

**GREAT ZIMBABWE UNIVERSITY**

**FACULTY OF COMMERCE**

**GRADUATE BUSINESS SCHOOL**

**An Evaluation of Digital Marketing and Advertising Firms' Performance: A Case**

**Study of Advertising Firms in Harare**

**BY**

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**DECLARATION**

**I Tapiwa Mandiudza M222294 do hereby declare the contents of the research study to be true and not copied from anywhere or in any publication and previous degrees without acknowledgements.**

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**APPROVAL FORM**

The undersigned certify that they have read and recommend to the Great Zimbabwe University for acceptance; a Dissertation Entitled, “An Evaluation of Digital Marketing and Advertising Firms’ Performance: A Case of Advertising Firms in Harare Metropolitan Province,” Submitted by Mandiudza Tapiwa in Partial Fulfilment of the Requirements for the Master of Business Administration.



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## **DEDICATION**

This project is dedicated to my wife and kids, I love you guys. Not forget the late Mr W Mandiudza, may your soul continue to rest in eternal peace. My lovely mother, thank your continued support even though I am now a father you still love me like a child. Be blessed abundantly.

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## **ABSTRACT**

The purpose of this study was to look at the effects of digital marketing on advertising firms in Harare Metropolitan Province of Zimbabwe. A lag in incorporating digital advertising technology like social media marketing, Online Marketing, Email Marketing and Affiliate Marketing by advertising firms and how they impact firm performance in this digital era necessitated the study. The study reviewed digital advertising-related literature from various authors. The study focused on advertising professionals' experiences, a quantitative, interpretive approach was used as a case study approach. A total population of 200 firms were randomly selected and questionnaires were sent through WhatsApp and Emails. The researcher used judgemental sampling in drawing respondents for participation in the study from employees of advertising firms. Most preferred were those at managerial levels. Data drawn from respondents were presented using tables, pie charts, and bar graphs before they were analysed and interpreted using SPSS and SEM. The study found that most firms now preferred digital advertising to traditional advertising because of its ability to reach out to clients faster and employees required additional training to use digital advertising channels and platforms to be efficient and progressive. It was discovered that advertising firms need to boost their investment in digital marketing and improve graphics, content and access to attract more customers, increase sales volume and boost profitability. The study concludes that digital advertising firms have increased firm performance. The study recommends that for advertising firms to remain competitive, and profitable, regain their market share, and build a strong competitive advantage, they must put in place adequate structures for the successful implementation of digital advertising strategies. A multi-stakeholder approach is required to improve advertising revenue, there is a need to search brilliant ideas from its employees, competitors, universities and advertising clients. Finally, the company should regularly conduct training workshops on digital advertising usage to equip its employees to improve efficiency and productivity.

## **CHAPTER ONE**

### **1.0 Introduction**

Technology has become a major contributor to many businesses' growth in developed and developing countries (United Nations, 2019). Icha and Agwu, (2015), posit that one of the most trending technologies is digital marketing, which has contributed to a revolution in how businesses operate. Shabbir et al., 2016 alluded that businesses are taking this opportunity to engage with their prospects and existing clients for improved revenue and market share. Kajongwe et al., 2020, alluded that a significant number of digital marketing platforms have surfaced in recent years and despite their similarities, they managed to keep the whole world engaged. These various platforms enable firms to perform well and gain a competitive advantage.

The study examines the impact of digital advertising on contemporary advertising industries' performance in Harare Metropolitan. It is argued that businesses can boost their sales volume by changing their advertising strategies from traditional to digital techniques Mechman., (2022). The use of technology in advertising company products is cost-effective and efficient hence the need to examine how its adoption will impact on performance of advertising industries in Harare Metropolitan. A firm's performance is a relevant construct in strategic management research and is frequently used as a dependent variable. This chapter therefore commences with the study's background before detailing the problem's statement and justification. The discussion goes further to determine the objectives, research questions and hypothesis of the study. The chapter ends by presenting a detailed account of the study's assumptions, significance, delimitations and limitations.

#### **1.1 Background to the Study**

The digital age is the present time, when most information is in a digital form, especially when compared to the time when computers were not used (Cambridge English Dictionary, 2008). Today digital technology is all the more important because, after decades of development, it has become incredibly useful. Digital transformation constitutes an evolutionary process, changing our ways of life and how we do business through digital technologies, primarily through the implementation of new technological solutions based on Internet services and modern information technologies, Vial, (2019). The transformation from offline advertisement to online advertisement is stressed simply by the CEO of

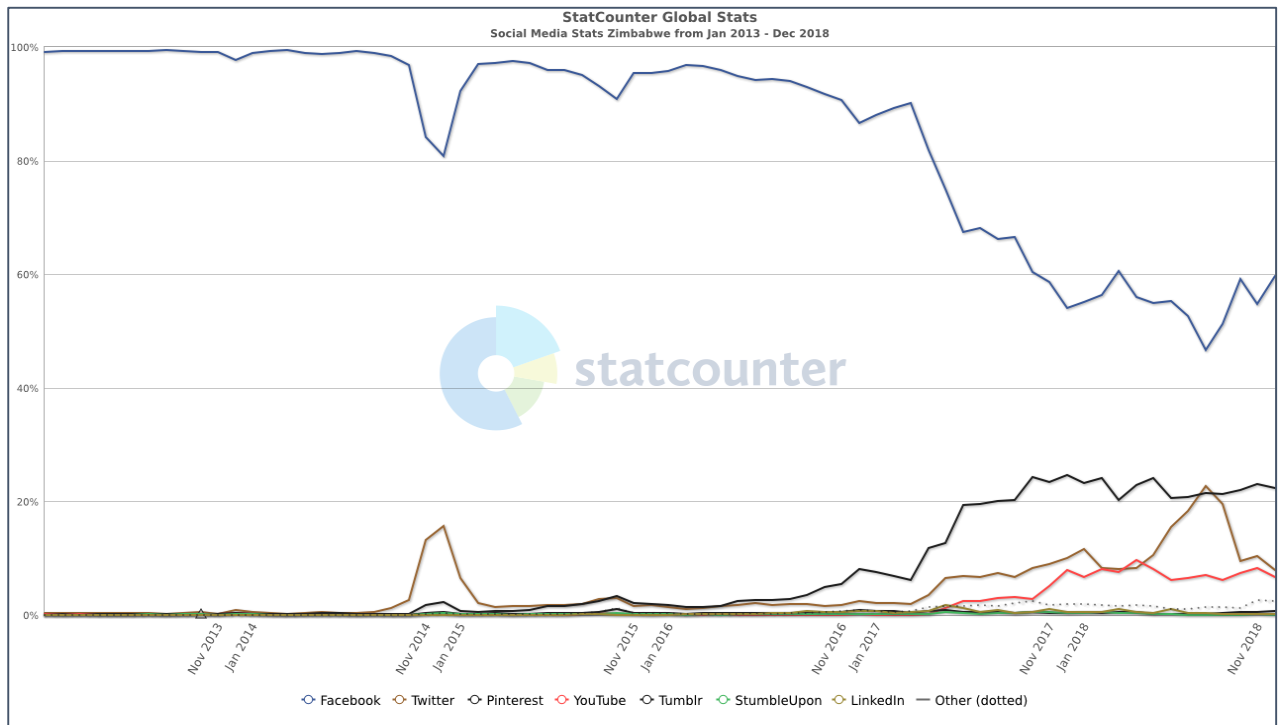


Microsoft, Ballmer: offline advertising will all be online within 10 years (Petit et al, 2019). A common objective of firms is to make a profit and accomplish successful growth; therefore, they use different strategies to sell the products or services they offer. Firms try to create, promote and sell products or services that could satisfy their target customers. Digital marketing is significant to all businesses because it aids in making a business grow and become more powerful, Pearce and Pearce 11, (2020). It is critical to know what kind of advertising to use in every area to achieve a high sales rate, market share and the desired image. “Advertising can be defined as the art of creating awareness of a business in the minds of consumers. It can solicit an eventual sale of a product or service, however, in most cases its main job is awareness creation (Kotler, 2012). Marketing and advertising are therefore synonymous words that can be used interchangeably.

Digital marketing is defined as the buying and selling of information, products and services via computer networks or the Internet (Sivassnkaran, 2017). It involves marketing adverts and messages sent via email, social media sites, online search engines and banner adverts on mobile. Marketing on different social networking websites is one of the newest forms of Internet advertising and it has gained attention from the popular press (Kaur and Hundal 2017). Social networks existed before the existence of the Internet, but they became popularized with the creation of software programs such as Facebook, Myspace and LinkedIn. Social media networking sites are one of the “fastest growing areas” of the World Wide Web (Mechman et al 2022). According to Tuten and Solomon, (2017), social media has changed every aspect of consumers’ daily lives, including how consumers socialize; manage their money, purchase goods and services and gather information interaction. Social media has changed the way people search for products and services, it differs from other types of marketing because social media do not require direct human interaction (Turban et al, 2017). Firms must ensure internet availability for the smooth running of digital Marketing.

Utilizing the web, and social media can create beneficial, long-term client relationships, thereby creating a competitive advantage for companies to charge premium prices for their products or services than their competitors (Alqasa and Afaneh., 2022). Social media is at the summit of the agenda for many business executives (Trusov, *et al.*, 2009). Decision-makers as well as marketers try to identify ways in which companies can make profitable use of these webpage applications, Ahmed et al, (2015). Internet-based social media has enabled individuals to communicate with hundreds and thousands of people about products

and the companies that manufacture them (Altunan, et al., 2018). Social Media connects large numbers of stakeholders at the same time.



**Figure 1.1 Social Media Usage in Zimbabwe**  
**Source:** *State Counter Global (2018)*

Facebook is mostly used in Zimbabwe though usage is on the decline and other social media platforms are on the rise like WhatsApp, Twitter, Pinterest, YouTube and LinkedIn. The COVID-19 pandemic has contributed to an upsurge in the volume of firms using social media recently (Mohammed and Ferraris 2021). Several researchers like Ling 2013 have put it on record that many organisations are actively utilising social media such as Facebook and Twitter to communicate and interact with current and potential customers to enhance business performance.

The usage of social media platforms such as Twitter (for blogging services), Facebook (for online social networking), LinkedIn (for professional networking), and Google Plus (for social networking have embraced a new wave of marketing strategies among SMEs (Kazungu et al., 2014. Ashraf 2014, asserted that online marketing has proven to be cost-effective and the returns seem to be sustainable since the target market is readily accessible since information and ideas are easily relayed on the different digital marketing platforms

where the whole engagement and interaction is based. Constantine, (2013) argued that digital marketing as a strategy has key concepts, which are meant to build and maintain an interested online community of engaged followers and supporters. Curtis (2011) avers that if effectively implemented, social media marketing will enhance product awareness and encourage the market to identify, purchase, consume and repurchase the product being marketed online thus cultivating brand loyalty. Others such as (Heinze, 2016) and (Hobson, 2017) determined that people have captured the opportunity to use their mobile devices to relay information online, making social marketing such a powerful tool of technological advancement and popularity.

