

**THE INFLUENCE OF E-MARKETING ON BUSINESS PERFORMANCE AMONG
MULTI-NATIONAL CORPORATIONS. A CASE STUDY OF
MULTI CHOICE UGANDA**

BY

MUGISHA IVAN

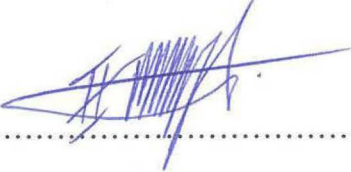
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**A RESEARCH REPORT SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE AWARD OF BACHELORS OF BUSINESS
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DECLARATION

I, **MUGISHA IVAN** , do declare that this report, is original and it is as result of my efforts and data gathered in the field. To the best of my knowledge, the information contained therein has never been submitted to any institution of higher learning for any academic award.

Signed.....


Date.....4/06/2015.....

MUGISHA IVAN

BBA/38688/123/DU

APPROVAL

This research report was read and approved and is now ready for submission under my supervision as a university supervisor.

Signature.....

Date.....

MR. GULABWE MUZAMIRU

(Supervisor)

DEDICATION

I dedicate this report to my wonderful mother Mrs. Nakintu Angela who rendered financial, moral and spiritual support not only during the research period but for a life time. She always said to me, “Don’t be afraid to be different”, which motivated me to work tirelessly. Above all I dedicate this to my Lord for always being there for me even when hope is gone.

Her guidance and support helped me to succeed and develop confidence so that today I feel capable of doing anything that I can think of. Thank you for everything.

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I am very delighted to my parents Mr. and Mrs. Buyondo for their continued moral and financial support rendered to me throughout the course and my entire academic journey. Much as it is impossible to acknowledge each and everybody to one's carrier, the contribution of the following is vital and irresistible. First is **GOD** for his love, grace and favour towards the work of my hands, secondary, are my Mum and the late my Daddy whose positive attitudes granted me a blank cheque to write this report. I extend sincere gratitude to the management of Kampala capital city authority for their support towards my success, my lecturers, my teachers in secondary and primary school whose combined efforts groomed me up to this level with modern skills in procurement.

This report is not a single man's effort because many people contributed either directly or indirectly. It is therefore on this note that I wish to cordially extend my gratitude to the following for their maiden contribution. Special thanks go to my mother for the support and guidance during this course. I further think I will be unrealistic to put aside the encouragement and support from colleagues in professions, my friends Seif Omar, Osillo Fredrick, Ntende Peter, Nampala Asia mention but a few without you people this could have been like a cock to produce an egg for their help and encouragement throughout the course, you are really a valuable asset to me, I thank God who created you and made us meet.

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CHAPTER ONE

1.0 Introductions

This chapter presents the background of the studying, statement of the problem, purpose of the study, objective of the study, research questions, and scope of the study and the significance of the study.

1.1 Background of the study

Electronic Marketing (E-marketing) is a new philosophy and a modern business practice involved with the marking of goods, services, information and ideas via the internet and other electronic means. Having gone through the dot.com boom of the 1990 and the economic debacle at the beginning of the 10th century, the internet is used today as a main stream business platform, as integral part of the commercial and social platform (Bird Sall.2007, Beer2007).

The online advertising is increasingly attracting the attention of marketers and has become one of the main form of advertising today. Evidences to show that even the smallest business are active internet users; in 2007 in Canada 195% of business with 20 to 99 employees) had internet access, 74% had a website, 69% were purchasing on line and 13% were selling on line (Industry Canada, 2009).

Internet marketing began with the use of telegraph in the 19th century. with the advent and mass acceptance of the telephone, radio, television, cables, electronic media have become the marking force. According to Hoge's (1993), Internet marking is simple but it does not touch the important aspect of customer's relationship. In this modern edge on internet almost every progressive businesses have web presence, same people think that website is just a commercial requirement but others think it is mandatory to run their company activities. In today world, information and communication technology (ICT) and TMT is applications have resulted in considerable changes in economic, social and cultural process such that some of the previous procedures have been completely abolish and replaced by third world methods or "virtual" methods(Isaac M, the monitor, 7th august 2006).

Uganda was one of the first countries in Sub-Saharan region to gain full internet connectivity both fixed line operators. Uganda Telecom and MULCHOICE Uganda offer a range of data services including; ISDN, ADSL and local and International East line.

Several Internet Service providers are offering wireless broadband access.in2012 Uganda had 36,332 fixed broad band subscription (119th in the world) or 0.1% of the population(165th in the world) and 2.5 million wireless broadband subscriptions (58th in the world)or 7.6% of the population (dynamic report, ITU, ITC, EYE, international telecommunication union, 29th June 2013)

Data on six sectors in eighteen African countries including Uganda reported by the organization for economic cooperation and development indicate that, although there is a wide range in the extent to which business are purchasing and selling over the internet, on line transactions are now increasing in most of these countries tracked (OECD,2009) as more multinational cooperation (MNCs) shift an increasing part of their promotional strategies into internet, the controversy over market globalization continues(Okazaki, 2002).

Global conversance and access of internet has interconnected global communities beyond physical boundaries, leading to the increasing homogenization of consumer preferences, justifying and standardization of web based advertising and promotional campaigns (Okazaki, 2002).

The popularity of online advertising makes other forms of traditional communication less important for international companies, but also creates many interesting business and ethical issues (McCoy et al, 2007). In response to the quick adoption of electronic communication, marketers are exploring methods that exploit the many divers opportunities existing on the internet (Honycutt et al.,1998).

One of the most expensive areas for opportunities is the international marketing environment due to the law setup costs, global coverage and access, easy of entry, time independence and interactivity (Bethon et al.,1996).

Table 1: Uganda Internet usage and Population Statistics

Year	Users	Population	% pen.	Gdp P.C.	Usage Source
2000	40,000	24,400,000	0.1%	US \$410	ITU
2006	500,000	28,574,909	1.7%	US\$280	ITU
2007	750,000	30,262,610	2.5%	US\$280	ITU
2008	2,000,000	31,367,972	6.4%	US\$300	ITU
2010	3,200,000	33,398,682	9.6%	US\$460	ITU

Source: United Nations Department of Economics and Social Affairs.

The number of internet users continues to increase in Uganda as the penetration on if both fixed and mobile broadband internet becomes more accessible around the country. Currently, there has 6.2 million users of the internet service, of which about 2.6 92 million have active accounts (the daily monitor, 5th may 2012). In 2012 Uganda had 32,683 internet horst (106th in the world).this is up from 6,757horsts (131st in the world) in 2009 (CIA., March 18th,2010). In 2012 Uganda had 4.9 million internet users (60th in the world) or 14.7% of the population (156th in the world).this up from 2.5million users in2008 (64th in the world).(population data international programs, US census bureau 26 June to 2013).

Multi choice Uganda is a leading television service provider based in South Africa and operates as a subsidiary in Uganda .The Company primarily provides Set light and pay television services to it as subscribers. It offers two major television products including digital; set light pay television business ("DSTV") and GO TV. Both DSTV and GO TV had about 100,000 subscribers altogether (global media markets inelegance 2012). The company uses the social media to attract new customers especially the introduction of GOTV which caters for the young a vibrant population.

The business performance is better since introducing the electronic payment (e-payment) system where customers can pay for their subscription using the various e-payments systems. This includes bank payments, pay way and the various mobile money outlets for example; MULICHOICE Mobile Money, M-Sente and Airtel money (the new vision 20th august 2013). Customers are regularly informed on updates via emails or mobile platforms. This could be sales promotions, current offers such as; xmas time packages and so on. In this way multi choice is able to communicate with their customers directly and conveniently hence not only selling more products but also having that personal customers. This has showed an increase in business performance through measuring its indicators which includes profits, return and investment (ROI) customer turn over or number of customers (Wood, 2006), design quality and product improvement (Lawura et al., 1996), from the above, the study will try to find out whether e-marketing has an impact on business performance of multinational corporations. Beyond business performance measurement classification, the results should provide insight to effective business management practices in areas such as sales management skills development, goal attainment, resource allocation and customer relationship management.

1.2 Statement of the problem

Past business performance of multi-national cooperation has been relating on marketing strategies which have traditionally focused on single marketing mixed elements like the price, promotion, place and their products to consider the full marketing mix in a wider context which has led to poor performance of the cooperation (Dotson 1987). While current business performance is being affected by the internet which is viewed today as a main stream business platform and as an integral part of the commercial and social landscape (Beer and Burrow, 2007) and because of the free entry and exit of the market, many companies have joined the local market for example Star DTV Uganda (Star Times), part digital TV, Kampala SITI cabal, smart TV, time watch cabal, Zuku TV and multi-choice Uganda (DSTV and GOTV) which was previously a monopoly in the industry.

Due to this, the battle to secure customers through the use of various marketing strategies by the set light television companies in Uganda is getting more daily, and one would wonder which of the service provider will come out on top, this has caused relatively poor business performance

among the multi-national cooperation which is inducted by substandard related services, low profits, poor distributions bad repetitions to same players in the industry including failure to conduct business and thus a need to improve, this conflict over who has the outstanding profile is destined to create another sprat, that possibly the multi-national; corporation can afford to use e marketing and still be able to advance business performance. (Godwin Muhwezi , 2007).

It is on the basis of above that the researcher chose to study e marketing and business performance in multi-national cooperation's in Uganda since e –marketing seems to be a new phenomenon in the area and little or no research has under taken to test how an articulated approach to critical e marketing strategy tasks relates to current performance.

1.3 Purpose of the study

This study was aimed establishing the relationship between e marketing and business performance in multi-national cooperation validated existing information based on the theory which the study was adopted.

1.4 Objectives of the study

1.4.1 General objective

This study was intended to establish the relationship between e marketing and business performance in multi choice Uganda.

1.4.2 Specific objectives

This study was meant to achieve the following objective

- i). To determine the profile of the respondent in terms age, gender, marital status, highest education qualification, working experience and employment company.
- ii). To determine the degree of E-Marketing (Email marketing, mobile marketing social media, interactive marketing) in multi choice Uganda.
- iii). To determine the level of business performance in terms of sales, market share, profit, quality products and customer satisfaction of multi choice Uganda.

iv). To establish the relationship between E-Marketing and business performance in multi choice Uganda.

1.5 Research questions

- i). What are the profile of the respondents in terms of age, sex, form of business, business sector and number of years in business?
- ii). What is the degree of e marketing (email marketing, mobile marketing, interactive marking and social media) in multi choice Uganda?
- iii). What is the level of business performance in terms of sales, market share profit and quality products and customer satisfaction in multi choice Uganda?
- iv). What is the relationship between E-Marketing and business performance in multi choice Uganda?

1.6 Scope of the study

1.6.1 Geographical scope

The study was conducted at the multi choice main branch located on Buganda road, Nakasero, Kampala District in Central Uganda.

1.6.2 Theoretical scope

The study was based on the contingency theory, which has its early roots in the general system theory (Bulding,1956,von berthalanffy,1951) and in t5he behavioral theory of the fun (Cyery and march,1963 March Simon 1958,simon,1957) this theory defends that the best strategy across situations those not exist. Performance level results from the co-alignment among strategy and the farms context (the external forces of the firm). Each strategy may be, or not depending on the nature of the contingent forces.

1.6.3 Contents scope

The study was focuses on how e marketing impacted on business performance of multi choice Uganda. The respondance in the research was employees of multi choice Uganda and the clients.

1.6.4 Times scope

The study was carried out between February to April 2014 and it considered the operations of Multi Choice Uganda which were there between 2010 to 2014.

1.7 Significance of the study

The study findings will be used by the government agencies like the Uganda communication commission (UCC), Uganda revenue authority (URA), the ministry of trade and industry and the ministry of information technology to evaluate the impact of e marketing on business performance as they came up with policies that multinational corporations Uganda.

The study findings will also help policy makers in difference multinational cooperation (multi choice Uganda, Time watch cabals, Star D TV Uganda, Zuku TV) to came up with informed descriptions in terms of their business performance as they will not be able to understand the links that's between the two variables and therefore helping them make effective judgmental description in relation to the study finding.

