

THE IMPACT OF DIGITAL MARKETING ON BUSINESS PERFORMANCES IN ONLINE FOOD MARKETING AND TELECOMMUNICATION INDUSTRIES, THE CASE OF DAR ES SALAAM, TANZANIA

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ABSTRACT

The objective of the paper was to find out the impact of the digital marketing in business Performances on online Food marketing Company namely Jumia Food Tanzania Limited and Mobile telecommunication company namely, Vodacom Tanzania Limited in Dar es Salaam. The nature of this study was descriptive as the research design was cross sectional research, which was applied due to the fact that, it allows economies of scale in data collection, minimizes time and resources and undertakes in-depth data collection. Social media and Brand equity were found to be important elements in adoption and influencing effective digital marketing communication platform for better business performances, whereas attributes which did not influence digital marketing were Search Engine Optimization, LinkedIn, text messaging and affiliate marketing. Public and Private Sector in Tanzania should cooperate and find out means and methods of promoting the digital marketing applications to the Tanzanian Community, through Public and Private Participation in investment on digital marketing communications. This will enhance better business performances for the better national development.

Key words: Brand Equity, Digital marketing, adoption, customers, Dar es Salaam

1.0 INTRODUCTION

Digital marketing has changed the way business performances and the way consumers behave and interact. The internet revolution which was mainly for getting information has drastically changed into becoming the medium where customers can get the products or services, business can sell their products, distribute and advertise their products or services. Web management has made the internet and the business performances to increase their sales (Rowley, 2004).

Vargo and Lusch (2004) propounded that marketing is currently utilizing new channels to enhance interactivity and communication and build long term relationship through digital marketing and this has been achieved through changing on the notion of previous marketing strategies, which used traditional marketing methods by adopting effective use of digital marketing platforms. It is argued that there is cost efficiency and effectiveness by being connected with customers through the use of various digital platforms (Reinartz, 2005).

Waghmare (2012) argued that digital marketing uses digital devices such as internet, telephones and other digital devices to spread information to various populations around the world as the result promote higher sales of company products. Digital marketing facilitates effective communication with Customers at a relatively low cost for the firm and customers can get enough information concerning the products or services. This can be done through newsletter on their emails, buying of products or services reminders, getting instant feedback from Customers.

Molenaar (2012) contends that there are significant differences between the traditional marketing and the digital marketing, as the marketing mix elements are affected depending on the customers and firms relationships. Stokes (2012) argues that the Digital marketing is centered most on understanding of the Customers' needs at inception and delivering the wants satisfying goods immediately. The aim of this study was to assess the impact of Digital marketing in Business performance in Tanzania, particularly in Dar es Salaam, by highlighting Business to Consumers marketing and its impacts on business performances.

Traditional Marketing includes use of the traditional marketing mix elements of Product, Price, Place and Distribution on the traditional basis whereby a lot of costs and expenditures in undertaking the marketing and business activities are utilized. Digital marketing on the other hand is the use of internet through media such as websites, social media like YouTube, Facebook, MySpace, WhatsApp, mobile phones, pay per click, affiliate marketing and electronic advertising in reaching and distribution of products or Services. The evolution of digital marketing necessitated many businesses to engage on digital platform in selling and marketing of their Products and Services and such traditional marketing functions are becoming being minimized (Monnappa, 2017).

According to the Tanzania Communication Regulatory Authority First Quarter Report of 2016, internet users in Tanzania were about 20 million and the overall internet penetration rate was 20% with number of 19,862,525 populations, so digital marketing in Tanzania is still at the primary stage, due to the fact that internet users are still few as the use of digital marketing platforms is still minimum. In comparison with the overall internet users and the population of about 50 million Tanzanians (National Bureau of Statistics, 2016 Tanzania), internet users are very few in the country. The number of internet users does not reflect government efforts in developing internet and communication facilities. For example, the establishment the National Information and Communication Technology Broadband backbone (NICTBB) project in 2009 (Kowero, 2012), the amendment of the National Act and establishment of the Electronic Regulation of 2015 which protects the agents, operators agents and consumers on electronic transaction (BOT 2016) and the enactment of the ICT policy in 2016. Despite having these developments, still few people are using the Digital marketing platforms in Tanzania.