A study by Sadi and Iftikhar, (2011) emerged as important to illustrate the nature of SME marketing, and how social media has helped redefine and conduct marketing. Researching the factors critical to the success of small-medium-sized business marketing, they conducted a case study of the tourism industry in Saudi Arabia. Notably, their findings suggested that customer orientation is considered the single most important factor in successful marketing which contemporary social media enables. Sadi and Iftikhar (2011) concluded that the use of the Internet and social networks affected the success of tourism SMEs in Saudi Arabia. Bhanot (2009) examined the impact of social media on Indian organisations' performance in terms of customer base and brand awareness, Constantine (2013) looked at how social media and organizational performance in the form of efficiency and effectiveness, and Smits and Magos (2009) investigated on social media and business capabilities and performance. Mambo et al., 2020 said there is a dearth of information on the effects of social media on marketing performance in developing countries like Zimbabwe. This study seeks to address that gap.

Social media applications have the potential to provide business value by enabling the formation of online customer communities that can support branding, sales, customer services and product development (Culnan et al. 201). These complement each other to bring about long-lasting business performance. Advertising Industries are media houses that provide superior solutions in outdoor advertising, sign-making and digital printing, Melvic et al (2020). The advertising industry's most important asset is the labour force which lies its strength in boosting sales volumes, by their wealth of knowledge and the experience they bring to the organisations, Bala and Verna, (2018). They even have individuals with combined skills and experience in this industry. The companies use outward-bound marketing that is the executives and sales representatives embark on door-to-door outreach missions to

solicit for clients and report daily on these activities. This has proved costly in terms of money and time spent on such marketing techniques (Permana et al., 2019). Digital advertising is therefore considered cheaper than the Traditional way of marketing.

Marketing companies rely heavily on traditional advertising through listing in the business directory, and fliers put in mailboxes, newspapers and magazines. Most marketing firms have basic websites that have not been upgraded for a long time, and the app locators (for locating their billboards online) are not functional, Alqasa and Afaneh (2022). The companies have no presence on all social media sites like Linked In, Facebook, Twitter and YouTube. Advertising Industries find themselves facing numerous challenges from low uptake of billboard spaces, to dwindling market shares and reduced revenues.

Performance indicates how well an organization is achieving its goals, mission and values (Gandhi et al., 2017; Khalil et al., 2021). Advertising performance measurement is the assessment of “the relationship between advertising activities and business performance” (Clark and Ambler, 2001). Previous studies have claimed that firm performance is represented by some common financial and non-financial measures. Financial measures include net profit, return assets, inventory turns, net income before tax, inventory management performance, productivity ratio, financial liquidity, market share, quality performance and before gross tax margin (Gandhi et al., 2017; Sarfraz et al., 2021). Measuring a firm performance is the key factor in sustaining the efficiency and effectiveness of its management (Demirbag et al., 2006). Firm performance is mostly attributed to sales volume, profitability and customer base.

Many global corporate companies are increasingly using social media especially Facebook and Twitter to market their products to their customers (Burford, 2011). In Tanzania, SMEs are using social media to promote dialogue and meaningful interactions between organisations and their stakeholders (Kazungu et al., 2014). Kilonzo (2012), pointed out that more than a billion numbers of people can be seen on one or more social media sites in an hour and SMEs can take advantage of social media buzz to grow their businesses at lower costs yet attain a greater market reach. Godes et al., (2013) echoed that Social media enables adverts to reach a global clientele base directly and simultaneously, regardless of geographical time zone.

Several researches have proven that digital marketing capabilities can improve the performance of firms for example Chinakidzwa and Phiri 2020, Apasrawiroto et al., (2022), Tongdhamacharc and Niyamsilpa., 2022 and others. Their findings were however found byDay and Boisi (2011), and Andrade et al., (2021a). They found that digital marketing capability has no significant effect on business performance; environmental changes cause significant uncertainty in the long run.

## **1.2 Statement of the Problem**

The use of digital marketing is critical when it comes to the need for companies to minimize costs, and improve sales volumes and profit margins, thereby enhancing the firm's performance (Udoh et al., 2021). However Zimbabwean advertising firms in Harare are lagging in terms of incorporating digital marketing technology like social media marketing (Twitter, Facebook, YouTube, blogging and Affiliate) in their product marketing strategies. It still relies heavily on traditional marketing through listing in the business directory, and fliers put in mailboxes, newspapers and magazines. This has resulted in the advertising industry failing to create a stronger competitive advantage over its rivals and as such it is facing challenges from low uptake of billboard space, dwindling market share and reduced revenues, thus low firm performance. It is against this background that the study sought to examine the impact of digital marketing and Advertising firms' performance in Harare Metropolitan. According to Kajongwe et al., (2020), it is assumed that if SMEs adopt and embrace the use of Digital marketing, they will positively improve their marketing performance and this study seeks to assess this notion.

## **1.3 Justification of the Study**

The study investigated the performance of firms and professionals in the Digital Age with a particular focus on Advertising firms in Harare Metropolitan. Digital marketing is a marketing strategy involving the deployment of technology-based tools such as the Internet (email, search engines and electronic commerce), mobile phones and social media platforms (Kawira et al., 2019). Internet marketing aims to inform, converse, promote and sell products and services over the Internet (Njau and Karugu., 2014). It involves email marketing, search engines, online markets, and online blogs to reach out to existing and potential customers. To give a more in-depth analysis of the working lives of the professionals and a greater contribution to the practical world, the study probed into one of the four features of

medialogic (technology) and focused on a specific agency to raise more compelling issues that needed attention. The four independent variables under this study are social media advertising, online advertising, email advertising and affiliate marketing. The relationship was positive between digital marketing and advertising firms' performance in Harare Metropolitan. It brought out the experiences of advertising professionals and Advertising Firms in Harare and Professionals in the Digital era. By going the digital marketing route firms could achieve efficiency and effectiveness in digital marketing, and strategies these firms should implement to create a strong competitive advantage and awareness in the market thereby increasing; the uptake of billboards, market share and profitability.

#### **1.4 Research Objectives**

This research study sought to:

- Assess the effectiveness of social media advertising on business performance.
- Ascertain the effects of online advertising strategy on business performance.
- Evaluate the sways of email advertising on business performance.
- Establish the effects of affiliate marketing on business performance.

#### **1.5 Research Questions**

This study was meant to come up with answers to the following key questions:

- How effective is digital advertising on business performance?
- What are the effects of online advertising on business performance?
- What are the impacts of email advertising on business performance?
- What are the special effects of affiliate marketing on business performance?

#### **1.6 Hypothesis of the Study**

The study was carried out under the following hypothesis:

**1.6.1 Null Hypothesis (H<sub>0</sub>):** Digital marketing does not affect the performance of advertising firms in Harare Metropolitan.

**1.6.2 Alternate Hypothesis (H<sub>1</sub>):** Digital advertising platforms (Online Marketing, Email Marketing, Social Media Marketing and Affiliate Marketing) have positive effects on advertising firms in Harare Metropolitan.

#### **1.7 Assumptions of the Study**

The researcher assumes the following to carry out the research:

- ✓ Harare Metropolitan advertising firms are conversant with digital advertising technology.
- ✓ The researcher assumed that the mechanism used would elicit reliable responses and that the respondents would fully understand the questions they would be asked.
- ✓ It is also assumed that the sample would be representative of the population and that respondents would provide honest expressions of their knowledge.
- ✓ Respondents would be willing to participate knowing that the research was for academic purposes only and thereby sought to contribute to the body of academic knowledge.
- ✓ The researcher will be able to interview several employees at advertising firms during office hours.

## **1.8 Significance of the Study**

Upon completion this study would be important to the following stakeholders;

### **1.8.1 Government of Zimbabwe**

Quantitative research is beneficial to policymakers because it often articulates the settings in which policies will be implemented. The knowledge from the study can be used by the government to draft policies that promote and regulate digital advertising.

### **1.8.2 Customers**

The knowledge and recommendations from the study would enable the implementation of strategies that encourage the uptake of digital technology in advertising by Advertising firms and the customers would enjoy a wide variety of adverts at cheaper costs and greater convenience.

### **1.8.3 Advertising Industries (Private) Limited**

This study evaluated the challenges and benefits faced by advertising firms in Zimbabwe in the digital age to suggest ways in which they can enhance their business performance. The study came up with recommendations which would benefit the organization at large.

### **1.8.4 Managers and Employees of Advertising Industries**

The study would assist managers to come up with important strategic decisions which are of great importance to digital Advertising Industries in Harare Metropolitan. The study will also benefit employees because the organization would be in a position to retain them because of

the increase in business activity, profitability and sustainability arising from the strategies recommended to help adapt to the ever-changing business environment.

### **1.9 Delimitations of the Study**

The study concentrated on Advertising Industries in Harare Metropolitan. The research is limited to Harare Metropolitan advertising firms. This is not confined to a single firm and its various subsidiaries and their branches because of time and financial constraints. The study seeks to evaluate the impact of digital marketing on Advertising firms in Harare Metropolitan in their quest to adopt the latest forms of digitalization in their desire to grow market shares and attain sustainable development.

### **1.10 Limitations of the Study**

Limitations are the factors that are beyond the control of a researcher that may hamper the validity of a study (Trusov, *et al.*,2009). The study was constrained by several factors such as the ones detailed below:

#### **1.10.1 Limited Resources**

The researcher had problems sourcing funds to access the internet, type and photocopy the documents, communicate as well and travel to the respective institutions. This was a major challenge as the researcher also had to raise money for fees. The researcher had to forgo some spending and commit the funds towards the research needs.

#### **1.10.2 Information Confidentiality**

Management of institutions surveyed were unwilling to give information they considered sensitive, so the researcher avoided some sensitive and vague questions

#### **1.10.3 Time Factor**

The time frame within which this project was to be conducted and presented was short, the researcher tried to be precise and made maximum use of the available short period.

#### **1.10.4 Difficulties in Getting Feedback**

This was because sometimes people in the sample population did not fully cooperate due to their busy schedules and workloads. The researcher tried to mitigate this by making appointments during off-peak hours.



### **1.10.5 Power Outages**

The study was carried out at a time when electricity was not readily available for research and typing of the project. The researcher had to incur extra costs to buy internet bundles and solicit the services of those with generators to have the project typed.

### **1.11 Definitions of Key Terms**

The following terms are defined in the context in which they are applied in the field of digital marketing.

