

THE IMPACT OF DIGITAL MARKETING ON CONSUMER BEHAVIOUR:

A case study of selected SMEs in Kampala, Uganda

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**A RESEARCH DISSERTATION SUBMITTED TO THE SCHOOL OF
BUSINESS IN PARTIAL FULFILMENT FOR THE REQUIREMENTS FOR
THE DEGREE OF BUSINESS ADMINISTRATION (MARKETING) OF
UGANDA CHRISTIAN UNIVERSITY**

September, 2023




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As per the university values of integrity and diligence, I have not received any unauthorized assistance while working on this paper. I declare that the work is authentically mine and to the best of my knowledge, it contains no traces of plagiarism or any other unethical practices. The only work used that has already been published by other persons has been purely for reference purposes.

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Date..... 11th / Sept / 2023

APPROVAL

This paper has been submitted for examination with my approval.

Signature..........

MRS. WANYENZE FLORENCE

Date..........

DEDICATION

I would like to dedicate this dissertation and research to my family, especially my parents who have groomed me and guided me through my whole life and educational journey, through giving me beneficial advice resources and support to reach this milestone.

To my lecturers and everyone who has put effort to my educational journey, thank you so much, may the good Lord bless you abundantly.

ACKNOWLEDGEMENT

I extend my heartfelt gratitude to the Almighty God for His unwavering guidance and inspiration throughout my academic journey. My deepest appreciation goes to my parents, whose unwavering support and belief in my abilities have been the cornerstone of my educational pursuits. I owe a debt of gratitude to my supervisor, Ms. Florence....., for her invaluable guidance and mentorship, which have significantly contributed to the refinement of this dissertation. Additionally, I would like to acknowledge Uganda Christian University for providing the opportunity and resources that facilitated my academic growth. In conclusion, the successful completion of this dissertation is a testament to the support and encouragement of God, my parents, my dedicated supervisor, and the academic environment at Uganda Christian University. I am profoundly thankful for their indispensable contributions to my academic journey.

ABBREVIATIONS AND ACRONYMS

UCC- Uganda Communications Commission

CRM- Customer Relationship Management

ICT- Information and Communication Technology

UPSA- Uganda Private Sector Alliance

UNBS- Uganda National Bureau of Statistics

OBCs- Online Brand Communities

OECD- Organization for Economic Cooperation and Development

PPC- Pay Per Click

SEO- Search Engine Optimization

SME- Small and Medium Enterprise

SPSS- Statistical Package for Social Science

ROI - Return On Investments

MTIC- Ministry of Trade, Industry and Cooperatives.

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ABSTRACT

Digital marketing has transformed how business and other organizations communicate with their audience. The 5D's of digital marketing includes digital devices, digital platforms, digital media, digital data and digital technology which can be used alongside traditional marketing techniques, to get closer to audiences than ever before. Consumers now have access to a much wider choice of entertainment, products, services and prices from different suppliers and a more convenient way to select and purchase items. Organizations have the opportunity to expand into new markets, of new services, interact with audiences in new ways and compete on a more equal footing with larger businesses.

Digital marketing has provided small and medium enterprises a platform to create awareness to consumers on what they offer due to their relatively low cost. Previous studies done in relation to the effect of digital marketing and social marketing either had operational or environmental differences which provided a research gap hence motivated the study objective which is to determine the impact of digital marketing on consumer behaviour around SMEs in Kampala, Uganda.

The study used a descriptive cross-sectional research design to allow analysis of SMEs in Kampala at the same time. The target population was mainly from the Top 50 SMEs for the last 5 years. From this population, a sample size of 25 SMEs was determined and randomly selected to answer the research objective.

Primary data was collected using questionnaire as the data collection instrument which was sent to either the SME owners or marketing heads. The questionnaire was structured to provide uniformity in responses. The study results indicated that email marketing and social media marketing had significant impact on SMEs sales growth and to a great extent. Mobile marketing, search engine optimization (SEO) marketing, pay-per-click (P.P.C), and online marketing all had a significant effect on SMEs' sales growth and to a moderate extent.

The study findings indicated that lack of digital media knowledge was the greatest challenge for SMEs in the adoption of digital marketing, followed by lack of suitable digital marketing techniques and the lack of finances. The findings led to the conclusion that email marketing and social media marketing are important to improve SMEs consumer behaviour while the other techniques (mobile marketing, SEO marketing, P.P.C and online marketing) had little or moderate effect on customer buying patterns.

The study recommended that SMEs should be trained and sensitized on the available digital marketing techniques and how they are suitable for their businesses. The study also recommended that proper policies should be made by the government that assist SMEs to adopt digital marketing. Finally the study recommended that SMEs should be provided with funds in order to finance their digital marketing.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter presents the background of the study, statement of the problem, research objectives, research questions and significance of the study.

1.1 Background of the Study.

Businesses usually aim to grow in terms of market size and assets and due to competition, they have to ensure they attract and retain customers in order to remain profitable. Jobber and Ellis-Chadwick (2013) noted that the marketing concept is based on the basic principle that its implementation helps in business performance. They also stated that marketing is not an abstract concept, but rather, an acid test to the impact that its use has on important corporate indices such as profitability and market share. Small and medium enterprises as business entities need to grow to ensure survival and be able to compete in the market. Ayyagari, Beck and Demirgüç-Kunt (2007) in their study stated that in both developing nations and advanced economies, small and medium enterprises contribute roughly 60 percent of the manufacturing sector's formal employment.

The growth of small and medium enterprises in any country is important since it implies a growth in economy and therefore more incentives need to be made to grow the sector. One of the factors important in the growth of SMEs is sales which generate revenues. This can be attained by marketing their products and services so as to create awareness and make their products and services preferred as compared to that of competitors. Therefore, depending on the size, resource availability and life-cycle stage of a company, marketing objectives will differ hence different marketing strategies.

According to the Uganda Communications Commission (UCC) (2016) report, the number of internet users in Uganda grew from 19.6 million in the fourth quarter of 2015 to 21.9 million in the first quarter of 2016. Consequently, the section of the Ugandan population who access the internet services reached 49.2 percent up from

38.0 percent that was recorded in the fourth quarter in 2015. Also, towards the end of the first quarter of 2016, mobile phone penetration stood at 58.1 percent with 25.8 million subscribers up from 20.1 million users in the fourth quarter of 2015. These statistics show a great potential in customer reach by marketers through digital means.

1.2 Research Problem

The importance of SMEs in both developed and developing countries cannot be overemphasized as it provides the highest employment in an economy. The sustainability of the SMEs in the economy can be achieved when they make sales and become profitable. Making consumers aware of their products and services requires marketing and the traditional methods of marketing have been seen to be beyond the reach of SMEs and therefore digital marketing has been seen as an alternative for the SMEs to reach the market to provide awareness about their goods and services.

However, the SMEs need to know the digital techniques to use, how to maximize their customer reach and also know how to measure the impact of their digital marketing.

The marketing aspect of SMEs is different to that of large corporations, therefore making the adoption of digital marketing to be a greater challenge for them (Lipiäinen and Karjaluoto, 2013). Adoption of digital channels is likely to be more successful in large businesses since they are more likely to have the necessary resources and knowledge compared to small businesses (Barnes et al., 2012). Ochieng' (2016) through a Facebook research indicated that Ugandan entrepreneurs are some of the most active small businesses that generate revenue through advertisements on Facebook.