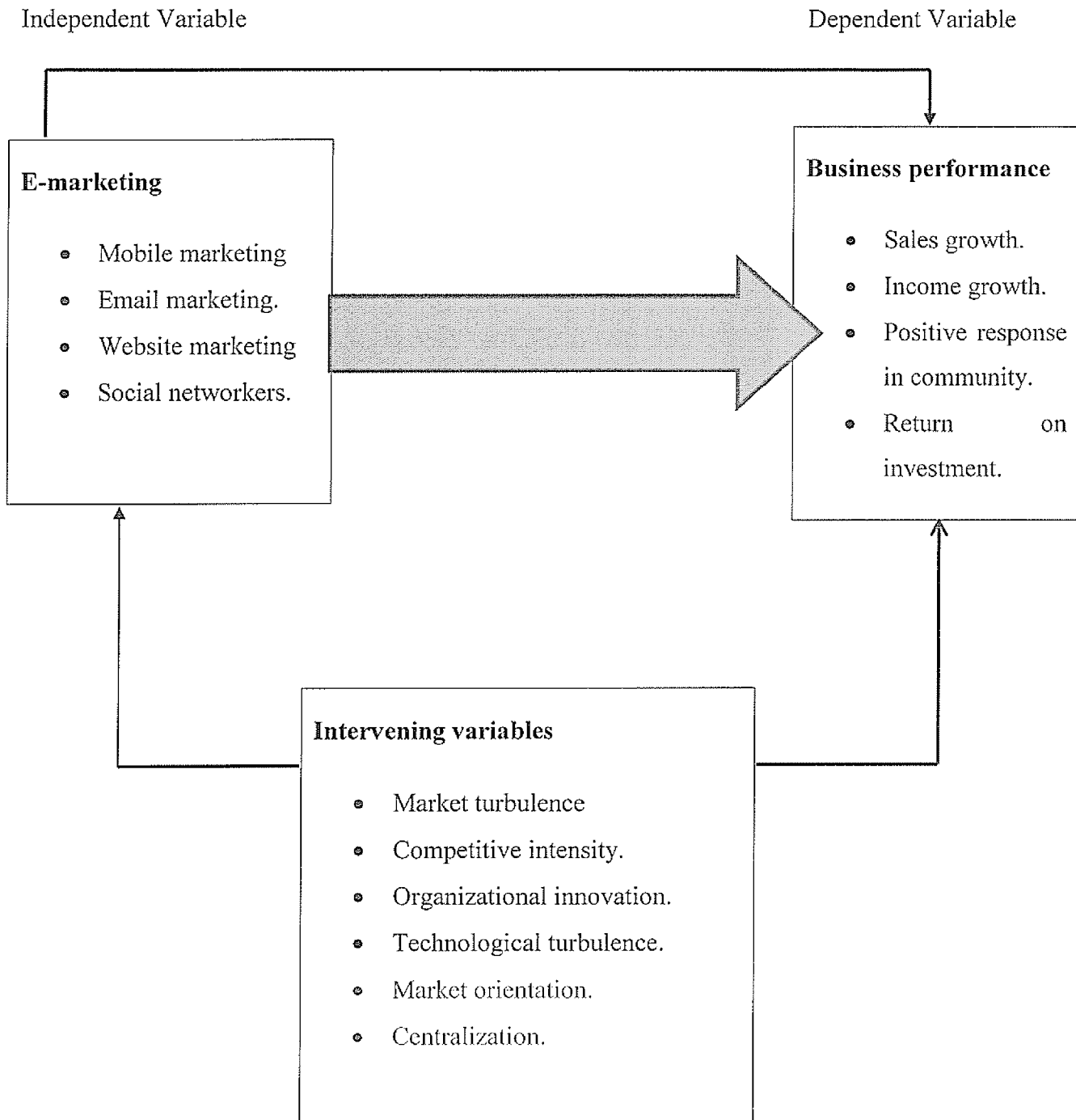
The study findings will be used by the future investors both local and international who hope to invest in Multinational Corporation to come in with enough information and how to improve business performance using e marketing.

The study findings will be used as references for future researchers in their study or related studies having contributed to operational definition of concept, literature and methodology for such future studies.

The study findings are also a requirement for the award of a bachelor's degree of marketing in researching.

1.8 Conceptual frame works

Figure 1: A contingency frame work of the relationship between e marketing strategy and performance.



Source: Primary data 2014.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter covers the definition of Multinational Corporation, their merits, demerits, E-Marketing, and web marketing strategy, external forces, internal forces, E-Marketing tools and business performance.

2.1 Definition of multinational corporations

There is no universe accepted definition of a multinational company available. Multinational corporation have been broadly defined as business forms that uphold value added holdings ever since. According to Sperral and Hart (1999) a Multinational Corporation (MNC) as a business enterprise that direct investments overseas and that upholds value added holdings in more than one country. An enterprise is not truly multinational if it only operates in overseas or as a contractor to foreign funds. A multinational firm sends a broad package of capital, technology, managerial talent, and marketing skills to carry out production in foreign countries. Dunning (2008) supports the same view and defining MNC as an enterprise that engages in foreign direct investment (FDI) and owns or, in some way, controls values added holdings in more than one country.

Hennart (2008) defines LNC in a deferent way that they are in privately owned institution diverse to organized, through employment contracts, interdependencies between individuals located in more than one country while multinational corporations according to Kogut and Zander (2003) are economic organizations that growth from it is national origins to spanning across borders. As an ILO (2010) report observed “the essential nature of the multinational company lies in the fact that it is managerial headquarters is located in on country while the company carries out operations in the number of other countries as well.”

Merits of multinational corporation (MNCs) according to Heidenreich,2010)the main merits and demerits s of MCS are:

- Help to increase investment, income and employment in host country.
- Transfer technology to developing countries.

- Made a commendable contribution to invention and innovation.

Demerits of MNC

The true that MNCs have some advantages for host countries however; MNCs have been criticized on the following grounds;

- MNCs technology is designed for worldwide profit maximization, not for the development need of poor countries.
- Trough power; MNCS evade national economic autonomy and control and their activities inimical to the national interests of particular countries.
- MNCs course faster depletion of some of non-renewable natural resources in the host country.
- As brattiest and Goshen suggest, these objective are very important for MNCs, through their degree of importance vary from company to company.
- Has been identified as utilized. It is important to realize that global efficiency can be enhanced both by increasing revenues and by lowering costs. important factor influencing include labor, productivity capital intensity, economies of scale, learning-curve effects and a company cost culture generally (john et al.,1997)multinational flexibility according to Bartlett and Goshen (2000) means **“the ability of a company to manage the risks and explore the opportunities that arise from the adversity and volatility of global environment.”** Lastly, a major objective of MNCs is facilitating learning across units. In addition to encourage new learning; MNCs also encourage and facilitate the transfer and sharing of new knowledge.

2.2 E- Marketing

Marketing refer to activity that are done for satisfying consumers' needs .many different definitions have been presented for e- marketing and each of this definitions approach marketing concepts from particular view : Gilmore et al (2007, defines e- marketing as using internet and relate technologies along with other marketing tools in order to carry out traditional marketing operations and activities, finding customer communicating with them and delivering value to them.

Stan (2003) defines e- marketing as electronic application of traditional marketing mix elements (4p). In another definition, Straus and Raymond (2001) believe there e-marketing is the very traditional marketing which utilizes it in achieving its goal and increases marketing efficiency. E-marketing is the application of internet and other digital technologies in achieving marketing goals(Chaffey et al 2000).

Smith and Chaffey (2001) defines e-marketing as achieving marketing goals through applying electronic communications technology . This technology includes internet, E-Mail, E-books, data base and mobile phones. Javelin Dehkordi et al (2011) in research investigate four e-marketing tools including ; mobile marketing ,email marketing ,website marketing and marketing through social networks website that are used to implement and improve e-marketing and understanding their different impacts on consumers perception .the result showed that marketing through mobile phone has been changed a lot with introducing smart cell phones and provide many advantages for companies.

Marketing through emails is unique way distributing advertisement messages and creating value for customers because of cheap price, cost- effectiveness and abundance of addressees. Marketing through website is necessity for companies because of its natural capacities. Social networks are combinations of text; picture and video that help companies increase their productivity and create value for their customers.

Social network facilitate relationships between companies and consumers' needs and discover their products' weaknesses and strengths min electronic world and from the customers' idea. Abdel Mominshaltoni and Douglas C.West (2009) stated that using e-marketing results in Advantages like marketing development and costs reduction. Findings have shown that E-marketing orientation (EMO) has been made up of both philosophical and behavioral elements.

By means of conceptualizing EMO and simplifying its measurement, marketers will be able to try their activities and evaluate their resource in order to improve e-marketing processes. Edward W.N Bernroider (2008) stated that e-marketing methods are mostly used by MNCs but e-marketing diversity is low in such organization. They also showed that in most multinational companies (MNCs), distribution is very symmetric and only traditional marketing tools were used. Internationalization and achieving new technologies, can support advanced e-marketing in higher levels.

Researches results indicate a positive relationship between evaluate organizational companies (MNCs). Maria Bengtsson and et al (2007) stated that application of internet for marketing advanced operations provide challenging opportunities in all sizes. However, such an investment may waste investments in current market channels and consequently bear characteristics of a radical innovation. The conceptual model of present research is based up on a combination of internal and external factors, company size and tendency to evolution, entrepreneurship motivations, management support, and market pressure.

The results of the mentioned research indicated that the combination of factors upon which companies decide on application of internet based marketing operations is largely dependent on company size (Jeffrey Dilts and et al (2006) stated that using one single marketing method will get nowhere and will lead to failure all over the world. All countries have some material purchase behavior) and no material traditions, attitudes and rules) cultural different. Difference that makes their thought about internet and purchase dissection different.

Therefore, businesses must use combinational approach for strengthening locally acceptable patterns in the field of purchase through internet in order to minimize costs, not only top level understanding of local culture must be regarded, but also inter regional unities must be established for further success. This allows e-business to reach global growth while they are concentrated on local markets in a multi-channel world.

Jagdish . N. Sheth and Arum Sharma (2005) found that international E-Marketing strategies are basically changing and this change will be continued for changing marketing thought in international markets. They also state that future e-markets will bear little resemblance with the present markets.

2.3 Components of E-Marketing

2.3.1 Email marketing

Moncrieff and ship 1997, e-mail has become an even more flexible method of communicating. Email allows the person to stay in contact with the customer base through an on-line computer Network Interface such as the internet. It also encourages more communication and information sharing among sales people and their managers, supplies and peers who intern build more team, camaraderie.

2.3.2 Social networks

Kotler Armstrong 2010, over the past few years, a new type of social interaction has exploded on to the scene- online social networking. Online social networks are online communities where people socialize or exchange information and opinions. Social networking media range from blogs to social networking website such as Facebook, you tube and twitter. Marketers are working to harness the power of this new social network to promote their products and build customer relationships. Instead of throwing more one way commercial at advertisement weary customers, the hope to use social networks to interact consumers and became part of their conversations and lives.

For instance, TN has a Facebook fun page with 950 friends who interact freely with the network and other friends. Kotler and Armstrong also add that marketers must be carefully when tapping in to online social networks. Results are difficult to measure and control. Ultimately, the users control the content so on line social networks marketing attempts can easily back fire.

2.3.3. Mobile phone marketing

The Pitch, Richard Mukoma Daily Nations July 13th 2010, mobile phone marketing refers to direct marketing to consumers via cell phones. Technology such as SMS, MMS, Bluetooth and infrared are used to distribute commercial content to mobile phones. Mukoma suggested that with the growing popularity of mobile phones, mobile phones marketing have the potential to be the fastest growing and most targetable methods of brand marketing. The dashiki 2010, points

out that mobile technology not only lets marketers reach customers where they are, it allows them to engage mobile users by targeting immediate and specific needs.

He also suggested that it giving users what they want when they want it and that is the unique value propositions of mobile phone marketing and businesses, agents and none profit organization of all types the mobiles can have successful campaigns without breaking the bank.

Mobile marketer 2010, brands and marketers can use the mobile channel to increase their brand affinity, recognition and customer's loyalty. His attraction to mobile is the channels ability to acquire new customers, increase loyalty and generate brand awareness and affinity, the ability to monetize content and the fact that it lets marketers provide convenience to consumers. File 2007, mobile phones provide another logical platform for marketers to channel targeted texts (SMS) to millions of users.

Additionally, video technology is beginning to allow TV Programmes transmission through mobile phones creating other advertisement opportunities, MULICHoice sends its users information about its current promotional activities thus giving them up to date information that motivates consumers to purchase more of the company's services like MULICHoice zone. Greco 2007, there are unique sets of limitations that mobile branding presents. Mobile users are besieged by constant distractions, noisy environment and low band width. This causes them to move through the day in a state of discontinuous interaction. So although is king in the mobile branding world, it must be used efficiently and intelligently.

Content has to be brilliant, easy and fast. Yet from these substantial limitations, new creative opportunities continue to emerge and forward thinking brands are beginning to reap the benefits. The mobile phone laces marketers' right inside persistent computing. They can people everywhere on the internet, in train stations, on the phones. They can communicate with consumers in every possible level.

