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RESPICE PROSPICE

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THE INFLUENCE OF MARKETING-RELATED MOBILE ACTIVITIES ON THE ADOPTION OF MOBILE MARKETING TRANSACTIONS: A USES AND GRATIFICATION PERSPECTIVE

Dr Gift Donga[1] Orcid ID: 0000-0001-8263-7205,
Prof Armstrong Kadyamatimba[2] Orcid ID: 0000-0002-9638-0858

Abstract:

There is an increasing attention being accorded to the adoption of mobile marketing transactions in recent years, as both practitioners and researchers recognise that mobile commerce (m-commerce) is poised to burst into the mainstream. This study identifies a literature gap in which there seems to be an insufficient critical mass of studies on the adoption of innovative marketing technologies within the South African context. More specifically, very few studies have been conducted regarding the contribution of mobile marketing-related activities on consumer behaviour towards m-commerce. In view of this development, guided by the uses and gratification theory, the purpose of this study is to ascertain the influence of marketing-related mobile activities on the adoption of mobile marketing transactions, specifically focusing on the South African youth consumers. To fulfil the purpose of the study, the objectives of the study are centered on examining the degree to which the following marketing-related mobile activities: (1) provide information online, (2) access content online, and (3) share content online, influence consumers' adoption of mobile marketing transactions. Following a quantitative research technique and a descriptive single cross-sectional design, data was gathered through a self-administered questionnaire, using a sample of 810 students from three selected South African universities. Three research hypotheses were advanced in line with the study objectives, and they were tested using linear regression analysis. The study findings confirm the positive significant effects of marketing-related mobile activities in driving adoption of mobile marketing transactions. Managerial implications of the findings are discussed, and limitations and future research directions are also indicated.

Keywords: *Mobile related marketing activities, adoption, mobile marketing transactions, South Africa, Gratification*

Introduction

Globally, retail remains the most dynamic urban market, with changes almost on a daily basis (Prinsloo, 2016). Of significance are rapid technological changes in the African society, especially during the past decade, and also the impact on the retail market, making it one of the most exciting fields to work in. For instance, with the increasing adoption of the internet, consumer behaviour has rapidly changed, especially as far as convenience, variety and shopping experience is concerned (Gong, Stump & Maddox, 2013). Driven by the fast pace of development in innovative technology, the business environment has currently witnessed rapid mobility and an escalation in

[1]Department of Business Management. University of Venda,
Thohoyandou, South Africa; geedonga@gmail.com
[2]Department of Business Information Systems. University of Venda.
Thohoyandou, South Africa; kadya@univen.ac.za

mobile devices usage by consumers. In line with these developments, the mobile marketing industry has expanded tremendously and is focused to continue growing (Yildiz & Kitapci, 2018). Thus, the growing use of the internet in Africa, provides a prospect for developing online marketing, which requires extensive exploration.

For both the retail and for consumers, the expansion of mobile marketing is beneficial. Thus, consumers have a wider range of choices for product and services, while retailers can attract consumers from various geographical locations and of different identities, thereby increasing their client base (Yousif, 2012). Persaud and Azhar (2012) state that mobile marketing is still evolving, but it has a greater prospect of expansion as the business environment witnesses even a greater technological revolution. According to Chinomona and Sandada (2013), mobile marketing has nevertheless been received with varying perceptions, despite the encouraging mobile marketing benefits and growth forecasts. In particular, due to mobile marketing transactions' complexity and consumer privacy concerns, some individuals take a long time to adopt to mobile marketing (Mallat, 2007; Riquelme & Rios, 2010). However, other researchers (e.g., Schierz, Schilke & Wirtz, 2010; Sinkovics, Pezderka & Haghirian, 2012; Tyrväinen & Karjaluoto, 2019) argue that there have been some positive consumer intentions to adopt mobile marketing. These contrasting views show that there are still some inconsistences among studies with regard to general acceptance and adoption of mobile marketing.

In a move to facilitate consistence and reduce fragmentation of results from studies concerning adoption of innovative marketing technologies, Shankar and Balasubramanian (2009) proposed segmentation as a strategy to better understand consumer behavioural patterns of a specific market segment. Segmentation basically involves dividing consumers into groups so that members of a group (1) are as similar as possible in that same group, but (2) differ as much as possible from members from other segments. When consumers in the market are similar in terms of education, values, needs, income and other dimensions, examining adoption tends to be quicker and easier, simply because they are likely to have similar interests and behaviour (Shambare & Donga, 2019). Therefore, this study followed the dictates of other scholars (Gong & Li, 2008; Plant, 2006; Du, 2012) who postulated that mobile marketing appears to work more effectively for some customer segments than for others. For instance, Sultan, Rohm and Gao (2009: 574) proffer that, "specific consumer segments such as the youth market are using mobile phones increasingly as single-source communication devices that allow greater access to social circles, mobile-based content, and information". As a result, globally brands have also begun to tap into mobile platforms aggressively, in order to reach the youth segments. Against this backdrop, this study positions itself within the youth market in South Africa, specifically the tertiary students who are more technology savvy and are more likely to adopt products independently.

Since m-commerce is an ever-evolving retailing medium, consumers continue to develop new behavioural patterns (Turban, Outland, King, Lee, Liang & Turban, 2017), due to the shift from conventional transactional modes to online mobile transactions. Furthermore, consumers today are far less predictable and much better informed, as they continuously seek to find new information online regarding products and services. Thus, researching consumers' activities on the digital mobile platform is crucial for marketers to gain insight on how mobile marketing-related activities affect adoption of m-commerce. However, within the South African context, little is known regarding marketing-related mobile activities, and adoption of mobile marketing by consumers. Specifically, few studies (e.g., Chinomona & Sandada, 2013) have been conducted concerning the impact of marketing-related mobile activities on consumer behavioural intention to adopt mobile marketing transactions in the South African context. As such, it became imperative for the researcher to conduct an extensive study on the influence of marketing-related mobile activities on the adoption of mobile marketing transactions in a South African market. Thus, the study presents the following objectives:

1. To determine the relationship between marketing-related mobile activity linked to providing information online and adoption of mobile-marketing transactions.
2. To ascertain the association between marketing-related mobile activity linked to sharing content online and adoption of mobile-marketing transactions.
3. To establish the relationship between marketing-related mobile activity linked to accessing content online and adoption of mobile-marketing transactions.

This study contributes to the mobile-marketing literature by developing and testing a conceptual framework that links the relationships between marketing-related mobile activity with consumers' usage of mobile devices for transactional purposes. Furthermore, theoretically this study will offer an alternative lens to view the concept of

consumer adoption of marketing technology by using the Uses and Gratification Theory (UGT) (Katz & Blumler, 1974) as the underpinning theory of the study. Most prominent technology adoption researchers (e.g., Holden & Karsh, 2010; Persaud & Azhar, 2012; Venkatesh, Morris, Davis & Davis, 2003) overlooked the predictive power of the UGT in the adoption of mobile-marketing transactions.

Literature Review

Mobile Technology and the Rise of Mobile Commerce

Trading has witnessed a seismic change with the proliferation of mobile devices which put the shopping experience in the hands of the customers (Pahwa, 2018). Driven by a widespread understanding of the Internet's capabilities, the power of electronic commerce, and advances in wireless technologies and devices, mobile commerce (m-commerce) is rapidly approaching the business forefront (Senn, 2000). According to Luong (2007), mobile commerce can be defined as, "delivery of electronic commerce (e-commerce) capabilities directly into the consumer's hands via wireless technology and the placement of a retail outlet into the customer's hands anywhere". Therefore, m-commerce makes it possible for businesses to reach end-users directly, irrespective of their location. Through mobile commerce, end-users can make purchases, do banking, and buy tickets via mobile devices. The global increase in the interest for mobile commerce is a result of a high degree of interest shown by consumers on how to access business service and information, or to communicate from any place, and it is also the desire of the business community to reach end-users any time anywhere (Bauer, Reichardt, Barnes & Neumann, 2005).

Embedded within mobile commerce is mobile marketing, which is an innovation that creates marketing opportunities because of its ability to create frequent, fast, and direct communication with millions of consumers at any time (Smutkupt, Krairit & Esichaikul, 2010). According to the Mobile Marketing Association (2009), "mobile marketing is a set of practices that enables organisations to communicate and engage with their audience in an interactive and relevant manner through and with any mobile device or network". Although it is still in its infancy, mostly on the African continent, Donga, Kadyamatimba, Zindiye and Chibonda (2019) predict that mobile marketing will grow as technology continues to evolve. Developments in mobile technology have ushered in a variety of mobile marketing services. In general, mobile marketing services are imbedded in four main categories (Demir, 2013): (1) communications services, (2) information content services, (3) entertainment services, and (4) commercial transaction services. For the purpose of this study, special attention is given only to commercial transaction services which are referred to as mobile marketing transactions in this study.

Mobile Marketing Transactions

Online marketing transactions conducted on the mobile platform are gaining popularity, due to the convenience and portability of low-cost hand-held devices (Lam, Chung, Gu & Sun, 2003; Narang & Arora, 2016). With the explosive growth of the mobile phone population and the fast adoption of wireless network technology, support for commerce transactions on the mobile platform has become a realistic and attractive option (Johnson, Kiser, Washington, & Torres, 2018). Besides, the cost and performance of hand-held devices with wireless capability have also improved tremendously in recent years. A mobile marketing transaction can be defined as an electronic transaction that is conducted using a mobile device and a wireless access network (Veijalainen, Terziyan & Tirri, 2006). The transaction is a result of communication and promotion (marketing) of an offer between a firm and its customers, using a mobile medium, device, or technology.

Generally, a mobile marketing transaction occurs when a client accesses the web-enabled services of an online business, and after necessary negotiations and communications, decides to place an order and make a payment (Siddiqui, 2002). The order and payment information is transmitted from the mobile device to a base wireless station, and from there through the mobile communication infrastructure of the service operator to the wireless application gateway of the merchant. In a typical mobile computing environment, one or more of the transacting parties are based on some wireless hand-held devices. The steady shift of consumer behaviour to online shopping from brick and mortar retail stores, has not been lost on wireless mobile device manufacturers. Mobile commerce is yet another way to purchase online products from online storefronts, or online services from automated service providers. Computer-mediated networks enable these transaction processes through online store searches and wireless point-of-sale (WPOS) capabilities.

Marketing-related Mobile Activities

Mobile phones represent a medium that has been used in many markets, primarily for voice and data communications rather than for marketing activities (Tiago & Veríssimo, 2014). Given that mobile communications represent a

relatively new marketing platform, Gao et al. (2010) propose that marketing-related mobile activity such as accessing content, sharing content, and providing information, help in explaining consumer adoption of mobile marketing. Thus, these marketing activities, might prime or condition consumers toward the adoption of mobile marketing.

As espoused by Jackson (2019), advances in online technology have over the years been impacted tremendously, in the way in which marketers obtain information from consumers in order to improve targeting, segmentation, reach, and therefore profitability. For instance, consumers are nowadays able to post directly to businesses' websites, and most popular online sellers have built in online review mechanisms to solicit comments from customers shortly after their purchase has been received. Furthermore, online reviews have become an important information content source that allows consumers to provide information to businesses based on past consumption experiences. In the process of these online reviews, businesses often request consumers to also provide information to them through surveys. These surveys afford customers a chance to voice their concerns and sing their praises of online businesses with which they have a transaction history. The marketing-related mobile activity of providing information online, has offered *great relationship-building tools to establish a sense of interaction between businesses and consumers* (Delafrooz, Paim, Haron, Sidin, & Khatibi, 2009). A high degree of online business-to-consumers (B2C) interactivity, according to Wirtz et al. (2013), promotes greater adoption of m-commerce.

Relating to the mobile marketing activity of sharing content, Ernst & Young Global Limited (2015) points out that people are increasingly depending on the Internet. The youth in particular, are increasingly using social media to share information across multiple channels in an integrated fashion. This is creating a greater need for digital relevance. In recent years, online marketing has become incredibly intelligent, and at this stage marketing notifications are served based on what consumers are sharing and talking about online (van Ooijen, 2019). Sharing has become something of a phenomenon and can come in all forms, whether it is a tweet, a Facebook post, or even an email telling someone to look at a link. Marketers are increasingly able to build profiles of consumers, based on their interests and what they are sharing online, and serving relevant advertisements accordingly. Consequently, Scott (2015) asserts that the probability of consumers adopting marketing services is very high when they share highly targeted and relevant notifications online. Hughes, Swaminathan and Brooks (2019) further allude that consumers are increasingly relying on peer-to-peer communications. Therefore, content sharing has continued to grow in importance as an integral component of businesses' mobile marketing strategies.

With the ubiquity of the Internet and mobile devices, most consumers search for products and services information online; a marketing-related mobile activity which Sultan et al. (2009) refer to as 'accessing content'. According to Chinomona and Sandada (2013), the need to access content might prime consumers towards mobile marketing adoption, and businesses need to understand consumers' motivations for searching particular content online, in order to create campaigns that promote brands and encourage them to purchase their products. Moe (2003) posits that consumers' satisfaction with the content they access online, influences their attitude of purchase on the web- site. Furthermore, Joel (2017) emphasizes that more consumers than ever are set to validate their purchase decisions by using content acquired online. For instance, real-time feedback from other consumers as well as consistent and updated business information such as products offered, services offered, payment methods, and business specialties. If too little content is provided, consumers may end up not having sufficient information to make purchasing decisions (Branco, Sun, & Villas-Boas, 2015).

The Uses and Gratification Theory

According to Sultan et al., (2009) the UGT (Katz, Blumler & Gurevitch, 1973) focuses more particularly on peoples' adoption of innovation for both utilitarian or rational motives and hedonic intentions for fun-seeking and enjoyment. In contrast to other theories linked to mobile commerce adoption, the UGT is centred explicitly on clarifying the underlining factors associated with consumers' choice of new media (Sultan et al., 2009). For instance, linked to consumers' usage of the Internet, Stafford, Stafford and Schade (2004) established that consumers' usage was delineated by process, content as well as satisfying socialisation needs. Additionally, in a research conducted specifically to the mobile setting (Nysveen, Pedersen & Thorbjornsen, 2005), perceived expressiveness and perceived enjoyment was directly stimulating the youth's intentions to adopt mobile data services. Consequently, the uses and gratifications perspective, though largely overlooked by most studies, aids as a powerful theory in explaining the responsibility of personal motives related to areas, for instance, the mobile media, where the drive of the individual for media consumption can be attributed to both utilitarian and non-utilitarian (Sultan et al., 2009).

The emphasis of the theory (Katz et al., 1973) is on how people use media and not necessarily on the impact of the media on the individual. In consistence with this notion, it implies that through the youth's engagement in mobile activity (i.e., for both utilitarian and hedonic motives), the possibility of eventual adoption of mobile marketing transactions is very high. Accordingly, the study proposes incorporating the following three marketing-related mobile activities as factors influencing consumer adoption of mobile marketing transactions in a youth-market setting: (1) providing information; (2) accessing content; and (3) sharing content. Consequently, the following hypotheses were advanced:

H_1: A greater degree of mobile activity linked to providing information will result in greater adoption of mobile marketing transactions.

H_2: A greater degree of mobile activity linked to sharing content will result in greater adoption of mobile marketing transactions.

H_3: A greater degree of mobile activity linked to accessing content will result in greater adoption of mobile marketing transactions.

The conceptual model depicted in Figure 1 summarises the above outlined hypotheses of the study.
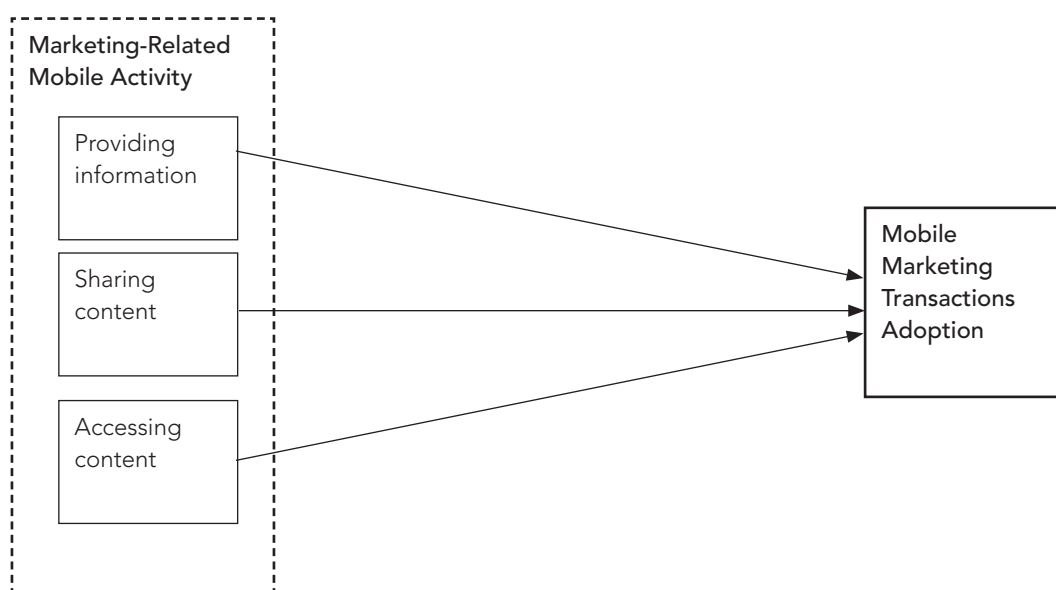
Figure 1: Proposed Conceptual Model
Source: Developed for the Study

Relating to the study population, the conceptual model implies that, youth consume online content mainly for information satisfaction (i.e., uses motives) and entertainment needs (i.e., gratification motives). Furthermore, they participate online through interacting with the content (e.g., providing and accessing content online) as well as with other users (e.g., sharing content) for enhancing social connections and virtual communities. Thus, it is through this online interaction that marketing-related activities are generated, which ultimately result in the adoption of mobile marketing transactions.

