

**THE IMPACT OF DIGITAL MARKETING ON SMALL AND MEDIUM
ENTERPRISES (SME) GROWTH IN UGANDA: A CASE STUDY OF MUKONO
MUNICIPAL COUNCIL (CENTRAL & GOMA DIVISIONS)**

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DECLARATION

I, DANIEL ATUHAIRWE hereby declare that this is my original work and has not been previously submitted to any other institution for any award. Any citations, quotations, or references to external sources of information have been properly acknowledged.

Signature *dy* Date *23/9/2025*

APPROVAL

I certify that this work is being submitted for examination with my approval as the appointed university supervisor.

Signature



Date

23/9/2025

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ACRONYMS

SMEs - Small and Medium Enterprises

GDP - Gross Domestic Product

UCU - Uganda Christian University

TAM - Technology Acceptance Model

SEM - Search Engine Marketing

MoFPED- Ministry of Finance, Planning, and Economic Development

ICT - Information and Communication Technology

UCC - Uganda Communications Commission

ABSTRACT

Small and Medium Enterprises (SMEs) are central to Uganda's economy, contributing significantly to employment and national GDP. Yet many SMEs face growth challenges linked to limited market reach, low brand visibility, and inadequate marketing resources. Digital marketing offers opportunities for SMEs to expand their customer base and improve competitiveness; however, many enterprises face barriers such as high internet costs, low digital literacy, and skepticism about effectiveness. This study examined the impact of digital marketing on the growth of SMEs in Mukono Municipal Council (Central & Goma Divisions), with specific focus on adoption levels, key constraints, and strategies for overcoming these barriers. A descriptive cross-sectional research design was employed, and data was collected through structured questionnaires administered to 30 SMEs, complemented by thematic insights from interviews. Findings revealed that SMEs moderately adopt digital tools, with WhatsApp emerging as the most dominant platform due to its affordability and accessibility. Facebook, Instagram, and Google Business profiles were moderately used, while SMS/Email marketing recorded the lowest adoption. Major barriers included high data costs, limited digital skills, and time constraints, but SMEs expressed strong willingness to adopt further digital tools if these challenges were addressed. The study concludes that digital marketing is perceived as useful but remains underutilized in Mukono. It recommends affordable SME-specific internet bundles, training programs, awareness campaigns, and government/NGO support as critical interventions. With such support, SMEs could transition from basic to more strategic use of digital platforms, positioning them for sustainable growth in Uganda's increasingly digital economy.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Small and Medium Enterprises (SMEs) are the lifeblood of many economies, especially in developing countries. In Uganda, SMEs are responsible for employment of over 2.5 million people, making up 90% of the private sector production. These SMEs account for approximately 20% of the GDP (Uganda Ministry of Trade, 2024). These enterprises span a variety of sectors including trade, education, service-delivery, agriculture. Despite their importance, many SMEs face obstacles to growth such as limited market reach, low brand awareness, and lack of access to affordable marketing channels.

The global shift to digital technologies has revolutionized how businesses interact with customers. Digital marketing - defined as the use of digital channels to promote or market products and services to consumers and businesses - offers SMEs an opportunity to compete with larger firms at a fraction of the traditional marketing costs (Chaffey & Ellis-Chadwick, 2019). According to the Ministry of Finance, Planning, and Economic Development (MoFPED) financial report 2023-2024, the internet penetration in Uganda has increased from 25% to 64% over a span of eight years (Commission, 2023). This spike has created a fertile ground for digital engagement.

However, adoption of digital marketing tools among Ugandan SMEs remains inconsistent and largely undocumented. Tools such as social media marketing, search engine optimization (SEO), email marketing, and pay-per-click advertising are available but underutilized due to challenges like limited digital literacy, inadequate infrastructure, and skepticism about online platforms.

1.2 Problem Statement

While digital marketing holds immense promise for SME growth, the actual impact remains underexplored in the Ugandan context. Small and Medium Enterprises (SMEs) play a crucial role in Uganda's employment, contributing significantly to employment and GDP. Many SMEs in Uganda operate within limited marketing budgets and minimal digital presence. Those who engage in digital marketing often lack strategic direction, consistency, or expertise. There is scant empirical data to validate how digital marketing contributes to core growth indicators like customer acquisition, sales, and brand visibility. This study seeks to identify and examine the constraints encountered by SMEs in digital marketing and propose feasible solutions to address them, as several studies confirm that high internet costs, low digital skills, and lack of institutional support are persistent challenges for SME digital adoption in Africa ((Simplice A. Asongu, 2019), (Jacinta Dsilva, 2021).

1.3 Purpose of the Study

To investigate the impact of digital marketing on the growth of SMEs in Uganda, using Mukono Municipal Council as a case study.