The research continued and singled out businesses that, through Facebook advertising, have expanded in East Africa. They include children furniture brand FunKidz and an on-line restaurant guide Eat Out. Currently, a number of SMEs have embraced digital marketing and it would be important to know its impact in terms of sales growth which translates to profitability. Large companies have embraced digital marketing to compliment traditional marketing, but no accurate information is present with regards to digital usage by SMEs.

The impact of digital marketing on consumer behaviour of customers in SMEs in Uganda is what this study focused on. Various studies have been done in regards to digital marketing and how they have an effect on companies. Onyango (2016) analyzed the impact of digital marketing strategies on the performance of flowers exporting firms in Uganda, while Wanjiku (2014) did a study on impact of digital marketing on customer service at Barclays Bank of Uganda. The study done by Onyango (2016) analysed the horticulture industry and also used multiple linear regression for analysis, while the study done by Wanjiku (2014) used case study of a bank and analysed using content analysis. This study used cross-sectional research design of SMEs using Kruskal-Wallis test analysis since the data was ordinal in nature. The gap in the identified research problem and the previous research done has led the study to formulate the following research question:

what is the impact of digital marketing on consumer behaviour in SMEs in Kampala, Uganda?

1.3 Research Objectives

The objective of the study was to determine the impact of digital marketing on consumer behaviour of customers around SMEs in Uganda. The specific objectives were to:

- i) Find out how personalization in digital marketing influences consumer behaviour of customers.
- ii) Find out how social media impacts consumer behaviour
- iii) Assess how target marketing influences consumer behaviour among different customers.
- iv) Identify the digital marketing challenges experienced by SMEs in Kampala, Uganda.

1.4 Specific Research Questions

How does personalization in digital marketing influence consumer behaviour of customers?

How does social media impact consumer behaviour?

How does target marketing influence consumer behaviour among different customers?

What are the digital marketing challenges experienced by SMEs?

1.5 Value of the Study

The study is of relevance to several stakeholders and groups. Firstly, the study is valuable to SMEs in Uganda and also outside Uganda. The SME managers and owners are able to know what digital marketing method to use and how potential customers can be reached and be able to maximize their digital marketing. This in turn maximizes their sales and be able to grow and become more competitive. The study is valuable to marketers who are thereby able to know how they can be able to integrate digital marketing to the existing traditional marketing in their organizations. The impact of digital marketing in SMEs would also be similar to that of large organizations and therefore the marketing departments are also able to know how they can incorporate digital marketing.

The study is of relevance to market researchers who would want to know changes and trends in marketing. This would enable them to advise their clients accurately in order to adopt the most effective marketing mix. The study is significant to policy makers in government and other institutions such as UPSA who would want to know how to improve business opportunities for the SMEs and other companies. With this the government would provide an enabling environment with regards to I.T infrastructure, and laws and policies guiding digital marketing.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter presents the literature review on impact of digital marketing on consumer behaviour around SMEs by different scholars.

The (SMEs) thresholds themselves, however, vary substantially between countries. As the SME thresholds dictate to some extent the provision of government support, countries in which manufacturing and labour-intensive industries are prioritized politically tend to opt for more relaxed thresholds (Oketch, H., A. Abaga and D. Kulundu. 1995).

Various people and associations have come up with the definition of marketing. The American Marketing Association defines marketing as the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large (American Marketing Association, 2008). Coping with these exchange processes calls for a considerable amount of work and skill. It is involved in ten kinds of entities which are: goods, services, experiences, events, persons, places, properties, organizations, information, and ideas.

Over years, the concept of marketing has evolved from the production concept, then the product concept. This was followed by the selling concept which holds that consumers, if left alone, will not adequately buy an organization's products. This concept evolved to the marketing concept that has been practised for many years, and currently, companies have embraced the holistic marketing concept which is based on the development, design, and implementation of marketing programs, processes, and activities that recognize their breadth and inter-dependencies (Kotler & Keller, 2012). The growth of internet and digital channels has made marketing grow in leaps and bounds in terms of customer reach, the speed with which it reaches the customer, and how the company interacts with them.

In the wake of globalization and trade liberalization, there are increased opportunities to access new markets and this provides an opportunity for SMEs to expand market,

but also a challenge since they are exposed to large multinationals in their own market (OECD, 2004). This provides an opportunity for SMEs to access the new markets through marketing their products and services.

2.1 Theoretical Framework

The researcher has developed a theoretical framework and based the study on it to assist find results to the study. The dependent variable for research is the financial structure while the independent variable is digital innovation.

The conceptual framework depicts the relationship between digital marketing innovations and the consumer behaviour of customers of SMEs

In Uganda, SMEs constitute about 75 percent of the businesses, have 4.6 million people employed, accounts for 87 percent of newly-created jobs, and contributes around 20.4 percent of the Gross Domestic Product (UNBS, 2013). Prior studies from industrialized and developing countries indicate that SMEs provide an important contribution to economic development, since they are a huge channel for employment and income creation (OECD, 2004).

2.1.1 Independent variable; Digital Marketing

E-commerce Adoption: This variable represents the extent to which SMEs adopt e-commerce practices in their business operations. E-commerce adoption can lead to increased market reach, customer engagement, and sales opportunities, potentially contributing to SMEs' success.

Information Technology Infrastructure: This variable refers to the technological foundation supporting SMEs' digital capabilities. A well-developed IT infrastructure can enhance efficiency, data management, and decision-making processes, positively impacting SMEs' customer satisfaction performance.

Available Mobile Applications: This variable reflects the availability and utilization of mobile applications designed to support SME activities. Mobile apps can improve customer experience, loyalty, and accessibility, thus influencing the thriving of SMEs say the Jumia Mobile Application.

2.1.2 Moderating Variables

Organization Size: The size of an SME can moderate the relationship between the independent variables and SMEs' customers' consumer behaviour. Larger SMEs may have more resources to invest in e-commerce, IT infrastructure, and fintech collaborations, potentially leading to greater attraction and satisfaction of customers compared to smaller SMEs.

Industry Type: The industry in which an SME operates can moderate the impact of the independent variables on SMEs' success. Some industries may be more digitally advanced and receptive to e-commerce and fintech solutions, providing more opportunities for customer base thus business growth.

Innovation Structure: This variable reflects the level of innovation and adaptability within SMEs. An innovative organizational structure can positively influence the effectiveness of e-commerce adoption, IT infrastructure utilization, and fintech collaborations, contributing to SME's growth over time.

Regulatory Environment: The regulatory environment can moderate the implementation and impact of the independent variables. Favorable regulations supporting e-commerce, and digital innovation can foster SMEs' customer base expansion.

2.1.3 Dependent variable; Consumer behaviour patterns.

The researcher aims at finding the behavior that consumers exhibit when searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs and wants.

Consumer behaviour is essentially the purchasing patterns and conduct of consumers. These are people that are looking for products and services for personal consumption.

Information on customers consuming patterns; it is important to businesses around the world. This is because they are constantly looking to boost their shopping experience and eventually their sales figures.

The study of consumer behaviour allows them to understand the expectations of consumers in the market. It also helps them make changes that will empower consumers to make better purchasing decisions.

The study involves information about what consumers buy, where they buy and when they buy. It also showcases information regarding their intent, buying frequency, and more.

Market Competitiveness: SMEs' market competitiveness can be influenced by e-commerce adoption, IT infrastructure. A competitive edge gained through these factors can attract more customers and boost SMEs' customer retention.

2.2The Concept of Digital Marketing.

Nathan Research (2016); Digital marketing is that it is marketing that utilizes electronic devices (computers) such as personal computers, smart phones, cellphones, and game consoles to involve the stakeholders to be part of the process.

