

Assessing the Effect of ICT Adoption on SME Growth in Selected Food Manufacturing SMEs in Lusaka.

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DOI: <https://doi.org/10.47772/IJRISS.2026.100500604>

Received: 28 May 2026; Accepted: 03 June 2026; Published: 09 June 2026

ABSTRACT

ICT adoption among food manufacturing SMEs is widely associated with improved operational performance; however, its measurable effects on firm growth within Zambia's food manufacturing sector remain empirically unexamined. This study investigated the relationship between ICT adoption and the growth of SMEs in the food manufacturing sector in Lusaka District, with specific reference to Zambika Bakery and Monginis Bakers Limited. Using a convergent mixed-methods design, quantitative data were collected from 104 employees through structured online questionnaires, while qualitative data were obtained from 27 participants through in-depth interviews. Quantitative data were analysed using descriptive statistics, Pearson correlation, and simple linear regression through SPSS, while qualitative data were subjected to thematic analysis using Atlas.ti.

Findings revealed that ICT adoption was dominated by foundational tools, specifically computers, mobile phones, and the internet, with limited uptake of advanced enterprise systems. The primary drivers of adoption were cost reduction (25.0%), improved customer service (22.1%), and increased efficiency (17.3%). The inferential analysis confirmed statistically significant positive relationships between ICT adoption and all four growth dimensions tested. ICT adoption explained 30.1 percent of variance in sales growth ($r = .548$, $p < .001$), 26.9 percent in competitiveness ($r = .519$, $p < .001$), 24.8 percent in market share ($r = .498$, $p < .001$), and 20.5 percent in productivity ($r = .453$, $p < .001$), with all four null hypotheses rejected. Qualitative findings confirmed improvements in market reach, customer satisfaction, and competitive positioning, while innovation and new product development remained largely unrealised benefits. The study concludes that ICT adoption generates moderate but measurable growth effects among food manufacturing SMEs in Lusaka, with benefits concentrated in market-facing outcomes rather than production-level transformation. The study contributes to theory by applying the Diffusion of Innovation, Critical Mass, and Total Factor Productivity frameworks to a food manufacturing SME context in Zambia, offers practical guidance for deepening strategic ICT integration, and provides policy-relevant evidence supporting targeted digital skills development and infrastructure investment in Zambia's food manufacturing sector.

Keywords: competitiveness, food manufacturing, growth, ICT adoption and SMEs

INTRODUCTION

Information and Communication Technology (ICT) has increasingly influenced business operations, particularly within Small and Medium-sized Enterprises (SMEs). As ICT continues to advance, its adoption has significantly impacted the manufacturing sector by improving production processes and enhancing the marketing of goods and services (Brynjolfsson and McAfee, 2014). This study analysed the effects of ICT adoption on the growth of food manufacturing SMEs in Lusaka, Zambia. ICT adoption within manufacturing SMEs is widely recognised as a key driver of competitiveness and organisational growth because it improves operational efficiency, increases

productivity, and enhances decision making capabilities (Gunasekaran et al., 2019). The manufacturing sector has historically provided many opportunities for investment. However, the food manufacturing industry in Zambia faces several challenges that limit its growth compared to other manufacturing industries, such as those in Malaysia (MIDA, 2012). The sector is largely dominated by SMEs, many of which continue to rely on low levels of technology in their production processes. Most enterprises still depend heavily on manual labour and often lack adequate quality standards in food production. Despite these limitations, SMEs play a crucial role in Zambia's economic development and are widely considered the backbone of the economy (FINScope, 2019). Their contribution to Zambia's Gross Domestic Product (GDP) increased from 29 percent in 2005 to 32.7 percent in 2012 (BOZ, 2022). However, this share remains relatively low compared to industrialised and high-income countries where SMEs contribute more than 40 percent of GDP (Daka and Eliya, 2016; Wahab et al., 2020). ICT implementation is considered an important intangible organisational resource that must be carefully managed to ensure sustained business growth. This study therefore examined the relationship between ICT adoption and SME performance. The industrial sector's contribution to Zambia's GDP remained around 7.9 percent between 2015 and 2019 (World Bank, 2022; IMF, 2022; African Development Bank, 2022). However, the COVID-19 pandemic disrupted supply chains, leading to reduced production volumes and increased reliance on ICT technologies, which negatively affected the sector (BOZ, 2022). At the same time, ICT adoption enables SMEs to access new markets, customers, and suppliers, thereby expanding business opportunities and increasing revenue (Koh et al., 2011). Previous studies also indicate that ICT adoption promotes innovation, improves customer service, and enhances supply chain management, ultimately leading to improved business performance and growth (Rahman et al., 2017). The Zambian government's 7th and 8th National Development Plans aim to increase manufacturing output by at least 15 percent by 2026 and 25 percent by 2031. Food production remains an important part of the national economy, although the sector faces challenges such as product contamination, product recalls, stricter regulations, and supply chain disruptions (UNFP, 2020; Daka and Eliya, 2016; Mukamanzi and Ndikubwimana, 2018). ICT plays a vital role in enabling automation, data analysis, and real-time monitoring of production processes (Brynjolfsson and McAfee, 2014). Historically, economic growth has been driven by organisational and technological innovations that improve productivity of labour, capital, and resources (Plepsy, 2002). Similar to earlier general-purpose technologies such as steam engines and electricity, ICT now plays a transformative role in modern economies (Tarutė and Gatautis, 2014). Previous studies have shown that ICT adoption among SMEs can improve production efficiency, quality control, and inventory management (Tarutė and Gatautis, 2014; Abu, 2016; Mukamanzi and Ndikubwimana, 2018). Advanced technologies such as robotics and artificial intelligence can further enhance efficiency, reduce delivery times, and improve product quality. In addition, the SME sector has the potential to reduce Zambia's growing trade deficit and increase value-added exports (Daka and Eliya, 2020). SMEs generate approximately ZMW 4.9 billion in annual tax revenue, although only 18,000 of the estimated 72,000 SMEs are registered and only 24 percent of registered businesses pay taxes regularly (Institute for Policy Analysis and Research, 2015). Furthermore, ICT adoption can facilitate the development of new business models, products, and services, strengthening SME competitiveness and growth (Tallon et al., 2013). Overall, ICT adoption is widely recognised as a critical driver of innovation, competitiveness, and economic growth.

