Chapter 7

Developing E-commerce Capabilities in a Garment Manufacturing Firm – The Case of a Ghanaian Firm

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**Abstract**

This paper presents a case description of e-commerce adoption in a fabric and textile-manufacturing firm, Jesmont Fabrics and Garments Limited. The paper seeks to document the history of e-commerce adoption and usage in the case firms and conduct an analytical summary of the e-commerce capabilities in the firms, the key resources developed and actions taken to deploy e-commerce capabilities, and the notable benefits obtained through these e-commerce capabilities. The authors, through a case study approach, present the story of e-commerce adoption in Jesmont. The case study is developed from 22 semi-structured interviews with firm employees, customers and competitors of Jesmont. Secondary source of data was collated from project and financial reports and joint evaluation of the firm’s Website and that of trading partners. Key insights from this case study include the fact that, in resource-poor contexts, first, social networks, trust and credibility as intangible resources form part of the medium and outcome of e-commerce capability development processes and thus suggest that, IS resources interact directly and indirectly with intangible resources to create e-commerce benefits. Firms that are able to create a strategic fit between these set of resources are more likely to develop other resources which are more socially complex and have more potential value to e-commerce benefits creation. Second, while firms may be able to achieve benefits at the firm-level, their ability to translate these benefits into broader development impacts tends to be less evident in practice. We make a case for future research to focus on developing a broad development perspective on e-commerce benefits encompassing issues such as how DC firms may impact on the resource poverty in their contexts. This study is one of the few case studies from a West-African sub-regional context focussing on understanding the environmental influences on e-commerce adoption.

**Keywords:** Ghana, Developing Economy, Electronic Commerce and Fashion

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Jesmont Fabrics and Garments Limited

Firm Profile

Jesmont Fabrics and Garments Limited, a limited liability family business commenced its operations in 1997 as a small-scale fabric screen-printing and garment-making enterprise. Jesmont designs and produces screen-printed and embroidered fabrics and use them to manufacture garments to be sold primarily in Ghana. The product lines of Jesmont are as follows: a) Ladies' wear including skirt suits, pants sets, caftan and casuals with screen-print or embroidery; b) Men's wear including 2-piece ensembles, executive tops and shirts and casuals with screen-print or embroidery; and c) Children's wear.

The product lines are made available to customers through two product cycles; through a bespoke garment ordering system where garments are pre-ordered; and through the purchase of ready-to-wear garments in the firm’s boutique (at the factory premises). The customer’s measurements are taken and the customer goes through three customisation processes; Choice of Fabric, Choice of Design and Choice of Style. The value-added depends on the customer’s choice. The choice of fabric pertains to the type of fabric which includes linen, silk and cotton. Jesmont adds value to fabrics obtained from the local and foreign textile industries through screen-printing and embroidery. The choice of style pertains to the style for the garment which is usually reflective of the intended function of the garment as casual, executive or occasional wear. After the type of fabric, design and style has been chosen, it takes at least five working days to manufacture a garment but also depends on the availability of materials and the complexity of the design and the style.

The objective of Jesmont Fabrics is to market a portfolio of their garment designs and expertise and further meet the needs of customers who may not be able to wait for the manufacturing time associated with the bespoke ordering system. Customers who visit the boutique try it on to check its fitness. The purchase is made if the fit is right or the necessary alterations are done. Figure 1 illustrates the two product line cycles.

Figure 1 Product Line Cycle

Bespoke Garment Ordering System

Choice of fabric
Choice of design
Choice of style

Garment Making

Does it fit?

Yes

Purchase

No

Alterations

Customisation processes

Ready-To-Wear Garments

Select Garment

Does it fit?

Yes

Purchase

No

Alterations

Source: Company (Jesmont) Interviews
Products are sold locally through the firm’s boutique and a Duty Free shop at Kotoka International Airport (in Ghana); through direct exports to Alimex, a small business entrepreneur in Baltimore, USA; and indirect exports to the USA, Europe, South Africa, Namibia, and Tanzania.

Jesmont is owned by Derrick and Jessica Montford. The company name, Jesmont, is a combination of Jess and Mont. The directors of the company are Derrick, the Managing Director (MD); Jess, the Deputy MD and Sales Manager, and a Textile Designer (son of Derrick and Jessica). Out of the 27 employees, 4 have a tertiary or professional education – the owners, the textile designer, and the accountant. The Couple (Derrick and Jessica) work together to give the company its creative direction and the textile designer produces designs for screen-printing. Jesmont is a member of the Association of Ghanaian Industries (AGI), Federation of Association of Ghanaian Exporters (FAGE) and Ghana Association of Fashion Designers and Exporters (GAFDEX), which has Jessica as its Vice-President.