Digital marketing techniques have the ability copying many marketing communications aspects and traditional media channels and, in so doing, they are able to extend the marketing mix. Digital campaigns are more specific and are an element of the marketing communication mix. However, the boundaries are blurred since digital technology is not only a way of communication but it is also a technique of distribution. The flexibility provided by the technology implies that it is highly complex (Jobber & Ellis-Chadwick, 2013).

In the context of SMEs in Uganda, digital innovation plays a crucial role in reshaping their customer-seller structure and enabling them to adapt to the changing digital landscape. Digital innovation in the business systems of SMEs in Kampala explores the impact of novel technological developments on businesses/enterprises.

Also, digital technologies are being more and more significant in defining many economic activity sectors. Because of the high inter-connectivity levels, the internet has been compared to the wheel and the air-plane in terms of its ability to impact the future business and society development. The internet, consequently, has given many companies an incentive to rethink the role of technology, and findings already indicate the extent of its global impact (Jobber & Ellis-Chadwick, 2013).

Digital channels are also able to provide ways and means to personalize the media content; through the use of digital channels, customers are able to create or shape the form of brand communication, such as through stating their channel and content preference.

Kampala, like many other economies, whether developing, emerging, or developed, is heavily reliant on innovative business technologies to boost businesses, customer experiences, and economic activities. Embracing the benefits of digital marketing and technology enables economies to create new markets, foster existing innovative ideas, and establish standards for running businesses efficiently. Across Africa, including Kampala, there has been a significant shift from traditional and manual marketing systems to digital marketing systems to remain competitive in the global markets (Mminele, 2008).

a) **Online advertising;** advertisement is done on the internet and consists of advertisements placed on search engine results pages, advertisements embedded in emails, and other ways in which advertisers use the internet. The primary aim is to acquire a prospective customer to act immediately by clicking on the advert (The Saylor Foundation, 2017).

These advertisements are used to prompt various actions from potential customer and meet several marketing communications objectives such as increasing action, changing opinions, and increasing recall.

Affiliate marketing is a form of online advertising where a digital user or website promotes an online retailer and, depending on the sales or leads is generated for that online retailer, earns a commission (IAB Australia, 2016). In this case, the third party earns revenue every time a potential customer clicks on the link provided by the originator of the advert website.

b) **Search engine optimization (SEO);** process of designing the contents of the website to fit what the business prospects are looking for, and presenting it in a way which is easily accessible to both people and search engines. If a business wants to increase its targeted traffic to the website, the organic or natural search results (the results in the middle of the search engine results page) are the place to be (Ryan & Jones, 2009).

c) **Pay-per-click marketing;** provides businesses an opportunity to be highly ranked in a search pages for specific keywords and phrases through payment. It is viewed as an effective way to rapidly generate search engine traffic depending on the type of business and the specific keywords they want to rank for. Although pay-per-click continues to grow in popularity and competitiveness, keywords are becoming increasingly expensive for smaller businesses (Ryan & Jones, 2009).

d) **Viral marketing;** this involves a mixture of the several elements of digital marketing and it involves publicizing the message content through multiple channels. It may include YouTube videos, email marketing, blogs, and also some traditional components, all with a purpose of ensuring that the content captures the market attention and automatically spreads to other online communities.

2.2.1 Significance of Digital marketing for SMEs

Digital innovation has emerged as a powerful tool for SMEs, offering numerous opportunities to enhance their business operation structure. It enables SMEs to streamline operations, improve efficiency, reduce costs, and access new markets. By leveraging digital technologies, SMEs can automate marketing processes, enhance customer engagement, and gain a competitive edge in the digital era.

Bughin et al. (2018) highlight the significant impact of digital marketing on the consumer patterns of customersto SMEs. Digital innovations plays a crucial role in reshaping the customer-enterprise landscape for small and medium-sized enterprises, bringing about several key implications:

Cost Efficiency and Resource Optimization: Digital technologies enable SMEs to optimize their business resources by streamlining processes and reducing operational costs. Automation of customer searching tasks, cloud-based accounting systems, and digital payment platforms contribute to cost efficiency and improved business management (Bughin et al., 2018).

Tracking online behaviour and visitors: This has been made much easier by the digital world as marketers try to understand where online visitors come from, which pages they were viewing, the time they spent on the website, the sources which are sending quality traffic, and most importantly, whether the website visits turn into leads or conversions.

Rapid growth in intuition-driven marketing: This has brought about big data analytics making it and digital marketing get tightly interwoven. Data availability and insights make digital platforms complete and therefore provides great opportunity to make inferences by marketers from this data and make the right decisions (Jain, 2014). By being able to measure the performance of each campaign, SMEs would continuously learn how to improve their campaigns and therefore understand the relationship of the target audience with the various touch points and messages broadcasted. (Gregorio, 2016)

According to a white paper by Fernandez and Bharathi (2015), the insights derived from big data analytics helps a business to precisely drive future decisions through provision of the right message to the consumers at the right time, and for the right price.

Business Expansion and Market Reach: Digital marketing facilitates cross-border transactions and e-commerce capabilities for SMEs. By expanding their market reach through online sales channels, SMEs can tap into new customer segments, diversify revenue streams, and strengthen their customer base position (Bughin et al., 2018).

Data-Driven Financial Decision Making: Digital tools enable SMEs to collect and analyze vast amounts of financial data as products are ordered for and paid for online. This data-driven approach to decision-making enhances financial planning, risk management, and resource allocation, ultimately improving the financial structure and performance of SMEs (Bughin et al., 2018).

2.3 The concept of consumer behaviour

Consumer behaviour is essentially the purchasing patterns and conduct of consumers. These are people that are looking for products and services for personal consumption.

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The study of consumer behaviour allows them to understand the expectations of consumers in the market. It also helps them make changes that will empower consumers to make better purchasing decisions.

The study involves information about what consumers buy, where they buy and when they buy. It also showcases information regarding their intent, buying frequency, and more.

2.4 Digital Marketing and consumer behaviour.

Several studies and literature have indicated a relationship between digital marketing and consumer behaviour. Digital marketing is able to reach new customers and provide personalized communication to the customers, hence increasing awareness and consumer's knowledge on products (Jain, 2014; Jagongo & Kinyua, 2016).

Small businesses could be able to use digital media such as social media, e-mails which are known to be very cheap to access potential customers to create product awareness, while medium enterprises have some revenue to use digital tools such as pay-per-click (PPC), search engine optimization (SEO), online advertising, and viral marketing.

In Kampala, digital marketing has helped customers make the most of the transparent relationship brands are willing to have with them, in addition to providing them with better understanding of certain services and products.

However, digital marketing has also made it very difficult for consumers to stay loyal to a particular brand. Before the digital marketing revolution, consumers were always partial to a brand of their choice. They often preferred to stick to familiar products and brands. This was due to the fact that they were not exposed to a large range of products and services like they are today. Nowadays, customers are looking forward to products that provide them with better value for the same amount of money. (Jagongo & Kinyua, 2016)

This common phenomena is used by digital marketers to positively steer consumer behaviour. Through advertising online, brands highlight attractive deals, discounts, and offers that customers are happy to explore.

2.4.1 Personalization in digital marketing and consumer behaviour.

In digital marketing, personalization is the ability to tailor messaging to individual customers. It delivers personal experiences based on a consumer's previous actions,

purchase history, demographics, and browsing behavior. The most valuable data to personalize marketing with is declared data, or first-party data and has vast benefits.