2.3.4 Web-Marketing Strategy

Strategy as a general direction of the company reflects its response based on information from the environment (Jennings and Zanbergen 1995) and that can explain the magnitude of the relationship between performance measures and specific marketing response from the company (As for example market orientation).

Walker and Ruekert (1987) argue that strategic orientation, performance in specific dimensions and marketing activities have a contingent relationship: the companies choose a type of strategy to obtain Excellency in particular dimensions of performance, and execute each strategy by choosing marketing activities. The current study will operationalize web promotions, web price and web CRM (Fig.1). E-marketing strategy involves using electronic methods and affects traditional marketing in two ways. First, it increases efficiency in established marketing functions. Second, the technology of E-marketing transforms many marketing strategies in new business models that add value and / or increase company profitability (Strauss and frost 2001).

Web-design: Attitude the web site has been researched as important measure for how well a web site is doing. Chen and Wells (1999) found that entertainment, in formativeness and organization profile of web site are useful descriptive dimensions which in their have correlated with the attitude towards the site.

Web-promotion: Stephenson et al (2000) have conducted research on the type of background that is most appropriate for positively affecting advertising effectiveness. Bruner and Kumar (2000) further explored the advertising hierarchy of effects as measured by several common attitude measures, namely attitude towards the ad, attitude towards the brand, attention to the commercial, purchase intention, and its antecedents in the context of the web. Web experience was found to play an important role along with wage page complexity and interestingness on attitude the web site, which in turn had significant effect on the web advertising hierarchy or effects. Their findings suggest that simpler web page backgrounds are more effective than more complex ones.

Web-price: The advent of the internet as a new medium for buyer-seller interaction is changing the issue of price for both customers in unprecedented way. On the one hand, there are internet dynamics on the one hand internet dynamics that flatten the customer value pyramid (Define by value of the customer to the firm) because of technology that facilitates customer research, customer control over transactions, the provision of means by which the customer can make rather than take the price, and a return to one-on-one negotiation.

On the other hand, firms may create customer-switching barriers, differentiate on other dimensions of the purchase decision and reduce transaction cost (Pitt ET al.2001).

The fundamental value of the internet lies not in lowering prices or making them consistent but in optimizing them in the three ways. First, the net allows companies to set and announce companies with greater precision since different prices can be tested easily, and customers' responses can be collected instantly. Secondly, as it's so easy to change prices on the internet, companies can adjust prices in response to even more fluctuations in market conditions, customer demand or competitor's behavior. Thirdly, companies can use the click stream data and purchase histories that they collect through to segment customers quickly and offer segment-specific prices or promotions immediately.(Baker et al., 2001)

Web-CRM: The web can be used to establish direct marketing channels between firms and consumers. (Lau et al., 2001). Through data mining tools, it's possible to make use of the personal information on a visitor's web site and identify his or her interest and needs. Based on such understanding , firms can E-mail messages and offer service packages especially design for a potential customer, based on the marketers assessment of individual's interest. (Suphellen and saving novena 2001).

Because of increased competition among actors offering their products and services on the internet, generating recites to companies' web site has become a major challenge for many companies. In order to generate revisits, substantial amounts of resources are used in effort to superior web Sites that attract customers by structuring one's about a forms relationships with its customs, companies can identify their strength and highlight areas in need of improvement (Piccolo et al, 2001).

2.3.5 Major characteristics of online customer marketing

According to Palumbo and Herbig ,1998, the typical internet user of the twentieth century is young, professional, and are fluent with higher levels of income and higher education they value time more than money which automatically makes the working population and dual-income or single-parent households with time constraints better candidates to be targeted by non –store retailers (Burke ,1997).

Actually, both demographics and personality variables such as opinion leadership are very important factors that are considered in studies trying to determine the antecedence of internet purchases (Kwak et al,2002).

Conformity work shows that income and purchasing power have consistency been found to affect customers propensity to shift from brick and- mortar to virtual shops (comor,2000).internet usage history and intensity also affect online shopping potential. Customers with longer histories of internet usage, educated and equipped with better skills and perceptions of wet environment have significantly higher intensities of online shopping experience and better candidates to be captured in the well-known concept of law in the cyber world (sisk,2000;Hoffman and Novak, 1996; Liao and Cheung, 2001).

Those customers using the internet for a longer time from various locations and for a higher variety of services are considered to be more active users (Emmanoulides and Hammond , 2000) as Bellman et al.(1999) mentioned, demographics are not important in determine online purchasing potential weather a customer has a wired life style and the time constrains the person has are much more influential.

Risk taking propensity is also a powerful factor. E-shoppers have higher risk taking tendencies consumers with high levels of privacy and security concerns have lower purchasing in online markets but they balance this characteristics with their quest for making use of the information advantage of the environment (Kwak et al,2002; Miyazaki and fanandez,2001).this educated individuals ,as more confident decision makers, are much more demanding and have greater control over the purchasing process from initiation to completion (Rao et al,1998).

2.3.6 On-line shopping behavior

Identifying pre purchase intentions of consumers is the key to understand why they ultimately do or don't shop from the web market. One stream of research under online consumer behavior consists of studies that handle the variables influenced this intentions.

A compilation of some of the determinants researchers have examine are: transaction security, vender quality, price consideration ,information and service quality, system quality privacy and security risks ,trust shopping enjoyment, valence of on line shopping experience, perceived product quality (Liao and Cheug, 2001;saoood et al; 2003; Myazaki and Fanandenz, 2001; Chen and Dubinsky, 2003).

The list of factors having a positive or negative impact on customers propensity to shop do not seem to be very deferent from the considerations encountered in off line environments, however, the sensitivities individuals display for each variable might not be very deferent from online market places. Factors like price sensitivity, importance attributed to brands considered in online and off line environment can be significantly from other (Andrews and curium, 2004)

Uncertainties about products and shopping process, truth worthiness of the online seller, or the connivance and economic utility they wish to derive from electronic shopping determine the cost virus are the benefits of this environment for consumers further studies aiming to complete a full set of factors influencing consumers purchase intentions are still much awaited. (Teo et al,2004).

2.3.7 Consumers satisfaction and loyalty in the online market

Investing in consumer satisfaction from the online experience and creating brand or site loyalty are critically important for companies that want to have a long run presence on the web, there are two approaches taken to induce loyalty into consumers in an online context. One approach is to focus on concrete factors for example; creating a convenient and well-designed online store and offering secure transactions are the keystones of satisfying e-consumers. However all satisfied consumers do not become loyal. Personalization attempts and increasing the social Values of online experiences of very important to, make customers build strong brand relationship in the cyber world. (Szymanski and Hise, 2000).

Although Nunes and Kambil (2001), argue the opposite, some studies find that personalized websites and customers communities are highly influential on the consumer brand relationship especially for experienced internet consumers (Thorbjørnsen, 2002).

Besides, business that can create trust and increase the perceived value of online shopping can turn their satisfied consumers into loyal ones in the E-Marketing environment, too (Anderson and Srinivasan, 2003). The online environment accommodates so many opportunities for creating loyalty that even offline offerings can be effectively facilitated with supporting after sale services provided through the web. (Van Riel et al; 2014).

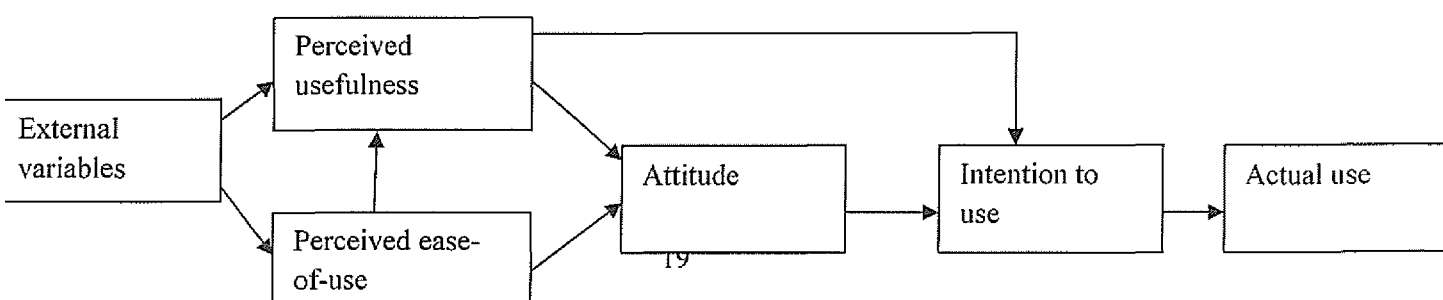
2.4 Models and theory

There are certain attempts to adopt classical attitude behavior models to explain online consumer behavior. The theory of a reasoned action and consequently, theory of planned behavior are the most commonly used models aiming to determine the impacts of beliefs, attitudes and social factors on line purchase intentions. Yoh et al; 2003 attempt to apply theory of reasoned action (TRA) for a proper shopping on the internet is one such as successful example. Some of the other models used in similar studies include the technology acceptance model (TAM) and flow theory which integrated Inkoufaris's (2002) study, and social quantities theory (La Rose and Eastin, 2002). Jentry and Calantone (2002) compare the theory of reasoned action (TRA), theory of planned behavior (TPB) and technology acceptance model (EAM) with the respect to their effectiveness in explaining consumers shop but use on the web and find technology acceptance model (TAM) to be superior to others.

TAM (Technology Acceptance Model)

TAM was derived from the theory of reasoned action (TRA) (Fishbein and Ajzen 1975) while TRA is a general theory of a human behavior. TAM is a specific to IS usage.

Figure 2: Shows TAM



Davis Asserted that perceived usefulness and ease of use of represent the beliefs that lead to such acceptance perceived usefulness is a degree to which a person believes that a particular system could enhance his or her job performance (i.e.; by reducing the time to accomplish a task or providing timely information).perceived is of views is a degree to which a person believes that using a particular system would be free of effort. (Davis 1989)

Two other contracts in TM are attitudes towards use and behavioral intention to use. Attitude towards use is the user evaluation of the desire ability of employing a particular information system MS application. Behavioral intention to use is a measure of likely hood a person will employ the application (AJZEN and fis being 1980 empirical testes suggests that TM predicts intention and use.(Davis 1989)found that TAM successfully predicted use of a word processing package. He reports that EOU (is of use) and U (usefulness were significantly correlated with the use of an office automation package, a tax editor, and two graphics packages. Elimination of TM is that it assumes usage is a volitional that is, there are no buriers that could prevent an individual from using an IS if he or chose to do so, although there are many factors preventing a person from using an application such as perceived user resources (Kieran Mathie son, EILLEN peacock et al.2001) and perceived behavior control (Ajzen 2002)

2.4.1 Advantages and disadvantages of going on line.

The excitement created by unique and innovative characteristics of the web created a tendency to focus on the advantages created by the medium at first. However, contrarily points also emerged rapidly and the pros and cons of going online began to be discussed simultaneously. The operational advantages of being on line mentioned by many attitudes create an extensive list: becoming easily accessible from deferent parts and time zones of the world, being introduced to a global business opportunities decrease red tape in international operations, possibility to conduct personalized affective and interactive advertising, the availability if marketing research and analysis tools, lower capital and overhead costs, lowered operating costs, decreasing cost of capital, tax advantages, increased efficiency in business to business transitions, flexible ordering, better odder tracking, levying the playing field with the other firms enhancing the firms image by appearing to on the cutting edge of technology and reaching a larger audience of prospective clients. (Paul, Rosen and award, 2000; Rozgus, 2007, 1997)

However, the disadvantages of going online are just as prevalent and, therefore the others of the studies that the pros of e business have shown an equal effort to note the negative sites of going cyber. Privacy and security problems, various operational, strategic and cost based disadvantages, the difficulty of controlling online transaction and measuring outcomes, higher costs of entering e-business, the difficulty of setting prices at international level, intensified competition, cultural differences in international trade laws, changes between the telecommunication infrastructure and technical standards of deferent countries, high costs of individual delivery, the difficulty of dealing with virtual transactions, problems about disintermediation ,the fear of technology most consumers experience, the lack of socialization and tactility are only some of the most commonly encountered disadvantages an online business(paul1996;Rosen and Howard, 2000).

