

# The influence of attitudes and subjective norms on entrepreneurial intentions among undergraduate business students. The case of University of Botswana

Godfrey Themba

Department of Marketing, University of Botswana

Email: [thembag@ub.ac.bw](mailto:thembag@ub.ac.bw)

Tshepo Maswabi

Department of Marketing, University of Botswana

Email: [maswabi@ub.ac.bw](mailto:maswabi@ub.ac.bw)

Sandra Mokobi

Department of Marketing, University of Botswana

Email: [Sandra.Mokobi@ub.ac.bw](mailto:Sandra.Mokobi@ub.ac.bw)

---

## ABSTRACT

This paper investigates the influence of attitudes and subjective norms on entrepreneurial intentions among undergraduate business students focusing specifically on Network Marketing (NWM) business. The study entails a survey involving a purposive sample comprising 264 undergraduate business students of the University of Botswana. The results of Multiple Regression indicate that both attitude and subjective norms have a significant and positive influence on undergraduate business students' intention to engage in NWM business, with attitude exerting a much stronger influence. The findings also indicate that subjective norms have a significant and positive influence on attitudes towards NWM business. Furthermore, the findings indicate that while there is no variation in the influence of attitudes and subjective norms on entrepreneurial intentions among undergraduate business students based on gender, there is variation based on the training in direct selling. In other words, while both female and male business students' entrepreneurial intentions are similarly influenced by attitudes and subjective norms, those that received training in direct selling tend to be more inclined towards NWM business than those that have not received such training. The findings highlight the importance of attitudes, social influences and experiential training in the development of entrepreneurial intentions among undergraduate business students. This study adds to the literature on direct marketing and entrepreneurship development among business students in institutions of higher learning. The study further affirms the applicability of the Theory of Reasoned Action in explaining entrepreneurial intention and behavior among business students.

**Keywords:** Network Marketing Business, Direct Selling, Multi-Level Marketing, Botswana.

---

## INTRODUCTION

Direct selling, the sale of products and services directly from manufacturer to final consumers away from a fixed retail location in for example, people's homes, workplaces and other social locations has come of age. One genre of direct selling, Network Marketing (NWM)

involve independent agents who distribute products and services directly to final consumers (Brodie et al., 2004). These agents earn their income through selling to final consumers and by recruiting other distributors (Keep & Vander Nat, 2014; Koehn, 2001; Brodie, 2002; Kustin, 1995). Thus the agents are motivated to not only achieve higher sales volumes but also to recruit more customers who end up being agents themselves (Liu, 2018). NWM has evolved into a global business model and is thought to be creating business opportunities for multitudes of people and uplifting many from poverty. Globally, the amount of revenue generated through NWM is estimated to run into billions of dollars (Poon, Albaum & Chan, 2012). In the United States alone, retail sales were estimated at \$34.47 billion in 2014 (Liu, 2018). NWM also serve as a platform for the development of entrepreneurship skills (WFDSA, 2019; Franco & Gonzalez-Perez, 2016). However, NWM has been associated with unsavory business practices such as Pyramid and Ponzi schemes which defraud members of the public resulting in millions of dollars in losses (Keep & Vander Nat, 2014; Liu, 2018; Vander Nat & Keep, 2002; Bosley & McKeage, 2015). Despite this, NWM businesses prosper and continue to be viewed as an alternative to the traditional way of selling products and services through intermediaries (Neatu & Imbrisca (2016). It is thought that most consumers strongly favour products and services distributed through direct marketing channels (Muncy (2004). Similarly, aspiring entrepreneurs are thought to be opting for direct selling as a path to entrepreneurship (WFDSA, 2019).

With many countries around the world grappling with the scourge of unemployment and poverty particularly among the youth, NWM business is being seen by some as a viable career option for the youth (Nga & Mun, 2010). As a business, NWM is relatively easy to establish as it does not require major capital investment nor does it require high technical skills (WFDSA, 2019). A modestly priced sales kit is all it takes to get started, and there is little or no inventory required to begin with (WFDSA, 2019). Furthermore, participation in NWM is often on a part-time basis which means that one can pursue other interests. Distributors determine how much time and energy they want to invest in the business, setting their own hours and work-family life balance. A distributor is effectively his or her own boss.

These characteristics make NWM an ideal business for those in higher education as they face many financial challenges that necessitates the need to make extra income (Nga & Mun, 2010). The question is, are the youth in higher education more or less inclined to take up NWM business? In an attempt to address this question, Nga & Mun (2010) investigated the influence of MLM Company and agent attributes on the youth's willingness to consider multilevel marketing as a career option. The findings from this study suggest that the youth in higher education are disposed to consider MLM as a career option. The findings also indicate that MLM Company and agents attributes influence youth willingness to consider MLM as a career option. While these findings sheds light on factors influencing youth participation in NWM business, there remains a paucity of studies investigating the influence of attitudes and subjective norms on entrepreneurial intentions in the African context (Amani & Mkumbo, 2016) and Botswana in particular. With few exceptions (e.g. Sargeant & Msweli, 1999; Msweli & Sargeant, 2001; Msweli-Mbanga, 2001b; Msweli & Sargeant, 2008), the majority of NWM studies are based outside of the African continent in Asia (e.g. Nga & Mun, 2010; Kustin & Jones, 1995), Europe (e.g. Koehn, 2001; Brodie et al., 2004) and North America (e.g. Cahn, 2008). While this reflect the relative size and development of the direct selling industry globally, Africa represents an untapped market that warrants to be investigated both from the demand and the supply side of things.