Increase repeat purchases: 44% of consumers will become repeat buyers after a personalized experience with a brand.

Drive sales: marketers report a 20% increase in sales after adopting personalization.

Increase purchases: 80% of consumers have a high probability of buying from a business that provides personalized experiences. **Personalization efforts can increase revenue by up to 15%.**

Boost ROI: advanced personalization offers a \$20 return for every \$1 spent.(Blake Morgan 2021)

Decrease customer acquisition expenses by up to 50%.

Enhance customer loyalty since brands offer consumers exactly what they want. One example of personalized marketing is messaging via conversational chat-bots. The bots ask customers about their wants and needs and offer products based on their preferences. These conversations are goldmines of zero party data, which is data directly shared by customers. Companies can use this data to better understand and target their audience with relevant offers.

2.4.2 Social media on consumer behaviour.

Social Media can be defined as a group of Internet-based applications that are built on the ideological and technological foundations of the Web and that allow the creation and exchange of user-generated content. Social media is accessible and enabled by scalable communication techniques.

As social media become more and more prevalent, connecting people and facilitating the exchange of information, consumer behaviour is shifting. Through social media, consumers now can easily watch an interesting advertisement on YouTube, while posting their own opinions on Twitter and sharing it with friends on Facebook. Social media differ from paper-based media (e.g., magazines and newspapers) and

traditional electronic media such as Radio, TV in many ways, including quality frequency, interactivity, usability, and performance.

Social Media and Marketing

According to Weinberg (2009), he refers social media marketing as leveraging the 'social' through the 'media' to 'market' businesses' constituents. Social Media marketing is the process of empowering individuals to promote their services or products through different social media channels to attract a larger amount of people that may not have been available via traditional way of advertising. The advertisements via mass media are no longer as efficient as they were in the past. Social web is a place where people with common interests gather to share ideas, information, thoughts etc.

Through the channel of social media marketers can listen and respond to communities, take feedback and promote their products or services.

What makes social media marketing special?

Small and medium sized companies with small budgets can take full advantage of social media marketing when they have insufficient funds to use the traditional way of marketing. Even though social media marketing is an evolving concept, the basic idea of marketing remains the same which is to target the section of the population, communicating with prospects, building loyalty and so on, examples of the benefits being;

Get access to many growth opportunities

You can sign up and create a business account on most social media platforms for free. You can also publish organic content and get access to a large pool of potential customers for free. This is beneficial for your company because you may be able to get more advertising for less money or be able to allocate more of your marketing budget to other endeavors. Using social media opens up many opportunities for your business to gain valuable leads and sales at little or no cost.

Grow your business at a higher rate

Social media can have a higher lead-to-close rate than traditional forms of marketing and advertising. Because of the personalized experience and the direct connection and communication between businesses and customers that social media offers, customers are likely to move faster through the sales funnel. This can be beneficial because it leads to more conversions and ultimately greater profits.

Get access to paid advertising

With social media marketing, you have the option of investing in paid advertisements to reach a larger audience and make more significant returns. Different social platforms have multiple options to engage in paid campaigns. Paid advertisements allow people who may not follow your social media channels to see your content. This option also enables you to tailor your advertisements to target people who are looking for products and services similar to yours. This allows you to expand your reach, get new followers, leads and conversions for your business.

On the other hand, social media marketing also has some disadvantages as seen below according to Blake Morgan, (2021).

1. Time-consuming practice

While publishing organic content on social media is free, creating content may take a lot of time, money and effort, depending on the platform you are using and the type of content you want to share. To maintain an active social media presence and make an effective online marketing effort, you may spend a lot of time creating graphics, writing posts and engaging with members of your target audience. Setting specific times to work on content creation, review comments and feedback or using a scheduling program to post your content can help save time throughout your social media marketing strategy.

2. Non-favorable publicity

When searching the internet and social media channels for your business, you may find some negative reviews or comments. Although you can't control what people say about your business on social media, you can control how you respond to their comments. Try to answer promptly and professionally to improve your chances of

retaining existing clients and to communicate to a newer market that you're a reliable brand.

3. Lengthy result manifestation

Social media enables quick communication with your audience but it might not manifest consistent results during the early stages of your active social media presence. You may engage in social media marketing for a long time before you see an increase in engagements or a return on your investment. Keep in mind that the process could take longer than expected and continue to plan and follow the necessary steps to make it successful in the future.

2.5 Available Mobile Applications and Market Competitiveness

Available mobile applications and market competitiveness are intricately connected as digital innovations drive SMEs' accessibility and competitiveness in Kampala's market. The utilization of mobile applications, such as mobile Curt ordering and payments, empowers SMEs to enhance their digital readiness and improve customer interactions.

This, in turn, broadens their market reach, fosters customer loyalty, and ultimately enhances their market competitiveness (Qamruzzaman and Wei, 2019; Wang et al., 2022).

The availability and usability of mobile applications significantly impact SMEs' ability to adapt to the evolving digital landscape. Moderating variables, such as organization size and innovation structure, influence the extent of SMEs' access and utilization of mobile applications. Larger SMEs with greater resources may have an advantage in developing customized mobile applications, while the level of technological capabilities within SMEs impacts their mobile app adoption (Cherotich et al., 2015; Nzioka and Kamakia, 2017).

CHAPTER THREE

METHODOLOGY

3.0 Introduction.

This chapter outlines the overall methodology that will be used in the study. This includes the research design, population of the study, sample size, sampling method, data collection methods, research procedures, data collection methods and instruments, Quality control methods, data management and processing, data analysis, ethical consideration, and limitations of the study.

3.1 Research Design.

(Ahimbisibwe, M. 2021) suggests that research design deals with the detailing of procedures that was adopted to carry out the research study. This study will employ a descriptive survey research design. Descriptive survey research designs are used in preliminary and exploratory studies to allow researchers to gather information, summarize, present and interpret for the purpose of clarification. The purpose of descriptive research is determining and reporting the way things are. The study will fit within the provisions of descriptive survey research design because the researcher will collect data and report the way things are without manipulating any variables.

3.2 Area of the study.

This study will be carried out at Jumia Uganda, located on Plot 78 Luthuli Avenue, industrial Area Bugolobi, Kampala Uganda. The online shop service is chosen because it is the most popular and largest online retail enterprise in Uganda.

3.3 Study Population

According to the HRM of Jumia Uganda, there is total of 80 employees at the Bugolobi offices and these will be considered and among these employees include respondents from: Jumia Sales Agents department, Marketing and Communications department, Jumia warehouse department, then Finance and Administration. This is

because they are the people expected to have the necessary information. The researcher will use the table below to determine the sample size: (tables by Morgan 1970)

Department	Population	Sample Size	Sampling method
Sales Agents	25	20	Stratified sampling
Marketing and communications department	15	13	Convenience sampling
Warehouse department	30	26	Stratified sampling
Finance and administration	10	5	Convenience sampling
Total	80	64	

Source: MTIC 2022

Therefore from the table above, the sample size is 64 respondents got from a total population of 80 employees from the different departments in Jumia Uganda, head offices.

3.4 Sampling Procedures

The study will be carried out using the stratified and convenience sampling method whereby samples will be selected from Jumia Sales Agents department, Marketing and communications department, Jumia warehouse department, Finance and Administration departments. This is due to their convenience about the topic and area under study hence they are expected to represent each element in the population. This technique will help in reducing on the costs of collecting and analyzing data.

