



**ASHESI UNIVERSITY**

**Evaluating the performance of Kantanka vehicles in the Ghanaian market; A  
focus on marketing and other input related factors.**

Dissertation submitted to the Department of Business Administration, Ashesi  
University. Submitted in partial fulfillment of the requirements for the award of  
Bachelor of Science Degree in Business Administration

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**May 2020**

**DECLARATION**

I hereby declare that this thesis is my original work and that no part of it has been presented for another degree in this university or elsewhere.

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## ABSTRACT

This thesis examines the automotive industry in Ghana with a focus on Kantanka Automobiles; the first indigenous automobile manufacturer in Ghana. Kantanka automobile Company Limited specializes in the manufacturing of both on-road and off-road vehicles that are designed to accommodate the Ghanaian and African terrain. This research paper sought to identify the factors affecting the firm's performance with a focus on marketing and to determine the desirability of Kantanka vehicles to the Ghanaian consumer.

This is a descriptive research which involves both primary and secondary data. The study was carried out primarily through questionnaires which to be disseminated to the employees of Kantanka Automobiles as well as selected persons in the labor force of the economy. An interview with the marketing manager of Kantanka Automobiles was also conducted to obtain relevant information for this study.

The key findings of this study show that there is relatively low brand awareness of the indigenous vehicle manufacturer. It also shows that Kantanka Automobile Company Limited suffers from lack of financial support which is slowly crippling the firm belonging to the infant industry in the economy.

Analyzing these findings, the study recommends that there is the need for relevant stakeholder engagement, including the government to help facilitate the provision of domestic automobile parts as well as manufacturing centres with modern tools and machinery to effectively aid the development of Kantanka Automobile Company Limited and the automobile industry. It also recommends that It would be of great benefit if the government of Ghana provides an enabling environment in the form of tax exemptions, and subsidies to reduce the burden on the indigenous vehicle manufacturer.

## CHAPTER 1 - INTRODUCTION

### 1.0 BACKGROUND

The invention of automobiles also called cars have improved the quality of life by transporting human beings and goods from one place to another safely and faster. This has shown to be more efficient than traveling on foot and riding on animals such as horses and camels for longer distances.

Over the years, the automobile industry has evolved in both positive and negative ways. One of the noticeable ways in which the automobile industry has improved is in the creation of employment for many people all over the world. The automobile industry has expanded into various sectors that require almost every sort of expertise. There is the manufacturing department which requires people with knowledge in engineering, computer science, management information systems and business administration which would help the firm in its financing decisions such as profitability and determining the optimum level of production. The car assembling industry has performed a major role in the economic development of many countries. The car manufacturing industry is an essential factor for developmental growth and industrialization (Lee, 2011). The automobile manufacturing industry serves as a major source of revenue for many European automobile companies. This has been a major source of contribution to the economic growth and development of these manufacturing countries and has greatly increased productivity.

In Ghana, the automotive industry is affected by numerous factors such as culture, disposable income, unemployment rates, among others. For a very long time, Ghanaians have been very dependent on their colonial masters; the British. This has given many Ghanaians the perception that European goods are of more

quality than locally produced goods. There is no exception when it comes to the Ghanaian automotive industry as most vehicles in the country have been imported to be used here. Most of these are usually used and salvaged vehicles. It is no surprise though, as the Europeans have existed in the automotive industry for years, hence they would generally produce vehicles of better quality.

### **1.1 DESCRIPTION OF PROBLEM STATEMENT**

Most vehicles in Ghana are usually imported either brand new, used or salvage and then sold or purchased for commercial and personal use. The dependence on imported cars was in part a reflection of the lack of technical know-how and organization needed to manufacture cars.

However, in terms of importation costs, the charges in the form of taxes imposed on consumers who purchase these vehicles alone is quite frightening. The cost of purchase of brand-new cars is so high for Ghanaians that, the dominant choice for cars are the cars declared to have zero blue book value in countries like the United States of America which are then shipped to Ghana, restored and sold. The shipping costs are also astronomical. Despite this barrier, this is the most popular method used when an individual would wish to purchase a vehicle.

In the year 2015 Kantanka automobiles launched its company as Kantanka automobile company Ghana Limited. Kantanka automobile Company prides itself as the first indigenous automobile manufacturing company in Ghana. Kantanka Automobiles launched its automobiles to the general public in the

year 2015 but per numerous Ghanaian publications, the company’s vehicles are rarely visibly recorded. This led to a dilemma as to whether this is as a result of the quality of the goods they produce or the business strategies they employ.

Some key points such as the Ghana terrain, lack of trust in the company, no help from government, pricey vehicles among others were key points mentioned whenever Kantanka vehicles is spoken about. A vehicle comprises of over 35,000 parts hence the industry that is associated with the manufacturing of each part plays a very important role in developing an economy and inducing employment (Lee, 2011).

The presence of a Ghanaian owned car manufacturing company is more than an opportunity for individuals and the country as a whole. There could possibly be a decline in the total car imports of the economy which would be highly beneficial to the health of the economy. The creation of employment in Ghana will also help to increase the general standard of living in the long run.

## **1.2 RESEARCH QUESTIONS**

- What are the challenges faced by Katanka Automobiles in the design, input procurement and production of automobiles in the Ghanaian context?
- How desirable are Katanka cars to the Ghanaian consumer?
- What is the significance of marketing in the firm and what can be done to enhance marketing to improve sales?

### **1.3 OBJECTIVES OF RESEARCH**

The main objective of this thesis is to investigate marketing and input related factors, to determine whether those factors affect the performance of the Kantanka automobile industry. It also seeks to determine the underlying problems responsible for the low presence of Kantanka Vehicles in Ghana.

### **1.4 RELEVANCE OF RESEARCH**

The absence of a Ghanaian owned car manufacturing company in Ghana is a topic that has been on the tongues of many for years. However, upon the entry of Kantanka automobiles there has been low presence and patronage of Kantanka vehicles which is evident on Ghana's roads. How long they have been in operation is partly to blame as one cannot expect Kantanka to match or compete with the various automotive giants in Europe. This study sought to evaluate the business strategies of the firm, with a focus on marketing to obtain the reasons for little or slow development of the automobile industry in Ghana.

This study would inform the public on the core problems facing the industry and allow them to contribute in numerous ways towards the development of the automobile industry. It would also provide sufficient information for specific people such as stakeholders and potential investors to give them a fair idea of the state of the industry so they can plan accordingly.

The results obtained from this study would aid government where necessary if it decides to play a role in this field. By providing information

regarding the industry, it would give government (officials) as well as other institutions that seek to help, a fair idea of the current state of the automobile industry in Ghana in order to know what to avoid and what to employ.

### **1.5 OUTLINE OF STUDY**

This study consists of a total of 5 detailed chapters. Chapter 1 provides and explains the background of the study, develops the problem statement of the study as well as the overall organization of the study. Chapter 2 explores the literature review shedding light on the global vehicle manufacturing industry down to the vehicle manufacturing industry in Ghana. Chapter 3 focuses on the methods and tools of data collection. Chapter 4 provides an analysis of results obtained from the study and Chapter 5 concludes the study.