The firm’s IT resources consist of three Pentium IV computers used by the Couple, the accountant and the secretary. It also has two Hewlett Packard 1100 Laser Jet printers; two telephone lines; two mobile lines and one fax machine. The firm subscribes to a dial-up Internet service from a local ISP at a cost of US$30 a month which is restricted to the computers used by the Couple. The firm’s production equipment consists of one maxi-cure infra-red dryer for screen-print drying, and twelve electric and manual sewing machines for sewing, decorating and finishing seams, overlocking and making buttons. Screen designs are developed through free-hand drawing and computer graphic software applications including Corel Draw. Screen designs obtained through Internet search are directly printed for use or edited through a computer software application before printing. The lack of automated or computer-aided machines among Ghanaian fashion designers has been argued as being the critical limitation to large-scale production and the inability to engage in large international export orders in quality and in time (Fianu and Zentey, 2000).

The firm operates from the Couple’s home – a relatively large house which houses its production centre, the boutique and three offices. In relative significance to its commitment to quality and excellence, the company has won six national and three international awards, over a period of ten years. The table below shows the financial profile of Jesmont. The frequent power outages in the country impacted on utility tariffs and production costs and partly led to the decline in turnover in 2005 and 2006. Direct exports to the USA yielded US$53,000 between 2001 and 2004.

Table 1 Financial Profile of Jesmont Fabrics and Garment Limited

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Turnover in US$ (excluding direct exports)</td>
<td>5,300</td>
<td>13,300</td>
<td>22,700</td>
<td>42,900</td>
<td>40,400</td>
<td>33,245</td>
<td>50,815</td>
<td>49,262</td>
<td>45,360</td>
<td>35,540</td>
</tr>
<tr>
<td>Net Profit After Tax</td>
<td>-</td>
<td>-</td>
<td>37</td>
<td>3,422</td>
<td>980</td>
<td>31,680</td>
<td>8,202</td>
<td>31,250</td>
<td>24,490</td>
<td>16,726</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>6</td>
<td>7</td>
<td>18</td>
<td>22</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>36</td>
<td>30</td>
<td>27</td>
</tr>
<tr>
<td>Value of Exports to USA (through)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,000</td>
<td>10,000</td>
<td>15,000</td>
<td>18,000</td>
<td>See Note 1</td>
<td></td>
</tr>
</tbody>
</table>

1. Turnover from 2001 to 2004 does not include direct export earnings from Alimex. Alimex has not made any export orders since 2005. However, the owner made a couple of purchases (indirect exports – US$1,000) during her visits to Ghana in 2005 and 2006. This is included in the turnover.

2. Apart from Alimex, Jesmont is involved in indirect exports to USA, Europe, Uganda, Tanzania, Kenya and South Africa. Buyers travel to Accra for purchases which are included in the turnover. This mode of export exempts Jesmont from the cost of shipment and waiting for payments.
Business Resource Development

Business Start-Up

In 1992 Jessica started making garments commercially as a low-profile hobby activity in Cote d'Ivoire, where the Couple had been living for almost fifteen years. Jessica had earlier acquired basic skills in sewing and garment making through tutoring by her mother who was a seamstress by profession. While working as a general merchant importing and retailing various goods from Italy to Cote d'Ivoire, she rediscovered her interest in garment making and decided to pursue it. The target clientele of Jessica consisted of close relations and referred customers. In 1994, her garment designs gained the reputation and recognition to be selected among fashion designers who represented Cote d'Ivoire at an international fair held in Tennessee, USA.

The MD explains that it was only quite recently that most Ghanaian fashion designers began to develop an attitude of professionalism. Before 2002, quite a number of designers in the fashion industry were not concerned about the product finishing, labelling of clothes and providing product care information. They lacked originality and usually copied screen-print designs from other designers. Hence, Jesmont was focused on creating a brand with differentiation in quality, the production process and the customer satisfaction provided. However, by 2002, the practice of learning from the Ivorian fashion industry was not limited to Jesmont. One local designer comments that,

‘My influence from the Ivorian fashion industry came in the late 1990’s when a customer brought in an Ivorian fashion magazine, with a particular style of garment she desired. By 2002, there were more than four outlets in Accra where Ivorian themed fabrics could be obtained’.

The opening of fashion boutiques which sold Ivorian themed fabrics and garments impacted the Ghanaian textile and garment industry. Jesmont was therefore not the only fashion or garment-making firm which produced Ivorian influenced designs and garments.

Apart from producing Ivorian-influenced designs, Jesmont also began to improve the product finishing by providing product size and care labels on their garments. Earlier in 1997, product size and care labels for garments were being manufactured by Jesmont’s business partners in Abidjan. These business partners were from business relationships established before the couple started Jesmont in Ghana. The labels were made of silk and could easily crumple during ironing. A label supplier was found by searching for labels through Yahoo Search Engine. The MD sent emails to fifteen of the firms in the results list after comparing samples of the labels, the price and export or shipping destinations of the firms. These firms, primarily in the USA and France, sent in pro forma invoices, which the firm considered to be expensive with regard to their budget. Consequently, the MD did another Internet search, using the French word for labels, ‘Etiquette’, and this took him to a Tunisian company. The MD sent an email to the company, expressing interest in their label designs and asking for a pro-forma invoice. The MD also indicated that he was fluent in French and was also prepared to communicate with them through telephone. The Tunisian company replied to the

2 Out of 30 fashion designers interviewed in Fainu and Zentey (2000)’s research, 23.3% of them who had tertiary education indicated that they began as a hobby sewing for close relations and were encouraged by them to turn it into a business.
email, expressing an interest to work with someone in Ghana who spoke French. They
communicated frequently through email and telephone to establish a memorandum of
understanding and business relationship over two months. This entailed establishing the credibility
of both firms, and agreeing on production design and cost involved. Using Microsoft Word the MD
designed the product size and care labels for the different clothing lines. The colours were yellow
and magenta.

