

## EFFECTS OF USING MOBILE PHONES FOR MARKETING AND ADVERTISING ON CUSTOMERS AMONG SMALL AND MEDIUM ENTERPRISES IN SAME DISTRICT, TANZANIA

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### Abstract

This study investigated the effects of using mobile phones for marketing and advertisement on customers among SMEs in Same district. Specifically, the study investigated whether: SMEs use mobile phones for marketing and advertisement of their products; whether usage of mobile phones had an effect on the number of customers among the SMEs as well as whether there was a relationship between using mobile phones for marketing and advertisement and the number of customers among the SMEs. The descriptive-correlational design was employed and data were collected through a close-ended questionnaire. A total of 386 SMEs were sampled from a population of 11,000 SMEs. Data were analyzed using descriptive statistics in terms of mean scores and by an inferential statistical tool namely Pearson Product Moment Correlation Coefficient to assess the relationship between the variables. The result revealed that SMEs use their mobile phones for marketing and advertisement except via email. Also, SMEs satisfied their customers with the products offered ( $M=3.84$ ;  $SD=0.699$ ), some customers shared their experience with their friends and relatives ( $M=4.18$ ;  $SD=3.823$ ), and therefore the number of customers increased. Finally, there was a strong positive relation ( $r= 0.617$ ) between the use of mobile phones for marketing and advertisement and the number of customers. This study recommends that the SMEs in Same District should use mobile phones to improve marketing and advertisement for branded, promotional product content to their customers via email. Also, SMEs should encourage their customers to share their views about their experience regarding business.

**Keywords:** Mobile phones, makerting and advitersing, information and communication technology, small and medium enterprises

### INTRODUCTION

With the global business environment exhibiting immense dynamism, which is driven by the increasingly changing innovations in the area of Information and Communication Technologies (ICT) (Otieno et al., 2016), the innovations have continued to alter the rules of the game and expectations of the new digitized highly inter-linked economies operating in a rather global village (Muriuki, 2014). According to Hooper, Kew, and Herrington (2014), information and communication technology provide a means of communication and access to information, predominantly through modern devices like mobile phones.

A study conducted in Germany by Badzińska (2017) revealed that communication in the business-to-customer (B2C) market involves such forms of interaction via mobile devices, which are based on granting voice to service users and hearing their opinions. In this way, businesses receive opportunities to gather valuable information about their offers and can immediately respond to any hostile content appearing within the community, which may present a direct threat to the image of the brand. Badzińska (2017) identified several devices as examples of mobile devices including cell phones, Personal Digital Assistants, smartphones, or any other portable computing device.

Rajan (2019) established that the use of smartphones among SMEs in Kerala, India has become very important since many customers have shifted from traditional purchase practices to online purchases. The study further revealed that SME owners and managers use a smartphone to advertise their products via social media like WhatsApp, Twitter, and Instagram. These arguments agree with those of Finlay (2014) who argued that mobile phones fundamentally alter the way consumers shop and buy by allowing them to quickly and easily research prices and features of any product or service wherever and whenever they want. In turn, marketers and retailers are aggressively increasing their mobile marketing spending to ensure they reach their target audiences at the most opportune time (ibid.).

Following the usage of mobile phones for social and economic development, some studies further suggest that the development impact of using mobile phones can be extended to the SME, an important sector in most developing countries (Ukpere, Slabbert, and Ukpere, 2014). The studies above have indicated that mobile phone use for business advertisement and marketing could have a positive impact on the number of SMEs' customers.

A study conducted in Arusha and Kilimanjaro, Tanzania by Mbise (2016) and in Zanzibar by Said (2015) established that mobile phones are used by SME owners and managers to enhance business communication, marketing products as well as transactional purposes. Said (2015) contends that the use of ICT devices like mobile phones can provide SMEs with valuable information, increase knowledge, improve performance, improve e-relations with customers and suppliers, increase efficiency, and reduce transport costs during conducting business.

Though several related studies have been conducted in various areas of Tanzania including Arusha, Kinondoni Dar-es-salaam, and Kilimanjaro municipality no study has been conducted in Same district, Kilimanjaro to determine how the use of mobile phones for

marketing and advertisement among SMEs affects the number of customers. Thus, this study is meant to fill that gap. The study aimed to investigate the impacts of using mobile phones for marketing and advertisement on the number of customers among SMEs in Same district.

