Challenges Facing Telecommunication Firms in E-Marketing of Services: A Survey of Six Selected Tele-Firms in Tanzania

Godfrey Magorombe Matiku Maswe

Department of Business Management, The institute of Accountancy Arusha
Contact: mail - matiku_gm@yahoo.com;
Phone +255712353521

Abstract: Despite the success enjoyed by players in Tanzania tele-industry, a number impediments have been drawing back firms' initiatives to realize their goals; that attract scholars' attentions to have a shared understanding for effective strategic formulation in annulling them. In this paper, the main study question was, "what are challenges facing tele-firms in e-marketing of services in Tanzania tele-industry?" The specific research questions were three, namely; what are technological challenges facing tele-firms in e-marketing of services in Tanzania tele-industry; what are socio-marketing challenges facing tele-firms in e-marketing of services in Tanzania tele-industry? And, what are lead generation challenges facing tele-firms in e-marketing of services in Tanzania tele-industry? Three hypothesis considered by the researcher were tested to find the relevance and validity of the findings. A study was a cross-section survey undertaken in five selected tele-firms in Tanzania, namely; Vodacom, Tigo, Airtel, Halotel, Zantel and TTCL. The data were collected by the use of research schedules and telephone interviews. The study employed descriptive and inferential models (namely; Hypothesis Test for Proportions; Proportion Chi Squire Test; Correlation Coefficient, Regression, and t-test models) as the test statistics. Besides all challenges identified through descriptive statistics, inferential revealed the major challenges tele-firms face in Tanzania tele-industry to be; mismanagement e-marketing channels, inapt incorporation of marketing strategies with consumers' social behavior and improper communication of firm's brand. The results in this study were deemed to be a useful source of literature reviews; creating tele-firms' alert on the nature of e-marketing defies in Tanzania tele-industry for strategic remolds.
Key Words: Challenges, Telecommunication, Marketing, e-marketing, Services.

Background to the Problem

Despite the open environment for technology transfers, as well as readily available markets for services[1] in the globe, employment of e-marketing of services has been the major challenge[2] experienced by most of tele-firms [3](Agwu, 2015). Many firms are still striving to incorporate e-marketing[4] functions with their business strategies (Stevens, 2011). Tanzanian Tele-firms are too the victims of this business dilemma (Lubua, 2017). Businesses are experiencing fundamental changes due to the impact of information technology whereby e-marketing gets in as the business driving machinery (Brown, 2017). The targeted e-market delivery use contextual targeting[5] and behavioral targeting[6] (Deiss, 2017).

Affiliate marketing, email, phones, online contents, search engine, social media and televisions are a few of widely used channels (Hidalgo, 2015). The global changes associated with e-marketing systems in enhancing firms' productivity and world's economy, including: changes in business process and procedures, new roles and responsibilities, firms' restructuring, new facilities, and new skills to learn are common drivers of changes in business strategies in dynamic industrial milieus (Deiss, 2017).

Despite these tremendous changes, the global e-marketing faces several setbacks in a number of varied environmental dynamics. In USA, for example, by the year 2010, such firms as Google, Apple and Microsoft ware in eminent fight with electronic pirates and other web uncertainties (Brown, 2017); whereas China, the major established tele-market, was suffering from strong government monitoring of telecoms information flow to limit private use for sensitive issues (Wirtz, 2016). On the other hand, in Kenya tele-industry, for example, Safari COM firm, such problems as budgetary constraints, high service prices and old technology use were reported as common problems among others (BMI, 2016). Firms in Tanzania tele-industry faced relatively similar problems,

---

[1] Services: are activities, benefits or satisfactions that are offered for sale (Johann, 2015)
[2] Challenges: are areas of improvement that attract people's attention (Kotler, 2011).

[3] Tele-firms (also telecommunication firms): firms facilitating the exchange of info over significant distances by electronic means through differed types of voice, data and video transmission (Yarrow, 2014).
[4] E-marketing: implies achieving marketing objectives by the use of digital technologies (Deiss, 2017)
[5] Contextual targeting: is the form of contextual advertisement that matches ads to sites in the display network using your key words or topics among other factors (Yarrow, 2014)
[6] Behavioral targeting: refers to technique used by online publishers and advertisers to increase the efficacy of their campaigns via gens collected on an individual's web-browsing behavior (Deiss, 2017).

with more or less differences for which rural infrastructures seem to be the major one among others (Mwakaje, 2010 & Lubua, 2017). However, differences in challenge from one industry to another were clearer and significant enough to compare.

Tanzania tele-industry seem to have positive growth, however. The major rivalry tele-firms with their subscription market share being: Vodacom (33 percent); Tigo (27 Percent); Airtel (26 percent); Halotel (10 percent); Zantel (03percent); and TTCL (1percent) (TCRA, 2019). It is estimated, that only 14 percent tele-services are known and used by average people (non-educated and standard seven), 29 percent by secondary school and 44 percent for those with college education (BMI, 2016). In average, 71 percent of tele-services[7] are inadequately marketed and hence unused by the prospective consumers in the market. And, if this is not keenly resolved, some firms in Tanzania Tele-industry[8] might eventually find themselves placed out competitive edged in international telecommunication business. However, the pertinent question is, "what could be the shared challenges faced by Tanzania tele-firms in e-marketing of services?"