1.4 Objectives of the Study

1. To examine the level of digital marketing adoption among SMEs.
2. To identify the key constraints hindering SMEs from adopting digital technologies.
3. To propose viable strategies and solutions for overcoming the identified constraints to digital adoption.

1.5 Research Questions

1. What is the level of digital marketing adoption among SMEs?
2. What are the key constraints preventing SMEs from adopting digital marketing technologies?
3. What viable strategies can be implemented to help SMEs overcome barriers to digital marketing adoption?

1.6 Scope of the Study

1.6.1 Geographical scope: SMEs operating in and around Mukono Municipal Council (Central and Goma divisions).

1.6.2 Content scope: Digital marketing strategies and their impact on customer growth, revenue, and visibility.

1.7 Time scope: The study will analyze data and trends from 2022 to 2025.

1.8 Justification

Digital marketing is no longer a luxury but a necessity. Yet many SMEs in Uganda lag behind due to the various socio-economic and technological barriers. This study will address a real gap in academic and business knowledge, aiming to bridge theory and practice for the benefit of SME owners, students, and educators, consistent with calls for more context-specific research on SME digitalization in emerging economies (Yogesh Kumar Dwivedi E. I., 2020).

1.9 Significance of the Study

The findings will:

- ❖ Help SME owners and managers make informed marketing decisions.
- ❖ Inform government and NGOs on where to channel support for SME digitization.
- ❖ Serve as a valuable resource for academic researchers and students.

1.10 Conceptual Framework

Independent variable: Digital marketing tools (social media, email, SEO, ads)

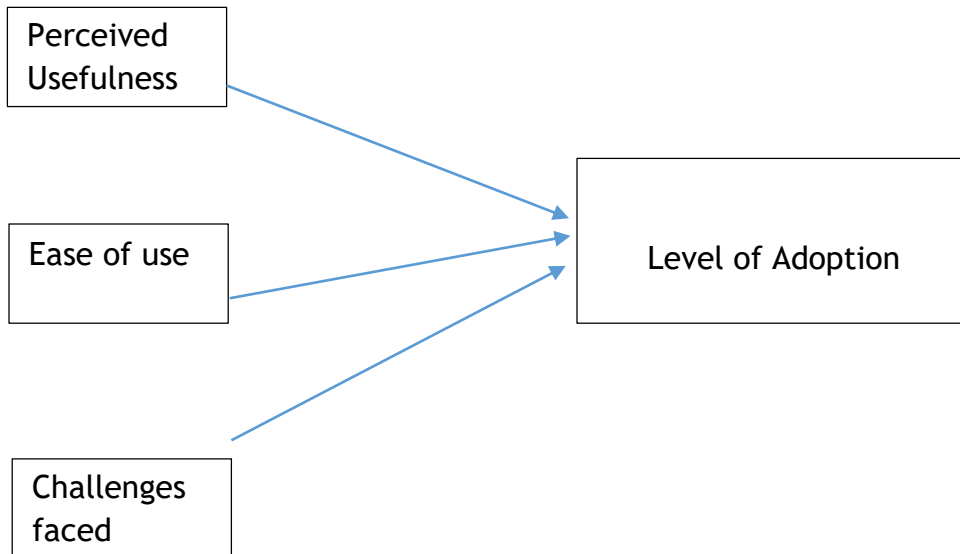
Mediating variables: Digital literacy, internet infrastructure, marketing budget

Dependent variable: SME growth (revenue, customer base, brand recognition)

CHAPTER TWO: LITERATURE REVIEW

2.1 Theoretical Literature

TAM Model



This study is grounded in The Technology Acceptance Model (TAM) framework which helps to contextualize how SMEs in Uganda benefit from digital marketing.

The Technology Acceptance Model (TAM) was originally developed by Fred Davis in 1986 as part of his doctoral research to explain user acceptance of technology based on two variables: perceived usefulness and perceived ease of use. It has since been refined and extended by contemporary researchers to better suit modern digital environments (Yogesh Kumar Dwivedi M. A., 2015). In the context of SMEs, TAM implies that business owners will adopt digital marketing tools if they believe these tools will enhance business performance and are easy to operate (Alalwan, 2018). These findings are especially relevant in Uganda, where cost, simplicity, and immediate utility are crucial for tech adoption among small enterprises.

2.2 Empirical Literature

Global and regional research underscores digital marketing's potential to accelerate SME development.

In a large-scale meta-analysis, (Yogesh Kumar Dwivedi E. I., 2020) found that SMEs experienced increased brand visibility and market reach through digital marketing. They noted the use of multi-channel digital presence (including websites, social media, and SEO) enabled higher customer and acquisition rates.