Research Methodology
Research Design and Data collection
The study followed the descriptive single cross-sectional design (Lindell & Whitney, 2001) in which only a single sample of respondents is extracted from the population of interest, and data is gathered from this sample only once. Since the study involved numerical measurements, and the variables involved were tested using some postulated hypotheses, a quantitative approach was considered appropriate for the study (Blumberg, Cooper &

Schindler, 2011). The data was gathered from respondents by a self-administered questionnaire, and respondents were requested to complete the questionnaires at their convenience. Collection points were established, where deposit boxes were placed in strategic places.

Questionnaire Design and scaling

Research scales were operationalised on the basis of previous work. Proper modifications were made in order to fit the current research context and purpose. Marketing-related mobile activity scales (i.e., information provision, accessing content, and sharing content) were all adapted from Sultan, Rohm, and Gao (2009), whilst consumer adoption of mobile marketing transactions was measured using a scale adapted from Oliveira, Thomas, Baptista and Campos (2016). Each of the three mobile-related marketing activity scales constituted of 4 items, respectively, whereas the adoption scale comprised of five items. All the measurement items were measured on a five-point Likert-type scale that was anchored by 1 = strongly disagree to 5 = strongly agree, to express the degree of agreement. Individual scale items are listed in Appendix A.

Sample

The current study sought to investigate the influence of marketing-related mobile activity on the adoption of mobile marketing transactions, particularly by tertiary students. For this reason, using a multi-stage cluster technique, the population of the study comprised of registered students from three selected South African universities. Given that the estimated total population obtained from the respective enrolment departments of all registered students within the three selected universities was very large (N= 65403 students) the researcher considered optimising costs and time associated with collecting data from a large sample. Nevertheless, to perform meaningful analysis when dealing with respondents from a large population, researchers often recommend a ratio of the number of items to respondents, and indicate a range from 5:1 to 10:1 (Pallant, 2010). Therefore, at the upper extreme there should be at least 10 respondents. Despite a great deal of contestation as to what constitutes a minimum acceptable sample, the 10:1 criterion was applied to this study, as a rule of thumb. The initial questionnaire contained 27 items[1] that had to be factor analysed. This transforms to a minimal sample size of (27 x 10) 270 respondents from each institution (cluster) or 810 respondents for the entire study. Thus, in total 810 questionnaires were distributed. Of these, 762 questionnaires were returned, representing a 94 per cent response rate.

Table 1: Demographic Profile of the Sample

Demographic characteristic		Percent
Gender	Male	54.6
	Female	45.4
Age	< 24 years	63.3
	25 - 35 years	35.8
	36 years >	1.0
Study status	Full time	94.8
	Part time	5.2
Level of study	Undergraduate	56.9
	B. Tech/Honours	22.4
	Masters	17.0
	Doctorate	3.7
Institution	UL	34.1
	VUT	32.4
	NMMU	33.5

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[1] This paper was extracted from a PhD thesis and only three out of nine objectives are reported. Consequently, of the total of 27 items constituting the questionnaire, only 17 items (See Appendix A) related to the objectives of this paper, are examined.

Data analysis and Results

In order to statistically analyse the measurement instrument as well as to test the study hypotheses, IBM Statistical Packages for Social Sciences (SPSS) V26 was used. In keeping with quantitative data, the following analyses were performed:

- o *Descriptive statistics* – to describe the sample's demographic profile.
- o *Reliability analysis* – using Cronbach's alpha, to assess the measure of internal consistency (reliability) of the measurement scales.
- o *Factor analysis* – to reduce variables into smaller groups of latent variables, including tests of content and criterion validity.
- o *Linear Regression analysis* – to test the direct effects of marketing-related mobile activity on the adoption of mobile marketing transactions.

Construct reliability

Using the Cronbach's alpha (α) coefficient, the measuring scales were tested for internal consistency and construct reliability. Item selection and scale purification using inter-item and item-to-total correlations, were used to measure internal consistency for questions (Pallant, 2010). With the exception of demographic information, all other scales (see Table 2) were tested for reliability. According to Pallant (2010), perception scales yielding a Cronbach's alpha of at least 0.6 are regarded as reliable and internally consistent. Cronbach's alphas of the sub-scales ranged from 0.810 (Adoption of mobile marketing transactions) to 0.938 (Accessing content) (Table 2), which indicate an acceptable internal consistency and reliability measures for the questionnaire.

Table 2: Cronbach's alpha (α) for the sub-scales

Sub-scale	Cronbach's alpha (α)	Mean	No. of items retained
Providing Information	.888	.325	3
Sharing Content	.831	.301	3
Accessing Content	.938	.374	4
Adoption of Mobile Marketing Transactions	.810	.298	4

Construct Validity

Principal component analysis (PCA) was employed to determine the validity of the independent variables. Requirements to proceed with PCA were determined using Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and the Bartlett's test of Sphericity (Pallant, 2010). The range of the KMO index falls between 0 and 1; Kaiser (1974; cited in Field, 2013) recommends accepting values greater than 0.5 as sufficient enough to proceed with PCA. Lastly, the Bartlett's test, in all cases, yielded highly significant p-values ($p < 0.05$). Table 3 below summarises the PCA results.

Table 3: PCA output

Research Construct	Items	KMO	Bartlett's test Chi-square	P-Value	Communality	Factor Loading
Providing Information	PI1	.792	1777.832	.000	0.555	0.789
	PI2					0.739
	PI3					0.705
Sharing Content	SC1	.500	516.852	.000	0.546	0.602
	SC2					0.783
	SC3					0.603

Table 3: PCA output (Contd.)

Accessing Content	AC1	.648	4970.098	.000	0.623	0.763
	AC2					0.663
	AC3					0.721
	AC4					0.673
Adoption of Mobile Marketing Transactions	AMMT1	.796	1292.000	.000	0.576	0.706
	AMMT2					0.619
	AMMT3					0.763
	AMMT4					0.711

Note: PI = Provision Information; SC = Sharing Content; AC = Accessing Content; AMMT = Adoption of Mobile Marketing Transactions

As depicted in Table 3, upon extraction, all the items within the six scales comprising the questionnaire, scored communalities above 0.5, which according to Field (2013) are considered satisfactory. Furthermore, the component matrix output after extraction for all the four scales, yielded high and distinct factor loadings greater than 0.5, thereby supporting the assumptions of construct validity (Civelek, 2018).

Hypotheses Testing

To test the study's proposed hypotheses, the linear regression model: *y = a + bx + e* was individually applied to test each marketing-related mobile activity dependent variable with the independent variable (adoption of mobile marketing transactions).

The regression model consists of:

(a) Y = Dependent variable
(b) X = Independent variable
(c) a = Y-axis intercept
(d) b = Beta or the coefficient of X (independent variable)
(e) e = Error term

Regarding the first hypothesis, which postulated that greater degree of mobile activity linked to providing information will result in greater mobile marketing transactions, the results depicted in Tables 4 to 6 reveal the standardized coefficient of each predicator, R, R^2, F and β in linear regression analysis. The entire model reveals a significant effect of providing information online on adoption of mobile marketing transactions ($F_{(1,733)} = 632.167$, $p<0.05$). In addition, analysing the effect size ($R^2 = 0.463$) shows that marketing-related mobile activity of providing information online, explained adoption of mobile marketing transactions with a power of 46.3%. Furthermore, as depicted in Table 6, the standardized coefficient (beta) value for providing information is positive ($\beta =0.680$) and significant ($p<0.05$), and thus supports hypothesis H_1. A conclusion can therefore be advanced that a greater degree of mobile activity linked to providing information, will result in adoption of greater mobile marketing transactions by consumers.

Table 4: Model Summary

Mode 1	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.680[a]	.463	.462	.835

a. Predictors: (Constant), Providing information

Table 5: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	441.001	1	441.001	632.167	.000[b]
	Residual	511.343	733	.698		
	Total	952.345	734			

a. Dependent Variable: Adoption
b. Predictors: (Constant), Providing information

Table 6: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.112	.105		10.581	.000
	Providing information	.703	.028	.680	25.143	.000

a. Dependent Variable: Adoption

Furthermore, studying the output of the linear regression analysis (see Tables 7 to 9), the test for the effect of sharing content online on adoption of mobile marketing transactions $(F_{(1,733)} = 4.150, p<0.05)$ reveals a significant relationship between the two variables. However, further analysis of the effect size depicts a low $(R^2=0.06)$ predictory power of the independent variable. This entails that only 6% of total variation in the adoption of mobile marketing transactions was explained by sharing content. As highlighted in Table 9, the standardized coefficient (beta) value for providing information is also very low but, however, positive $(\beta =0.75)$ and significant $(p =0.042)$, and thus supports hypothesis H_2. Even though a weak significant relationship was established, a conclusion can be advanced that a greater degree of mobile activity linked to sharing content will result in greater adoption of mobile marketing transactions by consumers.
Model

Table 7: Model Summary

Mode 1	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.075[a]	.060	.040	1.137

a. Predictors: (Constant), Sharing content

Table 8: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.362	1	5.362	4.150	.042[b]
	Residual	946.983	733	1.292		
	Total	952.345	734			

a. Dependent Variable: Adoption
b. Predictors: (Constant), Sharing content

Table 9: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.444	.104		32.964	.000
	Sharing content	.064	.031	.075	2.037	.042

a. Dependent Variable: Adoption

The last hypothesis of the study was to test whether greater activity linked with accessing content online would result in the adoption of greater mobile marketing transactions. The results in Tables 10 to 12 show the standardized regression coefficient of each predicator, R, R^2, F and β in linear regression analysis. The entire model highlights a significant effect of accessing content from online stores on adoption of mobile marketing transactions ($F_{(1,733)} = 481.989$, $p<0.05$). In addition, analysing the effect size ($R^2 = 0.397$) reveals that, marketing-related mobile activity of providing information to online retails, explained adoption of mobile marketing transactions with a power of 39.7%. Furthermore, as portrayed in Table 12, the standardized coefficient (beta) value for accessing content is positive ($\beta =0.630$) and significant ($p<0.05$), and thus supports hypothesis H_3. A conclusion can therefore be extended that, a greater degree of mobile activity linked to accessing content, will result in greater adoption of mobile marketing transactions by consumers.

Table 10: Model Summary

Mode 1	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.630[a]	.397	.396	.885

a. Predictors: (Constant), Accessing content

Table 11: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	377.797	1	377.797	481.989	.000[b]
	Residual	574.547	733	.784		
	Total	952.345	734			

a. Dependent Variable: Adoption
b. Predictors: (Constant), Accessing content

Table 12: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.720	.093		18.433	.000
	Accessing content	.559	.025	.630	21.954	.000

a. Dependent Variable: Adoption

Discussion

Overall, the results highlight the increasing importance of marketing-related mobile activity in influencing consumers' decision-making towards adoption of mobile marketing transactions. In particular, the results place the importance of interactive marketing between consumers and online retailers as evident by the positive significant relationships between all the predictor variables (i.e., providing information, sharing content and accessing content) and adoption of mobile marketing transactions. Mangold and Faulds (2009) found that in recent years, mobile marketing-related activity has become a new hybrid component of integrated marketing communications that allows online retailers to establish strong relationships with their consumers. This therefore entails that marketing-related mobile activities of providing information online, sharing information about a product and services, and accessing content online, all prompt interaction between retailers and consumers. According to Pittaway (2017), the rise in internet connectivity and the affordability of smartphones entering the South African market, have all contributed to a surge in the mobile activity linked to marketing. Thus, more consumers now have devices capable of connecting with online businesses on various online information-sharing formats, including merchants' websites, social networking sites (SNSs) (e.g. Facebook, MySpace and Whatsapp), creativity works-sharing sites (e.g. YouTube and Flickr), collaborative websites (e.g. Wikipedia), and microblogging sites (e.g. Twitter) (Chu & Kim, 2011).

The above-mentioned sites foster a brand's understanding of the market as consumers can readily access or share relevant information with businesses. Furthermore, brands with a strong consumer following, can benefit from starting a direct line of communication which necessitates engagement with the very consumership that purchases their products or services. It is through this direct communication that consumers can create rapport and trust with online retailers. Consequently, this also leads to reduction in information privacy fears and consumers can voluntarily provide personal information to marketers, which ultimately influence consumer decision-making in mobile marketing transactions positively. Davis (2019) also highlights the significance of marketing-related mobile activity in steering adoption of m-commerce. According to the author, by going online, business can chart out their marketing strategies, for instance, ask consumers to share their views on a new product, suggest a flavour for a specific food brand, and even ask consumers to submit their art for a new logo or product cover. Furthermore, online businesses are not just sticking to content, but they are also creating entertaining podcasts and videos which promote ideas for new products and campaigns. Resultantly, this process makes consumers feel more involved in the marketing process, and the fact that they have provided some input in the process, makes them more likely to transact online.

Contrary to the researchers' expectation, an interesting finding was that the likelihood of sharing content had a moderate significant influence on the adoption of mobile marketing transactions (H_2; $\beta = 0.075$, $p < 0.05$), when compared to providing information (H_1; $\beta = 0.680$, $p < .05$) and accessing content (H_3; $\beta = 0.630$, $p < 0.05$), respectively, as is evident by the betta coefficients. This finding according to Gao et al (2010: 580), may be explained by the fact that, "youth consumers are so immersed in using mobile devices as a tool of interpersonal communication with friends and may have a particular tendency to keep their world free of outside commercial interferences". Thus, youth consumers disseminate brand-related information less in their established social networks where most of the sharing content activity is executed, and they are more likely to engage in the mobile activity of providing information and accessing content with online business individually. Jointly, however, the findings suggest that South African consumers' use of mobile phones for marketing-related mobile activity, may serve as a priming factor for future engagement in mobile marketing transactions. The results, hence, lend credence to the inclusion of the mobile-related marketing construct in the conceptual model. The researchers noted particularly, similar results on surveys conducted among the youth in China, the USA, and Pakistan (see Sultan et al., 2009).

Implications and Study Recommendations

It is important for managers to recognise the various drivers of the adoption of mobile marketing practices among consumers across global markets. The findings from this study suggest several implications to managers involved in the development of mobile marketing strategy and programs within growing mobile markets such as South Africa. These findings also suggest that managers will want to develop mobile strategies that stimulate viral mobile activity such as provision of information, information access, and content sharing, which then could lead to greater propensity to engage in mobile marketing transactions. To effectively achieve this, online retailers should not only put a heavy emphasis onto utilitarian attributes, but also take hedonic attributes in consideration while formulating online retail strategy. Academically, this study makes a significant contribution to the mobile marketing literature by exploring the impact of marketing-related mobile activities on the adoption of mobile marketing transaction in the context of South Africa – one of the few countries where m-commerce is thriving on the African continent.

To influence the youth market towards adoption of mobile marketing transactions through mobile- related marketing activity of accessing content, businesses first need to understand how that demographic consumes information, and then identify how to deliver a marketing message that appeals to them. Thus, the youths are hyper-connected online, and they consume content on multiple platforms and devices. Consequently, for the m-commerce retail to tap into this active market, it is important for them to create emotional connections through mobile-friendly content that fits the needs and preferences of the youth. A site with poor content is very likely to be overlooked, no matter what other factors may come into play. Content helps shape the aesthetics as well as the marketing communication of the business website. As a result, marketers need to ensure that they create trust with consumers through provision of relevant and accurate content on their websites.

As depicted in the results, the mobile-related marketing activity of providing significant information, influences adoption of mobile marketing transactions among the South African youth consumers. According to Olenski (2016), growing up in a digital age has made youth consumers more accustomed to providing information to a business in order to use their products or services. Therefore, it is important for businesses to understand what consumers think and feel about their personal data, including the confidence level the customer places in a businesses' ability to protect that information. Therefore, marketers need to put in place specific measures that protect consumers' information to ensure brand trust and ultimately the adoption of mobile marketing transactions. In addition, it is important for marketers to recognize that consumers are willing to share their information, if they are convinced it will satisfy their needs, while ensuring that the information is kept secure.

Last, the finding that youthful South African consumers who are deeply engaged in the mobile activity of sharing content may in fact prefer less commercial meddling in the mobile spectrum, should caution marketers about variances in behaviour among South African youth consumers, and suggest the need to modify their marketing campaigns to smaller consumer segments, based on the extent of content-sharing among friends. Furthermore, in order to induce sharing of marketing-related content among the youth consumers, marketers need to offer highly targeted advertisements, which can be customised, based on previous engagement with their content as well the particular demographic needs.