Exporting Jesmont's Products

In 2000, Jesmont was approached by an African American who desired to sell Jesmont garments in
the USA. The woman owned a small business known as Alimex which focused on bespoke African
garment ordering and selling fashion accessories in Baltimore, USA. The ordering service operates
through social relationships and an online presence in the form of a Website. Jesmont was
introduced to her through a referral by a friend during a business visit to Ghana. To make garments
for a foreign market, Jesmont had to choose to either continue their customisation option or use
international sizing measurements. Jesmont decided to go with the former. The MD explained that,
‘...we felt that, if you want to go by the international sizing, the chances are that, you would not be
able to get garments to always fit your customers, and the reason is very simple, if you go to a
garment shop and you are size eighteen, you might try a couple of size eighteen’s before you get the
size that really fits’.

Upon deciding on the customisation option, a business visit was arranged for Alimex to visit
Jesmont in Ghana. The objective of the business visit was to establish a memorandum of
understanding (MOU) and a system of ordering to facilitate the design and manufacturing of
garments for the US market. Before the MOU was established, the MD emphasised that, from his
experience, African Americans engaged in business relationships with Ghanaians in Ghana usually
defaulted in their payments; on the other hand, most African fashion designers had a problem with
quality. Poor finishing and packaging of products in terms of quality and conformity to standards
have been noted as one of the barriers to international markets such as the EU and the USA
(Quartey, 2006: 140). Hence, Jesmont was prepared to offer quality and Alimex had to be reliable
in making her payments. The only way this was to be resolved was to make total payments before
manufacturing. The MOU became the major factor that established the business frankness and
created and sustained trust in the business relationship between Alimex and Jesmont.

With regard to introducing Alimex to the business process, the MD comments that,
‘if you want to work with us, you have to learn Jesmont’s corporate culture; the way we do things
here’.

First, Jesmont trained Alimex on how to take measurements. Second, Jesmont made a repertoire of
the fabrics, colour, style and screen-print designs with unique codes to support the garment ordering
process. For example, the mainstream ladies’ wear designs is coded as LDWXX1 (XX is the
number suffix, depending on number count of the design). However, if a customer required a
modification in the original design, it was coded as LDWXXA or LDWXXB. A or B referred to the
required modification or transformation needed on the design. If the transformation does not totally
change the whole design there is no extra charge. When the transformation influences the whole
design, like changing a short sleeve piece into a long sleeve piece, an extra charge is added to the
order. The repertoire was placed as a product catalogue on the Website of Alimex. Downloadable
order and measurement forms were also added to facilitate product ordering.

On this preamble, if Alimex had a customer, she would direct the customer to the Website where
samples of fabrics, designs and style could be viewed. The order form and measurement form

1 This form of coding is currently used in the Product Kaleidoscope on Jesmont’s and Alimex’s Websites.
would be filled by the customer and faxed or emailed to Alimex. If the customer contacts Alimex in person, a printout of the repertoire or catalogue and the Website is used to help the customer make the purchase decision and forms are filled with the help of Alimex. These forms are then sent to Jesmont by email. On receipt, the order details are studied. If the firm fails to obtain the fabrics, the customer is advised to select an alternative. The garments are pre-paid before manufacturing.

Alimex is billed and required to make payment before manufacturing begins. The garments are made after the payment has been received. Depending on the complexity of the design and style, it takes five to ten days to manufacture a garment. After manufacturing, the garments are sent to the USA through a courier service. The tracking number of the parcel of garments is given to Alimex to enable her to track the delivery of the items. Occasionally, Alimex provides the customer’s address in USA and the garments are sent directly from Ghana to the customer in USA. The largest order entailed ten pieces of clothing and the smallest entailed two. No orders are taken at Christmas. Any Christmas order has to be made by November 15. This applies to both local and international orders from Alimex. This is because the firm takes advantage of the season by doing local promotional packages including sales. As part of the promotion and marketing of Jesmont products among the African community in Washington DC, St. Louis and Michigan, Alimex organised three fashion shows in 2001 and 2002 based on Jesmont garments.

Jesmont’s partnership with Alimex was primarily active for four years from 2001 to 2004. The total value of exports in that period was US$53,000. Though Alimex had temporarily stopped direct exports with Jesmont, Alimex referred other potential order enquiries directly to the firm. These potential orders were processed as indirect exports through close relations of the customers in Ghana. She also made purchases during her visits (about $1000 per visit) to Ghana in 2005 and 2006. Alimex is yet to start her business centre in Ghana in 2008 and re-establish the partnership with Jesmont. On the other hand, in 2007 Jesmont sought to replicate this business model with a firm in Nigeria and through local boutiques owned by Derrick’s former AfDB colleagues in Senegal.