### **Statement of the Problem**

The study by Mbise (2016) noted that SMEs can be significantly helpful in the fight against poverty, which is a key phenomenon for most developing economies including Tanzania. Using mobile phones for marketing and advertisement has been a rapidly growing industry that is transforming the marketing world. There is a high number of potential customers who are not aware of the products offered by the SMEs due to the weak advertisement or unused online ads for their products and services (Khalufi, Shah, & Iqbal, 2019). Ozcan and Santos (2015) suggest that a company can easily accomplish success if it effectively uses mobile marketing for grabbing the attention of many customers.

Given the above, SMEs are required to focus on effective marketing strategy techniques to create awareness of the potential and actual customers of their products. An effective marketing campaign requires effective dealing with the exponentially rising information (Iqbal et al., 2018). By ignoring marketing and advertisement technique to boost product and service awareness, SMEs fails to acquire enough customers as a result they fail to meet sales target. Among effective marketing strategies, mobile marketing is a useful tool that can assist SMEs to promote and sell their products and services and increasing their customer base.

Yet there is a high number of potential customers who are not aware of the product offered by SMEs due to weak marketing and advertisement, SMEs are required to understand mobile marketing techniques and their effects in the current era. It is due to this background that the researcher intended to

investigate the effect of using Mobile Phones for marketing and advertisement on the number of customers among SMEs in Same district.

### Objectives of the Study

This study sought to investigate the effect of mobile phone use for marketing and advertisement on the number of customers among SMEs in Same district.

Specifically, this study sought to:

- i. To examine whether the SMEs in Same District use mobile phones for marketing and advertisement;
- ii. Assess the number of customers among the SMEs in Same District; and
- iii. Investigate the relationship between using mobile phones for marketing and advertisement and the number of customers among the SMEs in Same District.

### Research Questions

- i. Do the SMEs in Same District use mobile phones for marketing and advertisement?
- ii. What is the number of customers among the SMEs in Same District?
- iii. Is there any significant relationship between using mobile phones for marketing and advertisement and the number of customers among the SMEs in Same District?

### The Hypothesis of the Study

H<sub>0</sub>: There is no significant relationship between using mobile phones for marketing and advertisement and the number of customers among the SMEs in Same District.

### Theoretical Framework

This study was built on the Technology Acceptance Model. The Technology Acceptance Model was proposed by Fred Davis in 1985. The model assumes that

technology use is a response that can be explained or predicted by user motivation, which, in turn, is directly influenced by an external stimulus consisting of the actual technology features and capabilities (Austermann & Mertins, 2014).

By relying on prior work by Fishbein and Ajzen (1975) who formulated the Theory of Reasoned Action (TRA), Davis further refined his model to propose the Technology Acceptance Model which suggested that technology user's motivation can be explained by three factors: Perceived Ease of Use, Perceived Usefulness and Attitude toward Using Technology. The Technology Acceptance Model assumes that the attitude of a user toward technology is a major determinant of whether the user will use or reject the technology (Istanto et al., 2020). Perceived usefulness is defined as a level where an individual believes that using a certain system will help improve the individual's work performance (Rokhim, Wulandari, & Mayasari, 2018).

Based on this definition it can be concluded that the benefits of using technology can help improve the performance and work performance of SMEs which use it. The use of technology drives the intention to adopt mobile phones for gathering digital information, such as knowing which sites to use and how best to use them (Lacka & Chong, 2016). Small business owners can gain initial experience using digital mobile phone technology through their social media accounts and then with accounts specifically for their small businesses. Perceived ease of use is a technology that is defined as a benchmark for someone who believes that technology can be understood and used easily. A level or situation where a person believes that using a certain system does not require heavy effort (Istanto et al., 2020).

