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**THE EFFECT OF THE GROWTH OF ELECTRONIC
COMMERCE ON THE TOURISM DEVELOPMENT IN
NIGERIA**

Case Study: Wakanow.com

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<p>E-commerce in tourism has been a fast growing sector in the tourism industry; today 90% of companies are using the world wide web variously. The aim of this research work was to have an idea and overview of what e-commerce is all about and how people were accepting it globally and also the policy and strategies wakanow.com has implied since her existence in a tourism market like Nigeria where greater percentage of people still believe in the conventional way of visiting travel agencies in person. The objective was also to see how the modern day technological advancement has made vital impacts on the sector.</p> <p>This research work contained four exclusive parts which are introduction, the theoretical framework, research environment and the data analysis; The introduction describes the thesis objectives, problem solving and limitations. The theoretical framework will give readers the chance to know how electronic commerce emerged, growth till date and the future.</p> <p>The research used was qualitative research method, also used to finalized this research, and to give a profound knowledge of human behavior, since the aim was to understand an overview knowledge on how e-commerce have been growing and emerging in a country like Nigeria, also the present reaction of the Government, this form of research has given the researcher more understanding of e-commerce in tourism industry in Nigeria.</p> <p>Finding of the study revealed that cybercrime and the government lack of vision has crippled the development of electronic commerce in Nigeria's tourism sector. With the help of qualitative research been used in this project work, it showed that the private sectors have introduced e-commerce to various target groups and keeps growing.</p>		
Key words E-business, e-commerce, Nigerian tourism, tourism development, tourism, Wakanow.com		

ABSTRACT

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1 INTRODUCTION

Electronic commerce has dominated few continents with the daily increment in internet usage. A decade ago conventional commerce was still in vogue which makes consumer to always find it hard to create time in checking various stores for different products or brand, but with e-commerce is quite easy to check different online stores even at the same time without having to step out of the current location. In little time e-commerce has spread to many sectors which include online retail stores, grocery and tourism sectors, and the tourism sector is currently the most benefitting one just because they rely much on it especially the aviation industry. Conventional travel agencies have been forced to diversify to the e-commerce method since a higher percentage of target groups have become able to make use of the internet to search for flights, holidays and tours in different destination regions.

The state of slow implementation and acceptability of e-commerce in Nigeria's tourism sector brought out this research project. The research work will be highlighting some details about what role the government played so far in the development of e-commerce in tourism sector, details on how many government-owned tourism investments engaged in e-commerce there are, and finally how a private company took the risk of making the sector well known among the country citizens before focusing on international tourists coming to Nigeria and all other African nations. In this research work a conclusive studies will be made and the results will be analysed and the overall research generated conclusions along with recommendations for the case company.

The case company used in this research work is relatively new to the e-commerce but the few years of establishment have been positive in terms of profits and fame as they mainly targeted youths and computer literate and also the company operates with a parent company that took responsibility to target cooperate customers. A part in chapter four of the study analysed the website of the Nigerian federal ministry of tourism on how much and how the government parastatal embraced electronic ways of selling government-owned tourism products to the world since most powerful nations derived more from it.

The main aim of this thesis is to examine the growth of e-commerce in tourism sector in a country like Nigeria where there are tons of tourist destinations across the country. Moreover the usage of mobile internet on phones is rampant among the literate ones so e-commerce firms do not have to be too afraid to take a risk- Also the case company in this research has been the first and successful online travel agency firm currently in Nigeria so therefore this research study will reveal how they have been coping with the higher rate of cybercrime in Nigeria.

Another aim in this study is the fact finding out how the federal and state ministry of tourism has embraced the e-commerce idea, to know if the ministry is financially ready to help the small medium enterprises that are ready to launch and grow rapidly planning travel trips for various target groups.

The problem appearing in this study was due to the slow growth of e-commerce in Nigeria's tourism sector since over a decade of its existence in modern day tourism, in the process of the research work it became obvious that reluctantly the nation residents declined to accept the method which has recorded a tremendous growth in other developed and even couple of developing Asian nations.

The only first private company practising electronic commerce in Nigeria has grown rapidly within few years of operation but still there are challenges because they were only able to attract few internet literate and mobile phone internet users, due to the government inability to make provision of internet to every home across the country. The two key problems wakanow.com is facing are: high cybercrime rate and bank card fraud, the company is failing to gain the attention of every average Nigerian who could afford a low price holiday trip abroad or even less expensive state owned tourist destinations.

In this research project a recommendation will be made in order to solve most of the problem the company is facing today.

Secondly problem being identified is the government's failure to outsource most of the government-owned tourist destinations to a company like wakanow.com so people could booked and make transportation arrangements without getting to the destination location

in person, so in this research work a solution to the problem will aim to be detected and recommended to the federal and state ministry of tourism.

It is a common fact that almost every research project encounters some kind of limitation, and these limitations can affect the admiration outcome which is likely to show negative effect in the main aim of the study. A very good example is when the interviewees are reluctant to give exclusive information to the researcher.

In a case of Wakanow.com, being the only active company practising e-commerce in tourism sector in Nigeria, there may be reluctances in responding to the questions so the company secrets will not get leaked online to other aspiring companies planning to diversify to the online business to customer just like wakanow.com did.

The study left out customers' perception about the case company because it has been 100% positive results and not in any way will a research be done without adding the negative perception of people towards the case firm.

2 ELECTRONIC COMMERCE IN TOURISM

In this chapter the in-depth knowledge of e-commerce will be revealed, it is a detailed theoretical proof of how e-commerce emerged, the acceptability and the growth of the sector will be analysed in the chapter.

2.1 A brief history of e-commerce

Before being known and popularly described by people as e-commerce, it has been in existence since the mid 1990s and gained a speedy growth to the year 2000 just known to the corporate world as business to business (b2b) way of communicating for service. Not until a major downturn occurred and the media people started talking and come up with the dot com boom phrase, so after this many industries decided to call it an end. Then surprisingly there was a turnaround in the early 2000s when the attention was also shifted to business to customer (b2c), immediately after the turnaround of the crisis those companies that survived were able to get back on their feet to quickly get recognized again by showing an amazing net profits, while at the same time when economy was booming they were getting global. However in 2008 they were shaken by the worldwide economic crisis but they were less affected and now especially in the developed world e-commerce in tourism is quite more recognized than old conventional tourism commerce, also it has spread to areas like airline ticketing, bus trip, holiday and even nowadays it is easier to move in tourist destinations even without a traditional tour guide since the invention of internet application that act as a guide. (Schneider 2011, 9.)

According to the Telecommunication industry association study made in the U.S in 2004, it was reported that more than half of American adults used internet for travel planning, while three out of ten prefer to make reservation with internet than going to the local travel agency offices. E-commerce instruments are comparatively cheap, effective and active components for most regions in the U.S. Today e-commerce remains as the fastest growing outdoor enterprise in the whole of the U.S. (Edgell, Allen, Smith & Swanson 2008, 28.)

2.2 Defining electronic commerce

Gary P. Schneider described electronic commerce as business activities that mainly rely on internet technology to function, and internet technologies consisting of three different things which are: the internet, the World Wide Web, and wireless transmissions on mobile telephone networks (Schneider 2011, 4).

Argument was made about the misinterpretation of the general definition, Maria Manuela Cruz-Cunha and Joao Varajao argued it was very tough to get an accepted definition of e-commerce because writers such as Kim and Moon considered it as a medium of sharing information, goods and services, or funds settlement through telephone lines, computer networks or even any other useful channels while some other writers defined it as distribution of business information, sustaining business relationships and conveying all sorts of business transactions through telecommunications network. Maria Manuela Cruz-Cunha and Joao Varajao reached conclusion after arguments that the definition is wide so therefore the only acceptable definition for all e-commerce users is regarding it as an aspect focusing on buying and selling exercise, and quite agreed on among the field marketers, scholars and practitioners. (Cruz-Cunha & Varajao 2011, 143.), (Kim J & Moon J.Y 1998, 6.)

2.2.1 Linking e-commerce to tourism development

After consulting books from different authors like Organization for Economic Cooperation and Development, Zheng Qin and Candace Deans, it shows perfectly that tourism still remains the major strength of every developed and also developing nations based on the number of employees in the sector, because without tourism sector it would have been impossible for all other important sectors to play a key role in the everyday development of the global market. The hotel and airline industries are the ones who cannot survive without the use of e-commerce in developed nation especially because online access makes it easy for them to deliver quickly to various customers than sticking just to the conventional method which is only person to person mode of business since the world of today has tremendously expanded through the medium of electronic commerce and still growing to every continents of the planet (OECD 2006, 140; Qin 2009, 4 Deans 2005, 4.)