**Digital age:** In the context of this study, refers to the present time, where most information is in digital form, especially when compared to the time when computers were not used (Cambridge English Dictionary, 2008). The most recent time in which Digitalisation is taking place is therefore the Digital age.

**Marketing:** this study refers to activities undertaken by a company to promote the buying or selling of a product or service. Marketing includes advertising, selling and delivering products to consumers (Kotler, 2012). Marketing is therefore a combination of all activities that promote firm performance.

**Advertising:** is defined in the context given by Kotler (2012) who defined Advertising as the art of creating awareness of a business in the mind's eye of a consumer. It can solicit an eventual sale of a product or service.

**Digital marketing:** According to Barbu et al, (2021), digital marketing is the process of promoting a product or service using the Internet. In this study digital marketing involves the application of digital technology that forms online channels to market (website, mail, database, digital TV and various other recent innovations including blogs, feeds, podcasts and social networks) which contribute to E-marketing activities, Purwanti et al, (2021). Also known as Internet marketing, it is 'achieving marketing objectives through applying digital technologies'.

**Technology:** this study refers to systems and devices which are used for practical purposes, it entails the use of computers, mobile phones, social media applications and the Internet, for digital marketing purposes. It involves the use of search engine optimization (SEO), search engine marketing (SEM), content marketing, influencer marketing, content automation, e-commerce marketing, campaign marketing, social media marketing, social media optimization, e-mail direct marketing, display advertising, electronic books and an optical disk, Roy et al, (2021). Technology is the skeleton around which advertising has formed, linking contemporary technological developments to transformations in advertising and marketing

practices Mechaman et al, (2022). Most firms are upgrading their technological systems to be able to compete with rivals.

**Media logic:**in this study refers to particular institutionally structured features of a medium, the ensemble of technical and organizational attributes which impact on what gets done (Dahlgren, 1996). Included in and added to this definition is the cultural concept: media logic also indicates the cultural competence and frames of perception of audiences/users, which in turn reinforces how production within the medium takes place (Dahlgren, 1996). According to (Deuze, 2011), four elements affect the way professionals and companies in media work, and how they adapt and assail challenges yielded by the digital era. The four elements in Deuze's model are called media logic. Deuze distilled four elements from this definition: all are related to the behaviour of media professionals: institutions, technology, organization and culture.

## **CHAPTER TWO**

### **2.0 LITERATURE REVIEW**

#### **2.1 Introduction**

Technology is fast embracing the world and firms are more into digital than traditional marketing. Even though firms are increasingly investing in and using technology, relatively little has been conducted to examine the returns to firms' digital marketing efforts (Chung et al 2014). Many practitioners remain sceptical about the returns to investment in digital marketing because of the low rate of firms' digital advertising presence and difficulty in measuring returns (Dyer 2013). Prior studies have neither considered the different dimensions of firms' digital marketing efforts nor have they examined the effects of these dimensions on firm performance. More to that, extant research has not explicated the mechanisms through which digital advertising firms' efforts can influence firm performance. This means that there is limited guidance for firms on how best to utilise digital advertising strategically, especially concerning particular dimensions of digital marketing efforts they should emphasize when advertising. We will examine and conceptualise Social media advertising, online advertising, email marketing and affiliate marketing.

#### **2.1 Digital Advertising**

The development of digital marketing has changed the way brands and businesses use digital technologies and channels for marketing activities (Rai, 2018). Digital marketing campaigns are becoming more predominant and efficient as digital platforms are progressively integrated into marketing plans and daily life and by the way, people use digital devices instead of going to physical stores (Maha and Ranj, 2016). Digital marketing is an electronic communication channel used by marketers to support products and services towards the market (Fattah and Khaled, 2021). According to, Rao and Ratnamadhuri, 2018, digital marketing is the sale and purchase of information, products, and services through a computer or internet network. Thus digital marketing aids marketers to reach their products for users

through several channels such as Social media advertising, online advertising, email marketing and affiliate marketing.

### **2.1.1 Social Media Advertising**

Social media advertising is a new tendency and a fast-growing method to reach targeted consumers effortlessly and efficiently (Fattah and Khaled, 2021). Social media advertising can be modestly defined as using social media channels to encourage a business and its products (Bansal et al., 2014). This type of advertising can be considered as a subset of online marketing activities that complement traditional Web-based promotional strategies, for example, email newsletters and online advertising campaigns (Omar and Atteya, 2020). For all social media activities to be effective internet is the driver of connectivity.

Social media marketers are now getting better and more impact insights by introducing analytics applications on the official social networking website platform (Nur, 2021). Social media indicates any software channel that allows and encourages engagement in Discussion. The general forms of Social Media are Facebook, Twitter, LinkedIn and YouTube. At present, social media are a platform for marketers to have conversations with consumers. Furthermore, a brand is now attracting consumers through social media (Budiman, 2021). Finally, Kaplan and Haenlein (2010) find that social media is a group of Internet-based applications constructed on top of ideology and basics of Web 2.0 technology and enables creating and exchanging content. According to Fattah and Khaled, 2021, social media also explored websites and applications designed to permit customers to share content rapidly, efficiently and in real-time. It therefore means that there is an exchange of information with customers.

### **2.1.2 Online Advertising**

Online advertising is a form of promotion that convinces customers to make purchasing decisions and provides information to the audience (Fattah and Khaled, 2021). When information is easily offered in a pleasant context, the information is easily accepted (Mishra and Mahalik, 2017). Online advertising is a strategy that utilises the internet to get website

traffic and deliver marketing letters to the right potential consumers (Budiman, 2021). The most significant advantage of online advertising is the promotion of products and services without geographical borders (Khan and Islam, 2017). Therefore online advertising is a very vital portion of digital marketing. It is similarly called internet advertising, through which firms can distribute letters about their products or services. The reason is that online advertising can seize the chance to reach their users through numerous online platforms, to give awareness of their products, and to increase their sales in the future (Dhore and Godbole, 2019). Online marketing has the great advantage of having no geographical boundaries.

Online advertising comes in numerous types, the most common are display adverts, in which display adverts are linked to particular content or user behaviour, and search engine adverts, in which an advertiser appears among Internet search results. Online advertising involves several players, including web publishers, who agree to integrate advertisements into their online content in exchange for compensation, advertisers, who produce advertisements to be displayed in the web publisher's content and advertising network intermediaries, who connect web publishers with advertisers seeking to reach an online audience (OECD, 2011). There is an interconnectivity and linking of players in online marketing.

Moreover, online advertising is supple and makes it easier for firms to update their products, services and information (Lim et al., 2011; Afzal and Khan, 2015). On the other hand, due to the variety of products and services, and growing consumer desires and demands, manufacturers need faster and more effective ways to achieve customer loyalty (Aqsa and Kartini, 2015). Finally, online advertising's effectiveness in purchasing decisions, including Harare Metropolitan users, is fairly used to online advertising with a positive attitude towards online advertising. In this study, the internet has developed in acknowledgement as an advertising platform as it enables 24-hour interactivity between advertisers and users.

### **2.1.3 Email Marketing**

Email marketing is one of the digital marketing methods used to distribute orders or target letters to the same individuals at a suitable time. With Emails, businesses can send emails that meet customers' needs (Ugonna et al., 2017). Email marketing is direct marketing that uses email to message or communicate promoting funds to connect audiences (Lodhi and Shoab, 2017). In its widest logic, email marketing can be considered for every email sent to potential

or existing consumers (Rai, 2018). Marketing through emails requires customers who have internet or abundant data for them to always be checking on what new products are on offer.

Email is an essential form of communication with marketing tools where businesses can connect brand value suggestions to the preferred target audience (Fattah and Khaled, 2021). Moreover, consumers also connect their needs upstream to the business via Email (Reimers et al., 2016). To ensure the impact of email marketing, email letters are personalised to receive positive advertising messages. Nevertheless, understanding the needs, time and interesting letters based on consumer preferences can help raise a positive attitude towards email ads that remind of challenges to practitioners (Bpkde and Seshn, 2019). With Emails, it is difficult to know whether one has seen the message or not and it is therefore advisable to make a telephone call as a follow-up confirming receipt of the mail by the client.

#### 2.1.4 Affiliate Marketing

Affiliate marketing is a popular online marketing strategy where companies or individuals (known as affiliates) promote products or services on behalf of a merchant or advertiser (Nuseir, 2020). Affiliates earn a commission for each sale, lead, or action generated through their marketing efforts. These methods can include content marketing, social media marketing, email marketing, search engine optimization (SEO), and paid advertising (Banjo, 2013). One common approach in affiliate marketing is to use various promotional methods to drive traffic to the merchant's website or landing page. Affiliate marketing offers several advantages for both affiliates and merchants, making it a popular and effective marketing strategy (Fatema et al., (2015)). Here are some of the key advantages of affiliate marketing:

**Cost-effective:** Affiliate marketing is a performance-based model, which means that affiliates are only paid a commission when they successfully drive a desired action, such as a sale or lead. This makes it a cost-effective marketing strategy for merchants, as they only pay for actual results.

**Wide reach:** Affiliates can be located anywhere in the world, allowing merchants to reach a global audience without the need for physical locations or extensive marketing campaigns (Nuseir, 2020). This wide reach increases the potential customer base and the chances of generating sales or leads.

**Increased brand exposure:** Affiliates promote products or services across various online channels, such as websites, blogs, social media, and email marketing. This exposure helps to increase brand visibility and reach, as affiliates leverage their networks and audiences to

promote the merchant's offerings (Banjo, 2013). Targeted marketing: Affiliates often have specific niches or audiences that they cater to. This allows merchants to leverage the affiliate's expertise and target specific market segments that align with their products or services. As a result, affiliate marketing can lead to more targeted and relevant marketing efforts. **Performance tracking and analytics:** Affiliate marketing provides merchants with valuable insights and data on the performance of their campaigns. Merchants can track metrics such as clicks, conversions, and ROI, allowing them to optimize their marketing efforts and make data-driven decisions (Hollebeek and Mack, 2019). **Scalability:** Affiliate marketing can easily scale as merchants can engage with multiple affiliates simultaneously. With more affiliates promoting their products or services, merchants can increase their reach and potential customer base, leading to higher sales and revenue. **Risk sharing:** In affiliate marketing, the risk is shared between the merchant and the affiliate. Merchants bear the cost of product development, inventory management, and customer support, while affiliates focus on marketing and driving traffic. This shared risk incentivises both parties to work together to achieve mutually beneficial results.