3.4.1 Sample Size

According to Porta, M., ed. (2014). Sample size refers to the number of individual observations or data points collected in a research study or experiment. It is a critical aspect of research design, as the size of the sample can impact the reliability and generalizability of the study's findings. A larger sample size generally provides more accurate and representative results, while a smaller sample size may introduce more variability and uncertainty

The sample size of the population was 64 individuals. Among these were those who responded positively to the questionnaire and interviews.

3.4.2 Sampling techniques

According to (Smith, T. 2009) Sampling techniques are methods used by researchers to select a subset of individuals or items from a larger population for the purpose of data collection and analysis. Sampling is often more practical and cost-effective than studying an entire population, and when done correctly, it can provide representative and accurate results. Basically two sampling techniques were used because of their ease in data collection.

Simple Random Sampling:

In simple random sampling, each member of the population has an equal chance of being selected. This is typically done using random number generators or drawing lots. It's considered one of the most unbiased sampling methods. Participants were easily chosen using this technique.

Convenience Sampling:

Convenience sampling involves selecting the most readily available individuals or items for the sample. This method is quick and easy but can lead to bias since it may not represent the population well. This method was used where some people were not willing to give in their time for interview or filling in questionnaire so those who were willing were chosen.

3.5 Data collection methods and instruments

According to Ahimbisibwe. M and Mugisha S. (2021) these are ways through which the researcher collects data from the field or area of study. These help you keep track of what you observe and how to report it. Therefore a maximum of two methods will be used by the researcher for data collection. These include; questionnaires and interviews.

3.5.1 Questionnaires:

According to Dillman, D. A., Smyth, J. D., & Christian, L. M. (2014) a questionnaire is a set of questions designed by the researcher for purpose of collecting data. It can be open ended that is question without answers semi structured (closed ended) that is some questions have answers while other part are open, and then structured where alternative answers are provided. The researcher will use structured questionnaires where alternative answers will be provided and other questions will be open ended without answers. This is because it gives the respondents opportunity to express their opinion in free flowing manner giving them time to think before answering questions since it avoids personal contact. The questions on the questionnaire will be measured using a Likert-type scale of five where 5= Strongly Agree, 4= Agree, 3=Not Sure, 2= Disagree and 1=Strongly Disagree. (Developed by Rensis Linkert in 1932)

3.5.2 Interviews:

According to Rubin, H. J., & Rubin, I. S. (2011)The interview method is a research technique where a researcher engages in direct, face-to-face, or virtual conversations with individuals or groups to gather information, insights, and data about a particular topic or research question. The various types of interviews, including structured interviews, semi-structured interviews, and unstructured interviews were used.

Interview guides or scripts were used to conduct structured, semi-structured, or unstructured interviews. These guides included a list of questions or topics to be covered during the interview.

For example face to face interviews will be used to enable the researcher to read other non-verbal communications such as gesture facial expressions; interviews will help

the researcher to get complete and immediate information. Interviews will be conducted in a quiet place without noise with the key informants from the Sales department in the enterprise and then the purpose of the interview will be explained followed by addressing the terms of confidentiality. The format of the interview which is an informal conversational interview will be established where questions will be asked and answers recorded by the interviewer.

3.6 Quality control methods

According to Noel, H.(2009) Quality control methods are essential in research to ensure that the data, processes, and outcomes are reliable, valid, and meet established standards. It helped the researcher to identify and rectify errors, maintain consistency, and produce credible research results.

Below were some of the quality control methods used.

3.6.1 Data Entry Verification:

When collecting data manually, double-entry verification is a common quality control method. Two different individuals independently enter the same data, and any discrepancies are resolved. This will help to identify and correct data entry errors.

3.6.2 Data Cleaning:

After data collection, data will be carefully cleaned. This process involves identifying and rectifying errors, such as missing values, outliers, and inconsistencies.

3.6.3 Ethical Compliance:

This was about ensuring that research adheres to ethical standards and guidelines as a critical quality control measure. This included obtaining informed consent from participants, protecting their privacy, and following ethical principles in research conduct.

3.6.4 Documentation:

Maintaining detailed records of research methods, procedures, and data sources is crucial for quality control. Well-documented research allows for transparency and the ability to reproduce results.

3.7 Data management and processing

According to Davenport, T. H., & Harris, J. (2007) Data management is the processes and practices involved in acquiring, storing, organizing, securing, and maintaining data. It encompasses all activities related to data, from its creation or acquisition to its eventual disposal.

Some of the data management tools used are shown below.

3.7.1 Automation:

Automation tools leverage data to execute marketing tasks efficiently. These tools can automate email marketing, social media posting, and even customer interactions through chat-bots, all of which rely on data for effectiveness.

3.7.2 Performance Tracking:

Data processing is crucial for measuring the success of digital marketing campaigns. Marketers use key performance indicators (KPIs) to assess metrics like click-through rates, conversion rates, and return on investment (ROI).

3.7.3 Optimization:

Based on data insights, digital marketers continuously optimize their strategies. A/B testing, for instance, relies on data to compare different versions of marketing assets and determine which performs better.

3.7.4 Predictive Analytics:

Advanced data processing techniques like machine learning and AI are increasingly used in digital marketing to predict customer behavior, identify potential leads, and optimize advertising spend.

3.8 Data Analysis

The data collected will be coded, keyed into MYSQL (a computer software database), organized, and cleaned for any errors that occurred during data collection. The data then will be analyzed using descriptive statistics with aid of the SPSS and Microsoft Excel (computer software).

Qualitative statistical techniques will be used to describe and summarize data. The results were then be interpreted in the form of descriptive statistics the frequencies and percentages. The findings will then be presented in form of tables and graphs.

Analysis involved transcribing and translating interview records, the data was categorized into different themes according to the research objectives. The analysis and discussion was then done by interlinking evidence from the primary sources and secondary sources through examining and comparing with each other in relation to the research questions and objectives that have been set for the research.

3.9 Ethical considerations.

According to the American Psychological Association (2020). ethical issues include setting clearances from the ethical body and consent of the respondents.

The researcher will exhibit a high level of ethical behaviour in the course of implementing the study; confidentiality where the information got from the field will only be used for academic purposes. There will also be obscurity of the respondents exhibited so that they can get the freedom to express themselves. More so, informed consent will be obtained from all respondents before including them in the study.

3.10 Limitations of the study

Although the research methodology would be well defined, there will be limitations of the study.

The researcher is likely to be limited by funds that will be needed to facilitate the research such as, costs in documentation for example printing questionnaires motivation to the respondents, regular transport fees to the enterprise to collect data. However the researcher will use self-initiatives and strategies to mobilize financial assistance from family and friends.

Findings from a study may not be generalization to other populations, settings, or time periods due to unique circumstances or characteristics.

Some respondents may take so long than the required time to return the questionnaires, and some of them might lose them as well delaying the researcher in meeting the set time bound for the research. This will be reduced by issuing more other questionnaires in the course of the stipulated time.

There might be limited time to the researcher, many of workers in interested departments might have no or little time to respond adequately to the questions as they continue doing their assignments. To solve this problem, questionnaires will be distributed and collected at a later time.

Lastly,he respondents may not be willing to provide some information as they are not so sure of where the information is going to be used and what for. This risk of fear may be reduced by assuring the respondents of safety and confidentiality, and using the introductory letter of confirmation from the University School of Business.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS.

4.0 Introduction

This chapter comprises of the findings collected data, its analysis process and interpretation. It provides a comprehensive analysis of the quantitative and qualitative data collected through the survey questionnaires and semi-structured interviews. The data analysis aims to address the research questions and explore the relationship between digital marketing and consumer behaviour of customers to SMEs in Kampala, Uganda.

