

ASSESSING THE EFFICIENCY OF MARKETING COMMUNICATION TOOLS USED BY TANZANIAN HANDCRAFTS FOR ENHANCING EXPORT PERFORMANCE

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ABSTRACT

Tanzania has a wide range of high quality crafts that if properly marketed could do well in the global market. Handcrafts have been using various communication tools to promote their products. It has been noted that these firms have not progressed fast enough in export markets because of inefficient use of marketing communication tools. The main objective of the study was to assess the efficiency of marketing communication tools used by Tanzanian Handcrafts in enhancing export performance. The study approach was a combination of exploratory and descriptive in nature. A sample of 50 Handcrafters was used in the study. The findings of the study show that 16% of the Tanzanian Handcrafts, whose marketing communication was highly efficient had gross sales amounting between 5,000,000 and 10,000,000 USD per year as opposed to those with low efficiency level who earn less than 500,000 USD per year. Also the chi-square test reveals that there is an insignificant relationship between the marketing communication tools used and their efficiency for enhancing Handcrafts' export performance. Tanzanian Handcrafts are recommended to invest in marketing communications and evaluate the efficiency of the marketing communication programs used in order to enhance their export performance. If Tanzanian Handcrafts want to excel in exporting, they should have a well-prepared (export) marketing plan with Integrated Marketing Communications strategies.

Key words: *Marketing Communication Tools, Handicrafts, Marketing Communication Efficiency, Export Performance*

INTRODUCTION AND BACKGROUND OF THE STUDY

As one of the marketing mix variables, promotion is perceived to have a significant impact on the marketing activities of a company. Promotion may also be regarded as a communication tool in that it facilitates the company's efforts to capture the awareness of the target market about its activities, what it has to offer and also to improve the company's image. The effective implementation of the promotional processes will lead to the success of all marketing functions and realisation of the company's marketing goals and objectives (Belch & Belch, 2007).

In today's competitive global economy, companies are facing growing pressure to reduce costs while at the same time improving returns on their investments. Companies should formulate marketing communication strategies with the aim of optimizing their communication and measure its efficiency. The marketing communication efficiency measure is important since it helps to see if the company is minimizing the costs and maximizing the profits (www.ironmountain.com).

Marketing communication is of significant importance to products' performance. It is essential for all firms communicate their message to customers in order to increase their sales (Ouwensloot & Duncan, 2008). To be able to communicate efficiently with the customers, firms need to decide which marketing communication concepts will be used (Caviello and Bradie, 2001). One of the major factors contributing to the success of exporters of handicrafts is the efficient use of marketing communication.

When the company wants to increase sales, it has to consider all the 4 Ps, that is, product, price, place and promotion. This paper puts emphasis on the promotion only, although it is difficult to exclude the other Ps, that is, product to be promoted, price and distribution if the company formulates its marketing strategy. The main objective of marketing communication is to increase sales and improve customer relations through the use of sales promotion, advertising, the internet, participation in exhibitions/trade fairs, personal selling, publicity, event & sponsorship, direct marketing, corporate identity, word-of-mouth and point-of-sale displays (Kotler, 2012).

The general objective of this study is to assess the efficiency of marketing communication tools used by Tanzanian Handcrafts for enhancing export performance. The specific objectives include identifying the marketing communication programs/tools used by Tanzanian Handcrafts for promoting their handicrafts in the world market; assess the extent of efficiency of the marcom tools used and to determine the ways in which Tanzanian Handcrafts can improve their marketing communication processes in order to enhance their exports. The study posed the following questions: what marketing communication tools do Tanzanian Handcrafts employ for creating awareness amongst potential buyers in the target market (export)? How can Tanzanian Handcrafts improve their marketing communication in order to enhance their exports? The study also wants to test the efficiency of the marketing communication tools used by Tanzanian Handcrafts to enhance their export performance.

LITERATURE REVIEW

Conceptual Definitions

Marketing Communications (Marcom)

Marcom is defined as “*a collective term for all the various types of planned messages used to build a brand, including advertising, public relations, sales promotion, direct marketing, personal selling, packaging, events and sponsorship, customer service and product placement*” (Ouwersloot & Duncan, 2008, p.8). Added to this definition can be the elements of interactive marketing and publicity (Belch & Belch, 2007). In fact marcom functions help build a brand by connecting a company with customers and influencing the information processing activities of stakeholders (Blythe, 2006; Ouwersloot & Duncan, 2008).

Marketing communication Efficiency

Marketing communications efficiency occurs when a marketing communication tool used reduces costs and maximizes profit for the organization. We need marketing communication efficiency measure for marketing activities since it helps to see if the organization is minimizing resources or the time needed to complete the process, that is, keeping the costs low. Marketing communication efficiency is measured using four criteria. The first criterion is to assess how much the Marcom used meet the business objectives and reach the target audience. Second, assess what Marcom tools you currently have and how well it gives you a competitive advantage. Third, analyse your Marcom tools, that is, does it need updating, should you redesign it, what are your competitors' Marcom tools? Finally, evaluate if your Marcom tools are cost-effective (www.ironmountain.com). This study assesses if the Marcom tools used by Tanzanian handcrafts are efficient or not.

Export Performance

Shoham (1996) defined export performance as the result of a firm's actions in the export market. Despite the growing body of literature has addressed the issue, there is still no generally accepted conceptual and operational framework. Sousa (2004) as quoted in Shoham (1996) identified about fifty dimensions of export performance measures which are classified as subjective and objective measures of export performance. However, Leonid et al (2002), identified that the export proportion of sales, or export intensity, export sales growth, export profit level, export sales volume, export market share and export profit contribution are the measures mostly used for export performance

Handicrafts

Fwalo (2010) defines artisan products (handicrafts) as those produced by artisans, either completely by hand, or with the help of hand tools or even mechanical means, as long as the direct manual contribution of the artisan remain the most substantial component of the finished product. These are produced without restriction in terms of quantity and using raw materials from sustainable resources. The special nature of artisan products derives from their distinctive features, which can be utilitarian, aesthetic, artistic, creative, culturally attached, decorative, functional, traditional, religious and socially symbolic and significant.

The main types of crafts produced in developing countries that are in demand among customers from the developed world include pottery, basketry, carved goods, painted and paper products, spun and woven products, dyed and printed goods, embroidered and appliquéd goods, floor coverings, theatre and musical crafts, jewellery and recycled crafts (Merriam & Malcolm 1998).

