

Chapter 18

Towards a Collaborative E-Business Vision for Africa

Nixon Muganda Ochara
University of Pretoria, South Africa

Kirstin Krauss
University of Pretoria, South Africa

ABSTRACT

This chapter elevates the need to enhance global understanding of how the e-business and e-commerce artifact is unfolding in developing countries in Africa. As markets become saturated in the developed world, companies are diversifying by considering online sales opportunities in developing countries. For instance, conservative estimates of Internet users in Africa is currently at about 120 million, without taking into account the explosive growth of mobile Internet browsing. This is barely 6% of the total population, with growth rates being the highest in the world. Thus e-business applications, whether based on the traditional Internet infrastructure or mobile technology, is positioned to provide a strategic opportunity for organizations as the focus shifts to online consumers in developing countries, especially those in Africa and Asia. The motivation for the contribution in this paper stems from the claim that the fast advent of the environment of e-business has been claimed to change the game of business, threatening the existence, not only of firms, but also of whole industries. Perhaps due to the speed of change, there is little generic strategic guidance available for organizations to help them navigate through the uncharted waters of the new domain of business. There also seems to be little work from developing countries, on the actual value that firms can hope to get from participating in e-business, which would make the new environment relevant to established and evolving new businesses. Therefore, the chapter's contribution stems from a quest to provide an explanatory critique of the real nature of e-business in a developing countries' context and explore a possible successful model for e-business adoption. The alternative conceptualization shall be explored based on two outcomes that are inevitably a consequence of increasing e-business adoption

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in developing countries: increasing business reliance on virtual markets and marketing and increasing accessibility of global markets occasioned by the Internet and mobile infrastructure. Thus, the first part of the chapter will explore how the online business contexts are influencing buyer behaviour; while the second part attempts an alternative conceptualization of web user behaviour.

INTRODUCTION

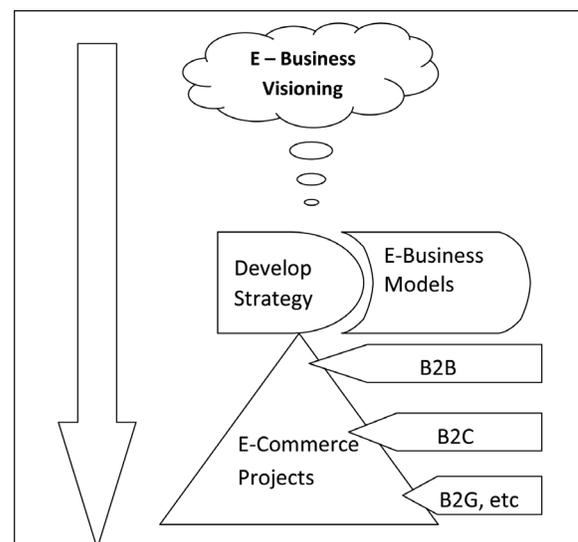
Increasing globalization, liberalization and advancement in Information and communication technologies (ICT) is rapidly influencing the business environment of many organizations. This has created urgency for organizations to search for alternative modes of carrying out business in order to survive. One of these options, which Apigian et al (2005) consider as a ‘strategic imperative’ is the employ of Internet Technology intended to enhance competitive advantage. Electronic Business (e-Business) has increasingly become a visible application of Internet Technology since the 1990s. According to Nah and Davis (2002), the business environment of the Internet has actually evolved into a “true economy and a new frontier for business” whilst Yao (2004), points out that it is the emergence of the Internet and its applications that is currently changing the nature of business. Thus more and more of firms in both the developed and the developing world are turning to e-Business with evidence emerging from different parts of the world that the advent of e-business is beginning to redefine how business is done globally.

Many successes and failures stemming from the use of Internet technology applications such as e-Business have been documented in the literature (Apigian et al, 2005; Straub et al, 2002). However Apigian et al (2005) clearly point out that the literature has failed to clearly assess the impact of use of these applications. Of critical importance, especially in the case of developing countries in Africa, is that the technology is largely nascent and very little in terms of impact of adoption of these technologies has been documented. There is thus a growing imperative to

assess the impact of these technologies on firms operating in developing countries. Considering the rapid growth of e-business in the developed world, it is crucial to begin to map out a possible strategic framework that can be employed by organizations intending or doing e-business in Africa, as markets in the develop world saturate. This e-business vision for Africa, in a preliminary sense, shall aid in understanding the applicability of e-Business Technology for firms intending to adopt an e-Business strategy.

The premise for this claim rests on the rationale that e-business need to inform the formulation of a corporate – wide business strategy (Figure 1) that are linked to specific e-business applications (B2B, B2C, B2G, Mobile Commerce). The *process* of developing a holistic e-business vision and e-business strategy (ies) is crucial for successful e-business project planning and implementation.

Figure 1. E-Business Adoption



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