Statement of the Problem

E-marketing of services has been one of the major challenges facing tele-firms not only in Tanzania but also in the entire global service industries. Although firms apply various strategies to acquire large market shares in varied industries, e-marketing programs has never assured tele-firms of their continued survival in Tanzania tele-industry (Agwu, 2015 & BMI, 2016). Tele-firms have been experiencing enormous strategic failures; poor demand creation; and less prospects conversion to actual buyers of e-marketed services, despite massive investment they employ in the context of non-profitable price war's industry (Mwakaje, 2010 & Brown, 2017). Given that e-marketing can directly or indirectly impact firms' and industrial profitability, the proposed study is set to explore the challenges facing tele-firms in e-marketing of services, allied impacts and suitable strategic options; with a specific focus to six selected tele-firms in Tanzania tele-industry, namely: Vodacom, Tigo, Airtel, Halotel, Zantel and TTCL.

The study Question

The overall question in this study was, "What are challenges facing tele-firms in e-marketing of services in Tanzania tele-industry?" And, the proposed specific study questions were;

- What are technological challenges facing tele-firms in e-marketing of services in Tanzania tele-industry;

- What are socio-marketing challenges facing tele-firms in e-marketing of services in Tanzania tele-industry; and,

- What are lead generation challenges facing tele-firms in e-marketing of services in Tanzania tele-industry.

However, it was the researcher's expectation that, if the study is well done, core challenge facing Tanzanian tele-firms in e-marketing of services will be uncovered; profitable strategies to

overcome the identified challenges in Tanzania will be generated; scholars will have the ready source of literature for reviews.

Literature Review

Literatures offer a number of conceptual models and theories governing the e-marketing and consumers' behaviors on services marketing. According to marketing theory, to maximize sales, a firm must position its products in the market place in such a way that consumers believe they need a particular product, and that, a product they need has a particular benefit (Kotler, 2011). The success key of the theory lies on the effectiveness of firm's demand creation to consumers on brand appeal (Johann, 2015). That is to say, a successful firm in e-marketing of services is the one adopting marketing philosophy that, products are sold not bought (Kotler, 2011). E-marketing firms can maximize their sales by integrating game theory in their marketing strategies to overcome the conflicting priorities of e-marketing agents wishing to get outcome based on their choices (Blanchard, 2011; Johann, 2015 & Hidalgo, 2015). With this, strategic firms need to apply networking theory on patterns change within social networks, where the use of digital marketing channels that allow marketers to listen what consumers are saying is inevitable (Hidalgo, 2015).

Many tele-firms in Tanzania and the rest of the globe, either explicitly or implicitly employ generation marketing theory (Wirtz, 2016). The theory holds that, consumers born of the same generation … defined as 20-year period – have common attitudes and behavior because of shared experiences influenced by their childhood and shaped by their world (Blanchard, 2011). Overgeneralization of this theory and its applications across different niches of e-marketed service is of practical doubt; as consumers' culture widely vary across social communities with subcultures influencing consumers' behaviors, regardless of age similarities. Moreover, both economic and political inclinations, social upbringings, localities, and genetic predispositions, have also un-denied influences on shaping what an individual has to be; hence, creating the attention for scholarly studies.

Despite a set of 7Ps as the market mix model for service marketing, such unique service features as; intangibility, perishability, heterogeneity and inseparability have never left service e-marketers safe (Berry, 1980; Baron, 2003 & Jha, 2016). With *intangibility a*s a unique feature, service cannot be: inventoried, patented, aptly priced, and be readily displayed (Judd, 1968; Berry, 1980 & Jha, 2016). With, *inseparability* as a unique character, consumers are driven into service delivery process, with snags in centralized mass production (Berry, 1980 & Wirtz, 2019). Moreover, *heterogeneity* renders difficulty in achieving service standardization and quality control (Berry, 1980 & Jha, 2016). Whereas, due to *perishability*, services, cannot be stored (Judd, 1968 & Wirtz, 2019). All these unique characters have enormous effects to consumers' buying behaviors that need to be merged to e-marketers' strategies, tactics and channels.

However, the following strategies have been suggested for solving problems arising out of unique service features. With intangibility problems; stressing tangible cues, the use of personal sources more than non-personal source, creation of strong firm's brand, as well as the post purchase communication are options (Judd, 1968;

---

[7] Tele-service: Is a TCRA adopted acronym for telecommunication services (TCRA, 2019)

[8] .Tele-industry: is a TCRA adopted acronym for telecommunication industry (TCRA, 2019)

Berry, 1980; Baron, 2003; Jha, 2016 & Wirtz, 2019). With inseparability, selection and training of public contact personnel, managing consumers, and the use of multisided locations are vital (Berry, 1980; 1980 & Jha, 2016). And, with *heterogeneity*, industrialized and customized service are part of strategic fit (Berry, 1980 & Baron, 2003). Whereas, with *perishability*, copying strategies with fluctuating demand as well as simultaneous change in demand and capacity are the suggested strategies (Baron, 2003; Kotler, 2011 & Wirtz, 2019). However, the business settings decides efficacy of a strategy.

Some challenges are more of e-marketing system oriented than services themselves in nature. Every e-marketing operation, being large or small, faces; firms' rivalry; risk of data losing; balancing between efficiency and confidentiality; volume of e-market data; integrating off-line data; and delivering the goods cost-effectively (Hidalgo, 2015 & Stevens, 2011). Others would include illegal access, pillage of electronic channels; and allied cybercrime uncertainties (Mwakaje, 2010; Agwu, 2015 & Lubua, 2017). However, the brand building, customers' retentions, multiple channels use to close the transactions are considered as principle strategies for building customers' strong bases, among others (Stevens, 2011; Dhar, 2015 & Wirtz, 2016). If properly utilized, e-marketing may aptly help to execute firm's strategies, including: business process automations, streamlining businesses, providing information, connecting customers, demand generations and productivity tools (Yarrow, 2014; Dhar, 2015 & Wirtz, 2016). Despite its perceived benefits, e-marketing is inadequately used in both rural and urban milieus due to hostile e-marketing support systems such as; media costs, electric bills as well as unreliable digital connectivity (Mwakaje, 2010 & Agwu, 2015).