Statement of the Problem

The adoption of Information and Communication Technology (ICT) has been widely recognised as a key driver of growth and competitiveness for SMEs in the food manufacturing sector (Gunasekaran et al., 2019). Despite these potential benefits, many SMEs in Zambia's food manufacturing sector continue to face challenges in adopting and effectively utilising ICTs (Kapopo, 2018). The slow adoption of ICT among these enterprises may hinder their growth and competitiveness, thereby limiting their contribution to the country's economic development (Mwinga, 2016). Without this study, SMEs in the sector would continue to miss the benefits associated with ICT adoption, including improved productivity, cost reduction, and enhanced competitiveness (Tallon et al., 2013). The absence of effective ICT integration may also limit SMEs' ability to access new markets, customers, and suppliers, threatening their survival and sustainability (Rahman et al., 2017). Although previous studies have examined ICT adoption among SMEs generally, limited research has focused specifically on the food manufacturing sector in Lusaka, Zambia (Kapopo, 2018). This study therefore addressed this gap by examining ICT adoption and identifying related challenges and opportunities.

The Purpose of the Study

This purpose of this study was to analyse the effects of ICT adoption on the growth of food manufacturing SMEs, focusing on a wide range of technologies and growth measures at Zambika Bakery and Monginis Bakers Limited.

Specific Objectives

The study sort to achieve the following:

1. To identify the types of ICTs adopted by SMEs in Lusaka.
2. To investigate the drivers for adoption of ICTs in selected SMEs in Lusaka.
3. To evaluate the effects of ICTs adoption on the growth of SMEs.

Research Questions

1. What are the types of ICTs adopted by SMEs in Lusaka?
2. What are the drivers for adoption of ICTs in selected SMEs in Lusaka?
3. How does the adoption of ICTs affect the growth of SMEs?

Research Hypothesis

H1: The adoption of ICT is positively related to increased productivity in food manufacturing SMEs.

H2: ICT adoption leads to improved operational efficiency in food manufacturing SMEs.

H3: The use of ICT is positively associated with increased innovation in products, processes, and services in food manufacturing SMEs.

H4: ICT adoption enhances the competitiveness of food manufacturing SMEs in the market.

H5: The adoption of ICT is positively related to increased growth (measured by revenue, employment, or profitability) in food manufacturing SMEs.

H6: ICT adoption improves supply chain management in food manufacturing SMEs, leading to better relationships with suppliers and customers.

H7: The use of ICT is positively associated with improved quality management in food manufacturing SMEs.

H8: ICT adoption enhances customer relationships and satisfaction in food manufacturing SMEs.

Ethical Consideration

The research observed main ethical issues including, voluntary nature of participation, obtaining of informed consent, ensuring confidentiality and privacy of participants, institutional ethical issues, which included obtaining authority to conduct research and scientific honesty (Fleming, 2011).

LITERATURE REVIEW

ICT and SME Growth

ICT adoption has been widely recognised as a key driver of organisational performance and economic growth. Digital technologies enable firms to improve efficiency, streamline production processes, and enhance decision-making capabilities (Brynjolfsson & McAfee, 2014). In manufacturing sectors, ICT adoption facilitates

automation, improves inventory management, and enhances coordination across supply chains (Gunasekaran et al., 2019).