4.1 The current state of digital marketing adoption on consumer behaviour of customers of SMEs in Uganda.

One of the objectives of this study was to evaluate the current state of digital marketing adoption on consumer behaviour of customers of SMEs in Uganda. From business evaluated from Bugolobi-Ntinda, it was found that more innovations such as online shops, mobile applications are being utilized more than other traditional or analog avenues of carrying out marketing such as banners advertisement, street promotions than before.

Case Study: The Influence of digital marketing on consumer behaviour around SMEs in Uganda(MTIC 2021)

Introduction

In 2020, Uganda confronted an unprecedented confluence of challenges, including the triple shocks of the COVID-19 pandemic, a locust invasion, and severe floods. These events disrupted the economy and pushed millions to the brink of poverty. However, amid this adversity, Uganda's proactive adoption of digital innovations offered a ray of hope for the nation's SMEs and their marketing structures.

The Triple Shocks and Their Impact on SMEs.

According to The World Bank's report titled "Digital Solutions in a Time of Crisis" laid bare the economic toll these shocks exacted on Uganda. In 2020, the country's digital innovations in marketing on SMEs' growth was projected to be between 0.4% and 1.7%, a stark contrast to the 5.6% growth experienced in 2019. These shocks led to reduced consumer spending.

Digital Innovations as a Resilience Strategy for SMEs

In the face of these formidable challenges, Uganda's SMEs turned to digital innovations to weather the storm and drive economic resilience:

Online Services:

From online shopping to remote education and telehealth, digital platforms became indispensable during the pandemic. SMEs embraced these digital avenues, realizing their potential to not only survive but thrive in the digital era.

The development and growth of digital innovations in Uganda by 2022.

Statistic/ Information	Value/ Percentage
SME growth in Uganda(2020)	0.4% to 1.8%
GDP growth in Uganda(2019)	5.6%
Increase in digital innovation(2021)	43%
Phone penetration rate in Uganda(2021)	69.2%
Businesses opting to online shop mobile applications	70.7%

Table 1 Source: World Bank(2021)

In conclusion, Uganda's response to the triple shocks of 2020 offers a compelling narrative of how digital innovations can profoundly influence consumer patterns around SMEs and reshape their marketing structures. Despite ongoing challenges,

Uganda's innovative spirit and the adoption of digital marketing solutions provide a roadmap for recovery, growth, and transformation in the SME landscape.

4.1.2 Findings on Digital marketing's influence on consumer behaviour

Consumers have embraced the internet and online socializing tools, and understand that consumer behaviour is key for marketing success. Human interaction has seen significant changes due to engagement on social networks, and the growth of web platforms has facilitated the human behavioral change of activities, habitats and interactions. As per Stokes (2011), the internet has provided a new channel for consumers, offering them more choice, influence and power. Consumers now view shopping as a daily activity due to digital connectivity and the time spent online by consumers (Powers et al., 2012).

The quotes by the respondents are in sync with the above literature regarding the impact of digital marketing on consumer behaviour. Digital marketing has provided a new channel for consumers to connect with an organization's brand, and has facilitated a human behavioral change as consumers are now turning to the digital space to follow trends, obtain information and get the latest updates on brands. It was also indicated that digital media consumption by consumers is now part of who they are. Consumers who engage through social media enjoy way communication with retail organisations and is a move away from the traditional marketing method of one way communication to the consumer.

4.2 Findings on influence of personalization Impact on consumer Behavior

Research has shown that personalization and customization can have a significant impact on consumer behavior. When customers feel that products or services are tailored to their specific needs, they are more likely to make a purchase.

Customization makes consumers feel valued.

Customization is one of the most efficient ways to make consumers feel valued and appreciated. It allows consumers to tailor products and services to their unique needs and preferences, creating a personalized experience that resonates with them.

By offering personalized options, companies can show their customers that they care about their individual needs and interests. This can lead to increased customer loyalty, as well as a stronger brand image. Consumers are more likely to engage with brands that offer customized products and services, as they feel like they have a say in the purchasing process.

In today's market, where consumers are bombarded with multiple choices, customization is a valuable tool for companies to differentiate themselves and stand out amongst their competitors.

According to consumers around Kampala, when it comes to marketing and consumer behavior, personalization can be a game-changer. Research shows that personalization leads to higher engagement and better overall customer experiences. Personalization can take many forms, from targeted emails and customized product recommendations to personalized website content and tailored social media ads.

Customization increases customer satisfaction, giving them a sense of ownership and control over their purchases. Customers appreciate having the ability to tailor their products to their specific preferences, leading to increased loyalty and repeat business.

Personalization and customization can be achieved through various means, such as product design, packaging, and marketing messaging. Additionally, customization allows companies to differentiate themselves from competitors and stand out in a crowded marketplace.

Similarly, when customers have the option to customize products, they are more likely to feel a sense of ownership and invest more in the product. Furthermore, personalization and customization can improve customer satisfaction and loyalty, which can lead to repeat business and positive word-of-mouth referrals.

We can draw inferences from the above discussion that personalization is a very important factor among all factors; it plays a very crucial role in purchase decisions.

4.3 Influence of Social Media on consumer behaviour

The study showed that there were 2.20 million social media users in Kampala, Uganda in January 2021.

The number of social media users in area of study increased by 200 thousand (+16%) between 2020 and 2021. The number of social media users in Kampala was equivalent to 7.3% of the total population in January 2021.

Social media platforms provide consumers with easy access to information about products and services. Ugandans can read reviews, watch videos, and engage in discussions to gather information before making a purchase decision. This has shifted the power from brands to consumers, as individuals can now make more informed choices.

Social media has given rise to the phenomenon of influencer marketing. Influencers are individuals with large and engaged followings who can sway consumer opinions and preferences. Consumers often trust recommendations from influencers they follow, which can lead to increased sales of products or services. This in turn increases the consumption of particular products highly marketed by established influencers say musicians like Navio, Sheebah Karungi among others.

Social media allows consumers to engage directly with brands and companies. This engagement can foster brand loyalty as consumers feel a more personal connection to the brands they interact with. Companies can use social media to address customer concerns, offer promotions, and build a community of loyal customers.

Similarly Social media has fundamentally changed the way consumers around Kampala research, engage with brands, make purchasing decisions, and even shape their preferences. It has given consumers more information, choices, and influence in

the marketplace, while also providing businesses with new tools to reach and engage with their target customers. As social media continues to evolve, its impact on consumer behavior is likely to evolve as well.

4.4 Understanding target marketing impact on consumer behaviour among different customers.

Research showed target marketing, also known as niche marketing, has a significant impact on consumer behavior. This approach involves tailoring marketing efforts to a specific segment of the population, aiming to reach individuals who are more likely to be interested in a product or service.

It was found out that target marketing can help reduce advert fatigue, which occurs when consumers become overwhelmed or disinterested in seeing irrelevant ads. By only showing adverts to individuals who are likely to be interested, businesses can avoid bombarding consumers with messages that don't resonate.

Research showed consumers are more likely to engage with marketing materials that resonate with them. Targeted marketing efforts can result in higher click-through rates, longer time spent interacting with content, and increased social media engagement. When consumers feel a connection with a brand's message, they are more likely to become loyal customers.

4.5 Digital Marketing Challenges experienced by SMEs.

4.5.1 Creating engaging content.

The definition of engaging content has shifted exponentially in recent years as video and audio have soared in popularity. Though this is not necessarily a new trend, the need to create compelling and engaging content continues to rise. Agencies are challenged to come up with new, innovative ideas to present content and communicate in new and exciting ways that are relevant to the demographics they are trying to reach.