## **CHAPTER 2: REVIEW OF LITERATURE**

### **2.0 INTRODUCTION**

This chapter emphasizes on existing literature relevant research topic. It gives an overview of the global automobile industry down to the automobile industry of Ghana. It also highlights some of the challenges facing the automobile industry in Ghana and seeks to achieve the overriding research objective of evaluating the significance of marketing and input related factors to the automobile industry in Ghana.

### **2.1 A BRIEF HISTORY OF THE AUTOMOBILE INDUSTRY**

Orsato and Wells (2009) concluded that the automotive sector is one of the most important economic catalysts in every country. According to Jahanzaib (2008), 66.5 million passengers and commercial vehicles were produced in the world, with the installed capacity of 85 million. A recent report by OICA (2011) emphasizes an increase in production by 15% to 78 million vehicles. This portrays the importance of the automotive industry to the economic well-being of global markets throughout the world.

In 1796, a steam powered vehicle was introduced by Nicolas Cugnot, a French inventor at the time. The prototype was quite huge and made use of only three wheels. it could not move that fast, even human beings were faster. the purpose of the vehicle however was to relocate cannons during war. Vehicles that were produced before then were powered by air and springs meaning they were much slower, and the user did not have full control over them (Lienhard, 2000). The engines at the time made use of an internal combustion engine around the year 1806. in the late 1900's,

the petrol-powered combustion engine came into existence (Eckermann, 2001). Karl Benz and Gottlieb Daimler then invented the petrol combustion motorbike and the 3-wheeler vehicle. (Mark Wan, 2000).

### **2.1.1 THE HISTORY OF USA**

In the United States, Charles and Frank Duryea; two bicycle mechanics, built the first gasoline- engined American car from a ladies’ phaeton carriage, fortified with steel bicycle tubing. Henry ford’s first car followed suit in 1896 building what was called a “quadricycle”. A lightweight buggy frame with four bicycle wheels and a 2-cylinder engine mounted on the rear (Gartman,1994).

In the year 1908, General Motors popularly known as GM formed partnership with a number of firms. These firms were Buick, Cadillac, and Old’s Motors. Ford Motors successfully entered the industry in the year 1903 while Chrysler Corporation began its operations in the year 1924 by the input of Walter Chrysler who managed restructure the two leading firms after they had encountered some problems (Klepper, 2001). In the year 1908 the automobile industry was properly established in the United States with Ford overseeing the manufacturing of the popular invention at the time, the T-model (Gillespie, 1992).

In the year 1911, the two companies Ford and GM became the top two firms at the time by contributing over forty percent of the industry’s output. In 1930, Ford and Chrysler at the time merged and accounted for over seventy percent of the industry’s output in the United States.

### 2.1.2 THE HISTORY OF SOUTH KOREA

The production of automobiles began as early as 1962 in Korea. Production began to occur after the development of an economic initiative which the South Korean government had implemented. Finished cars were not allowed to be exported and car manufacturers were given incentives such as tax exemptions and subsidies. The motive was to induce the production of cars in the industry (Green, 1992).

The development in the automobile industry in Korea identified two key developmental strategies. The first was focused on Assembling and gathering of knowledge about vehicle manufacturing and the other was focused on research and assembling. (Mo- Joon et al, 2006). The first few stages of technology development happened before 1962, where many assemblers and car parts suppliers, manufactured cars with used engines and manufactured parts such as brakes and fan belts.

The second stage started with The Shinjin Motor Company which entered into a technological alliance with Toyota to produce the Corona model in the year 1966. These stages contributed significantly to the development of the automobile industry in South Korea. The major car makers in South Korea also employed a lot of resources on Research and Development (R&D) (Mo-Joon et al., 2006). It is worth noting that, as of 1993, ten percent (10%) of Hyundai Motor Company's total employees were researchers. Kia employed 7.9% in 1990, while Daewoo hired ten-point-one percent (10.1%) in 1993 (Mo-Joon et al., 2006).

There are five passenger automobile manufacturers in Korea, as of December 2009. Among them, Hyundai is the clear market leader, with a 50.7% market share of passenger car sales, followed by Kia with 29.8%, Renault Samsung with 9.6%, GM

Daewoo with 8.3%, and SsangYong with 1.6%. In late 199, in the middle of the economic crisis, Kia was merged with Hyundai. Hyundai Kia had a combined market share of over 80% of the domestic market, and thus determined market development and competitiveness. As of July 2009, the Hyundai Kia Group is the fourth largest automaker in the world.

### **2.1.3 THE HISTORY OF MALAYSIA**

The Government of Malaysia had approved over five manufacturing plants to be used for work in Malaysia. These manufacturing plants however were all joint projects between companies in Malaysia and European vehicle manufacturing companies (Yahaya, 2010). The development of the automobile industry in Malaysia manufacturing was not quite successful at that time (UNESCAP report, 2000). Years before 1980s, there was only one car assembly plant existed in Malaysia with the absence few indigenous automobile part suppliers (Abdulsomad, 2000).

To enhance the economic aspect of the automobile industry, Malaysian Government began its first car project in 1983. This formed a partnership between the Heavy Duty Corporation of Malaysia and Mitsubishi Corporation of Japan (Abdulsomad, 1999).

#### 2.1.4 THE HISTORY OF GERMANY

The first internal combustion engines were developed by Nikolaus Otto and partner Karl Benz in 1870. However, the engines were independently developed and were four stroke engines at the time. During the latter part of 1870, Karl Benz began to experiment with their engine design and innovatively found way to attach the engine to his couch, forming the genesis of automobiles today. In the early 1900's, Germany was producing 800 to 9 autos per year. Germany allowed American automobile manufacturers like General motors to buy out the German automaker, Opel and Ford Motor company who possessed a very successful subsidiary in Germany. During the late 1920's and 1930's, the German automobile industry began to tumble as a result of the great depression. This resulted in the survival of only twelve automakers in Germany; Opel, Daimler-Benz and Ford's Cologne factory formed part of this small group. Four of Germany's top auto manufacturers- Dampf Kraft Wagen, Horch , Audi and Wanderer also came together in a joint venture to form the auto union with the aim of leading Germany out of the depression (Reade,2008).

Due to the crisis in the late 1920's and 1930's, fundamental rethinking of product strategies and production concepts took place leading to the formation of new approaches in the industry. Germany's high-waged economy slowly began to grow in the late 1950's, it maintained steady development until 1990. After 1990, the main focus of the economy was merging the advantages associated with comparative advantage in the location of Germany to form a mouldable economic strategy. (Shumann,1997).

The system was characterised by five features. The first had to do with the production of diverse, technically excellent products which expanded with increasing wealth. The second made use of a long-term strategy where capital investments were not blocked by short term expectations. The third focused on the use of the highly competent industrial goods market (mechanical engineering), the high-quality producers in the automobile industry were able to provide themselves with flexible automation which met their technical requirements. The fourth feature centred on dual system of apprenticeship and emphasized on functional integration with a high qualification strategy. Lastly, a system of industrial relations was created in which trade unions and employers were able to operate without much friction (Shumann,1997).