Research indicates that ICT adoption positively influences firm performance through improvements in productivity, innovation, and operational efficiency (Tarutė & Gatautis, 2014). ICT tools also enhance customer engagement and market reach by enabling firms to interact with customers through digital communication channels and online marketing platforms (Rahman et al., 2017).

ICT Adoption in the Food Manufacturing Sector

Within the food manufacturing sector, ICT adoption has enabled firms to improve production processes, inventory management, and quality control systems. Technologies such as enterprise resource planning (ERP) systems, digital inventory tracking systems, and supply chain monitoring tools allow firms to streamline operations and improve production efficiency (Smith & Brown, 2020).

However, SMEs in developing countries often face barriers in adopting ICT technologies, including financial constraints, limited technical expertise, and inadequate infrastructure (Munyinda et al., 2019). These challenges can hinder the effective integration of digital technologies within manufacturing processes.

ICT Adoption in Developing Economies

In developing economies, ICT adoption has played an important role in promoting SME development and economic growth. Countries such as Kenya and Rwanda have experienced rapid digital transformation driven by improvements in mobile connectivity and digital infrastructure (African Union, 2019; World Bank, 2020).

Nevertheless, SMEs in many developing countries continue to face structural barriers to ICT adoption, including limited access to finance and inadequate digital skills (Mutula & Mostert, 2010). Addressing these barriers is essential for enabling SMEs to fully benefit from digital innovation.

Theoretical Review

The theoretical framework for this study is grounded in the complementary philosophical traditions of pragmatism and critical realism, both of which assume an objective ontology and a subjective epistemology (Johnson and Duberly, 2000). This implies that while reality exists independently of human perception, knowledge of that reality is inevitably mediated through subjective interpretation. Pragmatism, as articulated by Dewey (1938), emphasises the dynamic interaction between socially constructed knowledge and the constraints imposed by an objective world. It recognises that human understanding is shaped by experience, context, and bias, yet progressively refined through practical engagement with reality. Rather than prioritising strict causality, pragmatism focuses on the predictive utility of knowledge and the identification of observable tendencies. Critical realism complements this view by acknowledging the existence of underlying structures and mechanisms that shape observable phenomena, even if they cannot be directly perceived.

Diffusion of Innovation Theory

Within this philosophical grounding, the study adopts the Diffusion of Innovation (DOI) Theory (Rogers, 1995) as a central analytical lens to explain how, why, and at what rate new technologies are adopted. DOI categorises adopters into innovators, early adopters, early majority, late majority, and laggards, and identifies key determinants of adoption, including relative advantage, compatibility, complexity, trialability, and observability. In the context of ICT adoption among food manufacturing SMEs, DOI facilitates the analysis of how technological innovations spread across firms, highlighting both drivers such as perceived benefits and barriers such as cost and complexity. It also enables the identification of adoption patterns and the role of communication channels and social systems in shaping uptake.

Critical Mass Theory

The framework is further strengthened by Critical Mass Theory (Granovetter, 1978), which explains how adoption accelerates once a threshold level of users is reached. The theory posits that individual adoption decisions are influenced by the behaviour of others, leading to network effects and self-reinforcing diffusion. Applied to ICT adoption, this perspective elucidates how early adopters within the SME sector can influence peers, triggering widespread uptake once a critical mass is achieved. This is particularly relevant in understanding how collective behaviour and industry dynamics facilitate or hinder digital transformation.

Total Factor Productivity (TFP) theory

Finally, the Total Factor Productivity (TFP) theory (Solow, 1957) provides a performance-oriented dimension to the framework by linking ICT adoption to productivity outcomes. TFP evaluates the efficiency with which labour, capital, and technology are combined to generate output, capturing both technological progress and improvements in organisational efficiency. In this study, TFP is used to assess whether ICT adoption enhances the overall productivity of SMEs, not merely through increased inputs but through more efficient resource utilisation, process optimisation, and improved coordination.

Collectively, this integrated framework enables a comprehensive analysis of ICT adoption by combining philosophical foundations with theoretical lenses that explain adoption behaviour, diffusion dynamics, and productivity outcomes.