The Handicraft Sector in Tanzania

Tanzania has a wide array of handicraft products such as basketry, mats, ceramics, beads, pottery, hand woven textile and woven products, toys, jewellery, bags, ornaments, leather products, batiks and wood crafts among others. These items are produced in almost all districts and regions of Tanzania using locally available raw materials, with limited product differentiation based on culture, history and traditions (BET, 2009). Handicraft production in Tanzania is culturally, traditionally and predominantly a cottage industry, engaged in by rural youth of both genders but largely by women to supplement household incomes. The tradition has been to hand over craftsmanship and skills from one generation to the other. This tradition has waned considerably over time. Even though master craftsmen can still be found, their numbers have diminished considerably. Of late, however, handicraft production has seen an upswing as the industry is perceived as a potential business opportunity for sustainable income generation, thus attracting more and more artisans, traders and exporters (Leon & Alan, 1998).

The village producers sell their products either in their neighbourhood or to domestic craft traders (Tanzanian Handcrafts) or direct to tourists. The Tanzanian Handcrafts serve as intermediaries, who sell in the local markets and to exporters or export the items themselves (McGregor, 2007). However, in their zeal to earn quick money for a living, the artisans produce in a fragmented environment, with no appreciation of market requirements, quality, design, standards and systematic organization of markets. Innovations, design and product adaptations are limited, given the low level of skills and capacity of Tanzania's artisanal producers. Handicraft exporting in Tanzania is consequently insignificant (Fwalo, 2010).

Tourism and Handicraft

Handicrafts are now a major business, and have moved a long way from their historical origins. Since the beginning of travel souvenirs have been central to the tourist experience. In general tourists want to have a tangible object to take home with them that represents the places they have been, the things they have seen, to act as souvenirs. Research done by Vladimir (2001) reports that almost half the number of tourists travel for cultural reasons. Handicrafts are a part of the culture of a nation or ethnic group and represent a key component of socioeconomic life, even if handicraft activities are not fully included in national accounts (Noella, 2007).

In many developing countries, the contribution made to the economy and the export market through artisans is increasing. Generally speaking, handicrafts have developed without specific political strategies. Handicraft production in developing countries now depends in large part on the demand generated by the tourist industry and by the business activities of intermediaries – Tanzanian Handcrafts (USAID, 2006).

Empirical Studies

Tanzanian Handcrafts make up the majority of operators in the tourist industry. There has been a steady growth in interest in Tanzanian Handcrafts since the late 1800s, but there has not been a concomitant growth in

marketing-related studies, in that very few studies have addressed the marketing communication aspects of Tanzanian Handcrafts (Anandkumar, 2008; Mohamed and Al-Shaigi, 2014). Keeping up with rapidly changing market trends is a challenge for all firms, particularly as regards to the resources and poor timing. The Tanzanian Handcrafts have enormous difficulties in marketing their products globally while competing with larger counterparts. Unless Tanzanian Handcrafters find mechanisms to communicate effectively with their clients, they will continue to suffer from being at a competitive disadvantage (Murray *et al.*, 2011). However, opportunities abound for Tanzanian Handcrafts who are willing to change and adopt effective marketing communications for their products in the export market.

Arts and artefacts are emerging potential as a sector for the growth of trade in Tanzania, although its products are so diverse, most of its sub sector contributions have been partially documented. The export value that was recorded for the British market is estimated to be more than £39,512.00 over the past six years. The current **world market** for handicrafts and artefacts stood at an impressive £144 billion in 2008 (ITC, 1998). The annual rate of growth of this market was 5.1% between 1999 and 2008 (Fwalo, 2010). As global competition around the world continues to intensify, firms are seeking strategies that will increase export performance (Aali *et al.*, 2013)

Along with that, the contribution of Tanzanian Handcrafts to global exports is becoming significant, but a large number of them are still unable to outperform in international markets due to inadequate marketing promotions (Nazar, 2009; Murray *et al.*, 2011; Mohamed and Al-Shaigi, 2014; Gaye, 2013). Specifically, Tanzania has a wide range of high quality crafts that, if properly marketed, could do well in the global market (Amka, 2009).

Tanzanian Handcrafts have been using various communication tools to promote their products. It has been noted that these firms have not progressed fast enough in the export market because of inefficient use of marketing communication tools. This study set out to assess how these marketing communication tools have been utilized and what should be done to ensure efficient use for determining business success and enhancing export performance.

The author notes that while firm performance has been studied extensively, an inquiry into how small handcrafts firms perform in foreign markets and the marketing strategies they use to promote exports has not received much attention. The study is further motivated by the fact that the export performance of developing countries is alarmingly poor, and hence there is a need for African governments to create an environment that will stimulate small tourist firms' competitiveness in the current globalized export market if the millennium development goals are to be attained (Nazar, 2009). This requires capacity building of the actors so that they can take advantage of the benefits of the market access strategies created by the global partnership for development. One such approach is to promote its products using various marketing tools.

A number of studies have attempted to identify the key factors contributing to successful export marketing. These factors include management, attitude, competitors' factors, and the peculiarity of the industry, product features and the export market (Cadogani, Diamantopoulous and Siguaw, 2002; Christensen, da Rocha, and Certner (1987); Aaby and Slater (1989); Murray *et al.*, (2011), Mohamed and Al-Shaigi, 2014, Gaye, 2013). Specifically, Gaye (2013) found out that export performance was influenced by a firm's business strategy, Aali *et al.* (2013) indicated that the basic company offering, the contractual link with foreign distributors or agents and export promotion and pricing were the major marketing decisions and factors leading to successful exports. This study focused only on promotion.