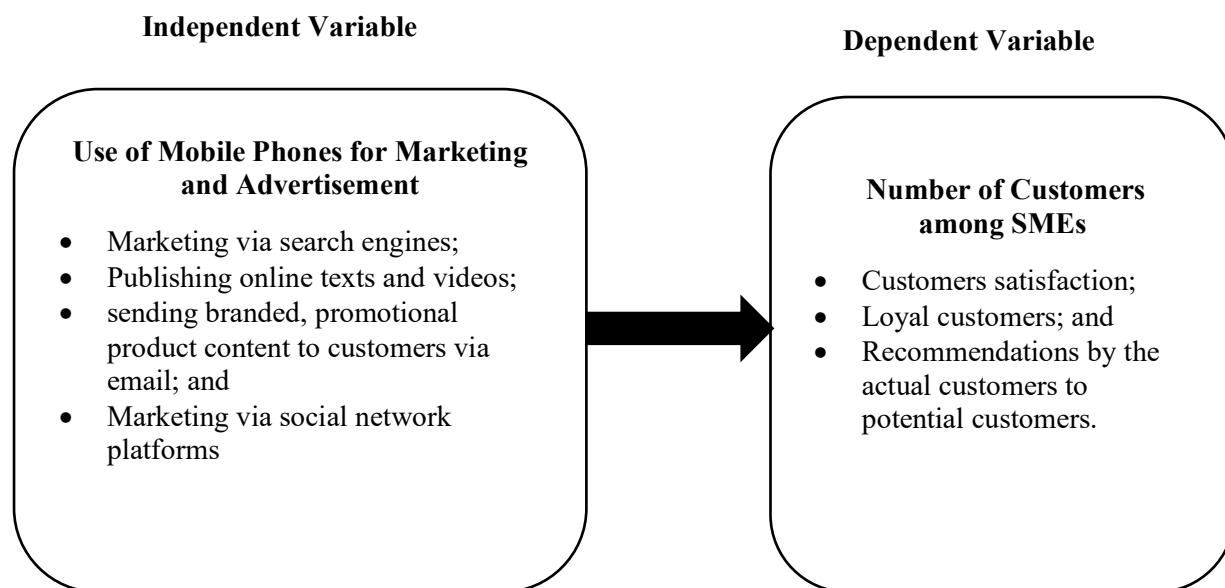
Several indicators can be used to measure perceived ease of use including flexibility, learning, and can control work. Perceived ease of use emphasizes the ease of use of the technology. A technology that is difficult to control will provide a significantly negative

level of perceived ease of use (Lacka & Chong, 2016). Attitude is an expression of feelings, which reflects whether someone is happy or not, likes or dislikes, and agrees, or disagrees with objects (Istanto et al., 2020). In the context of information system adoption (mobile phone), a negative attitude shows that the user will tend to refuse to use the information system, but if the attitude is positive, the user will accept the use of the information system. According to Technology Acceptance Model, attitudes towards information systems are directly influenced by the perceptions of the users, namely the perceived usefulness and perceived ease of use. Attitudes as a user evaluation of their interest in using information systems (Rokhim et al., 2018).

According to Matikiti et al. (2018), the attitude toward using information systems is

influenced by perceived usefulness and perceived ease of use, and according to Austermann and Mertins (2014) attitudes have a positive effect on behavioral intention. From this model, it is deduced that whenever an individual perceives that using a certain technology will assist in improving performance or will bring some benefits to the business, the individual will be eager to adopt it. At the same time, if the new technology is perceived to be easy to implement, people will not hesitate to adopt it (Matikiti et al., 2018). Thus, if SMEs understand the benefits of using mobile phones for their business-related purposes and if they can utilize them without any challenges, they can more easily accept to adopt the use of mobile phones in their daily business activities.

### Conceptual Framework



**Source:** Researcher (2022)

The conceptual framework above presents how the independent variables (Mobile phone uses for marketing and advertisement) can affect the dependent variable (SMEs number of customers). In the business context, mobile phones are used for advertisement and marketing of products through advertisement

via search engines, publishing online texts and videos, sending branded, promotional product content to the customer via email, as well as posting advertisements on social network platforms. On the other hand, the number of customers can be measured by assessing customers' satisfaction, the number of customers who tend to buy frequently

(repeaters) as well as how to do the customers of the business speak of the business to their friends and relatives.

The conceptual framework seeks to explore the relationship between the variables i.e., how the use of mobile phones in business for marketing and advertisement affects the number of customers for SMEs.

## LITERATURE REVIEW

### The Concept of Small and Medium-sized Enterprises

An enterprise is described by Al-Herwi (2019) as a controlled system comprising a detector, a selector, and an effector. The detector acquires information from the environment which forms the basis for selecting a behavioral response by the selector, which is executed by the effector. Due to the diversity of small businesses, there are varied definitions for SMEs. The basis for these definitions is also varied including capital investment, economic, social, and cultural dimensions, and the number of employees as identified by Muriuki (2014).

It's sufficient for the swiftest attempt to study SMEs to understand that there is no specific definition that may be taken as a reference by all economies, statistical agencies, or researchers of the economy. Despite the lack of universality of the definition and the lack of alignment in the criteria, the importance of SMEs definition is inalienable.

The definition of small and medium enterprises is important and useful: in the preparation of statistics and the monitoring of the health of the sector over time; in benchmarking against other economies and between regions within an economy; in providing arbitrary thresholds for the imposition of a tax or other regulations; and in determining eligibility for particular forms of public support (Berisha and Pula, 2015). SMEs are named by adjectives indicating size; thus, economists tend to divide them into classes according to some quantitative measurable indicators. The most common criterion to

distinguish between large and small businesses is the number of employees (Rokhim et al., 2018).