Therefore, companies need to implement a strict structure to determine the costs and the financial outcomes of going online in order to become sure that the pros exceeds the cons for the business and firm (Zeller and Kubulank,2002). The list of the advantages and disadvantages of becoming an online business is quite long for many companies, internet based plans are not yet a priority because of cost, system incapability and the factors that are for external partners cannot participate in the e-business environment yet (Roth 2000) in other words e-commerce is the sweet sport but transforming into a real electronic business is the critical and difficult part of all this excitements. (Higgins 1999)

2.4.2 Main potential driver for customer choice and online marketing

Accessibility and convenience, the possibility to shop any time is the most obvious and moist commonly cited advantage of online marking and was found to be most important perceived consumer benefit of internet shopping in imperial studies by Jarvenpaa and Todd (1996 to 1997) and kangis and ranking (1996)global choice, since the boundaries are of online marketing are not defined by geography or national boarders consumer ill benefit from a wide selection of venders and products including a wider availability had-to –find products (Benjamin and Wuug and 1995hoffman et al 1995 Allrer et al 1997)

Taste and trail in line; digital products can be tested over the internet prior to making purchase dictions reducing an certainly. The real time nature of the medium; the internet can provide

consumer with up- to-the-minute information on prices ; availability, etc (EF .France 2000)time saving; may benefit from the shopping process being faster in the market space than in the market place than the result of the rapidity of the such process and transactions (wwwiggan and Benjamin 1995,kruase 1998)possibility for corporation shopping; by allowing consumers to in many places and conduct quick compulsions of offerings and prices (Hoffman et al1995, Hart et al 2000)

Competitive prices by embracing online marketing consumers may benefit from price reduction as a result of increased competition as more suppliers able to compete in an electronically open market place (Turban et. Al 1999), as a result reduced selling prices due to reduction in operation / transaction costs (Brynjolfsson and Sith 2000), and manufacturers internalizing activities traditionally performed by intermediaries. Availability of personalized offers; consumers benefit from it. (Benjamin an wigan 1995).

Enabled opportunities for personalized interaction and one-to-relationship with companies, which allow for product service and web content to be, customized more easily. The social nature of purchasing process; since consumers differ in S their social disposition many customers may find an impersonal purchasing situation desirable for social reason or simply they find a variable contact with a seller time- consuming. (Cf. Pappers and Roggers 1999, brown 2000).

2.4.3 Main potential inhibitors for consumers' adoption of On-line Marketing

Quality evaluation; on the internet its more or less impossible to make sure, beyond doubt, that, (tangible products have the desired features (e.g. design, material, colour, fit), even rise to a quality evaluation barers to online marketing. Empirical findings by Kangis and Rankin (1996) showed that the need to fill a touch was the dominating disadvantage for all home shopping services, security risks; it has been suggested that transaction security (such as the credit card number being picked up by the third party hawkers) is mostly a perceptual problem in on-line marketing (Rolse et al.1999). Never the less, the facts remains that it may be one of the complex barrier to be overcome (Zwass 1996, Alridge et al.1999,ready bat et al 2000). As studies show that adopters as well as non adopters of internet shopping have security worries (furnell and karweni 1999. Udo 2001.Fenech and O'cass 20001).

Lack of trust in virtual sellers; the fear of fraud and risk of lose has commonly been cited as a significant to B2C e-commerce with empirical research supporting this assumption (Jarvenpaa and Todd (1996-1997), Furnel and Kerweni 1999. Hoffman et al 1999, Vijayasrathyss and Johns 2000.

Delivery times; intangible product categories any home shopping methods involves delivery time which means that the internet is the disadvantages to a physical stores as they fail the customers need for instant gratification(vasson1996).consumers may thus be reluctant to wait for the delivery of ordered goods for days or weeks if the same product can be collected immediately in physical outlet.

Luck of personal service; while on line marketing offers great marketing for one to one marketing it significantly reduces, or even put an end to the personal service(human-to-human contact)characterizing traditional commerce. This may be suggested by research by Kangins an Rankins (1996), be an impediment toe-commerce for many consumers.

Lack of enjoyment in shopping; many consumers find the shopping experience-looking, filling, comparing-in retail stores relaxing and enjoyable. Johns (1999). As the filling of amusement and relaxation is an likely to be as marked in electronic, setting e-shopping can hardly be seen as a substitute for the leisure experience as associated with conventional shopping (Phan and Poon 2000)

Hardship to find what you are looking for; the difficulty to locate stores / products / information on the wed (Cf.Garvenpaa and Todd 1996-1997,rose et al.1999) emerges from limitation of the user, search engines use, or poor site disability time consuming nature; as noted online marketing may offer customers saving in time. In practice, however using the internet for commercial purposes may prove to be too time consuming for many users. (Anckar and Worlden 2002).

There are multiple reasons for this (1) difficulties in locating websites /products/services (Hofacker 2001). (2) Registration procedures required to access services; and (3) making price comparisons (Cf. Reddy et al 2000). **Cost of entry;** cost of acquiring a computer , cost of use; internet access fees.

Limited internet/computer experience; reluctance/difficulties in operating computers and or browsing the web.

Poor connection speed; due to low band width connection ,using the internet may be time consuming and thus frustrating.

2.5 Business performance

Business performance is define as (the operational ability to satisfy the desires of the companies major share holders) (smith and reece,1999,p,153),and it must be assessed to measure an organizations accomplishment. Many studies examine the relationship of organizational practice and process to affect "bottom line", and vicevaser9whole et al.,2004). Attempts to examine the relationship between Strategy and Performance have been made for more than 20 years; many current studies also focus on this aspect.

Scholars have examine the importance performance evaluation and practices for an organization (Dess and Robinson,1984;SAPIENZA et al.,1988;mcurath et al.,1995;song et al.,2005;gruber et al.,2010)., much research also focuses on the performance of small firms and more recently medium funds as well Pelham and wilson,1996;javis et al.,2000;Alasadi and Abelarrahim 2008;,tomas et al., 2008).,literature and the contact of performance revealed that there is no consensors among the researchers on the appropriate measures of business performance indicators.

As a result, a wide diversity of performance measures, i.e, objective and subjective measures, as well as financial and non financial measures were used across studied, which leads to high diversity in EO-performance relationship(Chakravarthy, 1986; Venkataramian and ramanujam,1986.,marphy et al,1996; and combs, 2005) research that considers only a single dimension or narrow range of a the performance indicators may produce misleading results therefore the question arises as to what is the appropriate form of performance measurement, should it be financial. E.g sales growth, return on investment, income growth of profitability; on a financial e.g, satisfaction level of stock holders or positive responses in community; or both. It has been widely accepted by the researchers that objective measures of performance are more appropriate than subjective measures of performance.

Objective data, however is very difficult to obtain as respondents are reluctant to release sensitive information to the outsiders (Dess and Priem, 1995). On the other hand, owners and managers are generally inclined to provide subjective evaluation of their firm performance, which lacks strong reliability (Wiklund, 1999; and Wiklund and Shepherd, 2005).

Advances to integrate various subjective and objective measures of performance for accurate measurements of performance (Lumpkin and Dess, 1996; Murphy et al., 1996; Yusuf, 2002; Combs and others, 2005; and Weldon and Shepherd, 2005). Measuring business performance in today's economic environment is a critical issue for academic scholars and practicing managers.

In order to survive and succeed, firms need to set strategic directions, establish goals, execute decisions and monitor their state and behavior as they move towards their goal. Once a firm becomes large enough that a single person cannot sense the firm's current step and cannot control its behavior alone, the firm uses performance measurement and control system to replace the eye and ears of the bank manager. Over the past few decades, firms have used information technology to provide this "sense and control capability."

Several dozen vendors provide business performance measurement information technology solutions. These tools have leveraged the latest advertised advancement in the data and application integration approaches, web-based charting and reporting, statistical analysis, artificial intelligence, machine learning and expert system technology.

Yet despite the technology improvement, availability and increase adoption rate, many challenges to successful adoption and use abound. The challenges in the implementing performance measurement arise in the following areas: technical data quality and latency, application usability, visualization of data, organizational business culture, leadership, processing strategic control and intent, individual gesturing-biases, firming, and decision making abilities.

Overcoming these challenges is not as simple as finding the right software, establishing the set of the best practices and implementing a BPM system. Issues in each of these areas are teased out of some of the recent BPM and related literature and disclosed here.

2.5.1 Internal forces.

The marketing literature suggests a variety of internal forces, i.e., corporate forces are relevant forces are relevant strategy and e-marketing strategy and performance.

Organizational innovation: Organizational innovation is a function of management that seek to create new solutions for existing or potential problems. Many studies have demonstrated the link between innovation and business performance (Damanpour and Evan 1984). Today's intensification of competition of environmental uncertainty gives innovation an increasingly important and increasingly important role not only for growth but also for survival (Gronhaug and Kaufmann 1988). The concept of Organizational innovation presents a dichotomy: Technical Vs Administrative (Daft, 1982; Dalton, 1986; Damanpour,1981).

Accordingly Damanpour (1991), administrative innovations involve organizational structure and administrative process; they are indirectly related to the basic work activities of the organization. Technical innovations "pertain to products, services and production process technology; they are related to basic work activities and can concern either product or process" (Damanpour, 1991: 560). It is expected that technical innovation I strongly associated with the importance of e-marketing strategy within a firm.

Organizational bureaucratization: Organizational bureaucratization is the degree to which producers are required to be formalized. The contingency theory argues that bureaucratic structure -that rigidly institutionalize previous lesson from prior experience –can improve performance under stable conditions, but more organic structure are necessary in turbulent conditions (Lawrence and Lorshch ,1967;mintzderg ,1979)either way it seems reasonable to expect that the degree of bureaucratization of an organization developing e-marketing strategy is related with performance.

Centralization: Centralization refers to the degree in which authority for decision making concentrates at the highest levels of the organization (Dewar and Webel, 1979).there are two schools of thought about the impact of centralization on marketing strategy making. One traditional school argues that centralization leads to better strategy making, suggesting that in

centralized organizations the planning processes use specialized instruments ,techniques and personnel (Hofer and Schandel,1978).

Market orientation: It has been shown that, in general, market orientation is positively related with various business performance measures (e.g. Jaworski and Kholi 1993; Selnes, Jaworski and Kholi 1997). Hence, it is expected that this situation also occurs in e-marketing context. According to Jaworski (1996:13) define market orientation as “ is organization wide generation of marketing intelligence pertaining to current and future customer’s needs, dissemination of the intelligence across department ,and organization wide responsiveness to it” . Depledge Farley(1996: 13) define market orientation as “ the set of cross – functional processes and activities directly as creating and satisfying customers through continuous needs-assessment”.

Customer orientation: Under the perspective of the market concept, that argues for placing clients’ interests first- a customer orientation is one of the most fundamental aspect of . organizational culture (Lawton and Parasurman, 1980) . Following the organizational learning theory, Huber (1991) and Sinkula (1994) see the customer knowledge process as consisting of three sequential aspects, i.e. Customer information acquisition, interpretation and integration.

Competitor orientation: a focus on the client alone can take institution to a reactive cycle instead of proactive, if it does not equally consider the competitor’s actions (Day and Wensley, 1988). A competitor-orientation company seeks to evaluate its strengths and weakness in relation to its main competitors, with the objective of maintaining or gaining advantage. Competitor knowledge process is the process of information collection about the strengths and weakness of the competition, analysis and integration in decision making.

Inter-functional coordination: Felton (1959) insists that for the market concept to be implemented there must be integration of the other organizations functions with marketing. Communication among the various functions of the company helps in responding to the elicited which harder to achieve if various departments work within their routine without a common objective (Zaltman, Duncan and Holbek, 1973). Finally, at the internal level all firms are dependent on the availability of resources to develop appropriate strategies. As increasing levels

of resources are committed to the e-marketing activity, the firm will be better able to improve its pricing procedures implement more adaptive c-strategies and achieve its goals..

2.5.2 External forces

Market turbulence: Market turbulence is the degree of change in the client composition and client preferences (Jaworski and Kohl 1993). Market turbulence are typically generated by the heterogeneity of consumer preferences (Han et al. 1998). Korgaonkar and Wolin (1999) studied web users' motivations and concerns in relation to different types of usage.

They found that web users' motivations and concerns correlate significantly with the number of hours per day spent on the web, the percentage of time spent on the web for both personal and business purposes, and the user purchasing behavior. The findings suggest the presence of seven motivations and concerns regarding web use: social escapism. Transaction-based security, privacy and economic motivation.

Technological Turbulence: Technological turbulence is the degree of change associated with new product technologies (Glazer and Weiss 1993). Technology change refers to the speed with which new technology is developed in the market product.

On one hand, some authors (Day and Wensley 1988; Narver and Aslatter 1990) argue that when technologies change quickly, it is imperative to the companies to interact with clients, because client's preferences and needs can provide directions in a product market. On the other hand, Jaworski and Kohli (1993) suggest that the importance of information from the client is lower because the client knows little about the emergent technologies.

