance acted as a convenience to online booking.

**Impact of competition**

The challenges being faced by companies in terms of competition within and outside the country has necessitated the advancements that have been witnessed in the past decade. This section sought to find out from the respondents if competition in the industry has affected adoption of new technology.

Table 10: Impact of competition

<table>
<thead>
<tr>
<th>Response rate</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>22</td>
<td>100.0</td>
</tr>
<tr>
<td>No</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100.0</td>
</tr>
</tbody>
</table>
All the respondents agreed that competition had a great impact on the adoption of new technology. The reasons advanced for this include; business works well for accountability and convenience, global markets dictate the adoption of new technology and the fact that communication has really made the world small. Such new technology has led to globalization, has made world smaller, and has made operations faster and better.

**Effect of hotel rating on E-commerce**

The participants were asked to state whether the rating of hotels in stars determined the necessity and use of e-commerce in the hotel industry.

**Table 11: Effect of hotel rating on E-commerce**

<table>
<thead>
<tr>
<th>Response rate</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>22</td>
<td>100.0</td>
</tr>
<tr>
<td>Yes</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>100.0</td>
</tr>
</tbody>
</table>

All the respondents agreed that hotel rating in stars had no effect on determining the necessity of use of e-commerce in hotel operations.
CHAPTER FIVE: SUMMARY AND RECOMMENDATION

5.1 Introductions

This chapter provides a summary of the findings, conclusions and recommendations into the place of e-commerce in Kenyan hotel industry by considering 5 star hotels in Nairobi.

5.2 Summary of the Findings

The general objective of the study was to find out the place of e-commerce in the Kenyan hotel industry. Most of the respondents were male and quite a number being female and majority coming from the IT department. Most of the respondents had been in the company for less than 10 years.

Familiarity with e-commerce was high with all the respondents mentioning that they understood the concept well. They also considered e-commerce as a necessity in carrying out business in the hotel industry. Most of the hotels involved in the study had bookings of over 1000 per month. This being five star hotels such bookings is expected. At the same time most of these bookings were online.

The knowledge about computers is a prerequisite to the use of technology that comes in this information age. All the respondents agreed that computer literacy was a necessity in online work. E-commerce was considered a strong marketing tool to a great extent by most of the respondents. Training being an important way in which people acquire knowledge, the respondents unanimously agreed that such training should be carried out on staff on a quarterly basis.

The result of training should be evident in the work output by those who have undergone such training. Most of the respondents agreed that past training had aided them in the achievement of their objectives and generally in their normal areas of work. In order for a company to remain competitive in an industry, it must strive to use strategies to ensure it remains competitive enough to maintain its market share. Use of technology as a strategy
is very important since it ensures efficiency in the work carried out. All the respondents agreed that competition had a great impact on the adoption of new technology. The reasons advanced for this include; global markets in which these companies operated dictated the adoption of new technology and the fact that communication has really made the world small. All the respondents agreed that hotel rating in stars had no effect on determining the necessity of use of e-commerce in hotel operations.

5.3 Conclusions

The adoption of e-commerce is determined by factors like the size of the enterprise and the target market of the enterprise. The study found that all the companies involved in the study had implemented online booking as a form of e-commerce. As the hotel industry expands globally, the need for expanding the present E-commerce policies would be needed. This is because communication networks to connect the customers and the service providers continue to increase. The World Wide Web has been utilized as a means of communication widely over the past decade in the hotel industry but its dynamics keep on changing as each day passes. It has been instrumental in helping the hotel sector to expand its markets across the continents and has played a major role in helping the growth of the industry. The goal of customer satisfaction does not change but the means to satisfy that customer keeps on changing and therefore even through the web, the hotel industry needs to focus on the customer.

The World Wide Web has emerged as a cost effective means for enterprises in the travel and hotel sector to directly market their offerings to a large customer population across the globe. It is also a very convenient means for the customers to gather information and compare between alternatives in an interactive manner.