2.2.2 The application of e-commerce in international tourism

Since the origination of electronic business tourism, it has been one of the most befitted forms and has settled well to the development of a network. The application of e-commerce in tourism industry makes personalized travel possible, meaning with this way tourist can easily communicate with the enterprise through their official website and they could arrange for necessary transport and accommodation requested by the tourist. In the course of the trip they will keep in touch with the enterprise website and enjoy the personalized services at any time and place instead of the conventional method of tourist guides also making it unnecessary for the tourist to join the group being organized by an agent and this will reduce cost for the management. With this method the conventional way will fade in the tourism sector. (Qin 2009, 389.)

A change in management idea needs to be considered in the international tourist market which simply means readjustment of company design proposal and also improvement in the service mode. Introduction of new technologies from time to time is quite necessary in e-commerce because the conventional tourism commerce is still in existence and still relevant to little groups. A few of the applications which need to be upgraded from time to time is mobile payment application, short information service and global positioning system (GPS) which could revolutionize the traveling e-commerce in the world. All the mentioned applications could make customers have access to information through terminal mobile phone whenever and wherever they may be. In the end the application of mobile e-commerce technology will keep tourism electronic service more perfect than what it is now (Zhenyu 2012, 964.)

2.3 The future of e-commerce in tourism

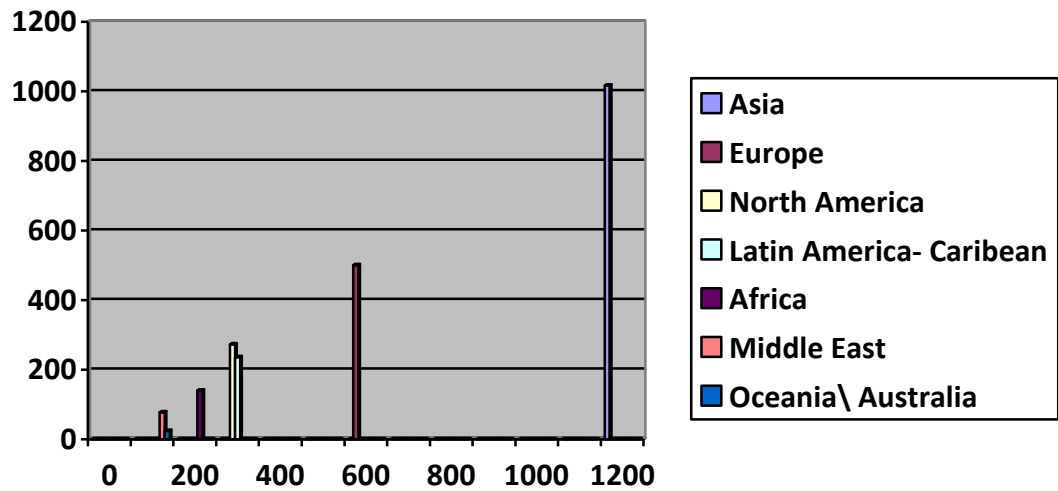
Many opinions were being suggested about what the future of e-commerce in tourism sector could become in few years, greater percentage explained that the conventional commerce may not exist anymore in couple of years because of the recent awareness especially almost all the youth of nowadays are able operate computer at average level and also the sound educated and informed tourists seem to have new types of attitudes and tastes. Those mentioned are the groups that make use of internet more thoroughly

than the other groups, so therefore with them data and information will become factors for the tourism industry just because customers will make verdicts hinge on information and moreover information this becomes more transparent. Reports showed that in the nearest future the advance of information and communication technology (ICT) will lead to a market expansion, resulting in a change in the arrangement of the tourism industry which will see the emanation of online tourism, destruction of conventional travel agencies and also business alliances distributing information and resources. (Thanasankit 2003, 214.)

Very soon, the request for diversification will be all over ~~in~~ the travel tourism world and also to be noted is the personalization and apportionment of the tourism consumer groups therefore the service-based travel e-commerce will provide the personalized and value-added service that could also enhance the quality of tourism distribution, which can quickly turn tourism to emerge as a fast economic growth area in the range of national economy. Travel e-commerce is becoming popular nowadays and still remains the future since the internet, computer, electronic communication technologies development are improving yearly because travel e-commerce is the only means that participates in a commercial enterprise whose main objectives are information publishing, electronic data exchange, online ordering, e-accounts and online payment services regarding tourism enterprises. It remains a key growth point in tourism economy. (Zhang 2011, 408.)

2.3.1 Statistical data of internet literacy

The graph below illustrates the statistical data of the literacy of the internet per continent of the world till December 2011. It also shows how the world has reacted to acceptance of internet but it is quite peculiar to discover that e-commerce in tourism industry when it comes to hospitality and airline is practically being practiced most in Asia, Europe, and North America just because they quickly adapt to e-commerce when it was being introduced to the sector ~~but~~ unlike the other places in the world that still believe and practice conventional method .i.e. using travel agents, tour guides.



GRAPH 1 Worldwide Usage Data, adapted from world statistic 2012

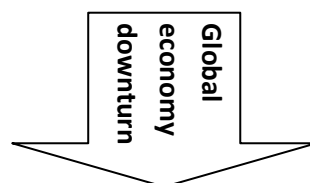
2.3.2 The growth rate of e-commerce in tourism

The table below gives proper analysis of the development in the sector since 1998 till the year of global economic crisis which is 2008 and how the sales fell till 2009 but since the miraculous turnaround of the economy, internet sales of tourism has grown beyond imagination especially since the introduction of e-travel which guides most tourists electronically.

TABLE 1 (adopted from Buhalis & Jun 2011)

Europe Year	Market (billion €)	Internet Sales (billion €)	Internet sales In % of market	Internet sale Increase %
1998	200	0.2	0.1%	N.A.
1999	212	0.8	0.4%	257%
2000	227	2.5	1.1%	216%
2001	223	5.0	2.3%	99%
2002	221	8.9	4.0%	77%
2003	215	14.0	6.5%	57%
2004	220	21.2	9.6%	51%

2005	235	30.4	12.9%	43%
2006	247	40.3	16.3%	32%
2007	254	49.8	19.6%	24%
2008	260	58.4	22.5%	17%



2009	254	65.2	25.7%	12%
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2.3.3 The government's vision in supporting the sector

After the consultation of a few books by different authors, conclusively there is no way the sector could solely survive without the government, which makes them the key players of developing e-commerce in tourism. In order to be involved, a government of any country must be ready to put in place adequate ICT infrastructure, security, financial support and privatization which is being elaborated below.

Adequate ICT Infrastructures: as of today 93% of the employees in the sector use computer with internet access, and 88% of the employees in the sector uses email, and 77% browse through the worldwide web. This shows the level of adequate tools needed in the sector, even though the conventional method will be affected however, they will not die off just only their target group will reduce to low literate tourist. (The European e-business market watch 2003, 18.)

Security: most of the organization in the sector argues that the government did not understand what they were going through in the security field of the sector, most companies face a lot of difficulties such as credit card usage, still they continue their various business activities regardless, also the challenges usually are forms of payment, they also feel government are not focusing on how to solve the problem (Sinha 2005, 87.)

Financial support: since the government remains the key player in the industry so should therefore be ready to take the responsibility of providing funds to them from time to time, this will hasten knowledge and information distribution between the tourism sector and research organizations. And in return when the system has gained ground with more than double net profits, they can therefore increase tax in the industry so the funds could be utilized to other sectors lacking funds in order to build global recognition in the tourism sector. (OECD 2006, 144.)

Privatization: this is an area most of the developing nations need to check and make amendment because inability to maintain the government-owned tourist attractions is one of the failures of adapting to the e-commerce. If the attractions are co-owned and managed by private companies the result will be quick growth of e-commerce because necessary information needed by tourists will be accessible on the internet tourism. (OECD 2006, 144.)

2.3.4 Tourism vision 2020

Vision 2020 of world tourism is a long-term forecast, it has been envisaged that the arrival of tourists will be over 1.56 billion in the year 2020, it has been said that for the past few years (2001-2003) there has been inconsistency in the sector due to the global recession, however, the region that is foreseen to expect most tourists are Europe (717 million tourists), America (282 million), East Asia and the Pacific, South Asia and the Middle East and Africa are foreseen to have 5% growth per year, the table below will show the inbound tourism by the year 2020 (Miniwatts marketing group, 2012.)