Study Limitations and Future Research

The choice of the sampling strategy may limit the generalisability of the study findings: while the sampling technique helped to gather data from an important consumer segment within the mobile market (i.e. the youth market), the findings from this research are limited in that the data was obtained from a narrow sampling frame of primarily university students. Additionally, the study's regression analysis tests between the predictor variables and outcome variable might not be final. Other causal sequences such as moderators and mediators not tested in this study, might in fact be plausible and worth investigating in future research. Future research within a broader sampling frame, should also further examine differences related to gender as well as to socioeconomic factors. Despite the limitations, this study will make an immense contribution to new knowledge of the existing body of mobile marketing literature in the African setting – a research context which happens to receive less attention from academics.

Conclusion

While there is an increased recognition of mobile commerce as a critical aspect in today's competitive business environment, the extant literature is insufficient regarding empirical evidence on how mobile marketing-related activities influence the adoption of mobile marketing transactions. However, the current study is set to close this gap by investigating the causal relationships between these constructs in the mobile commerce industry. Through the postulation of three hypotheses, a successful attempt was made in this study, of the effect of mobile-related marketing activities as predictors of consumers' adoption of mobile marketing transactions. To test the proposed hypotheses, data was collected from three selected South African tertiary institutions. The empirical result significantly supported all three posited research hypotheses. In addition to that, the current study investigated this contemporary issue in the African setting that is often a marginalised research context. As a result, the findings of this empirical study are expected to provide fruitful new insights and have implications on both scholars and retail practitioners across the globe.

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Appendix A: Questionnaire

Construct	Items	Source
Providing Information	• I often provide my e-mail address to a web site using my mobile device • I often register with a web site using my mobile device • I often register for a competition or promotion using my mobile device • Providing my personal information to websites will help me receive customised targeted offers.	Sultan, Rohm, and Gao (2009)
Sharing Content	• Friends often send me downloads such as applications, video clips, ringtones or screen graphics on my mobile device • I often send my friends new applications, video clips, screen graphics or ringtones on their mobile devices • When I receive product related information or opinion from a friend, I will pass it along to my other contacts on the social network site • I am willing to recommend the product or service that I have seen advertised online to my friends or family.	Sultan, Rohm, and Gao (2009)

Appendix A: Questionnaire (Contd.)

Construct	Items	Source
Accessing Content	• I often download content (wallpaper, ringtone, videos) using my mobile device. • I often access fun and entertaining content such as music or games using my mobile device. • I often pay for content such as games or music for my mobile device. • My mobile phone is useful for accessing information related to stores, products, restaurants, etc.	Sultan, Rohm, and Gao (2009)
Adoption of Mobile Marketing Transactions	• I intend to use online mobile payment in the next months. • Interacting with my financial account over mobile payment is something that I would do • I believe that using mobile marketing is compatible with the way I live my life. • I believe that using mobile marketing is compatible with the way I live my life. • I believe mobile devices, in general, are the best way to conduct marketing.	Oliveira, Thomas, Baptista and Campos (2016)

EDUCATIONAL CURRICULUM AND ENTREPRENEURSHIP CULTURE AMONG THE YOUTH: A CASE STUDY OF UNIVERSITY OF ZULULAND

Thobile N Radebe[1] Orcid ID: 0000-0002-9571-1408,
Dr Makhosazana F Vezi-Magigaba[2] Orcid ID: 0000-0003-0614-7751

Abstract:

Youth entrepreneurship is broadly considered as an important factor of economic growth, job creation and poverty alleviation. Lack of education and training pose major challenges for youth participation in entrepreneurship. This study examines the extent to which the educational curriculum fosters an entrepreneurship culture among the youth, with specific reference to the University of Zululand. The mixed method study surveyed three hundred and seventy-four (374) students and interviewed eleven (11) heads of departments from different faculties at the University of Zululand. The key findings indicated that the university educational curriculum does not equip the students with entrepreneurial skills and mindsets that enable them to start their own businesses. More significantly, the entrepreneurship is only taught in business management departments where the focus is biased towards theory rather than the practical aspects of business ventures. The study concluded that the educational curriculum was too theoretical and that universities has not yet recognized the significance of teaching entrepreneurship across all faculties. The main recommendations are the need for a policy shift towards teaching entrepreneurship in all universities faculties and placing emphasis on the practical aspects of venture creation in entrepreneurship studies, as well as developing incubation centres for grooming entrepreneurs at higher learning institutions.

Keywords: *Entrepreneurship, entrepreneurship education, curriculum, entrepreneurship culture*

Introduction

There is a growing body of empirical research on the role of entrepreneurship in the economic growth, employment creation and poverty reduction. Youth entrepreneurship is no exception, as it has been recognized by a number of authors as an important tool in economic development (eg., Fatoki and Garwe, 2010, Udu and Amadi, 2013, Nani, 2016, Echezona, 2015, Chimucheka, 2012, Taatila, 2010). Research evidence highlights that youth entrepreneurship can play a significant role in promoting the development of the country's economic growth and job creation, especially in the South African environment where there is a high unemployment rate, specifically among the youth (Varblane and Mets, 2010). The promotion of entrepreneurship education will instil the culture of entrepreneurship and entrepreneurial mindsets (Varblane and Mets 2010). Nani (2016) pointed out that the current education system does not lay a good entrepreneurial foundation for students. Udu and Amadi (2013) further argue that learning institutions are still failing to develop the curriculum that equips students with entrepreneurial mindsets. There is little empirical research exploring the extent to which entrepreneurship is taught at universities. This study explores

[1]Masters Candidate, Department of Business Management, University of Zululand, University of Zululand; radebethobileh@gmail.com
[2]Department of Business Management, University of Zululand, University of Zululand; MagigabaM@unizulu.ac.za

the role of curriculum in promoting entrepreneurship and the extent to which entrepreneurship is taught in South African Universities, with specific reference to the University of Zululand.

Literature review

Teaching of entrepreneurship at universities

Taatila (2010) reported that universities offer modules in entrepreneurship to certain groups of students, and not to all students that are registered at the university. In turn, Varblane and Mets (2010) pointed out that most universities focus on teaching the theory of entrepreneurship to specific student groups, while the practical element is limited. However, the problem of access to entrepreneurship education goes beyond tertiary institutions and starts from the foundation of basic education which are primary and secondary schools. This is echoed by Nani (2016), that entrepreneurship is not taught in government primary and secondary schools, thus students' progress to higher levels of education with no appreciation of entrepreneurship.

Nani (2016) argued that introducing entrepreneurship studies at a tertiary level could be late for students to acquire essential entrepreneurial skills, which are best developed at younger ages, as proposed by entrepreneurial models. Also, those necessary entrepreneurial skills to hone the ability to recognise sustainable business opportunities and using those skills to start sustainable businesses are best taught at an early age. However, entrepreneurship studies in most countries in Europe as well as South Africa, Nigeria and Zimbabwe, are based on an unstable curriculum which fails to achieve the intended learning outcomes (Eurydice Report, 2016). The Report cites challenges with disparate outcomes of entrepreneurship studies, due to a lack of comprehensiveness between education levels, and which are largely fragmented in most European countries. It further states that experiential learning is rare in European schools, as they focus on activities outside the classroom and on active learning. Thus, there is a disconnection between the subject content, teaching methodology and learning for proper and effective delivery of entrepreneurship education. Hoffmann et al. (2015) pointed out that entrepreneurship cannot be taught effectively through traditional education methods and they advocate for practical measurements, student contributions and international benchmarking.

Fatoki and Garwe (2010), Nani (2016) and GEM Report (2016) pointed out that a dearth of education and training is one of the main causes for the high failure rate of SMMEs and for the low level of entrepreneurial activities in South Africa. There is still a gap in teaching young people entrepreneurship in a way that could inspire starting their own businesses and in acquiring entrepreneurial culture, hence the preference for white collar jobs (Varblane and Mets, 2010). Entrepreneurship skills are acquired via hands-on real-life development projects (Taatila, 2010) and learning institutions are failing to expose students to the real business world. Exposure to the real business world, supported by an acquisition of requisite skills, enhances the ability to start and operate business ventures (Gamede and Uleanya, 2017). Varblane and Mets (2010) highlight that offering entrepreneurship studies to every university student, will equip them with entrepreneurial skills and knowledge that they will be able to use in the business world. Further, Gamede and Uleanya (2017) argue that teaching entrepreneurship skills to all university students, will be of great significance to the country. For Varblane and Mets (2010) there is a need to complement the teaching of theory entrepreneurship with practical-oriented training in higher education institutions.

The 2018 Entrepreneurship Development in Higher Education (EDHE) Conference reiterated the adverse impact of most universities teaching students entrepreneurship theory than building entrepreneurship culture and the practise of entrepreneurship which exposes them to the real business world. Further, stating that universities are still lagging behind in changing students' mindsets to become employment creators rather than job searchers. The content and teaching methodology fail to expose students to the real business world, as most of them dwell on theoretical aspects of entrepreneurship, rather than practical aspects of entrepreneurship.

Empirical research evidence

Echezona (2015) reported that entrepreneurship education is a viable tool for the development of entrepreneurial culture and poverty alleviation among university students in South Africa. In turn, the study by Udu and Amadi (2013) explored the prospects for introducing entrepreneurship education at primary school level in Nigeria. The study surveyed sixty (60) entrepreneurs and ninety (90) primary school teachers, and reported that the respondents indicated that teaching entrepreneurship education at primary education would provide a concrete foundation for future participation in entrepreneurship by students.

Nani (2016) explored the introduction of entrepreneurial studies in the school curriculum in Zimbabwe. The study findings showed that entrepreneurship studies were not being offered in government primary and secondary schools. The recommendations were that entrepreneurship education should be introduced at primary and

secondary levels to prepare the mindsets of learners for the successful development and operating of businesses later in life.

Chimucheka (2012) investigated the influence of entrepreneurship studies on the performance of SMMEs in the Buffalo City Metropolitan Municipality, Eastern Cape Province in South Africa. The quantitative research study reported that entrepreneurship education plays a crucial role in improving the knowledge and entrepreneurial skills of SMMEs owners, and managers positively impacted the performance of the SMMEs. The crucial role of that entrepreneurship education in the formation and survival for SMMEs was highlighted.

Alsharief and EI-Gohary (2016) investigated the influence of entrepreneurship education on higher education students, and their employability in the context of Kingdom of Saudi Arabia (KSA). The study mixed method research design used interviews and survey questionnaires to collect data. The key findings showed that the teaching of entrepreneurship and new product development in the Technology and Science degree courses in KSA, influenced students' attitudes towards creating small businesses and new business ventures. Taatila (2010) emphasised that the teaching of entrepreneurship in higher education should include practical real-life development projects.

Theoretical Framework

Human capital theory

The human capital theory can be traced to the works of Becker (1994) who argued that capital cannot only be measured from entities using direct accounting book values like financial resources and physical infrastructure. The Human Capital Theory postulates that capital includes aspects that increase the well-being and contributory capacity of human beings to their selves, societies and organisations. To this end, Becker identified etiquette, experience, skills, knowledge and health as human capital indicators that increased a human being's value.
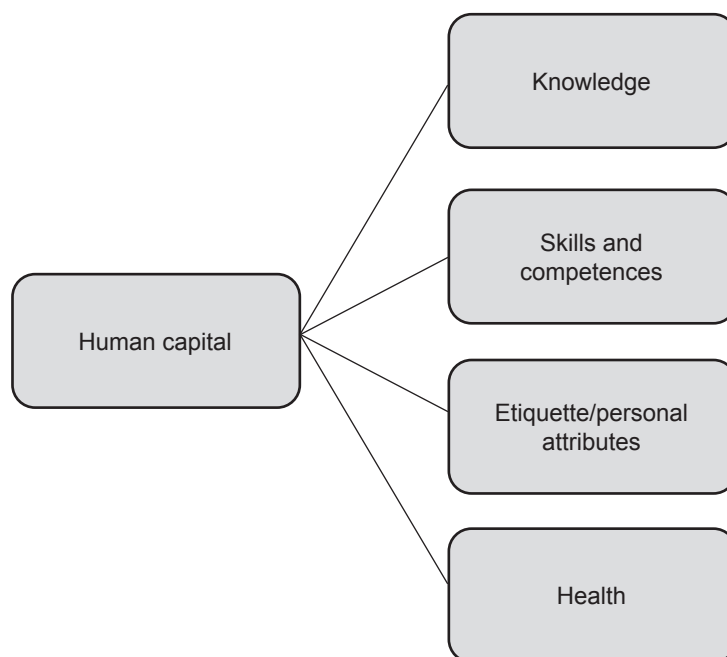

Figure 1: Becker's Human Capital Theory
Source: Becker (1994: PAGE 31)

According to the Human capital theory, education and skills development programmes are indispensable processes in the development of the human capital (Hogendoorn et al. 2019). Becker further argued that like traditional capital, higher capital values were better than lower ones, and different individuals can accumulate different levels of human capital based on factors like opportunity, levels of commitment, and the environment (Becker, 1994 & Martin et al. 2013). Therefore, all factors held constant, individuals with higher levels of education, knowledge and experience are expected to accumulate wealth at a relatively higher rate than those without (Becker, 1994). The Human Capital Theory suggests that education and training promote the productivity of individuals through teaching them important and useful knowledge, ideas, skills and how to keep up with levels of technology in today's changing business environment (Barro, 1991).

Olaniyan and Okemakinde (2008) reported that investment in education has a positive influence on economic growth and development. While the expenditure on training and development should be considered as productive investments similar to investments on physical assets. Martin et al. (2013) pointed out that entrepreneurship education improves students' attitudes towards entrepreneurship and intentions towards starting businesses. In addition to highlighting the relationship between entrepreneurship education and human capital outcomes, such as entrepreneurship-related knowledge and skills, Echezona (2015) suggested that education should be designed in a way that creates and promotes the supply of entrepreneurial enterprises and activities that re-focus the mindsets of students towards becoming entrepreneurs rather than job seekers. Thus, the Human Capital Theory places emphasis on the role of teaching and instilling the spirit of entrepreneurship culture to students through entrepreneurship education.

Notwithstanding, these insights Hogendoorn et al. (2019), argue that the association between human capital and entrepreneurial success as suggested by the theory, is not guaranteed. In their study they found that there was no statistically significant correlation between entrepreneurial success and human capital. Despite such sceptical views about the human capital theory, some researchers have relied on it to justify the positive effects of education on entrepreneurial success (eg., Nahapiet 2011 and Martin et al. 2013).

This study adopts the human capital theory to explicate the relationship between entrepreneurial success and deliberate personal development efforts by individuals within educational systems. The study examines postulates that the development of an entrepreneurial culture by higher education institutions as a unique formation of human capital, which if embraced by the students, have significant benefits for society.

Methodology

The study adopted the mixed method design to collect qualitative and quantitative data from students and heads of departments from selected faculties at the University of Zululand. The reason to choose this methodology is that mixed methods provides a better understanding of a research problem and it is also chosen because of the strength of drawing on both qualitative and quantitative research, and it minimizes the limitations of both approaches. Questionnaires were used to collect data from students, while interviews were conducted with heads of departments. Associated with mixed methods is the concept of triangulation, which is defined as the use of different methods to test the same theoretical issues (Creswell, 2014 & Ang, 2014).

The randomly selected sample of heads of departments comprised seven (7) heads of department (HoDs) from university departments which did not teach entrepreneurship and four (4) HoDs from departments that teach entrepreneurship. The sampling frame for the student sample was determined using the Krejcie and Morgan (1970) table to select three hundred and seventy-four (374) candidates. To draw a simple random sample without introducing researcher bias, computerized sampling programs and random number tables are used to impartially select the members of the population to be sampled. The subjects in the population are sampled by a random process, using either a random number generator or a random number table, so that each person remaining in the population has the same probability of being selected for the sample (Krejcie and Morgan, 1970).

Quantitative data was analysed using SPSS while qualitative data was analysed using Atlas.ti 8. In turn, the quantitative analysis was conducted using two approaches, namely Cramer's V correlational analysis and Spearman correlation. These two methods of analysis helped to gauge the strength of the associations among the key variables.

Results and Discussions

The main study objective was to examine the relationship between educational curriculum and entrepreneurship culture among students at the University of Zululand, South Africa.

Table 1: Cramer's V summary of strengths of associations

Independent variable	Dependent variable (statement)	Cramer's V	Sig.	Strength of Association
Faculty	Practical part of entrepreneurship is important as it helps with real business world exposure	0,21	0,00	Strong
	Your department promotes entrepreneurship	0,25	0,00	Very strong
	Lecturers include practicals in their teachings	0,52	0,00	Very strong
	Entrepreneurship education that you get from this institution changes your mindset to start your own business	0,20	0,04	Strong

Table 1: Cramer's V summary of strengths of associations (Contd.)