**E-commerce Capabilities Development**

The development of e-commerce capabilities in Jesmont can be traced in two main stages of developing informational and interactional e-commerce capabilities.

**Informational E-commerce Capability (Jan 1999 – Dec 2001)**

The objective of the firm in the first stage was to build an online presence which would support its business processes. In 1996, the MD purchased a computer and began to learn the Microsoft Windows 95 operating system. It was a self-tutoring process which was supported by a high school student who had a keen interest in computers. The firm considered a Website as one of the tools for marketing and promoting the company. Jesmont had brochures, good labels, business cards, and printed shopping bags.

The first Website was designed in 1999 by the high school student and the IT tutor of the student. It consisted of three web pages: a) About Us page; b) Contact Us page; and c) Products page with a slideshow of the screen-print designs and garments the firm manufactures. It was hosted on a free 5mb server space provided by an American web hosting company – www.freeservers.com. The Website address was a combination of the name of the company and the name of free webspace – www.jesmont.freeservers.com. The Website was designed using a site wizard offered by the web hosting service. The firm used the personal email address of the Couple as the email address of the firm. The Website statistics were not monitored.
Between 1999 and 2001, there was no broadband Internet access at an affordable price for household usage or adoption by a small firm in Ghana. The firm had to use local cybercafés to access the Internet. The Internet had become an integral tool in searching for designs for screen-printing, browsing Websites of African (French) fashion designers and searching for suppliers for product care labels. By 2001, a local ISP, AO Ghana, began offering a dial-up Internet service package at a relatively affordable cost for small businesses and household usage. The firm subscribed to this service, paying about US$30 for monthly subscription for the dial-up service. It also paid extra charges about US$3 an hour for the use of the telephone line for the dial-up service. The firm also subscribed to email address hosting which was part of the package. The email address – jesmont@aoghana.com.gh – was created by the ISP. This email address is still the current official email address of the firm.

The Website was updated in 2001. First, the aim was to update the designs to support the new business relationship with Alimex. Second, the firm received an International Gold Award for Excellence and Business Prestige at the Business Initiative Directions Quality Summit in July 2001. It therefore wanted to update the Website with its achievements. Third, the firm wanted to update its email address with the new email address provided by its ISP. The updates were done by a professional Website designer who was introduced to Jesmont by the high school student.

In summary, we identify three key actions used by the firm to acquire resources and use them to develop an informational e-commerce capability which further supported or partly enabled the achievement of largely informational and operational benefits. The actions are:

a) Proactive steps to learn new technology at management level;
b) Investing in IT infrastructure; and

c) Using external IS technical skills to address internal IS technical skills poverty.

The informational and operational benefits partly enabled by the capability are creating an online presence and marketing the firm’s product line; and initiating and supporting transactions and business relationships with the Tunisian label manufacturer and Alimex. Further, these benefits partly generated strategic benefits in terms of:

a) Leading to the purchase of a stock of product size and care labels which has been used by the firm for a period of six years.
b) Marketing of products among some Africans in the USA which led to exports of garments worth a total of US$10,000 with each garment costing at least US$200.

Interactional E-commerce Capability (Jan 2002 – Jul 2007)

Interaction e-commerce capability development occurred in two stages; a first Website with minimal interactive features, and a second Website with relatively detailed product catalogue. There was also the development of a partial transactional e-commerce capability which consisted of a credit card payment facility within the firm’s boutique.

Website Redesign (Jan 2002 – Dec 2004)

In 2002, the MD approached an IT firm, WHT Consult, to design a new Website for Jesmont. First, the MD intended to design a new Website updated with new designs, and offering customers the online functionality of making enquiries on garments and prices. Second, with the increasing Internet awareness, the Couple had become more knowledgeable and desired that the firm should have its own domain name. Through a recommendation from a business colleague, the MD subscribed to the Website development and hosting package of WHT Consult. The local firm purchased the domain name, www.jesmont.com, and was hosted on a 500MB server space provided by WHT Consult. The total cost of the Website development, the registration of the domain name
and the management and hosting of the Website, was US$1,000 for a period of two years. The Couple prepared the necessary content and pictures for the Website and presented it to the Website development firm. It was made up of six main web pages:

a) Home – welcome page, which defined the background and operations of Jesmont;
b) Ladies – a slideshow of ladies’ wear;
c) Men – a slideshow of men’s wear;
d) Children – a slideshow of children’s wear;
e) Contact Us – contact details of Jesmont; and
f) Order Form – an email form which enabled customers or Website visitors to make enquiries and/or send email concerning product lines.

There was no detailed product catalogue on the Website. The Website had a basic search functionality. The Website had order forms for garments and an enquiry form for information. The firm claims to have received at most ten enquiries per month through the Website and firm’s email. The enquiries were focused on product designs and prices. Though usage statistics were available, the firm never requested the statistics from the ISP. The Website was listed in online Ghanaian business directories including www.businessghana.com; www.ypgh.com; and www.yellowghana.com.gh. Figure 2 shows the ladies’ catalogue of www.jesmont.com between 2002 and 2005.