On the other hand, different multilateral institutions have developed their definition of an SME based on various bases some of which are discussed below. The Organization for Economic Cooperation and Development (OECD) and the International Monetary Fund (IMF), define an SME as an enterprise employing up to 249 persons. They further divide the category into micro (1-9 employees), small (10-49 employees), and medium (50-249 employees) enterprises.

Low-income economies more frequently use 50 or 100 employees as a threshold for defining an SME (OECD, 2017). The World Bank encompasses SMEs as enterprises with up to 300 employees and total annual sales of up to US\$15 million. The Tanzanian Government defines SMEs according to the sector, employment size, and capital invested in machinery. Accordingly, in Tanzania's context, SMEs are defined as micro, small and medium-sized enterprises in non-farm activities which include manufacturing, mining, commerce, and services. A micro-enterprise is defined as a firm with fewer than 5 employees, a small firm is a firm with 5 to 49 employees, and a medium enterprise is a firm with 50 to 99 employees. Any firm with 100 employees or more is regarded as a large enterprise (UKEssays, 2017). As observable in the definitions above, there are significant disparities in the manner in which different institutions define SMEs. Specifically, there is a substantial difference in the way the World Bank defines SMEs compared to other multilateral institutions.

### Empirical Literature Review

#### Uses of Mobile Phones by Small and Medium-sized Enterprises for Marketing and Advertisement

Several studies worldwide have advocated the number of mobile phone use related to Small and Medium-size Enterprises. For example, a

study by Rajan (2019) reported that mobile phone technology is used by the SMEs of the Alappuzha District of Kerala, India to enhance the online selling of goods and services. The study further reports that mobile technology enables smooth communication between SMEs and online customers, mobile phones are acting as tools for online marketing through social media like WhatsApp, Twitter, and Instagram (ibid.). The study also established that through the advertisements done on these social media platforms, the number of customers increases for these SMEs as well as an increase in sales, profit, and capital (Rajan, 2019).

These findings are supported by those of Elephant and Maphela (2018) who also reported that small businesses in South Africa use these social media as the means of advertisement and marketing for their products which helps in expanding their market shares. These arguments were also in agreement with those of Finlay (2014) who argued that mobile phones are fundamentally altering the way that consumers shop and buy by allowing them to quickly and easily research prices and features of any product or service wherever and whenever they want. In turn, marketers and retailers are aggressively increasing their mobile marketing spending to ensure they reach their targeted audiences at the most opportune time.

Another study conducted by Elephant and Maphela (2018) sought to identify the access and use of mobile technology by small businesses in South Africa and its perceived impact on their success. A positivist approach was followed with a quantitative research method albeit the study was exploratory. This study revealed that small business owners used mobile phone-enhanced social platforms like Facebook and Instagram for marketing and branding their small businesses.

## **METHODOLOGY**

### **Research Design**

The study employed a quantitative research approach using a descriptive-correlational

research design. Descriptive design was used to describe how mobile phone technology is used for marketing and advertisement among SMEs. On the other hand, correlational design was used to analyze the degree of relationship between the two variables. In this study, correlational design was employed to describe actual situations and tested the relationship between the independent variable (Use of Mobile Phones for Marketing and Advertisement) and dependent variables (Number of customers for SMEs) under investigation.

### **Population**

The information for the study was collected from a population of Small and Medium size Entrepreneurs in Same district. According to data obtained from Same District Council, the district has a total of 11,000 Small and Medium Entrepreneurs registered with special Small and Medium Entrepreneur identity cards.

### **Sample Size of the Study**

The study collected information from a fraction of the population rather than from every member of the population (Fowler Jr, 2009). In this sense, the study derived its sample size from the population of 11,000 entrepreneurs of registered SMEs with special identity cards. The sample size was determined by using Taro Yamane's (1970) mathematical formula:

### **Sample Size for Respondents**

$$n = N / (1 + N (e)^2)$$

Where:

N: signifies Total population

n: signifies desired sample size

e: signifies the margin error which is 0.05

$$n = 11000 / (1 + 11000 (0.05)^2)$$

$$n = 11000 / (1 + 11000(0.0025))$$

$$n = 11000 / (1 + 27.5)$$

$$n = 11000 / 28.5 = 385.96 \approx 386$$

$$n = 386$$

From the formula applied above, out of 11,000 registered SMEs in Same District, 386 SMEs from three wards namely, Same ward (Same town), Kisima ward, and Station ward were selected for the study.