The vehicle manufacturing industry is a key factor in German exports. Japan and France were the only countries at the time to surpass Germany's exports in 2004. The focus on export of road vehicles in Germany compared to manufacturing exports in Germany increased from 18.5 percent in 1993 to 22 percent in 2004 (OECD 2005). For a very long time, Germany's employment rates have been favorable in the vehicle manufacturing industry considering Germany is known to produce some of the best cars today (Spatz & Nunnenkamp, 2002).

Currently, the automobile industry in Germany is responsible for a vast number of employments. The employment numbers have drastically increased allowing it to capture 29% of the vehicle production in Europe with a total of 866,000 workers. France followed closely with 18% of Europe's overall share.

Spain with 13% and Britain obtained the least market share of 9%. There are currently six major German companies which are dominating the industry; Porsche, BMW, Opel, Volkswagen, Audi and Daimler AG. In Germany, over 5 million vehicles are manufactured on a yearly basis and over 4 million are produced annually. Japan controls the vehicle market share with the United States of America following closely (Reade,2008).

### **2.1.5 THE HISTORY OF JAPAN**

The use of automobiles in Japan began to grow during the economic boom that followed World War 1. The growth continued in the aftermath of the great earthquake of September 1923, which destroyed South Kanto, including Tokyo and Yokohama. In the reconstruction following the earthquake, automobiles played an important role transporting goods and people in the city. The usefulness of automobiles was widely recognized by the early 1920's(Udagawa,1986).

Udagawa (1986) explained that the “Big Three” American manufacturers recognized increasing demand for automobiles in 1920's hence they quickly constructed roads into the Japanese market. Ford founded Japan Ford in Yokohama in 1925, with 4 million yen in capital, which was increased to 8 million yen in 1929. General Motors founded Japan General Motors in Osaka in 1927, investing 8 million yen. Chrysler was also represented by Kyoritsu Automobile works.

It can be argued that Japanese carmakers became truly world-class firms only in the wake of the oil crisis in 1973. The sudden rise in the price of crude oil abruptly shifted worldwide demand for automobiles from large and powerful cars to the smaller, fuel-efficient models in which Japanese manufacturers specialized

(Daito,2000). In September 1998, Toyota became the parent company of Daihatsu by acquiring majority stock holdings through public sale, and thus had a combined market share of over 46% of the domestic market. In the first quarter of 2008, Toyota surpassed America’s GM to become the world’s largest car manufacturer. There are nine passenger car manufacturers in Japan, as of November 2009. Among them, Toyota (33.4% of market share) is the clear market leader in the domestic passenger car market, followed by Honda (15.4%), Nissan (14%), Suzuki (13.1%), Daihatsu (12.9%), Mazda (4.8%), and Mitsubishi (3.26%). Japan is the second biggest automobile manufacturing country in the world. In 2008, motor vehicle production in Japan surpassed 11.5 million units, with 9.92 million units of passenger car production (Lee,2011)

By 2008, the domestic Japanese automobile market had become the world’s third largest, with annual sales of five million cars and trucks. Several studies published in the 1980’s indicated that Japanese firms led by Toyota have achieved the highest levels of manufacturing efficiency in the world automobile industry. Physical productivity which reflects the speed of completing products and the amount of labor required has significantly been higher than in most plants in the United States (Cusumano,1998).

#### **2.1.6 THE HISTORY OF FRANCE**

At the early stages of the automobile age, France was a world-leader in car design and manufacturing. Although the very first motorized vehicles had been developed in Germany in the late 1880s, it was French entrepreneurs, such as the

Armand Peugeot, the bicycle manufacturer who took the lead in further developing these designs and making them commercially viable (Laux, 1976).

The automobile industry in France recorded successful commercial growth in the 1920's, but lost ground relatively to other producers in the following decade. In 1929, its output of passenger cars was equal to 42% of the total for the present member countries of the Organisation for European Economic Cooperation (OEEC). However, that share decreased by 23% by 1938. In the immediate post-war period, the industry was not able to restore previous production levels as rapidly as it was done in the united states and Britain. The output total of 1938 was not passed until 1949 and the peak of 1929 was not passed until 1950. In 1950, the French automobile industry produced one passenger car for every twenty-six that was produced in the United States. From 1950 to 1954, output grew at an annual rate of 14% from 1954 to 1958 with an expansion rate of 21%. There was a noticeable increase in car prices from 1949 to 1958 by 54% (Sheahan, 1960).

The French industry has raised its own demand in recent years by the development of exports causing output to grow faster than the domestic market. The growth of demand in France was as a result of rising incomes and change in consumer tastes and preferences. The three largest automobile firms in the interwar period include; Citroen, Renault and Peugeot. These firms accounted for 48% of the total output of automobiles and trucks in 1918, 56% in 1925 and 70% in 1930. In 1934 Simca entered the industry with Italian backing, managed to merge with Ford of France in 1954 and has changed the big three into a big four. In 1958, these four firms produced 95% of French automobiles and 93% of the combined output of automobiles and trucks. Gorgeu & Mathieu (2005)

In a span of 15 years between 1945 and the mid-1960s, car had turned from being an asset of the upper classes to an increasingly central position in the life of all walks of life. Although most French people at the time did not own a car, both drivers and pedestrians were subjected to the constant publicity for automobiles to be found in newspapers and on television (Fridenson, 1981). In the early 1970s, Lefebvre argued that, the automobile had successfully conquered everyday life, on which it imposes its own laws. This can be seen today as the noise of engines seems to be bring more of excitement than annoyance.

The automobile industry in France plays a very important employment, especially in the upper parts of the country where most of the car manufacturers and suppliers are located. Statistically, according to the French Automobile Manufacturers' Committee, the jobs linked to the automobile industry were estimated to be a whopping 773,000 in 1998, whereas 313,000 workers actually worked for either the car manufacturers themselves or for the component manufacturers. The automobile industry is also a key French industry responsible for the production of its vehicles. Various methods were tried out in this industrial sector and that is responsible for the success of the industry today (Gorgeu & Mathieu, 2005)

## **2.2 THE GROWTH OF THE AUTOMOBILE MANUFACTURING INDUSTRY IN AFRICA**

### **2.2.1 THE HISTORY OF EGYPT**

The Vehicle Manufacturing Industry in Egypt was inaugurated as early as the 1960's. This made it a member of the National Industrialization Movement which later switched ownership to form part of the public vehicle manufacturing companies (Askar et al, 2005). Car brands belonging to this initiative include manufactured cars under license agreements with Fiat in Italy and Deutz in Germany.

The objective of the vehicle manufacturing industry was to produce vehicles local market without any pressure for expansion. The domestically manufactured cars were highly economical as they were cheap to maintain and had very little expense associated with them. This led to the formation of the informal repair industry.