In a case study of “Dogtas Exclusive” in Kampala, (Niwamanya, 2024) showed that content marketing and SEO had significant positive correlations with operational performance, while limited digital skills significantly hindered SME's ability to maximize social media benefits. Internationally, (Yogesh Kumar Dwivedi E. I., 2020) conducted a meta-analysis of digital transformation in SMEs and concluded that digital marketing adoption enhances agility, customer responsiveness, and market penetration. This study emphasized that SMEs must develop not only the tools but also the organizational culture to support digital innovation.

Despite these promising results, there remains a scarcity of research specific to academic-linked SMEs in Uganda. Given that SMEs within academic communities often include start-ups and youth-owned initiatives, their motivations, capacities, and digital behaviors may differ significantly.

2.3 Identified Gaps

While previous studies provide valuable insights, several gaps exist:

1. Limited context-specific research on SMEs within academic ecosystems such as UCU.
2. Few studies examining the interplay between digital literacy, infrastructure, and effective digital marketing among Ugandan SMEs.
3. Inadequate integration of theoretical frameworks like TAM and RBV to explain digital marketing adoption behavior.

This study aims to fill these gaps by exploring digital marketing's role in SME growth among enterprises in Mukono Municipal Council, offering practical and theoretical contributions.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

This study adopts a descriptive cross-sectional research design, suitable for obtaining a snapshot of current practices, challenges, and impacts of digital marketing among SMEs at a single point in time. The descriptive component allows the researcher to describe existing conditions, while the cross-sectional approach enables the collection of data from a sample at one point in time without manipulating variables. This design is especially appropriate in business studies exploring relationships among multiple variables.

3.2 Area of Study

The study will be conducted in Mukono District, focusing on SMEs in the Central & Goma Divisions. These businesses include small restaurants, bakeries, lodges, hardware stores, among others.

3.3 Population and Sampling

3.3.1 Target Population:

SMEs operating in Mukono District, Central & Goma Divisions, particularly those utilizing or planning to use digital marketing strategies.

3.3.2 Sample size:

A sample of 30 SMEs was selected from an estimated population of around 200 SMEs in the area.

3.3.3 Sampling Technique:

The study used purposive sampling, targeting SMEs that actively use or intend to use digital marketing. This is appropriate because the study aims to examine specific practices and perceptions related to digital marketing tools (Mark NK Saunders, 2023).

3.4 Data Collection Instruments

1. Structured Questionnaires

These collected quantitative data on digital marketing tools used, frequency, platforms, and perceived outcomes. Questions will be closed-ended (Likert scale).

2. Semi-Structured Interviews

Interviews with selected SME owners will provide qualitative insights into challenges, experiences, and opinions regarding digital marketing.

Data Collection Procedures

1. Face-to-face tools will be used to maximize response rates.

Data Analysis Techniques

This study will primarily rely on descriptive statistics to analyze quantitative data obtained through questionnaire. The data will be summarized using frequencies, percentages, visual aids such as bar graphs and pie charts to show trends in digital marketing adoption, perceived effectiveness, and common challenges among SMEs.

For qualitative data from interviews and open-ended questionnaire responses, the study will employ thematic analysis.

3.5 Ethical Considerations

This research will uphold ethical standards by ensuring:

- ❖ Informed consent from all participants
- ❖ Confidentiality and anonymity of all data collected
- ❖ Use of data only for academic purposes
- ❖ Participants can withdraw at any time without consequences

3.6 Limitations of the study

- ❖ The study is limited to Mukono District SMEs and may not generalize to all Ugandan SMEs.
- ❖ Self-reported data may be subject to bias.
- ❖ Time and resource constraints may limit the breadth of data collection.

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF FINDINGS

4.1 INTRODUCTION

This chapter presents, analyzes, and interprets the findings of the study based on data collected from SMEs in Mukono Municipal Council (Central & Goma Divisions). The data was collected through structured questionnaires and analyzed using descriptive statistics such as means, frequencies, and percentages, supported by charts and tables. Thematic analysis was applied to open-ended questions.

The purpose of this chapter is threefold:

- 1) To present the actual data collected

- 2) To interpret what the data means in relation to the objectives of the study
- 3) To compare these findings with insights from previous research

4.2 Ease of Use and Usefulness of Digital Marketing Tools

Respondents were asked to indicate their level of agreement with the statements on the ease of use and perceived usefulness of digital marketing tools.