TABLE 2. Analysis of a forecast of inbound tourism globally (adapted from internet world statistics, 2012)

	Primary year 1995	Foretell 2010 - 2020	Average yearly Growth Rate % 1995-2020	Market share 1995-2020
	565.4	1,006.4 1,561.1	4.1	100 100
	20.2	47.0 77.3	5.5	3.6 5.0
	108.9	190.4 282.3	3.9	19.3 18.1
	81.4	195.2 397.2	6.5	14.4 25.4
	338.4	527.4 717.0	3.0	59.8 45.9
	12.4	35.9 68.5	7.1	2.2 4.4
	4.2	10.6 18.8	6.2	-0.7 1.2
Intraregional(a)	464.1	790.9 1,183.3	3.8	82.1 75.8
Long Haul	101.3	215.5 377.9	5.4	17.9 24.2

2.4 The effect on e-commerce in travel and tourism

Travel e-commerce is a new method of commercial enterprises, which practically involves publishing, electronic data transfer, online ordering, electronic accounts and online payment services which are related to tourism enterprises. This kind of e-commerce has brought tremendous changes to nations in the 21st century, and has since turned a new growth point of tourism economy in key nations. (Zhang 2011, 408.)

Travel e-commerce application is the continuity process of logistics, customer succession and information run in tourism-related industries, in which all attendants have a different focus in relation to business investment and access gain. It is also an area of e-commerce that mainly enhances internal and external connectivity of travel

associates by advanced information technology. This equally means within different tourism establishments, suppliers and tourists, an effective communication and purchases could be augmented. Interestingly at the same moment, the internal processes of the enterprises and knowledge distribution could also be bolstering. (Shen & Huang 2011, 179.)

Tourism e-commerce has got back in shape after ten years of continual development, however it has seriously affected the traditional tourism enterprises especially in the developed world, but today not many of the traditional merchants have realized the need for internet marketing while a high percentage still pays attention to offline advertisement modes, such as newspaper and distribution of travel brochure to various target groups which require a high expenditure, which has been a difficulty to the firm's good sales performances.

With the lack of network understanding many of the traditional travel companies still prefer managing internal business with the usage of manual measurement, even though a couple of the agencies recognize the importance of network usage, it is quite preferable to many of these companies to stay in the primary stage with limitation to easy data processing and report processing which does not near advantages of network. (Shen & Huang 2011, 179.)

It is also being discovered that lots of small scale travel enterprises exist so these companies prefer to operate on its own way in progression of e-commerce with a consequence that they cannot create a large scale for effectively attracting user.

2.5 E-partnering in tourism

E-partnering remains another essential factor that could build a successful e-commerce firm which enable the other existing companies to work together in order to optimize an overall value chain (Norris, Hurley, Hartley, Dunleavy & Balls 2000, 16). Even the traditional hospitality and tourism market involved partnership in addition to the Ps of marketing: price, product, place, and promotion. It remains as a necessity in the traditional tourism market just because of the nature of the hospitality and tourism industry, which is known as an interconnected group of businesses which mainly

handle the needs of travelers. A good example is hotels that benefit from partnering with airline firms and little businesses gains a lot partnering with big, reputable enterprises. But in e-commerce, partnership is speculating its old role and in little time obtaining a new name. The aspect of partnership in e-commerce speculates a more essential part than ever, nowadays consolidation is acting in each sector of hospitality and tourism industry, most importantly the travel information sharing sector so for any small scale firm to compete in the travel e-commerce market, e-partnering is an alternative to being consolidated by large corporations (Zhou 2004, 198.)

Partnering through e-marketing is another way an online-based tourism enterprise could have a competitive edge over business rivals. Nowadays there are lots of marketing companies that only operates through the internet and for any hospitality and tourism company. E-marketers have relied on the internet to make business activities much easier while turning others more difficult to operate. Therefore electronic partnership boosts the growth of any e-tourism enterprise especially in the airline industry. (Zhou 2004, 94.)

After reviewing this theoretical chapter the author can conclude that the traditional travel market will take a new shape in three years globally and tourists and travellers will rely only on travel e-commerce.

3 WAKANOW.COM TRAVEL PORTAL

Wakanow is the first online travel portal in Nigeria that offers e-commerce in the travel and tourism industry. With the parent company Zeep travel network, wakanow.com offers a wide range of tourism products like car rentals, visa assistance, airline tickets, hotel reservation and also many other travel services also they linked with many other online travel agencies outside Nigeria for major global events.

3.1 A brief history of Wakanow.com

Wakanow.com was founded in 2008 by Mr Obinna Ekezie, a former American national basketball association player who previously played for high profile teams such as Dallas Mavericks, Atlanta Hawks, Cleveland Cavaliers, Washington Wizards, Los Angeles clippers, and Vancouver Grizzlies and who also happens to be a chief executive officer of Zeep travel network limited which is a parent company to Wakanow.com. The word ‘waka’ was pinched out from a Pidgin English in Nigeria meaning ‘*go now*’. The company started its operation in 2008 with the hope to change the traditional mode of booking tickets in Nigeria via the local travel agencies. The company encountered some serious challenges when the portal was first created, there were thinking that they will have a competitor and they were looking for an aggressive marketing until Wakanow discovered there was no existing online travel agencies in Nigeria’s tourism industry (culled from wakanow.com 2013.)

Wakanow.com got an exclusive license from the Federal Ministry of tourism in Nigeria just before the 2010 Fifa football world cup in South Africa, which gave the company an opportunity to participate in providing services to football fans who travelled from Nigeria to South Africa for the wonderful events (culled from wakanow.com 2013.)

After two years of activeness and 100% awareness campaign, the company was able to form collaboration with Nigeria's leading bank and world renowned online payments solution companies such as Interswitch, Paypal, Valucard Nigeria plc and MasterCard, one of the biggest banks in Nigeria (UBA) provided a credit card facility for customers of wakanow.com (culled from wakanow.com 2013.)

3.2 Wakanow's aim and vision

Wakanow.com provides adequate solution to everything a travel customer would need for processing, planning, and purchasing a whole package. The aim of Zeep travel network company is to make its numerous customers book at ease with the avoidance of moving cash all around in a crime-related environment like Nigeria. In order to buy a tourism product, the company currently is affiliated to over 45,000 hotels, flights booking to over 900 cities around the world, easy access airport pick up and still counting Wakanow also recently started offering special packages for business travel, for example, incentive trips Wakanow.com vision slogan is to be friendly to its numerous customers. To live in their hearts and constantly excite them with the very best of travel deals and packages they cannot get anywhere else. The online travel portal also has a mission statement, which is to build a world class travel system that would have facilitated trips for at least 60 percent of the international travelers in Nigeria by the end of year 2013 (culled from wakanow.com 2013.)

Wakanow is the first of its kind in Nigeria, with a goal to become the best in Africa in five years with an important domination of the market just like its Northern American counterparts Orbitz.com. Another aim of the company is to make it easy for Nigerians to get a cheap deal on traveling within Africa or outside the continent, Wakanow is emerging on the market gradually. (culled from wakanow.com 2013.)

3.3 Wakanow.com products and services

There is a directly place from the Wakanow travel portal which customers may easily book flights to almost all the continents of the world with designated payment systems,

the hotel is highly possible to book different average choice of 46,000 hotels globally, airport transfers is also another possible in the portal, this means airport pick-up and drop off, holiday packages in Wakanow.com is a major products that is selling suitable holiday packages for customers as Nigerians are known for adventures, Travel Insurance is another important thing for wakanow, From the portal it is quite easy to buy travel insurance depending on the policy of each embassy. Pay small small is also a system that allows individual customers to travel to places without paying the full amount of money for the entire trip, with this system customer may decide to pay a little amount at a time for the schedule trip.

Mobile app is a service Wakanow.com recently launched, it is a mobile application which alerts users and update on the new flights and travel packages without having to visit the company website, Wakanow.com portal has a live chat session for customers who want to ask questions or make amendments to the packages they already ordered on the portal. The company also has a method of advertising its products through email to various target groups. Wakanow.com enables customers to see new travel offers via the social media such as Facebook, LinkedIn, Pinterest, Wakablog, YouTube and Twitter. (wakanow.com 2013.)