### Sampling Procedures

Convenience sampling (also known as Haphazard Sampling or Accidental Sampling) was employed for the study. Convenience sampling is a type of non-probability sampling where members of the target population that meet certain practical criteria, such as easy accessibility, geographical proximity, availability at a given time, or the willingness to participate are included in the study (Etikan, Musa, & Alkassim, 2016). Since the SMEs in Same District were not settled in one place, testing the entire population was practically impossible because they were not easy to reach, thus, the researcher sampled only those who were available in same town ward, kisima, and station ward, and willing to participate in filling out the questionnaires.

The researcher visited small and medium entrepreneurs who were found conducting their businesses within the three wards of Same District and selected the respondents who were available on the ground and who were willing to participate in the process of data collection. None of the entrepreneurs were forced to participate in the study.

### Data Collection Methods

Data was collected using questionnaires. Self-administered questionnaires were used to obtain opinions and experiences of Small and Medium Entrepreneurs concerning the effect of mobile phones on the performance of SMEs. Closed-item questions were constructed using a five-item scale whereby respondents were asked to provide their opinions among the choices including Strongly Agree, Agree, Neutral, Disagree, and Strongly Disagree.

The first section included questions about the demographic information of respondents

such as age, gender, and experience. The second section included questions that are connected to the research objectives. The questions in this section of the questionnaires focused on exploring the opinions of the SMEs on the uses of mobile phones for marketing and advertisement on many customers of the SMEs in Same District.

### Data Analysis and Interpretation

Quantitative procedures were employed to analyze the data collected. Quantitative data that were collected by questionnaires were analyzed using Statistical Package for Social Science (SPSS) software using descriptive statistics including frequencies and percentages. The demographic characteristics of the respondents were analyzed by using descriptive analysis by the means of frequency and percentage.

The first and second research questions are, do the SMEs in Same District use mobile phones for marketing and advertisement? and What is the number of customers among the SMEs in Same District? respectively were analyzed by using descriptive statistics in terms of mean scores, whereby mean scores were interpreted under the following criteria of a five-point scale as shown in Table 1.

**Table 1: Mean Score Interpretation**

Mean Score	Interpretation
1.00-1.49	Strongly Disagree
1.50-2.49	Disagree
2.50-3.49	Neutral
3.50-4.49	Agree
4.50-5.00	Strongly Agree

On the other hand, the hypotheses which sought to assess the relationship between using mobile phones for marketing and advertisement and the number of customers among the SMEs in Same District was analyzed by the Pearson Product Moment Correlation Coefficient, an inferential

statistical tool. The nature of the existing correlation would be either positive or negative and was interpreted using the following criteria:

**Table 2: Correlation Interpretation**

Pearson correlation coefficient (r) value	Strength	Direction
Greater than .5	Strong	Positive
Between .3 and .5	Moderate	Positive
Between 0 and .3	Weak	Positive
0	None	None
Between 0 and -.3	Weak	Negative
Between -.3 and -.5	Moderate	Negative
Less than -.5	Strong	Negative

**Source:** Turney, S. (2022, September 6).

### Validity

Face validity and content validity were checked to ensure questionnaire instruments are clear and included related concepts of the research study. Two experts from the Faculty of Business Studies of the University of Arusha were consulted to check the face and content validity of the research instruments. Content validity was conducted to ensure that research instruments examined the intended research topic.

### Reliability

Reliability is used to measure the extent to which research instruments produce similar results even after they are replicated consistently. Reliability is ensured by repeating testing of a similar study population over time. Reliability is also ensured by the consistency of responses (Heale & Ywycross, 2015). According to Gokarn, (2017), for quantitative research in the field of social science, there is no general method for determining the size of a sample. In general, the sample size for the pilot study should lie between 30 to 50 units. Based on this argument, a sample of 50 SMEs was involved in this study. The questionnaire

instruments were administered to other 50 SMEs in Arusha who were randomly selected. Afterward, the results were analyzed using SPSS instruments to check the reliability and a score of .75 was obtained. Concerning reliability, Denise and Cheryl (2012) argue that a reliability of 0.6 is minimally accepted, and a reliability of 0.75 and above is regarded as excellent. Based on this ground, the results of the questionnaire instruments are regarded as reliable.

### Ethical Considerations

This study was conducted within the framework of research ethics at the University of Arusha. First of all, the study guaranteed to inform the respondents of the purpose of the research and their consent to participation. Before participation in this research, permission was requested from the authorities concerned. Moreover, the study ensured that respondents were informed about the objectives of the study before their participation. Secondly, the research study ensured the confidentiality and privacy of the research participants. Names of participants were not disclosed in this research. Moreover, respondents were not required to mention their names in the questionnaire forms.