In addition to that, other studies (Aali *et al.* 2013, Murray *et al.* 2011, Mohamed and Al-Shaigi 2014, Gaye 2013) observed that promotion capability has much greater influence on the export performance of firms. Despite the greater influence of promotion on export performance, there are many challenges facing the Tanzanian Handcrafts in their desire to excel in the export market. These include the lack of education and skills to select and design proper messages in their promotional tools, the lack of appropriate promotion

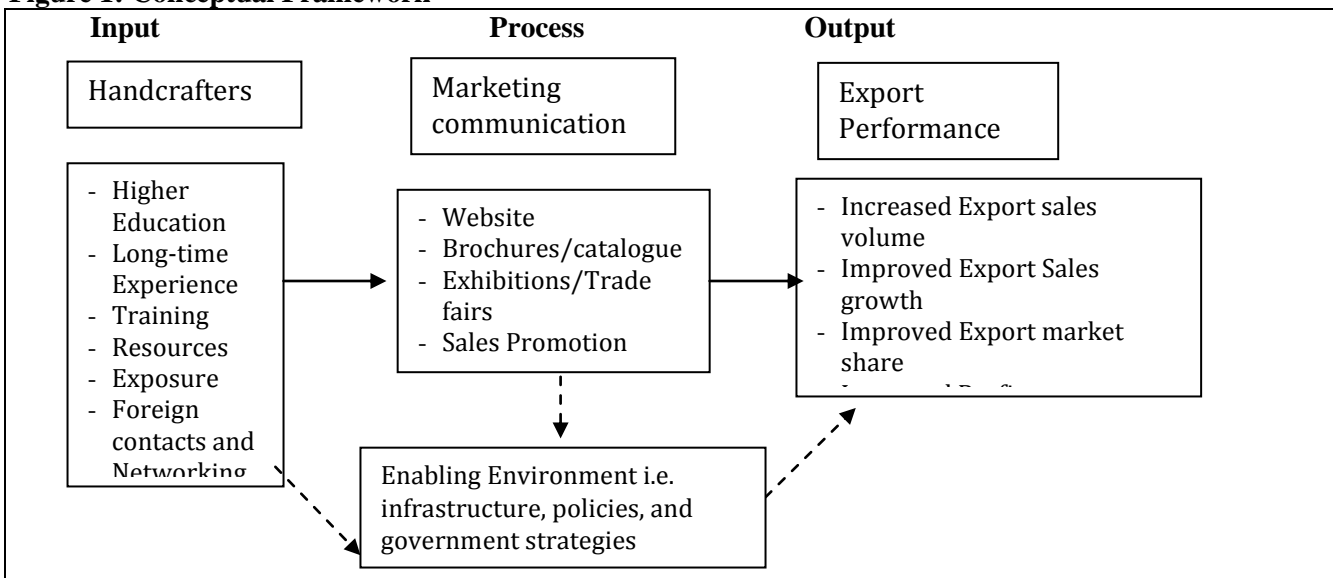
programs to reach to more customers especially the export market, the lack of appropriate strategies to achieve and sustain marketing communication over the long run, the low level of capacity to provide tailor-made promotional tools and conduct research and development programs and the lack of the government's intention to have a handicraft policy which could be used as a strategy for poverty reduction (Gerda, 2007). As the evidence above shows, most studies done in this field have dealt with the already established export performance of other products and have ignored handicrafts. For example; Carolyn Jaongewood's (2009) study on "Expanding International Trade Opportunity for Tanzanian Artisans", mentions some initiatives to assist Tanzanian Handcrafts in marketing their products, including the establishment of market centres and training. Nyaki, A. (2006) studied the knowledge and technology used and its effects on Tanzanian Handicrafts. The study concluded that knowledge was important to the artisans as well as the proper use of technology for the growth of the sector.

From the above points, it is evident that there is a gap in the existing research relating to the promotion of Tanzanian handicrafts by Tanzanian Handcrafts in order to enhance their export performance. Moreover, the contribution of the sector has only partially been documented. This study addressed the efficiency of marketing communication tools used by Tanzanian Handcrafts and how they assist in enhancing export performance. It is expected that the Tanzanian Handcrafts performance in terms of sales volume depends on the use of effective communication tools.

Conceptual/Analytical Framework

The author selected a conceptual framework (figure 1 below) that describes the marketing communication tools used by Tanzanian Handcrafts for enhancing export performance of their products. This model shows that handcrafts' knowledge, experience, exposure, resources and networks will assist them in designing marketing communications programmes and selecting appropriate tools for their products. Their knowledge will be put to use in selecting the proper communication tools to be used, designing the marketing communication message to suit the international market and choosing the suitable marketing communication tools that will influence customers to buy the products and hence improve export performance. Proper selection and design of communication tool can help Tanzanian Handcrafts to enhance their export performance, as well as other issues like the quality of their products and the production process, as shown in figure 1 which will depend on having an enabling environment.

Figure 1: Conceptual Framework



Source: Developed by the author (2016)

Well-designed marketing communication strategies will lead to a positive export performance, including a greater volume of export sales, greater market share, reasonable profits and hence the survival and sustainability of the firm in the foreign market.

METHODOLOGY

The research aimed at assessing the efficiency of marketing communication tools used by Tanzanian Handcrafts for enhancing export performance. This research employed an exploratory and descriptive type of study for the following reasons. First, the study was exploratory because it sought to gain the insights into the export performance of Tanzanian Handcrafts. Second, the study was exploratory because it sought to find out about the export performance of Tanzanian handcrafts, and how marketing communication can be used to enhance its export performance. Third, the study adopted an exploratory research design because according to Robson (2002), an exploratory study is a valuable way of finding out ‘what is happening; gaining new insights, asking questions and assessing phenomena in a new light’. Thus, it gave new insights on marketing communication tools used by SMEs for enhancing export performance, especially of the handicraft sector in Tanzania.

(Fwalo, 2009) (Gaye, 2013) (International Trade Centre, 1998) (Mountain, 2011) (Mountain, 2011) (Kothari, 2007)

The study used the quantitative research approach that was conducted mainly in the form of a survey. It captured handcrafters’ perceptions and assessment of the efficiency marketing communication tools used and their usefulness in enhancing the export performance of Tanzanian Handcrafts. Both quantitative and qualitative data were collected. The quantitative data were collected from primary sources, while the qualitative data was collected from secondary sources. The secondary sources included publications and statistical abstracts. The primary sources included questionnaires, interviews from the resource persons in the areas visited during data collection.

The approach of this study was to identify Handcrafters in Dar Es Salaam region. Handcrafts were surveyed in 3 districts of Ilala, Kinondoni and Temeke. The list of Handcrafters was established by the Tanzania Trade Development Authority (TANTRADE) and the Tanzania Handicraft Association (TANCRAFT) and a few Tanzanian Handcrafts were randomly selected in the streets where they are located.