3.4 Wakanow.com growth strategies

Wakanow's growth in the online travel e-commerce has grown tremendously since it emerged in the Nigeria zero online travel market. The first achievement that contributed to the rapid growth was the usage of various marketing communication tools by Zeep travel network (wakanow's parent company), the marketing awareness went far as featuring on Cable News Network station (CNN international) in order to inform its existence in Nigeria. Another growth strategy used by Zeep travel network is the aggressive entry into the mobile space via mobile apps so as to tap into Nigeria's fast growing mobile phone subscription base, meaning every mobile phone company target group will be able to download the Wakanow mobile applications that will give the website users easy access to operate directly with mobile phones such as Android, Blackberry and Nokia windows phone. Wakanow.com collaborated with the Nigeria Civil Aviation Authority (NCAA) in order to help the local airlines, travel agents and general public e-ticketing compliant in order to boost the growth of electronic travel

commerce in a country like Nigeria where e-commerce is still behind. The company has grown to be a link between Airlines, hotels and resort centers in Nigeria, Africa and across major continents (wakanow.com 2013.)

The company encountered different challenges despite the hasty growth; key among those challenges is the issue of trust among Nigerian consumers. “most Nigerians are cash and carry people and building trust is really important so educating the consumers about usage of internet purchasing method was a serious one” (Etido 2013.) Also, unlike the crowded online travel reservation space in places like the United States, countries like Nigeria have a more virgin and less crowded market. “When Wakanow started, there was no blueprint. There wasn’t any other internet platform to look up to and aspire to be better than, the company had to pretty much chart our own path. The company’s initial efforts are expected to pay off as broad band access increases across the country with the launch of Main One Cable and the West African Cable System among others (wakanow.com 2013.)

Currently, Wakanow.com website users are able to make online payments via Interswitch, (a Nigerian electronic payment company), PayPal as well as with credit cards. In addition, the company recently partnered with leading Nigerian bank, United Bank for Africa (UBA) to offer Wakanow Visa credit cards in Nigeria (culled from wakanow.com 2013.)

With Nigeria’s increasing internet penetration rate, it will be interesting to see how the country’s internet users adapt to trust online services such as Wakanow.com in the coming years (www.nextweb.com 2011.)

3.5 Wakanow.com target group

In a developing country like Nigeria, there is segmentation in the use of the internet as people are just getting acquainted with computers, the internet literates and high numbers of educated youths could make use of the internet perfectly unlike other part

of the developed world where 85% of a country's population can make use of the internet basically. Wakanow.com target groups are basically corporate bodies and individual travellers, the corporate customers are business travellers who often make use of booking flights and hotels in business functions destination through the traditional travel agencies that will take them time and more money but with Wakanow.com they could easily save time, stress and money and for the individual customers, they fell in the category of youths who now uses the internet through mobile phones most (wakanow.com 2013.)

3.6 Electronic partnering in wakanow.com

In the travel and tourism world partnership remains the only possibility of linking the customer to numerous destinations which include airline companies, hotels, museums and all other tourist destination places. E-commerce made it so easy that a functional company could easily partner with other companies through a single body that brings all the travel companies together in order to work with each other without having to visit each in-person for making business agreement (wakanow.com 2013.)

Wakanow.com is currently networked with over 45,000 hotels around the globe. Through the partnership mode with other online travel companies such as Orbitz, also ~~the~~ wakanow.com has partnership with different airlines to over 900 cities around the world. The company may have suffered setback if not for the electronic partnership with other known world online travel agencies because African travel market is not yet at the standard that they could operate successfully without partnering with known firm (wakanow.com 2013.)

Wakanow.com is a certified member of the International Air Transport Association (IATA) whose aim is to ensure proper arrangement in the air travel world. Wakanow.com has been benefiting from being a member of the association by having a full access to airline members inventory and ticketing worldwide, Wakanow.com has a

numeric code generated for the company from IATA that enables instant recognition for each and every agency location, it also gives the company an access and use of the airlines distribution system and finally having being accredited by IATA gives efficiencies through IATA standardization (wakanow.com 2013.)

The company also ensures there was agreements with Verisign secure in order to build trust with customers by giving assurance that the website is fully secure, also Wakanow.com has payment partners with PayPal which is one of the best payment methods in the world. The company managed to secure a deal with Interswitch which is an indigenous payment company that gives access to usage of different Nigerian banks cards, others are verified by visa which is provided by Valuecard Nigeria PLC and Mastercard which is a global product (wakanow.com 2013.)

4 THE NIGERIAN GOVERNMENT'S ROLES IN THE GROWTH OF E-COMMERCE

This chapter describes how internet surfing has affected business growth in a developing nation like Nigeria where internet usage is quite low compared to the developed world where a greater percentage of the population makes use of the internet on a daily basis. The chapter also covers the level of impact the government has made so far in making electronic commerce a part of economic development in the nation.

4.1 Internet usage in Nigeria

Internet usage in Nigeria has continued growing tremendously, although at a much slower pace than voice services. The number of internet users has increase with about 8 million in December 2007, representing a penetration rate of about 5.3 percent which makes it rise from the 2.2 million figure as of 2005. While the household penetration is low, most of the large towns and cities have internet cafes that service much larger populations (Radwan & Pellegrini, 2010, 84.)

The lack of fiber network with national coverage in Nigeria may have more significant implications for the data market than for the voice market. It was recorded that only 200,000 of the 8 million internet subscribers are thought to be using broadband connections. Large data customers typically require large volumes of capacity, high quality and low prices, which can only be provided on fiber-based transmission networks. Without this, large data users are reliant on wireless technologies which often have technical and economic limitations. The absence of high-quality transmission capacity on a fiber network inside Nigeria is thus constraining the development of data services and the industries that are heavy users of data services - in particular, the information technology and IT- enabled industries, as well as electronic government applications. (Radwan & Pellegrini, 2010, 84.)

According to the research submitted to the Nigeria Ministry of Communication and Technology in December 2012, the numbers of internet users in Nigeria jumped extra ordinarily from 8 million users to 48 million users which are about 28% of the

population from 2007 to 2012. In Nigeria the majority of users access the internet through mobile phones with only estimated 6.1% of the population having fixed line broadband internet access and then again often at speeds below those required for reliable connections to remote servers. Blue-chip corporations mostly based in Lagos, however will benefit much sooner from a growing number of alternatives for various data warehousing needs (Oxford Group 2012, 232.)

Information communication technology has promoted socio-economic growth especially in the area of internet usage; Nigeria is the most populous nation in Africa also with the largest economy. Recently Nigeria has made up for lost time in information communication technology becoming the fastest growing ICT sector in Africa with major telecommunication companies bombarding the sector seriously. (Obong, 2012,10.)

Despite the emergence of Africa as one of the most dynamic regions in terms of ICT growth, the region's absolute numbers, as well as the penetration rates remain low. It remains an impressive run to know that almost all countries in Africa have an internet penetration that considerably lags behind the global penetration of 23%. The mobile phone companies made it easier for Nigerians to benefit in the rising population of world internet users through browsing through phone connections (Afeikhena 2011, 37.)

Recently the federal government of Nigeria put in place many bodies in order to see the rapid growth in the ICT sector, the National Communication Commission (NCC) as a body regulating the cost, targeted their investments at improving mobile coverage as well as developing bandwidth to increase the speed of data access and lower the cost of internet connections. This in turn should push up the current low internet penetration rate which is estimate approximately 23.4% according to data from the Ministry of Communication Technology. It was a tremendous achievement by the body rising from 400,000 fixed telephone lines in 1999 to 92 million active mobile subscribers in 2012, a huge boost to the ICT development in the country with people connecting to the internet to view many websites pages through mobile phone lines (Oxford Group, 2012, 225.)

4.2 Electronic mobile commerce in Nigeria

In most research about electronic commerce in developing nations, it tends more to focus on the barriers instead of the level development. Nigeria remains among one of the nations known to be cash based economy. Until recently most business activities for goods and services had always been carried out by one-on-one negotiation in open markets with payments through either cash or cheques. The culture adopted by most Nigerians is to physically inspect goods, negotiate and if satisfied pay. Electronic payment started through the banking system when money is being transferred through electronic medium to other accounts within and overseas, nowadays electronic banking services has saturated the so-called 'new generation banks'. The global system for mobile communication was introduced in August 2001 into the Nigerian economy. This enhanced communication and improved business transactions in Nigeria. Business associates could transact business over the phone without the risk of traveling. Payment for goods and services from remote locations was still a huge barrier until the year 2005 when the banking sector witnessed a technological transformation then the concept of e-banking emerged (Ezendu & El-Qawasmeh, 2011, 79.)