The present study addresses the gaps identified above by investigating the influence of attitude and subjective norms on the intention to engage in NWM business among undergraduate business students at the University of Botswana. The study is guided by the following research questions:

RQ1: Do attitudes influence intention to engage in NWM business among undergraduate business students at the University of Botswana?

RQ2: Do subjective norms influence intention to engage in NWM business among undergraduate business students at the University of Botswana?

RQ3: Does the influence of attitude and subjective norms on undergraduate business students' entrepreneurial intentions vary according to demographics?

## **BACKGROUND**

In Botswana, the youth herein defined as people aged between 15 and 35, represent about 46.5% of the population (Statistics Botswana, 2018). According to the Botswana Multi-Topic Household Survey Report 2015/16, youth unemployment in Botswana is higher than that of other demographic segments (Statistics Botswana, 2018). Youth unemployment in Botswana also has a gender dimension with females being the most affected (Siphambe, 2003). Similarly, high youth unemployment in Botswana translates into high poverty levels in this demographic (Lesetedi, 2018). As the youth are crucial to the socio-economic development of Botswana, youth unemployment has become a top government priority (Republic of Botswana, 2017). To that end, a number of youth empowerment programmes and policy initiatives such as the Youth Development Fund (YDF), the Young Farmers Fund (YFF) and the Kick Start Programme, among others, have been introduced (Republic of Botswana, 2010). Furthermore, the Government of Botswana has established a full-fledged Ministry to address the challenges facing youth including unemployment. Despite this effort, youth unemployment in Botswana abounds (Lesetedi, 2018).

### **NWM business in Botswana**

Although NWM business is relatively new in Botswana, major global direct selling companies such as Tupperware have established a presence in the country. Some of these organizations regularly hold meetings where they educate and train participants including students about their activities. NWM organizations in Botswana sell a wide range of consumer products including cosmetics, personal care, wellness, households, fashion and accessories. These organizations also help create business opportunities for many citizens including the youth. Although the level of youth participation in NWM business in Botswana has not been documented, anecdotal evidence suggest it is relatively low. In contrast, youth participation in NWM business is thought to be much high in other countries particularly in Asia (Nga & Mun, 2010; Msweli & Sargeant, 2001). A global study of direct selling indicated that the majority of those involved are young people (Brodie et al., 2004).

## **LITERATURE REVIEW**

### **Network marketing concept**

Network Marketing (NWM) is a form of direct distribution of goods and services that involves independent agents who operate away from fixed retail locations (Peterson &

Wotruba, 1996; Msweli-Mbanga, 2001). These distributors earn their income both through selling activities and the recruitment of other distributors (Franco & Gonzalez-Perez, 2016). The distributors rely heavily on family ties, friends and acquaintances to develop a network of distributors (Pratt & Rosa, 2003). Direct selling help companies avoid distribution costs associated with the involvement of intermediaries (Rosenbloom, 2004). NWM companies motivate distributors by provide training, rewards and incentives (Msweli & Sargeant, 2001).

NWM is widely regarded as an ideal business opportunity for aspiring entrepreneurs who want to own an independent business with low startup capital, low overheads and little or no educational background (WFDSA 2019; Franco & Gonzalez-Perez, 2016). NWM does not require much training and although there is no restriction in terms of age, the youth are the prime candidates for recruitment due to their high levels of energy, coupled with a lifestyle oriented toward instant gratification (Nga & Mun, 2010). As a business, NWM also offers flexibility in terms of to time commitment. Those involved as distributors can choose to be engaged on a part-time or full-time basis. Furthermore, NWM business enhances entrepreneurial skills through mentorship provided by experienced business leaders (WFDSA, 2019).

NWM has been also been associated with shoddy business practices such as Pyramid and Ponzi schemes which are illegal forms of business that places more emphasis on recruitment than on the actual selling of goods and services (Liu, 2018; Koehn, 2001; Muncy, 2004). These schemes require large upfront investments from distributors and make unrealizable promises (Liu, 2018). Pyramid schemes create bad publicity for legitimate NWM business (Brodie et al., 2004). This has resulted in many people becoming skeptical and unwilling to engage in NWM business in spite of the proclaimed benefits (Kustin & Jones, 1995). The aggressive nature of selling techniques employed by some salespeople has also been found to be resented by most members of the general public (Nga & Mun, 2010).

### **Theory of Reasoned Action (TRA)**

Developed by Ajzen & Fishbein (1975), the Theory of Reasoned Action (TRA) posit that a person's behavior can be predicted from the intention to perform that particular behavior which in turn is influenced by personal and social factors. The personal factors include attitude toward the behavior which is reflected in the individual's positive or negative evaluation of the behavior. According to this theory, attitudes are a function of a person's beliefs about the behavior, its outcomes and the person's evaluation of those outcomes. Thus a person who believes that engaging in a given behavior will lead to positive outcomes will hold a positive attitude towards that behaviour and vice versa. The social factors that influence intention include the subjective norms and these reflect the person's perception of the social pressure from close associates to perform or not to perform the behavior in question (Ajzen & Fishbein, 1980). Subjective norms are also a function of the person's beliefs about what specific individuals or groups think about the performance of the behavior and the motivation to comply with the specific referents. Thus a person who believes that close associates whom he/she is motivated to comply with think he/she should engage in a given behavior will be under pressure to do so.