Furthermore, the increase in the number of mobile subscribers and other Information Technology tools like laptops, mobile phones, Ipads, Tablet Computers, etc and current ICT friendly regulations with the intention of promoting use of internet in business and various activities, the number of internet users in business in Tanzania is still low (Sayodeka,2012). This poses a number of questions as, what activities are they using with their mobile phones rather than normal voice calls and message texting? Despite most people using digital platforms in texting messaging like WhatsApp, Facebook, Instagram, etc. these digital channels are not optimally utilized in business marketing in the country. Perhaps a pertinent question is why most people fail to use digital marketing strategies given its cost effectiveness and wide reach.

A study done by Kiunsi(2013) at Vodacom Tanzania on electronic transactions and customers' perception in Tanzania found that 80% of Customers spend less time on internet for marketing and selling transactions and more time on social issues. This creates questions such as is digital marketing well understood in Tanzania? Can Digital marketing be depended on as the best marketing strategy by various firms in Tanzania? Such questions required an empirical study to be conducted in order to get answers in relation to the impact of digital marketing on business to consumers marketing.

The study done by Mazer (2016) on competition of mobile services lessons from Kenya and Tanzania, did not focus on how digital platforms can be used on effective business performances rather the study was emphasizing on effective competition as the solutions for effective mobile financial services.

The study done by researchICTafrica.net, (2017) in Tanzania revealed the internet penetration rate in Tanzania was low at around 30% despite being among 49 countries in Africa with cheap mobile data payment system.

There is scanty information relating to digital marketing in Tanzania; therefore this study was conducted to assess the impact of digital marketing employed by telecommunications industry and food industries in Tanzania, particularly at Vodacom Tanzania and Jumia Food Tanzania Limited. The aim of this study was to assess the impact of digital marketing in business performances in Tanzania by drawing lessons at Jumia Food in Dar es Salaam and Vodacom Tanzania. The specific objectives of the study were; to determine the use and types of digital marketing platforms adopted in business transactions by both customers and employees; to examine the significant factors on adoption and promotion of digital marketing by both customers and employees; and to assess the Customers perception on how digital marketing influence on their purchasing decisions

2.0 LITERATURE REVIEW

2.1 Theoretical Literature Review

2.1.1 Performance Advantage of Digital Marketing technology to Customers and to the Company

Mougayan(1997) elaborated that cost minimization of doing work in the organization in the entire production line is one of the benefits associated with adoption of the internet technology thus companies have minimal time response in dealing with customers' problems. These can be effective in cost reductions by selling orders and transferring money online, interact with customers across the world by online platforms. Costs are also reduced by online purchase and online points of sale.

Another benefit is the enhancement of the Customer Relationship Management (CRM). Customers are the focal point of any business performances and process. As the marketing Orientation implies, the essence to satisfying customers is understanding their needs and wants (Kotler, 2012). According to Soliman and Youssef (2003) marketing technology improves Customers care and services as customers get what they need on time and customers problems are solved instantly as the internet assists in receiving the customers feedback at inception. Moreover internet enhances income generating activities of the organization. As new technologies are innovated, new products are developed and new markets and marketing channels are introduced and existing services and products are sold through internet and probably improved by the managerial innovation of the firm (Kotler, 2012; Courchane et al, 2002a, b; Nickerson and Sullivan, 2003). All these are aimed at enhancing customers' satisfaction.

Digital marketing transactions have facilitated in the improvement of internal and external communications, such that new and innovative products are created in the internet by marketers and companies benefits on the increased sales growth and increased new services and products (Soliman, 2003). Internet marketing has reduced Communication from paper based to internet based. For example, digital marketing has improved efficiency in Commercial Banks from the previous use of Electronic Data Interchange (EDI) to digital marketing communication in transferring money and doing business online in European Countries.

2.1.2. Drawbacks of Digital marketing Technology in Business Firms.

According to Soliman and Youseff (2003) security issues have been the main concern in many digital marketing of products and services, but the risks has been minimized and the confidence of Customers towards internet is growing. Thus, security matters are no longer a limiting factor in use of e-commerce as much developments of protecting the consumers' security is enhanced.

Another drawback is the challenge in the means of payment that is widely not understood by customers, such that the transactions on digital money to some customers are still the problem especially in developing countries. It used to be the problem also in developed countries, but this has been mitigated by the firms in European Countries to encrypt payment which are done by digital channels, that credit cards are encrypted with SET that is secure digital Transactions. (Soliman and Youseff, 2003).