Analysts forecast Nigeria as a country with 10 million internet users capacity and a possible 500,000 local websites as of 2005, despite some hindering factors like political upheavals, imbalance economic climate and erratic power and telecommunications. Nigeria attracted more foreign direct investment than any other African nation. The federal government privatisation policy and liberalisation is likely to raise the number of foreign investments. Under the new policy, more than 1,400 state-owned enterprises are to be privatised. As foreign firms increase their involvement in Nigeria definitely there will be need to build an electronic business platform that could enable rapid business growth throughout the regions. Presently the telecommunication industry is really booming with introduction of little basic e-commerce measure that enable users to purchase different kinds of applications both paid and free, which has opened them widely to electronic service purchases. Clear examples includes the blackberry applications that are given to blackberry phone users and also androids charges for

some applications requested by users also major banks and corporate bodies owns all sorts of applications (Pawan, Budhwar & Debrah, 2004, 174.)

4.3 E-commerce awareness in Nigeria's tourism sector

E-commerce in Nigeria's tourism sector just became quite known not very long ago because of the existing traditional travel commerce that allows people to purchase all sorts of tourism related packages through cash at hand system. In a country like Nigeria that is been preferably known as a cash base economy, there were a lot of difficulties with tourism companies plying trade online only. A few divisions in the sector started the electronic medium operation especially the airline companies that have made it mandatory for numerous customers to always book flight online before coming in person to make payment, but still huge numbers of people prefer to visit a travel agency that will make the travel ticket arrangement without having to do anything on the internet. Presently about eighty percentage of both local and foreign airline operators run a valid website where it is possible to purchase flights and book hotel in choice destinations around the world.

The emergence of e-commerce in Nigeria's tourism sector is mainly an effort put together by private bodies which has nothing to do with the government, No budget from public parastatal was involved only few companies were able to convince the people on how it works and the benefits of saving time, stress and money, as at now online travel services is the only e-commerce medium in Nigeria that serves all the purposes of electronic way of purchasing order online with ease convenience by just logging to the internet and make a direct booking of flights, car rentage and hotel services

Also with the intention of adding an electronic travel guide for numerous customers so it could be possible to get directions to most tourist attraction centres in preferred destination without the help of traditional tourist guides that take people around

Online travel business is making way in a country of 28% internet users which makes it the highest in Africa and also a country with highest travellers in the continent both within and outside the continents; recently a travel company makes its major advertisement through the renowned cable news network television station (CNN) that is viewable across the globes also the online travel companies make deal with local

communication network companies in providing travel applications to mobile phone users which enable them to see list of new offers available (www.nextweb.com 2011.)

4.4 Federal and State Ministry of Tourism

The Ministry of Tourism in Nigeria was formed out of Federal Ministry of Information and Culture and Federal Ministry of Commerce and Tourism in the year 1999 with the responsibility coordinating the overall development of the nation's immense rich cultural heritage. Thus, the ministry has a responsibility to monitor ~~in~~ the identification, development and marketing of the nation's diverse cultural and tourism potential through its sub-divisions in order to complement foreign exchange earnings from oil sector which remains the major earning of the Federal Republic of Nigeria. In 2004 the responsibilities of the ministry expanded with the aim of managing the ethical re-orientation of the nation and it was renamed to the Federal Ministry of Tourism, Culture and National Orientation which was structured into six departments and coordinates the functions of ten divisions (Federal Ministry of information 2012.)

The ministry's bold initiative is drawn out of the strong need to bridge the gap between beautiful expressions of the value of the nation tourism potentials on the one hand, and a pragmatic policy and legislative platforms to widen the sector on the other hand. Indeed, despite the fact that the ministry has existed for a long time, the structural and strategic framework to revolutionize the sector has not taken deep place. Nigeria as a country has really concentrated much on the oil wealth sector than any other sector with much greater prospect than petroleum products, for example the United Arab Emirates remain the strongest nations in crude oil supplies across the globe but the tourism sector of the country get the highest hype than other nations just because of the nation development of tourism services to serve the whole world (Federal Ministry of information 2012.)

The vision of the ministry was to dislodge Nigeria as the preferred tourism destination and cultural capital in Sub-Saharan Africa as the level of tourism awareness in Nigeria still remains quite low compared to all other less developed East African countries that mainly rely on the tourism sector to boost its national economy. The Ministry of

Tourism and Culture in Nigeria turned to offer world class tourism products geared to contribute at least 10% of the gross domestic product through a transformation driven policy, legislative, regulatory environment that emphasizes global competitiveness. The ministry's mission entailed engagement with stakeholders to reinvent and reposition Nigerian tourism for the emergence of an integrated, vibrant, globally competitive, skilled, professional private sector driven industry through strategic international cooperation, investment promotion and a strong, regulatory and cooperative inter-governmental environment that produces employment for both the skilled, semi-skilled and unskilled unemployed labours in the nation and finally to alleviates poverty for sustainable national economic advantage (Ekwere, 2010.)

The Director General of the Nigerian Tourism Development Corporation, Otunba Olusegun Runsewe, says that in recent years, the tourism industry in other African countries such as Kenya, Gambia, Tanzania, Ghana, Republic of Benin have been witnessing unprecedented boom. The Director General mentioned that Nigeria, with its vast landmass, physical features, rich cultural diversity, numerous wildlife zone and hospitability, definitely has a couple of advantages over some of the African top tourist destinations in the continent (www.fmi.gov.ng 2012.)

According to Runsewe, 'if things are put in place, the income from tourism should be about two to three times higher than all the so-called other tourism known countries in African' This is clear because every week alone, major international airports in Nigeria makes a record of 114 flights into Nigeria from all the major airlines in the world, the patronage is indeed overwhelming. In other areas too, we have the signs that will make focusing in tourism a very profitable venture for our country (www.fmi.gov.ng 2012.)

The Director General mentioned that state governments and its tourism ministry need to pay greater attention to the sector with a view to confronting unemployment and mass poverty ravaging our nation, as tourism cannot flourish where we have tour operators without vehicles to facilitate tours (www.fmi.gov.ng 2012.)

Tourism sector remains the biggest and highest employer of labor all over the world, and the problem is that Nigerians have not been able to identify the proper role of tourism and what it can do for our people, Nigeria government look for investments where they can never be found (www.fmi.gov.ng 2012.)

Runsewe however, maintains that the participation of the private sector in the industry has been far from satisfactory. The Director General mentioned that the tourism industry holds enormous potential for fast tracking the economy cannot be over-emphasized. This is in view of its capacity to generate income and employment opportunities, protect the environment and heritage assets as well as promote national unity and international trade and co-operation (www.fmi.gov.ng 2012.)

Tourism industry is one of the key areas that compiled many factors that are being used for the development of any grown and growing nations, through tourism there are lots of employment opportunity for people in different areas such as hotels, restaurants, car rental agencies, tour companies, service stations, souvenir shops, sports equipment rentals, airline companies and a lot more. Commonly in various places the establishment and development of tourism gives local people a privilege chances for economic and educational growth that would not otherwise be available, also it gives both the tourist and local community the privilege to experiment other cultures, which broadens understanding. (Ekwere, 2010.)

The present administration in the country concentrated on a revolution agenda to deliver the dividends of democracy to the citizen and residents of the country, The agenda is based on a set of priorities, policies and programs which when faithfully implemented is capable of transforming Nigeria's economy to meet present and future needs of the Nigerians and non-Nigerian residing in the country. In this regard, the Federal Ministry of Tourism, Culture and National Orientation working in close partnership with its divisions has undertaken a number of programs and activities geared towards the promotion of Nigeria's rich Tourism potentials and Cultural Heritage through identification, development and marketing of the diverse cultural and tourism opportunities, by implementing policies aimed at diversifying the economy and placing cultural tourism on the path of sustainable growth and development as well as re-orientating the populace for national development (www.fmi.gov.ng 2012.)

The Federal Ministry of Tourism, Culture and National Orientation render some services to mostly international tourists, the services included identifying, assessing and documenting tourism sites and attractions for development/investment and promotion purposes. Secondly, sustaining a permanent exhibition of a traditional African architectural technology, and the origin of man in Africa. Thirdly the government put in place services which educate the public on the inevitability of culture as equipment for development, negotiation and propagation of peace. Fourthly, the ministry recently built the following galleries; Portrait galleries, Galleries of Modern Art, The National Hall of Fame, Gallery of Contemporary Islamic Art, Gallery of Contemporary Art, National Photographic Gallery, National Gallery of Architecture and Designs, Special workshop/studies project. The Ministry of Tourism Culture and National Orientation also acquired audio visual materials such as films, photograph, video and audio cassettes for pupils, students, scholars, artists, and researchers that are willing to know more about some historical stories. Services are also offered to conduct in-depth research and documentation in Nigerian culture and history in order to promote the discovery and development of talents in the arts (www.fmi.gov.ng 2012.)