Competitive intensity: Competitive intensity is the degree of competitive force in a product market. In conditions of intensive competition, collection of information about competition can help e-firms to better anticipate the changes in competitor strategies for new products and reduce market unpredictability. (Jay and Wensley 1988).

2.6 Business performance measurement and control systems

Specifically, business performance measurement and control systems are the formal, information based routines and procedures managers use to maintain or alter patterns in organizational

activities (Simmons 2000). A typical performance measurement helps businesses in periodically setting business goals and then providing feedback to managers on progress towards these goals.

The time horizon for these goals can typically be about a year or less for short-term goals or span several years for long-term goals (Simmons 2000). Since a BPM system measures performance, it is important to define what performance is.

Lebas and Euske (2002) provide a good definition of performance as “doing today what will lead to measured value outcomes tomorrow. BPM then is concerned with measuring this performance relative to some benchmark, be it a competitor’s performance or a present target.

Measurement systems are comprised of multiple measures. A measure (or metric) is a quantitative value that can be used for purposes of comparison (Simmons 2000). A specific measure can be compared to itself over time, compared with present target or evaluated along with other measures. Since a measure is used for the purposes of comparison, it needs not to present an absolute value.

For example; in measuring customer profitability, knowing the relative distance in profitability between two customers may be as valuable (and more easily gotten) than knowing the absolute value for a customer’s profitability. Moreover, many BPM systems normalize a measure into a value that promotes comparison not just with itself, but also with other measures. Following Simmons (2000), measures can be objective or subjective ones cannot. Measures are also typically classified as financial or non-financial. Financial measures are also typically derived from or directly related to chart of accounts and found in a company’s profit and loss statement or balance sheet, such as inventory levels or cash on hand.

Non-financial measures are measures not found in the chart of accounts, such as customer satisfaction scores product quality measures. Measures are also leading or dragging measures give back on past performance, such as last month’s profit and typically do not provide the insight future performance.

Leading indicators, in contrast are designed to measure future performance and more often than not, future financial performance. Some leading indicators to future performance might include; customer satisfaction scores or change in consumer confidence. Measures are either

complete or incomplete. Complete measures capture all the relevant attributes of achievement, whereas incomplete measures do not. Measures are also responsive or non responsive. Individuals can influence responsive measures, whereas non-responsive measures are outside the influence or control of an individual (such as consumer performance of a process itself or they may be related to the outcome or outputs from the process).

Measures may be related to human performance, process performance or market conditions. Some but not all, measures are called critical or key performance indicators. Finally, measures can differ to tangible things, often recorded in the chart or accounts such as inventory levels, accounts receivable balance, employee head count, or can refer to intangibles such as level of skills or knowledge, creativity and innovation.

In summary, below is a listing of attributes that can be useful in examining selecting, designing and using measures;

- Objective or subjective
- Financial or non-financial
- Fagging or leading
- Complete or incomplete
- Responsive or non-responsive
- Inputs / process/output
- Critical or non-critical

When discussing performance measurements, most practitioners (and software vendors) refer to the type of measurements that helps the companies monitor its current past state. Thresholds, either low or high, for key performance indicators (KPIs) are set and managed by exceptions. When data begins to move outside the threshold limits the performance measurement system can alert management, who then attempt to diagnose the problem and address its causes.

This type of measurement is referred to as diagnostic control system (Simmons 2000) while this type of measurement provides management with basic control over the firm and un- auto-pilot capability that can keep the firm on target with its goals.

It is frequently insufficient for success interactive control systems provide additional control capabilities to help the firm deal with strategic uncertainties. According to Summon (2000) interactive control systems are the formal information systems that managers use to personally involve themselves in the day-to-day activities of subordinates. Interactive control systems help managers to integrate new data and learning into the decision-making process.

Diagnostic and interactive control systems are not disjoint. In fact, an important synergy may exist between the two as multiple diagnostic control system as a basis for dialog between levels in the firm (De Haas and Kleingeld 1999) this strategic dialog can aid in managers' questioning the validity of its control systems, constituting double-loop learning which challenges controlling assumptions or variables for the process, the business unit or the firm. BPM systems need to provide insights into different units or levels of analysis.

Many co-operations consist of several business units or divisions that compete in different markets with differing strategies the cooperative wide BPM systems can help articulate the theory of firm (why different business units exist within the co-operation) and improve overall performance by exploiting synergies between the business unit (Kaplan and Norton 2001) at the lowest level of analysis lies measurement of human performance, for which the literature and examples are rich and long.

Therefore, performance matrices and score cards scattered horizontally and vertically across the co-operation, need to be coherent so that the conversations between people about the strategy is consistent and all the different measurement units contribute to the cooperation overall (De Haas and Kreingeld 1999). BPM systems can help provide this firm wide coherency.

2.7 Relationship between e-marketing and business performance

Edward W. Nairn (2008) stated that e-marketing methods are mostly used by big companies but e-marketing diversity is low in such organizations. They also showed that in most multinational companies (MNCs), distribution is very symmetric and only traditional marketing tools were used.

Companies who were powerful in branding, pricing, product diversity, internationalization and achieving new technologies, can support advanced c-marketing in higher levels. Research results indicated a positive relationship between evaluated organizational performance factors and application of electronic marketing especially in multinational companies (MNC's).

Maria Bengtsson et al (2007) stated that application of internet for marketing advanced operations by providing challenging opportunities for companies in all sizes. However, such an investment may waste investment in current market channels and consequently bear characteristics of a radical innovation. The conceptual model of the present research is based upon a combination of internal and external factors, company size, and tendency to evolution, entrepreneurship motivations, management support and market pressure.

The results the research mentioned that the combination of factors upon which companies decide on application of internet-based marketing operations is largely dependent on company size (Jeffrey Dilts and et al (2006) stated that using one single marketing method will get nowhere and will lead to failure all over the world.

Countries have some materials (purchase behavior) and non-material (traditions attitudes and rules) cultural differences that make their thought about internet and purchase decision different. Therefore, business must use combinational approach for strengthening locally acceptable patterns in the field of purchase through internet. In order to minimize costs, not only top level understanding of local culture must be regarded, but also inter-regional unities must be established for further success. This shows e-business to reach global growth while they are concentrated on local markets in a multi-channel World.

Jagdish N. Sheth and Arun Sharman (2005) found that International c-marketing strategies are basically changing and this change will be continued for changing marketing thought in international markets. They also stated that the c-markets will bear little resemblance with the present markets.

This means companies must monitor their international environment to determine the strategy they must follow. The proposed strategies include; combination of new and traditional strategies, digitalization, purchase groups, substitute infrastructure, a company for leading e-marketing strategies, and company's transactions Kanti Prasad (2001), measured indices that include the

three main marketing field for a company; activities related to consumer, distribution and sales channel, marketing research and communications management /coordination) in order to measure the process of using IT and internet.

Researchers concluded that internet has affected activities that are carried out through three marketing channels in both business to business (B2B) and business to consumer (B2C) marketing which include; communication channels, which have the main duty of alerting present and future buyers of products and service availability, their futures and possibility of establishing the relationship between buyers and sellers: transaction channels, which the main duty of facilitating economic transactions between buyers and salers and distribution channels, which have the main duty of facilitating physical transactions.

Firm performance: Firm performance is a well-established measure in the marketing literature. We will measure it through sales volume, profitability and market share for the current period (current firm performance), and perceived satisfaction with these measures when considering the previous year (past firm performance).

Web-performance: The identify of current market position in the web is an essential issue. although many c-commerce companies collect cost and usage data about their Web sites, few of them understand in any detail how such information measures their suites' performance or how this performance compares with that of competing sites.

However, since the year 2000 investors have been insisting, if not on profits, at least objective measures of a suite's success in attractions, converting and retaining customers. Most of measures of Web-performance track variations in traffic-page views, advertising impressions served, unique users, and so on.

2.8 Conclusion

This study intends to add to previous research by proposing a framework to study e-marketing strategy not only as an antecedent, but also as an outcome of performance. Considering the rapid growth of e-commerce in our market place, there seems to be a need to assess what is really happening in the managerial world. We believe that marketing researchers generally are ignoring a significant part of the marketing-performance phenomenon.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter described the research design, study population, the sampling design, the sampling procedures, the various data collection methods and analysis that were used in the research. The limitations of the study were also presented.

3.1 Research design

The study used the descriptive correlation research design in establishing the significant relationship between the level of e-marketing and business performance. The researcher used both Qualitative and quantitative methods. Qualitative methods were used to provide the researcher with information that helped in determining the level of e-marketing and business performance. In circumstances of dealing with tabulations, calculation of percentages, data analysis or presentation of data, the researcher used the quantitative methods.

3.2 Research population

The target population included a total of 1550 respondents, both female and male employees of Multichoice Uganda and their clients at the main branch located on Buganda Road, Nakasero-Kampala district in central Uganda.

3.3 Sample size.

The researcher used Slovene's formula in determining the minimum sample size. According to this formula, the sample size is obtained using.

Where,

n = sample size.

N = size of the population, = 172

α = level of significance or reliability = $0.05^2 = (0.05)(0.05) = 0.0025$

Therefore, the sample size for the study was 120 members , with 84 of the members being picked from the employees of Multi choice Uganda to get a general view with as little bias as possible while the 36 members were picked from the clients of Multi Choice Uganda.

3.4 Sampling procedure

The sampling technique was stratified sampling where the employees of Multichoice Uganda were grouped basing on different departments which became strata, that is; finance department, marketing department, customer relations department, human resource management department and the other stratum was got from clients of Multichoice Uganda. This gave a more specific picture which these departments are most impacted h c-marketing and their perception on it.

3.5 Data collection instruments

The research instruments/tools that were utilized in this study include the following:-

3.5.1 A face sheet. This was used in collecting data concerning the demographic characteristics of the respondents that is, the gender, marital status, education levels, type of department and number of years in business.

3.5.2 Questionnaire. This was divided into three sections. The first section was for e-marketing including the face sheet, followed by business performance arid the last section covered tic relationship between e-marketing and business performance.

3.5.3 Interview guide. The interview guide was used to collect data directly from the respondents whereby the researcher asked the respondents different questions and recorded the respondents' answers.

3.6 Validity and reliability of research instruments

3.6.1 Validity

The content validity was censured by submitting the research designed questionnaire to an expert in my field to judge whether the instrument was valid or not

3.6.2 Reliability

The test-retest technical was used to determine the reliability of the researcher devised instruments whereby the researcher administered the instrument to 5 qualified respondents from

the public and after a period of two weeks the researcher administered it to respondents. Results of the two tests were then compared.

3.7 Data collection procedures

3.7.1 Before the administration of the questionnaires

Before administration of the questionnaires, the researcher reproduced more than enough questionnaires for distribution.

Before going to the field the researcher obtained an introduction letter from the College of applied economics and management sciences. Kampala International University, draft a research requesting letter of permission to be presented to Multichoice Uganda for requesting the approval to conduct the study from the head of the sales department which was under study.

Having been approved, the researcher proceeded to secure a list of the respondents from the sales department to be used (through simple random sampling) to arrive at the minimum sample size.

Then the researcher explained to the respondents the concerns of the study and then requested them to sign the informed consent form.

The researcher then selected a research assistant who assisted in the data collection; briefed and oriented the respondents in order to be consistent in administering the questionnaires.

3.8 Data processing, analysis and presentation

After collecting data, it was processed, analyzed and presented to come up with the necessary results.

3.8.1 Data processing

Data processing involved; editing, coding, classification and tabulation. After data collection, the data was edited using micro soft word to eliminate errors. Then it was coded to reduce the data into fewer categories. This was done using numbers and other symbols. After, classification of the data was done: this was the arrangement of the data in groups or classes on the basis of common characteristics. Tabulation means that the data was transferred to tables to make interpretation of data easy.

3.8.2 Data analysis

The data was collected, encoded into the computer and statistically treated using the Statistical Package for Social Sciences. (SPSS)

3.8.3 Data presentation

The analyzed data was then presented through tables and pie charts.

3.9 Ethical considerations

This involves seeking permission by the researcher through written request, from the general manager of Multichoice Uganda, so that the respondents were ensured of confidentiality of their information given and also the protection of respondents from any harm from their masters.

The respondents were also coded instead of using particular names.

The researcher also acknowledged the authors who were quoted in this study through citation and referencing.

3.10 Limitations of the study

There were various limitations to this study that threatened the research validity. To address this issue, the researcher claimed an allowance of 5% margin of error at 0.0/ level of significance. Measures were also indicated in order to minimize, if not to eradicate the threats to the validity of the research findings of the study.