Training of staff on the use of e commerce ad other internet related services is very crucial. This is because it enables the staff to utilize this facility both effectively and efficiently in their normal operations. Without training the implementation of
technologies that would have otherwise provided an easier, faster, efficient and cheaper means of service delivery would be very problematic.

The quality of training should be of high standard and should be carried out frequently since technology keeps on changing. Given the current competition level, most hotels need to develop their staff and ready them for any eventuality and with regards to competition which has been increasing by the ready. New hotels using new, advanced and more efficient systems sprout up and offer a stiff competition to the existing ones. The cost of hardware and software to be used in e-commerce should be budgeted for so that enough resources can allocated to this very crucial part of business.

5.4 Limitations of the Study
Care must be taken to generalize the results of this study for the hotel industry. This is because it is only a number of five star hotels in Nairobi were involved in the study. Though this represents the five star hotels other types of hotels were not involved in the study and their adoption of e-commerce is definitely different from those of five star hotels.

5.5 Recommendation

To Owners and Managers of Hotels
The adoption of e-commerce would ensure that a company remains competitive enough in the industry. This is because technological advancements ensure that work is carried out much faster and more efficiently. It also bridges the distance between a company and its customers making the world a global village where communication from one part of the world to the other is instantaneous. This ensures better service delivery to customers.

One important aspect to consider in the acquisition of technology is its cost. The hardware and software needed to make e-commerce operational are costly and needs to be budgeted for. Budgeting for it clearly would ensure that resources are voted out for these resources. Since the cost of hardware keeps on falling each year, a company should
consider the optimal time to purchase its resources so that it is not left behind and also it
does not purchase at a high cost only for the cost to fall down in the following month.

Training is an important facet in e-commerce. The company staff needs to be trained on
the use of this technology that keeps on changing each year. This is very necessary so
that staff may not view such technology as a replacement of their efforts but as a way to
ensure they perform their work more efficiently and effectively. Since technology keeps
on changing the employees should also be trained more frequently. The quality of
training should be of a high standard to ensure that is effective and not just another
company routine.

5.6 Further study

To ensure that comprehensive study is done on e-commerce in the hotel industry, such a
study should be extended to other types of hotels especially those that majority of their
clients being the local people.
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APPENDIX I: INTRODUCTORY LETTER

SPECIMEN LETTER TO THE RESPONDENTS

Dear Respondent,

I am a student at Kenyatta University in the Department of Business Administration currently undertaking my research project. The aim of the research project is to assess the place of E-commerce in the Kenyan hotel industry. My specific target is the 5 star hotels. The attached questionnaire is for gathering data, which will be useful in the mentioned research as a requirement for the Master of Business Administration degree. You have been selected as one of the respondents in this study. I therefore request you to kindly facilitate the collection of the required data by answering the questions herein in confidence.

Please note the information is sought purely for academic purposes and will be treated with the utmost confidentiality.

I look forward to your cooperation.

Yours Faithfully,

Maina Grace
APPENDIX II: QUESTIONNAIRE

General Information

1. Hotel .............................................

2. Gender ..........................................

3. Designation .....................................

4. Experience at the hotel
   Less than five years
   5 – 10 years
   10 – 15 years
   15 – 20 years
   20 – 25 years
   Over 25 years

Business Aspects

5. Which of the following do you use the Internet for? Please tick all that apply
   Travel bookings Internal ( )
   Communications ( )
   Marketing/advertising ( )

6. Are you familiar with E-commerce concept?
   Yes ( )
   No ( )

7. How many online bookings do you get on average in a month?
   10 – 100
   101 – 300
   301 – 600
   Above 1000
8. Do you consider Ecommerce a necessity in carrying out business in your hotel?
   Yes ( )
   No ( )

9. To what extent to you think that e-commerce is a strong marketing tool in your business?
   Great extent [ ]
   Good extent [ ]
   Moderate [ ]
   Less extent [ ]
   Not good [ ]