Literature Gap of Knowledge

The literature explains various concepts and theories related to services, telecoms, marketing and e-marketing. However, it is from these theories where the researcher raised several questions on their workability. Literatures provide 7Ps as the model for services marketing in overcoming generic services' unique features; and, e-marketing as business driving technology. But why tele-firms are subject to massive e-marketing strategic failures? Why telefirms find it difficult to get large customer basis in multicultural societies? And, why fail to convert reasonable leads to actual buyers despite these expounded models and strategies? All of these elaborates are theoretical and empirical puzzles for which the solutions are needed.

Study Hypotheses

Literatures reveal that, e-marketing challenges in their holistic forms are triggered by complexity of a number of factors. The emerging question is on whether technological volatility, inapt incorporation of marketing strategies with consumers' socio-behavior, and, miscommunication of firms brand values are among of challenges facing e-marketing of tele-services in Tanzania; amide unique service features or not. Therefore, the following hypotheses were considered important for the study:-

H1: Firms in Tanzanian tele-industry face high strategic failure due to their inapt management of e-marketing channels.

H2: Firms in Tanzania Tele-industry create less demand for e-marketed services due to their inapt incorporation of marketing strategies with consumers' socio- behavior

H3: Firms in Tanzania tele-industry convert less of the leads to actual buyers of their products than expected as they fail to communicate values for their brands"

Research Methodology

The study employed both qualitative and quantitative approaches to answer the designed research questions and in testing the guiding hypotheses. A cross-sectional survey research design was considered appropriate in studying challenges facing tele-firms in e-marketing of services in Tanzania (Owens, 2002). The study took place in six giant selected tele-firms operating in Tanzania tele-industry (namely; Vodacom, Airtel, Tigo, Halotel, Zantel, and TTCL). The target population included tele-services consumers and operators. A sample of 30 tele-service operators, and 60 tele-services consumers was obtained for the analysis. Both simple random and purposive sampling methods were used to select study participants (Kothari, 2003). While the dependent variables being; rates of strategic failure, demand creation and lead conversion; the independent variables were; e-marketing channels mismanagement, consumers' social behavior, and brand value communication. Data were collected by using research schedules and documentary reviews; the frequencies and percentage of which were presented in tables. Hypothesis Test for Proportions; Proportion Chi Squire Test; Correlation Coefficient, T-test and Regression models were used to assess variables relations for better understanding of different perceptions of the respondents.

Findings and Discussion

Besides the general study question, findings and discussion on challenges facing tele-firms in e-marketing of services in Tanzanian tele-industry were built on three pre-determined specific study questions. Moreover, given the research hypotheses, high level analyses of data obtained was done by the use of inferential models to testify and generalize the result; before giving the study conclusion and recommendations.

Technological Challenges of Tanzanian Tele-firms in services E-marketing

The study revealed that; quality brand generating, e-marketing management; and, web uncertainties, with 25.6 percent; 25.6 percent; and 17.8 percent respectively are three top technological challenge of telefirms in e-marketing of services in Tanzania. The study also shown that 16.6 percent of dares results from search engine optimization issues, while poor e-marketing support system adding to the hurdle by 14.4 percent (see table 01).

Decreased demand for e-marketed products with 22.2 percent, decreased Return on Investment (ROI) with 24.4 percent; and limited info access with 20 percent were the perceived impacts due to poor brands generated, e-marketing mismanagement and search engine optimization respectively. Whilst loss of customer base adding to a slack by 15.6 percent, the limited access to firms' website system was said to be 15.6 percent (see table 01)

However, respondents rated high quality brand building as the strategy to attract high quality lead by 25.6 percent; investing on

apt and cost effective channels for search engine optimization by 24.4 percent; prioritizing high performing search engines for search engine optimizing by 17.8 percent; investing on innovative ware in curbing web insecurities by 16.6 percent; and, improving e-marketing support systems in promoting rural e-marketing systems 15.6 percent (*see the summary in table 01*).

Table 01: Top Five Technological Challenges, Impacts and Strategies alternatives

Parameter	Parametric expression	Frequency	Percent
Challenges	Generating high quality brand	23	25.6
	E-marketing channels management	23	25.6
	Search engine optimization	15	16.6
	Web uncertainties (Security and privacy issues)	16	17.8
	Poor e-marketing support systems	13	14.4
	Total	**90**	**100.0**
Observed and Expected Impacts	Decreased demand for e-marketed products.	20	22.2
	Decreased Return On Investment.	22	24.4
	Limited information access.	18	20.0
	Lose of customer base.	14	15.6
	Limited access of contacts to company website.	16	17.8
	Total	**90**	**100.0**
Suggested Strategies	Building high quality brands.	23	**25.6**
	Investing on apt and cost effective channels	22	**24.4**
	Prioritizing high performing search engines.	16	**17.8**
	Investing on innovation ware.	15	**16.6**
	Improving web accessibility in rural.	14	**15.6**
	Total	**90**	**100.0**

Source: Survey data, 2019

Nevertheless, HubSpot portrays the top three technological challenges of services e-marketing in Tanzania for the past two years to be; managing company website; identifying the right technology and content targeting (HubSpot, 2017). Non-optimized content; competitive lag and inapt lead conversion to be their

common impacts (Wirtz, 2016 & HubSpot, 2017); while, hiring freelancer; the use of marketing automation software as well as customization of contents for specific audience being the applied strategies (HubSpot, 2019). The said differing challenges might be due to global techno-innovations streak commanding industrial challenges in spans of times.