4.5.2 Complying with privacy and data-sharing regulations.

According to Salesforce, only 27% of consumers completely understand how companies use their personal information, and 73% want more transparency.

Digital marketers are constantly having to face evolving privacy regulations and phasing out third-party cookies. As we continue to attract more and more visitors from around the world to a website, agencies must ensure they remain compliant with any laws covering a population in any country they're targeting.

4.5.3 Mobile friendly Approach.

Customers are browsing and shopping on smart phones and tablets more than ever.

Now, with more than half of all internet traffic shopping from a mobile device, it is important for agencies to ensure their website is optimized for mobile viewing.

According to a report , Covid-19 has changed consumer behaviour on mobile 'forever' with consumers spending 25% more time on their mobile apps than ever before.

4.5.4 Omni-channel marketing strategies

Businesses need to invest in omni-channel efforts, from email to social media, from their own website to search engine advertisements, and from store apps to third-party messaging platforms. Not only do marketers have to relay a consistent message across all of these various channels, it must be personalized too! According to research by Sales Force, 74% of customers have used multiple channels to start and complete a transaction.

4.5.5 Infrastructure Constraints:

In areas with limited internet connectivity and unreliable power supply, the adoption of digital tools becomes challenging. Overcoming these infrastructure barriers is crucial for widespread digital financial inclusion.

4.5.6 Cyber security Concerns:

With increased digital activity, SMEs might face cyber security threats such as data breaches and fraud. These risks can undermine financial stability and erode trust among stakeholders

By considering these opportunities and challenges, one can acquire a comprehensive understanding of how digital marketing is shaping the consumer behaviour or buying patterns of customers to SMEs in Uganda. Analyzing these factors will help in formulating strategies to maximize the positive impacts and mitigate the challenges, ensuring sustainable growth and development for SMEs in the long run and for future researchers.

4.6 Measurement of Digital Marketing Effectiveness.

There has been an increased importance to measure digital marketing success as efficiently as possible in a dynamic business landscape, as is currently the case, more than ever before.

Digital marketing tools have some ways available to measure success through various metrics that business owners can obtain (Gregorio, 2016). One of the methods used to measure digital marketing effectiveness is through analytics which is in-built in most digital marketing tools. According to a white paper presented by Fernandez and Bharathi (2015), the insights derived from big data analytics helps a business to precisely drive future decisions through provision of the right message to the consumers at the right time, and for the right price.

There has been a rapid growth in intuition-driven marketing and there has, therefore, big data analytics and digital marketing are getting tightly interwoven. Data availability and insights make digital platforms complete and therefore provides great opportunity to make inferences by marketers from this data and make the right decisions (Jain, 2014). By being able to measure the performance of each campaign, SMEs would continuously learn how to improve their campaigns and therefore understand the relationship of the target audience with the various touch points and messages broadcasted.

Tracking online behaviour and visitors has been made much easier by the digital world as marketers try to understand where online visitors come from, which pages they were viewing, the time they spent on the website, the sources which are sending quality traffic, and most importantly, whether the website visits turn into leads or conversions.

CHAPTER FIVE.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.

5.0 Introduction

This chapter involves the summary, conclusions and recommendations of the analyzed findings the researcher has gathered in order to achieve objectives of the study.

5.1 Summary of the findings

The research findings when compared to the literature review of the study, and the results were aligned to the literature. In summary, consumers have an embracing perception of digital marketing, a diverse set of characteristics and digital marketing influences consumer behaviour. These aspects were also evident in the literature review however consumer characteristics such as following trends and social information seeking emerged as new aspects.

The results were discussed in relation to the themes identified, i.e. understanding the impact of digital marketing on consumer behaviour; understanding personalization impact in digital marketing on consumer behaviour of customers; understanding social media impact consumer behaviour; understanding target marketing impact on consumer behaviour among different customers.

The first research question was centred around the impact of personalization in digital marketing on consumer behaviour. The results revealed that consumers have an embracing perception of personalized digital marketing and their uptake of the trend is on the increase. It was also established that these consumers have a diverse set of characteristics, which are influenced by the evolving trend of digital marketing. Consumers are now more connected with organisations than ever before. Lastly, it was illustrated that digital marketing does have an influence on consumer behaviour, which has evolved to incorporate the digital space into consumers' daily lives. Digital marketing has provided a new source of information for consumers and a platform to be social.

The second research question covered the aspect of understanding the impact of social media on consumer behaviour.

The third question was centered on understanding target marketing impact on consumer behaviour among different customers.

What are the digital marketing challenges experienced by SMEs?

The literature was aligned to most of the results, however certain key differences were noted and discussed. Consumers who enter the digital space have a diverse set of characteristics, and as a result of digital marketing they can make a decision on which product to purchase before entering a retail outlet. Brand loyal consumers also add a new dynamic, as aspects such as gathering information and evaluating alternatives are limited for these consumers.

5.2 Conclusions

The research study was centred around digital marketing and the impact on consumer decision making. According to Tiago and Verissimo (2014), limited research has been conducted on digital marketing from an organizational perspective, thus the academic need for this study. The business need for the study was to identify and evaluate the impact of digital on the consumer behaviour.

It can be concluded from this research that consumers in Kampala, Uganda are actively utilizing digital marketing platforms as a tool in validating their purchase decisions. Digital marketing is taken as the electronic word of mouth by majority of the respondents. Reviews and preferences by the past consumers on digital media platforms affect the decision process of potential customers.

Social media users found decision-making to be easier and enjoyed the process more, when compared to those who used other information sources. Those who perceived the information on social media to be of higher

quality and greater quantity than expectations were more satisfied overall. The results overall show that digital marketing has a strong impact on the consumer decision-making process.

To conclude, recommendations for business were discussed, which must be considered in light of limitations indicated in the research study. Lastly, future research recommendations based on this research study were outlined in the digital environment. Businesses thus need to understand the different sources of information that consumers utilize, and align their marketing messages to consumers across digital and traditional marketing channels.

5.3 Recommendations

When analyzing the themes of the study, businesses must take into account the factors regarding how digital marketing impacts the consumer decision making process.

Firstly, business needs to understand the consumer profile of digital consumers and how their behaviour has shifted. These consumers have a diverse sets of characteristics and their consumer behaviour has shifted to incorporate digital, which is becoming the way of life for consumers - especially the millennial generation – who now have the ability to make more informed decisions. Consumer access to digital is becoming easier and more convenient, so consumers now decide which channels they want to be communicated on rather than businesses deciding for them. To reach out to consumers, business needs to understand this consumer behaviour shift.

The second recommendation is for business to be present in the digital space and be represented across a wide range of digital channels. It will be a challenge for businesses to be relevant in their industry if they are not present in the digital environment. Businesses thus need to understand the different sources of information that consumers utilize, and align their marketing messages to consumers across digital and traditional marketing channels.

The next recommendation is that businesses understand how digital marketing has impacted the consumer decision making process. In the problem recognition phase, due to the consumers' ease of access to the digital environment, businesses need to market and position their products as solutions to the consumers' needs; digital content needs to appeal to consumers

In the information search phase businesses need to ensure that accurate and up-to-date information is available for the consumer to search through.

Information must be easily accessible to consumers, thus there is a need to identify the correct digital channels to utilize.