**Figure 2 Ladies’ Catalogue of www.jesmont.com (2002-2005)**

![Ladies’ Catalogue of www.jesmont.com](image)

Source: Jesmont’s Websites (2005)

**Credit Card Payment Facility (Jan 2005 – Dec 2005)**

In 2005, the firm introduced a credit card payment facility in the boutique. Between June and October, about fifteen to twenty foreign customers including tourists and business professionals, visit the firm to order or purchase ready-to-wear garments. More often than not these customers have offered to pay by credit card and there was no facility to receive payments. This particularly pertained to African-American visitors who had heard of Jesmont only at the end of their visit. By the end of their visit, they had spent all their physical cash. Initially the firm allowed some of the
seemingly credible visitors to pay into an account in USA. These are customers who had relationships with credible people living in Ghana or some reliable customers of Jesmont. However, in finding a solution to the problem, the MD wrote an email to VISA International and explained the problem to them. VISA International referred the firm to one of the branches of an international bank who opened a credit card account for the firm with an appreciable credit limit. The firm was then provided with forms to receive payments and a device to imprint the credit card on the form.

Hence, whenever a customer wanted to pay with credit card, the details of the card are taken, an imprint of the card is made and the bank is contacted by telephone where the actual transaction is authorised after a series of security checks. This has facilitated the use of credit cards at the boutique. It is a choice of many tourists and is more prevalent during the tourist season. The number of users range between 5 to 10 per year, and they each spend between US$200 to US$700 per visit. The MD notes that,

‘Because of the rampant fraud cases, we preferred, and still prefer, cash payments. We do receive payments, but not more than US$1,000. In a few cases, the amounts (about US$500) have been paid through by Western Union, the international money transfer service. These are customers who had a proven social-business relationship with us in the past years.’

While the establishment of the credit card facility demonstrates the use of resources to develop capabilities which tend to address the electronic payment constraints, we also identify other issues in the context, such as the existence of corruption in the transaction of online businesses at Jesmont, having an attendant effect on the extent of use of firm-level innovations. As a result, there is still a preference for payments to be made by cash rather than cheques and credit cards, and when there tends to be the need to use the latter, social-business relationships play a critical role.

In terms of the firm’s e-commerce strategies, there tends to be no direct relationship between the offline electronic payment facility and Jesmont’s online efforts (Website, Internet and email usage). However, this action of the firm indicates the growth from using ICTs for primarily information purposes to integrating them with internal offline processes for strategic purposes such as responding to a target market, improving the customer satisfaction, and thereby facilitating referrals and return business. Koh and Nam (2005), in noting this characteristic behaviour of firms adopting e-business, argue that the integration of technologies with backend processes occurs as firms become familiar with e-business technologies and experience perceived benefits. This is evident in Jesmont’s experience.

Online Product Kaleidoscope (Jan 2006 – July 2007)

By 2006, Jesmont had achieved more recognition locally and internationally. Locally, it had won six awards in the National Friday Wear Programme Awards in Ghana in 2004. This was followed by television features and documentaries by three premier television stations in Ghana. Internationally, Jesmont won the Century International Platinum Quality Era Award, in the realm of Customer Satisfaction, Leadership, Strategic Planning and Benchmarking in 2004 and the Nobles West Africa Forum, Nobles International Award in recognition as an Eminent West African who upholds the virtues of Honesty, Integrity and Accountability in 2005. The MD asserts that though the firm had established sound business principles in its offline operations to attract most of the awards, the online presence played a contributory role. Though this is relatively difficult to measure or ascertain the firm argues that all the firm’s operations, offline and online, were assessed in these international awards (BID, 2007).

The average monthly visits to the firm’s Website were 122 in 2006. This may be considered relatively minimal when assessing how they contributed to product orders. The firm typically
receives at least 15 email requests monthly from existing and potential customers and businesses in the USA, Europe, South Africa and Ghana seeking to know more about the firm’s designs and potential business collaborations. The firm receives at least ten daily telephone enquiries from customers in Ghana. There are at least five telephone enquiries per month which stem from visits to Website.

By the second quarter of 2006, the firm began to develop new content to update the Website. They shared their ideas and problems with a customer who happened to own an ICT consultancy, TH Consult. The objective was to provide more information on the type of garments (description and codes), the customisation process and sizing options and to update on the company’s achievements. They also initially contemplated on entering into conventional online selling where garments are manufactured and stocked for online sales. Even though the firm was engaged in the production of ready-to-wear clothes, they declined to carry out such a venture. There were concerns on how to receive payments since there was no online payment system currently operational in the country. The other concerns were on the availability of resources to support an online garment shop. The MD comments that,

‘We considered that producing our garments to be sold online was currently beyond the firm’s resources. First, the firm did not have storage capacity for a large quantity of garments; second, going online would require the firm to invest more resources in production and marketing; and third, the influx of more customers and orders beyond their production capacity would affect the quality of garments produced’.