Inferential Implications of Variables Correlations on Technological challenges

The correlations of variables on technological challenges facing Tanzanian tele-firms in e-marketing of services were tested by using hypothesis one *(H1)* stating that;

"Firms in Tanzanian tele-industry face high strategic failures due to their inapt management of e-marketing channels"

This hypothesis was re-stated in both Null *(Ho)* and Alternative *(Hi)* hypotheses thus:-

> *Ho:* Tele-firms' strategic failure and inapt management of e-marketing channels in Tanzania are not correlated
> *Hi:* Tele-firms' strategic failure and inapt management of e-marketing channels in Tanzania are correlated.

Considering e-marketing channels management as one of the key technological variable for apt recital of e-marketing strategies; it was hypothesized that, many tele-firms fail to meet their strategic objectives due to inapt management of e-marketing channels in their industries. This hypothesis aimed to assess the link between firms' strategic failure and inapt management of e-marketing channels in Tanzania tele-industry. The data for relevant variables were tabulated in table 02 to enhance inferential deductions.

Table 02: Variables Relations between Tele-firm's Strategic Failures and e-marketing Channels mismanagement

Rating ranges	Respondents frequencies (fX and fY) on perceived rates for tele-firms';-		x^2	y^2	xy
	Strategic Failure (fX)	mismanagement of e-marketing channel (fY)			
100-81)%	21	19	441	361	399
(80-61)%	33	32	1089	1024	1056
(60-41)%	16	17	256	289	272
(40-21)%	12	13	144	169	156
(20-1)%	8	9	64	81	72
Total	**∑fx = 90**	**∑fy = 90**	**∑x^2= 1994**	**∑y^2= 1924**	**∑xy= 1955**

Source: Survey data, 2019.   Degree of freedom (df) =n−2=5−2=3

Substituting data from table 02, in the Pearson Correlation model below, "r-value" could be obtained thus;-

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{n(\sum x^2) - (\sum x)^2} \sqrt{n(\sum y^2) - (\sum y)^2}}$$

$$r = \frac{5(1955) - (90 \times 90)}{\sqrt{5(1994) - (90)^2}\sqrt{5(1924) - (90)^2}}$$

$$r = \frac{1675}{\sqrt{(1870)}\sqrt{(1520)}} = \frac{1675}{\sqrt{1685.94}} = 0.994$$

The correlation coefficient (r) = 0.994

The calculated r-value (r=0.994) suggests a strong linear positive relationship between tele-firms' strategic failure and inapt management of e-marketing channels in Tanzania tele-industry. The coefficient of determination (r^2) = $(0.994)^2$ = 0.988 denotes that, 98.8 percent of the variation in strategic failure can be explained to the relationship between firms strategic failure and inapt management of e-marketing channels. And, the other 1.2 percent of variation is due to other factors "ϵ". Considering t-test, as shown below, the calculated *"r"* was statistically significant, as the calculated t-value (18.29) was greater than the stated *p-value* at the probability *p=0*. That is, H_0: *p>0 = (18.29>0)*

$$t = \cfrac{1}{\sqrt{\cfrac{1-r^2}{n-1}}} = \cfrac{1}{\sqrt{\cfrac{1-(0.994)^2}{5-1}}} = 18.29$$

Since the 95 percent critical r-values at α = 0.05 significance level and 3 degree of freedom is ± *0.878* (Kothari, 2003); while the calculated r-value using n=5 (data points) at 3 degree of freedom was *0.994*; and, the calculated t-value being *18.29;* the correlation coefficient (*r*) was deemed significant, as the calculated r-value was greater than critical r-values (lying outside the critical r-values from -0.878 to +0.878), and, significantly different from 0. Hence, statistical evidence was significant enough to reject the null (H_0) hypothesis that; tele-firms' strategic failure and inapt management of e-marketing channels in Tanzania are not correlated

Predicting this strong positive linear relation, the regression analysis model (*y = a + bx+ ϵ*) was employed. Whereas, *y*= dependent variable (strategic failure as defined in the methodology); x=independent variable (also defined in the methodology); *a*= an intercept; and, *b*=slope (variation factor)

But,

$$b = \frac{n \sum xy - \sum x \sum y}{n \sum x^2 - (\sum x)^2} = \frac{5(1955) - (90) x (90)}{5(1994) - (90) x (90)} = \frac{1675}{1870} = 0.896$$

And,

$$a = \frac{\sum y - b \sum x}{n} = \frac{90 - 0,896(90)}{5} = 1.872$$

From the regression equation, "$y = a + bx + \epsilon$",
We have, $y = 1.872 + 0.896x + \epsilon$

As we consider "y" as a dependent variable (firm's strategic failure), the result predicts that, the change in a unit measure of tele-firms strategic failure is influenced by 0.896 units change of firm's inapt management of e-marketing channels. The overall result give the researcher's strength to affirm that, *"Firms in Tanzanian tele-industry face high strategic failures due to their inapt management of e-marketing channels".*

Socio-marketing Challenges for Tanzanian Tele-firms on Services E-marketing.

The study finding reveals that; inconsistence of values across the consumers' culture, strong traditional ties to cultural values; and, selecting the proper strategy to address e-marketing issues with 25.6 percent; 22.2 percent; and 23.3 percent respectively are the three top challenges of telefirms in e-marketing of services in Tanzania. The study also provided that, 20 percent of the said challenges are attributed to poor driving of multicultural

consumers to companies' websites, while determining consumers' buying behavior in multi-cultural market adding to the challenge by 8.9 percent (refer table 03).