The TRA has been used to analyze a wide range of human behaviors (Dewi & Zein, 2017; Vallerand et al. 1992; Tarkiainen & Sundqvist, 2005; Lada et al.2009). The theory has also been found to be effective in predicting volitional rather than non-volitional behavior (Rossi & Armstrong, 1999). A reformulation of TRA, the Theory of Planned Behavior (TPB), has been found to be more suited to predicting non-volitional behavior (Ajzen & Fishbein, 1980). Non-volitional behavior is the behavior over which one has no control in performing (Ajzen, 1985). The TPB includes a third component, the perceived behavioral control, which

is a measure of how easy or difficult it is to personally perform the behavior based on ones perceived ability and access to required resources (Rossi & Armstrong, 1999). Fishbein and Ajzen (1975) have suggested that attitude and subjective norms might be independent of each other. However, some studies have suggested that the two constructs are in fact correlated and that subjective norms have a causal effect on attitudes (e.g. Chang, 1998; Vallerand et al. 1992; Tarkiainen & Sundqvist, 2005; Lada et al., 2009; Ryan, 1982).

The TRA provides a basis for the development of strategies that influence behavioral change (Sheppard et al. 1988; Rossi & Armstrong, 1999). Such strategies could target attitudes and subjective norms as these influence intentions which in turn influence actual behavior.

### The Relationship among TRA constructs

Since NWM business does not require much resources in terms of time commitment, capital investment and skills, we regard it as a volitional undertaking to which the TRA is said to be applicable (Rossi & Armstrong, 1999). Thus in accord with TRA, we postulate that attitudes and subjective norms predict intention to engage in NWM business. Similarly, in line with previous findings, we postulate that subjective norms will have a causal effect on attitude toward NWM business. The relationship among the TRA constructs are reflected in Figure: 1 below:

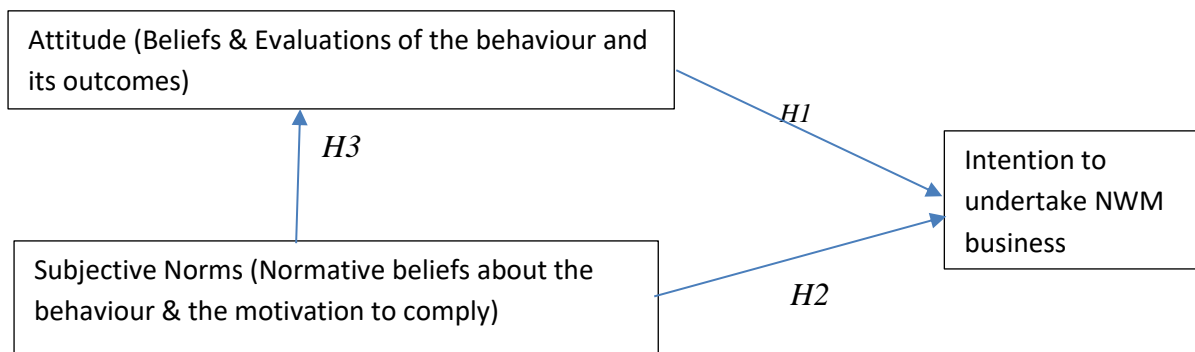


Figure 1: The Relationships among TRA constructs adapted from Ajzen & Fishbein (1980)

Based on the TRA model we hypothesize as follows:

- H1:* Attitude will positively and significantly influence the intention to engage in NWM business.
- H2:* Subjective norms positively and significantly influence the intention to undertake NWM business
- H3:* Subjective norms positively and significantly influence attitude toward NWM business.

### The influence of demographic variables on intention to undertake NWM business

In their study Nga & Mun (2010) found a causal link between family income and the students' willingness to pursue a career in MLM. Van Gelderen et al. (2008p. 541) suggested that demographic variables such as "gender, work experience, parental role models and

personality” explain variations in entrepreneurial intentions. Accordingly, in this study we posit that gender and training in direct selling explains variations in entrepreneurial intentions among undergraduate business students:

*H4a:* The intention to engage in NWM business vary according to gender.

*H4b:* The intention to engage in NWM business vary according to training in direct selling.

## METHODOLOGY

### Research Design

In order to investigate the posited relationship among the study’s theoretical constructs, a cross sectional survey design was adopted. This research design is deemed suitable for the collection of data on more than one case at a single point in time in relation to two or more variables which are examined to detect association (Bryman & Bell 2011).

### Setting and sample

The setting for this study is the University of Botswana (UB) main campus located in Gaborone, the Capital City of Botswana. UB is the largest institution of higher learning in the country, hosting a large concentration of students pursuing undergraduate business studies. The study focuses on business students as they are more predisposed to pursue entrepreneurship as a career (Nabi et al 2010; van Gelderen, 2007; Luthje & Franke, 2003; Ambad & Ag Damit, 2015). Drawing from Nga & Mun (2010), a purposive sample was drawn from a list of undergraduate business students at different levels of study who are enrolled in various business programmes including Marketing, Accounting, Management, Finance and Entrepreneurship.

### Data collection

Data was collected using a self-administered structured questionnaire which sought information on the respondents’ demographics, attitude, subjective norms and intention to undertake NWM as a business. The scale items were developed based on network marketing literature (e.g. Nga & Mun, 2010) and selected studies employing the theory of reasoned action (e.g. Ajzen & Fishbein, 1980; Lada et al., 2009 ). The respondents were asked to rate their level of agreement with statements on a Likert scale ranging from Strongly Disagree (1) to Strongly Agree (5). The questionnaire was written in English language as this is the medium of instruction at the University of Botswana. For this reason, it was not deemed necessary to translate the questionnaire into local languages as recommended in the literature (Lada et.al. 2009). Prior to data collection, a pilot study was conducted to detect any potential problems in the instrument.