In the light of the inter relationship between the hospitality industry and national security, especially in view of the current security challenges in the country, the Ministry, through the Nigerian Tourism Development Corporation, enlisted the collaboration of the security agencies in the registration of hotels and other hospitality establishments nation-wide. To accelerate the registration exercise and create employment, the Corporation engaged the services of fifteen new consultants. Each of these consultants has not less than ten field officers. By extrapolation therefore, about 150 additional jobs were created from the engagement of consultants for the registration exercise alone. (www.fmi.gov.ng 2012.)

5 RESEARCH METHODOLOGIES

In this chapter there will be a semi-structured analysis of the research conducted including gathered information and results of the case study. This will enable the author to justify the research method which was chosen.

Research projects have always given some privilege to both undergraduate and postgraduate student to pinpoint and choose a research problem and investigate it independently under the supervision of an instructor. It gives an opportunity to apply theory or otherwise analyze a real problem, also to make findings and analyze more general issues. (Collis & Hussey 2009, 3.)

5.1 Qualitative research method

This is a research method that relate with the qualitative phenomenon, which means phenomena relating to or allowing quality or kind. For an example when someone is highly interested in finding the reasons for human behavior (i.e. why people think or do certain things). It is more often talk of ‘Motivation Research’ which is an important type of qualitative research. It is a type of research that usually discovers underlying motives and desires, using an in depth interviews for the purpose. Other techniques to such research are word association tests, sentence completion tests, story completion tests and relevant other projective techniques. Qualitative research is always the most important in human behavioral sciences where the goal is to pinpoint underlying motives of human behavior, which makes it very easy to analyze the various factors which encourage people to act in a singular manner or which enable people like or dislike a major thing. (Kothari, 2009, 3.)

5.2 Presenting the results of the research

This research interview was conducted with three participants, via Skype, and each of the interview last for about thirty to forty minute, the interview took place on 28 of

February 2013 with a representative member of wakanow.com Etido Akpan, and two customers, Olayinka babalola and Showole olalekan using wakanow.com services in Nigeria. Before the interview took place, the representative of wakanow.com sent some background information about the company and all services offered which will aid in the concluding part of the research, even though the three interviewees might not be enough to make an overall conclusion, but the situation of the country and the opinion of the interviewee have aided the research and the research method in question. The information gathered from the customers was based on their experience with wakanow.com and the development of e-commerce in Nigeria, while the information gathered from the representative of wakanow.com was based on the situation and the challenges faced day to day in the company. The fact gathered from the two customers was based on their experience and their opinion towards wakanow.com and e-commerce emerging in the Nigerian tourism sector.

5.2.1 Presenting the interview with the representative of Wakanow.com

Theme 1 entails the challenges of e-commerce in Nigeria and the company challenges towards the issue since there were few people using the methods, the reason was to find out the present situation and challenges faced by the first online travel company in Nigeria, etido stated that

‘electronic commerce have been growing tremendously for the past five years especially with the help of blackberry mobile, most youth use internet phones facilities , though people tend to still complain about the slow network in the country but it has always been challenging but not out of the ordinary, most people don’t want to use their own card to pay, they prefer to use the medium bank or go to our outlet and book, when it comes to trust, as for the our challenges A lot to be precise but, we are scraping through (smiles) the most especially is the trust, how do we get people’s trust even with all our strategies people still want to see us talk to us, so the challenges are fear also some of our customers prefer to pay in the bank, we are the first, we have to create a lot of strategies to make people travel, though they travel, but we need to promote our own tourism destination, which I think government has now see to it’

Theme 2 was about the government's impact towards the development of tourism and the rate of cybercrime in the country. This question was asked to know the role the government is playing in relation to e-commerce generally and the rate of which the cybercrime has been dealt with, etido said that the government has tried due to the rapid rate of the internet user which increase just within a decades, he stated that:

(Smile) ‘you know the government, they are trying their best, and e-commerce have been common lately due to the increase of internet users as at early 2000 the population of internet users is 200,000 and as of now, it’s now forty-five million internet users, which is a lot change , and I think if the government is not the doing anything the increase will not be this much, we are getting there, also as for our company, We have never had any problem, concerning fraud, though it’s so common all over the world even in the developed countries, but we have a good strategies towards this issue, even before we start, since we know it’s a problem we try all our best solving that area, we have our own security company that handle this issue so we have never had this problem and we hope not to have’

Theme 3 was about the marketing strategies, if the company is targeting the inbound tourist since their company website can only use from Nigeria to any part of the world, and also the customer feedback, this question was to know if the company have the plan to focus outside the country and to know if Nigeria market was only the reason for the existence of the company and how the customer are been reached when it comes feedback or marketing, etido stated that:

‘Yes we have a plan for it soon for instance a country like Dubai and other African countries to start with, but our focus now is for the outbound booking. For instance we had the ‘pay small small’ plan that enable the customer to plan their trips ahead so all this facilities are still meant for the domestics tourist also when it comes to feedback, yes we do have strategies like we use to have a survey and we really feel our customers opinion should matter most, we send emails, we makes some calls and we think our customers are happy, since we are the first we try to be the best. Also we are on Facebook, twitter, pinterest etc, and social media. is a global world, people want to see what we are made off, and we discover that almost everyone is on the social media so we have someone in charge handling it, though it’s time consuming, due to the fact

that we post things on social media regardless your time zone, so it really a time consuming thing but we will be there and we feel it's necessary'

Theme 4 was based on the traditional way of booking travels online; this question was to know the percentage of people that are still using the methods also to know their forecast on the business due to the country low percentage of ecommerce usage. etido stated:

(Smiles)' it's not easy, people want you to book for them, they don't want to use their cards, even when they are using their cards they still want you to be there, in fact we still do the traditional way most times but the increase of internet user as help us too. Also Well we still plan to be there, because we can't relent some people are looking up to us, we have to keep doing what we are doing as we plan to be the biggest online travel company in Africa, since all the strategies we had are working for us it's so wonderful that we are the first and no company as ever done what we are doing so in 10 years we are still going to be in business and we are going to be big by then, additionally we do tour operator also, we sell packages to companies (b2b) we do a lot of things that any travel agencies in Nigeria don't do, we do airports pick-up and drop-off, we do travel insurance, we even do last minute deal, whereby customer can get a last minute deal at a cheaper rate , because we have access to over 45,000 hotel in 900 cities around'

5.2.2 Presenting the wakanow.com customer interview

Theme 1, the interview was based on how they got to know the company, this question was ask by the researcher to know how people get to know the company and how e-commerce is really been used on information like that, the Showole stated that'

'I got to know this via cnn (a cable network on television), I was surprise when I first saw it, because I was on a vacation in London and I was amaze to see my country advert in another country, (laughs), when I got back to Nigeria I ask few people and they said they don't know the company, I was astonished, is this a scam? (Laugh), I travel a lot and my company buys a lot of travel packages so I really wanted to know the company, so I browse it on the web, and by then I could believe they really exist'

Olayinka has another way of knowing the company, she stated:

‘I saw an app on my friend’s mobile phone and I was surprise that a travel company in a country like Nigeria can have an app, afterwards I downloaded the app and it was excellent’

Theme 2 was about how confident are they, when booking a travels online, this question was asked to ascertain how people feel when using e-commerce with their credit or debit cards. In a country like Nigeria whereby most people are afraid of using their cards on internet Showole stated:

‘(Sigh) I actually did not use my card when booking a travels in Nigeria, I trust the company, I have a had good experience with them but my guts will not allow me to use my card, I either pay to their account or I book the travels via their stands at the airport, am comfortable with that’

Olayinka on the contrary booked her travels with her master card and hoping if anything goes wrong the bank will be responsible for it, she hope for more online companies in Nigeria, she stated:

‘I use my cards to be candid I love been cashless (smiles) I tried to tell my friends abroad that Nigeria is now a fast rising country when It comes to using online company, I am not using my cards only for wakanow.com, I use it also to by stuffs online, for instance cloths bags shoes even books, I can now see that Nigeria is growing due to the statistics I saw on the TV, so I have no cause to be afraid, I am an African am proud to be, there are a lot of online companies in Nigeria lately, when it comes to watching movie and all sort of, people now comes home from abroad to see things in a different way, for instance konga.com irokov.com, Nndaniv.com all this are online company in Nigeria and am proud to be part of the history’