2.1.3 Digital Marketing as the Modern Marketing tool on Business Performances.

Environments in which business operates are very much changing. The need of Customer satisfaction and real time response on customers' needs is of utmost importance. Digital marketing which uses the media such as internet, Facebook, radio, television and the most common digital marketing tools used in the contemporary marketing is the Search Engine Optimization (SEO). It facilitates the way search engine finds the firm's website for business transactions. With Customers need on various brands and brands competition, so companies needs to use assisted technology in attracting customers. Digital marketing reduces the transactions costs in business (Mort, Sullivan, Dream, Judy, 2002). Digital Marketing needs to have best accessibility, navigation and speed in order to give out results in business performances (Kantilla, 2004).

Social media like Facebook, Instagram, myspace, youtube, linkeldn, etc have become the major digital marketing tools that can facilitate producers and consumers of any industrial and consumer's products to interact and purchase products at the very minimum time and efforts. What is important, is the marketing managers of the firm to understand properly using the marketing communication strategies to entice customers and improve their firms experience in digital marketing (Mangold, 2007).

In order for digital marketing to be effective Kielerzkowski (1996) propounded that the firms should first entice consumers on the application. The author also proposed on his model to generate interest and desire, this has been made by the availability of social media. Thereafter, Customers retention is of utmost importance. But retentions of customers could be possible only if there is an ongoing moment of truths and effective interactions with Customers by using various digital media platforms. Advantages of digital marketing are thus, it allows personalized messages from the customers and real time responses interaction through the web (Silva and Vassiljev, 2011).

2.1.4 Adoption and Consumer decisions in brand buying and usage.

The great challenges to marketers in the business undertaking are the way of creating the brand, maintaining it and enhancing it. Successful creation of brands is the best strategy for the business in enhancing adoption of the products and services and thus, influencing buying decision by consumers (Rio, Vazquez and Iglesias, 2001; Singhal, 2004). Branding adoption needs much investment of the firm by keeping trust and making the promise that consumers' needs are met sustainably. Adoption and purchasing decisions is influenced by many factors such as culture, motivation, beliefs, personality, social classes that consumers segment themselves based on their social classes, that consumers in particular social class show the same behavior on their adoption and purchasing decisions. Frambatch and Schillewaert (2001) explained the process of influencing customers' preferences over firms' products or services. The process involves firms' decisions in adoption of right strategies to influence customers' preferences and company's ability to effectively implement the managerial process by enduring innovation. But changes in the organization is not a one day process, as managers and decision makers may want to maintain the status quo, but as much as the changes are enhanced by the management, that will have the spillover effects to employees and thus implementation of the effective brand management will be achieved and thus will give rise into consumers adoption of product and services of the firm (Garland, et al, 2010).

2.1.5 Digital Marketing and purchasing decisions of customers on Products and Services

Currently the marketing and selling approaches emphasizes on relationship creation. Digital marketing assists to bring customers closer to products and services of the firm by the assistance of internet. By interacting with customers, online

distribution channels and thus digital marketing facilitate firms to understand thoroughly the needs of the customers and deliver wants and satisfying needs at the required times needed by the customers (Kotler,2012). Nevertheless, it assists customers on their decisions on which products and services to purchase.

Theodosiou and Katsikea (2012) explained that the companies that wins competitive edge in marketing and selling of its products and services have utilized fully the benefits of digital marketing. Social media as part of the Digital marketing tools is used by various companies in communication with employees, stakeholders and the external markets and hence reduce most of the transactions costs and ensuring fast delivery of products and services by reducing the purchasing decisions cycle, hence increases in sales growth of the firm.

2.1.6 Social Media and its impacts on Business Performances of the firm

Kaplain and Haenlein (2009) emphasize on the social media and its impact on marketing and selling of products and services. They argued that in online communication, social media plays a bigger role in influencing consumers' preferences over services and products. The author noted that there are limited researches on the effectiveness of social media tools although various firms/companies do employ some of these without knowing its marketing and business impact. Kaplain and Haenlein (2009) categorized the social media into six categories such as blogs, social networking sites, virtual social worlds, visual game worlds, and content communities. The author also explained the benefits of social media as it gives firms information from consumers that may facilitate corrective measures on improvement required by customers. Social media influences the adoption of the products from early adopters to laggards. Thus social media assists business firms in understanding the consumers' behaviors from pre-purchase decisions to post-purchase behaviors with a large of information and feedbacks from the customers online. However, most firms fear the social media from the spread of misleading information in a very pervasive and speedier way that can harm the company's reputations and decrease in sales performances and marketing efforts.