Flexibility: Affiliate marketing offers flexibility to both affiliates and merchants. Affiliates have the freedom to choose the products or services they want to promote, and merchants can adapt their affiliate programs to align with their marketing goals and budgets. Affiliates have the opportunity to earn passive income by promoting products or services they believe in, while merchants can leverage the power of affiliates to expand their reach, increase sales, and grow their business (Fatema et al., 2015). Overall, affiliate marketing provides a win-win situation for affiliates and merchants.

## **2.2 Firm Performance**

Firm performance can be defined as a reaction to the success or failure of a company and also as the results achieved by the company from a series of implementation of work functions or activities within a certain period (Huger and Wheelen, 2012). Mutegi et al., (2015) posit that the performance of a firm is used as a measure of success in a certain period and can be used as input for improvement or improvement of performance in the future. A company is a holistic display of a company within a certain period, resulting from company operational activities of how they could use their resources (Alulhim, 2021). It should be measured subjectively to examine the impacts of customer orientation and additional service (Kyal et

al., 2022). According to Agwu (2018), performance measurements are the process of measuring the efficiency and effectiveness of action. Performance measurement is also defined as the activity of measuring the input and activity levels of a process. Therefore, business performance in this study is the output or final result obtained by the respondents of business activities carried out for the last three years.

Research scholars have given attention to the digital aspects of marketing through the utilisation of technological advancement, including the monitoring and analysis of customer feedback, the response towards customer feedback, the digital implementation plan, the establishment of digital management reputations, the analysis of social media's impact and the integration of third-party review site that drive positively towards better performance (De Pelsmacker et al., 2018). Recently, various research scholars have suggested conducting empirical investigations on digital marketing strategies that enhance the performance of SMEs (Baka, 2016). The emergence of technology-based digital marketing influences traditional marketing approaches and requires rethinking for the development of strategic initiatives to remain competitive in a digital era. At its initial stage, content marketing became the key to successful online marketing campaigns and a tool for digital marketing. The online survey was conducted to determine the future of digital marketing based on an interview survey of 262 marketing executives towards digital marketing initiatives that lead towards an increase in the budget in the upcoming years (Baltes, 2015). Firm performance is highly affected by marketing strategies employed by the same.

Recently, various well-known brands have adopted digitalised marketing initiatives including Rolex, Coca-Cola, the New York Times and Nike by the implementation of digital content marketing (Nuseir and Aljumah, 2020). DMC was found to be effective in creating and fostering consumer awareness due to its significant importance. The influence of digital content marketing has been observed on the engagement level of employees, sales increase, as well as trust and loyalty (Hollebeek and Mack, 2019). Due to the effective utilisation of digital content marketing efforts, it has been seen that the development of customer connection and attachment has contributed to increased performance. Electronic marketing enables firms to gain a large customer base due to its remote availability and old traditional marketing strategies have been changed due to their unsuitability for sustainable business development (Nuseir and Aljumah, 2020). It has been recognised that digital marketing has become essential for firms to conduct business at a competitive level in a rapidly changing environment. Digitalisation focuses on the mode of communication and information sharing



among participants of the firms and enables an increase in revenue and the establishment of long-term relationships (Batinic, 2015). In this era, digitalizing is the only way to survive competition.

### **2.3 The Relationship between Digital Marketing and Advertising Firm Performance**

Digital marketing significantly encourages advertising firm performance in the digital era (MPmar et al., 2022) The ability to apply digital marketing creates product uniqueness in the form of innovation so that it becomes a company advantage that impacts company performance (Utomo and Susanta, 2020). Digital technology has revolutionised marketing rules and caused many conventional marketing techniques to become obsolete (Nuseir and Refae, 2022) With the advent of the internet, digital marketing became a major factor for some organisations to thrive in the business world ( Piniero and Martinez, 2016). The advent of the internet provides an opportunity for customers. They can not only communicate with other users but also can connect to their favourite brands. The Internet has created opportunities for new relationships among stakeholders (Charlesworth, 2014) and enables consumers to access and exchange information regardless of where or when (Dwivedi et al., 2021). Thus adaptive capabilities (e.g., digital marketing capabilities) allow marketers to see the market with an open mind, thereby increasing the reach of the marketing area (Mora and Hidalgo, 2022). More researchers are in support of the fact that digital marketing is now being adopted worldwide.

In this study, it is claimed that digital marketing improves firm performance. Prior empirical and theoretical studies have investigated digital marketing capabilities as a practice for MSMEs' positive work outcomes. In this regard, Chinakidzwa and Phiri(2022c) propose leveraging marketing capabilities using digital platforms to significantly drive business performance to build strong customer relationships or create an innovative business strategy. Digital marketing is urgent for the success of firms, namely to increase sales, reach a wider target market and save on promotions costs (Cenamor et al., 2019). The authors concluded that digital marketing capabilities provide specific competencies vital to improving firms' performance from extreme business disruption. Research conducted by Chinakidzwa and Phiri (2022a), Sasmoko and Bandur (2019), and Martins (2022) found that digital marketing capability shows a positive and significant effect on the Firm; 's performance. The authors further posited that Firms' managers need to manage unique competence properly to make

the company's performance superior to its competitors. Based on the findings of the empirical literature discussed above and the underpinning theories, the following hypothesis was predicted.

## **2.3 Theoretical framework**

This study has followed a guide of Dynamic Capabilities Theory which has a relationship of how firms adapt and create heterogeneous resource positions in dynamic operating environments (Kawira et al., 2019), Theoretical frameworks for digital marketing and advertising firm performance can vary depending on the specific research objectives and context. However, the researcher looked into two theories which are the Resource-Based View (RBV) and Social Exchange Theory (SET).

### **2.3.1 Resource-Based View (RBV):**

The Resource-Based View (RBV) is a theoretical framework in strategic management that focuses on the internal resources and capabilities of a firm as the primary drivers of competitive advantage and superior firm performance. It suggests that the unique combination of tangible and intangible resources that a firm possesses determines its ability to create value and sustain a competitive advantage over time (Teece et al., 1997). When applying the RBV to the context of firm performance through digital marketing, it emphasizes the importance of leveraging digital resources and capabilities to achieve marketing objectives and gain a competitive edge in the digital marketplace (Barney, (1986; 1991). The RBV emphasizes the role of firm resources and capabilities in achieving competitive advantage and performance. In the context of digital marketing and advertising firms, key resources may include human capital (knowledge, skills, and expertise), technological infrastructure, client relationships, and brand reputation. The effective management and utilization of these resources can contribute to improved firm performance.

The following are some key points to consider:

**Digital Resources:** Digital marketing requires various resources, such as websites, mobile apps, social media accounts, digital content, customer databases, and analytics tools (Trainor et al., 2014). These resources can enhance a firm's marketing capabilities and effectiveness in reaching and engaging with target audiences.

**Digital Capabilities:** Along with resources, firms need to develop digital marketing capabilities. This involves skills, knowledge, and expertise in areas such as search engine optimisation (SEO), social media marketing, content marketing, email marketing, data analytics, and user experience design (UX/UI), (Herhuasen et al., 2020). Building these capabilities enables firms to effectively utilize digital resources and adapt to the evolving digital landscape.

**Competitive Advantage:** The RBV suggests that firms can achieve a competitive advantage by possessing and leveraging unique, valuable, and difficult-to-imitate resources and capabilities (Sasmoko and Bandur, 2019). In the context of digital marketing, this could involve developing proprietary digital technologies, leveraging customer data and insights to personalize marketing campaigns, creating compelling digital content, and building a strong online brand presence.

**Value Creation:** Digital marketing provides opportunities for firms to create value for customers through personalized and targeted marketing efforts. By leveraging digital resources and capabilities, firms can better understand customer needs, deliver relevant and timely marketing messages, improve customer engagement, and enhance the overall customer experience (Sasmoko and Bandur, 2019). These value-creating activities can contribute to improved firm performance.

**Continuous Learning and Adaptation:** The digital marketing landscape is constantly evolving, with new technologies, platforms, and consumer behaviours emerging. To leverage the RBV effectively, firms need to foster a culture of continuous learning and adaptation, (Herhausen et al ., 20200). This involves staying up-to-date with industry trends, investing in employee training and development, and being open to experimenting with new digital marketing strategies and tactics.

Overall, applying the RBV to firm performance through digital marketing emphasizes the importance of leveraging digital resources and capabilities to create value for customers and gain a competitive advantage in the digital marketplace. By developing unique and valuable digital assets and continuously adapting to the changing digital landscape, firms can enhance their marketing effectiveness and ultimately improve their performance.

**2.3.2 Social Exchange Theory (SET):** SET is a social psychological theory that focuses on the social interactions and exchanges between individuals MPmar et al., (2022). It suggests that individuals engage in social relationships based on a cost-benefit analysis, seeking to maximize rewards and minimize costs. SET explores the relationships and interactions between firms and their stakeholders, including clients, partners, and employees. In the digital marketing and advertising industry, strong collaborative relationships with clients, effective partnerships with advertising platforms or networks, and a positive organizational culture can impact firm performance Chaffey, (2012). Trust, commitment, and mutual benefits are key factors within the social exchange framework. SET can provide insights into how digital marketing efforts can influence firm performance. When applied to digital marketing, Carter (2014), SET suggests that firms can enhance their performance by effectively managing the social exchanges with their target audience. Here's how SET can be relevant to firm performance through digital marketing:

**Relationship Building:** SET emphasises the importance of building and maintaining positive relationships. In the context of digital marketing, firms can use social media platforms, email marketing, and other channels to establish connections with their audience Kajongwe et al., 2020. By providing valuable content, engaging in conversations, and responding to customer inquiries, firms can foster a sense of reciprocity and trust, leading to increased customer loyalty and improved firm performance. **Value Creation:** SET highlights the exchange of resources and benefits in social relationships. In digital marketing, firms can create value for their audience by offering informative and entertaining content, personalized recommendations, exclusive discounts, or rewards programs Kiili et al., 2019. By providing perceived value to customers, firms can encourage positive exchanges, such as purchases, referrals, or positive reviews, which can contribute to improved firm performance. **Customer Satisfaction:** SET suggests that satisfied individuals are more likely to engage in positive social exchanges. Through digital marketing, firms can gather customer feedback, monitor online reviews, and analyze social media sentiments to understand customer satisfaction levels Mohamed et al., 2020. By addressing customer concerns promptly and continuously improving products or services based on feedback, firms can enhance customer satisfaction. Satisfied customers are more likely to engage in positive word-of-mouth, which can attract new customers and positively impact firm performance.