## RESULTS AND DISCUSSION

### Demographic Information of the Respondents

Demographic information provides data regarding research participants and is

necessary for the determination of whether the individuals in a particular study are a representative sample of the target population for generalization purposes (Lee & Schuele, 2019). To justify the representativeness of the targeted population, this study analyzed the demographic information of the respondents and the findings were as presented in Table 3.

**Table 3: Demographic Information of the Respondents**

Variables	Categories	Frequency ( <i>f</i> )	Percentage (%)
Gender	Female	155	42.3
	Male	211	57.7
Age	18-30 Years	92	25.1
	31-40 Years	188	51.4
	41-50 years	66	18
	51-60 years	20	5.5
Experience	1-5 years	124	33.9
	6-10 years	183	50
	11-15 years	46	12.6
	16-20 years	13	3.6

**Source:** Survey Data (2022).

Table 3 indicates that male respondents formed the majority comprising a total of 211 respondents which is equivalent to 57.7% of the total sample size. Female respondents were 155 which is 42.3% of all the respondents. The findings imply that in Same District male respondents were more engaged in small and medium businesses than females. Even though the number of male entrepreneurs was slightly higher than female entrepreneurs, the percentages above indicate that there was more-or-less the same representation of both genders in the process of data collection which helped to capture data that addressed both genders in this study.

In terms of age, the majority of the respondents (51.4%) were from the age between 31-40 years old, followed by respondents with age between 18-30 years which consisted of 92 (25.1%) respondents. Respondents aged 41-50 were 66 (18%) while the minority fell within a group of respondents with 51-60 years (5.5%). This finding implies

that the majority of the Entrepreneurs in Same District were in the middle age group which is potential for doing business, production, and income generation.

In terms of the number of years respondents have been operating their businesses, the majority (183 respondents which is 50%) claimed to have 6 to 10 years of experience in running their businesses, 124 (33.9%) had the experience of 1-5 years of operations, while respondents with 11-15 years and 16-20 years of experience consisted of 46 (12.6%) respondents and 13 (3.6%) respondents respectively. These findings show that data were obtained from well-experienced respondents. This ensured the researcher that the data collected came from well-experienced respondents.

### Analysis of the Research Objective.

This study sought to investigate the effect of mobile phone use for marketing and

advertisement on the number of customers among SMEs in Same district. The study was guided by three research questions which together sought to investigate how the use of the mobile phone by Small and Medium-size Entrepreneurs can affect their business performance.

The first research objective of this study sought to investigate the Usage of Mobile phones for Marketing and Advertisement among SMEs in Same District. Data that were collected through closed-ended questionnaires were analyzed and presented in Table 4.

### Usage of Mobile phones for Marketing and Advertisement among SMEs

**Table 4: Usage of Mobile phones for Marketing and Advertisement among SMEs**

	N	Min	Max	Mean	Std. Deviation	Interpretation
I use Search Engine Marketing on my phone to advertise my business;	364	1	5	3.57	1.033	Agree
I publish and distribute online texts, videos, and audio material about my business to my customers via my mobile phone;	366	1	5	3.78	.945	Agree
I send branded, promotional product content to my prospective customers via email;	364	1	5	2.41	1.018	Disagree
I use social media channels installed on my mobile phone to promote my products;	366	1	5	3.76	.942	Agree

**Source:** Field Data (2022)

As indicated in Table 4, with a score of (M=3.57; SD=1.033) the respondents agreed that they advertise their businesses online through the use of search engine marketing tools. This implies that Small and Medium Entrepreneurs in Same District use search engine marketing tools via their mobile phones to advertise and market their products to reach different groups of customers. This concurs with Forsey (2020) who argued that mobile phone technology can be used for marketing and advertisement through search engine marketing tools. Further, the findings of this

study are in harmony with those of Hooper, et al. (2014) from South Africa who also reported that SMEs in South Africa use search engine tools for marketing their businesses through using mobile phone technology.

Also, with a score of (M=3.78; SD=.945), respondents agree that they publish and distribute online texts, video, and audio materials about their business to their customers via mobile phone. This implies that the SMEs in Same District use their mobile phone for marketing through publishing and distributing online texts, video, and audio

materials about their business to their customers. These findings are in line with those of Rajan (2019) who also reported that businesses in Kerala use smartphones for publishing and distributing online texts, video, and audio materials about their business to their online customers. The findings are also in agreement with Finlay (2014) who argued that mobile phones are fundamentally altering the way consumers shop and buy by allowing them quickly and easily research prices and features of any product or service wherever and whenever they want. In turn, marketers and retailers are aggressively increasing their mobile marketing spending to ensure they reach their target audiences at the most opportune time.