This study was conducted using the probabilistic and non- probabilistic sampling techniques. Random sampling was employed to select 50 Tanzanian Handcrafts from the list obtained from TANTRADE and TANCRAFT who are involved directly or indirectly in exporting. Purposive sampling was applied to select 8 targeted people, who are officials from TANTRADE, officials from TANCRAFT and some members from the Ministry of Industry, Trade and Marketing. The reason for involving non-exporters was to avoid bias. Therefore, the sample size was 50 respondents. The questionnaire was developed and a few people were selected to test it and refine it before being used with the Handcrafters

FINDINGS AND DISCUSSIONS

Table 1: Respondents Profile

S/N			Frequency	Percentage
1.	Gender	Male	34	68
		Female	16	32
2.	Age	Under 30 years	04	08
		Between 30 – 39 years	28	56
		Between 40 – 49 years	12	24
		Between 50 – 59 years	05	10
		Over 60 years	01	02
3.	Education Level	Primary	09	18
		Secondary	26	52
		Post-secondary	12	24
		Other: Specify (Std iv)	03	06
4.	Position/Titles	Owners/Director	33	66
		Managers	07	14
		Employees	10	20

Source: Survey data, 2016

As it is shown from table 1 above 68% of the respondents were male and 32% were female and 56% were between 30-39 years old while 24% were 40 – 49 years old. These are the ages when a person is very strong and eager to work hard in order to succeed in life. This trend of young entrepreneurs joining the private sector suggests that the problem of finding alternative employment by this category of the population is increasing also. Therefore, much emphasis should be placed ensuring a good environment, so that the majority of them can be encouraged to grow their business. A large proportion of the respondents, 52%, had secondary education. This was followed by those with post-secondary education, 24%. Those with primary education were 08%. This is consistent with recent studies (Repoa, 2006; IFAD 2005) that show that more than half of small business operators have attained secondary or higher level education. The level of education helps entrepreneurs/Tanzanian Handcrafts measure their capability of successfully managing their business and their marketing communication. The study also reveals that 66% of the respondents were the Owners/Directors of the business, 14% were managers of the business and 20% were employees. This clearly shows that Tanzanian Handcrafts have helped to create employment for people.

Countries Visited by Handcrafters

The findings reveal that out of the 50 Handcrafters, 28 have visited 3 to 4 countries in Europe, such as the Netherlands, Germany, Spain, Denmark and Britain. 20 Tanzanian Handcrafts have visited 2 to 3 countries in America, including the United States of America (USA), Canada, and Mexico. Only 10 handcrafters owners have visited 2 to 3 countries in Asia, namely India, the Philippines and Japan. 42 Tanzanian Handcrafts have visited 5 to 7 countries in Africa. It is observed that handcrafters who have vast exposure by visiting many countries are able to create efficient marketing communication tools and thus enhance their export performance.

Table 2: Countries visited by Handcrafters

No.	Continent	No. of Tanzanian Handcrafts	Countries visited
1.	Europe	28	Netherlands, Germany, Denmark, UK, Spain
2.	Asia	10	Philippines, India, Japan
3.	America	20	USA, Canada,
4.	Africa	42	South Africa, Kenya, Uganda, Mozambique, Malawi, Ghana
5.	Other: Australia	07	Australia

Source: Survey data, 2016

Language Proficiency of Handcrafters

The language proficiency of owner manager/employees for communicating business transactions shows that 95% are proficient in Swahili as the medium of communication in business transactions. 45% are proficient in using English in business transactions. The percentages in Swahili and English are high, the main reason being that these are the official languages in the country. Only 4% are proficient in French and 4% are proficient in Germany. The failure of handcrafts to speak many languages is a major barrier to communicating with their foreign customers/tourists and promoting their products. *(Please note: one respondent can speak more than one language, hence the percentages do not sum up to 100)*

Profile of the Enterprise

The variables covered were the year business was started, countries exported to, channel members/intermediaries, gross sales, number of employees and the extent of using the internet, e-mail, website and telephone for communicating with customers.

The Year the Business Started

According to the analysis in Table 2, most of the businesses (38%) started 1-2 years ago. This analysis depicts that most small businesses do not have a long life, but die in between 1 to 3 years.

Table 2: The year business started

<i>Year the business started</i>	Frequency	%
1-2 years ago	19	38
3-5 years ago	11	22
6-10 years ago	10	20
More than 10 years	10	20
TOTAL	50	100

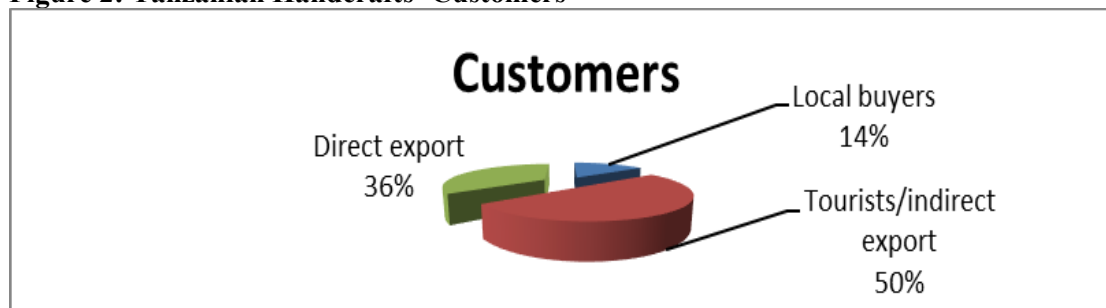
Source: Analysed Data, 2016

The results show that the percentage of Tanzanian Handcrafts decreases as the years go by. This is due to their lack of efficient marketing communication strategies, which causes sales to decline and so they fail to compete and remain in the market.

Customers

Currently, few handicrafts in Tanzania (14%) are sold to local buyers and tourists, as it can be seen in figure 2 below, with a few (36%) being exported to the USA, Canada, Australia, Germany, Britain, South Africa and Japan. The domestic market can be divided into local buyers – 14% and tourists – 50%. This study regarded selling to tourists as indirect exporting which means that export market is 84%. Other markets for Tanzania's crafts are Kenyan traders who buy Tanzania's craft pieces, blend them and re-export them to Europe and the USA.

Figure 2: Tanzanian Handcrafts' Customers



Source: Analysed Data, 2016

Countries Exported to?