Table 1: Mean and Standard Deviation – Ease of Use & Usefulness Statements

Statement	Mean	Std. Dev	Interpretation (vs neutral=3)	Implication
Ease of use	3	1.61	Neutral / Mixed views	SMEs are divided on ease of use, suggesting some find tools while others face challenges
Ease of learning	3	1.52	Neutral / Mixed views	Shows a mixed perception; training may help standardize skills across SMEs
Ease of teaching staff	2	1.55	Below neutral - Disagreement	SMEs struggle to transfer digital skills to staff, highlighting a need for capacity building.
Helps to get customers	4	1.21	Above neutral - agreement	Confirms that SMEs recognize digital marketing as effective for customer acquisition
Increases sales	4	1.25	Above neutral - agreement	Respondents strongly believe digital marketing contributes to revenue growth

Better than traditional marketing	3	1.55	Neutral / Mixed	SMEs remain undecided, showing reliance on both digital and traditional methods
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Source: Primary data, 2025

4.1 Bar Chart representing the SME’s Perceptions on Usefulness of Digital Marketing

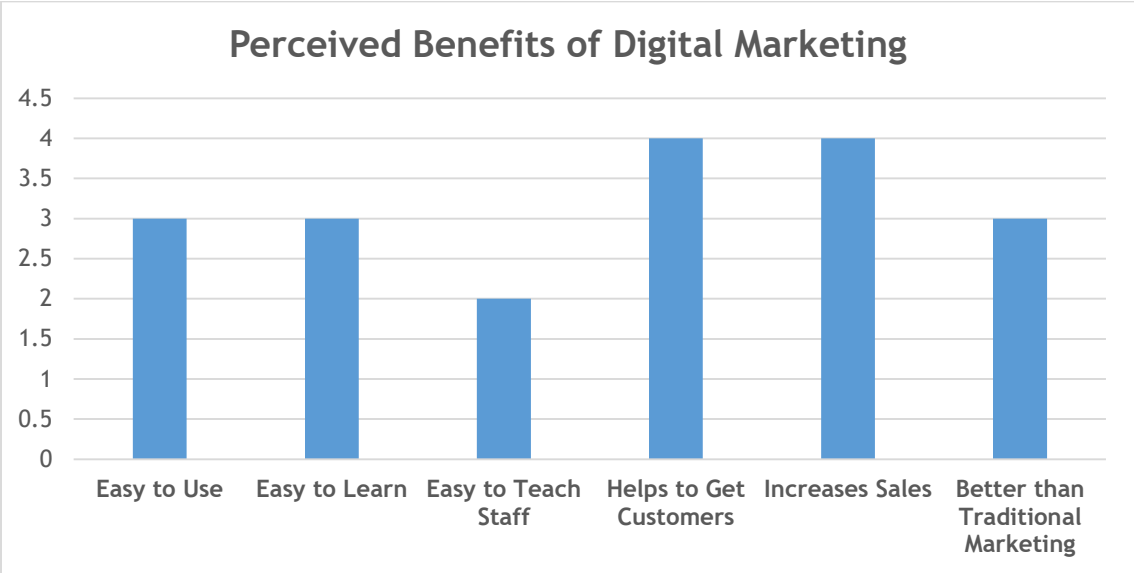


Figure 1: SME’s Perceptions on Usefulness of Digital Marketing

Interpretation

The results reveal a moderate level of agreement that digital tools are easy to use and learn (mean = 3). However, SMEs found it difficult to train staff (mean = 2), suggesting a lack of structured internal capacity building. Despite this challenge, respondents strongly agreed that digital marketing increases sales and helps in customer acquisition (mean = 4 each).

This finding aligns with (Yogesh Kumar Dwivedi E. I., 2020), who emphasize that SMEs adopt digital marketing primarily because of its perceived benefits in customer acquisition and competitiveness. Similarly, (Alalwan, 2018) noted that businesses in developing countries often prioritize digital marketing because it provides measurable benefits compared to traditional channels.

The relatively lower score on “better than traditional marketing” (mean = 3) indicates that SMEs in Mukono still recognize the importance of face-to-face marketing, referrals, and word-of-mouth. This dual reliance on both traditional and digital marketing strategies has also been observed in studies from Kenya and Tanzania, where SMEs often combine offline and online strategies depending on the target market (Kamithi, 2023).

4.3 Level of Digital Marketing Adoption

Respondents rated their adoption of common digital platforms.

