

ABSTRACT

Previous studies have identified several factors that influence nascent entrepreneurs to adopt and use internet technology to start-up businesses. Based on those findings a theoretical model was formulated of the factors that determine the extent to which nascent entrepreneurs use e-Marketplace systems for the purpose of starting a new business. The theoretical model was tested and developed further using data collected by questionnaire from a sample of 379 nascent entrepreneurs who operated businesses in e-Marketplaces.

Ten factors (Entrepreneurial Self-efficacy, Computer Self-efficacy, Openness to Experience, Conscientiousness, Extraversion, Agreeableness, Neuroticism, Facilitating Conditions, Habit, and Behavioral Intention) were proposed to influence Actual System Use of an e-Marketplace by nascent entrepreneurs. The results showed that six of these 10 factors (Entrepreneurial Self-efficacy, Conscientiousness, Habit, Facilitating Conditions, Neuroticism, and Behavioral Intention) were significant in determining the Actual Use of an e-Marketplace system to start-up a business. Among all of the factors which had at least a medium size effect on Actual System Use the intervening variable Behavioral Intention had the largest effect followed by Facilitating Conditions, Entrepreneurial Self-efficacy, and Habit.

From a theoretical perspective there were three main findings: (a) as the entrepreneurial self-efficacy of a nascent entrepreneur increased then their behavioral intention to start-up a business using an e-Marketplace system increased which in turn increased their actual use of an e-Marketplace system for this purpose; (b) a nascent entrepreneur's established habits in using the internet strengthened their behavioral intention to start-up a business using an e-Marketplace system which in turn increased their actual use of an e-Marketplace system for this purpose; and (c) nascent entrepreneurs who believed that organizational and technical infrastructure existed to support their operational use of an e-Marketplace system showed strong intentions to use the system to start-up a business and significant levels of actual use of the system.

From a practical perspective the findings suggested that in order to increase actual use of e-Marketplace systems by nascent entrepreneurs to start-up their businesses, several strategic policies needed to be formulated aimed at: (a) increasing the behavioral

intentions of nascent entrepreneurs to use e-Marketplace systems; **(b)** providing excellent support to nascent entrepreneurs; **(c)** increasing the entrepreneurial self-efficacy of nascent entrepreneurs; and **(d)** purposely developing nascent entrepreneurs' habits of internet use. These strategic policies are particularly relevant to e-Marketplace providers who should also encourage nascent entrepreneurs to be conscientious in their use the e-Marketplace.