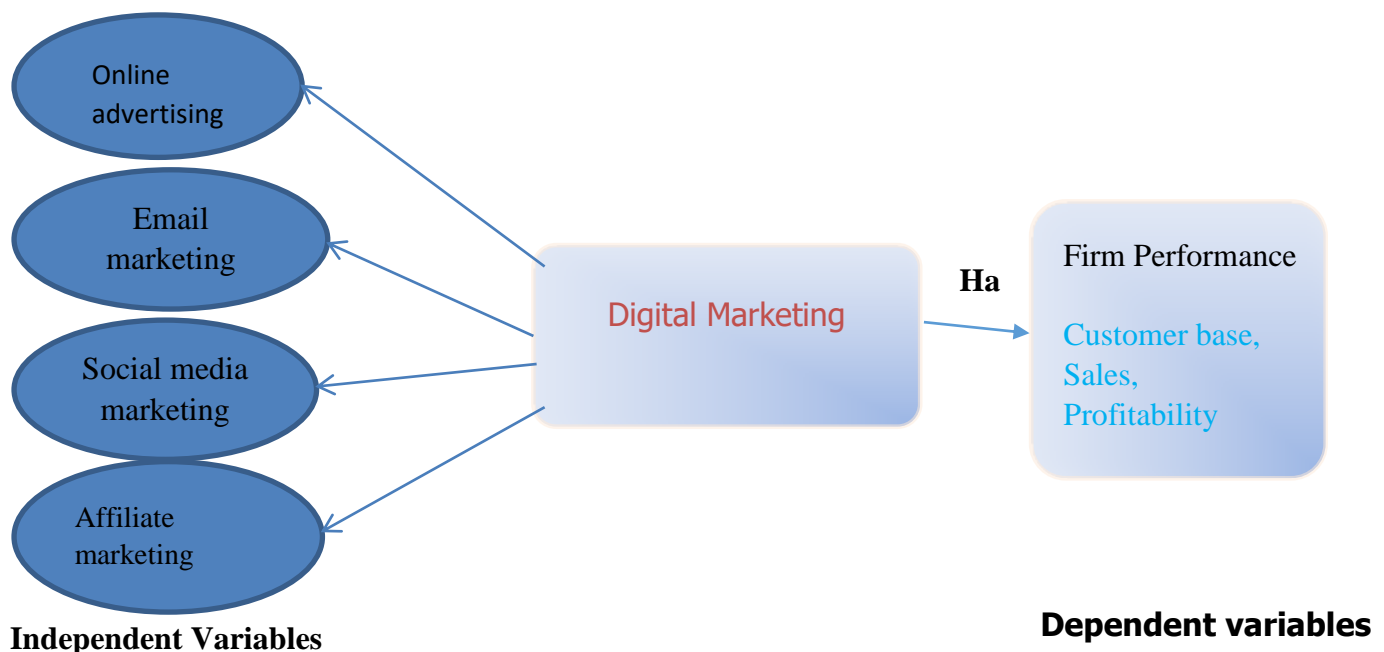
**Trust and Commitment:** SET emphasizes the role of trust and commitment in social exchanges. Digital marketing allows firms to build trust by maintaining consistent branding, delivering on promises, and protecting customer data Hollebeek and Macky 2019. By establishing trust and fostering a sense of commitment, firms can encourage repeat purchases, brand advocacy, and long-term customer relationships, thus contributing to improved firm performance.**Feedback and Adaptation:** SET highlights the importance of feedback in social exchanges. Through digital marketing, firms can collect real-time data, conduct surveys, and monitor customer behaviour to gain insights into customer preferences and needs, Yoga et al., 2019. By using this feedback to tailor marketing strategies, firms can adapt their digital marketing efforts to meet customer expectations more effectively, leading to improved firm performance.

Overall, Social Exchange Theory provides a framework for understanding how digital marketing efforts can influence firm performance. By focusing on relationship building, value creation, customer satisfaction, trust, and adaptation, firms can leverage digital marketing channels to engage in positive social exchanges with their target audience, leading to improved performance outcomes, Aggarwal 2017. These theoretical frameworks provide a foundation for understanding the key factors that influence the performance of digital marketing and advertising firms. Researchers and practitioners can further explore and tailor these frameworks to specific research questions or industry contexts to gain deeper insights into firm performance determinants.

## **2.4 Conceptual Framework of the Study**

The world has witnessed a rise in digital marketing buoyed by the explosion of information communication and technology (ICT) (Kawira et al., 2019). Digital marketing is a marketing strategy involving the deployment of technology-based tools such as the Internet (email, search engines, and electronic commerce), mobile phones, social media, and affiliate marketing (Kiveu and Ofafa, 2013). Internet marketing aims to inform, converse, promote and sell products and services over the Internet (Njau and Karugu, 2014). The variables under consideration in this study are Email Marketing, Online advertising, Social Media marketing and Affiliate marketing.

To visualize the use of a theoretical framework and the connection between the different theoretical concepts, figure 2.1 demonstrates the conceptualisation of the theories to provide a holistic overview of the theoretical framework. The digital marketing strategy is the activities that should help the company achieve its goals and objectives with the help of digital marketing activities. The conceptual frame for this study is shown below:



**Figure 2.1 The Conceptual Framework**

**Source: Stratford Peer Reviewed Journals and Book Publishing (March 2019) and International Journal of Innovation, Creativity and Change (Volume 11, 2020)**

Based on the above-stated discussion, the following hypothesis of the study according to the proposed research framework has been derived:

**Ha:** Digital marketing applications (Online advertising, Email marketing, Social media Marketing and Affiliate marketing) are positively significant to digital advertising Firm Performance in Harare Metropolitan Province of Zimbabwe.

The choices of which mode of digital marketing to use and why it is used are the research topics for this study and the model will evolve with new findings. The conceptual framework was generally used to evaluate the impacts of digital marketing on advertising firms' performance in Harare Metropolitan Province of Zimbabwe in the Digital Age. The model was carefully constructed and modified to suit Digital Advertising. Online advertising, Email marketing, Social media marketing and affiliate Marketing are the inputs or independent variables which the researcher believes might explicate impending reasons for the incongruity in Digital Advertising, Chinakidzwa and Phiri, 2020b. Digital advertising firm Performance is the dependent variable and it represents the outcome whose incongruity is behind the entire research study. The researcher believes that Digital Advertising results in increased billboard uptake, sales, quality service experience, service satisfaction, customer loyalty and customer retention.

## **2.5 Effectiveness of Digital Advertising**

Matt et al. (2015) found that: digital display advertising is effective across all metrics! In Device Research and Research and Analysis of Media (RAM), the analysis collated results from 675 individual campaigns from 2008 through 2017 to see whether digital display advertising is effective. The analysis also showed that digital banners and digital videos are both effective formats. Digital advertising has seen rapid growth, doubling in size in the past five years and has commanded a need for more sophisticated audience measurement (Matt *et al.*, 2015). The justified need to prove ad response whether that's a human viewing, noticing, engaging with or clicking on advertshas become simultaneously easier and harder at the same time. Additionally, advertisers are rightly asking the following questions: Has a user viewed my adverts? If not, should I pay for it? Did the advert change their opinions? And did it change their purchase behaviour? (Matt *et al.*, 2015). Data from platforms, walled gardens and cookies provide accurate audience information such as age, gender, likes and dislikes.

The industry has come a long way from settling just for exposure measurement. With ever-greater fragmentation, the difficulties of isolating advertising effectiveness will continue as new media emerge and data gets more sophisticated (Matt *et al.*, 2015). As history has shown us this continuous improvement in measurement will evolve as the industry utilises old and new metrics to evaluate advertising effectiveness relative to brands and performance.

According to Matt et al., (2015), the continued learning process is essential as brands learn to utilise these metrics to develop ad effectiveness strategies across increasingly complex media options.



### **3.0 RESEARCH METHODOLOGY**

The present study determines the business performance of firms influenced by digital marketing applications with the moderating role of environmental factors (Nuseir and Aljumah., 2020). The study is cross-sectional and quantitative in nature. All variables were investigated on a 5-point scale to determine the relationship between the proposed variables of the framework. The empirical research method is needed to analyse advertising firm performance in Harare Metropolitan Province. In addition to this, to meet the objectives of this research, the correlation between independent and dependent variables will be analysed using the statistical methods mentioned below. So, this study used a quantitative method and assess the impact of digital marketing and advertising firm performance

#### **3.1 Research Design**

This is a correlation research. This type of correlation research aims to assess the relationship between two or more constructs, concepts, categories or variables (Hair et al., 2012). Additionally, the correlation study is a quantitative and multi-subject design in which students have not been randomly allocated to treat conditions (Sekaran and Bougie, 2009). According to Krishna (2018), “correlation research observed among scores on the size of two constructs can be influenced by various effects related to variable measurement or individual study design.” In short, this study used a descriptive design. All variables were investigated on a 5-point scale to determine the relationship between proposed variable frameworks. The sample for the present study was the firms in Harare Metropolitan and selection was done randomly. The list of firms of firms was acquired from the Harare Metropolitan Province Licensing Department which provided a list of operating firms. The fact has already been given that 95% of firms are privately owned. It is likely, therefore, that the researcher can assemble a diverse sample to get appropriate responses. The key respondents were marketing managers, IT managers and Managing Directors. They were most likely to be knowledgeable about their firm's marketing efforts, technology adoption and their role in firm performance.

#### **3.2 Data Collection**

Primary and secondary data collection techniques were utilised. Primary data were collected using questionnaires given to randomly selected firms in Harare Metropolitan Province. The study adopted the hand delivery and collection method. Aliyu and Rosili opine that the hand

delivery and collection method saves time, ensures clarification of doubts and misunderstood concepts and produces a high response rate. According to Kawira et al., 2019, the hand delivery method is considered appropriate due to its outstanding benefits of the entire completed questionnaire can be collected within a short period, and one can be on hand to give an additional explanation on items that may require clarification by the respondent and lastly, it creates an opportunity to persuade respondents to take part in the survey and give their sincere opinions where resistance may be noticed in line with submissions of Sekaran and Bougie (2010). The questionnaire is divided into distinct sections. The first part includes questions about the participants' background information, the second part includes the questionnaire that measures the use of Email marketing, social media advertising and affiliate marketing and the third and final part includes questions about firm performance. Online surveys are considered an essential tool in research due to being a fast, cheap and simple method of data collection (Dutot and Bergeron, 2016). The researcher used the Google platform to send and receive questionnaires from most respondents.

To ensure the reliability of the study, a pilot study was carried out with 200 questionnaires followed by the computation of the Cronbach's alpha coefficient for each variable. The proposed pilot test falls within the rule of thumb as proposed by Mugenda and Mugenda (2003) that 10% of the sample should constitute the pilot test. For content validity, the researcher solicited expert opinion from the university supervisors, peers and professionals in the industry.