Table 2: Mean and Standard Deviation – Level of Digital Marketing Adoption

Statement	Mean	Std. Dev.	Interpretation (vs neutral=3)	Practical implication
WhatsApp usage	3	1.36	Neutral / Mixed	WhatsApp is widely known, but adoption varies; SMEs may need guidance on maximizing its business potential
Facebook/Instagram usage	3	1.86	Neutral / Mixed	Use is moderate, suggesting inconsistent adoption and

				possible skill/time limitations
Mobile money usage in business	4	1.09	Above neutral - agreement	SMEs integrate mobile money strongly, confirming its importance in daily business
SMS/Email usage	2	1.09	Below neutral - Disagreement	Adoption is very low, showing technical barriers and lack of perceived value
Google Business Profile	2	1.48	Below neutral - Disagreement	Indicates poor awareness of Google Business benefits, limiting online visibility
Use of enough digital tools	2	1.11	Below neutral - Disagreement	SMEs feel their current digital tools are insufficient, signaling need for awareness on tool variety

Source: Primary data, 2025

4.2 Pie Chart illustrating the most used Digital Marketing platforms among SMEs

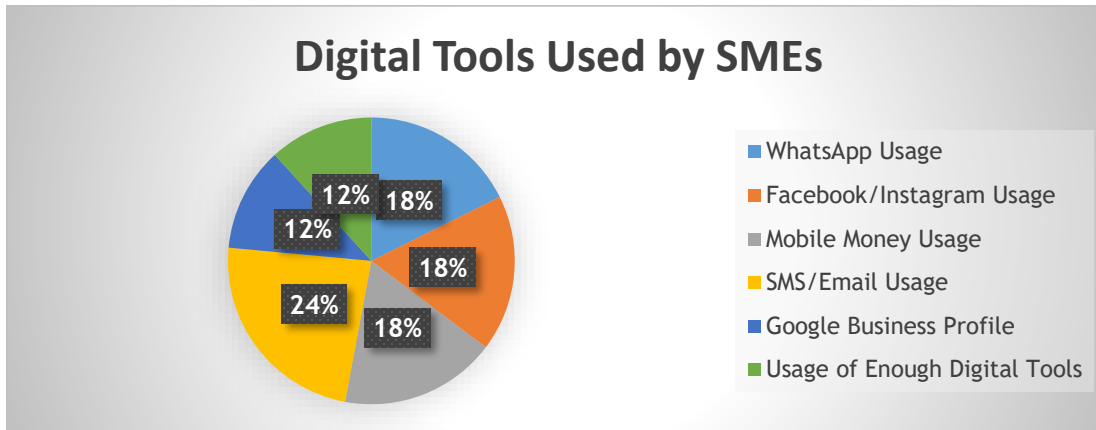


Figure 2: Most used Digital Marketing platforms among SMEs

Interpretation

WhatsApp had the highest adoption rate. This is unsurprising because WhatsApp is widely used in Uganda, inexpensive, and familiar to both businesses and customers. SMEs reported using WhatsApp to interact with customers, send price, lists, and even collect orders. These findings mirror recent studies that found out that WhatsApp is the dominant digital platform for SMEs in Uganda due to its low cost and accessibility.

Facebook and Instagram had moderate usage, showing that SMEs are adopting social media for marketing but not at full capacity. Studies in similar contexts, such as (Kamithi, 2023) in Kenya, show that SMEs often struggle to create consistent content on these platforms due to times and skills constraints.

Mobile money is essential in Uganda's economy, but SMEs mainly use it for transactions, not as a marketing tool. SMS/Email marketing had the lowest adoption. This aligns with

(Yogesh Kumar Dwivedi E. I., 2020), who observed that email marketing adoption among SMEs in developing countries remains low due to cost and technical literary barriers.

4.4 Constraints hindering digital marketing adoption

Respondents identified multiple barriers that prevent them from fully embracing digital marketing:

Table 3: Mean and Standard Deviation – Constraints Hindering Digital Marketing Adoption

Constraint	Mean	Std. Dev.	Interpretation (vs neutral=3)	Practical implication
High costs (internet/data)	3	1.83	Neutral / Mixed	Some SMEs struggle with affordability, while others manage costs; interventions should target affordability gaps
Lack of digital skills/literacy	3	1.92	Neutral / Mixed	Skills gap is inconsistent - some SMEs have capacity; others need extensive training
Limited time to manage accounts	5	1.22	Above neutral - agreement	Confirms time is a serious constraint, requiring automation tools or delegation
Financial constraints (training specialists)	4	1.57	Above neutral - Agreement	Many SMEs cannot afford experts, suggesting NGOs and government programs should step in

Uncertainty about effectiveness	2	1.39	Below neutral - Disagreement	Most SMEs believe digital marketing is effective, though a minority remain skeptical
Lack of external support/mentorship	3	1.59	Neutral / Mixed	Mixed views suggest SMEs benefit from support in some cases but want more consistent mentorship