On the other hand, with a score of ( $M=2.41$ ;  $SD=1.018$ ) respondents disagreed that they send branded, promotional product content to their prospective customers via email. This implies that the SMEs in Same district do not utilize their mobile phones for marketing their products through sending branded, promotional product content to their prospective customers via email. Thus, it can be said that these SMEs do not fully employ emails as a tool for attracting new customers. This might be due to low awareness of the technology or attitude toward using the technology as suggested in the TMA theory, that the attitude of a user towards technology is a major determinant of whether the user will use or reject the technology (Istanto et al., 2020). These findings are contrary to those of Onyango et al. (2014) who reported that SMEs use smartphones for doing marketing through emails.

Lastly, with a score of ( $M=3.76$ ;  $SD=.942$ ), the respondents agreed that they use social media channels installed on their mobile phones to promote their products. This implies that the SMEs in Same District utilize social media channels like WhatsApp, Facebook,

Instagram, and Twitter to advertise and market their product and thus attract more customers. These findings agree with those of Rajan (2019) who reported that small and medium enterprises owners and managers in Kerala, India uses the means of the smartphone to advertise their products via social media like WhatsApp, Twitter, and Instagram.

The general findings on mobile phone usage for advertisement and marketing suggest that the SMEs in Same District use their mobile phones for marketing and advertisements through the use of search engine marketing tools, publishing and distributing online texts, video and audio materials about their business to their customers as well as using social media channels like WhatsApp, Facebook, Instagram, and Twitter. That means mobile phone technology in business links Small and Medium Entrepreneurs with their customers. These findings are in harmony with those of Elephant and Maphela (2018) who reported that small businesses in South Africa use social media on their mobile phones for advertisement and marketing for their products. Consequently, the use of mobile phones for advertisement and marketing helps to expand their market shares. Similarly, Rajan (2019) reported that mobile phone technology is used by the SMEs of the Alappuzha District of Kerala, India to enhance the online selling of goods and services.

### **Number of Customers among the SMEs in Same District**

This study sought to investigate how Small and Medium Entrepreneurs in Same District consider the roles played by mobile phone technology in helping their business gain more customers. Table 5 presents the perception of Small and Medium Entrepreneurs on their customers.

**Table 5: Number of Customers among the SMEs in Same District**

	N	Min	Max	Mean	Std. Deviation	Interpretation
My customers are satisfied with my products:	366	1	5	3.84	.699	Agree
The customers who purchase from my business tend to come again and again (Loyal customers):	366	1	5	3.94	.888	Agree
The customers who purchase from my business tend to recommend it to their friends and families:	366	1	5	4.18	3.828	Agree

**Source:** Field Data (2022)

Table 5, indicates that SMEs agreed ( $M=3.84$ ;  $SD=0.699$ ) that their customers were satisfied with the products (services and goods) they offer. This implies that the expectations of the customers on the products offered by SMEs were met. As a result of satisfying the customers, their number increased. The findings are in line with that of Zakari (2021) who argued that customer satisfaction is an important factor for business growth in terms of maintaining and increasing the number of customers.

The findings also indicate that with a score of ( $M=3.94$ ;  $SD=.888$ ) the respondents agreed that the customers who make purchases in their business tend to come again and again. This implies that the SMEs in Same District are doing well in retaining customers and perhaps making them loyal customers. Similar findings were reported by Kamunge et al. (2014) that the SMEs in Kiambu County in Kenya were doing well in maintaining their existing customers while making efforts to increase their customer bases.

In addition, with a score of ( $M=4.18$ ;  $SD=3.823$ ), it was found that SMEs in Same District agreed that the customers who purchase from their business tend to recommend it to their friends and families. These findings suggest that the news about the business which is transferred through the word of mouth from the current customers to new customers helps to increase the number of customers for Small and Medium Enterprises and therefore helps to multiply the number of customers. These findings are almost similar to those of

Njau and Njuga (2015) also established that the performance of the SMEs in Moshi Municipal was to large extent contributed by the spread of information from the existing customers of the businesses to the potential customers of the businesses.

