

ABSTRACT

Small sized businesses play an important role in the growth of economies all over the world, yet they appear to be slow in adopting E-marketing technology to market their products and services despite the benefits E-marketing has on their businesses and this often leads to business failure. Existing literature examining E-marketing adoption have mainly focused on large businesses and Small and Medium Enterprises in general, yet small businesses are different from large and medium enterprises in terms of human and financial resources. The main objective was to develop an Integrated E-marketing adoption model for assessing E-marketing adoption among small businesses in the hospitality industry in Kenya. Specific objectives included: To assess the extent of adoption of E-marketing among small businesses in the hospitality industry in Kenya; To determine the influence of owner-managers Information Technology knowledge on E-marketing adoption among small businesses in the hospitality industry in Kenya; To determine the influence of owner-managers security concerns on E-marketing adoption among small businesses in the hospitality industry in Kenya; To determine the influence of owner-managers perception of cost on E-marketing adoption among small businesses hospitality industry in Kenya; To determine the influence of Institutional pressures on E-marketing adoption among small businesses hospitality industry in Kenya; To assess the mediating effect of management support on the relationship between owner-managers Information Technology knowledge, Security concerns, Cost, Institutional pressures and E-marketing adoption and to validate the fitness of the developed model against the data collected from small businesses in the hospitality industry in Kenya. This study was based on the Diffusion of Innovation theory, Technology, Organization, Environmental framework and the Institutional theory. A cross sectional survey design was employed on a target population of 150 small businesses in the hospitality industry in Kisumu County-Kenya. Stratified random sampling method was used to generate the sample of 115 small businesses. Primary and secondary data were collected using questionnaire and already existing literature respectively. The results show that Owner-manager's Information Technology knowledge has a positive relationship with E-marketing adoption ($\beta = 0.269$, $p < 0.001$). The results also indicate a negative relationship between Security concerns and E-marketing adoption ($\beta = -0.158$, $p = 0.047$). The results for perceived costs of E-marketing indicate a negative relationship with E-marketing adoption ($\beta = -0.260$, $p = 0.002$) and the results for Mimetic pressure indicate a positive relationship with E-marketing adoption ($\beta = 0.176$, $p = 0.019$). Normative pressure had a positive relationship with E-marketing adoption ($\beta = 0.354$, $p < 0.001$). Top management support revealed a positive relationship with adoption of E-marketing ($\beta = 0.277$, $p < 0.001$). The results further indicate that the independent variables explained 37% of the variance in the adoption of E-marketing. Policy makers may find these results useful for future policy formulations regarding adoption of e-marketing among small businesses. An Integrated Model for E-marketing adoption was realized in the study that could enhance innovations on small business adoption