AN INVESTIGATION INTO THE FACTORS AFFECTING THE ADOPTION OF ELECTRONIC COMMERCE AMONG THE TEXTILE ENTERPRISES

(A Survey of Textile Enterprises in Nairobi)

Waruru Susan Wambui

BUS 3 – 3/3654/08

A Research Thesis Submitted in Kenya Methodist University for Partial Fulfillment of the requirement of the Award of Master in Business Administration, (Entrepreneurship)

APRIL, 2011
ABSTRACT

This study sought to survey the factors affecting the adoption of e-commerce among Micro and Small Enterprises (MSEs) in Kenya. The main objectives of the study was to establish the organizational factors that influences the adoption of e-commerce in textile enterprises in Kenya, to find out whether the knowledge level influences the adoption of e-commerce in textile enterprises in Kenya, to determine if Finances are a hindrance towards adoption of e-commerce in textile enterprises in Kenya and to identify the security issues which deter textile entrepreneurs from adopting e-commerce in Kenya. Data was collected using questionnaires. Questionnaires were analyzed using regression analysis to establish relationships between the variables. Statistical Package for Social Sciences (SPSS) software was used to analyze and present the data in form of pie charts, bar graphs and frequency tables. All the variables had a significance levels less than 0.05 thus all the null hypothesis were rejected and the alternative accepted the highest predictor of adoption of e-commerce was finances with a correlation value of +953, organizational factors with a correlation value of 303, security with a correlation value of +752 and knowledge level with a correlation value of 0.540. The study concluded that the adoption of e-commerce is affected by availability of finances, knowledge level, organizational factors and security. From the findings of the study it can be concluded that adoption of e-commerce is affected by availability of finances, the knowledge level, organizational factor and the security. The study recommends that legal and regulatory framework the government should get the regulatory infrastructure right for trust, security, consumer protection and privacy and essential issues of culture security to enhance trust in the use of e-commerce. The study also recommends an effective enforcement of privacy and consumer protection in combating cyber crime since e-commerce requires financial and banking frameworks that allow electronic payment and transfers.