### **3.3 Target Population**

According to Saunders et al., (2016), the population is the complete set of cases from which a sample is acquired. The target population for this study are digital advertising firms in Harare Metropolitan Province in Zimbabwe. There are 1000 registered firms in Harare Metropolitan Province (Finscope, 2015). Convenient sampling techniques were used to select 200 firms. This sample size is calculated from the 10% of the population based on the thumps rule (Heilbron, 2016). According to (Saunders, 2003), a population is a collection of objects, events or individuals having some common characteristics that the researcher is interested in studying. In this study, the target population consisted of two groups, that is, directors, managers and other workers of Marketing firms in Harare Metropolitan Province particularly

those in the construction industry. The researcher used a population of two hundred (200) firms after considering several Digital Advertising firms in Harare Metropolitan province.

### **3.4 Data analysis**

A research subject is a person who decides to participate in a research study. This is completely voluntary. A cross-sectional survey on firms was conducted in Harare Metropolitan, A survey was necessary because no data was available in the public sources for secondary collection in this particular regard. Although expensive and difficult to collect, primary data remains a viable option in this study (Moorman and Day, 2016). The research subjects were employees such as managers and Directors or Owners of Digital Advertising firms in Harare Metropolitan Province.

### **3.4 Research Instruments**

Research instruments relate to tools which researchers employ when collecting data. Generally, questionnaires, interviews and participatory observations are the most widely used instruments when collecting data for a research study. According to (Kumar, 2007), a research instrument is a tool utilized to collect data. A closed-ended questionnaire was the primary data collection tool used. The researcher distributed the questionnaire to senior managers and Directors or owners of firms. Senior Managers and Directors or Owners were more knowledgeable about their digital marketing activities and firm performance and therefore relevant to the study (Chinakidzwa and Phiri, 2020). The researcher used several approaches including the interviewer approach, the drop-off and pick-up approach and the approach of sending either via WhatsApp or email approach. Respondents were selected through two approaches; stratified simple random sampling in samples that had a well-defined sampling frame, and quota sampling where sampling frames were scarce (Chinakidzwa and Phiri, 2020). A Google form was created and the link was sent to prospective respondents for answering the questionnaire.

The digital marketing constructs and those of the dependent (performance constructs) were measured on a Likert scale ranging from one to five, where one represented strongly disagree and five represented strongly agree. Measures for all constructs were adopted from previous studies of Chinakidzwa and Phiri, 2020, Moran et al., 2009, and Barrett et al., 2015. Data was analysed using SPSS and SEM. Initially, the researcher conducted descriptive analysis,

followed by a bi-variate analysis and lastly logistic regression test of the hypothesis. The presentation of the results is in the next chapter.

### **3.5 Questionnaire validity**

A wide literature review was one key element of our validity test approach. The wide literature contributed to clearly defining research constructs. According to Chinakidzwa and Phiri, 2020, it is important to have several approaches taken to ensure the validity of the questionnaire since validity issues were central to the development and testing of the questionnaire. Saunders et al., 2016, p.450, seconded that validity was important in the study as it ensured the questionnaire measures what it was intended to measure. Mooi et al, 2018, Alluded that since there is no single objective way of verifying what a researcher is measuring, it was necessary to adopt multiple approaches.

Construct validity was also measured using Spearman's correlation. According to Garson (2013), construct validity is questionable if a researcher uses constructs that are at odds with literature because construct validity is indisputably connected to theory and hypothesis (Carmines and Zeller, 1979). Workmates who are in the marketing field contributed to the clarity, flow and general design of the questionnaire and this was part of face validity which sought to assess if the questionnaire was sensible (Chinakidzwa and Phiri, 2020). Largely, pilot testing contributes to validity and reliability (Saunders et al., 2016). Before implementation, the questionnaire was well analysed by the supervisor and was pilot-tested with workmates.

### **3.6 Ethical Considerations**

Ethical issues exist in any kind of research. Ethics pertains to doing well and avoiding harm. Harm can minimized or avoided through observing the appropriate ethical principles. This research was guided by ethical norms in all aspects. The researcher considered all information to be private and confidential. Correct information and great attention to detailed information were used to determine the outcome of the research and during the process. The researcher respected the rights of the respondents even in the case of refusal to divulge any details.

The relationship and intimacy that is created between the researchers and participants in quantitative studies can raise an array of different ethical concerns, and quantitative researchers face dilemmas such as respect for privacy, the establishment of honest and open

interactions, and avoiding misrepresentations (Guth, 2008). The researcher endeavoured to minimise the possibility of intrusion into the autonomy of study participants by all means. The researcher clarified in writing which persons can have access to the initial data and how the data might be used. Privacy was respected since consent was sought before information was disclosed. Some important ethical concerns that should be taken into account while carrying out qualitative research are anonymity, confidentiality and informed consent (Trusov, *et al.*,2009). Informed consent has been accepted as an integral part of ethics in research carried out in different fields.

### **3.9 Chapter Summary**

The chapter looked at the research methodology used by the study on the impact of digital marketing on advertising firms' performance in Harare Metropolitan Province in Zimbabwean. The discussion detailed the research design, population, sample size, sampling techniques and research instruments, before outlining the data sources, validity and reliability of instrument, and data analysis and presentation plans. The next chapter is devoted to the presentation, interpretation and analysis of results drawn from the respondents who participated in the research study.

## **CHAPTER FOUR**

### **DATA PRESENTATION, INTERPRETATION AND ANALYSIS**

#### **4.1 Introduction**

In this chapter, data that has been gathered using the research methodologies outlined in chapter three are cleaned, presented, analysed and interpreted by the researcher. Responses that were submitted online were downloaded, saved as an Excel document then uploaded into SPSS for analysis. Findings were presented using bar charts, pie charts and tables. Data was analysed using the structural equation modelling technique. The chapter is split into two sections namely Descriptive Statistics and Inferential Statistics.

#### **4.2 Descriptive statistics**

##### **4.2.1. Response rate**

The researcher created a Google form questionnaire which was sent to 200 respondents using a link via WhatsApp and email. The completed questionnaires were submitted electronically and collated by Google Forms. The submissions were downloaded, cleaned and saved. 101 responses were received representing a 51% response rate. The response rate attained concurs with Saunders (2017) that a response Rate over 50% is considered realistic when using a questionnaire. Starmer (2015) proclaimed that a response rate of below 30% is considered untrustworthy and not valuable.

#### **4.3 Demographics**

##### **4.3.1 Gender**

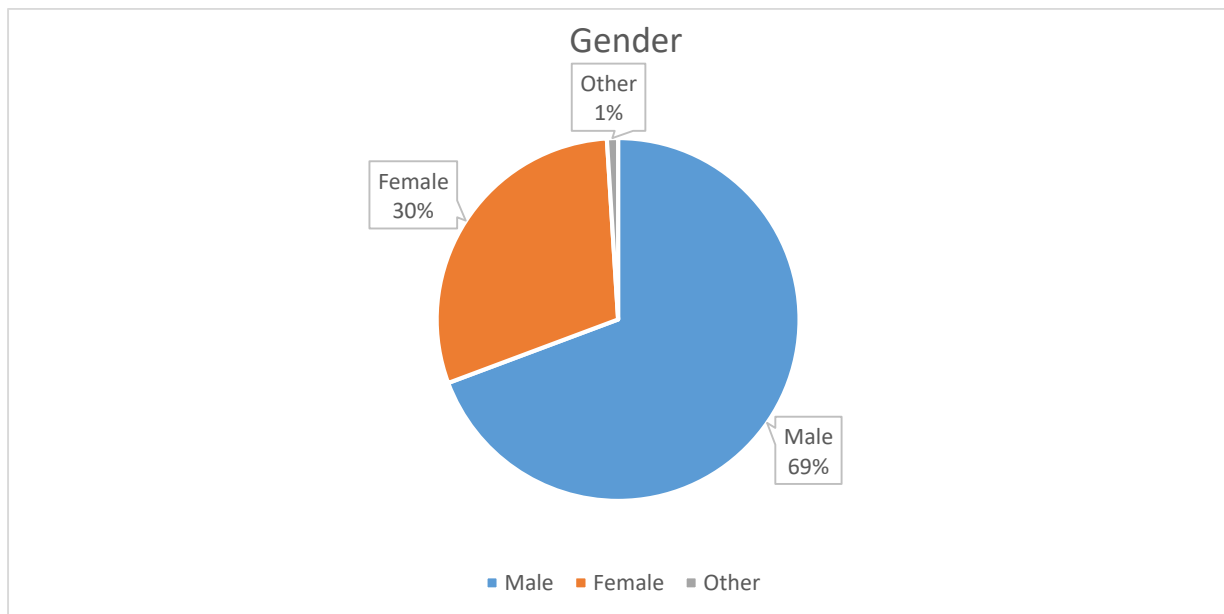
The research had 101 respondents of which 69% were male respondents 30% were female respondents and 1% chose not to specify their gender. This probably indicates that men still dominate in the business environment hence there are still incentives to encourage women to create and run their businesses. The Public Procurement and Disposal of Public Assets Act (22:23) has provisions which encourage procuring entities to give preferences to women-

owned or controlled businesses. The results are in line with National findings by CZI (2014) indicating that there is gender disproportion in Zimbabwean firms particularly SMEs.

**4.1 Table: Gender of respondents**

	Frequency	Per cent	Valid Percent	Cumulative %
<b>Male</b>	70	69%	69%	69%
<b>Female</b>	30	30%	30%	99%
<b>Other</b>	1	1%	1%	100%
<b>TOTAL</b>	<b>101</b>	<b>100%</b>	<b>100%</b>	

Source; Survey, (2023)



**Figure 4.1 Gender respondents**

Source: Survey, (2023)

### 4.3.2 Indicate your level in the organisation

The respondents who participated in this survey were mostly at high levels in their organization. 31% of the respondents were owners of their organization, while 23.8% were in Executive Management. Critically, 79.2% of the respondents were from middle management and above, which shows that the participants were decision-makers actively involved in the strategic direction of their businesses and highly involved in the marketing of firms. Table 4.2 below shows the various hierarchical levels of respondents.

**Table 4.2: Level in the organization**

Level in organization	Frequency	Per cent	Cumulative %
Owner	32	31.6%	31.6%
Executive Management	24	23.8%	55.4%
Middle Management	24	23.8%	79.2%
Lower-Level Management	12	11.9%	91.1%
Non-Managerial	9	8.9%	100.0%
	101		

*Source: Survey 2023*

The information in Table 4.2 is presented in a diagrammatic form below in Figure 4.2.



**Figure 4.2: Level in the organization**

*Source: Survey, (2023)*

### 4.4 Digital Marketing and Advertising Firm Performance

This is an analysis of the results from digital marketing and advertising firm performance in Harare Metropolitan Province. The researcher analysed each independent variable separately and showed its effect on the dependent variable.