Social media like Facebook can make millions of consumers interact and thus create bigger market opportunities. There are needs for the executives in marketing to understand fully how to undertake the online social marketing campaigns and their strategies to increase visibility and product adoption.

2.2. Theories Relating to Digital Marketing

2.2.1 Diffusion of innovations theory towards adoption of Digital Marketing of Customers

According to this theory, innovations and discovery create new products that are needed by consumers hence influencing buying behavior. Diffusion of innovation theory attempts to identify patterns and rates of adoption of innovation and its effectiveness on achieving intended objectives. This is especially significant to marketers in understanding customers' adoption or use of digital devices as means of attempting to forecast demand and market growth (Valente, 1993). According to Kotler (2000), an innovation refers to any goods, service, or idea that is perceived by someone as new. The idea may have a long history, but it is an innovation to the person who sees it as new. Rogers (1995) defines an innovation as any idea, practice, or object that is perceived as being new by an individual or other unit of adoption.

Valente (1993) put forth various types of prospects; he clarified on how the adoption process to prospects occurs. He categorized prospects into five categories, and assumed that any product or service in the market could pass on this process for the consumer to adopt a product during the purchasing decision process. He outlined that there are few who are called Innovators (2.5%), opinion leaders or early adapters (13.5%), early majority (34%), late majority (34%) and laggards or later majority (16 %).

With the modern business firm increasing adopting the marketing orientation in doing business (Kumar et al, 2011; Lee et al, 2014), digital marketing may facilitate much adoption of products or services. The Diffusion Adoption theory assumes that an individual's performances of a certain behavior is affiliated with his or her own intention and subjective norms of his or her interest groups or individuals who approve and influence his decisions, these facilitate his or her adoption of products or services that is marketed by the digital platforms (Valente, 1994). Valence (1994) argued that adoption of any technology in selling products has much influence on the type of individuals. A marketer is encountering from innovators to laggards, and there is empirical evidence to support the argument on how the consumer can adopt the new technology or not in transaction on products or services. The theory assumes that people within the market differ in the speed in which they adopt a new product or new services rendered in the market. Early adopters have some traits which differentiate them from late adopters (Kotler, 2012). This theory can be comprehended on the objectives of this study that technology adoption or non-adoption solely depends on the marketing efforts of business stakeholders, effective use of latest technology, product innovations and best marketing efforts targeting the specific segment, if these are implemented will have better impacts on digital marketing in Tanzania.

2.2.2 Pseudo Theories on Digital Marketing.

Li and Ouyang (2010) proposed this theory that business firms should think of website research on undertaking effective marketing rather than analyzing the consumers demographic, geographic and psychographics segmenting of customers and he termed these as “social graphics”. Marketers and firms needs to analyze the consumers’ behavior online, what information consumers need and search online and which are social influence online that trigger consumers on buying decisions. However, marketers can segment customers into different types as collecting information customers, producing, commenting, sharing and watching then design appropriate marketing strategies in reaching those customers. This theory relates a bit with Evans (2008) opinions which elaborated that the consumers will buy the products or services then consume and afterwards will talk about the satisfaction level online. This will have a spillover effects online on the products purchase trials, and liking with other customers online.

2.2.3 Social Network Analysis Theory.

Social Networks regards the society as connected in one way or another, and hence applied the mathematical models in its implications and efficiencies in organizations or business performances (Wasserman and Faust, 1994). Social Networks regards society from individuals, peers communities, coherent interests groups, families and the nations that have some commonalities which binds them together. Network theory focuses on closeness, density, centrality and these characteristics are measured mathematically on the role of participation of each actor in order to understand the effectiveness of the network. The measurement can be studied on its efficiency on the information that individuals and the network can do and thus be improved, so that its performances can be increased (Borgata, et al, 1992). Social network analysis theory has brought better impact on digital platforms performances, as consumers can easily communicate online and preference of certain products or services can be maximized at a very small pace of time with maximum sales and business growth (Delvan, 2015).

2.3 Empirical Literature Review

The study conducted by Buchanan, Kelly and Yeatman (2017) in Chicago on how the Exposure to digital marketing enhances young Adults’ interest in energy drinks, showed that there is biggest impact on food and beverages digital marketing on the selected consumers segments of young adults on the purchase intentions and consumers preference of energy drinks. These had shown positive relationship between positive attitudes among these consumers on the influence of digital marketing environments and behavioral intention to purchase the energy drinks. The study also displayed that the emotional appeals through online advertising to the segment of the market were much attributed by the power of online advertising.