As stated earlier, the USA under AGOA, the European Union under EBA offer preferential treatment for Tanzania's handicraft products. There are opportunities in other markets established through bilateral trade agreements. It is noted that it has been difficult for Tanzanian Handcrafts to increase their exports of handicrafts due to their failure to adapt to consumer needs in international markets in terms of quality, design, dimensions, standard, sizes and above all their failure to deliver on time. The lack of product development, and limited knowledge on accessing the market and the lack of market development efforts, including their failure to obtain the materials needed, and effective marketing communication programs continue to inhibit export growth in the sector.

Gross Sales

Table 3 presents sales performance based on average sales of the surveyed businesses one year ago as compared with current sales. The majority of Tanzanian Handcrafts (50%) had average yearly sales of less than \$ 500,000. Average yearly sales for the rest were as shown on the table below. Table 4.5.4 also shows the present average sales for the current year where the majority (54%) is between \$ 5,000,000 – 10,000,000, although the year has not ended. Last year's sales were greatly affected by the world economic crisis. This year the world economy has stabilized and so the handicraft sector has started to regain and increase its sales volume. It is the belief of the researcher that the increase in sales volume has been contributed to not only by relief from the economic crisis, but also by effective promotion of the tourist sector, which is associated with the handicraft sector.

Table 3: Gross Sales

	2014	%	2015	%
Less than 500,000	25	50	03	06
500,000 - 1,000,000	07	14	06	12
1,000,000 - 5,000,000	08	16	07	14
5,000,000 - 10,000,000	06	12	27	54
More than 10,000,000	04	08	07	14
TOTAL	50	100	50	100

Source: Analysed Data, 2016

The Extent of Using Various Communication Means

The findings in table 4 below indicate that 100% of the Handcrafters surveyed use landlines/mobile phones at home or in the business to a very large extent, 52%, use websites for average extent and 48% use it to a small extent. 68% of the Handcrafters use the Internet at a large extent and 32% use it at average extent. E-mail is used by 56% of Handcrafts at a very large extent, 32% as a large extent and 32% to an average extent. These results show that the extent to which Handcrafts use this technical communication means is still small due to the nature of their business. The author observed that a few handcrafts do not have the required knowledge and skills to use the internet. This calls for handcrafts who do not communicate via the internet to learn how to use it, because it is cost-effective, it serves time and it reaches many easily customers in a short time.

Table 4: The Extent of Using Various Communication Means

No	Question	To a very large extent	A large extent	Average extent	A small extent	Not at all
1	E-mail	28 (56%)	16 (32%)	06 (12%)	-	-
2	Internet	-	34 (68%)	16 (32%)	-	-
3.	Web site	-	-	26 (52%)	24 (48%)	-
4.	Telephone	50 (100%)	-	-	-	-

Source: Analysed Data, 2016

Responses to Study Questions

Marketing communication tools employed by Tanzanian Handcrafts for creating awareness amongst potential buyers in target markets (export)

The findings show that most Handcrafters (86%) use exhibitions/trade fairs to create awareness of the export market. Participating in the exhibition / trade fair is the most commonly utilized and highly effective means of promoting handicrafts so that they reach the export market. Also, 98% of Tanzanian Handcrafts use sales promotion through in-store demonstrations, point-of-sale displays, samples, sales literature etc. Point-of-sale displays/in-store demonstrations are used to attract tourists who visit their shops. Sales literature includes brochures, catalogues and cards, and it was found that 86% of Tanzanian Handcrafts use sales literature as a marketing communication tool. Advertising is used very rarely by only 6% of Tanzanian Handcrafts which advertise their handicraft products through the media (see figure 3 below).

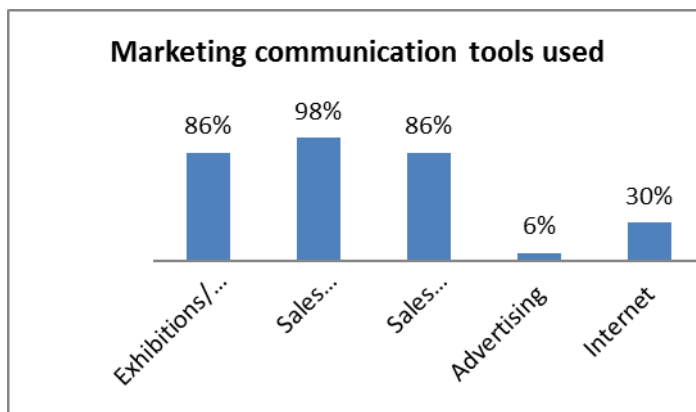


Figure 3: Marketing communication Tools used by Tanzanian Handcrafts

The major problems identified are designing the message to suite the target audience and the high cost. Tanzanian Handcrafts fail to develop a communications strategy which is both cost-effective and commercially successful due to lack of media exposure, knowledge and skills to develop advertisements. About 30% of Tanzanian Handcrafts use the internet as a marketing communication tool. The internet provides a low-cost vehicle for advertising, marketing and communicating with customers/traders worldwide. While the use of the internet is developing rapidly and is unavoidable in the 21st century, the marketing of handicrafts through this medium is currently very important. In the past it was necessary for personal contact between the seller and buyer, as well as, for close visual examination such as touching or smelling the handicraft item. It is believed that with advanced technology, the use of the internet as a communication and marketing tool for international handicraft marketing is unavoidable.

It is important to also note that the size of the Handcraft has an impact on the number and type of marketing communication tools used. Micro tourist enterprises use 2 or 3 tools, which include unplanned attendance at exhibitions/trade fairs, point-of-sale displays and few sales promotions, especially using brochures or catalogues, which do not help them much in communicating their handicraft products especially to foreign markets. Small tourist enterprises use about 3 to 4 marketing communication tools including exhibitions, point-of-sale displays, the internet to an average extent and sales promotion. Medium tourist enterprises use 4 to 5 marketing communication tools used by small tourist enterprises, but they have advanced by using advertising media and use the internet to a large extent, which makes them well-known globally and enhances their export performance as compared with micro and small tourist enterprises as can be clearly shown in table 5 below.

Table 5: Size of Tanzanian Handcrafts and Marketing Communication Tools Used

		The number of marketing communication tools used				Total
		2	3	4	5	
Size of Enterprise	Medium	0	13	9	3	25
	Small	3	1	0	0	4
	Micro	0	19	2	0	21
Total		3	33	11	3	50

Source: Analysed Data, 2016

How efficient is the selection and design of the marketing communication tools used by Handcrafts?