Difficulties in ascertaining consumers purchasing behaviors with 26.7 percent, income gaps between the haves and have-nots with 22.2 percent; and building bad businesses' images among the consumers with 16.7 percent were perceived impacts of the said challenge as provided in table 03. Whilst driving of multicultural consumers to companies leading to loose of market share in the industry by 18.9 percent, the impact of determining consumers' buying behavior in multi-cultural market was rated to be 15.6 percent (again see table 03 for the results).

However, in the same table 03, respondents rated incorporation of e-marketing strategies with consumers' buying culture as the strategy to overcome inconsistence of values across the consumers culture by 26.7 percent; keen pre-auditing & monitoring of tele-adverts for annulling tradition ties challenges by 20 percent; selecting the proper e-marketing channel for driving of multicultural consumers to companies' websites by 20 percent; on job trainings after detailed business analysis for proper selection of strategy to address marketing issues by 15.6 percent; and investing more on market research for determining consumers' buying behavior in multi-culture by 17.7 percent as their key strategies.

Table 03: The Top Five Socio-marketing Challenges, Impacts and Strategies

Parameter	Parametric expressions	Frequency	Percent
Challenges	Inconsistence of values across consumers' culture	23	25.6
	Strong traditional ties to cultural values among the consumers.	20	22.2
	Driving multicultural consumers to companies' websites.	18	20.0
	Selecting the proper strategy to address e-marketing issues	21	23.3
	Determining consumers' buying behavior in multi-culture.	8	8.9
	Total	**90**	**100.0**
Observed and Expected Impacts	difficulties in ascertaining consumers purchasing behaviors	24	26.7
	Income gaps between the haves and have-nots	20	22.2
	Loose of market share in the industry	17	18.9
	Building bad businesses' images among the consumers	15	16.7
	Poor performance of service product in the market	14	15.6
	Total	**90**	**100.0**

	Incorporation of e-marketing strategies with consumers' buying culture	27	30.0
	Keen pre-auditing & monitoring of tele-adverts	17	18.9
Suggested Strategies	Selecting the proper e-marketing channel	26	28.9
	On job trainings after detailed business analysis	08	18.9
	Investing more on market research	12	13.3
	Total	**90**	**100.0**

Source: Survey data, 2019

However, some studies identify authentic leads connectivity; creating social e-marketing strategies; balancing between paid media and organic reach; and, as the three top social marketing challenges (Wirtz, 2016 & HubSpot, 2019). Poor brand humanization; lack of strategic fit, improper niche selection as the resulted impacts (Yarrow, 2014 & Wirtz, 2016). Whereas, linking audience with free or low-cost brand monitoring tools; creating strong social media marketing strategies, and integrating niche behavior in marketers' strategies being the common strategies Wirtz, 2016 & HubSpot, 2019). These being the global general trends, it may be asserted that, each tele-industry is subject to differed dares, compelling differed impact and strategic needs.

Inferential Implication of Variables' Correlation on Socio-e-marketing Challenges

Higher analysis of variables was done by using hypothesis two (*H2*) stating that; *"Firms in Tanzania tele-industry create less demand for e-marketed services due to their inapt incorporation of marketing strategies with consumers' socio-behavior"*

The hypothesis was re-stated in both of Null (*Ho*) and Alternative (*Hi*) hypothesis thus:-

Ho: Less demand creation for e-marketed services is not related to inapt incorporation of marketing strategies with consumers' socio-behavior in Tanzania tele-industry

Hi: Less demand creation for e-marketed services is related to inapt incorporation of marketing strategies with consumers' socio-behavior in Tanzania tele-industry.

While considering Pareto 80:20 rule stating that, "for many events, roughly 80 percent of the effects come from 20 percent of the causes" (Marshall, 2013), it was hypothized that, 20 percent of inapt incorporation of marketing strategies with consumers' socio–behavior results to about 80 percent failure of tele-firms in creating high demand for e-marketed services in Tanzania tele-industry.

Choosing $\alpha = 0.05$ as the significance level; we can say, with *Ho*: the success rates is not different from 20 percent Pareto efficiency

$$Ho: p_0 = 0.05 = 20\%$$
$$HI: p_0 \neq 0.05 \neq 20\%$$

The hypothesis intended to ascertain whether inapt incorporation of e-marketing strategies with consumers' socio-behavior contribute to failure of tele-firms in generating high demand for e-

marketed service or not. As there were a number of factors considered influential, the "hypothesis testing for proportions" was employed (Kothari, 2003). And, the variables in *table 04* were considered important for the hypothesis test

Table 04: Ratings on Proper Strategy to address e-Marketing Issues in Relation to other Social Marketing Challenge

Parameter	Frequency	Percent
Keen pre-auditing & monitoring of tele-adverts; selecting the proper e-marketing channel; on job trainings after detailed business analysis; and, investing more on market research	63	70
Incorporation of e-marketing strategies with consumers' buying culture	27	30
Total	**90**	**100.0**

Source: Survey data, 2019

As indicated in table 04 above, the selection of proper strategy to address e-marketing issues was mentioned at 27 proportion rate compared to other factors carried 73 proportion rate.

A test difference was done thus: - Suppose the proportion of relationship preference was "p" and the proportion for the remaining key factors combined together was "q". Whereas, the sample size of Tele-firms subscribers is "n" and the population estimator, ($\hat{p}$), being p/n.