Independent variable	Dependent variable (statement)	Cramer's V	Sig.	Strength of Association
Degree level	Lecturers include practicals in their teachings	0,26	0,00	Very strong
	Entrepreneurship education that you get from this institution changes your mindset to start your own business	0,31	0,00	Very strong
Study level (year)	Entrepreneurship education equipped you with entrepreneurial skills	0,06	0,05	Very weak
	Your department promotes entrepreneurship	0,22	0,00	Strong
	Lecturers include practicals in their teachings	0,23	0,05	Strong
Rural/Urban	Entrepreneurship education helps in starting, sustaining and growing business	0,16	0,05	Strong
Public/private school	Entrepreneurship education helps in starting, sustaining and growing business	0,23	0,00	Strong
Do you run a business?	Practical part of entrepreneurship is important as it helps with real business world exposure	0,14	0,00	Moderate
	Your department promotes entrepreneurship	0,11	0,00	Moderate
	Everyone needs entrepreneurship education to sustain and grow their businesses	0,14	0,01	Moderate
Time spent on entrepreneurship studies	Entrepreneurship education equipped you with entrepreneurial skills	0,20	0,05	Strong
	Your department promotes entrepreneurship	0,17	0,00	Strong

Table 2: Cramer's V interpretation table

Phil and Cramer's V	Interpretation
>0.25	Very strong
>0.15	Strong
>0.10	Moderate
>0.05	Weak
>0	No or very weak

Faculty

Table 1 show that students strongly rated the influence of lecturers who include practical examples in their teaching entrepreneurship (0.52) and university departments that promote entrepreneurship (0.25). A strong rating was attributed to the practical part of entrepreneurship that is important as it helps with real business world exposure (0.21), and sentiments that entrepreneurship education enhances mindsets towards starting your own business (0.20). These findings support Echezona (2015) who highlighted the significance of entrepreneurship education as a viable tool for the development of entrepreneurial culture and poverty alleviation among university students in South Africa.

Degree level

Table 1 shows that students strongly ranked the influence of entrepreneurship education in changing the mindset to start their own business (0.31). While strong rating was attributed to the influence of lecturers who include practical examples in teaching entrepreneurship (0.26). The findings support Marchad et.al (2015) who stated that entrepreneurship education has a positive effect on the development of critical entrepreneurship skills and linking theory with practice.

Study level (year)

Table 1 show that students strongly rated the influence of lecturers who include practical examples in teaching entrepreneurship (0.22) and university departments that promote entrepreneurship (0.23). A weak rating was attributed to the influence of entrepreneurship education in equipping students with entrepreneurial skills (0.06). The findings support Udu and Amadi (2013) who argue that learning institutions are still failing to develop a curriculum that equips students with an entrepreneurial mindset. Nani (2016) pointed out that the current education system does not lay a good entrepreneurial foundation for students.

Rural/Urban

The students strongly rated the influence of entrepreneurship education in starting, sustaining and growing the business (0.16). The findings support Fatoki and Garwe (2010) who have a strong view that entrepreneurship is a viable tool in the development of economic growth in terms of job creation.

Public/private

The students strongly rated the influence of entrepreneurship education in starting, sustaining and growing businesses (0.16). The findings support Chimucheka (2012) who considers entrepreneurship education as an important tool in the development of entrepreneurship, which is one of the backbones of South Africa's economy, not only because they contribute to the gross domestic product (GDP), but also because they contribute towards job creation.

Business experience

Table 1 shows that the influence that university departments have that promote entrepreneurship, was rated moderate (0.11). While moderate rating was attributed to the practical part of entrepreneurship, it is important as it helps with real business world exposure (0.14), and sentiments that everyone needs entrepreneurship education to sustain and grow their businesses (0.14). These findings support Varblane and Mets (2010) who stated that entrepreneurship education is important in instilling the culture of entrepreneurship, which helps with entrepreneurial skills to sustain and grow the business. The author further stated that practical elements help in exposing students to the real world of business.

Time spent on entrepreneurship studies

Table 1 show that the students strongly rated the influence of entrepreneurship education in equipping the students with entrepreneurial skills (0.20), and university departments that promote entrepreneurship (0.17). The findings support the view by Taatila (2010) who highlighted the importance of entrepreneurship education in the development of entrepreneurship skills among students.

Time spent on entrepreneurship studies

Spearman Correlations asked the question: *What time do you spend on entrepreneurship studies?* As an independent variable, and the various perceptions as dependent variables, produced statistically significant results shown in Table 14 below:

Table 3: Spearman correlation - What time do you spend on entrepreneurship studies?

Statement	Test	Time spent in entrepreneurship studies
Entrepreneurship education equipped you with entrepreneurial skills	Correlation Coefficient	.288**
	Sig. (2-tailed)	.000
	N	156
Practical part of entrepreneurship is important as it helps with real business world exposure	Correlation Coefficient	.242**
	Sig. (2-tailed)	.002
	N	156
Your department promotes entrepreneurship	Correlation Coefficient	.286**
	Sig. (2-tailed)	.000
	N	156

Table 3: Spearman correlation - What time do you spend on entrepreneurship studies? (Contd.)

Statement	Test	Time spent in entrepreneurship studies
Lecturers include practicals in their teachings	Correlation Coefficient	.213**
	Sig. (2-tailed)	.008
	N	155
Entrepreneurship education that you get from this institution changes your mindset to start your own business	Correlation Coefficient	.171*
	Sig. (2-tailed)	.034
Everyone needs entrepreneurship education to sustain and grow their businesses	Correlation Coefficient	.282**
	Sig. (2-tailed)	.000
	N	156

Statistically significant is Spearman correlations between time spent on entrepreneurship studies, and sample perceptions on entrepreneurship educations that were generally positively weak or very weak as shown above. They ranged from 0.171 ($p<0.05$) for the statement *Entrepreneurship education that you get from this institution changes your mindset to start your own business*, to $r=0.288$, $p<0.05$ for the statement, *Entrepreneurship education equipped you with entrepreneurial skills.* The time that was spent studying entrepreneurship was therefore not strongly related to the perceptions the sample had on entrepreneurship education.

The research examined whether the curriculum equipped students with entrepreneurship skills and culture. The finding revealed that some students believed that the curriculum equipped young people with entrepreneurial skills. However, it was found that the students who believed that entrepreneurship studies equipped them with entrepreneurship skills, are students who studied the theory and practice of entrepreneurship and therefore benefited from the programs designed by the university in promoting entrepreneurship. The research further revealed that there is a strong belief that the curriculum needs to be improved. It must not only focus on the theory of entrepreneurship, but also on the practical component of entrepreneurship as this will help to expose students to the real business world. Entrepreneurship studies must also be available to all registered students as a choice of selection.

The findings revealed that entrepreneurship and entrepreneurship education is very important. For instance, Respondent 8 indicated that

> It is better to train job creators than job hunters, looking to the South African environment there is a serious need for job creators as to reduce the high unemployment rate. [R8]

Respondent 5 added that entrepreneurship and entrepreneurship education were essential for wealth creation. Thus, the major reason why entrepreneurship was perceived to be important was because of job creation, given the high levels of unemployment that graduates from universities face. The study shows that entrepreneurship education is the best way of encouraging entrepreneurship and the best tool in changing students' mindsets to be more entrepreneurial.

There was a general agreement by the participants that entrepreneurship education is important in the economic development of South Africa. In the literature (e.g. Echezona, 2015, Chimucheka, 2012, Taatila, 2010, Nani, 2016 and Udu and Amadi, 2013) though, various reasons were given for promoting entrepreneurship, including the point that participants mainly focused on employment creation as a core reason for promoting entrepreneurship. Generally, participants viewed entrepreneurship as a 'self-employment' option for graduates, due to the currently high unemployment rates in South Africa. Some of the students considered entrepreneurship as an alternative rather than as a main option. Other common reasons why entrepreneurship must be promoted, include its capacity to economically empower students through wealth creation and social empowerment (eg., Mkhize, 2010 & Afriye & Broheme, 2014), as well as for broader economic development and growth (Venter and Urban, 2015). Further entrepreneurship enhances social stability (Nieman and Nieuwenhuizen 2009) as this widens job creation and poverty alleviation.

The findings show that the way entrepreneurship is taught and promoted, needs some improvements. The entrepreneurship curriculum currently taught at universities is mainly theoretical than practical-oriented, thus

leaving students with book knowledge and little exposure to the real business world. In addition, entrepreneurship is taught in particular departments and not in all departments, even though it was found that students from all departments need exposure to entrepreneurship studies, as it is a feasible way of fighting against unemployment and poverty. The findings further highlighted that entrepreneurship studies were mostly taught as theoretical courses rather than effective practical courses. This raised concerns with the respondents in this study as theoretical courses in entrepreneurship were deemed to be inadequate in building the necessary entrepreneurial abilities and capacities in students.

The research also revealed that entrepreneurship studies are limited to a particular group of students, meaning that not all registered students get access to entrepreneurship studies.

Respondent 7 stated that:

There is a section that deals with promoting entrepreneurship such as business management department, agriculture, consumer sciences, tourism and other departments but I don't think it is enough as they focus more on the theoretical components of entrepreneurship and it is not promoted to the entire university. [R7]

The respondents agreed that excessive theorisation of entrepreneurship education was not very effective in developing future entrepreneurs. Venter et al. (2015) were among the scholars who emphasized the practical aspect on entrepreneurship education, particularly how it helps to build a stronger culture of entrepreneurship. Hoffmann et al. (2012) also asserted that entrepreneurship education, unlike traditional teaching and learning, cannot be effectively delivered through theory alone. Practical training, as emphasized by some of the participants, was therefore indispensable in creating a stronger entrepreneurial culture.

According to the respondent, this was not enough to fully encourage participation in entrepreneurship and an actual, dedicated entrepreneurship module was needed. The crux of this view was that some departments did not have a curriculum that effectively covered the necessary entrepreneurship modules that capacitated students with adequate skills and knowledge to start and manage their own businesses. Chimucheka (2012) and Zhou and Haixia (2012) stated that universities and tertiary institutions in general did not have curricula that supported entrepreneurship culture. The focus was still on traditional curriculum that developed theoretical knowledge aimed for the job market. Gamede and Uleanya (2017), in their study on the role of entrepreneurship education in secondary schools and further education and training (FET) phases in South Africa, also made similar findings that the curriculum did not effectively promote a culture of entrepreneurship.

The findings show that most of the respondents believed that entrepreneurship studies should start at an early age, as early as primary level, because they believe that this stage is a crucial stage for the children to learn. The findings show that students that have an entrepreneurship background are more likely to believe that entrepreneurship education instils an entrepreneurship culture among students, and that it changes the mindset to be more entrepreneurial.

The low level of entrepreneurship education can also be a result of parents and society that looked down upon entrepreneurship in graduates and valued employment instead.

We need to start at the earlier age so that they will grow up with the mind-set of being entrepreneurs. So that when they come to the university they have the background of entrepreneurship. [R1]

This strategy promotes that entrepreneurship education should start at the early stage, so students will grow up with the entrepreneurial mindsets. Udu and Amadi (2013) stated that teaching entrepreneurship education at an early age is important, as it will lay a solid foundation for students to grow up with entrepreneurship mindsets.

Conclusions

The main objective was to establish a relationship between educational curriculum and the entrepreneurship culture among the youth, with reference to the University of Zululand. The findings revealed that the educational curriculum should be improved in terms of entrepreneurship education. The methodology that is used to teach entrepreneurship must be developed in such a way that it will promote self-employment rather than prepare students for white-collar jobs or employment. Each country needs vibrant entrepreneurship to promote the economy, especially in South Africa that has high unemployment rates.

Entrepreneurship studies should start at primary level so that the learners will grow up with an entrepreneurship mindset and entrepreneurship education must be offered to all students. Learning institutions should establish incubators that will help in terms of the practical aspect of entrepreneurship, where learners will put the entrepreneurship theory that they obtained into action. Further, entrepreneurship teachers should be more

entrepreneurial in their teaching and embrace practical examples and experience regarding entrepreneurship. These approaches will go a long way in developing entrepreneurial mindsets and acquiring the necessary skills that will enable students to establish sustainable entrepreneurship businesses.

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AN INSIGHT OF THE CHARACTERISTICS OF MICRO-FRANCHISE BUSINESSES OPERATING IN SOUTH AFRICA

Knowledge Shumba[1] Orcid ID: 0000-0002-5481-9068,
Livhuwani Nkondo[2] Orcid ID: 0000-0002-0365-5622

Abstract:

Microfranchising is one of the new innovative business concepts that has gained traction in the past few years, and which could provide a solution to the challenges faced by micro- entrepreneurs and stimulate the growth of entrepreneurship. Microfranchising has therefore, emerged as a potential strategy meant to rapidly scale-up entrepreneurship behaviour within the Bottom of the Pyramid (BoP). However, despite microfranchising being singled out as a panacea for economic growth globally, very little is known about the microfranchising business concept in South Africa. Resultantly, the latter is ignored from entrepreneurship discussion and discourse at both academic and policy levels. To address this gap, the study assessed microfranchising practices in South Africa, to profile the characteristics of microfranchise businesses in South Africa. The study used the interpretivism research paradigm to achieve the study objectives. Primary and secondary data were employed to collect data on the microfranchising practices in South Africa. Five in-depth interviews were successfully conducted with microfranchisees, while secondary data (microfranchisees' and microfranchisors' success stories) was employed to collect data on the former and current practices of microfranchising in South Africa. The collected data was analysed using the ATLAS.ti. The study results show that the microfranchise business exhibits traits of BoP markets, centralised inventory buying, comprehensive training of microfranchisees, decentralised inventory buying, job creation, master microfranchisee, sales orientation, self-reliance of the business, standardisation and adaptation.

Keywords: *microfranchising, microfranchisor, microfranchisee, micro-entrepreneurs, entrepreneurs, Bottom of the Pyramid*

Introduction and Background of the Study

Poverty remains an on-going problem in the world's developing countries, given its impact on restricting people's ability to meet their basic needs, live lives that they value, and contribute constructively to society (Sen, 1999; Camenzul & McKague, 2015). According to BoP Innovation Center (2020), nearly 4.5 billion people live at the base of the economic pyramid, with 1.4 billion of them living in extreme poverty. An estimated 1 billion people have started micro businesses out of necessity, in order to generate income for themselves in an effort to alleviate themselves

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[1]University of Venda, Department of Business Management, School of Management Sciences
[2]University of Venda, Department of Business Management, School of Management Sciences

from poverty, due to a lack of employment opportunities (Banerjee & Duflo, 2011; Camenzul & McKague, 2015). These micro businesses are often very small, undifferentiated and unprofitable (Camenzul & McKague, 2015), because of a lack of skills, and a lack of access to markets and to the formal economy (Burand & Koch, 2010). Burand & Koch, (2010) argue that there is no silver bullet for moving people out of poverty, but however, there are tools that have shown huge success in spurring poverty and improving the lives of people at the base of the pyramid. These tools also stimulate the growth of entrepreneurship. One of these tools is microfinance, which has steadily gained worldwide attention over the years. However, the limits of microfinancing are that micro-entrepreneurs rarely grow into small or medium business, even if the owner has access to micro credit (Burand & Koch, 2011; Fairbourne, 2007). Karnani (2007) also argues that microfinance enterprise do not stimulate employment opportunities. It is in this context that microfranchising is gaining prominence and has garnered considerable interest in recent years among social entrepreneurs, non-governmental organisations (NGOs), government agencies, and the private sector, for its potential in supporting entrepreneurship among the disadvantaged in the developing countries (Camenzul & McKague, 2015; Fairbourne, 2006).

Examples of microfranchising enterprises that operate in South Africa and other countries across the world attest that there are micro-entrepreneurs who are operating their businesses successfully through microfranchising. Therefore, microfranchising, as illustrated in Table 1.1 below, compensate for some of the shortcomings of traditional micro-enterprise strategies that often assume that subsistence entrepreneurs have a certain level of skills, knowledge, and entrepreneurial expertise, which are necessary for venture success (Smith & Seawright, 2015).

Having noted the challenges micro-entrepreneurs are facing in South Africa, this study considered it opportune to assess the microfranchising practices in South Africa to profile the characteristics of microfranchise businesses in South Africa.

Table 1.1: Examples of Microfranchising businesses

Name	Year established and location of business	Products	Marketing or Selling method	Remarks
The Clothing Bank (TCB)	2010 Cape Town Johannesburg	Clothes	Door to door	Women micro-entrepreneurs are trained for 2 years to empower them to become financially independent. The women entrepreneurs are expected to generate a profit of R4 000 per month.
GROW Educare Center Project South Africa	2013 Kwazulu Natal	Education services to children	Door to door	Provide excellent early childhood education services at affordable prices in low-income communities while ensuring the micro owners operate them sustainable.
Vision Spring	2001 India, South Africa	Reading glasses, minor eyesight problems	Door displays in stand-alone optical shops, located within partner hospitals and surgical centers	Micro-entrepreneurs are provided basic training in selling optometry and glass products at affordable process in rural communities who have less access to optometrist and eye correction services.
Fan Milk	1960 Ghana	Dairy, ice creams and milk drinks	Door to door with bicycles.	Fan Milk Ltd provides credit and on- the-job-training to micro-entrepreneurs who act as their sales agents.