#### 4.4.1 Online Marketing

**Table 4.4 Results of Online Marketing**

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<b>OM 1</b>	Online advertising is key in promoting market penetration.	11.9%	4.0%	12.9%	37.6%	33.7%
<b>OM 2</b>	Many firms have been able to increase their profitability by using online advertising.	6.9%	3.0%	11.9%	25.7%	52.5%
<b>OM 3</b>	A firm can leverage Online Marketing in Harare to significantly grow its sales volumes.	21.8%	7.9%	25.7%	27.7%	16.8%
<b>OM 4</b>	Adopting Online Marketing allows firms to increase sales volumes.	6.0%	6.0%	18.0%	37.0%	33.0%
<b>OM 5</b>	Marketing Online greatly promotes the ability of firms to attract and retain customers.	5.9%	10.9%	20.8%	31.7%	30.7%

*Source: Survey 2023*

As shown in Table 4.4 above in OM 1: 33.7% of the respondent strongly agreed that their organizations' performance has relationships with Online Marketing which can be described as any of those identified in the question. These relationships are characterised as long-term, close, collaborative and mutually beneficial. A very high number, 37.6% of the respondents agreed that online marketing is key in promoting market penetration while only 4% and 11.9% disagreed and strongly disagreed with the same notion. In OM 2: 52.5% of the respondents strongly agreed that their organizations have been able to increase their profitability by using Online Advertising and 25.7% agreed that the firm has been able to increase their profitability by using Online Advertising. Key to note is that 11.9% were neutral, hence not sure that Online Marketing can increase their profitability. 6.9% strongly disagreed, and 3% disagreed that the firm has been able to increase its profitability by using Online Advertising quality. OM 3: shows that only 16.8% can leverage Online Marketing in Harare to significantly grow their sales volumes, while 21.8% strongly disagree and 7.9% disagree that they can leverage Online Marketing in Harare to significantly grow their sales volumes. 25.7% were neutral to the effect that firms can leverage Online Marketing in Harare to significantly grow their sales volumes. In OM 4: 37% agreed, and 33% strongly agreed to the fact that adopting Online Marketing allows firms to increase sales volumes. Only 6% strongly disagreed and another 6% disagreed, while 18% were neutral on the fact that adopting Online Marketing allows firms to increase sales volumes. OM 5: Marketing through

Online greatly promotes the ability of firms to attract and retain customers, only 5.9% and 10.9% strongly disagreed and agreed, while a very high 31.7% and 30.7% agreed and strongly agreed.

#### 4.4.2 Email Marketing

In Table 4.5 below, a very high percentage, 42.6% and 35.6 strongly agreed and agreed that adopting Email marketing allows firms to increase their sales volumes and profitability, only 10.9% were neutral and 10.9% were in disagreement. On EM 2: 8% were in disagreement, 23.8% were neutral, and 68.3% were in agreement to use of Email Marketing enhances a firm’s competitive advantage. In EM 3: the question asked about marketing through Emails greatly promotes the ability of a firm to attract and retain customers, 10% disagreed, 15% were neutral 43% agreed and 32% strongly agreed. EM 4: When asked about Email Marketing being key in promoting market penetration, 78.2% were in agreement, 8.9% were in disagreement and 12.9% were neutral.

**Table 4.5: Results on Email Marketing**

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
EM 1	Adopting Email marketing allows firms to increase their sales volumes and profitability.	4.0%	6.9%	10.9%	35.6%	42.6%
EM 2	The use of Email marketing enhances a firm’s competitive advantage.	4.0%	4.0%	23.8%	32.7%	35.6%
EM 3	Marketing through Emails greatly promotes the ability of a firm to attract and retain customers.	4.0%	6.0%	15.0%	43.0%	32.0%
EM 4	Email Marketing is key in promoting market penetration.	5.9%	3.0%	12.9%	36.6%	41.6%

*Source: Survey 2023*

#### 4.4.3 Social Media Marketing

The respondents were asked five questions to do with Social Media Marketing and their responses were captured and tabulated as shown in Table 4.6 below. SM 1 was on the effectiveness of Social Media Marketing for firms to grow profitably. 62.4% were in agreement, 18.8% were in disagreement and another 18.8% were neutral. As for SM 2, 37.6 disagreed that by effectively utilizing Social media marketing, a firm can retain and attract customers, 36.6% agreed while 25.7% were neutral about the practice. Social Media Marketing question three asked about whether firms that leverage Social media are more likely to achieve higher sales volumes. 28.7% were neutral, 52.5% agreed, while 8.9% strongly disagreed and 9.9% disagreed. In SM 4 which asked about Social Media Marketing

being key in promoting market penetration, 21.8% disagreed, 32.7% were neutral and 45.6% agreed.

**Table 4.6: Social Media Marketing**

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
SM 1	Social media is an effective way for business to grow their profitability.	6.9%	11.9%	18.8%	34.7%	27.7%
SM 2	By effectively utilizing Social media a firm can retain and attract customers.	20.8%	16.8%	25.7%	19.8%	16.8%
SM 3	Firms that leverage Social media are more likely to achieve higher sales volumes	8.9%	9.9%	28.7%	31.7%	20.8%
SM 4	Social Media Marketing is key in promoting market penetration.	10.9%	10.9%	32.7%	30.7%	14.9%

Source: Survey data 2023

#### 4.4.5 Firm Performance

Table 4.8 below shows the results of three questions asked under firm performance.

**Table 4.8 Results on firm performance**

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
FM 1	Digital marketing enables firms to boost profitability.	8.9%	12.9%	23.8%	25.7%	28.7%
FM 2	Making use of digital marketing gives firms a broad base of customers and significantly attracts and retains more clients.	4.0%	14.9%	40.6%	24.8%	15.8%
FM 3	Firms that adopt digital marketing have increased competitive advantage and increased sales volumes.	5.0%	4.0%	7.9%	44.6%	38.6%

Source: Survey 2023

In FM 1, 54.4% state that Digital marketing enables firms to have boosted profitability, while 12.9% disagree 8.9% strongly disagree and 23.8% are neutral. As for FM 2 making use of digital marketing gives firms a broad base of customers and significantly attracts and retains more clients, 40% are not sure (neutral) while only 4% strongly disagree and 14.9% disagree. FM 3 stated that Firms that adopt digital marketing have increased competitive advantage and increased sales volumes, but only 9% were not in agreement. 7.9% were neutral while 83.2% stated that adopting digital marketing has increased competitive advantage and increased sales volumes.

## 4.5 INFERENCE STATISTICS

The researcher used the SPSS software to conduct a statistical analysis of the data that was presented. Reliability tests, correlation, hypothesis testing and structural equation modelling were all carried out using the tool.

### 4.5.1 Reliability and Validity Tests

Reliability and Validity of the data were assessed using Indicator reliability (Factor loadings), Cronbach's alpha, Average Variance Extracted (AVE), and Composite Reliability (CR). As shown in the table below, the data satisfied the minimum thresholds.

**Indicator reliability:** Reflective indicator loadings which are greater than 0.5 show that the item is a good measurement of a latent construct (Hulland, 1999). Accordingly, all the indicator loadings were greater than 0.5 (Table 4.9).

**Internal consistency reliability:** Composite reliability (CR) and Cronbach's alpha ( $\alpha$ ) can be used to assess internal consistency reliability. According to Gefen et al., (2000), a CR value of at least 0.7 indicates adequate internal consistency reliability. Hair *et al.* (2017) suggested that Cronbach alpha ( $\alpha$ ) values between 0.60 and 0.70 are widely considered desirable in research to indicate internal consistency reliability. As shown in Table 4.9 below all the constructs satisfied the threshold values for the Cronbach alpha and Composite Reliability.

**Convergent reliability:** Convergent reliability is the extent to which a measure correlates positively with alternative measures of the same construct (Hair *et al.*, 2017). Convergent reliability is assessed using the Average Variance Extracted (AVE). The AVE should be greater than 0.5 (see Bagozzi, 1986; Hair *et al.*, 2016). The AVE for all the constructs in this study was greater than 0.5 (see Table 4.9 below) thus the measurement scales showed good convergent reliability.

**Table 4.9 Reliability and Validity**

			Factor Loading	Cronbach Alpha	Average Variance Extracted	Composite Reliability
	<b>OM 1</b>	Online advertising is key in	0.69			

<b>Online Marketing</b>		promoting market penetration.		<b>0.843</b>	<b>0.52</b>	<b>0.85</b>
	<b>OM 2</b>	Many firms have been able to increase their profitability by using online advertising.	0.71			
	<b>OM 3</b>	A firm can leverage Online Marketing in Harare to significantly grow its sales volumes.	0.70			
	<b>OM 4</b>	Adopting Online Marketing allows firms to increase sales volumes.	0.67			
	<b>OM 5</b>	Marketing Online greatly promotes the ability of firms to attract and retain customers.	0.65			
<b>Email Marketing</b>	<b>EM1</b>	Adopting Email marketing allows firms to increase their sales volumes and profitability.	0.71	<b>0.916</b>	<b>0.69</b>	<b>0.92</b>
	<b>EM2</b>	The use of Email marketing enhances a firm's competitive advantage.	0.67			
	<b>EM3</b>	Marketing through Emails greatly promotes the ability of a firm to attract and retain customers.	0.75			
	<b>EM4</b>	Email Marketing is key in promoting market penetration.	0.77			
<b>Social Media Marketing</b>	<b>SM 1</b>	Social media is an effective way for business to grow their profitability.	0.71	<b>0.862</b>	<b>0.57</b>	<b>0.86</b>
	<b>SM 2</b>	By effectively utilizing Social media a firm can retain and attract customers.	0.67			
	<b>SM 3</b>	Firms that leverage Social media are more likely to achieve higher sales volumes	0.70			
	<b>SM 4</b>	Social Media Marketing is key in promoting market penetration.	0.69			

<b>Firm Performance</b>	<b>FM 1</b>	Digital marketing enables firms to boost profitability.	0.76	<b>0.826</b>	<b>0.50</b>	<b>0.81</b>
	<b>FM 2</b>	Making use of digital marketing gives firms a broad base of customers and significantly attracts and retains more clients.	0.81			
	<b>FM 3</b>	Firms that adopt digital marketing have increased competitive advantage and increased sales volumes.	0.87			