General Motors began to produce vehicles in Egypt in the year 1985, leading to the establishment of Egypt's indigenously owned vehicle manufacturing company known as General Motors Egypt. The company assembled all sorts of cars including heavy duty trucks for popular car brands Chevrolet and Opel. Many foreign companies entered the Egyptian car industry in the late 1980s. Al-Nasr vehicle initiative had persistently been an important theme as it assembled vehicles under several acquired license from popular brands like Peugeot, KIA and Chrysler. The vehicle manufacturing plant in Egypt employs individuals with skill and the technical know-how in vehicle production (Hamza et al, 2012).

### 2.2.2 THE HISTORY OF SOUTH AFRICA

The automotive industry in South African dates back to the 1920s and has since grown from an import and assembly industry to an import-substitute industry (Ishaq, 2009). South Africa induced industrialization by employing import substitution policies. Many countries employed this policy as they were all aiming to catch up with the European countries like United States of America. Japan and the Asian countries succeeded in building a strong manufacturing industry based on the import substitution process. Import substitution policies however possessed its own pros and cons. Monopolistic tendencies could lead to price inefficiencies and stagnation. (Chiaberta, 2004)

After the Second World War in 1945, the South African automotive industry grew further and even faster. Motor Assemblers and Car Distributors Assembly plants were established in Durban and East London respectively (Onyango, 1999). The government targeted the vehicle manufacturing sector as the economic engine driving imports in the country. The vehicle manufacturing sector was responsible for 15% of total imports in the economy (Flatters, 2002).

As at 1999 there were eight producers of light vehicles in South Africa and they assembled 317,000 units, out of which eighteen-point-five percent (18.5%) were exported. Most of these manufacturers were able to build a variety of models (Black, 2001). These assemblers are now wholly or partly owned by their parent company in Japan, the US or Europe.

### **2.3 MAJOR CHALLENGE FACING THE DEVELOPMENT OF THE AUTOMOBILE INDUSTRY IN AFRICA**

Limited industrialization is Africa’s automotive industry’s main problem. There are very few instances where manufacturing growth has been the engine of rapid development in the continent. There are a number of reasons for this. One important factor is simply the reliance on commodities: Africa, according to Wood and Mayer (2001), has a comparative advantage in land, resources, and resource-based products. But Wood and Mayer go further to show that, even as a region that is well endowed in resources, Africa underperforms in manufacturing.

### **2.4 DEVELOPMENT OF THE AUTOMOBILE INDUSTRY IN GHANA**

Vehicle manufacturing plants such as National Investment Corporation vehicle assembly plant and workshop were established when Ghana gained independence in the year 1957. These assembly plants formed part of government’s industrialization campaign that increased manufacturers' share of GDP from 10 % in 1960 to 14 % in 1970 (“Mongnabay,” n.d.). This period of growth was not constant as it was immediately followed by a drastic reduction in industrialization. Many of these establishments did not survive due to some restrictive trade regimes that led to scarcity of foreign exchange (Dinye & Nyaba, 2001). These vehicle manufacturing plants were among the public owned enterprises that eventually became private due to mismanagement and over dependence on government funds (Kwakye, 2011).

Per Kantanka Automobile Company Limited, in the year 1994, Founder Dr. Kwadwo Safo established the Kantanka brand which was later incorporated as a limited liability in 2004 to research into the manufacturing of automobile components and their combination with other parts outsourced from component suppliers to form a complete building unit. In 1998, the first complete building unit was manufactured using over 75% worth of local components including a locally manufactured engine block. Kantanka Automobile Company Limited was established in 2015 to focus on the core business of automobile manufacturing. It was inaugurated as the first ever indigenous privately-owned automobile manufacturing and assembly company in November 2015. It began to commercially produce various Kantanka vehicles within the same month. (“Kantanka Automobiles,” n.d.)

#### **2.4.1 MAJOR CHALLENGE FACING THE AUTOMOBILE INDUSTRY IN GHANA**

There has been a rapid increase in the size of the informal sector in Ghana, consisting mostly of workers in the agricultural sector and non-agricultural sector also. The gradual reduction in the average size of industrial firms has led to the uprising of many barriers for manufacturing companies in Ghana (Sandefur, 2010). The informal sector comprises of small enterprises such as maintenance shops and vehicle spare parts traders located at Abosokan and Kumasi Magazine. Most of these enterprises and many others are not able to source huge financial assistance from financial institutions to allow for effective operations. This is mostly due to low value of assets for collateral. The automobile part dealers in Kokompe town located in Accra and Kumasi are visible areas of manufacturing centres in the country which have gained no

attention to maximize their potential in contributing to industrialization in Ghana. (Agyeman-Duah, 2008).

## **CHAPTER 3: METHODOLOGY**

### **3.0 INTRODUCTION**

The 3rd chapter includes various components such as the design of the research, population of study, sampling procedures, sample size, sources of data, methods of primary data collection, direct field observation and critical analysis of interviews.

### **3.1 RESEARCH DESIGN OF STUDY**

The main purpose of research design is to help answer the chosen research questions in study so that the objectives of the research are fully and extensively achieved. The research design is a strategy that justifies the methods employed in a study and establishes how those methods are related to the research questions and objectives (Jupp, 2011).

Per the type of information sought, the mixed methods approach has emerged as a “third paradigm” in terms of social research design. It has developed a solid platform of ideas and practices that are credible and distinctive and also mark the approach out as a viable alternative to quantitative and qualitative philosophies. (Denscombe, 2008).

A strong mixed methods study begins with a strong mixed methods research question or objective. Numerous scholars have reiterated the fact that research questions are shaped by the purpose of a study and in turn form the methods and the design of the investigation. Per quantitative research, this research method uses numbers, statistical and mathematical computations to answer a research question

measuring relationships, studying a phenomenon or predicting variables (Leedy 1993). Per qualitative research, it analyzes data from direct fieldwork observations, in-depth, open-ended interviews, and written documents (Patton,2005)

The results obtained would help ease analysis of the chosen research topic and solidify the problem statement.

### **3.2 POPULATION OF STUDY**

The main target population/firm for this study include mainly the employees at the Apostle Safo Kantanka “Suaye” Technology Centre located at Achimota, Greater Accra Region, and the general public as their views are as equally important and highly relevant to this study.

The Apostle Safo Kantanka “Suaye” Technology Centre was chosen firstly because it is the focus of this study and also because it is the first Ghanaian privately owned automotive and assembling local firm that deals with the design, assembling and manufacturing of vehicle and engine components among others in Ghana. Kantanka began to commercially produce vehicles in November 2015 however the expected presence of the company’s vehicles on Ghana roads are visibly scarce. This led to the public questioning the reason for this scarcity which contributed to the objective of this research; to study and evaluate the factors influencing the firm’s performance.

### **3.3 DATA COLLECTION METHODS**

Primary data for this study was obtained mainly through questionnaires and personal interviews. Informal discussions and responses from various persons in Kantanka Automobile Company Limited such as marketing officers and human resource managers were also used. Contribution of responses from the formal sector such as selected persons among the workforce were also collected.

Secondary data was obtained mainly from published theses studies and unpublished sources pertaining to the research topic. Most of these thesis studies will be obtained from the Ashesi Institutional Repository, other research institutions and the world wide web.