Source: Researcher's own construct

Conceptualisation of Microfranchising

There is no universal definition of microfranchising as the concept is still in its infancy. Authors such as Fairbourne (2006) and Gibso (2007) have called it "a systematisation and replication of micro enterprises by people at the Bottom of the Pyramid (BoP) with small capital start-up." Bottom of the Pyramid generally refers to the largest, but poorest, socio-economic group globally. In South Africa many of the individuals in townships and deep rural areas, fall into this category (Lovasic & Pompei, 2014). Some authors (Burand & Koch, 2010, Erceg & Kukec, 2017) describe microfranchising as "a variety of known franchise types that have reduced investments and revenue with an aim to impact poverty by facilitating job creation economic activity and distribution of goods and services to the base of the economic pyramid markets at a profit." According to Camenzuli and McKague (2015), microfranchising is a small tested business that can be managed by an entrepreneur in a low-income market with support from a microfranchisor. Lawson-Lartego and Mathiassen (2016) define microfranchising as a variant of the traditional franchising approach, which is a contractual arrangement in which one firm, the franchisor (microfranchisor), licenses a business concept, operational system, or trademark to a second firm, the franchisee (microfranchisee). Similarly, Sunanda (2016) defines microfranchising as a small business that can easily be replicated by following proven marketing and operational concepts. A closer analysis of the interpretation of microfranchising by the various authors above, reveal some key aspects that support microfranchising. Microfranchising, therefore, is not possible without these aspects. Fairbourne, Gibson & Dyer (2007) asserts that, "a true microfranchise business must include all three components". These three components are explained below.

Micro refers to something being more than small. In a business – it is a very small business operating on a small scale and strongly focuses on the well-being of the microfranchisee and the surrounding communities (Fairbourne, 2006, Fairbourne et al., 2007). The businesses are referred to as being 'micro', as they require little capital (Fairbourne et al., 2007). Additionally, the 'micro' should not imply that the businesses are not fully developed. Rather, microfranchises are fully developed, well-functioning enterprises; far more appropriate and sustainable than the default 'copied' businesses that the women at the train station resign themselves to when trying to sell fried bread (Webb & Fairbourne, 2016). 'Micro' also signifies the low-income customers these enterprises serve, and the relatively little capital required to replicate them (Lehr, 2008).

Franchising means the replication of business procedure and involves standardised operations and everything that is connected to traditional or commercial franchising with an objective of generating profit for the business (Erceg & Kukec, 2017, Fairbourne, 2006). Combining the words 'micro' and 'franchising' gives microfranchising, which is very different from commercial or traditional franchising, as it is created to help Small, Medium and Micro Enterprises (SMMEs) entrepreneurs to start sustainable and successful businesses.

A microfranchisor is the person or company that grants the microfranchisee the right to do business under their trademark or trade name. The microfranchisor typically controls many of the macro aspects of the business such as creating and marketing the brand, procuring inputs, continuously improving the model, and recruiting and training franchise operators (Erceg & Kukec, 2017). A microfranchisee is the person who lacks skills and training of running a successful business and that gets the training and mentoring from the microfranchisor to run his or her own business under the franchisor's trademark or trade name. Microfranchise Agreement is a document that specifies all the terms on which the relationship between the microfranchisor and microfranchisee is based (Nieman & Neiuwenhuizen, 2014). It specifies all the rights and obligations of the two parties on how the microfranchise is to be operated.

Bottom-of-the-pyramid markets: This term refers to a market which consists of the world's population that resides at the lower levels of the world's economic pyramid (Timonen-Nissi, 2017). The BoP markets are often disengaged from the global market, hence they are not part of the supply chains that link developed markets with emerging markets. Additionally, BoP markets are often oligopolistic in nature due to the lack of competition. Thus, consumers in such markets often overpay for necessities such as water, housing, financial products and other products (Kistruck, Sutter, Lount Jr et al., 2013). There are several characteristics that distinguish the BoP markets from the developed markets. The three most significant ones are: (1) poorly developed or undeveloped formal institutions, (2) significant differences between developed and BoP markets in terms of formal and informal institutions, and (3) substantial institutional differences within and among BoP markets (Kostova & Zaheer, 1999, Webb, Kistruck, Ireland et al., 2010).

Unlike in developed markets, formalised property rights do not generally exist in BoP markets. This lack of formalised property rights can make it difficult for individuals to use property as collateral, which in turn, can complicate the access to capital (De Soto, 2000). Incentives for investments and property improvements decrease as insecurity over property ownership increases (Kistruck et al., 2013). Without formalised systems of monitoring, individuals need to rely on informal means of monitoring and enforcing property rights in BoP markets (De Soto, 2000). As contracts are difficult to enforce, they are mainly used to set up expectations for partnering. Legal recourse is often ruled out as an option, due to its high cost and to the relatively small sums that are generally involved in BoP market ventures.

To combat such BoP distribution challenges that arise from the nature of the cultural and institutional environment, organizations are often forced to seek out locally embedded individuals to act as agents to tap BoP market communities (Smith & Stevens, 2010). These individuals, therefore, become instrumental in garnering access to informal institutions as a means to generate acceptance of new products and services (London & Hart, 2004). However, such individuals lack professional sales skills and they have very little sense of what it is like to participate in a formal business.

The institutional voids that characterize BoP markets, also create significant agency costs when firms use locally embedded individuals to sell and distribute products (Khanna & Palepu, 1997, Kostova & Zaheer, 1999). Specifically, the weak legal institutions of BoP markets make it difficult for organizations to enforce contracts and rely on public forms of governance in the event of dispute (De Soto, 2000). Similarly, the technological and transportation infrastructures make monitoring of effort very expensive and difficult for organizations operating in BoP markets (Webb et al., 2010). As a result, firms attempting to expand into BoP markets often use hybrid governance structures, such as microfranchising, franchising or consignment. These tactics help balance the transaction responsibility placed on local salespeople with the firms' retention of control over how the products are sold (Christensen et al., 2010, Smith, 2010). However, this need to maintain control often results in significant ongoing monitoring and enforcement costs for the firms (Kistruck et al., 2013).

Methodology

The study followed the phenomenological philosophical paradigm to gain a deeper understanding of the complexity of the extent of microfranchising in South Africa. The phenomenological paradigm of the study was concerned with how microfranchise entrepreneurs made sense of the business world around them and how, in particular, the philosopher should bracket out preconceptions in his own engagement with that world (Bryman & Bell, 2015). The interpretivist research paradigm was chosen for this study, because it enabled the researcher to understand the socially constructed meanings of the respondents from the respondents themselves. Through the in-depth face-to-face interviews and the use of the secondary data that contained the shared experiences of the microfranchisees and microfranchisors across the country, the phenomenological paradigm guided the researcher to understand the multiple realities of the respondents in their natural context. This gave rise to new and unique ideas from the respondents. In addition, the phenomenological paradigm was used for this study, mainly due to the novelty of the research topic in South Africa. Hence, the researcher felt that a qualitative approach would be appropriate to test for detailed levels of understanding – an approach which would make way for other strategies for the study. The study followed an explorative research design.

The population of interest in this study are microfranchise entrepreneurs. Due to the novelty of the microfranchising concept in South Africa, the population of microfranchising is not well- known. Judgment purposive sampling was used to select the microfranchise entrepreneurs for this study. South Africa is made up of nine provincial regions which are divided into the coastal and landlocked regions. Three provinces were purposively selected for this study with one (Western Cape) province being selected due to the prevalence of microfranchising in the province, and two from the landlocked regions (Limpopo and Gauteng). The research utilised secondary and primary data collection methods. Secondary data collection was used to explore the past microfranchising practices in South Africa. The secondary data contained lived experiences of Vodacom and the Clothing Bank microfranchisees. The qualitative collected data was analysed using the Atlas ti version 8 software. The software is ideal for coding and categorising data into themes in a systematic way.

Results and Discussion

The research question for the study sought to establish: *What are the characteristics of microfranchise businesses operating in South Africa?* The study results revealed that microfranchise businesses operating in South Africa

exhibit the following characteristics: BoP markets, centralised inventory buying, comprehensive training of microfranchisees, decentralised inventory buying, job creation, master microfranchisee, sales orientation, self-reliance of the business, standardisation and adaptation.

BoP markets: The study established that microfranchising businesses are characterised by BoP markets. This is because microfranchise has emerged as an innovative business model with high potential to scale up entrepreneurship at the BoP, to co-create value with those entrepreneurs and to contribute to public goods and poverty eradication (Fairbourne, 2007).

> They start their own small business very quickly by trading, mainly in the informal sector, with the clothing they buy at discounted prices from The Clothing Bank. (Respondent 1; Quote 6).

> The Community Services business model stipulates that local entrepreneurs (from within the disadvantaged communities) should own and operate the phone shop franchises. (Respondent 5; Quote 4).

> Vodacom launched the Community Services program in late 1994, and over time the program has demonstrated how a technology company can operate profitably in low-income, rural areas by helping local entrepreneurs become franchise operators. (Respondent 6; Quote 60).

The results show that microfranchisees operate their businesses in BoP markets. These BoP markets are often disengaged from the global market, hence, they are not part of the supply chains that link developed markets with emerging markets. Additionally, BoP markets are often oligopolistic in nature, due to lack of competition. Thus, consumers in such markets often overpay for necessities such as water, housing, and financial products among other products (Kistruck et al., 2013). These BoP markets are characterised by low income people, township and rural areas.

Combined Approach Inventory buying: The results of the study established that microfranchise businesses use a combined approach inventory buying. Thus, they use the centralised and decentralised inventory buying systems. Centralised inventory buying allows them to receive discounts for buying inventory in bulk from their suppliers. This enables them to enjoy economies of scale, hence, they can sell their products and services at affordable prices to their customers.

> They start their own small business very quickly by trading, mainly in the informal sector, with the clothing they buy at discounted prices from The Clothing Bank. (Respondent 1; Quote 7).

> The social enterprise sources its clothes and faulty appliances from bulk rejections that do not meet the specifications of a retailer, customer returns and end of range items. (Respondent 2; Quote 22).

> We only buy oil in bulk so that we can receive discounts from the supplier as it is used in every car. We also carry little stock for bulbs, plugs and fuses as most of them are universal to all cars. Our stock holding is very small. Our head office only played a role in securing supplies for oil, only because the supplier has a lot of branches around the country which make it easier for them to deliver to us. With these deals the microfranchisor assisted in getting a better deal because of the buying power we have as a brand. (Respondent 3; Quote 54).

The above indicates that some of the microfranchising businesses use a centralised inventory buying system for their microfranchising business concepts. This creates an efficient distribution channel for the microfranchisors, simple and standardised to ensure that the customers are always satisfied. In explaining the simplicity of the centralised inventory buying system used in some of the microfranchising business concepts, one of the respondents indicated:

> You should place order to the producer when the customers have made orders only. (Respondent 5; Quote 20).

Despite using the centralised inventory buying, the microfranchising business also uses decentralised inventory buying. A decentralised inventory buying system allows faster delivery of materials in line with local factors. Thus, the microfranchisee can purchase their inventory locally in the right quantities and quality when required.

For example, if you bring a Polo TSI for a service today, we will book that vehicle in and purchase the required spare parts from suppliers after accessing the parts that are need. So, we do not carry stock of spare parts. We only order parts that are only needed for vehicles to be serviced in that day" (Respondent 3; Quote 41).

We purchase the inventory from the list of recommended suppliers that we are given by the head office. However, our purchases are different from other branches because there are influenced by the location of the branches especially with our branches being remotely located, we have the liberty to look for our own suppliers since these branches are located very far from the recommended suppliers. We are not limited to use the recommended suppliers if the quality meets the head office expectations. (Respondent 4; Quote 53).

The above shows that microfranchise businesses use a combined approach for inventory buying. Thus, they utilise a centralised and decentralised inventory buying system. Centralised inventory buying is suitable in microfranchising business, because the microfranchisees have common needs, since they sell the same products or services, hence, purchases are made from a single supplier. This, therefore, allows them to buy in large quantities from their suppliers who give them favourable business terms. They also enjoy economies of scale through centralised purchasing, which enable them to negotiate for stock discounts from suppliers. This corroborates with Mphambela (2015), who explains that a centralised operating system that franchises fully, drives the business to success, because franchisees in the same franchise network are not competitors, but allies in the business. The adoption of a decentralised inventory buying in the combined approach, allows the purchase of individual microfranchisees' according to their requirements. Using this approach microfranchisees can have special needs purchases from their local suppliers. This study, therefore, acknowledges combined approach inventory buying as one of the characteristics of a microfranchise business.

Comprehensive training of microfranchisees: The training received by microfranchisees contributes to the personal development of the entrepreneur, and consequently to the success of the business. The training provided by microfranchisors is for business management, therefore it covers all aspects of the business that entrepreneurs must know in order to successfully operate the business.

She is exposed to over 1000 hours of practical training and support, covering modules such as money management, business skills, computer skills and life skills. (Respondent 1; Quote 14).

I received a three weeks' intensive training program, that had everything to do with [the] operating this branch from paperwork to what happens in the background, up until to the physical activities, operational day-to-day activities involved in operating a branch like this one. (Respondent 3; Quote 21).

When I need training, they do provide me. For my employees we have an online academy where there are updated of the new ways of running the business. (Respondent 4; Quote 31).

The comprehensive training they receive from the microfranchisor is of paramount importance to the successful operations of microfranchise businesses. This enables them to be familiar with the business model. Specific training provided by the microfranchisor is an important opportunity for the microfranchisee to recognize the significance of utilizing creativity, know-how, as well as social and financial capital resources. Since training is provided by the microfranchisor, the risk of starting a new business is much lower compared to starting a business from scratch for the microfranchisor (Fairbourne, 2007). Tantamount to the results from the study Gibson (2007) explained that there are several benefits for microfranchisees that are attributed to training. For instance, the microfranchisor helps microfranchisees with site selection, negotiating the terms of lease for the storefront, and establishing an effective store layout. Moreover, tested operational guidelines and different checklists help the microfranchisee both in short and long-term planning and reporting. Lastly, there are built-in support systems, where microfranchisors' financial success is directly tied to the microfranchisees, as a result there are incentives for both actors to do their job successfully. These built-in support systems include mentors and networks with other microfranchisees, among others.

Job creation: Microfranchising also creates jobs that lead to the economic development of South Africa. It creates employment opportunities for people living at the BoP, hence, leading to the development of BoP communities,

especially in the developing countries such as South Africa. Microfranchising also creates employment opportunities for those who do not have managerial skills and those who are uneducated, since microfranchising are usually larger than the traditional micro enterprises.

> We have the capacity to support 800 mothers trading from our five branches in Cape Town, Johannesburg, Durban, East London and Paarl. (Respondent 1; Quote 78).

> The Clothing Bank provides unemployed mothers and fathers with an alternative, empowering them to become self-employed business owners. (Respondent 2; Quote 7).

> The Clothing Bank is continually looking for opportunities to provide business opportunities for unemployed South Africans and recognises that most unemployed people are not entrepreneurs. (Respondent 2; Quote 29).

> There are over 1800 owners and over 4400 phone shops nationwide, and each owner is empowered to staff and operate phone shops according to their own needs and preferences. Regardless of the size of their operations, owners may or may not be involved with the actual operations of their shops. Most oversee their own operations, but some opt to hire middle management. (Respondent 6; Quote 40).

The above shows that microfranchising businesses create employment. One of the biggest problems of developing countries is the lack of employment. As a result, most people are working in the informal economy, since the formal economy does not offer enough jobs. Apart from the low salaries, the working conditions in the informal sector are often poor; there is lack of formal employment contracts, and hardly any social protection. In reality, the informal economy presents one of the biggest development challenges at the moment, but the growth of microfranchising could upgrade those businesses into formal economies (Henriques & Herr, 2007). Thus, small, local businesses can enjoy the benefit of the microfranchisor's official registered status (Magleby, 2005). Potentials of creating jobs and growth are better in proven business models, such as microfranchising (Fairbourne, 2007). The notion of job creation is explained in the following extract from Respondent 8.

> The main benefit of microfranchising is that we are very big job creators. We currently have close to 15 000 demonstrators in our business, so we created 15 000, although every demonstrator does not sell every month and that is the thing that goes with direct selling. (Respondent 8; Quote 14).

Following the explanations in the above excert, job creation becomes one of the most important benefits derived from the microfranchisees' business operations. The above prove that microfranchising creates jobs for microfranchisees and their employees, including those who do not have managerial skills. This is because microfranchises are often larger than traditional micro-enterprises (Fairbourne, 2007). In support of the employment capacities of microfranchising, Gibson (2007) explained that the development of microfranchising is recognized by many as the most innovative and fastest method to transform temporary, informal micro-enterprises into legitimate, viable businesses. However, according to Christensen et al. (2010), not many former studies have discussed the poor as employees. They see employment creation as one of the greatest benefits of microfranchising that employs people who do not generate their own business ideas.

Master microfranchisee: The information obtained also clarified that some of the microfranchisees hold a master microfranchisee agreement, which gives them the right to sell microfranchises to other people within their territory. Thus, microfranchisees with master microfranchisee agreements, have the right to sell the microfranchisees to other people interested in the business, whom they will manage on behalf of the microfranchisor.