Theme 3 was about how they feel about the cost, if it is expensive to buy online in Nigeria or it is cheaper, since e-commerce is still a new thing for Nigerians, this question was to know their opinion if they feel they are paying more due to the fact that it is e-commerce or they feel it is cheaper and safer for them. Showole feel it is expensive sometimes, he stated:

I feel it’s expensive but I don’t mind, I just love the fact that they are doing such things in Nigeria, and I want to be the part of the people who

is using this kind of service, I want to sit back in my office and check prices before going to their stand to buy my travels, but I like it, I don't mind paying more' (smiles)

Olayinka feel it is cheaper and safer, she feels she can get a good deal than the traditional way of booking, she stated:

'I love booking online and the fun part is you get a good deal at the end, I love wakanow.com because they have a lot of offer all the time, when I open my twitter or Facebook it's either one offer or the other, sometimes I book my travels paying little by little which make it amazing, I love travels especially domestics travel, I feel it's cheaper because they give u different offers on their page, some times when I want to travel I check some of their tickets and look for the cheapest date, for that I feel it's better than the traditional way, when you visit a travel agencies for instance like twice and you don't buy anything the next time you go their they might not give you full attention hoping you are here again (laughs) but when I visit wakanow.com am anonymous, no one sees me, I can surf as many times as I want and I wait till I get the best deal, that is the more reason why I love online companies'

Theme 4 was about their opinion if there is future in e-commerce in Nigeria; this question was asked to know if they think there is future in e-commerce, irrespective of the sector. Showole thinks there might be if the government can make impact, he stated:

'I think there might be future in ecommerce if the government can support the entrepreneur in whatever they do, there should be a website whereby the government should have all the names of companies that are online on their page on each ministry, for instance ministry of tourism should have all the list of both online companies and the open travel agencies on their page, I think government as a big role to play if there will be a future'

Olayinka thinks there is a lot of future in e-commerce, she said with the situation of things now she thinks there is a lot of prospect, she stated:

'If the numbers of users of internet can change within a decades with that much number, I can be so sure there is a prospect, people are not waiting for the government to do or act before they react look at most online companies that just started they are people that came from abroad and started with the hope of risk and maybe lose, but still people embrace there idea, take a look at konga.com, he started not up to a year his really

doing good, and he came from US to start a business in Nigeria still an online company, look at the CEO of irokotv.com, he also lives in the UK before he relocate to Nigeria, and I also heard that wakanow.com CEO also came from abroad, so tell me, (smile) I believe if people are coming out with their ideas and we are not waiting for the government, then the government will support, well I will also state that the state government are trying especially Lagos state, at least I live here and I can see Lagos state government have tried when it comes to tourism, Radisson Blu is now in Lagos, I know the hotel is an international company because I have lodge there during a business trip abroad, also master cards are now in Lagos, so those are the physical things we can see, with that I believe there is a future for ecommerce’

5.3 Analysis of the research interview

The research interview carried out above by the researcher will be analyzed one after the other according to the theme planned above

5.3.1 Analysis of the interview of representative of wakanow.com

Theme 1 was about their thought on the challenges of e-commerce in Nigeria and the company challenges towards the issue since there were few people using the methods. The aim of the question was to check what the company is going through,

Nigeria can be named “cash based” as e-commerce is becoming popular in developing countries, this is not enough reason for the countries to understand it, but the might be involve in it, this involvement is not only for making the industry grow but it will also be a means of a daily bread in the society of e-commerce-based market and business, the most important will be their social amenities and their financial status, and also depends on the possibility of using IT gadget (internet connection, mobile phones, etc.) and their prices with the education on technologies. The interviewee explained with experience

Etido explained that due to the experience on a day-to-day activities, the challenges is not so much on what the company expected, they expected not be the only one when

the company started but on the contrary the company has no competition as at then. E-commerce on its own is challenging for developing countries not let alone been the first, due to the fact that people still want to talk to someone when booking their travels, they feel online company is a risky to throw away much money, even when they book their travels, they still have to go to the bank to make the payment of an online commerce. But the company is doing a great job making sure all the customers' form of payment is safe.

Theme 2 was about the government's contribution towards the development of tourism and the rate of cybercrime in the country. The government impact was not all that much when it comes to e-commerce as Nigeria is still a developing country, the infrastructure is still need to be taken care of before selling a destination, with wakanow.com experience cybercrime rate is not all that much in a country like Nigeria, people do not even believe that in using their cards in a population of one fifty million, only forty five million people are internet literate.

Interviewee A explained how they had no experience of any crime rate but the company is already prepared for the situation, and they feel government is trying their best in their own way.

Theme 3 was about the company possibilities targeting the inbound tourist, wakanow.com is not the only company with this kind of situation, and the company target group is basically Nigerians. The company wants to be the only company that is doing what others cannot do, the company keep having different strategies just to be on the top, by making the citizen pay little by little due to the situation of the country.

Etido have a positive answer, the company have different customers abroad which they plan having a possibilities of booking travels through wakanow.com even when abroad. Like Dubai, a lot of business travellers from Nigeria go to Dubai and some other African countries.

Theme 4 was about the traditional way of booking travels online, a country like Nigeria whereby people are so used to the traditional ways in everything they do, people still want to book their travel through an agencies especially when it is complicated trip,

Interviewee A still feels people are so afraid, they believe in what they see on TV about crime rates abroad whereby people fraud one another, and get away with it, a country like Nigeria needs an education on e-commerce, even though there was tremendous rate of people using internet as of today, still there is still a need for it.

5.3.2 Analysis of the interview with the customers of wakanow.com

Theme 1 was about how they got to know the company. Wakanow.com as an online company, they not only do their advertising online but through TV commercials, bill boards, lounge at the hotels and all the social media Nigerian users use the most.

Showole got to know the company through a TV commercials which is a good form of advertisement, even though the commercials was on cable network still people get to know the company, the company make a lot of awareness when it is started and there still do just to make sure that every Nigerian buy their travels online .

olayinka got to know the company through a mobile app, this form of app have help a lot of companies in Nigeria as of today, even blogs have an app in Nigeria, the help of telecommunication have help the rate of internet users in Nigeria today.

Theme 2 was about how confident they are when booking a travels online. The reason for slow rate of e-commerce in Nigeria is trust, Nigeria is cash based country, whereby people buy things everyday but they prefer going places for the traditional way than using the easy way, change is a very important thing that also works slowly.

Showole never uses card during transaction with an online company in Nigeria, Nigeria he believes it is risky when using his card, he prefer checking the offers online and making reservation if via telephone, or he either goes to their stand and pick up his ticket and pay through cash.

Olayinka feel comfortable when buying travels or other things online, she felt Nigeria has change unlike a decade ago when most people did not even have a bank card. She felt Nigeria is now embracing online company, and people have started to bring home online companies ideas from abroad. She felt been cashless is a good thing and been

anonymous is preferable unlike the traditional way, whereby people will be forced to buy what they did not want.

Theme 3 was about how they feel as a customer when buying travels, if it is expensive to buy online in Nigeria or it is cheaper for them in their point of view. The question was put to them due to the situation of the country if their old way of booking is cheaper since they are talking to someone and they can bargain with whoever they meet.

Showole feels his enthusiastic with the system of e-commerce even though he feels it is expensive for him, he feels his comfortable with just looking the price and checking out other forms of service they have before going to pay, regardless the stress, he also feels new things cost at the beginning but he does not mind to pay more.

Olayinka really has a flare for the fact that she can book or buy anonymously without having to visit travel agencies, she emphasized about buying with a traditional form can be somehow in the sense that the customer cannot be going to a particular agencies all the time without buying, unlike using the form of e-commerce, she also discuss how wakanow.com have different offers wish is easy for her to buy without visiting them.

Theme 4 was about their opinion if there is future in e-commerce in Nigeria, this was put to them in order to know if the interviewees have hope or if they believe there is a future for e-commerce, since they have some experience using the form of e-commerce not only with travel industries but other also.

Showole thinks the government impact is most important in the future of e-commerce in Nigeria. He feel government should make it easy for people to be able to access all e-business in their website, the government should be able to help the entrepreneur in this kind of business line since they also generate income for the country.

Olayinka feels there a lot of prospects in e-commerce in Nigeria, regardless the government. She feels people are traveling back to Nigeria from wherever to invest on e-commerce. Also with the help of the rapid increase of internet users in Nigeria there is future since there are new companies establishment from abroad and also with that there are a lot of increase of e-commerce day to day, some are not even well know but

they are there. This is a different opinion with the interviewee B that thinks government has to play a key role before there could be a future.