In another study by Khan and Siddiqui, (2000) on the importance of Digital marketing with sighting only the target market of Pakistan Professionals, showed that most professionals in Pakistan are risk averters in using digital marketing during their business transactions. However, most of them do not understand much of the benefits of digital marketing. As a result, they prefer only Short Messaging Texting (SMS) and Multimedia Messaging Services (MMS). This implies that they are skeptical in terms of privacy and understanding on the full use of digital marketing.

The study by Oni, Shumba and Matiza (2014) in Polokwane South Africa on Assessing the impact of Social media based marketing on the turnover of retailers showed that the majority of retailers in Polokwane used social media. This had positive results in reaching many customers, selling and marketing of their products and thus increased the sales turnovers of the specific retailers.

2.3.1 Tanzanian Experience

In Tanzania there are only few studies yet which have visualized much on digital marketing communications, most of the studies were done on the use of electronic mobile as part of the digital marketing. The study by Omary (2010) on the effectiveness of internet technology to retailers in Tanzania, especially in rural Tanzania. The study indicated that, among the many reasons barring the effective use of internet technology are lack knowledge on the internet use towards purchasing products or services, poor network connections as most rural population do not use mobile communication in purchasing their products. On the other hand, the study showed also that the well-known effective products and services preferred by retailers and their consumers in the rural areas, were only mobile banking transactions.

In another study by Sayodeka (2012) which assessed the reasons for the digital divide in Tanzania. The study outlined factors such as the financial problems as major problem to the majority of Tanzanians in accessing internet for business or social transactions. Majority who were regular users of internet had at least an assurance of the paid salaried per month and others who were not employed were not principal users.

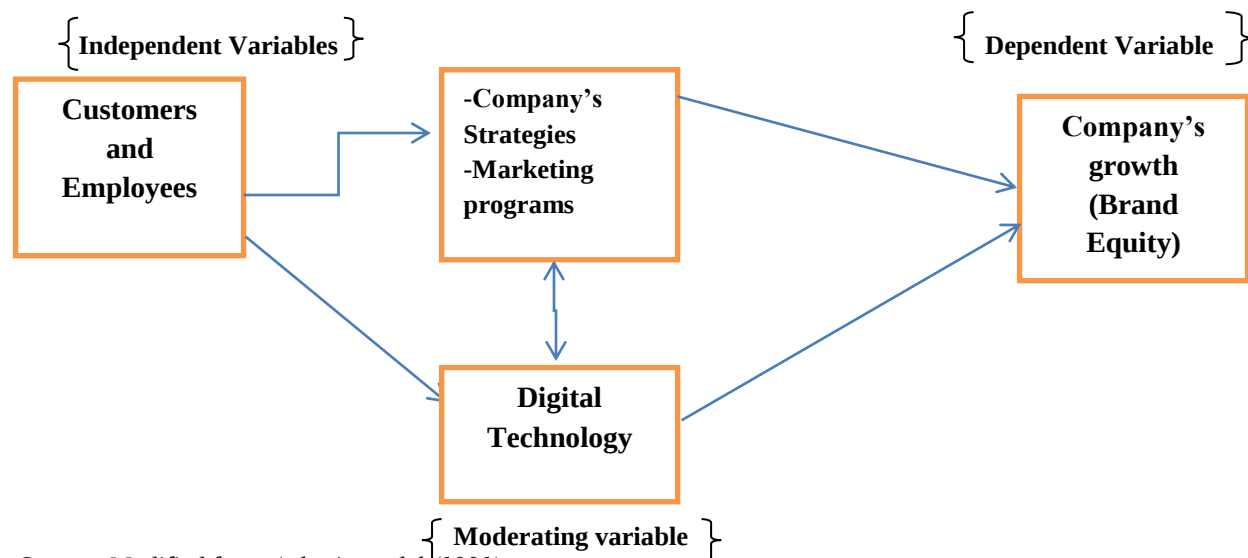
Nevertheless the study done by Mazer, (2016) in Tanzania and Kenya outlined only the mobile financial services as the only digital marketing platforms. Therefore other digital marketing platforms such as social media, SEO, affiliate marketing; Facebook, etc have not been effectively studied and assessed on their effective applications on enhancing effective business performances in Tanzania.

2.3.2 Conceptual Framework

The conceptual framework explains the independent variables in this study which are the customers, employees, company strategies and marketing programmes, as the diffusion innovation theory explains that, the better the nature of social system which are managerial leaderships, employees involvement in decision making in innovation (Ajzen, 2000; Rogers, 2013) the higher the diffusion and adoption rate of customers on the new products or services.