A properly structured questionnaire was disseminated to fulfil the purpose of this study; one to the general public to obtain their opinions on Kantanka vehicles and the other strictly to the workers of the firm. The questionnaire for the survey will comprise of a mixture of questions aimed at achieving the overall goal of this study. The interview structure for the interview with the marketing manager of the company will be subdivided into two categories. These categories include;

- Factors inhibiting the growth and market share of Kantanka Automobiles.
- Significance of the marketing department of Kantanka Automobiles and some challenges it faces.

### **3.4 RESEARCH APPROACH**

This inductive approach was used in the study. The inductive approach enables researchers to make direct observations which are used to create a generalized

theory or conclusion from the research found (Dudovskiy, 2018). Dudovskiy(2018) mentions that the main weakness associated with this approach however is that it makes generalized conclusions based on the limited availability of the study, thereby placing the reliability of the research in question.

### **3.5 SAMPLE SELECTION**

For this study, the method of random sampling and purposive sampling was employed to develop the selected sample of the research. Random sampling is a sampling technique where every respondent has an equal probability of being selected. Whereas purposive sampling is non-probabilistic, and members are selected based on their knowledge, certain qualities they possess, relationships and expertise regarding the research subjects. The questionnaires were disseminated to the general workforce of the Ghanaian population, however a sample size of 85 was selected from the general population to obtain more accurate responses.

### **3.6 RESEARCH PROCESS**

An online interview with the marketing manager of Kantanka Automobiles was held in April 2020. The interview lasted approximately 30-40 minutes. During the interview, the researcher took notes and used an audio recorder to report the conversation based on what the interviewee allowed. This data collection method helped facilitate the research process and analysis of data collected.

Both random and purposive sampling were used to select respondents for the questionnaire. The questionnaires were sent out through e-mail and social media, mainly WhatsApp.

### **3.7 ETHICAL CONSIDERATIONS**

Participants of the study were informed about the objectives of the study and were reassured both at the beginning and the end of the questionnaire that their responses were treated as confidential and were solely for academic purposes. Participants of this study were neither harmed both physically or mentally during this research. A comfortable environment was created for respondents during this study.

### **3.8 LIMITATIONS OF STUDY**

Access to literature pertaining the automotive industry in Ghana was quite scarce firstly because majority of the data relating to the Ghanaian automobile industry is from talk shows and numerous blogs which affects the quality of work and cannot be used in an academic study. Respondents in the Kantanka firm also refused to provide responses to the online questionnaire directed at them with the justification that the pandemic was not allowing them to do so.

The academic data obtained however will help give a predictive idea about the problems facing Kantanka Automobiles and the automobile industry in Ghana and how marketing plays a significant role in the sales of Kantanka automobiles and the automotive industry of Ghana at large.

## **CHAPTER 4: RESULTS**

### **4.0 INTRODUCTION**

This section presented the findings obtained from the research through a critical descriptive analysis of data collected. The purpose of this chapter is to investigate the potential factors affecting the performance of Kantanka Automobiles and the desirability of Kantanka Vehicles to Ghanaians. This chapter presents the analysis and interpretation of both primary and secondary data.

Specifically, the research sought to answer the following research questions; What are the challenges faced by Katanka Automobiles in the design, input procurement and production of automobiles in the Ghanaian context? How significant are marketing and sales related challenges to Katanka Automobiles and what can be done to enhance marketing to improve sales? How desirable are Katanka cars to the Ghanaian consumer?

### **4.1 INTERVIEW & OBSERVATIONS**

An interview with the marketing manager of Kantanka Automobiles was conducted to obtain relevant information for this study. The use of key informant sampling was employed, as marketing is an important theme in this study. The interview sought to identify some major problems facing the firm, some challenges faced by the marketing department and some measures put in place to tackle these problems. The first segment of the interview sought to identify some of the factors inhibiting the growth and market share of Kantanka Automobiles while the second segment focused on the significance of the marketing department of Kantanka Automobiles and some challenges it faces.

#### **4.2 FACTORS INHIBITING GROWTH OF KANTANKA AUTOMOBILES**

A study was conducted on the relationship between corporate income taxes and profitability. It was seen that there was an association between income tax and the profitability of institutions. The conclusion was that, corporate income tax negatively affects the level of profitability of corporate institutions. However, it does have a significant positive impact on the size of firms and age of companies also (Rohaya et. al,2010). Per the marketing manager corporate taxes are one of the firm’s major problems. The high percentage imposed by government does not allow the firm to maximize it’s output. The infant firm incurs a lot of cost in its manufacturing process. Some of these costs include levies and duties paid alongside the internal costs incurred in the manufacturing chain; boarding line, spraying line, general assembly, test line and distribution. The corporate taxes in addition make it harder for the firm to operate and this is slowly crippling the company. There are many strategies that can be used to avoid corporate taxes. However, many of these strategies work for large or multinational corporations that make vast revenues.

Gertler (1995) examined innovation and technology to determine how the implementation of these themes have shown the importance of closeness between collaborating parties for the successful development and adoption of new technologies. Considering the firm is the first indigenous automobile company in Ghana, most of the resources it requires might either be available but very expensive or neither available nor within close proximity. There are little or no industrial companies within close proximity to aid the development of the firm. This has led to

excessive outsourcing of materials such as tyres and glass among others. Kantanka currently partners with companies in Germany, China and Spain for some of these materials before it would be able to assemble its vehicles. The firm incurs a lot of costs on the parts that it outsources from abroad. After critically observing some of the giants in the automobile industry it was seen that a standard vehicle requires over 35,000 parts to build. Outsourcing over half of these parts is a huge burden on the firm's development. It is therefore important to have close proximity to most if not all of the required resources to ease the manufacturing process.

Per the marketing manager of Kantanka automobiles, there are barely any favourable government policies that aid the infant firm. The government itself prefers to purchase vehicles manufactured outside the country. Toyota; the Japanese car manufacturer is a very popular brand used by the Ghanaian government. The use of Toyota's SUV; Land Cruiser has even sparked some controversy on Ghana's air waves. The Japanese car manufacturer has been in operation for over 70 years and is popular for the reliability and quality possessed by its vehicles. However, in this case, it is not very patriotic of government to do so as it does not set a good example for citizens to follow. This leads to the next factor inhibiting the growth of Kantanka Automobiles.

The most popular supposed factor impeding the growth of Kantanka Automobiles is centred on the personality of Ghanaians; “Ghanaian Mentality”. This term was coined out of Africans' taste and preference for foreign goods over locally produced goods. Julius Nyerere mentions in the book; *Mental Slavery* that the world is trying to prove a theory that some people are more human than others, yet Africans do not notice this. This is the time for Africans to begin to produce what they consume and consume what they produce to be free from economic slavery. There have been

countless times where the firm has had to battle with criticism of its products. This is a major setback as it is slowly leading to many people having a fixed mindset and perception about the firm and its products.