The questionnaire was distributed by the researchers to the students in their respective lectures with the approval of lecturers. The researchers introduced themselves and explained the purpose of the research before politely requesting the students to participate voluntarily. The students were also informed of their rights regarding participating in the study. For example, the students were informed beforehand that they are free to withdraw from participating at any time if they wish to and that they were not required to append their names

to the questionnaire. Upon completion of data collection, a total of 264 usable questionnaires were received out of a total of 300 questionnaires administered.

### Data Analysis

Data was analyzed using IBM SPSS Statistics 25. Descriptive statistics including mean and standard deviation were computed following data coding, entry and cleaning. Bivariate and multivariate statistical analyses were carried to determine the causal relationship among the variables of interest.

### Demographic characteristics

As indicated in Table I, the majority of the respondents were female (61.2%). Similarly, the majority (70%) of the respondents had not been involved in NWM training events set up by direct selling organizations in Botswana.

**Table I: Demographic Profile of the Respondents**

Variable	Frequency	Percent
Gender:		
Male	102	38.8
Female	161	61.2
<b>Total</b>	<b>264</b>	<b>100</b>
Involvement in NWM training activities :		
Involved	78	29.5
Not involved	186	70.5
<b>Total</b>	<b>264</b>	<b>100</b>

## FINDINGS

### Descriptive Statistics

The descriptive statistics for the main variables are reflected in Table II. The average mean score for the variables INTENTION, ATTITUDE and SUBJECTIVE NORMS are 3.4, 3.75, and 2.87 respectively. These results indicate that overall, the respondents are not only more inclined to engage in NWM business but have a positive perception of NWM business and its outcomes. However, the results also indicate that there is less pressure from the respondents' referents to engage in NWM business.

**Table II: Results of EFA with Varimax Rotation**

	M	SD	Eigen value	Cum % Variance	Factor Loading	Cronbach Alpha
<b>INTENTION</b>	<b>3.4</b>	.86	7.475	31.145		<b>.91</b>
Will definitely join	3.12	1.276			.819	
Beneficial to me	3.54	1.021			.816	
Will join	3.09	1.244			.805	
Feel good about joining	3.29	1.082			.804	
Plan to join	2.99	1.256			.800	
Confident of my success	3.34	1.048			.779	
Expect to make good income	4.12	.753			.639	
My skills would improve	4.01	.895			.561	
My family would support me	3.52	1.094			.558	
<b>ATTITUDE</b>	<b>3.75</b>	.57	2.405	41.164		<b>.80</b>
Affords freedom & independence	3.64	.928			.701	
Success in NWM is guaranteed	4.21	.896			.628	
A good way to make extra income	4.13	.762			.620	
Offers Free training	3.38	.983			.616	
Alternative to employment	3.63	.921			.594	
High quality products	3.37	.903			.581	
Offers convenience to buyers	3.79	.963			.569	
Open to all	3.58	.979			.531	
Good business opportunity	3.99	.906			.502	
Generate extremely high income	3.64	.928			.471	
<b>SUBJECTIVE NORMS</b>	<b>2.87</b>	.78	1.774	48.556		<b>.59</b>
People I know often ask me to join	2.95	1.269			.747	
I feel the pressure to join from friends	2.43	1.143			.652	
Some of my fellow students are involved	3.51	1.040			.584	
Some of my family members are involved	2.73	1.324			.562	
<b>Note:</b> M=Mean; SD= Standard Deviation; Bartlett's Test of Sphericity- Approx Chi Square =2411.106; df =276. P<0.05; KMO Measure of Sampling Adequacy = .880; Extraction Method: Principal Component Analysis; Rotation: Varimax with Kaiser Normalization; Scale: 1 =Strongly Disagree to 5 =Strongly Agree.						

### Validity

The convergent and discriminant validity of the 32 scale items were assessed via Exploratory Factor Analysis (EFA), adopting the Principle of Component Analysis with a Varimax rotation (Lada et al. 2009). Factor loadings of 0.40 and above were considered acceptable, as were constructs with Eigenvalues of 1 and above (Nunnally, 1978). The Kaiser-Mayer-Olkin (KMO) measure of sample adequacy of above 0.50 was adopted, as was the Chi square significance of the Bartlett's test of Sphericity.

As reflected in the results of exploratory factor analysis (Table II), 8 items were dropped from the initial 32 scale items as they did not load on any of the three retained 3 factors, namely, Intention, Subjective Norms and Intention. A further item loading on subjective norms was removed due to low loading (i.e. less .40). The test of assumptions for the EFA was satisfied with KMO measure of sample-adequacy of .880 and Bartlett's test of Sphericity Chi Square Value of 2411.106 (df 276; p-value < 0.05). The eigenvalues of all the constructs are above 1 which indicates that they are all valid factors (Nunnally, 1978). The total variance explained by the 3 factors is 48.56%.



## Reliability

The reliability of the scales used in this study was assessed using Cronbach Alpha adopting the 0.60 threshold as recommended in the literature (Nunnally, 1967). The Cronbach Alpha for the predictor constructs ATTITUDE and SUBJECTIVE NORMS are .80 and .59 respectively. The Cronbach Alpha for INTENTION, the dependent construct is .91. While the reliabilities for ATTITUDE and INTENTION satisfies a more stringent criterion of .70 (Nunnally & Bernstein, 1994; Pallant, 2010), the reliability for the SUBJECTIVE NORMS satisfies a less stringent criterion of .60 (Peterson, 1994).