> Basically, we are a direct selling business. Me and my wife we are distributors of Tupperware. We buy the Tupperware from the Tupperware company which a company that is based in Brakpan and the head office is in Bryanston, it is the head office for Southern Africa. They are responsible for planning for the operation of the business including training and the other aspects of the business regarding the business. We have the main business in Johannesburg. We have other distributors across SADC countries, Ghana and Nigeria. There are about 33 distributors in the business. There are about 2 or 3 in a region. Each distributor is a business on its own. (Respondent 8; Quote 17).

One of the microfranchisees notified that they operate their microfranchise business through a master microfranchise agreement. Just like the master franchise agreement, the microfranchisee agreement gives the microfranchisee more rights than an area development agreement (Beshel, 2010). The microfranchisee that is given more rights is known as the sub-microfranchisor, while the microfranchisee that enters into an agreement with the sub microfranchisor, is known as the sub-microfranchisee]. In addition to having the right and obligation to open and operate a certain number of units in a defined area, the master franchisee also has the right to sell franchises to other people within the territory (Beshel, 2010). This, therefore, means that the sub-microfranchisor acts as the microfranchisor. Thus, the master microfranchisee or the sub-microfranchisor takes over many of the tasks, duties and benefits of the franchisor, such as providing support and training, as well as receiving fees and royalties. This was explained by Respondent 8 in the following extract during the interviews.

> Basically, we are a direct selling business. Me and my wife we are distributors of Tupperware. We buy the Tupperware from the Tupperware company which is based in Brakpan and the head office is in Bryanston, it is the head office for Southern Africa. There are responsible for planning the operational activities of the business, including training and the other aspects of the business. We have the main business in Johannesburg. We have other distributors across SADC countries, Ghana and Nigeria. There are about 33 distributors in the business. There are about 2 or 3 in a region. Each distributor is a business on its own. As a distributor we recruit sale force members in our business to become demonstrators. (Respondent 8; Quote 17).

The explanation given by Respondent 8 exhibits how the word 'distributor' and 'master microfranchise' is used interchangeably referring to microfranchisor in the framework developed for this study.

Sales orientation: Microfranchisees are expected to improve the sales of the microfranchisors' products or services, to ensure that they also earn high profits from the sales they make. Thus, the focus of the microfranchisees is on increasing the sales of the business through promoting and advertising the products to the possible customer.

> The objective is that each woman should earn at least R4 000 per month. (Respondent 1; Quote 17).

> Yes, there are. We sit down on annually basis with the business development managers from the microfranchisor. We sit down and decide on the annually budgets targets for the upcoming financial year. (Respondent 4; Quote 59).

> The more you sell more the more gifts you receive. (Respondent 5; Quote 13).

> There are sales targets that we are given and receive free products for reaching a certain amount of sales and these incentives increase as you sell more. We then sell these products to add on our profits. (Respondent 7; Quote 11).

> They start by being demonstrators and get promoted to be managers, senior manager, executive senior manager where they get benefits such as car allowance. If they also promote a certain number of managers, they can become team leaders. The team leaders get commission for every sale they make themselves. (Respondent 8; Quote 4).

The microfranchisees also indicated that the microfranchise businesses operate on a sales orientation. This motivates them to sell more of their products and receive more incentives for having a high sales turnover. Their amount of work is reflected by the sales revenues they make for a certain period, for example, in a month.

Self-reliance: The data collected, shows that microfranchising businesses are self-reliant, hence, the business is sustainable. The businesses can generate enough income that can be reinvested in the business and generate enough profits that the microfranchisees can use for their basic needs and acquisition of assets that can increase in value.

> The Clothing Bank is 80% self-funded and the goal is for all 5 branches to be 80% self-funded within 5 years. (Respondent 2; Quote 50).

Despite these relatively low margins and the low income per capita in rural and disadvantaged townships in South Africa, the aggregate buying power of a community provides enough revenue to support the operating costs of Vodacom and the shop owner, who is able to maintain a relatively high cash flow. (Respondent 6; Quote 34).

Self-reliance is essential for any entrepreneurial venture. The respondents acknowledge that their businesses are self-reliant. The microfranchisees therefore, operate businesses that provide them with an income that goes beyond just a day-to-day subsistence. From the interviews conducted, the study attests that microfranchisee businesses are generating enough revenue to facilitate reinvestment of profits in the business and they are growing in capacity.

Standardisation: Since microfranchising has some features of traditional franchising, it is evident from the results of the study that standardisation is one of the characteristics of microfranchising businesses. As a result, some of the microfranchisors insists that certain standards are maintained by the microfranchisees to ensure uniformity among the microfranchised branches.

When buying other materials, the head office requires to give the customer a guarantee of spare parts bought. There are only guidelines of how to operate the business, for example, how quotations and job cards should be made. They have put together a tick box list that contains 62 things that must be done when inspecting the car for a service, but we are not limited to that. They also have administrative procedures that they want us to follow on how a job card should be written and handled. For example, a customer must sign a job card before proceeding with repairing the motor vehicle. The vehicle must also be inspected properly for damages. (Respondent 3; Quote 60).

These procedures of operating the business need to be standard across all branches in South Africa, even though the prices differ from one branch to another. The prices are different because we use different suppliers for our inventories. The prices are also influenced by location factors, for example, we incur more transportation costs than branches that are in Gauteng. So, you will find that the remote-located branches charge higher prices than the centrally remote-located branches. We only have few products that we charge the same product. (Respondent 4; Quote 64).

Each container has been modified to fit a service counter at one end, where the phone shop control units are located and where employees are stationed to collect money and program phone time into the control units. Each container also contains at least five phones (with a maximum of ten), located within phone stalls along the walls of the container. Insulation and ventilation are also added to containers during the modification process. (Respondent 6; Quote 48).

We use catalogue books. Every month we receive catalogue books that indicate which products will be on sale and it's the one that we show to customers. Usually the products that will be indicated in the books are the ones that will be having low prices. We then move around with the books showing the customers the products on sale. After that the customers place orders which we use to buy the products from the depot. (Respondent 7; Quote 6).

We are bound by the operational rules and we must follow them. This relate to business image of the manufacturer. There are also rules for operation for distributors. One has to operate in his region as a distributor. (Respondent 8; Quote 9).

Standardisation is also essential to a microfranchising business Nieman & Nieuwenhuizen (2009) explained that established franchisors will insist that a certain minimum standard of furnishings, fittings and equipment be maintained. Standardisation is a concept that both microfranchising and franchising equally regard and enforce.

Adaptation: Even though microfranchise businesses are standardised, some of the microfranchise businesses do not have standardised prices for their products. This is influenced by location-related factors, which affect the cost of materials required to render services or products required by the microfranchisees' customers.

The prices are different because we use different suppliers for our inventories. The prices are also influenced by location factors for example we incur more transportation costs than branches that are in Gauteng province. So, you will find that the remote located branches charge high prices than the centrally remote located branches. (Respondent 4; Quote 63).

Adaptive pricing also stemmed from the results as part of the characteristics of microfranchising. Microfranchising business allows microfranchisees to adapt or adjust their prices to meet local conditions, which helps them to have great success (Meyer & Bernier, 2010). Therefore, microfranchisees can establish prices, depending on their local consumer's revenues and other costs such as transport cost, regulations and tariffs.

Conclusion and Limitations

Microfranchising businesses operates in the BoP, and many of the microfranchisees reside in townships and rural areas where there are a lot of aspiring entrepreneurs with small capital. These microfranchise businesses use a combined approach of inventory buying. Thus, microfranchising use centralised and decentralised inventory buying systems. The centralised inventory buying is used to purchase common items for all partner microfranchisees. Microfranchising contributes to the South African economy through job creation that stands up against the rising unemployment rate, which fills the economic gap to a certain extent, although the study could not establish the exact number of jobs created by each microfranchising business. Most microfranchising businesses use sales orientation as a way of motivating microfranchisees to work harder. The microfranchising businesses generate enough revenue to facilitate reinvestment of profits into the business, making the business self-reliant. Hence, they can create wealth for microfranchisees. Microfranchisees are trained to operate their businesses successfully, and they also learn entrepreneurial skills from their microfranchisors. These trainings show that microfranchisors are cognisant of the notion that entrepreneurship is not inherent in all entrepreneurs, thus, some need to be equipped with knowledge to become successful. Consequently, the microfranchising business concepts equip their microfranchisees to become successful entrepreneurs.

The study recorded and established microfranchising practices in South Africa to enhance the extinct academic literature on microfranchising and entrepreneurship ventures, operating at the BoP.

The limitation of the study is:
The study was carried out using a qualitative approach, therefore it did not provide any statistical conclusions on the efficacy of microfranchising in South Africa.

Microfranchising is still in its infancy in most parts of the world, and South Africa is not an exception. As a result, most of the information is from practitioner reports recorded in other countries. Hence, it is difficult to find extensive academic literature on microfranchising.

For future research the study suggests:
Further research should collect more information on the impact of microfranchising on job creation at the BoP. The study can be used to determine the capacity of jobs created by an individual microfranchisee and by microfranchise businesses, since this study noted that microfranchising plays a pivotal role in job creation.

Literature indicates that one of the main benefits of microfranchising is poverty alleviation. As such, it would be of interest to conduct a research that assess the impact of microfranchising in alleviating poverty for those at the BoP.

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USING GROUNDED THEORY PROCEDURES IN ENTREPRENEURSHIP RESEARCH

Wellington Chakuzira Orcid ID : 0000-0002-5905-7672,
Armstrong Kadyamatimba Orcid ID:0000-0002-9638-0858
University of Venda

Abstract:

This paper addresses the problems that a number of qualitative researchers in entrepreneurship studies are faced with. Very often qualitative researchers are confronted with at least three main concerns (1) How can I collect good quality data? (2) How do I analyse such data? (3) How do I select a qualitative research procedure? It is against this background that the purpose of this paper is to demonstrate strategies that researchers can apply when using qualitative methodologies in entrepreneurship research. The value of this work is that it is among the first to encourage an increased application of qualitative methodologies, including the grounded theory approach in entrepreneurship research.

Keywords: *ATLAS.ti, entrepreneurship, grounded theory, methodology, qualitative*

Introduction

Historically, the methodological position for entrepreneurship research has mainly been quantitative. However, as the entrepreneurship discipline matures, newly generated research questions are surfacing. While some of these questions are increasingly challenging the previously held beliefs, others are boldly venturing into unchartered territories. Nevertheless, these new research questions naturally call for theory-building approaches, all of which are a need for a paradigm shift in entrepreneurship research. A typical example of these new phenomena is the growing number of studies aimed at redefining and reclassifying entrepreneurial typologies. This type of research, for instance, is best positioned within cognitive discursive qualitative approaches, to fully grasp the complexity of the phenomena in question. This paper addresses the problems that a number of qualitative researchers in entrepreneurship studies are faced with. Very often, qualitative researchers are confronted with at least three main concerns:

1) How can I collect good quality data?

2) How do I analyse such data?

3) How do I select a qualitative research procedure?

While at face value the above-mentioned issues might seem trivial, these issues are known to cause much suffering and stress among researchers and PhD students (Shambare, 2019). It is also not surprising that there are so few qualitative studies in the discipline of entrepreneurship. Thus, the purpose of this paper is aimed at addressing the above-mentioned three key issues, as experienced by qualitative researchers. The balance of the paper is arranged in three sections, wherein each section attempts to provide insights into each of the highlighted challenges and strategies of dealing with these issues (with specific reference to the grounded theory approach methods).

The reason for selecting a qualitative research procedure for a research in entrepreneurship

Starting out on a qualitative research project in entrepreneurship may be an exhilarating task, but it could also be a discouraging project. Generally, academics in entrepreneurship believe that an intuitive qualitative project only results from the scholar's amazing abilities (Charmaz, 1995). On the contrary, a good qualitative entrepreneurship research results from hard work and logical approaches. That will involve collecting enough data, synthesising the data, and making logical sense of the data.

In light of such questions, grounded theory methods, as argued by Charmaz (1995), provide a set of schemes for guiding a rigorous qualitative research. Arguably, grounded theory methods make the strategies of qualitative researchers clear and accessible for any hardworking researcher in any field (Charmaz, 1995, Charmaz & Belgrave, 2007, Gasson, 2003, Mavetera & Kroeze, 2009, Suddaby, 2006). This paper then uses grounded theory methods which were used to expedite a PhD research, where the method also enabled the investigator to develop a convincing analysis and it stimulated excitement of doing a qualitative research in entrepreneurship. This paper, therefore, will help prospective academics pursuing qualitative research in entrepreneurship, to plan their data collection and suggest strategies for handling their data analysis. In the following pages the paper introduces the grounded theory method and shows how investigators can apply its basic procedures to entrepreneurship research. Throughout the discussion, an illustration of points will be drawn from a recent study aimed at developing a new taxonomy of entrepreneurial ventures in Zimbabwe.

The logic of grounded theory

Mavetera and Kroeze (2009) reiterated that the first proponents of grounded theory method were Glaser and Strauss, who used the method in their study of dying in-patients in 1967. What then are grounded theory methods? According to Charmaz (1995), grounded theory methods can be defined as follows:

> Grounded theory methods are a logically consistent set of data collection and analytic procedures aimed to develop theory.

Suddaby (2006) maintained that the methodology was developed by Glaser and Strauss (1967) as a response against the extreme positivism that had flooded most social research. Glaser and Strauss (1967) specifically challenged prevalent assumptions of 'grand theory' – the notion that the purpose of social research is to uncover pre-existing and universal explanations of social behaviour (Charmaz, 1995, Charmaz & Belgrave, 2007, Gasson, 2003, Mavetera & Kroeze, 2009, Suddaby, 2006). However, grounded theory methods comprise of a set of inductive strategies for analysing data. Therefore, with grounded theory methods, investigators start with individual cases, incidents or experiences, and develop progressively more abstract conceptual categories to synthesize, explain and understand data as well as identify patterned relationships within the data (Charmaz, 1995).

More importantly, the method described by Glaser and Strauss (1967) is built upon two key concepts (1) constant comparison and (2) theoretical sampling. Constant comparison allows the investigator to collect and analyse data simultaneously (Glaser, 1992). Theoretical sampling allows the researcher to make decisions about the next data set, based on the theory that is being constructed. Indeed, both concepts violate long-standing positivist assumptions about how the research process should work. Variably, grounded theory methods provide a new methodology, which allows for systematic procedures to shape and handle rich qualitative materials, although they may also be applied to quantitative data.

Feasibility of the Grounded Theory Methodology into Entrepreneurship Research

Over the past decades, there is little empirical validation of current entrepreneurial typologies, and there is conflict about which is the best taxonomy to describe entrepreneurs in Zimbabwe. This situation demands research that involves building theory from data (grounded theory procedures). In conducting this research, the investigator benefits from unique ways to facilitate an understanding of the complexity of entrepreneurial taxonomies in Zimbabwe. The collection and analysis of qualitative data from entrepreneurs, allows the investigator to drill deep into taxonomical issues among entrepreneurs in Zimbabwe.

Acknowledging that there is scant literature on entrepreneurial typologies and that this is the first research of this nature in Zimbabwe, uniqueness of the research area justifies a grounded theory approach. Therefore, theory-building benefits from this qualitative research in which the researcher identifies important constructs from a

novel viewpoint. Again, it is complex to understand the nature of entrepreneurial activities, as well as to group these activities based on similar characteristics. Hence, the need to engage in grounded theory research to build meaningful theory and propose taxonomy for entrepreneurial ventures in Zimbabwe.

WHAT IS QUALITATIVE RESEARCH?

The question, 'What is qualitative research?' demands a description of the nature and characteristics of the type of research in question. As argued by Lincoln and Guba (1985), qualitative research is usually done when the task of the researcher is to uncover and understand a phenomenon in its natural setting. As a result, qualitative research is able to uncover new knowledge, as well as generate a theory in a field where very little is known. In an attempt to account for what the phrase 'qualitative research' means, there is of course, extensive methodological literature addressing qualitative inquiry, and many definitions have been proffered, such as the following:

> *Qualitative research is a research strategy that usually emphasises words rather than quantification in collection and analysis of data (Bryman, 2006).*

> *Qualitative research is an umbrella term for an array of attitudes towards strategies for conducting inquiry that are aimed at discovering how human beings understand, experience, interpret and produce the social world (Ormston, Spencer, Barnard & Snape, 2014).*

In light of the above-mentioned definitions, academics assume that there is a systematic way of apprehending critical dimensions to problems that challenge the academic world (Jackson, Drummond & Camara, 2007). Nevertheless, in trying to grapple with what life means to human beings, academics should also understand that it is impossible to grasp every aspect of a social phenomenon, investigation, or question. More importantly, it is the responsibility of every researcher to approach each study with as much objectivity, ethical diligence, and rigor as possible. The approach to ensure objectivity, ethical diligence, and rigor, depends on whether the study is qualitative or quantitative. For years scholars have argued that the principal distinction between qualitative and quantitative research is that they do not share the same epistemology. Table 1 below shows some of the distinctions between the two methodologies.