The general findings regarding the increase in the number of customers among the SMEs of Same District suggest that the SMEs are generally experiencing incremental in the number of customers. The SMEs managed to do so because they satisfied their customers with the products offered and therefore they can increase and maintain their customers. Some of the customers share their experience with their friends and relatives and hence enabling the SMEs in Same District to gain more customers.

### **Relationship between Mobile Phones usage for Marketing and the Number of Customers among SMEs**

As mentioned earlier, the second specific research objective of this study was investigating the effect of mobile phones on the performance of SMEs in Same district on the number of

customers. This objective called for the hypothesis test. The hypothesis for this research objective was that:

**H<sub>1</sub>:** *Using Mobile Phones for marketing and advertisement positively affects the number of customers of the SMEs in Same district.*

To test this hypothesis, an inferential statistics tool namely Pearson Product Moment Correlation Coefficient was employed to assess the effect of Using Mobile Phones for marketing and advertisement on the number of customers of the SMEs in Same district. The findings obtained were as indicated in Table 6.

**Table 6: Correlation between Mobile Phone Usage for Marketing and Increase in the Number of Customers**

		Mobile Phone Usage for Marketing	Increase in the Number of Customers
Mobile Phone Usage for Marketing	Pearson Correlation	1	.617**
	Sig. (2-tailed)		.041
	N	366	366
Increase in the Number of Customers	Pearson Correlation	.617**	1
	Sig. (2-tailed)	.041	
	N	366	366

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

Table 6 indicates that mobile phone usage for marketing and advertisement by the SMEs correlated with an increase in the number of customers at  $r= 0.617$  and Sig 0.041(2-Tailed) which implies that there is a positive, strong and yet significant relationship between using mobile phones for marketing and advertisement and increase the number of customers. This finding suggests that using mobile phone technology for marketing strongly affects the increase in the number of customers positively. This implies those mobile phones are significant tools that can be used by SMEs to increase the number of their customer. These findings coincide with the findings of Wetengere (2013) who found out that the use of mobile phones in the marketing of agricultural perishable products has been very helpful or beneficial to small-scale farmers in improving their income through the increase in the number of their customers. Based on these findings, the first hypothesis of this study should be accepted.

These findings are supported by Rajan (2019) who also found that through the marketing and advertisements conducted by SME owners using their mobile phones via social media platforms, the number of customers increases for these SMEs as well as increase in sales, profit, and capital.

## CONCLUSION AND RECOMMENDATIONS

### Conclusion

After analysis of the collection, it was found that Small and Medium-sized Entrepreneurs in Same District use their mobile phones for marketing and advertisements through search engine marketing tools, publishing and distributing online texts, video, and audio materials about their business to their customers as well as using social media platforms like WhatsApp, Facebook, Instagram, and Twitter. Therefore, through

mobile phone technology in business, Small and Medium Entrepreneurs can be linked with their customers quite well, something that can help their business to be known and become popular with customers within and outside Same District. This will increase their chances of prospering and expansion which is beneficial to both SMEs and the Government through the generation of employment opportunities and an increase in Gross Domestic Product.

Secondly, regarding the number of customers among the SMEs in Same District, this study concludes that these SMEs are experiencing an increase in the number of customers. The SMEs can satisfy their customers with the product they offer, maintain their customers some customers shared their experiences with their friends and relatives and hence enabling the SMEs in Same District to maintain the current customers while gaining more customers. A positive increase in the number of customers is also beneficial to the SMEs in a way that, the SMEs can expand their sales and hence expansion in their capital and income.

Lastly, regarding the relationship between using mobile phones for advertisement and marketing and the number of customers of the SMEs in Same District, this study concludes that using mobile phone technology for marketing strongly increases the number of customers positively, that is to say, the more the SMEs in Same District use their mobile phones for marketing and advertisement of their business, the more the number of customers they get. That means the mobile phone are significant tools that can be used by SMEs to increase the number of customers, which will consequently lead to an increase in sales, revenue, business capital, and national income of the country and hence reduce the problem of poverty.

### Recommendations

Based on the findings, this study recommends that SMEs in Same District improve the use of mobile phones for marketing and

advertisement via email. SME managers and owners should be encouraged to use their mobile phones for marketing and advertisement as by doing so they will increase or create customers' awareness of the products sold by the SMEs leading to the increase in customers, sales, and profits of their business. The increase in sales and profit will lead to an increase in overall national income due to the ability of the SMEs to pay different government taxes.

Also, this study recommends creating more customers as well as maintaining them, the SMEs should be encouraged to use their mobile phones to encourage their current customers to share their thoughts about their experience regarding the business. This will enable the customers to feel valued and will help the business to gain more insights on how to further improve their businesses.

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