#### **4.3 SIGNIFICANCE OF THE MARKETING DEPARTMENT**

The marketing department of Kantanka Automobiles is a well-developed department that observes the 4 P's (Product, Price, Promotion & Place) required in a marketing mix. The concept of the marketing mix has two important benefits. Firstly, it is an important tool used to enable one to understand what an actual marketing manager's job entails. It is a matter of trading off the benefits of one's competitive strengths in the marketing mix as against the benefits of others. The second benefit of the marketing mix is that it helps to reveal other dimensions of the marketing manager's job (Low&Tan, 1995).

Kantanka's marketing department makes good use of the 4P's but focuses mainly on Product. The product segment deals with the good or service that the firm has to offer. In this case, Kantanka's products are the vehicles they are offering to the public. Ideally, a product should fulfill a certain consumer need, or be so compelling that consumers believe they need to have access to it. Per the marketing manager, Kantanka is a customer-oriented firm that makes sure it meets the necessary quality and safety requirements of standard vehicles. Since the “Ghanaian Mentality” is a key inhibiting factor, Kantanka focuses greatly on quality to ensure that there are no loopholes in their overall design. Kantanka's vehicles are made for the Ghanaian terrain, meaning they are built to last long. The firm is a rightful vehicle manufacturer as compared to many, if not all of the other car brands in Ghana. Most of these brands

are suppliers or individual distributors hence maintenance of these vehicles can be an overriding issue. Considering the firm is a rightful manufacturer, maintenance is relatively easier and cheaper as compared to vehicles from external manufacturers. Kantanka vehicles also boast of low fuel consumption which is a benefit to the economy as fuel prices continue to skyrocket.

Place, this “P” is very key to the creation of value in a company. Economic value can be created through the identification and combination of diverse features of various resources at diverse locations that are related through the market exchange process. These include products, production facilities and distribution channels in business units as well as business relationships (Håkansson & Waluszewski, 2005). Place deals with where a company sells a product and how it delivers the product to the market. Kantanka Automobiles has two major departments; research and training department and the assembly department located in the Central Region. The assembly department is the engine of the firm. There are numerous employees that have undergone consistent training by the founder within a span of 5-6 years. Qualified workers who pass the required tests are then selected to begin work in the assembly department. For work that demands additional precision and technical know-how such as engineering, the firm sources employment through workshop sessions and engineer training sessions. When there is vacancy, engineers are employed mostly from Abosokan and Kumasi Magazine among others. All employees are Ghanaians. Place emphasizes on the ability for a business to get its products in front of the customers most likely to purchase them. The company manufactures vehicles for both local and international use. However, majority of the sales were accumulated locally. Many Kantanka vehicles were sold directly to municipal assemblies namely, Ga West, Ga

East, Ga Central, Winneba municipal assembly among others. After critical observation, it was seen that the forestry commission uses at least one class of Kantanka vehicles each but mainly pickups and SUV'S. Per the marketing manager, some noticeable institutions that patronize Kantanka vehicles include the West African Examination Council (WAEC), National Pension Regulatory Authority (NPRA) and the Flagstaff house. The marketing manager made mention about vehicle exports. These exports however were only to Liberia and New Zealand. The figures for exports were discouraging as it was barely ten vehicles.

According to Kotler (2003) Promotion deals with sending a message about a given product to potential users or customers. Promotion also known as communication, according to Kotler (2003) is a must. “Companies must communicate with available and potential stakeholders including the general public, every company is inevitably cast into the role of a communicator and promoter”. Promotion includes advertising, public relations and promotional strategies. Kantanka makes use of their traditional methods of communication such as Television, radio and newspapers. The firm has its own broadcast media company; Kantanka Media Limited which has a vision to promote, educate and entertain its viewers. Through this, the firm enjoys some benefits such as reduction in advertisement cost, increased networking and the ability to influence the immediate public. With regards to promotional strategies, the firm includes a package on all of its vehicles that are purchased. The package consists of 3 years warranty starting from the first day of purchase with scheduled maintenance, or free repairs and maintenance when the vehicle reaches a mileage of 100,000km. It also includes free registration and documentation unless the customer disapproves. The firm also provides tenders to companies who wish to acquire their vehicles.

The heritage from economic theory becomes clear when considering how pricing is approached in the marketing mix. Kotler (2003) mentions that "Price is the only element in the marketing mix that produces revenue; the other elements produce costs." Per economic theory, a company does not have to worry about price as the price of a product is independent of any individual user's preferences and by how the product is combined with other resources (Håkansson & Waluszewski, 2005). The starting price for Kantanka vehicles depends on the model being purchased. Saloon cars retail for a minimum of GHC80,000 Ghana Cedis which is approximately \$13,900 and a maximum of GHC140,000 which is approximately \$24,300. Sports utility vehicles (SUV) start at GHC170,000 which is approximately \$29,550 for manual transmission and GHC180,000 which is approximately \$31,200. Since the introduction of Kantanka Automobiles in 2016, the company has sold between 975-1000 vehicles.

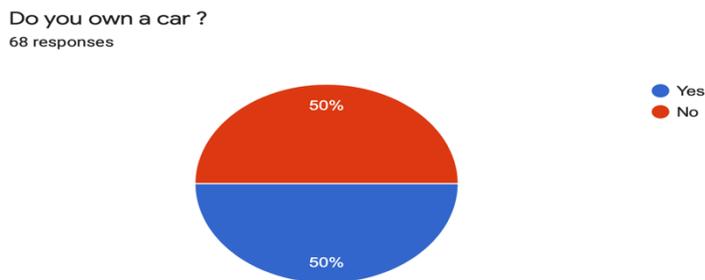
#### **4.4 CHALLENGES FACED BY THE MARKETING DEPARTMENT**

Per the marketing manager of Kantanka Automobiles, the major challenge faced by the marketing department was inadequate financial support. Since the firm exists in an infant industry, the acquisition of some necessary resources might be unattainable without some form of support. Kantanka Automobiles has single handedly funded itself through all the existing departments; research and training, assembly, marketing and distribution. The marketing department has developed numerous projects yet to be launched, most of which deal with promoting brand

awareness. However, the lack of financial support continues to push these projects further which is adversely affecting the firm’s performance.

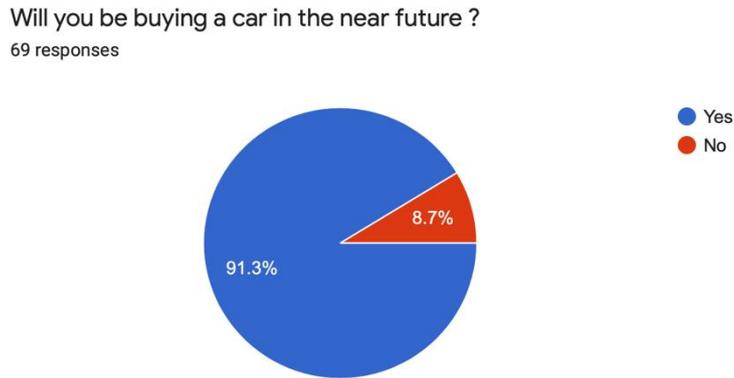
#### 4.5 SUMMARY ANALYSIS & DISCUSSION OF RESULTS

This section highlighted some key vehicle requirements of all the respondents in this study as well as their desirability of locally manufactured vehicles. A sample size of 85 was allowed for the study. The sample comprised of a variety of respondents out of which 68 responses were relevant to the study. To further ensure that the information obtained from the respondents in the public would be relevant, whether they owned a vehicle or not was taken into consideration. From the sample of 68 respondents, 34 owned cars and the remaining 34 did not.