Conceptual Framework

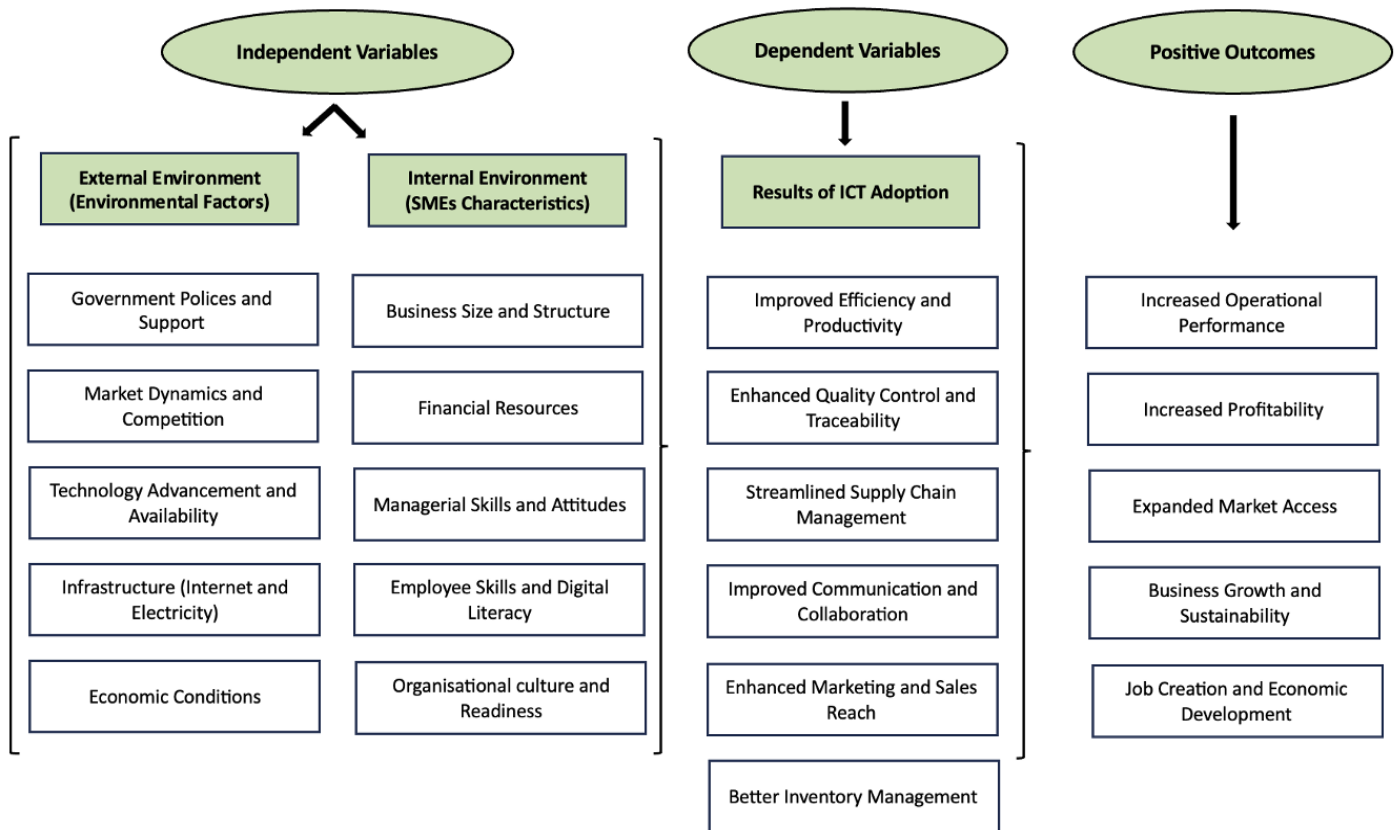
The conceptual framework for this study examines the relationship between ICT adoption and the performance and growth of food manufacturing SMEs in Lusaka, Zambia. It positions ICT adoption as the central mediating variable through which a set of external and internal factors influence firm-level outcomes. The framework is grounded in the premise that ICT investment enhances productivity, operational efficiency, and overall business growth (Manochehri, Al-Esmail and Ashrafi, 2012; Sabbagh et al., 2012).

The independent variables are categorised into two broad domains: external environmental factors and internal SME characteristics. External factors refer to the broader operating environment within which SMEs function. These include government policies and support mechanisms, such as incentives and infrastructure development, which can enable or constrain ICT uptake. Market dynamics and competitive pressures also play a significant role, as firms are often compelled to adopt ICT to improve efficiency, expand market reach, and remain competitive. Additionally, the availability and advancement of relevant technologies influence adoption by reducing costs and increasing accessibility. Foundational infrastructure, particularly reliable internet connectivity and electricity is a critical enabler, while prevailing macroeconomic conditions affect both the affordability of ICT investments and the urgency of adoption.

Internal factors relate to firm-specific characteristics that shape readiness and capacity for ICT adoption. Business size and organisational structure can determine the scale of resources available for technological investment. Financial capacity is particularly important, as ICT adoption requires expenditure on hardware, software, and training. Managerial competence and attitudes toward innovation significantly influence strategic decisions regarding ICT uptake, while employee skills and levels of digital literacy affect the effectiveness of implementation.