There was attrition/mortality in that not all questionnaires would be returned completely answered yet some may even fail to be retrieved back due to circumstances on the part of the respondents. Such as; travel, sickness, hospitalization and refusal/withdraw to participate. In other cases, the researcher reserved more respondents by exceeding the minimum sample size. The respondents were also reminded not to leave any item in the questionnaires unanswered and were closely followed up as to the date of retrieval.

The research instruments on the study were not standardized. Therefore, there was validity and reliability test done to produce a credible measurement of the research variables of the study.

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND DISCUSSION OF FINDINGS

4.0 Introduction

In this chapter, the findings of the study are analyzed and presented according to the research questions. The relationship between c-marketing and business performance is also established. The purpose of the study was to establish the impact of c-marketing on the impact of e-marketing on the performance of Multinational corporations. The analysis aimed at satisfying the research objectives which were:

To determine the profile of the respondents in terms of age, gender, marital status, highest education qualification and working experience.

To determine the degree of e-marketing (mobile marketing, social media, social interactive marketing Multichoice Uganda).

To determine the level of business performance in terms of performance of the sales, market share, profit, quality of products and customer satisfaction of Multichoice Uganda.

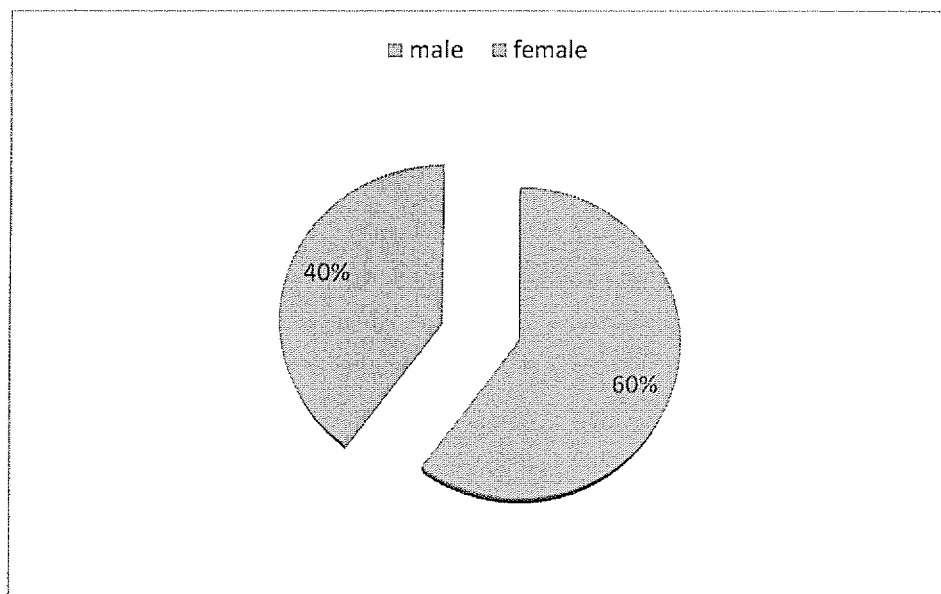
To establish the relationship between c-marketing and business performance in Multichoice Uganda.

4.1 Findings on the profile of the respondents

This section presents the background information of respondents who participated in the research study. The information contained in this section includes the following categories gender, education background, occupation, age of the respondents, marital status and the duration the respondents have been Multichoice customers.

Classification of gender

Figure 3: Gender of respondents



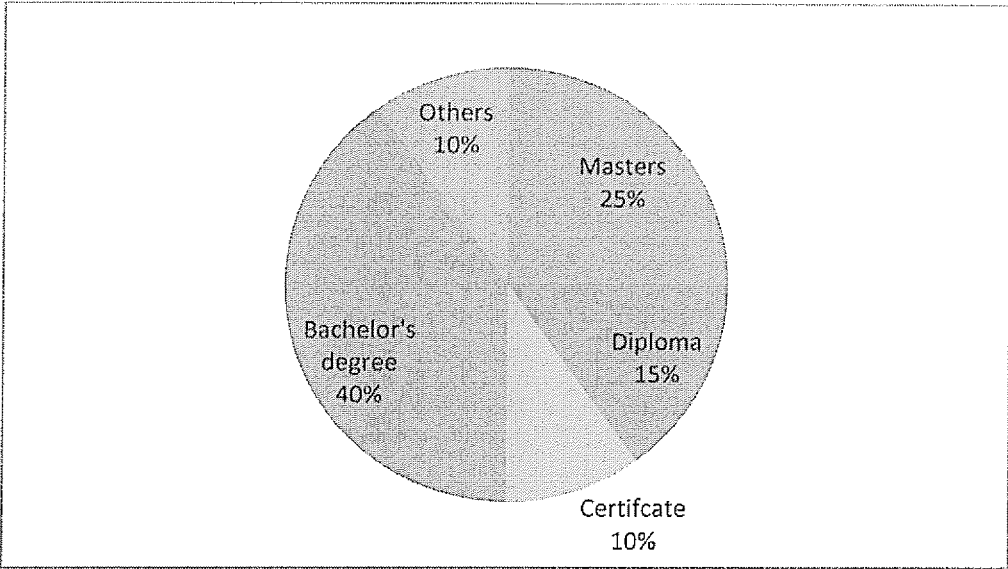
Source: Primary Data 2015

During the field, it was found out that the biggest percentage of the respondents were male as shown by over 60%, implying that there are the ones who actively participate in the study; where 40% were females, as illustrated in figure 3 above.

4.1.1 Respondents' level of education

The biggest percentage of respondents has completed Bachelor's degree in the different fields as it was revealed by 40% of the respondents, then 25% represented respondents who had Masters degree in different fields, 15% of the respondents were Diploma holders whereas 10% of the interviewers were certificate and other qualification holders as well as shown in the figure 4 below;

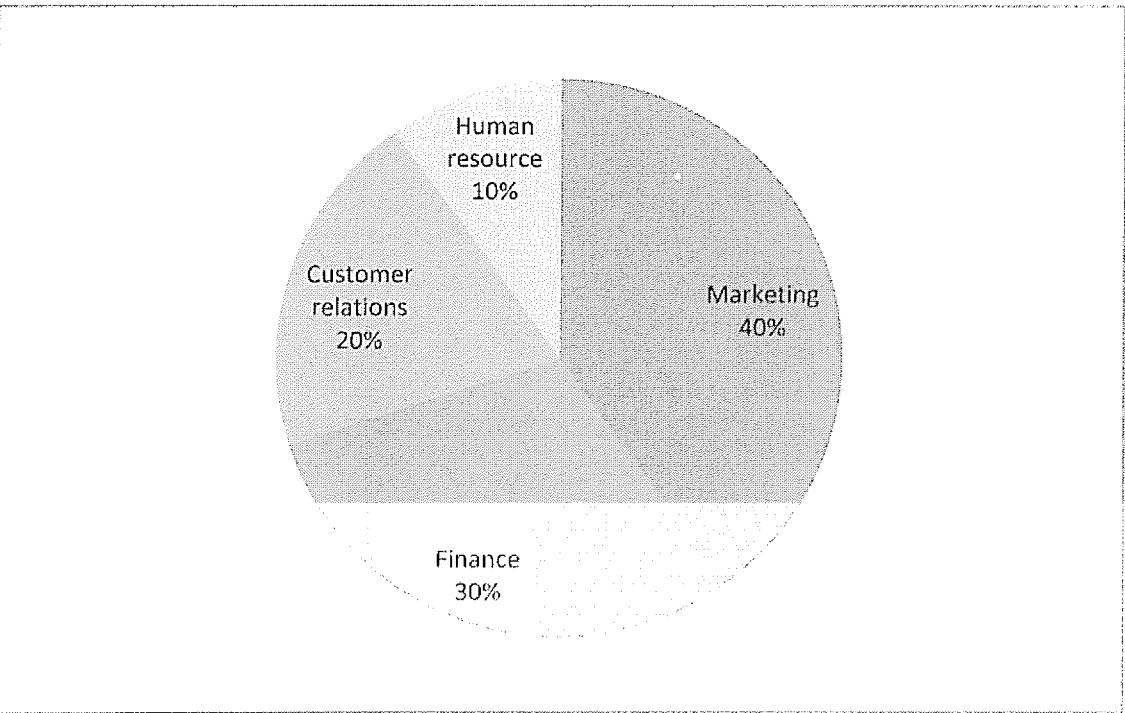
Fig 4: Respondents' level of education



Source: Primary Data 2015

4.1.2 Classification of respondents by departments

Figure 5: Departments of the respondents

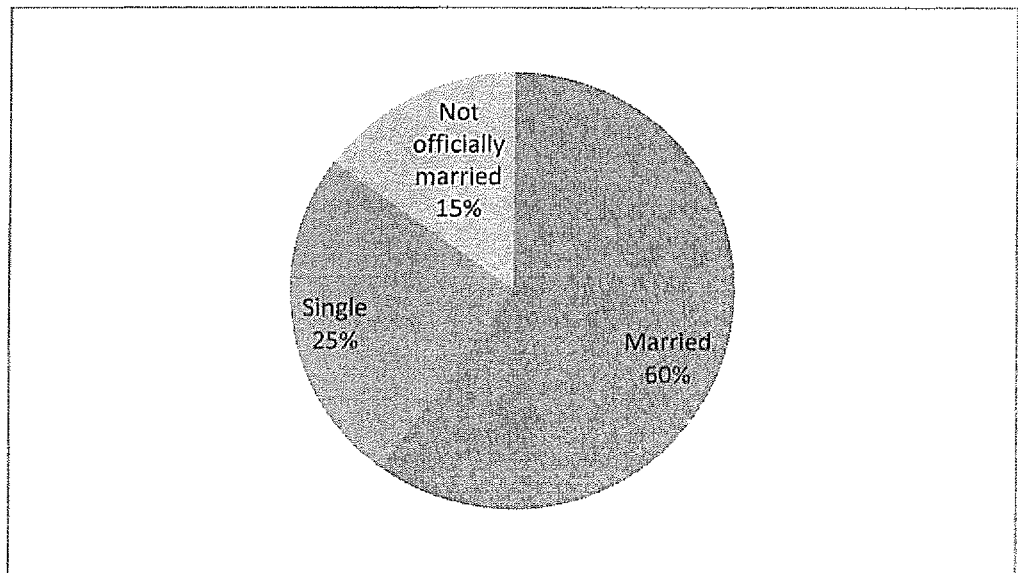


Source: Primary Data 2015

From the figure above, it can be seen that respondents from the marketing department greatly participated in the study as represented by 40%, followed by 30% of the respondents who were from the finance department, hence knew about the business performance. 20% of the respondents were from the customer relations. These interacted with the customers to find out how they react to the different e-marketing components. The least percentage of 10% represented human resource department.

4.1.3 Classification by marital status

Fig 6: Marital status of respondents

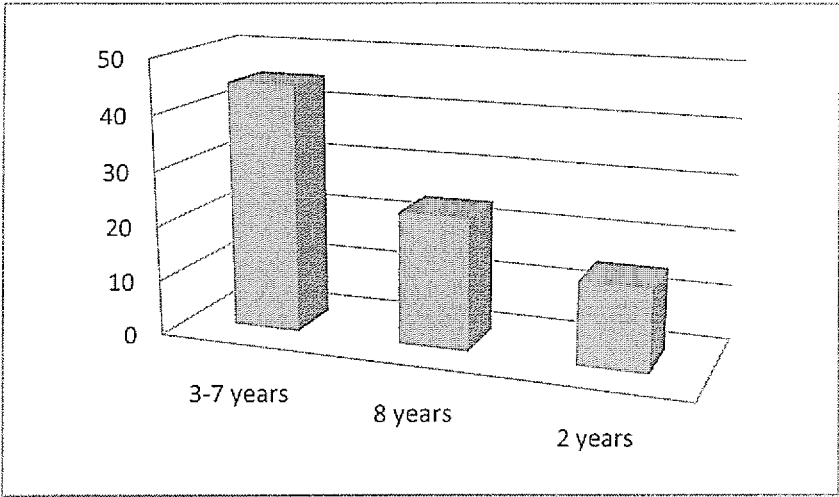


Source: Primary Data 2015

An assessment of the respondents' marital status was as follows; the biggest percentage of respondents were found to be married as shown by 60%, where as 25% of the of the respondents were single, then 15% of them represented others living with partners but were not officially married.