## Chi Square Test of Independence

Chi square tests of independence were carried out between gender and involvement in NWM activities. The results indicated no significant association between gender and involvement in NWM activities (Chi square =0.055, df=1, p>0.05).

## Hypotheses Testing

Before testing the hypotheses, Pearson correlation analysis between the predictor variables and the dependent variable in the TRA model was undertaken (Nunnally & Bernstein, 1994) and the results (**Table III**) indicate that both the subjective norms and attitude are positively and significantly correlated with intention to undertake NWM business

**Table III: Correlation Analysis (n=264)**

Predictor Variables	Intention to undertake NWM business	
	Pearson Correlation	Statistical Significance
Subjective norms	.406**	.000
Attitude	.520**	.000

\*\* Correlation is significant at the level of 0.01

For testing *H1* and *H2*, multiple linear regression method was used with INTENTION as the dependent variable. The independent variables include ATTITUDE and the SUBJECTIVE NORMS.

The multiple regression model for testing hypotheses *H1-H2* is significant  $F(2, 257) = 70.292$ ,  $p=0.005$ ,  $R^2 = .35$ . The adjusted Coefficient of Determination ( $R^2$ ) is .35 which indicate a large effect size (Cohen, 1992). With the Variance Inflation Factor (VIF) of 1.0, and the collinearity tolerance of .945 the overall model does not appear to suffer from multicollinearity (Hair et al. 2010).

The multiple regression results (**Table IV**) indicate that subjective norms and attitude have beta coefficients of 0.30 (t-statistic= 5.83;  $p<0.01$ ) and 0.45 (t-statistic = 8.67;  $p<0.01$ ) respectively. This indicates that both attitude and subjective norms significantly and positively influence intention to engage in NWM business. The results also indicate that attitude has a stronger influence on intention than subjective norms.

Therefore based on the result of multiple regression both *H1* and *H2* are supported.

Table IV: Table of coefficients for the multiple regression

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	2.134	.186		11.497	.000
	subjective norms	.445	.062	.406	7.133	.000
2	(Constant)	-.026	.298		-.086	.932
	Subjective Norms	.330	.057	.301	5.826	.000
	Attitude	.663	.077	.447	8.665	.000

Note: Collinearity tolerance for both predictors = .945; VIF = 1

For testing *H3*, a simple bivariate regression was undertaken with SUBJECTIVE NORMS as a predictor variable and ATTITUDE as the dependent variable. The result (Table V) gave a beta coefficient of 0.24 (t-statistic = 3.889;  $p < 0.01$ ), which indicate that subjective norms significantly and positively influence attitude. Subjective norms accounts for about 5 % variation in attitude ( $R^2 = .052$ ). Based on this result, *H3* is supported.

Table V: Table of coefficients for bivariate regression analysis

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	3.257	.133		24.469	.000
	subjective norms	.174	.045	.235	3.889	.000

- a. Dependent Variable: Attitude
- b. Adjusted  $R^2 = .052$

For testing *H4a-H4b*, independent sample t-test and ANOVA were used. The Levene's test of equality of variance was used to test the assumption of homogeneity of variables (Hair et al. 2010). Equality of variances was assumed if the F-statistic yields a p-value greater than 0.05 (Pallant 2010). The statistical significance of demographic variables in influencing intention to engage in NWM business was determined using the test of between subject effects if p-value is less than 0.05. The result (Table VI) satisfied the criterion for the equality of variance assumption with F-Statistics of .976 ( $df_1=3, df_2=257, p > 0.05$ ) (Hair et al. 2010).

Table VI : Levene's Test of Equality of Error Variances<sup>a,b</sup>

		Levene's Statistic	df1	df2	Sig.
Intention	Based on Mean	1.002	3	257	.392
	Based on Median	.920	3	257	.432
	Based on Median and with adjusted df	.920	3	249.337	.432
	Based on trimmed mean	.976	3	257	.404

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

- a. Dependent variable: Intention
- b. Design: Intercept + Gender + Involve + Gender \* Involve

Note: Mean score (M) for male = 3.510; Mean score (M) for female = 3.529

The results of a two-way ANOVA between subjects (Table VII) indicate that there is no significant gender effect on intention  $F(1, 257) = 0.029, p > 0.05, \text{Partial } \eta^2 = 0.00$ . The mean scores for male ( $M = 3.510$ ) and female ( $M = 3.529$ ) are almost the same which indicates that they have the same inclination towards NWM as a business. However, the results also indicate a significant involvement effect on intention,  $F(1, 257) = 27.442, p < 0.05, \text{Partial } \eta^2 = 0.096$ . The mean score of those involved ( $M = 3.821$ ) in NWM activities is relatively higher than those who are not involved ( $M = 3.218$ ) which indicates that those involved in NWM activities have a higher inclination to engage in NWM business.

The results further indicate that there is no significant gender-by-involvement effect on intention,  $F(1, 257) = 0.141, p > 0.05, \text{Partial } \eta^2 = 0.001$ . The mean scores of males ( $M = 3.833$  vs  $3.187$ ) and females ( $M = 3.808$  vs  $3.250$ ) who are involved in NWM activities are relatively higher than those who are not. This shows that gender has no significant effect on intention even when combined with involvement. Based on these results *H4a* is not supported while *H4b* is.