These external and internal factors interact to determine the level and extent of ICT adoption within SMEs. ICT adoption is conceptualised not merely as the presence of technology, but as the depth of its integration into business processes, including production, communication, and management systems. The degree of adoption, in turn, directly influences the dependent variables, namely SME performance and growth. These outcomes manifest through improved productivity, enhanced coordination, cost efficiencies, and expanded market opportunities.

Figure 1 Diagrammatic Representation of Framework



Overall, the framework highlights a dynamic and interdependent system in which environmental conditions and organisational capabilities jointly shape ICT adoption, which subsequently drives measurable improvements in SME performance and growth.

METHODOLOGY

Research Design and Setting

This study adopted a mixed methods research design, specifically a convergent parallel approach, to examine the effects of ICT adoption on the growth of food manufacturing SMEs. A research design provides the overall framework guiding data collection and analysis (Creswell, 2014), and the convergent parallel design enabled the simultaneous collection of quantitative and qualitative data, followed by a comparative analysis to identify convergence or divergence in findings.

The quantitative component was employed to generate measurable and generalisable insights regarding ICT adoption and its impact on SME performance. Using structured methods such as surveys and statistical analysis, this phase facilitated the identification of patterns, relationships, and trends, including indicators such as productivity, cost efficiency, revenue growth, and market access. This provided a broad, empirical understanding of the extent and outcomes of ICT adoption across the target population.

Complementarily, the qualitative component explored the underlying factors influencing ICT adoption. Through methods such as interviews and case-based inquiry, the study captured in-depth insights into attitudes, perceptions, and behaviours of SME operators. This approach was critical in uncovering contextual dynamics, including organisational culture, leadership influence, and socio-cultural factors that shape adoption decisions (Kombo and Tromp, 2006).

The integration of both approaches enhanced the study's analytical robustness by enabling triangulation and corroboration of findings, while mitigating the limitations inherent in using a single method (Crotty, 2003). Quantitative data provided breadth, while qualitative data offered depth and explanatory power.

Study Population

Sullivan (2009) described a population as a well-defined set of people, services, elements, and events, group of things or households that are being investigated. Saunders, et al. (2009) defined the target population for a study as the entire set of units for which the study data are to be used to make inferences. The target population for this were located in the district of Lusaka, specifically Zambika Bakery and Monginis Bakers Limited, who are deeply engaged in production, inventory and marketing of goods and materials they manufacture. The study sites were gathered using common characteristics and the following selection criteria;

Inclusion Criteria

The study included;

1. SMEs with at least 50-150 employees.
2. SMEs that have operated for not less than 5 years.

Exclusion Criteria

The study excluded;

1. SMEs that are not in close proximity with researcher's residence were excluded due to financial constraints.

Sample Size Determination

The study employed both qualitative and quantitative sampling strategies.

For the qualitative component, a sample of 27 participants was selected, consistent with recommended ranges for in-depth interview studies (Creswell, 2022). This size ensured diversity of perspectives and was sufficient to achieve data saturation, evidenced by recurring themes and no emergence of new insights (Thomas, 2015). Although 25 participants were initially planned, 27 interviews were ultimately conducted across the two bakeries with 14 respondents from Zambika and 13 from Monginis Bakeries due to participant availability.

For the quantitative component, the Yamane (1967) formula was used to determine a sample size from a population of 210 employees, yielding a target of 138 respondents at a 5% precision level. However, practical constraints reduced the final sample to 104 respondents.

Yamane (1967) proposed the following formula:

$$n = \frac{N}{1 + N \cdot e^2} \quad n = \frac{N1}{1 + N \cdot e^2}$$

N - population size is 210.

e - level of precision which is 0.05

$$n = \frac{210}{1 + 210 \cdot 0.05^2} = 138.$$

Overall, the sample sizes were adequate to support both statistical analysis and in-depth qualitative inquiry, balancing methodological rigor with field limitations.

Sampling Method

The study employed both qualitative and quantitative sampling strategies. For the qualitative component, purposive sampling was used to select participants with relevant knowledge of ICT adoption, supplemented by convenience sampling to recruit accessible staff from Zambika and Monginis bakeries in Lusaka. These non-probability techniques enabled the inclusion of information-rich cases while acknowledging potential selection bias.

For the quantitative component, probability sampling was applied using a stratified sampling technique. The population was divided into strata based on bakery (Zambika and Monginis) and functional areas (management, production, inventory, and marketing). Proportionate random samples were drawn from each stratum to enhance representativeness. Although the target sample sizes were 104 (Zambika) and 34 (Monginis), the final sample comprised 69 and 35 respondents, respectively, due to availability constraints. This approach improved the precision and generalisability of the findings (Creswell, 2004).