The findings from the survey show that some of the marketing tools used by Handcrafts are efficient and have helped some Handcrafts to increase their sales and enhance export performance. A good example of this is international exhibitions/trade fairs such as the Fair Trade, the Mwalimu Julius Kambarage International Trade Fair, and the Tanzania Crafts Exhibition, which have benefited Handcrafters who have attended them to get big orders and others have sold their handicrafts at them. Some Handcrafters (30%) who use the internet and have created good websites which are active, and have managed to make many contacts with customers, including agents, which has led to increased sales and enhanced export performance.

Those who use point-of-sale displays have managed to attract some customers who visit their shops and are motivated to buy. The researcher observed that a few Handcrafters (12%) have poor arrangements of their crafts in the shop which do not attract customers/tourists.

Further analysis by cross-tabulation of the level of efficiency of the marketing tools used by Handcrafters in their attempts to communicate with customers showed that 42% of the Handcrafters ranked the extent of efficiency of the marketing tools they used as “efficient”, as opposed to 50% of non-exporters/officials who did the same (see table 6). This implies that unless the Handcrafters change their marketing communication strategy for targeting customers they face a possible threat in their endeavour to expand their share of the export market.

Table 6: The extent of Efficiency of the Marketing tools used by Handcrafts

		Respondents		Total
		Exporters/Handcrafters	Non Exporters/Officials	
The extent of Efficiency	Very efficient	08 (16%)	1 (12.5%)	09 (15.5%)
	Efficient	21 (42%)	4 (50%)	25 (43%)
	Neither efficient nor inefficient	16 (32%)	2 (25%)	18 (31%)
	Inefficient	5 (10%)	1 (12.5)	06 (10.5%)
	Very inefficient	0 (0%)	0 (0%)	0 (0%)
Total		50 (! 00%)	8 (100%)	58 (100%)

		Value	Approx. Significance.
Interval by Interval	Pearson's R	.169	.083
Ordinal by Ordinal	Spearman Correlation	.147	.133
N of Valid Cases		58	

Source: Analysed data, 2016

Based on the above-analysed data, the calculated level of significance is 8.3%, which is above the accepted level of significance of 5%. The study statistically reveals that there is an insignificant relationship between the marketing communication tools used and their efficiency for enhancing Handcrafts' export performance.

How can Tanzanian Handcrafts Improve their Marketing Communications in Order to Enhance their Exports?

Tanzanian Handcrafts have been using various communication tools to promote their products. It has been noted that these firms have not progressed fast enough in the export market because of inefficient use of marketing communication tools. The respondents outlined various ways for improving their marketing communication processes/tools in order to enhance their exports.

The major problems identified that hinder Tanzanian Handcrafts' efficient marketing communication efforts include the lack of market information, technical know-how and resources. Tanzanian Handcrafts' marketing communication efforts should be improved for solving these problems by providing Handcraft owners/employees with training by them establishing strong networks and linkages among themselves, by the support of internal and external organizations, by developing a sector website where all the Tanzanian Handcrafts can place their advertisements, and by using experts for designing marketing communication literature.

Participating in trade fairs is a commonly used means for marketing handicraft products. The benefits of trade fairs do not come automatically. Disappointing results are frequently caused by the bad choice of fair, products that do not meet market requirements or are over-priced, inadequate planning and arrangements for participation and deficient follow-up. To achieve significant results, Tanzanian Handcrafts should plan on participating for several years and should acquire enough information and knowledge on trade fair participation. Figure 4 below shows that 94% of the respondents insisted that training should be given in planning and preparing for trade fairs. Most Tanzanian Handcrafts attend fairs without prior planning and preparation, with the result that they do not yield positive fruits as expected.

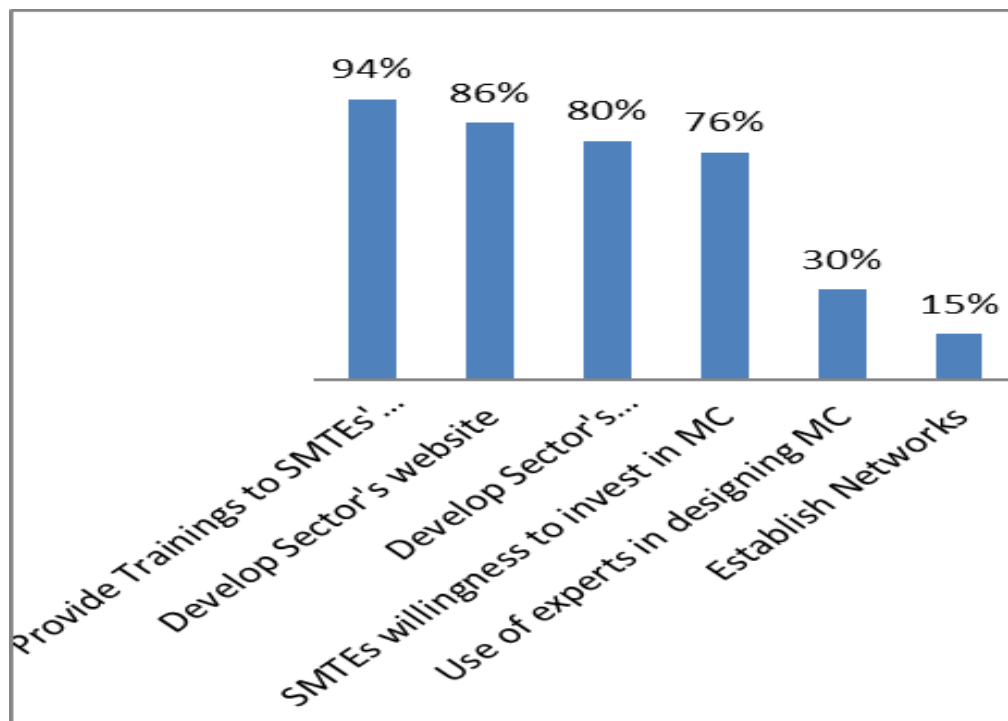


Figure 4: How to improve marketing communications

The internet provides a new and low-cost vehicle for advertising and marketing and for communicating with traders worldwide. This study revealed that some Tanzanian Handcrafts (68%) use the internet and only 48% have web sites. In the handicrafts sector where the key markets are in developed countries where competition is fierce, the web will increasingly play a vital role in the search for products, suppliers, distributors and information on prices. Although, the use of the internet as a marketing communication tool is vital, Tanzanian Handcrafts have many challenges in using it, including lack of IT knowledge, poor infrastructure, and the high cost of website development and maintenance. To improve the use of the internet by Tanzanian Handcrafts, 86% of the respondents suggested that support organizations could assist them in developing the sector's website, to which Tanzanian Handcrafts would contribute a small amount to place their ads on it, although the cost of development and maintenance of the site would be taken care of by the support organization. Also, Tanzanian Handcrafts should be trained in using the internet and those who are well-advanced could slowly start investing in it by employing a part-time or full time IT expert.