**Table VII: Tests of Between-Subjects Effects**

Dependent Variable: Intention						
Source	Type III Sum of Squares	Df	Mean Square	F	Sig.	Partial Eta Squared
Corrected Model	19.222 <sup>a</sup>	3	6.407	9.482	.000	.100
Intercept	2532.942	1	2532.942	3748.313	.000	.936
Gender	.020	1	.020	.029	.864	.000
Involve	18.544	1	18.544	27.442	.000	.096
Gender * Involve	.095	1	.095	.141	.707	.001
Error	173.669	257	.676			
Total	3210.690	261				
Corrected Total	192.891	260				

a. R Squared = .100 (Adjusted R Squared = .089)

## DISCUSSIONS

In the present study, we investigate the influence of attitude and subjective norms on undergraduate students' entrepreneurial intention focusing specifically NWM business. The main finding of the study is that attitude and subjective norms positively and significantly influence undergraduate business students' intention to engage in network marketing business. This finding indicates that prior to engaging in NWM business, students consider the potential outcomes of such an undertaking and their desirability. The findings also indicate that undergraduate business students consider the views of family members, friends, lecturers and fellow students as referent points when deciding on engaging in NWM business. This finding corroborates the findings of previous studies where undergraduate students were found to be heavily reliant on the opinions and views of close associate when making a career choice (Nabi et al. 2010; van Gelderen et al. 2007).

The study also found that attitudes exert a stronger influence on entrepreneurial intention than subjective norms. According to Vallerand et al., (1992) whereas attitude deal directly with the consequences of behavior, subjective norms deal with the more remote element, the perception of what significant others think one should do. This suggests that attitudes are more likely to be influenced by the tangible consequences of NWM business such as financial rewards, than the less tangible perceptions of others. Subjective norms have been found to

have a greater influence on intention than attitudes in studies involving moral behavior (Rossi & Armstrong, 2008; Vallerand et al. 1992).

The other important finding is that subjective norms have a positive influence on the development of attitude toward network marketing among business students. This finding is consistent with previous studies which reported significant causal link between subjective norms and attitude toward behavior (Chang, 1998; Lada et al. 2009; Tarkiainen & Sundqvist, 2005). This indicate that the student's favorableness towards NWM business is influenced by how important others think about NWM business.

The present study also found that involvement in training activities organized by NWM organizations explain variations in entrepreneurial intentions among business students. This finding is not unexpected. NWM companies are known to bring extremely successful salespeople to share their experience and real-life testimonials with the students (Liu, 2018). Such testimonials can help improve attitude and solidify intention to engaging in NWM business.

In this study, we found no differences in entrepreneurial intentions that can be attributed to gender. Nga & Mun (2010) also found no significant influence on the willingness to take up MLM as a career option based on gender. Nabi et al. (2015) also found no difference in entrepreneurial intentions between male and female students in their study based in the UK.

## **IMPLICATIONS**

### **Practice**

These findings have implications for the role that society plays in influencing entrepreneurial intention and behavior among students in higher learning. The findings suggest that positive social norms influence entrepreneurial intentions and behavior among business students. Similarly, the findings have implications for the way in which personal factors play in entrepreneurship.

The findings also have implications for the role learning programmes play in promoting entrepreneurship among students. The findings suggest that learning programmes at should reinforce positive attitudes and social norms among the students.

### **Policy**

At a policy level, the findings of this study have implications for entrepreneurship education and development in Botswana more generally. Since attitude and subjective norms play a significant role in the development of entrepreneurial intentions, the educational system in Botswana should be oriented to cultivate a culture of entrepreneurship among learners.

### **Research**

The present study provides further evidence that the TRA can be applied to study a variety of human behavioral intentions. In the present study, the TRA model demonstrated an explanatory power of 48 % which is relatively robust.

## LIMITATIONS AND FUTURE RESEARCH

The respondents in this study are undergraduate business students at the University of Botswana. As such, the findings of this study do not reflect a general pattern across disciplines or Universities in Botswana. Consequently, the findings of this study cannot be generalized to the general population of students in higher learning in Botswana. Further research is therefore needed that covers other demographic segments and the population of Botswana at large. Although the study focuses on intention as a predictor of actual behavior, studies elsewhere have shown that only a small minority of students who express entrepreneurial intention actually translate their intent into business start-ups (Nabi et al., 2010). Further research is needed to trace the career path of undergraduate business students who express entrepreneurial intention (Nabi et al., 2010).

## CONCLUSION

The results of the present study indicate that both attitudes and subjective norms influence the undergraduate business students' entrepreneurial intentions. However, the study also shows that attitude has a stronger influence on undergraduate business students' entrepreneurial intention than subjective norms. Thus from these findings it seems that what matter most in influencing the entrepreneurial intentions of undergraduate business students is not so much what society thinks or say but how the students themselves perceives the beneficial outcomes of the business to be. The study underscore the important role institutions of higher learning and Direct Marketing organizations can play in influencing entrepreneurship development among students.