The firm wanted to focus on the bespoke garment ordering system where garments are pre-ordered, and the purchase of ready-made garments in the boutique. The IT consultant states that,

‘I explained to the Couple that though they were currently not prepared to sell garments through the Internet, it was possible to provide adequate information to inform customers on the key or new designs available. This could be done through a product catalogue, where the product had unique codes which customers could refer to when making enquiries’.

Consequently, the Couple prepared a Product Kaleidoscope which consisted of the product code, description and sample picture of each of the selected key designs. The Couple were responsible for the content development and editing; writing out the Website plan and information to be uploaded on every page of the Website. They also decided on adding a touch of personalisation on the Website by providing audio versions of some of its content like its background, achievements and customer base. These audio presentations were placed alongside the corresponding text of the information being provided. It has been noted in previous research that increasing the comprehensiveness of information presented on a Website increases the potential of influencing purchase decisions of customers (Harrison-Walker, 2002). After the Website was designed, WHT Consult, the previous web developer and hosting firm, was contacted, to upload the Website. Jesmont did not contact WHT Consult to redesign the Website because the Couple were more intrigued by the Website design portfolio of TH Consult and it also cost the firm less than half the cost of having the Website redesigned by WHT Consult. In comparing the two firms, TH Consult was a relatively new ICT consultancy with almost ten clients and a developing reputation while WHT Consult had an established consultancy with more than fifty clients including government agencies. Additionally, the social-business interaction between the IT Consultant (TH Consult), as a customer of Jesmont, and the Couple, influenced the choice of selecting the Website development contract.

The Website, which is the firm’s current Website, is made of five main pages:

a) Welcome – the home or welcome page, which displays a slideshow of three pictures depicting the company’s product line, an international award ceremony and the nine awards of its achievements;
b) Product Kaleidoscope – a selection of the Jesmont garments in assorted fabrics;

c) Operations – consists of three sub-pages: type of activity, customization and sizing, which describe the activities and processes of the company;

d) Order Form – an email form which provides contact information and also enables customers or Website visitors to make enquiries and/or send email concerning product lines;

e) About Us – consists of six sub-pages: owners and directors, factory, boutiques and offices, achievements, location, contact information and email us, which describe the background, achievements and sales outlets of the company. Table 2 describes the sub-web pages of Website.
<table>
<thead>
<tr>
<th>Sub-Web Page</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>Operations</strong></td>
<td></td>
</tr>
<tr>
<td>- Type of Activity</td>
<td>Describes objectives, customer base (audio) and driving forces or underlining principles of Jesmont’s operations.</td>
</tr>
<tr>
<td>- Customisation</td>
<td>Describes the three choices which underpin Jesmont’s customer driven approach. It also describes the men’s, ladies’ and children’s product lines.</td>
</tr>
<tr>
<td>- Sizing</td>
<td>Provides sizing information for product lines. For instance, the men’s shirt size chart is provided.</td>
</tr>
<tr>
<td><strong>About Us</strong></td>
<td></td>
</tr>
<tr>
<td>- Owners and Directors</td>
<td>Describes the background and skills of Jess and Derrick. There is an audio presentation of Jesmont’s background. It also provides information of other activities of the Couple. For example, there is information on a reader on strategic decision-making.</td>
</tr>
<tr>
<td>- Factory, Boutiques and Offices</td>
<td>Description and pictures of Factory, Boutique and Offices premises.</td>
</tr>
<tr>
<td>- Achievements</td>
<td>Brief description and audio presentation of all awards received by Jesmont.</td>
</tr>
<tr>
<td>- Location</td>
<td>Provides direction to Jesmont’s premises.</td>
</tr>
<tr>
<td>- Contact Information</td>
<td>Provides the contact information of the firm and sales outlets in Ghana and other part of the world.</td>
</tr>
<tr>
<td>- Email Us</td>
<td>Provides an email form for sending enquiries to the firm.</td>
</tr>
</tbody>
</table>

Source: Jesmont’s Websites (2006a)

The product kaleidoscope consists of 18 garments presented in groups of three. The Website and product kaleidoscope has no search functionality. An order or enquiry form was provided to enable customers to make enquiries. Customers could therefore make enquiries through the Website, email or telephone, making reference to the code of the designs on the Website. Figure 3 shows the product kaleidoscope of www.jesmont.com (from 2006 to date). Figure 4 shows the product catalogue of www.alimexcollection.com (2007).
Figure 3 Product Kaleidoscope of www.jesmont.com (2006-To Date)

Source: Jesmont’s Websites (2006b)
Comparing Jesmont’s product kaleidoscope with Alimex’s product catalogue, Alimex tends to have a more detailed product catalogue. Jesmont’s product kaleidoscope consists of 18 complete outfits with a brief description of the type of fabric and its usability. These complete outfits mainly represent the choice of style. On the other hand, Alimex product catalogue had a list of items for each choice of the customisation process. It had 4 fabric types available in 9 colour variations for the choice of fabric; 62 screen-prints or symbols for the choice of design; and 39 complete outfits representing the choice of style. The 39 complete outfits in Alimex’s product catalogue are categorised by gender and have description with details on the choice of fabric and screen-print used and the price of the garment.