With regard to the evaluation of alternatives, which is more relevant for consumers who are not brand loyal, businesses need to have a wide range of products available in the digital environment together with the specifications of products. This will better enable the consumer to evaluate different products across different organisations.

In the purchase decision phase the consumer is ready to make the purchase. Businesses need to ensure a smooth process for the consumer to purchase, whether it is an online or in-store purchase. The product needs to be available and the checkout process needs to be a pleasurable experience for the consumer.

The last phase – the post purchase decision - can enable a business to turn a customer into a loyal consumer and become an ambassador of the brand. Here customer service plays a key role. Businesses need to develop strategies to retain consumers by resolving consumer complaints, engaging in ongoing two way communication and re-targeting of consumers.

The last recommendation to business is the evolving process of consumer decision making. Due to the digital environment, consumers can make a decision to purchase product prior to visiting a retail outlet, therefore the in-store influence on a consumer to purchase becomes minimal. In principle, businesses need to develop strategies to reach out to consumers at the moments that most influence their decisions.

5.4 Suggestions for further research.

Although the research study followed a hybrid approach, the research methodology was primarily exploratory which was based on qualitative research. The results of the study were analyzed through themes that were identified in the primary qualitative data, and supplemented with secondary qualitative and quantitative data.

Lastly, future research can be conducted taking into consideration additional factors in digital marketing and the consumer decision making process or consumer behavioral patterns, and can be compared to the findings of this study to identify any differences.

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Questionnaire

For staff of Jumia Company Limited Uganda

Dear sir/madam

My name is Alvin Aijuka Segawa, a scholar of BBA at Uganda Christian University. I am conducting a study on “the impact of digital marketing on the consumer behavior of customers, a case study of selected SMEs particularly Jumia Uganda.”

You have been specifically selected to participate in this study and the information collected shall be purely for academic purpose and treated with the highest level of confidentiality and caution.

The success of this study shall greatly dependent on your response. Your cooperation shall highly be appreciated.

Section A. Bio Data

Please circle the most appropriate answer

1. Age

- a) 20-29 years
- b) 30 -39 years
- c) 40-49 years
- d) Above 50 years

2. Gender

- a) Male
- b) Female

3. Education level

- a) Certificate
- b) Diploma
- c) Degree
- d) Masters
- e) Others specify:.....

4. Department you belong to in the Enterprise/Company

- a) Sales Agents Department
- b) Warehouse department
- c) Marketing and Communications
- d) Finance & Administration
- e) Others specify:.....

5. Period spent working in the Enterprise/ Company

- a) Less than 1 year
- b) 1-5 years

c) 6-10 years

d) Above 10 years

Note: In the following sections, rate your degree of agreement on each statement under each objective using a scale of 5(Strongly Agree), 4(Agree), 3(Not sure), 2(Disagree) and 1(Strongly Disagree).

Section B: Marketing

	Questions	Responses				
No.	Digital marketing content	5	4	3	2	1
1	High-quality digital marketing content positively impacts the perception of consumers in Uganda					
2	The relevance of digital marketing content influence consumers' decision to buy products online					
3	Well-crafted digital marketing content enhances the potential of Ugandan enterprises in the global market					
4	Effective storytelling in marketing content encourages buyers to explore different shops stations of Jumia Uganda					
5	The consistency of advertising content across marketing channels enhances its effectiveness					
6	Unique and memorable digital marketing content contributes to the growth of Uganda's trade and commerce industry					
No.	Advertising media channels	5	4	3	2	1
1	Social media platforms are effective in promoting Uganda as a trading area					
2	Television and radio advertisements play a crucial role in creating awareness about Jumia's offerings					
3	Online shop websites and purchasing platforms contribute to increased consumption by customers					
4	The use of multiple advertising channels enhances the visibility of Uganda in the global trade market					
5	Effective utilization of advertising media channels leads to better engagement with potential buyers					
6	Collaborating with consumer influencers through various channels positively impact promotion of SMEs in Uganda					
No.	Branding and promotional activities	5	4	3	2	1
1	Promotional activities, such as street jams and events, contribute to the appeal of Uganda to business investors					
2	Effective branding and promotion build trust and credibility among potential consumers					
3	Partnerships with international business agencies positively influence the promotion of Ugandan Commerce and trade					
4	The branding of Uganda as support of online enterprises attracts environmentally investors					
5	Branding and promotional efforts influence consumer decision-making processes					
6	Collaborations with other sectors, like transportation, boost the effectiveness of branding and promotional activities					

Section C: Performance of the trade and commerce industry in Uganda

Statements		Responses				
No.	Performance of trade and commerce industry	5	4	3	2	1
1	The SMEs industry in Uganda has experienced significant growth in recent years					
2	Arrival of investors in Uganda have consistently increased over the past few years					
3	Uganda's business product offerings are becoming more competitive on the global stage					
4	The business sector has played a crucial role in job creation in Uganda					
5	Uganda's reputation as a trading ground has improved in recent times					
6	Revenue generated from SMEs has been a significant contributor to the country's GDP					

Thank you very much for your time, blessings.

Interview Guide

For top management of Jumia Uganda

Dear respondent,

My name is Alvin Aijuka Segawa , a scholar of BBA at Uganda Christian University. I am conducting a study on “the impact of digital marketing on the consumer behavior of customers, a case study of selected SMEs particularly Jumia Uganda.” You have been specifically selected to participate in this study and the information collected shall be purely for academic purpose and treated with the highest level of confidentiality.

The success of this study shall greatly dependent on your response. Your cooperation shall highly be appreciated.

Section A: Introductions

- 1) Tell me about yourself (*gender, age, level of education*)
- 2) What position do you hold in the Company?
- 3) How long have you worked with the company?
- 4) What is the significance of the company to areas surrounding it?

Section B: Contribution of digital marketing on the performance of SMEs in trade industry in Uganda

- 1) How would you assess the role of digital marketing content in shaping the buying perception of Ugandans?
- 2) Can you provide specific examples of successful advertising content campaigns that have positively impacted digital and business investors in Uganda?
- 3) In your opinion, what key elements in marketing content have been most effective in promoting online enterprises?

Section C: Contribution of advertising media channels on the performance of SMEs in Uganda

- 1) Which advertising media channels do you believe have been most influential in reaching and engaging potential digital investors for Uganda?
- 2) How do you measure the effectiveness of various advertising media channels in terms of their contribution to the performance of SMEs?
- 3) Have you observed any shifts in the choice of marketing channels in recent years and their impact on consumer behaviour?

Section D: Contribution of branding and promotional activities on the performance of business enterprises in Uganda.

- 1) What role do digital marketing activities play in enhancing the competitiveness of Jumia as a leading online retail enterprise?
- 2) Could you share insights into successful branding and promotional initiatives that have led to increased business and investment in Uganda?
- 3) How does the Ministry of Trade, Industry and Cooperatives collaborate with other sectors to leverage digital marketing activities for the benefit of SMEs?

Thank you for your time, blessings.



UGANDA CHRISTIAN UNIVERSITY

A Centre of Excellence in the Heart of Africa

SCHOOL OF BUSINESS

1st Aug 2023

TO WHOM IT MAY CONCERN

Name: Alvin Aisuka Segawa Reg. No. 520805026

A bachelor's student who is seeking permission from your office to collect data for his/her dissertation titled

".....The Impact of Digital marketing.....on.....consumer behaviour....."

We shall be grateful if you could render assistance to him/her in collecting the necessary data for his/her dissertation

The Uganda Christian University School of Business thanks you in advance

.....
Mukisa Simon Peter
Research coordinator