## REFERENCES

- Amani, J. & Mkumbo, K, A. (2016), "Predictors of Career Intentions among Undergraduate Students in Tanzania", *Journal of Education and Human Development*, Vol. 5, No. 3, pp. 106-115.
- Ambad, S. N. A. & Ag Damit, D. H. D. (2015), "Determinants of Entrepreneurial Intention among Undergraduate Students in Malaysia", *Procedia Economics and Finance*, Vol. 37, pp. 108-114
- Ajzen, I. (1985), "From intention to actions: a theory of planned behavior", In Kuhland, J. and Beckman, J. (Eds), *Action-control: from Cognitions to Behavior*, Springer Heidelberg, New York, pp. 11-39
- Ajzen, I. & Fishbein, M. (1980), *Understanding Attitudes and Predicting Social Behavior*, Prentice-Hall, Englewood Cliffs, NJ.
- Berry, L. L. (1983), "Relationship marketing", in Berry, L. L., Shstack, G. L. & Upah, G. D. (Eds), *Emerging Perspectives on Services Marketing*, American Marketing Association , Provo, UT, pp. 25-28
- Bosley, S. & McKeage, Kim K. (2015), "Multilevel Marketing Diffusion and the Risk of Pyramid Schem Activity: The Case of Fortune Hi-Tech Marketing in Montana", *Journal of Public Policy & Marketing*, Vol. 34, No. 1 (Spring), pp. 84-102
- Brodie, S., Stanworth, J. & Wotruba, T. R. (2002), "Comparisons of Salespeople in Multi-Level Vs Single Level Direct Selling Organizations", *The Journal of Personal Selling and Sales Management*, Vol. 22, No. 2 (Spring), pp. 67-75
- Brodie, S., Albaum, G., Chen, D. F., Garcia, L., Kennedy, R., Msweli-Mbanga, P., Oksanen-Ylikoski, E., & Wotruba, T. (2004). *Public Perceptions of Direct Selling: An*

- International Perspective*. (Westminster Business School Research Report -2004). Retrieved from: [www.dsaz.conz/statistics/reports/PublicPerceptionofdirectSelling2004.pdf](http://www.dsaz.conz/statistics/reports/PublicPerceptionofdirectSelling2004.pdf). Accessed: 20 November 2018
- Cahn, P. S. (2008), "Consuming Class: Multilevel Marketers in Neoliberal Mexico, *Cultural Anthropology*, Vol. 23, No. 3 (Aug), pp. 429-452
- Chang, M. K. (1998), "Predicting Unethical Behavior: A comparison of the Theory of Reasoned Action and the Theory of Planned Behaviour", *Journal of Business Ethics*, Vol. 17, No. 16, pp. 1825-99
- Cohen, J. (1992), "Quantitative Methods in psychology: a power primer", *Psychology Bulletin*, Vol. 112, No. 1, pp. 155-159
- Dewi, T. K. & Zein, R. A. (2017), "Predicting Intention to Perform Breast Self-Examination: Application of the Theory of Reasoned Action". *Asian Pacific Journal of Cancer Prevention*, Vol. 18, pp. 2945-2952.
- Fishbein, M. & Ajzen, I. (1975), *Belief, Attitude, Intention and Behavior: An Introduction to Theory and Research*, Addison-Wesley, Reading, MA.
- Ferrell, L., Gonzalez-Padron, T. L. & Ferrell, O. C. (2010), An Assessment of the use of technology in the direct selling Industry, *The Journal of Personal selling and Sales Management*, Vol. 30, No. 2 (Spring), pp. 157-165
- Franco, W. & Gonzalez-Perez, M. A. (2016), "International Expansion Opportunities for Multilevel Marketing via Personal Networks: An Ethnographic Study from Colombia", *International Journal of Business and Society*, Vol. 17 No. 1, pp. 28-46
- Gronroos, C. (1991), "The marketing strategy continuum: toward a marketing concept", *Services Marketing Management Decision*, Vol. 29, pp. 7-13
- Hair, J.F., Black, W.C., Babin, B.J. and Anderson, R. E. (2010). *Multivariable Data Analysis: A Global Perspective*, 7<sup>th</sup> Ed., Pearson Prentice-Hall, Upper Saddle River, NJ.
- Harker, M. J. (1999), "Relationship marketing defined? An examination of current relationship marketing definitions", *Marketing Intelligence and Planning*, Vol. 17, No. 1, pp. 13-20
- Keep, William, W. & Vander Nat, Peter, J. (2014), "Multilevel marketing and pyramid schemes in the United States", *Journal of Historical Research in Marketing*, Vol. 6, No. 2, pp. 188-210
- Koehn, D. (2001), "Ethical Issues connected with Multi-level Marketing Schemes", *Journal of Business Ethics*, Vol. 29, No. 1/2, pp. 153-160
- Kustin, R. & Jones, R. (1995), "Research note: a study of direct selling perceptions in Australia", *International Marketing Review*, Vol. 12, No. 6, pp.60-67
- Lada, S., Tanakinjal, G. H. & Amin, H. (2009), "Predicting intention to choose *halal* products using theory of reasoned action", *International Journal of Islamic and Middle Eastern Finance and Management*, Vol. 2, No. 1, pp. 66-76
- Lesetedi, G. (2018), "High Youth Unemployment in Botswana: A Case of Policy Failure or Poor Research?" *Mosenodi Journal*, Vol. 21, No. 1, Pp. 127-136
- Luthje, C. & Franke, N. (2003), "The 'making' of an entrepreneur: testing a model of entrepreneurial intent among engineering students at MIT", *R&D Management*, Vol. 33, No.2, pp. 135-147.
- Msweli, P. & Sargeant, A. (2001), "Modelling distributor retention in network marketing organizations", *Marketing Intelligence & Planning*, Vol. 19, No. 7, pp. 797-815.
- Msweli-Mbanga, P. (2001), "Modelling distributor performance in network marketing organizations". *South African Journal of Business Management*, Vol. 32, No. 3, pp. 33-40.