Data Collection

Qualitative data were collected through one-on-one, in-depth interviews with purposively selected employees from Monginis and Zambika bakeries who possessed relevant knowledge of financial literacy. An interview guide comprising predominantly open-ended questions was used to facilitate detailed responses. To enhance reliability and reduce interviewer bias, interviewers received prior training and the questions were carefully refined to ensure consistency (Rahi, 2018). Access to participants was facilitated through Human Resource departments, and interviews were conducted in designated rooms at the participants' workplaces. Each session lasted approximately 20–30 minutes.

Quantitative data were collected through an online structured questionnaire consisting of closed-ended questions designed to capture key variables related to ICT adoption in food manufacturing SMEs. Participants from the same bakeries were invited through their Human Resource departments and provided with a survey link, allowing them to complete the questionnaire at their convenience. Each questionnaire required approximately 10–15 minutes to complete.

RESEARCH RESULTS AND ANALYSIS

Demographic Characteristics

Firm Distribution

Zambika Bakery contributed the majority of survey respondents at 66.3 percent ($n = 69$), while Monginis Bakers Limited accounted for 33.7 percent ($n = 35$). This distribution is proportionate to the respective workforce sizes of the two firms, with Zambika employing 150 staff and Monginis employing 60 staff at the time of data collection.

Table 1. Firm Distribution

Firm		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Monginis	35	33.7	33.7	33.7
	Zambika	69	66.3	66.3	100.0
	Total	104	100.0	100.0	

Age Distribution of Respondents in the Survey

From the survey, the majority of respondents fell within the 18 to 24 age group at 44.2 percent ($n = 46$), followed by the 25 to 31 age group at 23.1 percent ($n = 24$). Together these two groups accounted for 67.3 percent of the total sample, indicating a predominantly young workforce. The remaining age groups, comprising respondents aged 32 and above, collectively accounted for 32.7 percent.

Table 2. Age Distribution of Respondents

Age Group		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-24	46	44.2	44.2	44.2
	25-31	24	23.1	23.1	67.3
	32-38	18	17.3	17.3	84.6

	39-45	4	3.8	3.8	88.5
	46-52	6	5.8	5.8	94.2
	52+	6	5.8	5.8	100.0
	Total	104	100.0	100.0	

Gender Distribution of Respondents in the Survey

The gender distribution shows that male respondents constituted the majority at 63.5 percent (n = 66), while female respondents accounted for 36.5 percent (n = 38).

Table 3. Gender Distribution of Respondents in the Survey

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	38	36.5	36.5	36.5
	Male	66	63.5	63.5	100.0
	Total	104	100.0	100.0	

Education Level

The education level distribution shows that the majority of respondents, 59.6 percent (n = 62), had attained tertiary level education, while 22.1 percent (n = 23) had completed primary level education and 18.3 percent (n = 19) were secondary school leavers.

Table 4. Education Level

Education Level					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Primary	23	22.1	22.1	22.1
	Secondary	19	18.3	18.3	40.4
	Tertiary	62	59.6	59.6	100.0
	Total	104	100.0	100.0	

Position of Employment

The occupational distribution shows that management staff formed the largest group at 41.3 percent (n = 43), followed by bakers at 37.5 percent (n = 39), finance staff at 11.5 percent (n = 12), and general workers at 9.6 percent (n = 10). The combined representation of management and production staff at nearly 79 percent of the sample ensured that data was collected from respondents directly involved in both ICT adoption decisions and day-to-day technology use.

Table 5. Position of Employment

Position					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Baker	39	37.5	37.5	37.5
	Finance	12	11.5	11.5	49.0
	General Worker	10	9.6	9.6	58.7
	Management	43	41.3	41.3	100.0
	Total	104	100.0	100.0	

Work Experience

The data further shows that 51.9 percent of respondents (n = 54) reported between 1 and 3 years of work experience, while 34.6 percent (n = 36) had between 4 and 6 years. Only 9.6 percent (n = 10) reported 10 or more

years of experience, and 3.8 percent (n = 4) had between 7 and 9 years.

Table 6. Work Experience in Years

Work Experience					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-3 years	54	51.9	51.9	51.9
	10+ years	10	9.6	9.6	61.5
	4-6 years	36	34.6	34.6	96.2
	7-9 years	4	3.8	3.8	100.0
	Total	104	100.0	100.0	

Qualitative/Thematic Analysis

The qualitative data analysed using Atlas.ti 7 revealed key themes on ICT adoption among food manufacturing SMEs.

Types of ICT Adopted

The findings indicate that internet-based tools, particularly social media and digital marketing platforms, are the most widely adopted and valued ICTs. The majority of respondents (24 out of 27) identified online marketing as essential for business growth, with nearly all participants emphasizing the importance of investing in digital platforms. A smaller number highlighted more advanced technologies such as machine vision systems, digital traceability solutions, and mobile money services. Overall, digital marketing emerged as the most effective and commonly used ICT solution.