The difference in the provision of information on Jesmont products on its own Website and information provided on Jesmont’s products on Alimex’s Website reflects the different focus and
strategy of the two firms. Jesmont seems to use the Internet to market products, inform customers and initiate the enquiry process. This strategy tends to be oriented towards information push and some information pull. Alimex, on the other hand, goes beyond information push and pull to initiate and facilitate online orders and transactions. Though Website layout and presentation of Jesmont is relatively more graphically ‘appealing’ than that of Alimex, Alimex provides adequate information to enable customers to place online orders. The firm provides a downloadable order form and measurement which enables the interested customer to provide the respective choices and measurement in the customisation process. The measurement form details how measurement should be taken. A noteworthy question in this scenario is why Jesmont has not considered providing such detailed information on their Website.

First, Jesmont emphasises that, concerning their Website, the focus is to market and inform customers and enable them to make direct contact to the firm or visit its premises. At the firm premises or outlets, the customers place orders for bespoke or tailored garments or buy ready-to-wear garments. Hence, rich interpersonal communication is emphasised and this tends to be matched to the cultural considerations of doing business in Ghana. With regard to Alimex, place is a major factor. The firm has no physical shopping premises, the Website is therefore used to market, inform and initiate product orders and/or transactions. Through social networks and referrals, Alimex is contacted by interested customers. Samples of garments are viewed through the Website or by meeting personally with her. Hence, the Internet becomes a medium of redefining the ‘place’ factor in marketing and conducting transactions.

Second, as compared to customers in the USA (particularly African Americans) who may be interested in Jesmont’s products, Ghanaians in Ghana are more accustomed to buying or ordering garments from the shop or boutique. They want to ‘feel and touch’ the garments before buying. Okoli and Mbarika (2003) note that a marketplace culture of bargaining and seeing products before purchase is characteristic of Sub-Saharan countries. In the USA, the existence of quite a number of online ready-to-wear and bespoke or custom tailoring Websites such as the Websites of Levi’s Store and Neiman Marcus, tend to reflect the fact that customers are relatively used to buying garments online. Extant literature had earlier noted that, with the advent of online shopping, cultures in which customers are accustomed to touching merchandise before buying, or lack the tradition of mail or catalogue orders, are less likely to patronise buying at a distance (Harrison-Walker, 2002). Jessica also comments that,

‘When buying from the shop, we gain the opportunity of discussing a diversity of issues regarding intended use of the garment and customer’s social status and personality, with the customer. These issues influence the design process and purchase decision’.

Hence, there ‘whole experience’ of shopping in such cultures goes beyond the basic purchase transaction. It entails a socio-cultural value where people meet to socialise and communicate (Strauss and Frost, 2001).

Third, perhaps, the difference in IS technical skills in both firms – Alimex is a computer instructor and the Owners of Jesmont have relatively minimal IS technical skills – is contributory to the differences in the functionality provided on the Website. The notions of our research propositions on the influence of resources – social networks and social-business relationships and IS technical skills – on the development and conduct of e-commerce transactions is therefore emphasised.

In summary, we identify three key actions used by the firm to acquire resources and use them to develop an interactional e-commerce capability which further enabled the achievement of largely strategic and informational benefits. The actions are:
a) Developing content and closely supervising the external IS-vendor relationship;
b) Integrating knowledge from the business partnership with Alimex into Website content; and
c) Establishing an electronic payment facility (partial-transactional capability).

The informational and operational benefits partly enabled by the capability are an online presence and marketing the firm’s product line; and initiating and supporting transactions and business relationships with Alimex and the garment label manufacturer. Further, these benefits generated strategic benefits in terms of:

a) Total value of direct exports through partnership with Alimex between 2002 and 2004 was US$43,000. Lessons are being replicated through new partnerships in Nigeria and Senegal.

The use of an offline electronic payment facility was not directly related to the online e-commerce activities. However, we identify the benefits of facilitating payments of purchases made by tourists. The maximum allowed in a transaction was US$1,000.

Managing Resources to Address Constraints

To address the relative lack of Ghanaian tailors with the requisite knowledge, skill and commitment for Jesmont’s operations, the firm recruited two tailors from Cote d’Ivoire during the start-up of the firm. The objective was that they would work with the firm and also train apprentice tailors. However, one of their Ivorian tailors was poached by another Ghanaian fashion designer who visited the firm. Jesmont usually arranged business visits from other fashion designers to facilitate co-operation and learning within the garment making sector. The issue was reported to the immigration authorities and the tailor was deported from the country. However, this led to an impasse between the Ghanaian fashion designer and Jesmont that had to be addressed by the association of fashion designers. Jessica comments that, ‘Most of the fashion designers are also not honest. They visit the boutique to buy garments and go to copy the designs’.