Then; $\hat{p} = 27 / 90 = 0.3$

Using two tailed population proportion method at 2 degree of freedom; and the critical Z value at 95 percent being 1.96 (Kothari, 2003); number of success (Pareto factor) $p_0 = 20$, with the sample population (n) of Tele-firms subscribers being 90; whereas, $\alpha = 1 - \hat{p}$, and P is the estimate of population proportion, then, the statistic estimates provides that;-

$$Z = [\hat{p} - p_0] / [p_0 (1 - p_0) /n]^{1/2}$$
$$= [0.3 - 0.2] / [0.2 (1-0.2)/90]^{1/2}$$
$$= [0.1] / [0.04] = 2.5$$
The calculated Z- value = 2.5

And, the following confidence intervals (CI) were obtained:-

$$CI = \hat{p} \pm Z\,\alpha^{½}$$
$$CI = \hat{p} \pm Z\,\alpha^{½}$$
$$= 0.3 \pm 1.96 [0.3(1- 0.3) / 90]^{½}$$
$$= 0.3 \pm 0.095$$
CI = (0.205, 0.395)

Based on the given data, we are 95 percent confident that the proportion of tele-firms subscribers*(p)* who firmly believe that firms in Tanzania tele-industry fail to generate high demands for e-marketed services due to their inapt incorporation of marketing strategies with consumers' socio- behavior" lies between 20.5 percent and 39.5 percent (i.e. $20.5\% < p < 39.5\%$). Since the calculated Z-value (Z=2.5) is greater than critical Z-value (Z=1.96) and, 20 percent as Pareto's success rate (p_0) is not included in this intervals; there is significant evidence to warrant the rejection of a null hypothesis claim that, "less demand creation for e-marketed services is not related to inapt incorporation of marketing strategies with consumers' socio-behavior in Tanzania tele-industry". And hence, concluding that, inapt incorporation of e-marketing strategies with consumers' socio-behavior contributes

to tele-firms' failure in generating high demand for e-marketed services in Tanzania tele-industry.

Lead Generation Challenges Facing Tele-firms in E-marketing of Services

As the research findings in table 05 portray, generating high quality lead seem to be on top of the five critical challenges of services e-marketing in Tanzania tele-industry with 22.2 percent contribution; followed by selecting the right tactics to generate quality leads and communicating product value with 21.1 percent each; while converting leads to actual buyers of tele-firms products and adequate resources for carrying out lead generation activities bearing 20 percent and 15.6 percent respectively.

Difficulty in finding the right customers for business needs with 27.8 percent; converting prospect (leads) to actual buyers with 24.4 percent; and building a brand and unique customer experience with 18.9 percent are the perceived impact as result of poor generated lead; selecting the right tactics to generate quality leads; and communicating brand value respectively. Whilst difficult in building a brand and unique customer experience adding to the slack of changing leads to customers by 16.7 percent, the impact of generating low revenue due to adequate resources is said to be 12.2 percent (see results table 05)

However, respondents rated the selection of right social media channel(s) as the strategy to generating high quality lead by 22.2 percent; devising tactics for generating quality leads by 24.4 percent; apt communication of firms product for communicating brand value by 25.6 percent; resource planning for lead conversion by 16.7 percent; and, investing on innovation-ware as a competitive tool by 11.1 percent (see table 05)

Table 05: Top Five Lead Generation Challenges, Impacts and Strategies of e-marketing services in Tanzania's Tele-industry

Parameter	Parametric observation	Frequency	Percent
Challenges	Generating high quality lead.	20	22.2
	Selecting the right tactics to generate quality leads.	19	21.1
	Communicating brand value.	19	21.1
	Converting leads to customers.	18	20.0
	Adequate resources for carrying out lead generation activities.	14	15.6
	Total	**90**	**100.0**
Observed and Expected Impacts	Difficulty in finding the right customers your business needs	25	27.8
	Difficulty in converting prospect to actual buyers	22	24.4
	Difficult in building a brand and unique customers' experiences	15	16.7
	Difficulty in generating high revenue	17	18.9
	Diluted attainment of company targets	11	12.2
	Total	**90**	**100.0**
Suggested Strategies	Select the right social media channel(s)	20	22.2
	Devising tactics for contacts selections	22	24.4
	Apt communication of firm's product	23	25.6
	Investing on resource planning.	15	16.7
	Investing on innovation-ware	10	11.1
	Total	**90**	**100.0**

Source: Survey data, 2019

This study findings are supported by some other studies findings portraying; generating proper lead, selecting apt lead generation strategy and converting leads to customers as the top three lead generation challenges (HubSpot, 2018); with retaining lead, shrinking sales, and lead nurturing as the associated impacts (Salesforce, 2017); while marketing automation platform, mapping the customer experience and use of personalized content to be the common strategies employed by marketers (Ascend2, 2018 & Salesforce, 2017). The impacts and strategic alternatives differ as each segment has its varied needs.

Inferential Implication of Variables' Correlations on Lead Generation Challenges

The higher analysis of variables was done by using hypothesis three (H3) stating that; "*Firms in Tanzania tele-industry convert less of the leads to actual buyers of their products than expected as they fail to communicate values for their brands*"

The hypothesis was re-stated in both of Null (Ho) and Alternative (Hi) hypothesis thus:-
 Ho: failure to communicate values of firm's brand does not influence the conversion of leads to actual buyers of their products in Tanzanian tele-industry
 Hi: failure to communicate values of firm's brand influence the conversion of leads to actual buyers of their products in Tanzanian tele-industry

It was hypothesized that, "there is a possibility that many tele-firms in Tanzania do not exploit the multitude of leads generated to harness opportunities the industry offers due to their miscommunicated brands. Since firms generate products; whereas, consumers build the brand through their perception to products, communicating to customers what firms offer is something of greater importance. While employees perceive companies' band value in terms of quality of work, and firms in terms of strategic fit; customers measure brands value in terms of: product differentials; quality; price; guarantee; knowledge; response; service and others in the set (Stevens, 2011 & Dhar, 2015). Hence, product differential was considered as the important variable for inferential analysis.