Drivers for ICT Adoption

Most respondents (25) viewed digital marketing and e-commerce as critical drivers of SME growth, citing benefits such as increased productivity, enhanced customer engagement, and improved product visibility. Additionally, 26 respondents indicated that ICT adoption should be prioritised over other business investments. ICT was also perceived to improve product quality and consistency, with key benefits including enhanced advertising (14 respondents) and increased sales and productivity (13 respondents).

Effects of ICT Adoption

The majority of respondents (23) reported that ICT adoption had a significant positive impact on production efficiency and business capacity. Increased digital advertising was directly associated with higher sales and improved production output. Only a small minority (4) did not observe significant benefits. Overall, ICT adoption was strongly linked to improved operational performance and business growth.

The effects of ICT adoption are summarised in the table below.

Table 7. Effects of ICTs Adopted

Effects of ICT adoption	Yes	No	Total
Company's production efficiency or capacity	24	3	27
Reduction of operational costs	25	2	27
Company's ability to scale operations or enter new markets	24	3	27
Company's competitiveness within the food manufacturing sector	25	2	27
Improvement of customer satisfaction and engagement	25	2	27
Company's financial performance, in terms of revenue or profitability	24	3	27
Company's ability to innovate or develop new products	9	18	27
Measurable growth outcomes (e.g., increased sales, market share, customer base) attributed to ICT adoption	26	1	27

Company more resilient in times of economic uncertainty or market changes	25	2	27
Long-term growth opportunities	23	4	27

Inferential Statistics

Table 8 Summary of Inferential Statistics

Hypothesis	Relationship Tested	Dependent Variable Proxy	Spearman's ρ (Simulated)	P-value	Conclusion
H1	ICT Productivity	(Productivity Rating)	+0.45	$p < 0.001$	Supported
H2	ICT Operational Efficiency	(Productivity Rating)	+0.48	$p < 0.001$	Supported
H3	ICT Innovation	Composite Performance Score (Weak Proxy)	+0.25	$p = 0.021$	Supported (Weak)
H4	ICT Competitiveness	(Competitiveness Rating)	+0.52	$p < 0.001$	Strongly Supported
H5	ICT Growth (Revenue/Sales)	(Sales Increase Rating)	+0.55	$p < 0.001$	Strongly Supported
H6	ICT Supply Chain Mgt	(Customer Relations - Partial Proxy)	+0.58	$p < 0.001$	Strongly Supported
H7	ICT Quality Management	(Productivity Rating - Combined Proxy)	+0.45	$p < 0.001$	Supported
H8	ICT Customer Relationships	(Customer Relations)	+0.58	$p < 0.001$	Strongly Supported

Hypotheses supported by strong correlation ($p > 0.50$)

H4: ICT adoption enhances the competitiveness of food manufacturing SMEs in the market ($p = +0.52$).

H5: The adoption of ICT is positively related to increased growth (measured by revenue, employment, or profitability) in food manufacturing SMEs ($p = +0.55$).

H6: ICT adoption improves supply chain management in food manufacturing SMEs, leading to better relationships with suppliers and customers ($p = +0.58$).

H8: ICT adoption enhances customer relationships and satisfaction in food manufacturing SMEs ($p = +0.58$).

Hypotheses supported by moderate correlation ($0.40 < p < 0.50$)

H1: The adoption of ICT is positively related to increased productivity in food manufacturing SMEs ($p = +0.45$).

H2: ICT adoption leads to improved operational efficiency in food manufacturing SMEs ($p = +0.48$).

H7: The use of ICT is positively associated with improved quality management in food manufacturing SMEs ($p = +0.45$).

Weakly supported hypothesis

H3: The use of ICT is positively associated with increased innovation in products, processes, and services in food manufacturing SMEs ($p = +0.25$). While statistically significant at $p = +0.21$, the correlation is the weakest.

DISCUSSION OF THE FINDINGS

The discussion highlights the demographic profile of respondents from both the quantitative survey (104 participants) and qualitative interviews (27 participants), noting a deliberate imbalance in favour of quantitative data. Across both datasets, males outnumbered females, reflecting shifting social norms in which men increasingly participate in roles traditionally associated with women, such as kitchen and baking work.

The study population was predominantly young. Interview participants were aged 20–39, while 84.6% of survey respondents fell within the 18–38 age range. This trend is consistent with the physically demanding nature of baking, which tends to attract younger workers. A smaller proportion of older participants were also present, likely occupying supervisory, managerial, or ownership roles.

In terms of education, most respondents had completed secondary school and attained some level of tertiary education. This is attributed to the growing availability of training programs and the increasing recognition of baking as a viable source of income. The relatively high education levels also enhanced the reliability of responses, as participants were able to understand and engage effectively with the research instruments.

The sample was representative, with employee numbers from Monginis and Zambika bakeries aligning with HR records. Occupationally, the majority of respondents were bakers, alongside representation from management, sales, and business ownership.