4.1.4 Number of years of service of respondents a Multichoice

Fig 7: Number of years of service of respondents a Multichoice



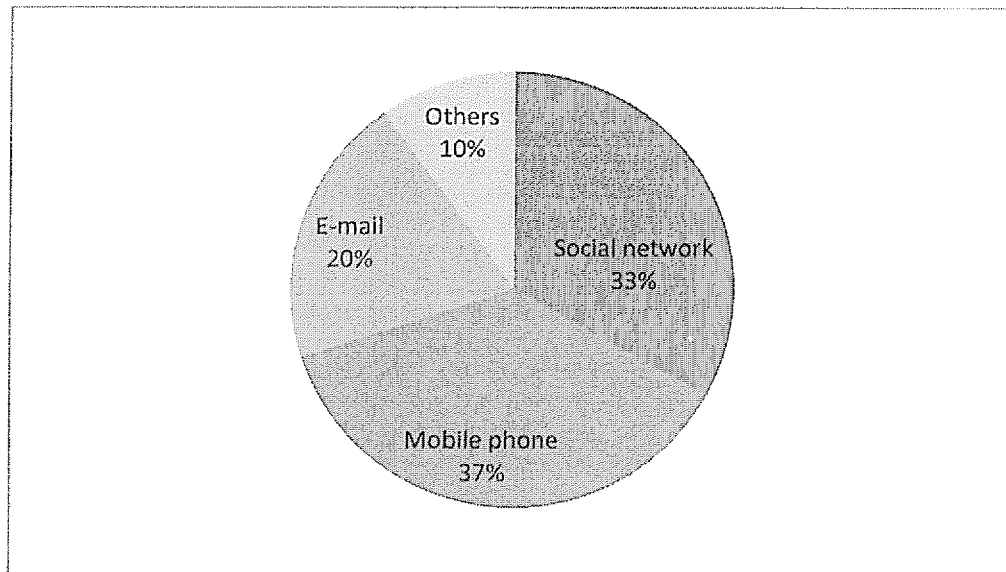
Source: Primary data, 2015

Looking at figure 7 above, 45 respondents have worked at Multichoice for 3-7 years . This is the largest group of the people who have worked at Multichoice Uganda. 24 people of the total respondents have worked for over 8 years. These have been retained for their experience. They mostly work in the sensitive departments of Multichoice which include; finance and accounting. The least groups of people are 15 and those who have worked for less than 2 years. These are the interneers and trainees of Multichoice Uganda.

4.2 E-MARKETING

Marketing components used by respondents

Figure 8: Marketing components used by the respondents

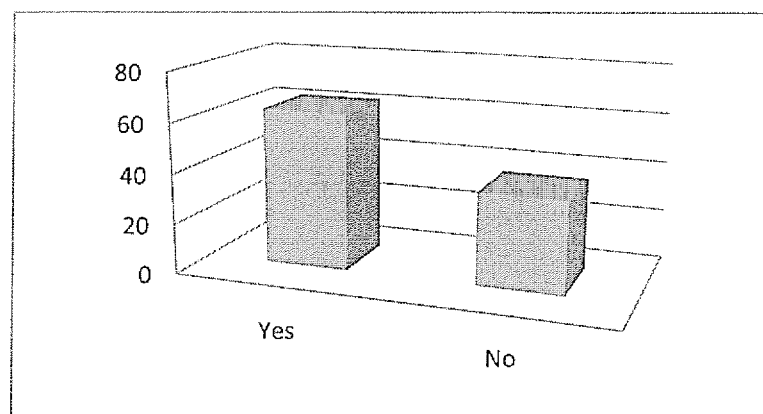


Source: Primary data, 2015

From figure 8 above, mobile phone marketing was used a lot by the customers of Multichoice as shown by 31%. Social media as represented by 33%. The increase came about with introduction of smart phones which has made it possible to access services like; Face book, Twitter and what's up which makes it simple to communicate with customers. Email has become an even more flexible method of communicating as represented by 20%. Email allows the person to stay in contact with the customer base through an online computer network interface such as the internet. Other components were represented by 10%. These include; banking.

4.2.1 Responses of clients encounter e-marketing Service.

Figure 9: showing whether clients encounter e-marketing interactions



Source: primary data 2015

Respondents agreed to encounter e-marketing services as represented by 63%. E-marketing services such as sms, mms, Bluetooth and infrared are used to distribute commercial content on mobile phones. With the growing popularity of mobile phones, mobile phones have a potential to be the fast growing and the most targetable method of brand marketing. 37% of the respondents disagree to the statement implying that the traditional marketing services were much more known to them and that they don't encounter e-marketing services daily.

4.3 E-marketing services customers encounter in their daily interactions with Multichoice Uganda and which component in particular.

Table 2: interactions with Multichoice Uganda

E-Marketing	Frequency	Percentage	Cumulative frequency
E –payment system	51	60.7	60.7
Information updates	2	2.4	63.1
Education	11	13.1	76.2
Others	20	23.8	100
Total	84	100	

Source: primary data, 2015

From the above table above, the majorities of the respondents used the payment system (60.7%) and followed by others represented by (23.8%). The respondents who encountered educational services with their interaction with Multichoice Uganda were represented by 13.1%. Lastly 2.4% of the respondents have encountered these services through information updates. This implies that me customers encounter most e-marketing services offered by Multichoice Uganda through e-payment services.

4.3.1 Findings on how often clients use e-marketing services

Table 3: Showing the usage of e-marketing services by clients.

Usage	Frequency	Percentage (%)	Cumulative frequency
Not sure	10	12	12
Never	10	12	24
Always	42	50	74
Sometimes	22	26	100
Total	84	100	

Source: primary data 2015

From the table above, the highest number of respondents (50%) always use e-marketing (12% of the respondents were not sure if they have used e-marketing services and never used them respectively. This implies that usage level of the respondents determined the level of e-marketing services. Those who use them frequently were found to be using social media marketing mostly since many people have smart phones it's more convenient end affordable.

4.3.2 Findings on the competitiveness of e-marketing services offered by Multichoice Uganda

Table 4: showing the competitiveness of e-marketing services offered by Multichoice Uganda

Response	Frequency	Percentage (%)	Cumulative frequency
Yes	63	75	75
No	21	25	100
Total	84	100	

Source: Primary data, 2015

The table above, shows that most of the respondents 63 (75%) said Multichoice products were competitive and 21 (25%) had disagreed to the statement. This could have been due to the fact that the customers were happy with most of the services hence demand going up for most all the products. The DSTV premium demand was demanded by the upscale households while the middle class favored the DSTV compact because of its affordability.

4.4 Business Performance

Response	Frequency	Percentage (%)	Cumulative frequency
Yes	54	64.3	64.3
No	30	35.7	100
Total	84	100.0	

Source: Primary data, 2015

From the table above, 64.3% of the respondents which was the majority strongly agreed to the statement that there has been an increased in the sales in Multichoice Uganda. These respondent were mainly from the respondents in the sales department. With the introduction of e-marketing through the various channels customers are able to pay for Multichoice products conveniently. 35.7% of the respondents disagreed to the statements as shown in the table above.

4.4.1 Finding on the improvement in the quality of Multichoice services

Table 6: Shows whether the quality of Multichoice services have improved

Response	Frequency	Percentage (%)	Cumulative frequency
Yes	48	57.1	57.1
No	36	42.9	100
Total	84	100.0	

Source: Primary data, 2015

Quality being a major indicator of business performance in Multichoice Uganda, 57.1% of the respondents were positive that the quality of services had improved with the introduction of marketing. Customers can be contacted at home through e-mails; social media marketing helps the management to know how to improve on the services through user reviews. On the other hand, 42.9% of the respondents disagreed to the statements saying the traditional means of marketing were more customer friendly hence better quality.

4.4.2 Finding: on whether customer is satisfied with Multichoice services

Table 7: Showing whether customers are satisfied with Multichoice services

Response	Frequency	Percentage (%)	Cumulative frequency
Yes	70	83.3	83.3
No	14	16.7	100
Total	84	100.0	

Source: Primary data, 2015

From the table above, the majority represented by 83.3% were positive that customers were happy with the services of Multichoice. Customer satisfaction had risen to an unexpected level. Customers were happy to do their payment online at their own convenience. Since the introduction of social media marketing with services like Facebook and Twitter were the staff was able to answer consumer questions on-line especially those requiring subscription without incurring any costs. The 16.7% minority were those respondents who rejected saying that the old

people and the illiterate were left out by e-marketing. Since they are used to the additional methods it's really hard for them to catch up with the new methods.

4.4.3 Findings on the realization of profit in Multichoice

Table 8: Showing whether through the use of e-marketing Multichoice has realized profits

Response	Frequency	Percentage (%)	Cumulative frequency
Yes	59	70.2	70.2
No	25	29.8	100
Total	84	100.0	

Source: primary data 2015

From the above, the data indicates that 29.8% of the respondents disagreed to the statement of profit realization in Multichoice Uganda. These were mostly the ones in the human resource department of customer relations. On the other hand, 70.2% respondents agreed to the realization of profits in Multichoice Uganda. These were working in the sales and marketing departments. The sales increased with the introduction of e-marketing which meant more revenue for the firm.

The respondents from the finance department also agreed to the statement after looking at the financial statements saying the firm had realized profits at the end of the financial year.

4.5 The relationship between e-marketing and Business Performance

Table 9: Showing the relationship between e-marketing and business performance

Response	Frequency	Percentage (%)	Cumulative frequency
Yes	67	79.8	79.8
No	17	20.2	100
Total	84	100.0	

Source: Primary data, 2015

From the table above, 79.8% of the respondents pronounced a positive relationship between evaluated business performance and application of electronic marketing in Multichoice Uganda.

Respondents stated that application internet for marketing advanced operations providing a gateway to better quality products as well as ha lug more sales and profits go up hence the elation up is that c-marketing leads to improve business performance. However, such an investment may waste capital investments in current market channels and consequently bear characteristics of a radical innovation. This is presented by the 202% of the respondents who said that e-marketing has a negative impact on business performance in its initial stage.

4.5.1 Impact of e-marketing on business performance

Response	Frequency	Percentage (%)	Cumulative frequency
Yes	64	76.2	76.2
No	20	23.8	100
Total	84	100.0	

Source: Primary data, 2015

From the table above, the data indicates that; 76.2% of the respondents agreed that e-marketing had a positive impact on business performance. the positivity of e-marketing is seen lien sales .o up due to social media marketing which targets the youth who to a large extent are the biggest group of customers to Multichoice 23.8% of the respondents disagreed iinplyinlz that e-marketing brought more harm than good. They remarked that e-marketing led to the ignoring of the traditional marketing methods which brought people together.

4.6 Interview guides

This section presents information on c-marketing and its impacts on business performance. This information is from the clients' point of view" and it gives a more clear view of how c-marketing has affected Multichoice and its performance.

4.6.1 E-marketing services that Multichoice is offering

The respondents clarified that c-marketing services that Multichoice is offering the) are; use of websites, Multichoice has a corporate website where it communicates its products and services.

Social marketing network is another marketing platform that Multichoice has harnessed; Multichoice has a Facebook page that it uses to communicate with its customers. It can also be

accessed through twitter, though this social media is not very active. E-mail marketing has been used by Multichoice Uganda has used when communicating with its customers and it has been very effective.

4.6.2 How Multichoice clients have been using e-marketing

Multichoice has a corporate website that it uses to give information about its products, services and about the company to its clients. Multichoice also does product placement through website Multichoice advertises itself through other company websites like; New vision website and Daily Monitor website. More recently, Multichoice set up a Facebook page and it also has an account with Twitter. The Facebook page has 950 members and has managed to influence a few successful campaigns for example, the Uganda cares chant, “we go, we go” has been successful and has attracted over 5,000 people.

Though Multichoice has utilized the social network platform it has not hilly exploited it. Multichoice also uses email marketing mainly when addressing corporate clients. When Multichoice needs i inform its corporate clients about the products and services that have been developed, it sends them e-mails. Mobile phone marketing has been used on many levels, sometimes Multichoice sends its customers sms of current promotional activities, it also provides mobile Internet and advertises through this forum. Recently, Multichoice partnered with Google to provide its customers with a virtual market place where they can buy and sell amongst themselves.

4.6.3 Whether c-marketing communication have proven to be beneficial to Multichoice clients

The respondents agreed that c-marketing services have been very beneficial to them because communication through c-marketing platforms is much cheaper than other platforms. Through e-marketing, Multichoice has been able to access to more information and e-marketing communications have a longer shelf life than information from other media, for example an e- mail or a text message can last longer than an advertisement in the news paper that runs for one clay.

4.6.4 Whether since the introduction of e-marketing the quality of services improved

Quality being a major indicator of business performance in Multichoice Uganda, respondents were positive that the quality of services have improved with the introduction of e-marketing. Customers can be contacted at home through e-mails' social media marketing help the management to know how to improve on the services through user reviews though a few disagreed to the statement saying the traditional means of marketing were more customer friendly hence better quality.