It was observed that only 6% of the Tanzanian Handcrafts use advertising as a marketing communication tool. Most Tanzanian Handcrafts avoid advertising for various reasons, such as the high cost, problems with message designing and media selection, availability and quality. 80% of the respondents thought that trade journals/magazines target specific groups of people and would be a more suitable communication vehicle for the handicrafts sector.

The findings of this study show that 86% of Tanzanian Handcrafts use sales literature like brochures, catalogue and cards. The researcher observed that some of this sales literature is in poor quality and badly designed. The development of sales literature requires special skills in graphics layout and a working knowledge of industrial printing techniques. Visual material should be prepared by professional graphic artists. Tanzanian Handcrafts have to select good printers for their sales literature. To be effective sales literature on handicrafts should capture the interests of the buyer with specific responsibilities for obtaining the handicraft items.

The author also observed that most Tanzanian Handcrafts do not see the importance of investing in marketing communication tools and do not have even marketing managers. The owners do not have the marketing knowledge needed to create effective marketing communication programs.

Responses to Hypotheses

H₁: The majority of Tanzanian Handcrafts in Tanzania does not use marketing communication tools efficiently

The following areas were tested in this hypothesis: Marketing communication tools used, and their efficiency. The summary of the statistical results obtained from the Tanzanian Handcrafts who participated in this study is analysed in Table 7 below.

Table 7: Chi square results for hypothesis one

The majority of Tanzanian Handcrafts in Tanzania does not use marketing communication tools efficiently

Chi- Square Tests			
Parameters	Value	Df	Asymp. Sig. (2sided)
Pearson Chi-Square	17.737	9	.038
Likelihood Ratio	19.499	9	.021
Linear-by-Linear Association	.112	1	.737
N of Valid Cases	50		

Source: Analysed Data, 2016

Based on the above-analysed data of the hypothesis, the calculated level of significance is 3.8%, which is below the accepted level of significance of 5%. These results are in line with the hypothesis that the majority of Tanzanian Handcrafts does not use the marketing communication tools efficiently. The hypothesis is accepted.

H₂: Poor performance of Tanzanian Handcrafts is due to their inefficient use of marketing communication tools.

Correlations

		Efficiency of marketing communication used	Sales
Efficiency of marketing communication used	Pearson Correlation	1	.374(*)
	Sig. (2-tailed)		.007
	N	50	50
Sales	Pearson Correlation	.374(*)	1
	Sig. (2-tailed)	.007	
	N	50	50

* Correlation is significant at the 0.05 level (2-tailed).

Source: Analysed Data, 2016

Based on the above-analysed data of the hypothesis, the calculated level of significance is 3.7%, which is below the accepted level of significance of 5%. The study statistically reveals that there is a significant relationship between the marketing communication tools used which lead to Tanzanian Handcrafts' better export performance. Also the chi-square test revealed the following results

Chi - Square Tests

Parameters	Value	Df	Asymp. Sig. (2sided)
Pearson Chi-Square	12.634	5	.025
Likelihood Ratio	9.879	5	.031
Linear-by-Linear Association	.192	2	.437
N of Valid Cases	50		

Source: Analysed Data, 2016

Based on the analysis of the above data, the hypothesis was accepted due to the fact that the calculated level of significance of 2.5% is lower than the acceptable level of significance of 5%. The above results agree with the chi-square values, as the likelihood ratio of data and the linear-by-linear relationship is at an acceptable rate that is within one per cent and five per cent. The study statistically shows that there is a significant relationship between efficient use of marketing communication tools and Tanzanian Handcrafts performance.

In a nutshell, these results are consistent with other studies, such as, Nazar, *et al.* (2009) who found out that advertising is positively related to export performance. Similar results are found for sales promotion and personal selling. Leonidou *et al.* (2002); Zou and Stan (1998), Francis and Collins-Dodd (2004) and Shamsuddoha and Ali (2006), found the positive effect of the use of promotion on export performance. In addition to the descriptive results and chi square tests, table 8 below shows the link between marketing communication tools and export performance obtained from the findings of the quantitative data.

Table 8: The Link Between Marketing Communication Tools and Export Performance

Tanzanian Handcrafts with High efficiency level of marketing communication	Gross Sales	Tanzanian Handcrafts with Average efficiency level of marketing communication	Gross Sales	Tanzanian Handcrafts with low efficiency level of marketing communication	Gross Sales
08	5,000,000 - 10,000,000 USD per year	23	1,000,000 – 5,000,000 USD per year	09	Less than 500,000 USD per year
16%		46%		18%	

Source: analysed Data, 2016

Table 8 shows clearly that 16% of Tanzanian Handcrafts, which used highly effective marketing communication tools had gross sales' amounting to between five and ten million USD per year as compared with those (46%) using average marketing communication tools who earn between one and five million USD per year. 18% of the Tanzanian Handcrafts use inadequate marketing communication tools, meaning that they earn less than 500,000 USD per year. From the data, it is clear that marketing communication tools used have a major impact on the performance of Tanzanian Handcrafts. Those using highly effective marketing communication tools are doing very well in export performance, those using average marketing communication tools are performing fairly well and those with inadequate marketing communication tools are performing poorly. It is very important for handcrafts to focus on effective marketing communications strategies if they want to excel and have a competitive advantage in the export market.

The author also saw the importance of conducting an analysis in order to test the relationship of the other variables used in the study and the results are shown as in table 9 below.