Table 1. Comparison of Quantitative (Positivist) and Qualitative (Naturalist) Modes of Inquiry

Quantitative Mode	Qualitative mode
Assumptions	*Assumptions*
Reality is single, tangible, and fragmental. Social facts have an objective reality.	Realities are multiple, constructed, and holistic. Reality is socially constructed.
Knower and known are independent	Knower and known are interactive, inseparable.
Primacy of method	Primacy of subject matter
Variables can be identified and relationships measured	Variables are complex, interwoven, and difficult to measure.
Inquiry is objective, value-free.	Inquiry is subjective, value-bound. (e.g., entrepreneurship is a subjective endeavour in which entrepreneurs seek to chart their own paths, therefore, getting to understand their unique perspectives is much more important)
Purposes	*Purposes*
Generalisability (Time and context free generalisations through nomothetic or generalised statements)	Contextualisation (Only time and context bound working hypotheses through idiographic statements)
Prediction	Interpretation
Causal explanations	Understanding actors' perspectives

Table 1. Comparison of Quantitative (Positivist) and Qualitative (Naturalist) Modes of Inquiry (Contd.)

Quantitative Mode	Qualitative mode
Approach	*Approach*
Begins with hypotheses and theories	Ends with hypotheses or grounded theory
Manipulation and control	Emergence and portrayal
Uses formal, structured instruments	Researcher as the instrument
Experimentation and intervention	Naturalistic or non-intervention
Deductive	Inductive
Component analysis	Searches for patterns)
Researcher Role	*Researcher Role*
Detachment and impartiality	Personal involvement and partiality
Objective portrayal	Empathic understanding
Etic (outsider's point of view)	Emic (insider's point of view)

Source: Adapted from (Kolb, 2012, Lincoln & Guba, 1985).

HOW DO I COLLECT QUALITATIVE DATA?

Although there are numerous methods of collecting qualitative data, this paper will explain how the investigator can collect data by using in-depth interviews. As postulated by Taylor-Powell and Steele (1996), an in-depth interview is an open-ended, discovery-oriented method to obtain detailed information about a subject matter from a respondent. In-depth interviews are a qualitative research method aimed at discovering a respondent's point of view, experiences, feelings, and perspectives. As stated by Flinders (1997), in-depth interviews are often preferred by qualitative researchers because of their four main qualities which includes (1) depth, (2) disclosure, (3) quality of data and (4) short timeliness, as described below.

- **Depth:** In-depth interviews can uncover valuable insights and enable you to find out "the real story" from the people in the know.
- **Disclosure:** Respondents are most likely to open up on a one-on-one basis.
- **Quality of data:** Skilled interviewers are able to respond to questions and probe for greater detail. Questions can be added or altered in real time if needed.
- **Short timelines:** Data can be collected faster than other research methods – usually within a few weeks.

Despite all the four qualities, it is important to understand that interviewing requires a high level of training and skill. This makes it important to have well-trained, highly-skilled interviewers conducting this in-depth interviews (Flinders, 1997). Using less skilled interviewers, usually increases the possibility of bias (Ritchie, Lewis, Nicholls & Ormston, 2013). More so, given the length of each interview and the associated costs, the number of in-depth interviews you will complete for a research project will be small (there is no standard number of interviews, but a total of between 10 and 15 interviews would not be uncommon) (Cresswell, 1998).

Conducting an in-depth interview

As postulated by Ritchie et al. (2013) the four steps involved in conducting in-depth interviews are: (1) developing a sampling strategy, (2) writing an in-depth interview guide, (3) conducting the interviews, (4) analysing the data (see Figure 1).
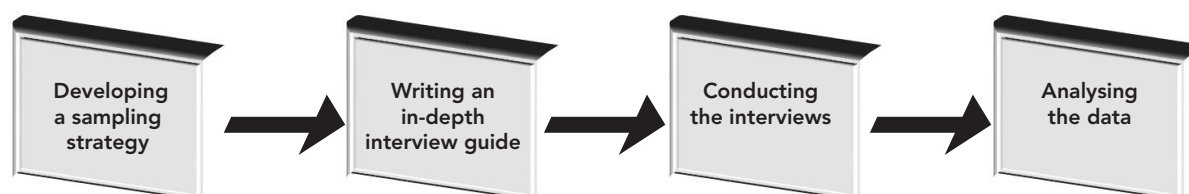

Figure 1: Steps involved in conducting in-depth interviews

1. Developing a sampling strategy

The first step in conducting in-depth interviews is developing a sampling strategy that is determining who the researcher should be interviewing and figuring out how to find these people (Boyce & Neale, 2006). The researcher need to speak to the right people to get useful answers to the research questions. More importantly, the research goals should be used to help the investigator to determine who should be interviewed. There must be a clear understanding of the types of people to contact for the inquiry, which is usually determined by research objectives. Here are some questions the researcher needs to answer before conducting the interview:

- Why are you conducting the research?
- What do you want to learn from this research?
- What decisions will you have to make once the research is completed?
- Who will be mostly affected by your decisions?

2. Writing an in-depth interview guide

An in-depth interview guide is a method for structuring an interview and ensuring that important questions will not be forgotten during the interview. You need to have specific objectives in mind when you are figuring out what to ask. You should ask questions in natural, conversational language, avoiding jargon or technical terms that your respondents may not know. Before you begin writing an in-depth interview guide, ask yourself the following questions:

- What is the specific purpose of the interviews?
- What information do I want to research?
- Who needs this information, and what are they going to do with it?

Again the investigator's research objectives will determine the content of the interview guide. The main aim of the guide is to ask questions that would supply the answers to the investigator's research questions, as well as meeting the set research objectives. The guide should be kept fairly brief and focus on the research objectives, for the researcher to get as much in-depth input from each respondent as possible. It is also important to avoid asking too many questions, as the researcher might not have enough time to explore the transcribed topics fully, and thus will not get the full benefit of conducting an in-depth interview.

3. Conducting the interviews

Ideally, it is advisable to conduct an in-depth interview in an environment in which the respondent feels most comfortable. The researcher may also arrange to conduct the interviews by telephone (which is often more convenient for the interviewer, and may be more convenient for the respondent as well), but if the researcher has the time and resources, it is advisable that the respondent choose the location for the interview. This could be the respondent's home, workplace, or an appropriate public place (such as a quiet restaurant or coffee shop). To conduct a successful in-depth interview, begin by introducing yourself and the study. It is important to establish good rapport with the respondent and put him or her at ease. The investigator's main responsibility is to listen, observe and guide the respondent through the conversation until all the important issues of the guide are explored.

4. Analysing In-depth Interviews

Basically, analysing in-depth interviews involves reviewing the records of the interviews and taking notes to keep track of the findings that are emerging. Ideally, the investigator will have a written record (either field notes or a transcription) of the interview. The researcher may also be reading a transcript while listening to an audiotape. The following section will describe how to analyse interviewed data using ATLAS.ti computer software for analysing qualitative data.

HOW DO I ANALYSE QUALITATIVE DATA?

Data from the respondents in a qualitative research is usually analysed using framework analysis, thematic analysis and case study analysis, among others. The purpose of designing the research as qualitative research is partly to collect in-depth as well as semi-structured interviews from participants. Strauss and Corbin (1994) recommend that investigators, as discussed earlier, use open-ended interview questions to collect their data. This affords the researcher the opportunity to ask respondents both facts and opinions about specific events or clarifications. The in-depth and semi-structured interviews may be recorded using a digital voice recorder, and then transcribed.

Transcriptions are usually analysed by using ATLAS.ti, NVivo, MAXQDA and Quirkos, among others. This paper explains how one can use ATLA.ti to analyse qualitative data as discussed in the following sections.

ATLAS.ti

ATLAS.ti is a scientific software program and is a useful qualitative data analysis (QDA) tool. It is very flexible and user-friendly. The product enables researchers to assign codes or labels to text, sounds, pictures, or video; to search these codes for patterns; and to construct classifications of codes that reflect stable models of the conceptual structure of the underlying data (Lewis, 2004). For the purpose of this paper, ATLAS.ti 7.5.7 was used.

Although there are numerous other QDA software available, ATLAS.ti is usually selected by qualitative investigators, mainly for three reasons: Firstly, easy access to training and support for the program. Secondly, in comparison to other qualitative software, ATLAS.ti is usually more cost-effective and within the financial budget of the research. Finally, recommendations from other researchers for example, (Archer, 2008, Lewis, 2004) are considered in the decision to use ATLAS.ti. Overall, ATLAS.ti has four main stages called 'managers' that process data: document manager, quotation manager, code manager, and network manager (see Figure 1).
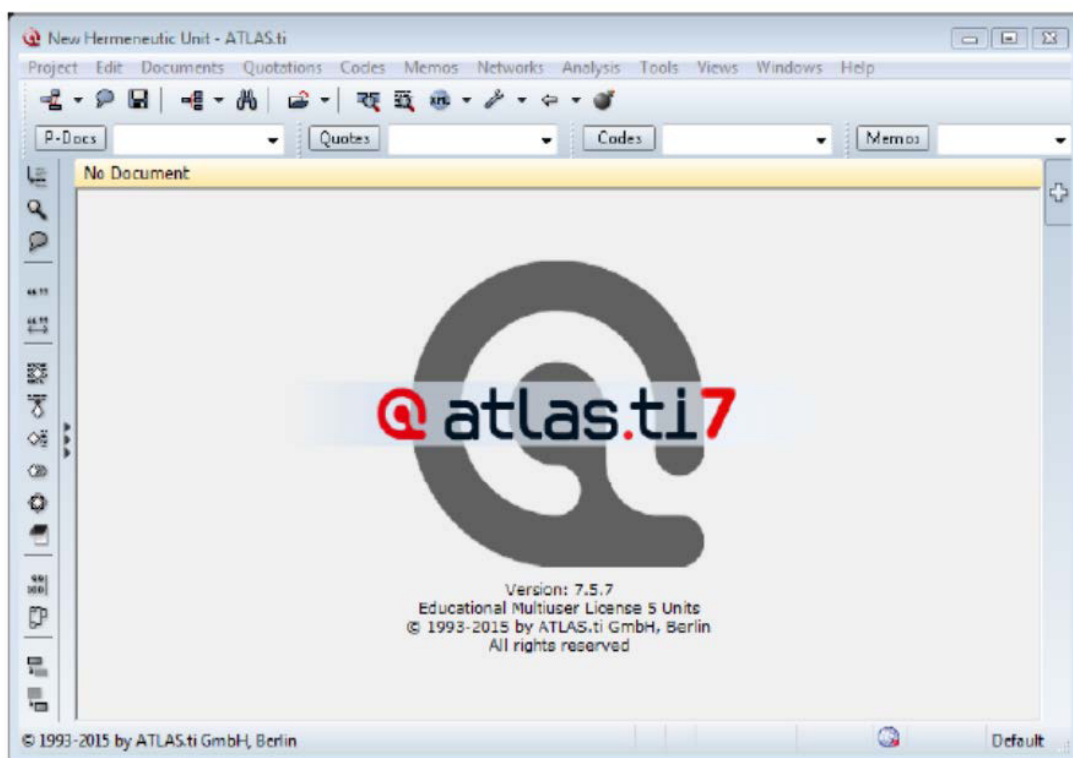

Figure 1: ATLAS.ti Main window
Source: ATLAS.ti 7.5.7

The different ATLAS.ti stages are used to explain the framework analysis in the following pages.

Step 1: Sociological Perspective

When the investigator decides to follow a qualitative research, the data collection phase of this methodology begins with a sociological perspective of a general problem area, rather than a preconceived conceptual framework (Glaser, 1978, Neergaard & Ulhøi, 2007). Therefore the researcher will begin with an attitude of openness (asking RQ1) that will ensure that the emerging codes are extracted from the interview. All the information extracted from the interviews may be transcribed and imported to the ATLAS.ti to form the Primary Document (PD) as shown in Figure 2.
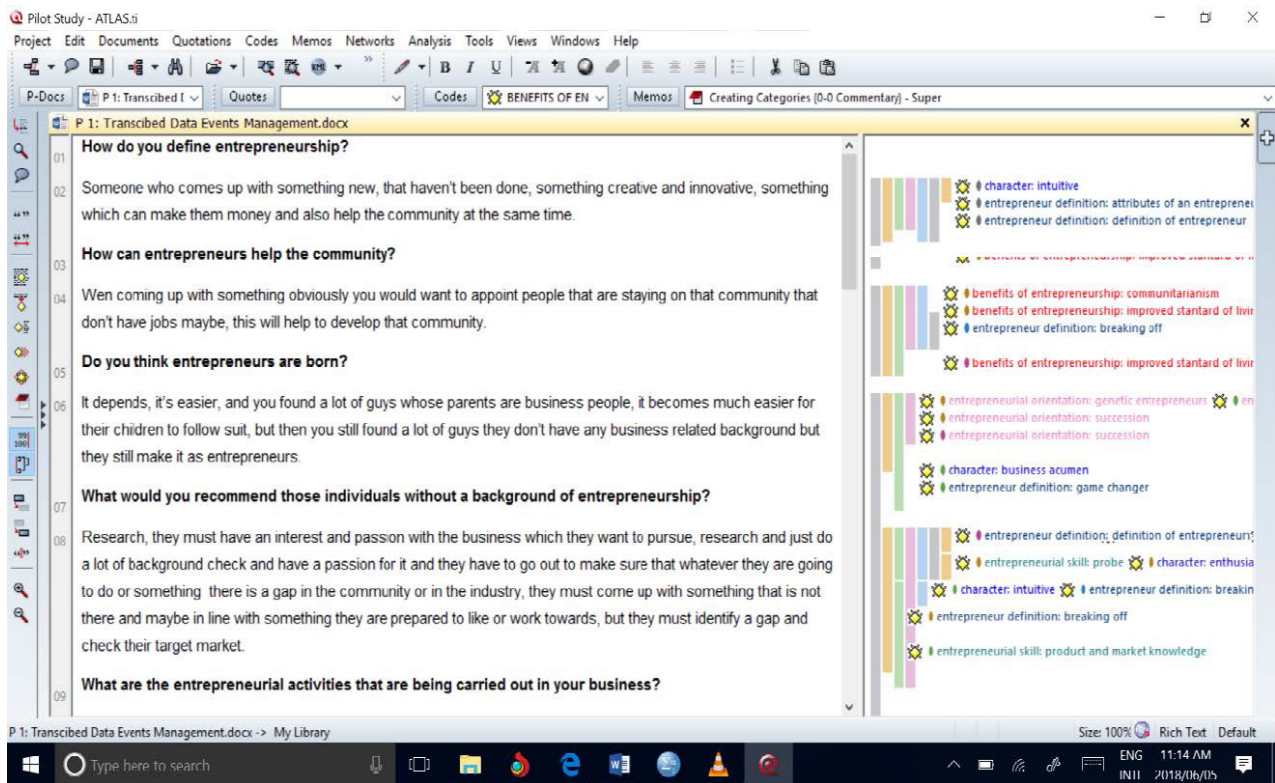
Figure 2: ATLAS.ti Primary Document Manager Window   Source: ATLAS.ti 7.5.7

The Primary Document Manager programme can store and analyse several documents simultaneously, and these are temporarily stored in the Primary Document Manager (for example, P1: Transcribed Data Events Management dox in Figure 2). Furthermore, the PD allows creating Primary Document families which assist in organising data.

Step 2: Constant Comparison and Open Coding

The next step involves the generation of various categories by constant comparison of data through a procedure known as open coding (Age, 2011). This procedure will saturate the whole research process, since it will involve comparing of cases with one another and then comparing the emerging data to more cases throughout the data collection process (Heath & Cowley, 2004). ATLAS.ti will use the Code Manager to execute this process. By using this function, data can be clustered into related ideas called codes (see Figure 3).
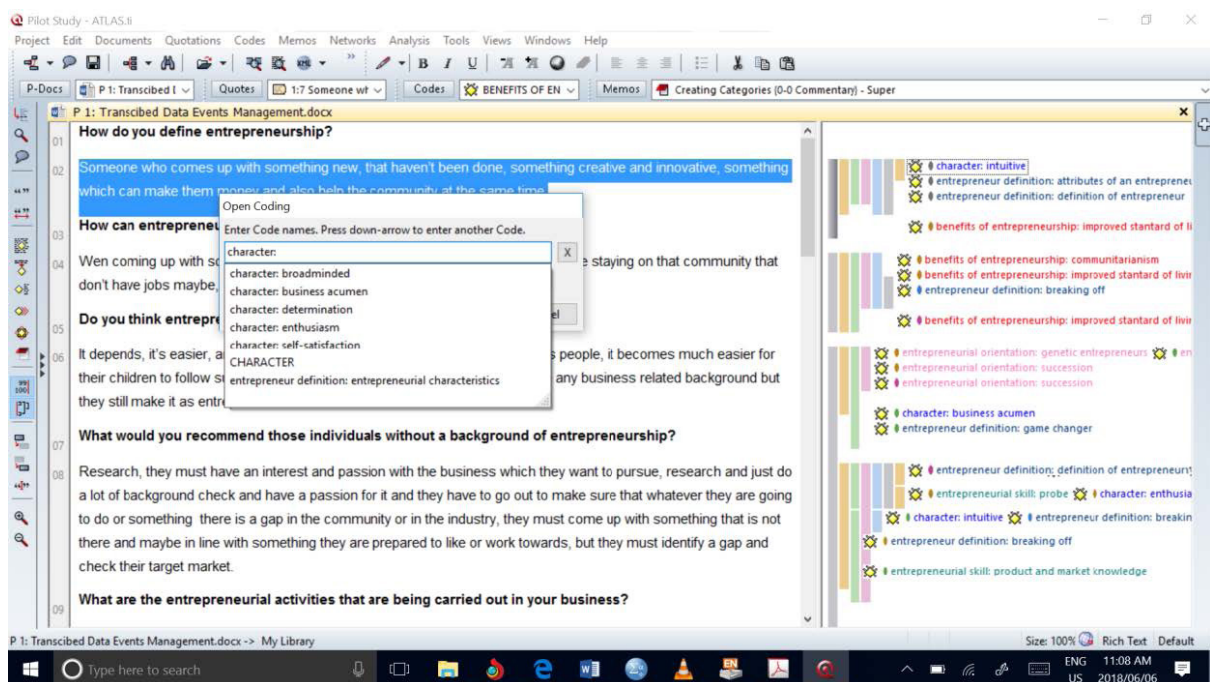

Figure 3: ATLAS.ti Codes option Window   Source: ATLAS.ti 7.5.7

At this stage, the researcher usually captures meaning from the paragraphs, sentences, phrases and words on the PD manager text on ATLAS.ti. The investigator can highlight the paragraph, sentence, phrase or word, and right click on the highlighted text to create a code as shown in Figure 3. Continuously repeating this process on the PD manager text, will allow the researcher to create multiple codes.