- Muncy, James, A. (2004), "Ethical Issues in Multilevel Marketing: Is it a Legitimate Business or just another Pyramid Scheme?" *Marketing Education Review*, Vol. 14, No. 3, pp. 47-53.
- Nabi, G., Holden, R. & Walmsley, A. (2010), "Entrepreneurial intentions among students: towards a re-focused research agenda", *Journal of Small Business and Enterprise Development*, Vol. 17, No. 4, pp. 537-551
- Neatu, A. & Imbrisca, C. (2016), "An overview of direct selling Industry", *The Annals of the University of Oradea Economic Sciences*. Available at: <https://www.researchgate.net/publication/310400563>. Accessed 13 December 2019
- Nga, J. K. H. & Soo, W. M. (2011), "The influence of MLM companies and agent attributes on the willingness to undertake multilevel marketing as a career option among youth". *Journal of Research in Interactive Marketing*. Vol.5, No. 1, pp. 50-66.
- Nunnally, J. C. (1978). *Psychometric theory*, 2<sup>nd</sup> Eds, New York, NY: McGraw-Hill
- Nunnally, J. C. & Bernstein, I. H. (1994), *Psychometric Theory*, McGraw Hill, New York, NY
- Pallant, J. (2010), *SPSS Survival Manual: A step by step guide to data analysis using SPSS*, 4<sup>th</sup> Ed., New York, Open University Press
- Palmer, A. (2011), *Principles of Services Marketing*, 6<sup>th</sup> Ed., London, McGraw-Hill
- Peterson, R. A. (1994), "Meta-Analysis of Cronbach's Coefficient Alpha", *Journal of Consumer Research*, Vol. 21, No. 2, pp. 381-91
- Peterson, R. A. & Wotruba, T. R. (1996), "What is direct selling? Definition, Perspectives and Research Agenda", *Journal of Personal Selling and Sales Management*, Vo.16, No. 4, pp. 1-16
- Poon, P., Albaum, G. & Chan, P. S. (2012), "Managing trust in direct selling relationships". *Marketing Intelligence & Planning*, Vol.30, No.5, pp. 588-603.
- Republic of Botswana (2017), *National Development Plan 11: April 2017-March 2023*, Ministry of Finance and Development Planning, Gaborone
- Republic of Botswana (2010), *Revised National Youth Policy 2010*, Ministry of Finance and Development Planning, Gaborone
- Rosenbloom, B. (2004). *Marketing Channels. A Management View*, 7<sup>th</sup> Eds. Drexel University, South -Western Cengage Learning.
- Rossi, Ashley, N. & Armstrong, James, B. (1999), "Theory of Reasoned Action Vs Theory of Planned Behaviour: Testing the suitability and Sufficiency of a Popular Behaviour Model using Hunting Intentions". *Human Dimensions of Wildlife*, Vol. 4, No. 3, pp. 40-56
- Ryan. M. J. (1982), "Behavioral intention formation: The interdependency of attitudinal and social influence variables", *Journal of Consumer Research*, Vol. 9, pp. 263-278.
- Sargeant, A. & Msweli, P. (1999), "Network Marketing in South Africa: An Exploratory Study of Consumer Perceptions?" *Journal of International Consumer Marketing*", Vol. 11, No. 3, pp. 51-66
- Sin, Leo, Y. M., Tse, Alan, C. B., Yau, Oliver, H. M., Lee, Jenny, S. Y. & Chow, R. ( 2002), "The effect of relationship marketing orientation on business performance in a service-oriented economy", *Journal of Services Marketing*, Vol. 16, No. 7, pp. 656-676
- Siphambe, H. K. (2003), "Understanding Unemployment in Botswana", *South African Journal of Economics*, Vol. 71, No. 3, pp. 480-495
- Sheppard, B. H., Hartwick & Warshaw, P. R. (1988), "The theory of Reasoned Action: A Meta-Analysis of Past Research with Recommendation for Modifications & Future Research", *Journal of Consumer Research*, Vol 15, pp. 325-343
- Statistics Botswana (2018), *Botswana Multi-Topic Household Survey Report 2015/16*, Gaborone
- Tarkiainen, A. & Sundqvist, S. (2005), "Subjective norms, attitudes and intentions of Finish consumers in buying organic food", *British Food Journal*, Vol. 107, No.11, pp, 808-822

- Vallerand, Robert J., Deshaies, P., Cuerrier, J., Pelletier, Luc, G. & Mongeau, C. (1992), "Ajzen and Fishbein's Theory of Reasoned Action as Applied to Moral Behaviour: A Confirmatory Analysis", *Journal of personality and Social Psychology*, Vol. 62, No. 1, pp. 98-109. Accessed from ResearchGate On 03 August 2016.
- Vander Nat, Peter, J. & Keep, William, W. (2002), "Marketing Fraud: An Approach for Differentiating Multilevel Marketing from Pyramid Schemes", *Journal of Public Policy & Marketing*, Vol. 2, No. 1, pp. 139-151
- Van Gelderen, M., Brand, M., Bodewes, W., Poutsm, E. & van Gils, A. (2008), "Explaining entrepreneurial intentions by means of the theory of planned behaviour", *Career Development International*, Vol. 13, No. 6, pp. 538-559
- WFDSA (2019), "WFDSA 2018/2019 Annual Report". Available at: [https://wfdsa.org/download/advocacy/annual\\_report/WFDSA-Annual-Report-2019.pdf](https://wfdsa.org/download/advocacy/annual_report/WFDSA-Annual-Report-2019.pdf) (Accessed 28 December 2019)
- Yamane, T. (1967). *Statistics: An Introductory Analysis 2nd Edition*, New York: Harper and Row.