Table 9: The Relationship between Various Variables
Correlations

		Sales	Marketing communication tools	Languages	Years in Business	Countries Visited
Sales	Pearson Correlation	1	.689(**)	.344(*)	.126	.540(**)
	Sig. (2-tailed)		.000	.014	.383	.000
	N	50	50	50	50	50
marketing communication tools	Pearson Correlation	.689(**)	1	.237	.103	.371(**)
	Sig. (2-tailed)	.000		.097	.476	.008
	N	50	50	50	50	50
Languages	Pearson Correlation	.344(*)	.237	1	.131	.115
	Sig. (2-tailed)	.014	.097		.365	.427
	N	50	50	50	50	50
Years in Business	Pearson Correlation	.126	.103	.131	1	.096
	Sig. (2-tailed)	.383	.476	.365		.507
	N	50	50	50	50	50
Countries Visited	Pearson Correlation	.540(**)	.371(**)	.115	.096	1
	Sig. (2-tailed)	.000	.008	.427	.507	
	N	50	50	50	50	50

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Source: Analysed Data, 2016

The variables tested include the tools used, namely, languages, countries visited and the number of years since the handcrafts was established in relation to sales performance. The major reason for testing these relationships was to validate the theoretical framework that language proficiency and exposure related to the formulation of efficient marketing communication tools, which lead to the good or poor export performance of Tanzanian Handcrafts. The results are in line with the theoretical framework.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

From the findings the study observed that, most Tanzanian Handcrafts (98%) use point of sale displays to attract their customers and 86% depend on exhibitions/trade fairs to communicate with customers. In conclusion, Tanzanian Handcrafts have failed to develop a communications strategy which is both cost-effective and commercially successful due to lack of media exposure and the knowledge and skills to develop effective promotional tools.

For the second study question, it is concluded that the major problems identified that hinder handcrafts' efficient marketing communication efforts include lack of market information, technical know-how and resources. Tanzanian Handcrafts' marketing communication efforts should be improved for resolving these problems, by building the capacity of handcrafts through the provision of training, by the owners establishing strong networks and linkages among themselves, by the support of internal and external organizations, and by

developing a sector website where all the Tanzanian Handcrafts can place their advertisements, and by using experts to design marketing communication literature.

The study statistically reveals that there is a significant relationship between marketing communication tools used and handcrafts' better export performance. From the data, it is clear that marketing communication tools have a major impact on the performance of Tanzanian Handcrafts. Those using highly effective marketing communication tools are doing very well in export performance, those using average marketing communication tools are performing fairly well and those with inadequate marketing communication tools are performing poorly. It is very important for handcrafts to focus on effective marketing communications strategies if they want to excel and have a competitive advantage in the export market.

Recommendations

The study aimed to identify areas which could be important to Tanzanian Handcrafts, policy makers, academicians and researchers.

To Tanzanian Handcrafts

Most Tanzanian Handcrafts use trade fairs as their usual marketing communication tool for testing and promoting sales for export. Trade fairs should be supported financially and with technical advice at national and international level. This makes it feasible for those Tanzanian Handcrafts, which otherwise would not be in a position to utilize this method. However, one should bear in mind that trade fairs are not the only way of promoting sales abroad. A combination of other methods, such as individual sales trips, correspondence backed up by sales literature and samples, telephone contacts and worldwide visibility through the internet can also prove useful and sometimes less expensive. The alternatives should therefore be considered in the context of a comprehensive (export) marketing plan, and an appropriate mix of marketing methods and media should be established before a final decision is taken.

To improve trade fair participation as a promotion tool, preparation before the fair, during the fair and after the fair is important. Prior to the fair, Tanzanian Handcrafts should acquire enough information on the type, coverage, location, dates and reputation of the fair. They should then plan the overall operation that involves making arrangements for products, packing, shipping, budgeting, travel and hotel costs, and promotions. Care should be taken over the design and construction of the stand, transportation and customs formalities. During the fair, knowledge is needed on how to attract the attention of targeted visitors, how to display products, how to dress appropriately, and how to handle visitors using good communication skills. After the fair, following up with contacts made during the fair is needed, otherwise attending the fair will be a waste of time. Speed is important and any promise to provide samples, photographs, on information must be attended to promptly, as that could lead to sales.

Other recommendations to Tanzanian Handcrafts include:

- Reorganize and strengthen the National Art and Handicraft Association (either as producers or exporters or both)
- Invest in marketing communication tools and evaluate the efficiency of your marketing communication programmes
- Involve experts in designing marketing communication tools
- Acquire communication skills and learn how to communicate effectively with your customers
- Establish a linkage between the Association and sector-supportive trade finance institution(s)
- Participate in sector-specific export management training programmes, especially in marketing communication skills
- Participate in specialised/general international trade fairs and exhibitions

It is the view of the researcher that efforts should be made by the Tanzanian Handcrafts owner to ensure the suitability of the promotion/marketing communication tools used by measuring their effectiveness in enhancing export performance.

To Handicraft export support institutions

- Organize annual District/Regional/National Art and Craft Exhibitions
- Facilitate and support exporters to participate in international trade fairs and exhibitions
- Conduct market research and organize contact promotional programs to target markets beginning with the USA and Canada, and subsequently Europe, Japan and the Middle East
- Develop a sector website
- Develop brochures, sector magazines and promotional materials
- Facilitate/encourage traders/exporters to access trade finance/export credit
- Get sector Associations affiliated with international sector support organizations, for example, Fair Trade
- Subscribe to market information sources and disseminate market intelligence

To the government

- Formulate a Handicraft Sector policy
- Provide moral and political support to Tanzanian Handcrafts
- Provide an enabling environment for promotional activities of the sector
- Monitor and evaluate the performance

Suggestions for Further Research

The findings of this study raised both theoretical and methodological questions requiring further research. In this regard, the following areas for further research are recommended:

- This study focused only on Tanzanian Handcrafts in Dar Es Salaam, and so a study could be done on Tanzanian Handcrafts all over the country
- We studied only a single variable of the marketing mix, which is marketing communication/promotion, and further research could be done to investigate the influence of the other marketing variables on export performance
- A comparative research could be done that investigates the differences in the parameters of this study between which factors contribute to the successful performance of Tanzanian Handcrafts' exports and which hinder their performance. This would identify which factors contribute to success despite the marketing communication tools used. The findings from such research would provide useful inputs to Tanzanian Handcrafts and organizations involved in handicraft export support.

Finally, it is recommended that this study be replicated with a larger sample and other Tanzanian Handcrafts covering a wider area in many regions in Tanzania to confirm the reliability

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