Source: Primary data, 2025

4.3 Pie Chart illustrating key constraints affecting SMEs

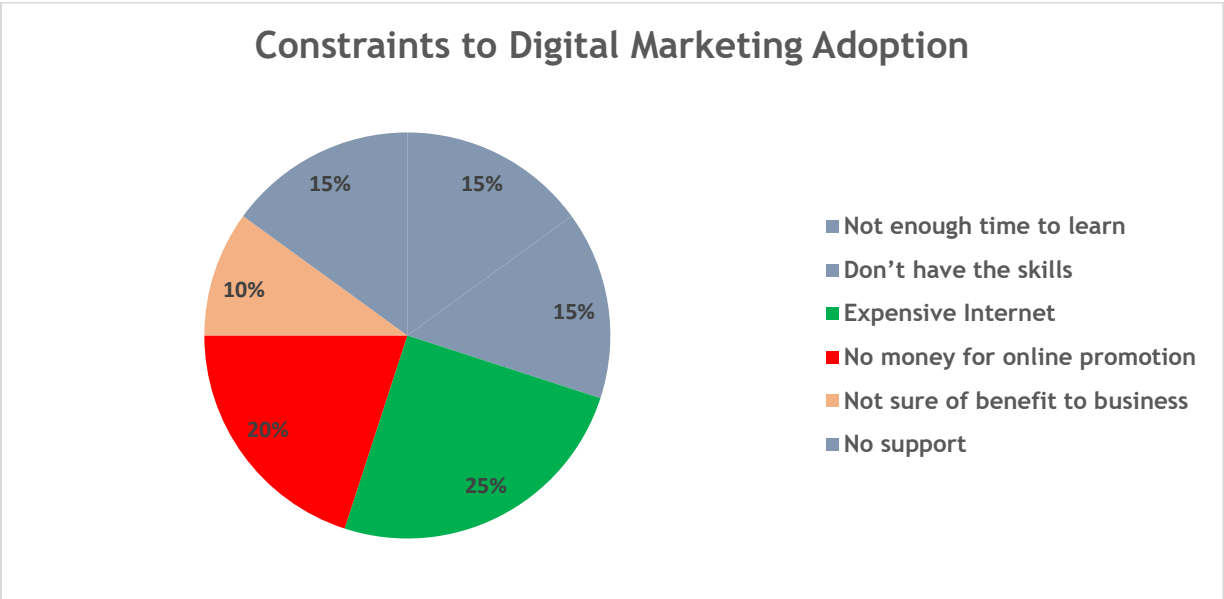


Figure 3: Key constraints affecting SMEs

Interpretation

High internet costs were the most reported challenge, reflecting (Commission, 2023) findings that Uganda has one of the highest data costs in East Africa. SMEs emphasized that while WhatsApp was affordable, running campaigns on platforms like Facebook and Instagram required more data, making them less sustainable.

Lack of skills was the second most reported barrier. This shows that limited capacity and knowledge remain major barriers for African SMEs adopting digital technologies. SMEs also cited “no time” as a challenge - this suggests that owners are often multitasking, leaving little room for digital engagement.

Interestingly, some respondents expressed skepticism about whether digital marketing would translate into real growth, a finding consistent with (Alalwan, 2018), who noted that perceived usefulness is a key factor influencing digital adoption.

4.5 Strategies to overcome barriers

SMEs proposed several solutions to overcome barriers:

1. Affordable internet/data packages specifically for SMEs

The mean score of 3, with a moderate spread of responses, reflects that SMEs are divided on whether internet costs are a critical barrier. This finding shows that affordability affects some SMEs more severely than others. For businesses that rely on data-intensive platforms like Facebook and Instagram, costs remain prohibitive, limiting the scope of digital campaigns. However, others manage with low-data platforms such as WhatsApp, which is affordable and widely accessible. This suggests

interventions such as subsidized SME internet packages or targeted partnerships with telecom providers would directly enhance uptake among cost-sensitive SMEs.

2. Capacity building and training programs to enhance digital skills

Also scoring a mean of 3, this strategy reflects moderate demand for digital skills development. Training programs would therefore address a key internal barrier: ensuring not only owners but also employees can competently use digital tools. Structured workshops, mentorship initiatives, and online tutorials could reduce SMEs' reliance on external specialists, making digital marketing more sustainable in the long term.

3. Awareness campaigns to show practical benefits of digital marketing

The neutral mean score indicates that while many SMEs already perceive digital marketing as beneficial, a significant minority remain unconvinced. Awareness campaigns would therefore serve the dual purpose of reinforcing existing positive perceptions and addressing skepticism. Importantly, such campaigns should not remain abstract but should use relatable success stories from local SMEs in Mukono or Uganda more broadly. By demonstrating concrete outcomes such as increased sales or new customer bases, awareness initiatives should shift neutral perceptions toward stronger agreement, encouraging wider adoption.

