

**The effectiveness of e-Auction on coffee export performance in Tanzania; a case study of Tanzania coffee board.**

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The use of electronic auction for market performance of coffee in export sector in Tanzania has raised the need of conducting this research. Thus, it is an ideal to examine the export performance of coffee sector in Tanzania in respect to prior and post implementation electronic auction by identifying the prospects and challenges facing coffee sector in Tanzania. Research point out factors effecting coffee exportation while using e-Auction. The research was conducted in Kilimanjaro Region. This research employed a descriptive type of study. It is typically guided by initial hypotheses and by using SPSS tested statistically. Descriptive studies are also concerned with specific predictions. The researcher used both structured and unstructured interviews in data collection from Tanzania Coffee Board staffs, Coffee exporters, coffee buyers, and processors. The findings shows that, Cooperatives Unions sells the majority of their Coffee to certified and non-certified through e-auction, independently of quality criteria, certification and direct export licenses patterns, 96% of coffee exporters acknowledges that e-auction services is reliable for coffee export. Usage of ICT for Coffee exportation in it is much more efficient were by a total of 124,230 60 kilograms bags of coffee worth US\$23.6m were sold through e-auction during the month of October 2012, representing a rise of 49% and a drop of 5% in volume a value respectively compared with the performance in a similar month last year. It has been revealed that 78% of e-auction users are much easier on an entry to new markets and more exports markets. Among of challenges revealed for e-auction by Tanzania coffee exporters are; the auction is too restrictive, delay for payment, delay for auctioning and reliance on TBC. Tanzania coffee Exporters acquire this knowledge on the process they conduct business.