These predatory tactics of hiring away employees to obtain firm knowledge reflects arguments made by resource-based theory (Barney, 1991). As much as Jesmont, as a firm, desires to be an example or promote healthy competition in the garment sector, maintaining their competitiveness is also a matter of strategic concern. Occasionally, Jesmont receives orders by email to produce clothing in large quantities; for example 1000 sets of pants within a limited time period, for foreign companies. Though these orders differ from their primary product lines, the company had previously considered some of them and undertook some feasibility studies of partnering with other local fashion designers to fulfil such orders. However, the business practices of some of the potential fashion designers such as poor commitment to quality and business loyalty, made Jesmont turn down such orders.

Additionally, these practices, coupled with the influx of pirated textiles and copying of designs (by fashion designers) on the Ghanaian market, have influenced the online strategies of Jesmont and other textile and garment firms in Ghana. For instance, in turning down an opportunity to display products on an African-goods retail Website, a Ghanaian textile manufacturer commented that, “All they [textile pirates] have got to do, is log on, see the new designs and say, Start printing, boys!” (Phillips, 2002).

These experiences are contributory to reasons why the Couple focus on ‘personally’ developing the entire Website content and also refrain from displaying their entire repertoire online as done on Alimex’s Website.
Impact of E-commerce Activities

The notable contribution of e-commerce at the firm-level has earlier been identified in the summary of e-commerce capabilities discussions above.

Concerning development, though the firm has created employment opportunities (27 as of last count), no claims can be made about the extent to which e-commerce directly supported or created the opportunities. E-commerce relatively increased the revenue of the company, which contributed to the sustainability of the firm. The firm has relatively influenced the capability building among tailors in the industry; however, no claims can be made on how the vocational skills acquired by these tailors may influence their intention or the propensity to use the Internet for business.

As part of their future developments, Jesmont has plans to collaborate with tertiary educational institutions to facilitate knowledge sharing with their fashion departments.

Summary

We identify the development of two main capabilities; informational and interactional e-commerce capabilities. There is also the development of partial transactional e-commerce capability (an extension of the interactional), which however was deployed not as often as compared to the informational and interactional e-commerce capabilities. The development of these capabilities stems from two stages of e-commerce development in the case firms: initial e-commerce adoption, and beyond adoption towards e-commerce exit or further integration into core firm activities. The first stage which entails efforts to introduce or initially adopt e-commerce in the firm led to the development of informational e-commerce capabilities in these firms. The second stage which entails efforts after initial adoption led to the development of interactional and partial transactional e-commerce capabilities.

However, we note that having an interactional Website is not necessarily an indication of institutionalising e-commerce. Institutionalising e-commerce refers to efforts to further integrate e-commerce capabilities into relatively core firm processes and activities after initial adoption of e-commerce. Thus, relatively, as deeper integration is sought, more advanced forms of e-commerce capabilities may be required. The key actions which led to the development of the capability is summarised below in Table 3.

Table 3 Key Actions for E-commerce Capability Development

<table>
<thead>
<tr>
<th>Informational E-commerce Capability</th>
<th>Jesmont Jan 1999 – Dec 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Key Actions of Case Firms</strong></td>
<td></td>
</tr>
<tr>
<td>a) Proactive steps to learn new technology at management level;</td>
<td></td>
</tr>
<tr>
<td>b) Investing in IT infrastructure; and</td>
<td></td>
</tr>
<tr>
<td>c) Using external IS technical skills to address internal IS technical skills poverty.</td>
<td></td>
</tr>
<tr>
<td><strong>Generic Key Actions</strong></td>
<td></td>
</tr>
<tr>
<td>1. Pre-adoption research and learning to build e-commerce competence</td>
<td></td>
</tr>
<tr>
<td>2. Identification/acquisition of valuable IS resources from internal and accessible resource portfolio</td>
<td></td>
</tr>
<tr>
<td>3. Use of online functionality to support core activities</td>
<td></td>
</tr>
<tr>
<td>4. Creation of complementarities between other firm resources and IS resources</td>
<td></td>
</tr>
</tbody>
</table>
Based on the findings of the study, we propose the above generic key actions as strategic considerations for firms in developing countries attempting to obtain value from e-commerce. Further these strategic considerations (from the case study) also lend the understanding that, in resource-poor contexts, first, social networks, trust and credibility as intangible resources form part of the medium and outcome of e-commerce capability development processes and thus suggest that, IS resources interact directly and indirectly with intangible resources to create e-commerce benefits. Firms that are able to create a strategic fit between these set of resources are more likely to develop other resources which are more socially complex and have more potential value to e-commerce benefits creation. Second, while firms may be able to achieve benefits at the firm-level, their ability to translate these benefits into broader development impacts tends to be less evident in practice. We make a case for future research to focus on developing a broad development perspective on e-commerce benefits encompassing issues such as how DC firms may impact on the resource poverty in their contexts.

Discussion Questions

1. Using the case as an example, which hybrid skills or combination of skills should a firm have in order to effectively align e-commerce with organisational goals and objectives?
2. Using the case as an example, discuss the ways in which e-commerce could support or promote women entrepreneurship and contribute to gender empowerment.
References