Moderating variable is the availability of digital technology that can facilitate the better adoption, which implies that, the better the social system by employees involvement, that the company's better marketing programs and strategies on the adoption of the latest digital marketing technology, will have the spillover effects to customers satisfaction and perceptions which in turn will create positive brand equity and thus entailing better company's growth as dependent variable. The premise of adoption diffusion theory and Aaker model (1991) of brand equity seems to be important factors which influence the adoption of technology (Ajzen 2000; Rogers,2013). People who have positive perception towards digital technology will have higher acceptance on the use of the digital technology (Davis et al, 1989; Agarwal & Karahanna &Straub, 2000).

Figure 1.0 the Conceptual Framework



Source: Modified from Aaker's model (1991)

3.0 METHODOLOGY

The study aimed at investigating the impact of Digital marketing in Dar es Salaam city. The Nature of study was descriptive. Therefore the research design was cross sectional, that research design was adopted due to the fact it allows economies of scale in data collection, minimizes time and resources and undertakes in-depth data collection (Kumar, 2001).

Both qualitative and quantitative approaches were employed. Primary data were collected using semi structured questionnaires and interview guides. Data were collected from both employees and Customers of Vodacom and Jumia online marketing industry. A sample of 300 respondents was interviewed. The researcher collected the sampled population of 100 employees and 200 customers who provided information about the Digital marketing strategies and how it operated. Due to the nature of the study, purposive sampling and random sampling techniques were used in getting information. Purposive sampling was used in getting information from employees of both Jumia and Vodacom Tanzania Limited. The base of using this technique was due to possession of experience of the studied problem by selected employees. Random sampling was used in getting information from Customers of both companies due to the fact that the members had many similar characteristics. Quantitative data were processed using the Statistical Package for Social Scientists (SPSS) whereby descriptive Statistics were used in concluding the findings. Qualitative data were processed manually.

4.0 RESULTS AND ANALYSIS

4.1 The Types and adoption of digital marketing in business transactions in both Customers and in employees

The researcher wanted to understand what types of digital marketing platforms were adopted and used on both Customers and the employees of the selected companies of Jumia Foods Company and Vodacom respectively and the results of the findings were as follows:

Table 1.0 The Type and adoption of Digital Marketing Platform by Customers

		The Types and Adoption of Digital Marketing Platform as assessed to Customers				
	Type of Digital platform	Frequency	Percent	Valid Percent	Cumulative Percent	Ranking
	Pay per click	52	26	26	26	2
	Display ads	35	18	18	44	3
	Social media	85	42	42	86	1
	Search Engine Optimization	10	5	5	91	5
	Others	18	9	9.	100	4
	Total	200	100.0	100.0		
		Type of Respondents=Customers				

Source; Researchers Data, 2017

Table 1.1 The Type and Adoption of Digital Marketing Platform as assessed to Employees

Type and Adoption of Digital Marketing Platform as assessed to Employees						
		Frequency	Percent	Valid Percent	Cumulative Percent	Ranking
	Pay per click	17	17	17	17	3
	Display ads	28	28	28	45	2
	Social media	40	40	40	85	1
	Search Engine Optimization	08	08	08	93	4
	Others	07	07	07	100	5
	Total	100.0	100.0	100.0		
Type of Respondent = Employees						

Source; Researchers Data, 2017

Table 1.2 Summary of Percentage distribution on Digital marketing platform adoption by both Employees and Customers

Type of Digital platform	Employees (%)	Comparative Ranking	Customers (%)	Comparative Ranking
Pay per click	17	3	52	2
Display ads	28	2	35	3
Social media	40	1	85	1
Search Engine Optimization(SEO)	08	4	10	5
Others	07	5	18	4
Total	100.0		100.0	

Source; Researcher's Data, 2017

From the above findings it is evident that both Customers and the employees have shown that the use of social media 1(52%) by customers and 1(40%) by employees is the important digital marketing platform used in marketing Communications, followed by Displays ads 2(28%) to employees and pay per click 2(52%) to customers, followed by pay per click 3(17%) to employees and Display ads to customers 3(35%). Search Engine Optimization ranked the 4(08%) to employees and other media such as LinkedIn, text messages, affiliate marketing ranked the last to employees and Search

Engine Optimization (SEO) ranked 5(08%) to customers by being the last. This implies that the Management of both Jumia food and Vodacom Tanzania should invest much in using the social media channels as their digital marketing communication channels. Also, other digital marketing platforms such as Search Engine Optimization, Affiliate marketing, Text messaging marketing, etc needs to be promoted to have its impact in business performance. Pays per click seems to be ranked good by Customers, so the respective management should try to invest much on this digital tools in order to increase its competitive advantages.