The "*proportions Chi-squire*" was used as a test statistic for this hypothesis (see Kothari, 2003). This *test statistic at 95percent degree of confidence, with Z=1.96* and the significance level of $\alpha = 0.05$, was carried out on scores for tele-firms ability to differentiate its products; in determining the likelihood impact of brand miscommunication on lead conversion to actual product buyers (please, see results in table 06)

Table 06: Analyzed Variables on the Influence of Brand Communication to Telecom Firm's Lead Generation

Major operating Telecommunication firms in Tanzania

	Response	Frequency	Airtel	Halotel	Tigo	TTCL	Vodacom	Zantel
Tele-firm's Products	**Differentiated**	(f_O)	28	16	32	12	35	15
		(f_E)	23	23	23	23	23	23
	Not differentiated	(f_O)	62	74	58	78	55	75
		(f_E)	67	67	67	67	67	67
		$\sum (f_O)$ or $\sum (f_E)$	90	90	90	90	90	90

Proportional Scores for Observed and Expected Tele-firm's Levels of Product Differentiation

	1	2	3	4	5	6	7	8	9	10	11	12
(f_O)	28	16	32	12	35	15	62	74	58	78	55	75
(f_E)	23	23	23	23	23	23	67	67	67	67	67	67
$(f_O - f_E)$	5	-7	9	-11	12	-8	-5	7	-9	11	-12	8
$(f_O - f_E)^2$	25	49	81	121	144	64	25	49	81	121	144	64
$\dfrac{(f_O - f_E)^2}{(f_E)}$	1.09	2.13	3.52	5.26	6.26	2.78	0.37	0.73	1.21	1.81	2.15	0.96

$df = [(c-1)(k-1)] = [(6-1)(2-1)] = 05$ $Z = 1.96$ $\alpha = 0.05$ $\sum (f_O - f_E)^2 / (f_E) = X^2 = 28.27$

Source: Survey data, 2018

Whereas: X^2 = the test statistic that asymptotically approaches χ^2 distribution; f_O = observed values; f_E = an expected (theoretical) values, asserted by the null hypothesis; df= Degree of freedom (the number of possible outcomes of each event) "**C**"= the number of Columns, and **"k"** is the number of rows.

The critical *Chi* table value (X^2) for $df=5$ at $\alpha = 0.05$ significant level is 11.07 (Kothari, 2003). Since the calculated Chi value $(X^2 =28.27)$ was greater than critical Chi table value $(X^2 =11.07)$, the difference between the observed values and expected values was considered significant. Hence, the null hypothesis *(Ho)* that; failure to communicate values of firm's brand does not influence the conversion of leads to actual buyers of their products in Tanzanian tele-industry was rejected. The rejection of the null *(Ho)* hypothesis is the statistical evidence to the researcher's claim that "Firms in Tanzania Tele-industry convert less of the leads to actual buyers than expected as they fail to communicate values for their brands".

Conclusion

The purpose of this study was to examine the challenges facing Tanzanian tele-firms in e-marketing of services. The study was undertaken in six tele-firms operating in Tanzania, namely: Airtel; Halotel; Tigo; TTCL; Vodacom; and Zantel. Through descriptive and inferential tests, whilst guided with both research question and hypothesis, the study reveals that; many challenges facing firms in Tanzania tele-industry are: those emanating from firm's inability to generate competitive strategies due inapt management of e-marketing channels; inapt incorporation of marketing strategies with consumers' social behavior; as well as tele-firm's inability to communicate their brand values for leads convention to actual buyers. Fifteen of the identified e-marketing challenges, impacts and their strategic alternatives were presented in table 1; 3; and 5 of this paper. It was the researcher's belief that, the results obtained would be reflective enough to help tele-firms be aware of the nature of e-marketing challenges in Tanzania tele-industry and come up with apt strategies to overcome them; despite being the ready source of literature for reviews. It was the researcher's suggestion that similar studies be done to ascertain the magnitude of impacts brought by those challenges for better industrial resolutions.

References

Agwu ME, Murray PJ (2015). *Empirical study of barriers to electronic commerce adoption by Small and Medium scale businesses in Nigeria.* International Journal of Innovation in the Digital Economy 6: 1-19.

Baron, S., & Kim. H. (2003). *Services Marketing*. Basingstoke. Palgrave Publishers Ltd

Berry, Leonard L. (1980). "*Service Marketing is Different*" *Business*, 30 (May)

Blanchard, O, (2011). *Social Media ROI:* managing and Measuring Social Media Efforts in your Organization. Que publishing, USA.

Brown, M & Elias, S. (2017). *Hacking Growth:* How today's Fast-Growing Companies Drive success. Amazon Publishers, USA

Business Monitor International - BMI. (2016). *Tanzania Telecommunication Report Q3:* BMI Research Publishers. Retrieved from; www.bmiresearch.com on 26.04.2019

Deiss, R & Henneberry, R. (2017). *Digital marketing for Dummies.* Amazon Book Review, USA.

Dhar, R.L. (2015). *"Service quality and the training of employees:* the mediating role of organizational commitment", Tourism Management, Vol. 46 No. 1, pp. 419-430.