10. To what extent has your business benefited in the following process as a result of using the Internet or e-commerce? To a scale of 1 - 5
    Raising/improving company profile ( )
    Increased sales / enquiries ( )
    Extending customer base ( )
    Improving customer relationships/interworking ( )
    Keeping ahead of / up to date with competition ( )

11. How do you perceive distance as an influence to online booking?
    As a hindrance [ ]
    As a convenience [ ]

12. Does hotel rating (in Stars) determine the necessity and use of e-commerce in the hotel industry?
    Yes [ ]
    No [ ]
Technology Aspects

13. Out of this bookings how many are obtained through online booking?
   10 - 100
   101 - 300
   301 - 600
   Above 1000

14. Did your enterprise have difficulties in recruiting personnel with ICT skills?
   Yes ( )
   No ( )

15. Do you have the following information and communication?
   Technologies

   (a) Wireless LAN ( )
   (b) Wire based LAN ( )
   (c) Intranet ( )
   (d) Extranet ( )

16. Do you consider computer literacy a necessity in your online of work?
   Yes [ ]
   No [ ]

17. If yes, give reasons

   ..............................................................
   ..............................................................
   ..............................................................

18. In your opinion how often should training on computer techniques be carried out for staff?
   Annually
   Semi-annually
   Quarterly
   No at all
19. Has past training improved your output?
   Yes it strengthen me in achieving the objectives
   No because it’s routine

20. In your opinion, has competition on adoption of new technology impacted on this Industry?
   Yes [ ]
   No [ ]

21. If yes, explain.........................................................

.................................................................
.................................................................
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### APPENDIX III: ESTIMATED BUDGET

#### RESEARCH PROPOSAL

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<th>Item</th>
<th>Unit Cost (Ksh)</th>
<th>Sub Total (Ksh)</th>
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<td>Photocopies and reproduction</td>
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#### RESEARCH PROJECT

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**GRAND TOTAL**  

|                  |                 |                 | **24,600**  |
# APPENDIX IV: WORKPLAN

## Year 2007 - 2008

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<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
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APPENDIX IV: WORKPLAN

Year 2007 - 2008

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**APPENDIX V: LIST OF HOTELS**

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<tr>
<th>NAME</th>
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<tbody>
<tr>
<td>1. Indian Ocean Beach Club</td>
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<tr>
<td>2. Mombasa Serena Beach Hotel</td>
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<td>3. Nyali Beach Hotel</td>
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<td>4. Sarova whitesands hotel</td>
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<tr>
<td>5. Sun and Sands</td>
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<td>6. Alliance Safari Beach Hotel</td>
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<tr>
<td>7. Grand Regency Hotel</td>
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<tr>
<td>8. Holiday Inn Nairobi</td>
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<tr>
<td>9. Nairobi Safari Club</td>
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<tr>
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<td>11. Nairobi Serena Hotel</td>
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</tr>
<tr>
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<tr>
<td>13. Windsor Golf and Country Club</td>
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<tr>
<td>14. Intercontinental Hotel</td>
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<tr>
<td>15. The Sarova Stanley Hotel</td>
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<tr>
<td>16. The Norfolk Hotel</td>
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<tr>
<td>17. Panari Hotel</td>
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<tr>
<td>18. Lake Nakuru Lodge</td>
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<tr>
<td>19. Lion Hill Lodge Lake</td>
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<td>20. Merica Hotel</td>
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<td>21. Lake Baringo Lodge</td>
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<td>22. Lake Bogoria Hotel</td>
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<tr>
<td>23. Great Rift Valley Lodge</td>
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<td>24. Mt Kenya Safari Club</td>
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<td>25. Aberdare Country Club</td>
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<tr>
<td>26. Imperial Hotel</td>
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<tr>
<td>27. Milimani Hotel</td>
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<tr>
<td>28. Sunset Hotel</td>
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APPENDIX VI: THE MAP OF KENYA (Showing Major Towns)