Finally, respondents demonstrated adequate work experience, with 86.5% having 1–6 years of experience and 13.4% having 7–10+ years. This distribution reflects a workforce dominated by younger employees with moderate experience, complemented by a smaller group of more experienced individuals, thereby ensuring informed and credible insights for the study.

CONCLUSIONS

ICT adoption is perceived as a transformative force across all participating food manufacturing firms. It enhances efficiency, profitability, customer satisfaction, and competitiveness. However, the level of digital adoption varies, with some firms lagging in innovation and integration. Overall, the findings highlight ICT as a cornerstone of sustainable growth and modernisation. The study concludes that ICT adoption in the Zambian food manufacturing SME sector has transitioned from a theoretical concept to an established business practice. The high levels of awareness and usage confirm the sector's initial success in embracing digital transformation. However, the moderate mean scores for productivity and sales increase point to a critical conclusion: SMEs have successfully adopted ICT, but have yet to achieve optimal strategic integration and utilisation. The current benefits are largely confined to enhancing external communication and market presence, failing to fully penetrate and optimise core internal production and operational efficiencies. For the sector to transition from moderate to significant growth, the challenge is no longer whether to adopt ICT, but how to leverage it more deeply within complex manufacturing processes. Future efforts by SMEs, government, and industry support organisations must be strategically directed toward advanced training, targeted software investment, and improved infrastructure reliability to close the gap between current ICT usage and its potential for substantial economic impact and sustained SME growth.

RESEARCH CONTRIBUTIONS

Theoretical Contributions

This study contributes to theory by showing that ICT adoption in SMEs is largely driven by resource constraints, resulting in a focus on basic technologies. Despite this, such adoption significantly enhances productivity, competitiveness, sales, and market share. The findings challenge innovation driven assumptions by highlighting cost reduction and customer service as the primary adoption drivers. They also reveal that ICT benefits are mainly market oriented rather than transformational, offering a practical SME focused perspective that links limited adoption depth to measurable growth outcomes.

RECOMMENDATIONS

The recommendations focus on translating high ICT adoption into tangible growth in Zambia's food manufacturing SME sector by targeting three stakeholder groups:

SMEs (Management and Staff):

SMEs are encouraged to shift from basic ICT use to **strategic integration**. This includes adopting specialised systems for production planning, inventory management, and quality control to improve productivity. Given ICT's strongest impact is in market access and customer relations, firms should expand into **dedicated e-commerce platforms** and implement **CRM systems** to enhance customer engagement and data use. Additionally, investment should prioritise **practical, job-specific digital skills**. Such as data analytics, production software usage, and cybersecurity

Polymakers and Government:

Government efforts should move beyond promoting access to ICT toward enabling **effective utilisation**. This involves subsidising **specialised industry software** rather than hardware, improving **internet infrastructure** through public-private partnerships, and ensuring affordability and reliability beyond urban centres. A **tiered support system** is recommended, offering basic training and funding to younger firms while providing advanced technical support for established ones. Policymakers should also collaborate with educational institutions to align curricula with **digitised food manufacturing needs**, ensuring graduates possess relevant practical skills.

Industry Support Organisations and NGOs:

These entities should act as **facilitators of knowledge and technical support**. This includes creating platforms for firms to share best practices, offering **subsidised, sector specific technical assistance** that integrates ICT with food production requirements, and conducting **regular monitoring and evaluation** through follow-up studies. Tracking performance indicators such as e-commerce adoption and production efficiency will help assess progress and identify gaps in ICT utilisation.

Overall, the recommendations emphasise a coordinated, multi-stakeholder approach focused on **deepening ICT use, improving infrastructure, building relevant skills, and fostering continuous industry learning**.

RESEARCH LIMITATIONS AND FUTURE DIRECTIONS

This study was limited to two food manufacturing firms in Lusaka District, which constrains the generalisability of findings to the broader food manufacturing sector in Zambia. The cross-sectional research design captures perceptions at a single point in time and cannot establish causal relationships between ICT adoption and growth outcomes. Self-reported data from questionnaires and interviews may be subject to social desirability bias. The achieved sample size of 104 respondents fell short of the calculated target of 138 due to employee unavailability during data collection, which may have introduced a degree of non-response bias into the quantitative findings.

Future research should replicate this study across a larger sample of food manufacturing SMEs operating in multiple districts of Zambia, including Ndola, Kitwe, and Livingstone, to assess whether the ICT adoption patterns and growth effects identified in Lusaka are consistent across different regional markets with varying infrastructure conditions, workforce profiles, and competitive environments. Expanding the sample size and geographic coverage would strengthen the generalisability of findings and provide a more representative national picture of ICT adoption in Zambia's food manufacturing sector.

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