ATLAS.ti supports seven methods of assigning codes (Archer, 2008). First, there are codes that can be created without being associated with specific text. These are known as 'Free Codes'. 'Open coding' is the more common approach and a technique in which a code is assigned to specific pieces of text. Once codes have been stored in the Codes Manager, there is an option to assign additional pieces of text with existing codes from a list – 'coding by list'. Another feature supported by the software is 'In-Vivo' coding. This is assigning a code to text utilising actual text as the code. 'Quick coding', on the other hand, assigns one specific code to multiple pieces of text. Then there is 'Drag and Drop coding', whereby a code is assigned by dragging and dropping the code from a list of codes to a selected piece of text. Lastly, there is 'Auto-coding', which automatically allocates codes to specified sections of the text.

Step 3: Core Category and Selective Coding

Multiple codes can be amalgamated into families (or themes) in which further analysis can be conducted as shown in Figure 4.
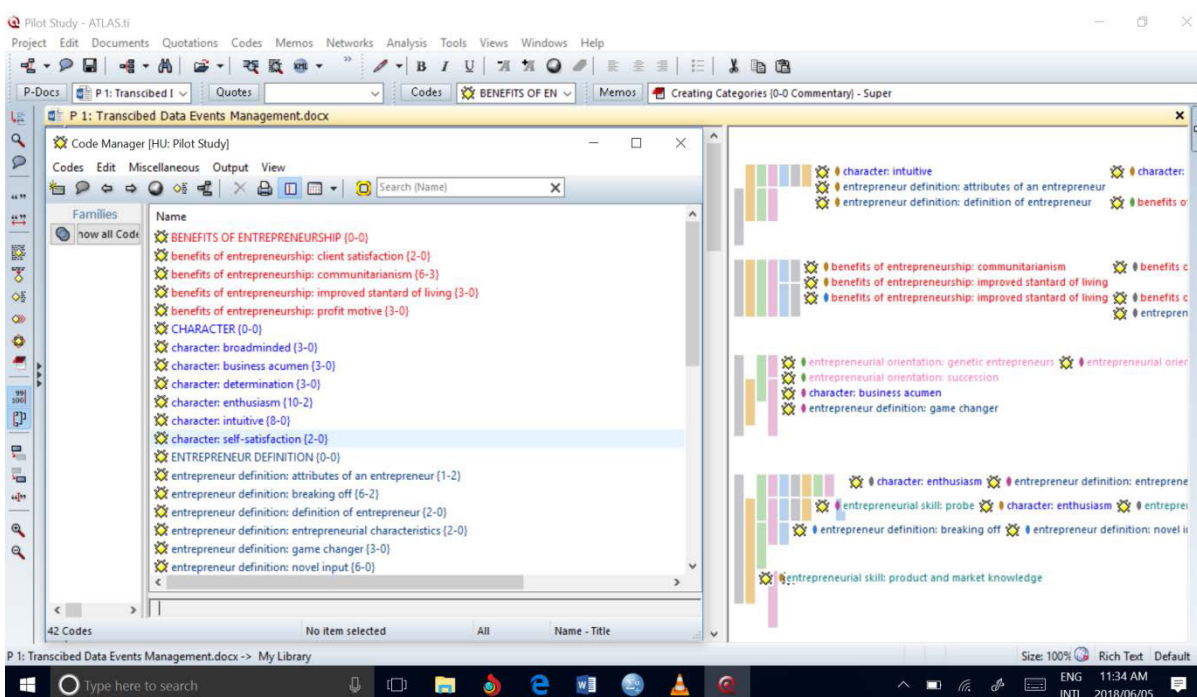

Figure 4: ATLAS.ti Code Manager Window
Source: ATLAS.ti 7.5.7

Through continuation of the above procedure of constant comparison, the researcher will establish core codes (see character: enthusiasm in Figure 4), based on the information proffered by the participants (Neergaard & Ulhøi, 2007), which is a category that holds all other categories together (for example BENEFITS OF ENTREPRENEURSHIP in Figure 4). When the core code has emerged, the researcher will undertake the process of selective coding (Heath & Cowley, 2004). Selective coding will allow the researcher to compare incoming data to the core codes in a more precise manner than when the categories were first established (Neergaard & Ulhøi, 2007). In this process of selective coding, only variables related to the core codes are considered to generate improved categories.

Step 4: Building a new Theory

Finally, the improved categories will be compared to concepts in order to build a new theory. How the various categories are related, is considered by a process of theoretical coding which will be facilitated by writing down theoretical memos (Heath & Cowley, 2004) that elaborate on the theoretical codes. Theoretical memos will represent

immediate notations of emerging categories and how they interrelate with core codes. The memos will facilitate identification of a new theory. The analysis phase will end up with theoretical writing (Age, 2011) that will bring all the details of the substantive theory together in an overall conceptual description, which is then weaved into the existing literature on the subject of entrepreneurship.

Research Quality Considerations and Grounded Theory Process

In this section, the key question appears to be whether grounded theory quality measures can be clearly articulated in its methodology. However, it is important to revisit the monograph of Glaser and Strauss (1967), which argues that the label of 'methodology' should be associated with grounded theory. Noteworthy is that in modern literature, methodology and methods are shown to be underpinned by ontological and epistemological assumptions (Charmaz, 2014). The following inquiries may be considered:

a) Ontology deals with questions of reality and asks, what is the nature of the social world? - (is there a reality external of individuals perceptions of reality)

b) Such ontological questions inform epistemological questions of knowledge such as, how is knowledge of the social world possible. - (can knowledge be separated from the process of its production) (Weed, 2009)

Having addressed such inquiries, considerations can turn to methodology which asks, 'What techniques or reasoning should be followed in the creation of knowledge?' This simply resembles the overall research strategy. Finally, the strategy developed (methodology) will guide the methods used, where the consideration is, 'What specific procedures should be adopted to gather data?' Ultimately, this answers the question on what data collection tools (for example questionnaire, interviews, participant observation) will be employed.
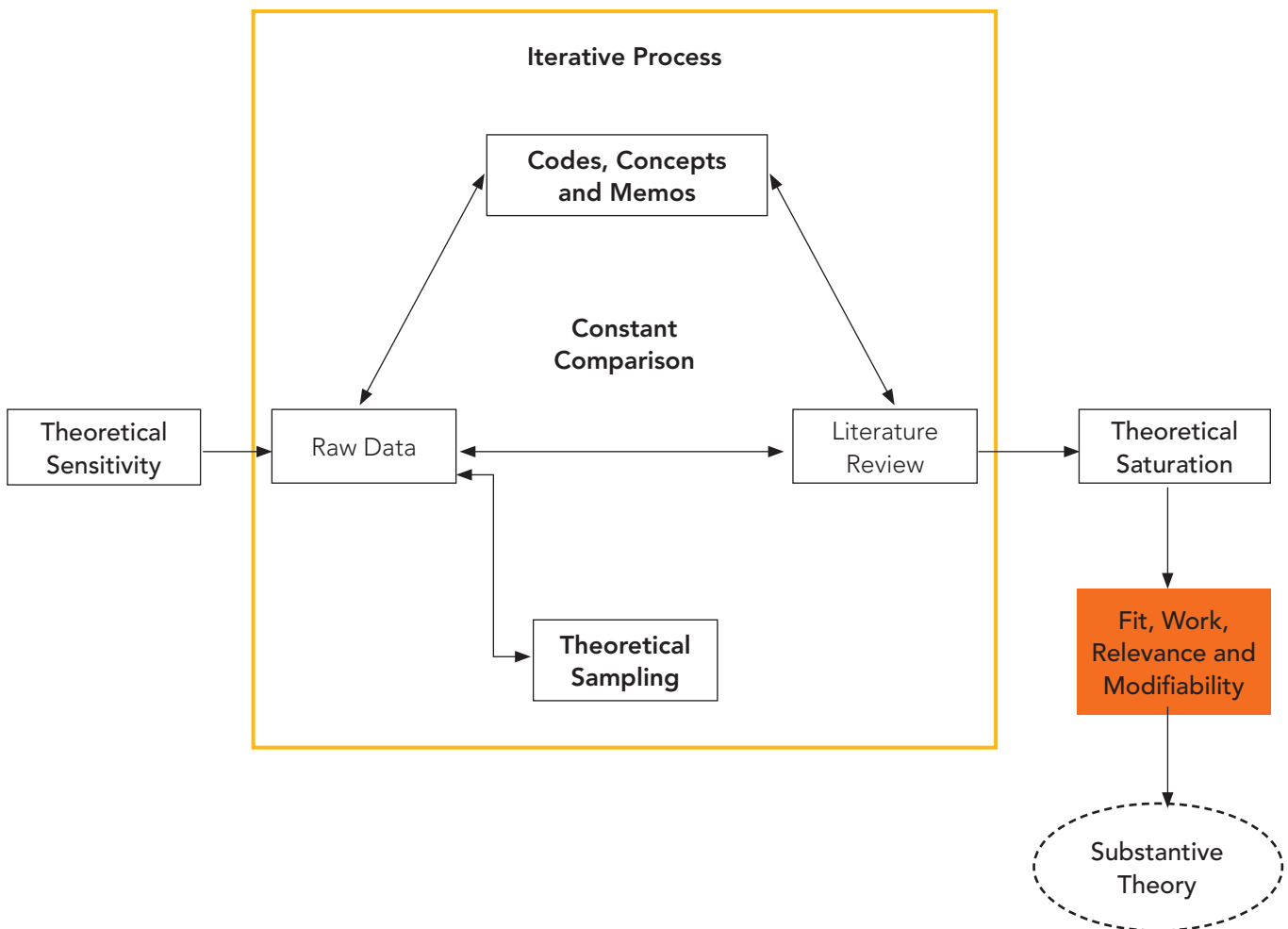

Figure 5: The Grounded Theory Process
Source: Modified from Weed (2009)

Therefore, the paper considered grounded theory not only as a methodology, but as a 'total methodology' that provides a set of ideologies for the whole research procedure. More often than not, research quality of the grounded theory methodological process is compromised by researchers who believe that their research qualifies for the grounded theory label, because they have chosen to employ some of the elements of grounded theory. Therefore, this calls for examination of the core elements of grounded theory methodology, without which a study cannot rightly be claimed to be grounded theory research as shown in Figure 5.

An Iterative Process – In ensuring quality, this research considers grounded theory as not linear, and data collection will be carried out simultaneously with data analysis. Thus, data will be collected, analysed and compared with the literature. Subsequently, additional data will be gathered to help improve concepts. The concepts will then be analysed and compared with the literature and original concepts, leading to the intensive collection of further data, and thus the process continues until the theoretical coverage of the research area is adequate (see Figure 5)

Theoretical Sampling - Another concept which is important in ensuring quality of a grounded theory is the sampling procedure. Therefore, this research follows grounded theory samples which sample data in relation to issues that develop from the analysis to identify anomalies. Consequently, data in this research is collected to help improve and develop the theoretical concepts that are emerging from the analysis (see Figure 5). Unlike most sampling procedures, theoretical sampling in this study is aimed at refining ideas, not increasing the size of the original sample.

Theoretical Sensitivity - Data collection in this research is indeed guided by the emerging analysis (theoretical sampling), however, a key question of what guides initial data collection may be asked. Indeed, this question is predominantly common among academics who mistakenly believe that grounded theory is an approach where the researcher enters the field without an understanding of the research area. Therefore, as shown in Figure 5 where theoretical sensitivity is included in this study of the grounded research process, the later belief automatically becomes a lie. It is supported by the earlier desktop work in the research literature review. Theoretical sensitivity in this research, therefore, acknowledges that investigators approach the research area with an awareness of the research site, but importantly, without any preconceived ideas about what they might discover.

Codes, Memos and Concepts - The process of grounded theory coding is one where initial coding, in this case on a word-by-word, seeks to describe entrepreneurial typologies before moving to a second stage which may take place via selective or focussed coding seeking to conceptualise entrepreneurial typologies. This development from description to conceptualisation is aided by memo writing. Memo writing in this paper allows emergent notions and linkages to be properly noted and encompassed in the iterative analytical process. Consequently, the methodological strategy for this stage of the current research procedure is to move from codes (description) to concepts aided by memos.

Constant Comparison - The constant comparative method is what holds together the iterative analytical process in a current grounded theory research procedure (Glaser, 2002). Initially, the comparison is between data and data, then between codes, then between codes and concepts, then between concepts and literature. Once the analysis has developed beyond the initial stages, the constant comparison is between data, codes, concepts, and literature as a way of continually checking that the emerging insights are grounded in all parts of the analysis (Glaser, 1992, Strauss & Corbin, 1990).

Theoretical Saturation – Indeed, grounded theory is an iterative process. Some indication, therefore, is needed as to when further iterations are no longer necessary, and this is provided by the point of theoretical saturation (Glaser, 1994) (see Figure 5). Charmaz (2006) succinctly argues that saturation has been reached when gathering fresh data no longer sparks new theoretical insights, nor extends the properties of theoretical concepts. As such, theoretical saturation ensures that the generated grounded theory has conceptual density and theoretical completeness.

Truth and validity in grounded theory

Indeed, literature confirms that validity and reliability are inappropriate measures of quality for grounded theory research (Lomborg & Kirkevold, 2003). Various scholars have attributed this to the linguistic meaning of the grounded theory approach (Charmaz, 2014, Charmaz & Belgrave, 2007, Glaser, 1992, Guba & Lincoln, 1994, Lomborg & Kirkevold, 2003, Mills, Bonner & Francis, 2006). However, as a concept, grounded theory have become loaded and associated with the imposition of criteria derived from ontological realism and epistemological positivism upon

research that is not underpinned by such ontological and epistemological assumptions (Sparkes & Smith, 2013). As such, this paper recommends grounded theorists to follow the path advocated by Sparkes and Smith (2013) in developing quality measures appropriate to the adopted grounded theory approach:

1. **Fit:** 'Fit' will be ensured by constant comparison and theoretical saturation. It relates to how closely the concepts and theory generated, fit the incidents and entrepreneurial taxonomies they will represent (Weed, 2009).
2. **Work:** The theory generated from this research 'works' if it will be able to offer analytical explanations for problems and processes in the context of the taxonomical issues of entrepreneurial ventures in Zimbabwe.
3. **Relevance:** The 'relevance' of a theory in this research relates to the extent to which it will deal with the real concerns of entrepreneurs in Zimbabwe.
4. **Modifiability:** Finally, grounded theory should be 'modifiable', in that it should be open to extension or further development to accommodate new insights provided by further empirical research in the future (Weed, 2009).

CONCLUSIONS

It is now critical to understand that the grounded theory method in entrepreneurship research, is adopted for the generation of theory as opposed to theory testing. As concluded by Strauss and Corbin (1967), the way grounded theory method is used in practical research tasks, is purely an alteration of the original dicta as suggested by its champions. Academics are advised to refer to the statements proposed by Glaser and Strauss and to compare these with the grounded theory method alternatives as recommended by Strauss and Corbin (1990), Charmaz and Belgrave (2007), Gasson (2003), and by numerous other investigators before they embark on a practical research project.

Scholars should understand that the grounded theory methodology proposed by Strauss and Corbin (1967) are guideline principles, or they represent a framework of good practices. In different research perspectives, researchers are encouraged to alter and apply the dicta flexibly. Based on the present researchers' experiences, novice users of grounded theory methodology in any field are encouraged to consult the works of Glaser and Strauss (1967), Strauss and Corbin (1990), Glaser (1992; 1994; 2002) and Charmaz and Belgrave (2007), before deciding on their research design.

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