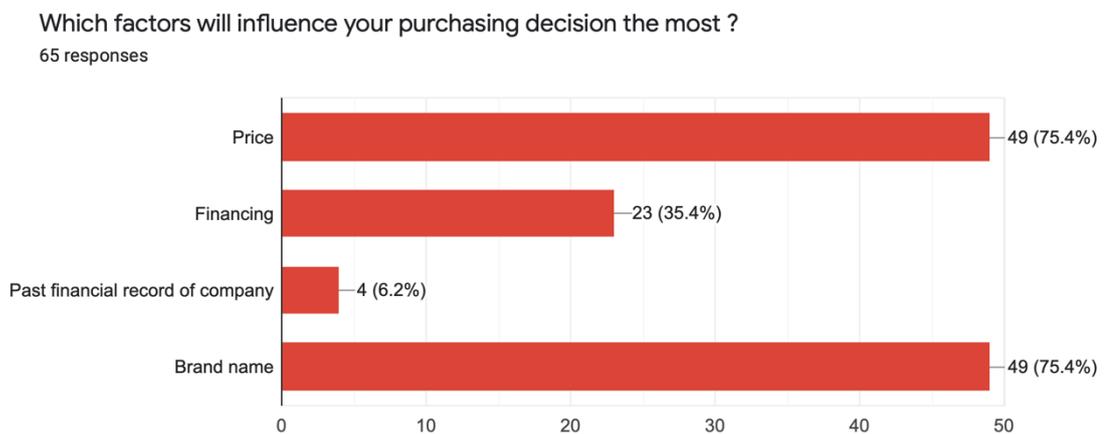


**Fig.1 Vehicle ownership status**

However, in the following question majority of the respondents confirmed that they would be purchasing a car in the near future which is beneficial for the study.



**Fig.2 Vehicle purchasing**

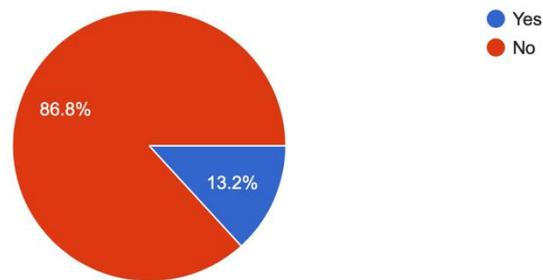


**Fig. 3 Purchasing decision**

Figure 3 illustrates the main factors influencing the vehicle purchasing decision of the respondents. Majority of the respondents found price and brand name to be the most important factors in determining their vehicle of choice. 35.4% of the respondents were inclined with financing and a minimum of 6.2% found the past financial record of the company to be important.

The number of respondents who preferred locally or Ghanaian manufactured car brands to multinationals were drastically low. 86.8% of the respondents against 13.2% preferred multinationals. This is seen in **figure 4** below.

Do you prefer Ghanaian manufactured car brands to multinationals ?  
68 responses

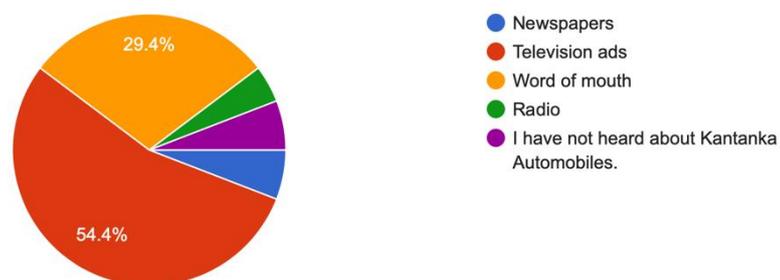


**Fig. 4 Manufacturer Preference**

Respondents gave countless responses to the reason for their choice above. This laid emphasis on certain points such as lack of trust, uncertainty about durability and little knowledge about locally manufactured vehicles being the most common reason.

54.4% of the respondents had heard about the brand Kantanka Automobiles through television ads and 29.4% by word of mouth. This was understandable as Kantanka Automobiles has its own television station. The least modes of communication were radio and television with 5.9% of the respondents having no knowledge about the local vehicle manufacturer. This can be seen in **figure 5** below.

How did you first hear about Kantanka Automobiles ?  
68 responses

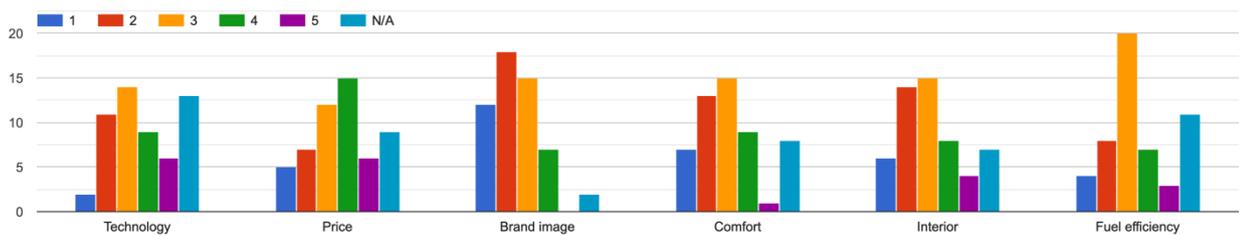


**Fig.5 Mode of communication**

For the respondents that had at least heard about Kantanka Automobiles, they were asked to rate the local manufacturer’s vehicles against some attributes namely technology, price, brand image, comfort and interior quality. The rating fell between 1 and 5 with 5 being the highest rating. Majority of the respondents selected 3 as their highest rating for **technology** with 2 being the second most selected rating and a chunk having no knowledge about the technological quality of Kantanka. Majority of the respondents claimed that Kantanka had a good **price** point with a rating of 4 being the most selected and 3 following closely. Also, some of the respondents had no knowledge about the price point of Kantanka Automobiles. The highest rating given to **brand image** per the questionnaire was 2 which represents their perspective of the firm and 3 following close by. The highest rating for **comfort** and **interior** was tied at 3. Majority of the respondents selected 3 as their highest rating for fuel efficiency and No knowledge about fuel efficiency being the second highest selected option.

See **figure 6** below.

Kindly rate Kantanka vehicles against each of the following attributes with 5 being the highest rating.



**Fig.6 Kantanka Vehicle Desirability**

## **4.6 COMPARATIVE ANALYSIS**

This section gives a comparison analysis between the various Kantanka models and some of their competitors in the Ghanaian Automobile Industry. Vehicle body types such as Sedans, SUV's and Pickup trucks shall be examined.