4.2 The significant factors on adoption and promotion of digital marketing by Customers and Employees.

The dependent variable was effective adoption of digital marketing to be regressed against marketing elements of brand equity, Costs and demands of products, accessibility of Communication and Information Technology (ICT) and Managerial innovation. A regression model was used to find out the significance of the elements in predicting the effective use of digital marketing for better business performances at Jumia food and Vodacom Tanzania Limited. The general linear regression equation is given as;

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where;

a = constant

X_1 = Effect of Brand Equity, X_2 = Effect of Costs and demands of products

X_3 = Effect of Accessibility in Technology, X_4 = Effect of Managerial Innovation

β_1 to β_4 = Regression coefficients.

e = stochastic error and

Y the dependent variable of effective Adoption of Digital Marketing by Customers.

The test for classical assumptions for regression model was that; there is linear relationship between dependent and independent variables; the error between outcome and predicted variables is normally distributed, and no independent variables which is constant or a perfect linear combination of others (Kothari, 2008)

Table 1.3 Regression Results Relationship between Significant factors influencing the Adoption of digital marketing tools by customers.

Predictor (Marketing Mix Element)	B	T	p-value
Constant	2.505		
Brand Equity (X_1)	0.056	1.010	.003
Demand and Costs(X_2)	0.187	.667	.588
Accessibility of ICT (X_3)	-0.029	-.582	.578
Managerial innovation(X_4)	0.125	1.737	.095

Source: Researcher's Data, 2017

From the results, the regression equation for the Adoption of Digital marketing (Y) revealed to be $Y = 2.5 + 0.056X_1 + 0.187X_2 - 0.029X_3 + 0.125 X_4$. The results showed that only brand equity had a P value which is less than 0.05 while other elements had p-value greater than 0.05, brand equity has the significance influence on adoption of digital marketing to Customers; other factors had no significant relationships. The same analysis was done by splitting the respondents into their respective groups on both Companies namely Vodacom Tanzania and Jumia Food (employees and Customers).

a) Regression Results on Relationship between Significant factors influencing the Adoption of digital marketing tools by customer and Employees

Upon this categorization the results were as follows as for the employees and the customers in table 1.4 and 1.5 respectively

Table 1.4 Regression Analyses of Business Firms Employees

Coefficients ^{a,b}						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig. (p-value).
		B	Std. Error	Beta		
1	(Constant)	2.810	0.408		7.702	0.000
	Brand Equity (X_1)	-0.028	0.062	-0.049	-0.457	0.021
	Demand and Costs(X_2)	-0.071	0.061	-0.159	-1.328	0.186
	Accessibility of ICT (X_3)	0.050	0.082	0.063	0.580	0.563
	Managerial innovation(X_4)	-.092	.125	-0.087	-0.806	0.421

Coefficients ^{a,b}						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig. (p-value).
		B	Std. Error	Beta		
1	(Constant)	2.810	0.408		7.702	0.000
	Brand Equity (X ₁)	-0.028	0.062	-0.049	-0.457	0.021
	Demand and Costs(X ₂)	-0.071	0.061	-0.159	-1.328	0.186
	Accessibility of ICT (X ₃)	0.050	0.082	0.063	0.580	0.563
	Managerial innovation(X ₄)	-.092	.125	-0.087	-0.806	0.421
a. Type of Respondent = Employees						
b. Dependent Variable: Adoption of Digital Marketing						

Source; Source; Researcher's Data, 2017

Table 1.5 Regression Results by Customers

Coefficients ^{a,b}						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.(P-value)
		B	Std. Error	Beta		
1	(Constant)	2.307	.627	2.307	3.471	.001
	Brand Equity (X ₁)	.100	.098	.105	1.020	.022
	Demand and Costs(X ₂)	.205	.106	.187	1.927	.066
	Accessibility of ICT (X ₃)	-.080	.096	-.086	-.729	.504
	Managerial innovation(X ₄)	.072	.103	.082	.789	.577
a. Type of Respondent = Customers						
b. Dependent Variable: Adoption of Digital Marketing						

Source: Researchers Data, 2017

Results on both Employees and Customers

The results from Table 1.4 and 1.5 indicate that, the P-value for all the marketing elements are having P-value greater than 0.05 except the brand equity with P- value of 0.021 and 0.022 respectively. This showed that the results of the customers and employees showed similarity on the importance of brand equity of Digital marketing products and services. Therefore, there is a need for the respective companies to improve their brand equity and brand mix to increase adoption of digital marketing.

