



**UNIVERSITY OF NAIROBI**  
**SCHOOL OF COMPUTING AND INFORMATICS**

**AFRICAN PERSPECTIVE ON CRITICAL  
SUCCESS FACTORS FOR B-TO-B ELECTRONIC  
MARKETPLACES**

**BY**

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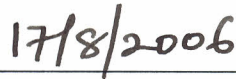
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**DECLARATION**

*This thesis, as presented in this report, is my original work and has not been presented for any other University award.*

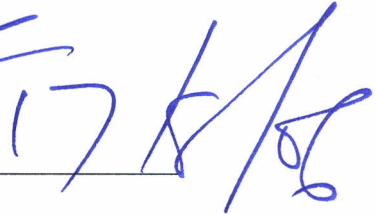
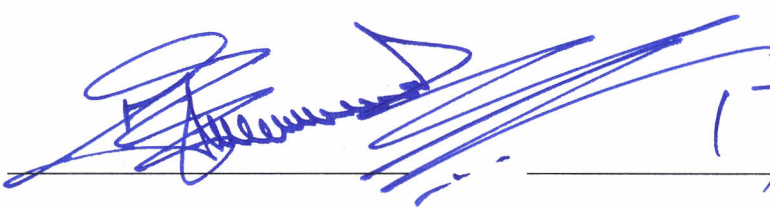


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*This research project has been submitted as part of fulfillment of requirements for the Master of Science in Information Systems degree of the University of Nairobi with my approval as the University supervisor.*



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## ABSTRACT

Although majority of e-markets have failed in the past decade because of encountering problems (Brunn et al, 2002), hundreds have survived and in some cases thrived by creating successful business models with strong competitive position at the e-marketplace (Day et al, 2003; Laster and Capers 2002). The existence of such successful e-markets has necessitated the study of success factors. In this study we examine the critical success factors of B2B e-markets from an Africa perspective. Relevant theories are examined and then followed by a case study of a local public independent e-marketplace in Kenya. The case study explores the actual strategies adapted by the e-marketplace in building liquidity and capturing value using a conceptual framework for the analysis on the critical success factors proposed by Jijian Li and Liwei (2005). Most of the results agree with theories of success factors and support the view that Strategic factors, Functional factors and Technical factors are critical elements for the success of a given e-market, with building liquidity and creating value as pillars of success (Julta D, 1999; Jijian and Liwei, 2005; Brunn et al, 2002). However the following new findings are also evident:

- Sources of competitiveness and dominance at the e-markets are more of *localized* within a region, and they are embedded in cultural values of local community and society.
- An e-market can gain a high competitive edge at the e-marketplace by exploiting their own niche by aligning their targeted marketing strategy with the cultural values of local community and society. This includes forming strategic partnerships with local firms and building a strong brand establishment.
- The inability of other global markets to operate in least developed market segments of Africa is an added competitive advantage niche for the local e-markets operators.
- B2B e-markets can build liquidity and create value by adopting a flexible system integration approach with minimal technological standards of system integration to attract more participants and extending their services offerings and functionalities by offering outsourced offline e-commerce services.