4. Government and NGO support in providing incentives and mentorship

Government or NGO interventions, such as subsidized training, grants, or tax relief for digital adoption, would ease these financial pressures. If effectively implemented,

institutional backing could create an enabling environment for SMEs to scale their digital marketing efforts beyond basic tools like WhatsApp.

These strategies highlight SMEs' willingness to adopt digital marketing if external support is provided. Training and mentorship were particularly emphasized, showing that SMEs are aware of their skills gap. This supports (Kamithi, 2023), who found that SMEs in Kenya benefited significantly from structured training programs that improved their ability to market online.

The call for affordable internet aligns with (Commission, 2023) findings that high data costs restrict ICT uptake. Internationally, (Yogesh Kumar Dwivedi E. I., 2020) stress that collaboration between governments, telecom companies, and NGOs is essential to build enabling environments for SMEs.

4.6 Summary of findings

The study set out to investigate the impact of digital marketing on SMEs in Mukono Municipal Council (Central & Goma Divisions), guided by three objectives: to examine the level of digital marketing adoption, to identify the key constraints hindering adoption, and to propose viable strategies to overcome these barriers. Overall, the findings indicate that digital marketing has become a key enabler of growth, especially in customer acquisition and sales. Respondents strongly agreed that digital tools help to attract new customers and increase sales, demonstrating that SMEs clearly recognize the benefits of digital engagement. At the same time, ease-related measures such as “ease of use” and “ease of learning” received neutral scores, while “ease of teaching staff” scored below neutral . This suggests that while owners see value in digital tools,

transferring these skills within the business remains a challenge. Neutral perceptions about whether digital marketing is superior to traditional marketing further show that SMEs continue to rely on hybrid approaches, balancing face-to-face methods with digital strategies.

Adoption of digital marketing tools is moderate, with WhatsApp emerging as the most widely used platform because of its affordability, accessibility, and low data requirements. Facebook and Instagram follow closely, but their use is inconsistent due to time constraints and the need for regular content creation. By contrast, SMS/Email marketing and Google Business Profile were the least used tools, largely due to costs and limited technical expertise, showing that most depend on one or two familiar platforms rather exploring more advanced options.

Despite the demonstrated benefits, SMEs face systemic barriers that hinder broader adoption. High internet costs remain the most pressing constraint, followed by limited digital skills and time constraints. Interestingly, most SMEs expressed certainty about the effectiveness of digital marketing, suggesting that most SMEs are convinced of its benefits, even if they cannot use it to its full potential.

However, SMEs did not only highlight challenges - they also offered practical strategies for improvement. They proposed affordable internet/data packages for SMEs, training programs for owners and staff, awareness campaigns to demonstrate the benefits of digital marketing, and stronger government/NGO support. This reflects a strong willingness among SMEs to embrace digital tools if the structural barriers are addressed.

Peer-to-peer mentorship attracted mixed views but remains a potentially useful approach if formalized through local associations.

In summary, digital marketing is seen as useful but underutilized. SMEs in Mukono recognize its value for growth, but adoption remains shallow and concentrated on basic, familiar tools. The most significant obstacles are structural - time, financial constraints, and limited capacity - rather than attitudinal resistance. With proper systems in place, SMEs could transition from minimal and fragmented adoption to more strategic and sustainable use of digital platforms. This would not only enhance customer acquisition and sales but also position SMEs for long-term competitiveness in an increasingly digital economy.

4.4 Table showing relationship between adoption levels, barriers, and proposed solutions.

Table 4: SMEs' Adoption of Digital Tools.

Adoption level (Mean score)	Key barriers identified	Proposed solutions
WhatsApp (4)	High internet costs	Affordable SME-friendly data packages
Facebook/Instagram (3)	Lack of digital skills; time consuming	Training workshops; social media scheduling tools
Mobile money (3)	Limited awareness of marketing potential	Awareness campaigns on business applications

Google profile (3)	Limited knowledge of setup & benefits	Training and mentorship from ICT stakeholders
SME/Email (2)	Expensive; low technical know-how	Subsidized SMS/Email bundles; capacity building
General digital tools (3)	Lack of external support; skepticism	Government/NGO support; peer-to-peer mentorship

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the study, draws conclusions based on the findings, and makes recommendations for practice and further research. The study investigated the impact of digital marketing on the growth of SMEs in Mukono Municipal Council (Central & Goma Divisions), focusing on adoption levels, perceived usefulness, constraints, and strategies to overcome barriers.

5.2 Summary of the study

The study was guided by three objectives:

1. To examine the level of digital marketing among SMEs in Mukono Municipal Council
2. To identify the key constraints hindering SMEs from adopting digital marketing strategies
3. To propose viable strategies and solutions for overcoming the identified constraints to digital adoption

Data was collected through structured questionnaires administered to SMEs. Analysis was carried out using descriptive statistics (means, percentages, charts) and thematic analysis for open-ended responses.