4.3 Robustness of the Study Model

This implies the testing of goodness or fitness of the model to the actual data, and how independent variables explain the difference in dependent variable. Table 1.6 describes the adjusted R² which is the coefficient of determination on the effects of adoption of digital marketing that is 0.543. This implies that 54.3% of variation in the dependent variables in the regression model is due to independent variable and 46.7% is caused by error, chance or unexplained. The model was therefore fitted well to the actual data.

Table 1.6 Model Summary

Model Summary ^b										
Model	R	R Square	Adjusted R Square	Standard Error of Estimate	Change Statistics					Dublin Watson
					R Square change	F Change	df 1	df 2	Sig. f change	
1	0.747 ^a	0.558	0.543	1.3680773	0.558	23.509	3	57	0.000	0.213
a; Predictors(Constant); Brand equity, demand and costs, accessibility of ICT, managerial innovation										
b; Dependent variable; Adoption of Digital Marketing										

Source; Source; Researcher's Data, 2017

4.4 Assessment of the Customers perception on how digital marketing influence on their purchasing decisions

Customers were requested to suggest on how they perceive and assess the effects of Digital marketing platforms before and after their adoption on their purchasing decisions and the results on the findings were as follows;

Table 1.7 Assessment of the Customers perception on how digital marketing influence on their purchasing decisions

Frequency	Percent	Valid Percent	Cumulative Percent
219	73.0%	73.0%	73.0%
43	14.3%	14.3%	87.3%
38	12.7%	12.7%	100
300	100%	100%	

Source; Source; Researcher's Data, 2017

The above findings shows that the majority of Customers 219(73%) showed that the use of digital marketing platforms had very much increased their purchasing decisions, whereas 43 (14.3%) of customers said that Digital marketing platforms had moderately increased their purchasing decisions and 38 (12.7%) they said that digital marketing platforms use to them has no effects on their purchasing decisions. This shows that digital marketing has significantly contributed to increase in business performances for the sampled Customers where the researcher conducted survey.

5.0 CONCLUSIONS AND RECOMMENDATIONS

From the findings, it is evident that the brand equity of the company's products and services and the company's themselves has significance influence on the business performances in Tanzania. Therefore, the need of building brand equity implies that both Vodacom Tanzania and Jumia Food Limited need to differentiate its products from that of competitors. This differentiation will bring competitive advantage of having much adoption of digital marketing and building better business performances. Brand equity is the set of liabilities and assets linked to a brand; it is the intangible and tangible values of the brand (Biel, 1992). Therefore, in order to have increase in usage and adoption on digital marketing platforms, the firms should continue building their brand equity by increasing the level of advertising their products and services, involve much in Corporate social responsibility, improve their products and services, find new distribution channels of their products and services and pricing accordingly on their products and services.

Pays per click which is the methods whereby owners are paid by the business persons online when they advertise their products. It has shown much adoption by the business community who are the customers of both companies. So the management of both companies should continue promoting much to their customers on this digital marketing platform. It was noted that respondents do not thoroughly understand Search Engine Optimization (SEO) to both employees and the Customers, but it is very important to note that, the company that effectively manage its SEO, can effectively understand on how its consumers react to products and services online, its strengths and weaknesses online, thus both companies need to promote effectively this digital marketing platforms, notwithstanding other digital marketing by having an Integrated Digital Marketing Communications (IDMC) on in their business process management.

5.1 Recommendations and Policy Implications

The Public and the private sectors in Tanzania are working complementarily. Thus, there is a need for the Tanzania Communication and Regulatory Authority, the private sector and other related stakeholders to seat together and find out means and methods of promoting the digital marketing to the Tanzanian Community, through Public and Private Participation.

There should be a national wide campaign to promote and sensitize on digital platforms and how cost effective and secure they are in business. More so, the management of Vodacom and Jumia should think much on promoting other marketing elements which were not significant in this study, since researchers need further studies for unfinished business ideas regarding Digital marketing impacts for business performances in Tanzania.

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