Hidalgo, C. (2015). *Driving Demand:* Transforming B2B marketing to meet the Needs of Modern Buyers. Kindle edition; Amazon books Review USA.

HubSpot (2019a). *Major Challenges Marketers Face and How to Solve Them*. Retrieved from https://blog.hubspot.com/blog/tabid/6307/bid/33820/5, on 13.08.2019

HubSpot. (2019b). *The Ultimate List of Marketing Statistics for 2019*. Retrieved from https://www.hubspot.com/marketing-statistics; on 13.08.2019

Jha N, Verma JP & Moitra R. (2016). *Service Marketing;* the Revised Syllabus 2016–17 of Mumbai University for T.Y.BMS: Himalaya Publishing House Pvt. Ltd. Indian. Retrieved from www.himpub.com. On 20.07.2019

Johann, M. (2015). *Services Marketing:* Warsaw School of Economics. Szkoła Główna Handlowa; Warszawie (SGH) publishers.

Judd, Robert. C. (1968). "*Similarities or Differences in Products and Services Retailing*," Journal of Retailing. 43 (Winter), 1-9.

Kothari, C.R. (2003). *Research Methodology;* Methods and Techniques. Wishwa Prakshani. New Delhi, India

Kotler, P. (2011). *Marketing Management (14th. Ed.).* New Jersey: Prentice Hall.

Lubua, E.W., Semlambo, A. & Pretorius, P.D., 2017, '*Factors affecting the use of social media in the learning processes*, South African Journal of Information Management 19(1), a764. Retrieved from https://doi.org/10.4102/sajim. v19i1.764. on 02.08.2019

Marshall, Perry (2013). *"The 80/20 Rule of Sales: How to Find Your Best Customers*". Retrieved from; www. *Entrepreneur com/article/229294 on* 11.07.2019.

Owens, L. K. (2002). Introduction to Survey Research Design. Chicago: Survey Research Laboratory, University of Illinois.

Mwakaje, Agnes G. (*2010). Information and Communication Technology for Rural Farmers Market Access in Tanzania.* Journal of Information Technology Impact. 10 (2)111-128.

Stevens, Ruth. P. (2011). *Maximizing Lead Generation:* The Complete Guide for B2B Marketers. Pearson's QUE Publishers, New York.

Tanzania Communication Regulatory Authority (TCRA). (2019). *Quarterly Communications Statistics Report:* Retrieved from; www.tcra.go.tz/images/TelCom_Statistics_June_2019.xlsx.pdf on 11.06.2019

Yarrow, K. (2014). *Decoding the New Consumer mind:* How and Why We Shop and Buy. Amazon Publishers, USA.

Wirtz J & Lovelock, C. (2016). *Services Marketing: People, Technology, Strategy* World Scientific Publishing Co. Inc. USA.

Wirtz J & Lovelock, C. (2019). *Essentials of Service Marketing (3rd Edn):* Pearson Education LTD; Essex CM20 2JE, England.

Wuebben, J. (2017). *Future Marketing:* Winning the Prosumer Age. Amazon Book Review, USA.

Degrees of Freedom **n-1**	**Number of treatments**										
	2	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
2	39.0	87.5	142	202	266	333	403	475	550	626	704
3	15.4	27.8	39.2	50.7	62.0	72.9	83.5	93.9	104	114	124
4	9.6	15.5	20.6	25.2	29.5	33.6	37.5	41.1	44.6	48.0	51.4
5	7.2	10.8	13.7	16.3	18.7	20.8	22.9	24.7	26.5	28.2	29.9
6	5.82	8.38	10.4	12.1	13.7	15.0	16.3	17.5	18.6	19.7	20.7
7	.99	6.94	8.44	9.70	10.8	11.8	12.7	13.5	14.3	15.1	15.8
8	4.43	6.00	7.18	8.12	9.03	9.78	10.5	11.1	11.7	12.2	12.7
9	4.03	5.34	6.31	7.11	7.80	8.41	8.95	9.45	9.91	10.3	10.7
10	3.72	4.85	5.67	6.34	6.92	7.42	7.87	8.28	8.66	9.01	9.34
Source: Kothari (2003)											

Appendix 02: The Chi Test Table for X² Values					
Degrees of Freedom	**Probability, *p***				
	0.99	**0.95**	**0.05**	**0.01**	**0.001**
1	0.000	0.004	3.84	6.64	10.83
2	0.020	0.103	5.99	9.21	13.82
3	0.115	0.352	7.82	11.35	16.27
4	0.297	0.711	9.49	13.28	18.47
5	0.554	1.145	11.07	15.09	20.52
6	0.872	1.635	12.59	16.81	22.46
7	1.239	2.167	14.07	18.48	24.32
8	1.646	2.733	15.51	20.09	26.13
9	2.088	3.325	16.92	21.67	27.88
10	2.558	3.940	18.31	23.21	29.59
Source: Kothari (2003)					

Appendix 03: The correlation Coefficient "r" table			
Degrees of Freedom	**Probability, *p***		
	0.05	**0.01**	**0.001**
1	0.997	1.000	1.000
2	0.950	0.990	0.999
3	0.878	0.959	0.991
4	0.811	0.917	0.974
5	0.755	0.875	0.951
6	0.707	0.834	0.925
7	0.666	0.798	0.898
8	0.632	0.765	0.872
9	0.602	0.735	0.847
10	0.576	0.708	0.823
Source: Kothari (2003)			

Author:

Godfrey Magorombe Matiku Maswe
Department of Business Management, The institute of Accountancy Arusha.
Mail: matiku_gm@yahoo.com;   phone +255712353521