

The effectiveness of social media on sales performance of SMEs in the tourism industry in Tanzania: the case of Mwanza and Arusha

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The effectiveness of social media has been increasing in all parts of the world including Tanzania, both for individual communication and for organizational information sharing with clients. In most cases, companies have become users of social media aiming at increasing sales performance. The aim of this study was to evaluate the effectiveness of social media on sales performance of SMEs in the tourist industry in Tanzania. The sample size for the study was 43 and the study adopted cross section research methodology. Data were collected by using administered structured questionnaires from a sample of tourist respondents who used technical staffs of tourism companies particularly Managers, senior travel consultants, as well as Social Media experts using structured questionnaires as main tools with closed ended questions. Data were analyzed quantitatively with the help of SPSS where mean, standard deviation, correlation and regression were used for data analysis. The findings revealed that Tourism companies used social media to a large extent and the most used social media platform was Facebook. The study also proved that through outreach of social media, tourism companies have been able to increase Sales Performance. This was proved by the multiple regression analysis performed. More specifically the findings show that, social media outreach and user awareness of social standing of other users are more significant than perceived benefits of SM. In that end, therefore, the study suggests that for firms to engage in social media marketing with a view of increasing sales performance, perceived outreach of social media and user awareness of social standing of other users should be given priority. Additionally, variables had the highest mean and lowest standard deviations such as creating customer relationships and instant feedback in perceived outreach of social media objective, as well as platform for communication and changing attitudes.