4.6.5 Whether the introduction of e-marketing services has led to an increase in business performance

The respondents explained that no exact figures can be ascertained but e-marketing has contributed positively by changing negative attitudes of customers and closing the information gap which had developed between the company and its customers. This therefore means that customers are retained which in turn generates revenue for the company.

4.6.6 Whether then is any relationship between e-marketing and business performance

The respondents pronounced a positive relationship between evaluated business performance and application of electronic marketing in Multichoice Uganda. Respondents stated that application of internet for marketing advanced operations providing a gateway to better quality products hence relationship is that e-marketing leads to improved business performance. However, such an investment may waste capital investments in current market channels and consequently bear characteristics of a radical innovation as a few of them commented.

CHAPTER FIVE

DISCUSSION OF FINDINGS

5.0 Introduction

This chapter presents findings, conclusions, recommendations and suggested areas of further research following the study objectives and study hypothesis.

5.1 Discussion of the findings

To determine the profile of respondents in terms of age, gender, marital status, highest education qualification and working experience.

The findings revealed that the biggest percentage of people who took part in the study. 60% were male and the females were represented by 40%. This confirms the fact that men dominate the employment sector in Uganda. Multinationals are more concerned about having more reliable people and since women in Africa are perceived to be having many problems that prohibit them from being at work frequently. Men are more reliable and efficient. The findings revealed that most respondents were Bachelor's degree holders as represented by 40%. It showed that most of the entry requirements for the job in Multichoice should have a Bachelor's degree in any related fields. The master's degree holders were employed in the more delicate area like finance and accounting as represented by 25%. As for marital status, Multichoice emphasizes using married people as represented by 15% of the respondents. Married people are assumed to be more responsible compared to single as seen by 25%. Single people mostly work in the marketing department and the other departments while married people are employed in the elusive departments like; finance, accounting and customer relations.

To determine the degree of e-marketing (e-mail marketing, mobile marketing, social media, interactive marketing) in Multichoice Uganda

The findings are consistent with Javadian Dehkordi et al (2011) who in a research investigated four main e-marketing tools including; mobile marketing, email marketing, website marketing and marketing through social networks websites that are used to implement and improve e-marketing and understanding their different impacts on consumers' perception. The results showed that marketing through mobile phones has been changed a lot with introducing smart cell

phones and provided many advantages for companies as shown by 37%. Marketing through email as shown by 20% is a unique way of distributing advertisement messages and creating value for customers because of cheap price. Cost-effectiveness and abundance of addresses. Marketing through other means like websites (10) is a necessity for companies because of its natural capacities. Social networks help companies increase their productivity and create value for their customers. Social networks shown by 30% facilitates relationships between companies and customers and using this tool, companies can understand their customers' needs and discover their products' weaknesses and strengthens in electronic world and from the customer's idea.

To determine the level of business performance in terms of sales, market share, profits, Quality products and customer satisfaction of Multichoice Uganda

The findings are consistent with Simmons (2002) who state that on the internet, it is more or less impossible to make sure, beyond doubt, that (tangible) products have the desired features (e.g. design, material, color, fit), giving rise to a quality evolution barriers to online marketing. Therefore, the question arises as to quality in solution barriers to online marketing.

Therefore, the question arises as to what is the appropriate form of performance measurement. Should it be financial? E.g. sales growth, return on investment, income growth or profitability: or nonfinancial, e.g. satisfaction level of stakeholders or positive response in communities or both. Findings indicated that 74.2% respondents agreed to realization of profits in Multichoice Uganda. These were working in the sales and marketing departments. The sales increased with the introduction of e-marketing which meant more revenue for the firm. It has been ideally accepted by the researcher that the objective measures of performance are more appropriate than the subjective measures of performance.

Some leading indicators to future performance might include customer defection rate, customer satisfaction scores or changes in consumer confidence. Measures are either complete or incomplete. Complete measures capture all the relevant attributes of achievement whereas incomplete measures do not. Findings revealed that customer satisfaction had risen to an unexpected level, the majorities represented by 80.83% are positive that customers were happy with the services of Multichoice. Customer's data indicated that; 25.8% of the respondents disagreed to the statement of the profit realization in Multichoice.

These were mostly the ones in the human resource department and customer relations. On the other hand, 74% of the respondents agreed to the realization of profits in Multichoice Uganda. A typical performance measurement helps business in periodically setting business goals and then providing feedback to managers on progress towards those goals. The time horizon for these goals can typically be about a year or less for short-term goals or span several years for long-term goals (Simmons 2000).

To establish the relationship between e-marketing and business performance in Multichoice Uganda

The findings show that there is a positive and significant relationship between using internet in marketing activities related to customer and activities related to marketing research and management communications and financial performance of multinational corporations, but there is not a significant relationship between using internet in marketing activities related to sale and distribution channel and financial performance of multinationals despite positive relationship.

The findings indicate that 66.6% of the respondents agreed that e-marketing had a positive impact on business performance. The positivity of e-marketing is seen when sales go up due to social media marketing which targets the youth who to a large extent are the biggest group of customers to Multichoice. 33.3% of the respondents disagreed implying that e-marketing brought more harm than good. Furthermore, there is a positive and significant relationship between the internet and marketing related activities related to customer, marketing activities related to distribution and sale channel and activities related to marketing research and management communications and market performance of exporting companies.

The findings from the study revealed that majority of the respondents represented by 79.16% of the respondents pronounced a private relationship between evaluated business performance and application of electronic marketing in Multichoice Uganda. Respondents stated that application of internet for marketing advanced operation provides a gateway to better quality products as well as having more sales and profits go up.

The findings are consistent with Edward W.N Bernrioder (2008) who state that e-marketing methods are mostly used by MNCs but e-marketing diversity is low in such organizations. Research results indicated a positive relationship between evaluated organizational performance

factors and application of electronic marketing especially in multinational companies. The results are consistent with Maria Bengtsson and et al (2007) who stated that application of internet for marketing advance operations provide challenging opportunities for companies in all sites. The results of the mentioned research indicated that the combination of factors upon which companies decided on application of interest-based marketing operations is largely dependent on company size.

The findings are in agreement with Jeffrey Dilts and et al (2006) who stated that using one single marketing method will get nowhere and will lead to failure all over the World. All countries have some material (purchase behavior) and non-material (traditions, attitudes and rules) cultural differences that makes their thought about internet and purchase decision different. Therefore, businesses must use combinational approach for strengthening locally acceptable patterns in the field of purchase through internet. In order to minimize costs, not only top level understanding of local culture must be regarded, but also inter-regional unities must be established for further success. This allows e-businesses to reach global growth while they are concentrated on local markets in a multi-channel World.

5.3 Conclusion

Overall, the results supported the hypothesis. The study revealed a positive and significant relationship between E-marketing and business performance in Multichoice Uganda.

E-Marketing and business performance were noted to be positively related. A positive and significant relationship was also observed between Knowledge of international markets and Psychic distance. It was also discovered that electronic markets had a relatively impact on business performance. From the findings, it was concluded that electronic markets were a better predictor of the business performance in Multichoice -Uganda.

Hence electronic markets have relatively less resources, which makes business performances very vital for their survival and growth, Knowledge of how the market operates is considered as one of the assets that an electronic markets needs to own if its efforts to internationalize are to bear meaningful fruits and Psychic distance concept is one of the key factors that affect the internalization of electronic markets.

5.4 Recommendations

In light of the findings, discussions and conclusions, the following recommendations were drawn;

There being a positive and significant relationship between the knowledge of international market, internationalization of electronic markets in Kampala Uganda, firm's present internationalization knowledge and the knowledge the company should aim at how to do business in the specific foreign market and the firm's ability to effectively apply the existing knowledge to create new knowledge, to take action that forms the basis for achieving competitive advantage from knowledge-based assets.

In order to reduce the uncertainty and minimize the risks resulting from perception of cultural and business differences regarding psychically distant markets, SME's should invest more time and money on research and planning of the market entry strategy. This leads to improved decision making and in due course better organizational performance.

Advanced information technologies (e.g., the Internet, intranets, extranets, browsers, data warehouses, data mining techniques, and software agents) should be used to systematize, enhance, and expedite large-scale intra- and inter-firm knowledge management and electronic markets planning to invest are also much more likely to provide training and development to their staff and managers.”

5.5 Limitations of the study

- i. The absence of direct benefits accruing to the respondents after filling the questionnaires may render the respondents reluctant to fill and finish the questionnaires on time.
- ii. Another limitation might be the time factor since the research was carried within a limited period; this apparently affected the reliability of the findings.
- iii. There were also high chances of facing financial constraints related to costs of photocopying, computer typing, and transport amongst others
- iv. The structured questionnaire was used for data collection and this had a weakness of limiting the amount of data collected.

5.6 Areas for further research

- i) To examine the relationship between customer followership, niche markets, and industry specific trends in international markets.
- ii) The examine the effects of the government rules and regulations prevailing in international markets

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APENDICES

APPENDIX I: QUESTIONNAIRE FOR MULICHOICE CUSTOMERS

Dear respondent, the researcher is a business administration student in Kampala international university conducting research on- line marketing and on sales performance in Multichoice Uganda. The questions below are intended to facilitate this study and thus I humbly request you to answer the questions herein as honestly as possible. The information provided will be used for academic purposes only and outmost confidentiality will be exercised in the fulfillment of the research project.

(Please tick in the most appropriate or fill in the blank space where necessary)

SECTION A: background information.

1. ; your gender?

Male

Female

2. What is your education background?

Primary

☐

Secondary

☐

Diploma

☐

Degree

☐

Other,

☐

specify

☐

.....

What is your occupation?

.....

3. What is your age?

10-20

21-30

☐

31-40

41-50

☐

Above 60

☐

5. What is your marital status?

6. How long have you been an MULICHoice customer? ...

SECTION B:

Services offered through on line –marketing

1. Please tick the on- line marketing services you are familiar with.

Social network marketing

mobile phone marketing

E mail marketing

websites

Do you know of any other?

☐☐☐☐

Do you encounter on- line marketing services in your day to day interactions with

2. MULICHoice?

Yes

No

☐☐

3. Please tick the on- line marketing services that you access/ encounter in your day to day interactions with MULICHoice.

Social network marketing

☐

mobile phone marketing

On-line marketing

☐

MULICHOICE website

SECTION C:

Customer adaptation to online - marketing

1. Does accessing on- line marketing services influence the number of times you use MULICHOICE services?

Yes

☐

No

☐

2. Give reasons for your answer above.

.....

.....

.....

3. Which media do you use to access on- line marketing services?

Computer

☐

mobile phone

☐

Both

other (specify)

How do you use on- line marketing services

4. offered?

☐

Interaction

work/ education

Accessing information

☐

other (specify)

☐

5. Would you like to access on- line marketing services from other companies?

Yes

☐

No

☐

6. Why would you like to experience/ not experience on- line marketing services from other companies?

.....

.....

7. Through the on- line marketing services offered by MULICHoice has it become easier to communicate with MULICHoice in regard to complaints about services or expression of Satisfaction?

Yes

☐

no

☐

8. Give reasons for you answers above.

.....

.....

SECTION D:

Challenges associated with e marketing

1. Is it costly to access/ encounter on- line marketing services?

Yes

☐

No

☐

2. Do you experience any difficulties in accessing on- line marketing services?

☐

Yes

☐

No

3. If yes, what difficulties have your encountered when accessing on- line marketing services?

.....

.....

4. Have some e marketing communications from MULICHOICE been a nuisance/
bothersome?

Yes

☐

No

☐

5. If yes, in what ways have the communications been bothersome?

.....

APPENDIX II: INTERVIEW GUIDE FOR MULICHOICE STAFF

1. Which on- line marketing services does MULICHOICE offer?

Websites

☐

social network marketing

E mail marketing

☐

mobile phone marketing

☐☐

2. When did MULICHOICE introduce on- line marketing services to Uganda?

.....
.....

3. How has MULICHOICE been using on- line marketing in its operations?

.....
.....

4. How has customer adaptation/response rate been to E- marketing services?

.....
.....

5. Has introduction of on- line marketing services proven to be beneficial to Multichoice?

.....
.....

6. What is the current sales performance of Multichoice?

.....
.....

7. Since the introduction of E- Marketing services, has there been a noticeable increase in the sales volume?

.....
.....

8.What challenges do you experience in offering on- line marketing services to consumers?

.....
.....

9. How does on- line marketing work with other forms of marketing and communication that Multichoice uses?

.....
.....

10. Do you see any relationship between on- line marketing and sales volume?

.....
.....