### **4.6.1 KANTANKS ONANTEFO 4X4 SUV**

The 2018 Kantanka Onantefo 4X4 SUV houses a 4-cylinder petrol powered engine. It uses an All-Wheel drive system meaning all four wheels move at the same time. It comes in both an automatic and manual transmission with a price difference of 10,000 separating them. The Kantanka Onantefo houses a 1.9L engine that requires 10.3 litres of petrol to cover a distance of 100km. The target audience of the Onantefo model includes but is not limited to workers in the corporate spaces such as designated members of a company, large families among others. The typical marketing concepts use to promote or market Kantanka vehicles are through their media broadcasting company hence mainly leading to the use of Television and radio.

A reputable competitor for the Kantanka Onantefo is the Kia Sportage. The Kia Sportage is a 4-cylinder petrol powered engine that requires 9.4L of petrol to cover a distance of 100Km. A brand new 2018 Kia Sportage retails for about \$24,000-\$27,000. However, a refurbished 2018 Kia Sportage (Cargurus; used automobile website) with over a 100,000km in mileage can sell for \$13,980, duty exclusive. Majority of the Ghanaian population would prefer a refurbished Kia Sportage over a brand new Kantanka Onantefo as the

number of Kia Sportage vehicles is evident in Ghana. Currently, Kia seeks to obtain a more premium market. Its target audience includes what they like to call “Successful men in their careers”.

#### **4.6.2 KANTANKA K71**

According to the marketing manager, the Kantanka K71 is a mini SUV with a 4-cylinder petrol engine with an automatic transmission. The vehicle contains several advanced features such as a push to start engine system and an electronic antitheft system. It boasts a fuel economy range of 17 mpg in the city and 26mpg on the highway. The Kantanka K71 costs \$14,700. Per the marketing manager, the main marketing concepts used to promote or market Kantanka vehicles are through their media broadcasting company hence mainly leading to the use of Television and radio.

A reputable competitor for the Kantanka K71 is the Toyota RAV4, this sports utility vehicle produced by the Japanese giant, houses a 4-cylinder petrol powered engine that requires 9.4L of petrol to cover a distance of 100Km. A brand new 2020 Toyota RAV4 retails for \$25,950. However, a refurbished 2017 model costs \$12,499, duty exclusive. Considering an increase in mileage above 65,000km it makes it a fairly used vehicle, that might have been involved in a number of major accidents with its previous owners. However, majority of Ghanaians opt for Toyota RAV4 vehicles and boast about quality whenever they are questioned. Per Toyota Company Limited, the target audience for the Toyota RAV4 campaign was couples between the ages of 30 to 40 years with or without a family.

### **4.6.3 KANTANKA MENSAH**

The 2018 Kantanka Mensah sedan uses a 4-cylinder petrol powered engine and a rear wheel drive system. The Kantanka Mensah uses an automatic transmission and has an independent suspension system. It houses many advanced features such as heated seats, an 8-inch touch screen display, parking assistance and an anti-collision radar. Considering this is the fully equipped model, it would retail at approximately \$29,300. According to the marketing manager, the main marketing concepts use to promote or market Kantanka vehicles are through their media broadcasting company hence mainly leading to the use of Television and radio.

A notable competitor of the Kantanka Mensah per its price point includes the 2018 Lexus IS which boasts a 1.8L 4-cylinder engine with an additional pair of electric motors to improve the driving experience. Lexus is a subdivision of Toyota Automobiles. A brand-new Lexus IS retails for \$38,535 to \$40,660. Most of the features found in the Lexus IS however can be found in the Kantanka Mensah. This makes the Kantanka Mensah a better value for its money. A refurbished 2018 Lexus IS with mileage exceeding 80,000km retails for \$24,000 and above. The Lexus IS is a successful model put out by Lexus and has continued to establish some presence in the automobile industry. Its target audience is focused on customers between the age of 30-50.

#### **4.6.4 KANTANKA OMAMA LUXURY PICKUP**

Per the marketing manager, the 2018 Kantanka Omama also uses a 4-cylinder and runs on an automatic transmission. It requires 7.8L to complete a 100Km trip. The luxury pickup has some additional features such as a keyless entry system, effective climate control and a push to start engine. It has a fuel range of 16MPG in the city and 22 on the highway. It has a starting price of \$22,600. The marketing concepts used to promote or market Kantanka vehicles are through their media broadcasting company hence, mainly leading to the use of Television and radio. Kantanka’s audience for the Omama model includes mainly people working in heavy duty areas such as the mines and construction sites.

A popular competitor of the Omama pickup is the 2018 Nissan Navara. A brand-new Nissan Navara retails for \$38,888. This price point is understandable because there are many engine variations that can be chosen. A refurbished 2018 Navara costs around \$15,000, duty exclusive with a mileage exceeding 110,000km. Nissan focuses on millennials as their target audience.

## **CHAPTER 5: CONCLUSIONS & RECOMMENDATIONS**

### **5.0 SUMMARY**

This chapter summarizes the entire research study. It presents the conclusions, recommendations derived from the analysis of the data collected. The chapter further presents the limitations and suggestions for further research.

### **5.1 CONCLUSION**

This research concludes that marketing in a positive manner affects the performance of Kantanka Automobile Company Limited. However, the overriding issues negatively affecting the firm’s performance had to do with poor financing & inadequate governmental support and the “Ghanaian Mentality”. The interview with the marketing manager shed light on some problems facing the firm since its establishment. Per the marketing manager, the availability of a broadcasting media company evaded the notion of marketing being the firm’s problem.

From the numerical data he provided such as the consumer purchasing rate and product range per year, it is evident that the firm does continue to receive orders and manufacture vehicles on a daily basis. Having sold a maximum of 1000 vehicles since 2015 to present, it is discernible that the firm has seen a gradual increase in sales allowing it to continue its operations.

Per the questionnaire issued to the workforce, the starting price of Kantanka’s vehicles was not a barrier, meaning ideally, members of the workforce could afford Kantanka’s vehicles. However, majority of the respondents preferred multinational car brands to Kantanka vehicles and also collectively selected a very low rating for brand image which solidifies the characteristics of the “Ghanaian Mentality”. Further analysis of responses showed that the marketing manager was satisfied with the presence of Kantanka vehicles in the Ghanaian market but laid emphasis on how discouraging the Ghanaian market was to operate in especially with limited resources.

## **5.1 RECOMMENDATIONS**

The research study shed light on the importance of investing in the automobile industry as that is the driving force of many successful countries today. Besides that, it also showed the degree of intensity of how the “Ghanaian Mentality” is slowly crippling manufacturing industries especially the automobile industry and the economy at large.

Per the findings and conclusions deduced from the study, there is the need for some relevant stakeholder engagement, including the government to help facilitate the provision of domestic automobile parts as well as manufacturing centres with modern tools and machinery to effectively aid the development of Kantanka Automobile Company Limited and the automobile industry.

It would be of great benefit if the government of Ghana provides an enabling environment in the form of tax exemptions, soft loans and subsidies to reduce the

burden on the indigenous vehicle manufacturer and help attract world-class automobile companies to enhance the growth of the automobile industry in Ghana.

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