The findings showed that:

- Digital marketing adoption among SMEs is moderate, with WhatsApp emerging as the most widely adopted platform, while SMS/Email marketing had the lowest usage.
- SMEs perceive digital marketing as useful for sales growth and customer acquisition, but they face challenges in training staff and maintaining consistent use.
- High internet costs, lack of skills, and time constraints were the most frequently cited barriers.
- SMEs suggested affordable internet packages, training, awareness campaigns, and institutional support as viable solutions.

These findings are consistent with previous studies ((Yogesh Kumar Dwivedi E. I., 2020) and (Commission, 2023) that highlight both the opportunities and challenges of SME digital marketing in developing economies.

5.3 Conclusions

Based on the findings, the study concludes that:

1. Adoption is platform-specific. SMEs in Mukono prefer WhatsApp due to its affordability and customer familiarity, but are slower to adapt more advanced tools like email marketing and Google Business Profiles.
2. Perceived usefulness is a driver. SMEs adopt digital tools when they see direct benefits such as increased sales or easier customer engagement. This supports

the Technology Acceptance Model (TAM), which emphasizes perceived ease of use and usefulness as determinants of adoption.

3. Barriers and structural and internal. High internet costs represent an external cultural challenge, while limited skills and lack of time are digital constraints. Together, they slow down the transition to digital-first business models.
4. There is willingness to adopt further. SMEs are not resistant to digital marketing; rather, they lack enabling conditions. With affordable internet, training, and support, SMEs could scale up their adoption and benefit more fully.

5.4 Recommendations

Based on the findings and conclusions, the following recommendations are made:

For SMEs:

- Invest in low-cost but high-impact platforms such as WhatsApp and Facebook, while gradually diversifying into professional tools like Google Business Profiles.
- Encourage staff training and peer learning to reduce dependence on external expertise.

For Government and regulators (e.g., UCC):

- Work with telecom companies to provide affordable SME-specific internet/data bundles.
- Support SME digitalization under the Ministry of ICT and National Guidance.

For NGOs and business associations:

- Organize capacity-building workshops to equip SMEs with digital skills.

- Launch awareness campaigns showcasing successful SME digitalization case studies to motivate adoption.

For academia and future researchers:

- Conduct more longitudinal studies to track SME digital adoption over time.
- Explore the financial impact of digital marketing adoption using quantitative methods such as regression for deeper analysis (though this study limited itself to descriptive methods).

5.5 Suggestions for further research

1. This study was limited to Mukono Municipal Council; future research could expand to other districts in Uganda from broader generalization.
2. Future studies could incorporate advanced statistical analysis (e.g., correlation, regression, or structural equation modeling) to measure the exact strength of relationships between digital marketing adoption and SME growth indicators.
3. Comparative studies could examine differences between urban and rural SMEs or between different sectors such as hospitality, retail, and manufacturing.

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APPENDICES

Appendix A: Questionnaire used for data collection

QUESTIONNAIRES FOR SMEs IN MUKONO MUNICIPAL COUNCIL

Research Topic: The Impact of Digital Marketing on SME Growth in Uganda
Case Study: Mukono Municipal Council (Central & Goma Divisions)

1. Ease of Use and Usefulness (TAM-Based)

Tick one box per row. 1 = Strongly Disagree, 5 = Strongly Agree.

No.	Statement / Question	1	2	3	4	5
1	Digital marketing is easy to use for my business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2	It is easy for me to learn how to use digital marketing tools.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3	I can teach my staff how to use digital marketing easily.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4	Digital marketing helps me get more customers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5	Using digital marketing has helped me increase my sales.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6	Digital marketing is better than traditional marketing for my business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

2. Digital Marketing Adoption Level

Tick one box per row. 1 = Not at all, 5 = Very much.

No.	Statement / Question	1	2	3	4	5
1	How much do you use WhatsApp to talk to customers or promote products?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2	How often do you use Facebook/Instagram to promote your business?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3	How often do you use mobile money or online payments in your business?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4	How much do you use SMS or email to reach customers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5	Do you have a Google Business profile for people to find you online?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6	Do you feel you are using enough digital tools in your business?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

3. Constraints to Digital Marketing Adoption

Tick one box per row. 1 = Strongly Disagree, 5 = Strongly Agree.

No.	Statement / Question	1	2	3	4	5
1	I don't have enough time to learn or use digital marketing.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	I don't have the skills or training to do digital marketing.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Internet is expensive or not reliable in my area.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	I don't have money to pay for online ads or promotion.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	I am not sure if digital marketing will help my business.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	I don't have someone to help me with digital tools in my business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>