5.4 Findings

The study has evaluate the development of e-commerce in Nigeria, and how it has been growing also with the challenges the first online travel agencies have been going through coupled with the users reactions towards the e-commerce in the industry and their thought before using and trusting an online form of payment, the following paragraph will give an overview of the analysis of the research interviews.

The research have shown that the first online travel company have been successful since they started, even though they are the first online company, the research have made it obvious that it is challenging to be the first in a business especially an online company whereby the user are new to the system of internet, it also shown that they first online company have been trying all their best just to be at the top, since they have a competitor looking up to them, it also indicted that the company is moving forward regardless the government support towards the idea. The research also shown that the people embrace the idea of been the first even though it is expensive but it is new and necessary. Though people still tend to use the traditional way with the online system due to trust.

The study reveals that some are still afraid of using the e-commerce way even though they still welcome the idea, also it shows that the traditional way is still used just because some user feel they are not safe and they are afraid of being scammed or something might go wrong during the transaction, they believe it is expensive but as long as it is still trending and it is a new idea paying more worth it. Also the study shows that the government has a big role to play if e-commerce is going to move forward in the nearest future.

The research carried out has shown that some people also believe the e-commerce is going to go far regardless the government, also they feel safe using their credit cards even if it is travel or other online transaction in Nigeria, the research has shown that some people prefer to be anonymous when buying their things that is why the first

online company was embraced by them. This kind of feeling will be encouraging for entrepreneurs going to the e-commerce in the tourism industry in Nigeria. The research has shown that the first online travel company in Nigeria has been trying all their best providing their customers different types of offers all the time just to keep them at the top as they feel some company are looking up to them, also making sure everyone can afford to travel with their new payment plan of customer paying little by little before traveling to their destination, all these services are offered only by this company.

Finally the research has revealed that even though it is expensive people appreciate the fact that they can book their travels easily like it has been done in the developed nations.

The findings uttered above are the far-reaching summary of the form the interviews conducted during the process of this research; it shows that the e-commerce will aid the rapid growth for development in e-commerce in Nigeria. Having said there are still a lot to do to develop the sector with the help of the government and the entrepreneur in the e-commerce business and the ones planning to start their own someday.

5.5 Reliability and validity

It is essential to look into the validity and the reliability of any research carried out regardless the form of the research interview carried out, just to be sure if the research is reliable and valid and convincing enough, not just for the researcher but also for an adherent.

Validity is commonly referred to the level of which the information collected by the researcher essentially reflects the phenomenon being studied, explaining the validity of any research work is largely concerned with people's behavior and with their individual attitudes, and for information on these the researcher mainly relies on any kind of gathered reports on interviews either paper based or verbal ways. In tourism the validity data can rarely be as certain as in the natural sciences. (Veal 2006, 41.)

Reliability is known to be the extent to which research findings would be the same if the research meant to be reviewed at a later time or with another sample of subjects. Again it can be seen that the model is taken from the natural sciences where, if

experimental conditions are properly controlled, a repetition of an experiment should give corresponding results wherever and whenever it is examined. (Veal 2006, 41.)

This research is a qualitative research study revealing the development of tourism towards the form of e-commerce, the interviewee mention above have some background about the topics towards e-commerce in Nigeria, the reliability was expended with some vital information and the acknowledgement received from the interviewee. The two customers of the company used as a case study are business and leisure travellers who travel around the world frequently and expose to the e-commerce system, the business traveler travelled around the world every month round the year, while the leisure traveller travel with the aim of leisure both with domestic or international travels, both interviewee are fully Nigerians and residence of Nigeria, this enough is convincing on how reliable and valid the research is.

6 RECOMMENDATIONS AND CONCLUSION

After carrying out a vital research from all the interviewee and coupled with the findings and analyzing the response, it is essential to recommend a solution to the federal government along with wakanow.com, which might influence a positive impact toward the development of e-commerce in tourism organization in Nigeria.

6.1 Recommendation

The federal government should provide a central portal for the tourism industry in such a way that all the incoming tourist going to Nigeria can access every available tourism services on the portal. Even though the federal government of Nigeria has a portal but this is not with a vital information and not detail enough for a country website, this will help the locals also to know all the hotels and tourism destination in the country , this will be possible only if the federal government can impose it to all the companies under the Federal Ministry of Tourism to have a particular page for their company so it can be centralized and can be seen everywhere in the world, since the rate of internet users has risen from 200 thousand to more than 40 million users within a decade. Having said this might be hard for some smaller companies especially in the rural area whereby there are a lot of tourist destination controls by some people who cannot use any internet.

The federal government should also ensure that internet cost for internet users should be reasonable and affordable as this will enable the growth of e-commerce to increase, which will affect the tourism sector positively. The government should build a trust in the heart of the citizens, if in such a way that all the government sectors should have a cash free system, e-commerce spending is also a big impact which can create a growth toward the tourism industry, this include for instance movie e-tickets, bus e-ticket etc. but this can only be achieved if the government can create trust and improve the on their promotional awareness.

Education is also important in e-commerce, there are possibilities that some tourist destinations in the rural area are not known at all even by the locals, with the help of e-commerce people can get an overview of what is in the country which also will affect the economy. Most developing nations generate a lot of income through e-commerce spending towards tourism product and services, also the country tourism website need to be look into, as the website only have a three tourist attraction on the page at the moment. Also the website state that there are hotels listed somewhere in the page when open, the page will not be found, this is not a good way to promote e-commerce in tourism industry in Nigeria, as people going to the country for the first time will like to have a picture in their mind before going into the country. Therefore the website needs to be updated with all the information needed.

Wakanow.com as the first online company in Nigeria should also ensure there are possibilities for incoming tourist to book a travel to Nigeria, this will help the tourism industries as well as the country as a whole. As the first company using e-commerce in the tourism industry, they should consider that as a medium of selling the country's tourism product via e-commerce since the company's commercials is everywhere even on a cable network (CNN) across Europe.

Another important thing to be considered on the wakanow.com webpage is ~~by~~ selling a cancelled trip which was cancelled by their customers, instead of refunding Even though wakanow.com sells last minute deal but it is not properly stated on their website. The company can still sell the same trip to another customers as a last minute deal as this is seen in some website in the develop nation for instance a travel agency in Finland named Tjarebourg.fi. Search engine optimization should also be considered, as this will improve the traffic to their website, as the company cannot be found if search by some keywords outside the country, having said, the search engine optimization works in the country if the word flight or any other tourism related word is using

6.2 Conclusion

The research has shown that there is a rapid growth towards development tourism in Nigeria due to the rapid rate of internet users in the country, if the government can look into the sector properly as it is supposed to be, due to the findings, the government has not invest so much in the e-commerce in Nigeria. The federal and the state government should ensure a proper database system for e-commerce in tourism industry, though as it is said from the representative of wakanow.com, that government is trying their best, still all the recommendations above need to be look into since wakanow.com is the only company presently that is well known as an online travel company in Nigeria. The official website of the Ministry of Tourism should be looked into since the rate of the internet user has increased. Finally the federal government should encourage small entrepreneurs on the various sectors in e-commerce since there are some people who might want to invest in the business but they might be afraid of the risk and the reaction of the people, but if government could educate and invest in this sector, it will not only give investment but also create employment for the citizens of the country.

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Interview themes for representative of wakanow.com

**Research: THE EFFECT OF THE GROWTH OF ELECTRONIC COMMERCE
ON THE TOURISM DEVELOPMENT IN NIGERIA**

Case: wakanow.com

Interview type: Semi-structured interview

- **Theme 1:** what are the challenges of ecommerce in Nigeria and the company challenges towards the issue

- **Theme 2:** what is the government impact towards the development of tourism and the rate of cybercrime in the country.

- **Theme 3:** what are the marketing strategies presently for the inbound tourist, and why is the travel only for the locals.

- **Theme 4:** How do wakanow.com react to the traditional way of booking

APPENDIX 2

Interview theme for wakanow.com customers

**Research: THE EFFECT OF THE GROWTH OF ELECTRONIC COMMERCE
ON THE TOURISM DEVELOPMENT IN NIGERIA**

Case: wakanow.com

Interview type: Semi-structured interview

- **Theme 1:** How did you get to know the company

- **Theme 2:** How confident are you when booking travels online

- **Theme3:** Do you think it is expensive to book a travel online

- **Theme 4:** Do you think there is a future in ecommerce in Nigeria