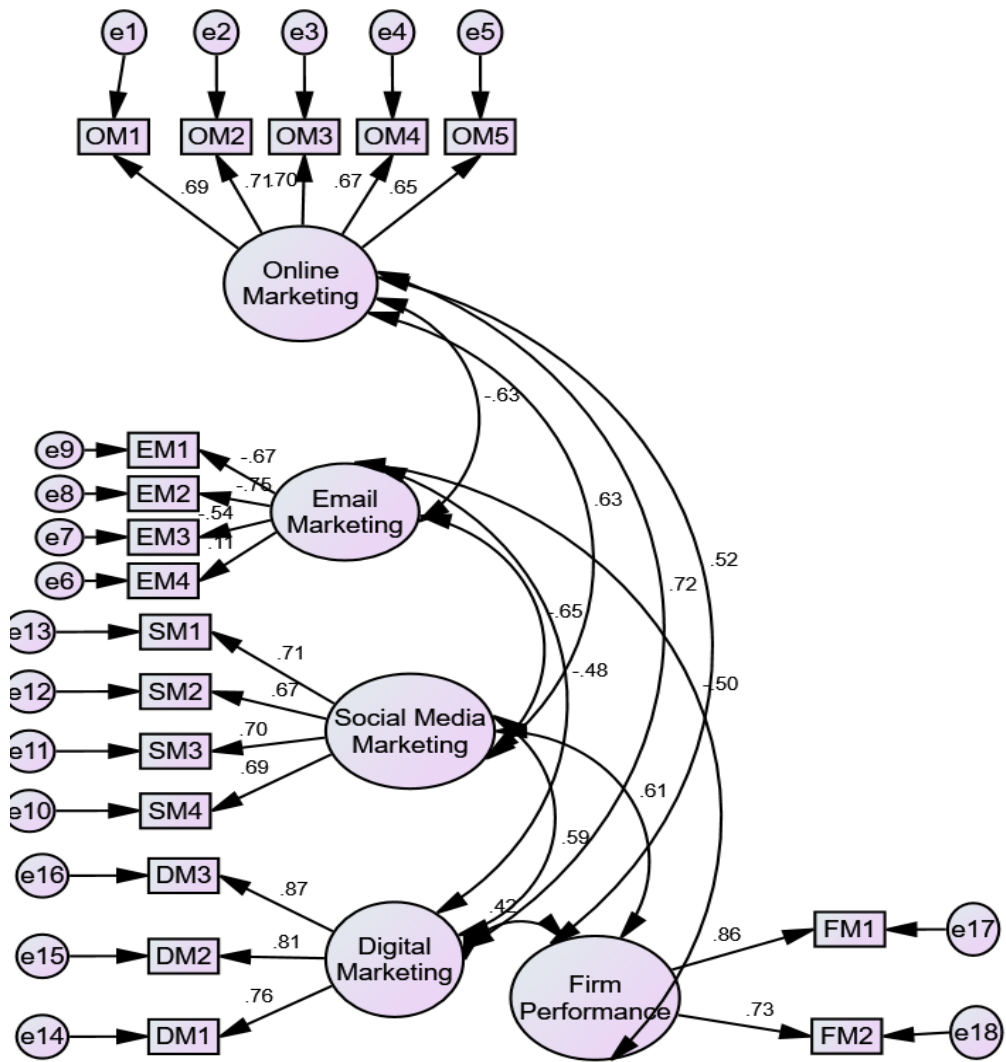
#### 4.5.2 Confirmatory Factor Analysis

After running the confirmatory factor analysis for the model, the results indicated that the model was good because it fitted the data. The model fit indices that were obtained from the confirmatory factor analysis are as follows: CMIN=1.8; p=0.000; IFI=0.924; RMSEA=0.080.

**Table 4.10: Model summary and results**

	<b>Value</b>	<b>Recommended value</b>
<b>CMIN/DF</b>	1.8	1 < CMIN/DF < 3
<b>CFI</b>	0.910	> 0.90
<b>IF</b>	0.924	> 0.90
<b>RMSEA</b>	0.080	< 0.08

*Source: Survey data 2023*



**Figure 4.4: Confirmatory Factor Analysis**

### 4.5.3 Structured Equation Modelling

The researcher conducted structured equation modelling (SEM) to test the hypotheses of the study. Table 4.10 below shows the outcome of the SEM analysis

**Table 4.10: Model summary and results**

	<b>Value</b>	<b>Recommended value</b>
<b>CMIN/DF</b>	1.8	1 < CMIN/DF < 3
<b>CFI</b>	0.910	> 0.90
<b>IF</b>	0.924	> 0.90
<b>RMSEA</b>	0.080	< 0.08

The results were within the recommended range of values. Hu and Bentler, (1999) stated that RMSEA ranges between 0.05 to 0.10 to be a fair fit. Hair et al (2010) recommended a CFI of >0.9 as a satisfactory fit. Bollen, (1989, cited by Glen, 2023) noted that an incremental fit index of 0.09 means a satisfactory.



#### 4.5.4 Hypothesis Testing Results

The outcome of hypothesis testing using SPSS statistical software is shown in Figure 4.5 and Table 4.11 below:

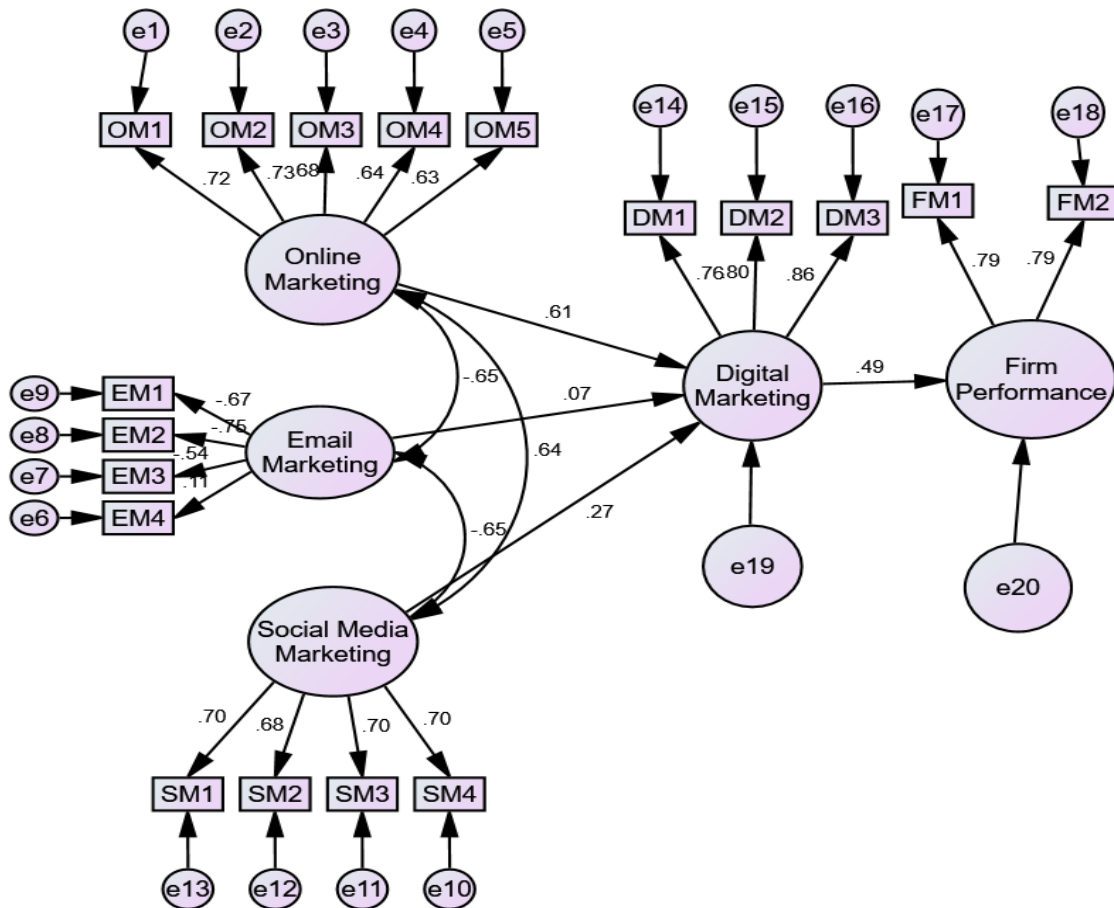


Figure 4.5 Hypothesis testing diagram

**Model fit Summary****Table 4.11 CMIN**

<b>Model</b>	<b>NPAR</b>	<b>CMIN</b>	<b>DE</b>	<b>P</b>	<b>CMIN/DE</b>
Default model	64	<b>261.846</b>	<b>125</b>	<b>.000</b>	<b>2.095</b>
Saturated model	189	<b>.000</b>	<b>0</b>		
Independence model	36	<b>973.776</b>	<b>153</b>	<b>.000</b>	<b>6.365</b>

**Table 4.12 Baseline Comparison**

<b>Model</b>	<b>NFI</b>	<b>RFI</b>	<b>IF</b>	<b>TAG</b>	<b>CFI</b>
	<b>Delta1</b>	<b>rho1</b>	<b>Delta 2</b>	<b>rho 2</b>	
<b>Default Model</b>	<b>.731</b>	<b>.671</b>	<b>.839</b>	<b>.796</b>	<b>.833</b>
<b>Saturated model</b>	<b>1.000</b>		<b>1.000</b>		<b>1.000</b>
<b>Independence model</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>

**Table 4.13 Parsimony-Adjusted Measures**

<b>Model</b>	<b>PATIO</b>	<b>PNFI</b>	<b>PCFI</b>
<b>Default model</b>	<b>.817</b>	<b>.597</b>	<b>.681</b>
<b>Saturated model</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
<b>Independence model</b>	<b>1.000</b>	<b>.000</b>	<b>.000</b>

**Table 4.14 NCP**

<b>Model</b>	<b>NCP</b>	<b>LO 90</b>	<b>HI 90</b>
Default model	<b>136.846</b>	<b>94.230</b>	<b>187.223</b>
Saturated model	<b>.000</b>	<b>.000</b>	<b>.000</b>
Independence model	<b>1.000</b>	<b>725.937</b>	<b>923.096</b>

**Table 4.15 FMIN**

<b>Model</b>	<b>FMIN</b>	<b>F0</b>	<b>LO 90</b>	<b>HI 90</b>
Default model	<b>2.359</b>	<b>1.233</b>	<b>.849</b>	<b>1.687</b>
Saturated model	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
Independence model	<b>8.773</b>	<b>7.394</b>	<b>6.540</b>	<b>8.316</b>

**Table 4.16 RMSEA**

Model	RMSEA	LO 90	GI 90	PCLOSE
Default model	.099	.082	.116	.000
Saturated model				
Independence model	.220	.207	.233	.000

**Table 4.17 AIC**

Model	AIC	BCC	BIC	CAIC
Default model	389.846	416.281		
Saturated model	378.000	456.065		
Independence model	1045.776	1060.646		

**Table 4.18 ECVI**

Model	ECVI	LO 90	HI 90	MECVI
Default model	3.512	3.128	3.966	3.750
Saturated model	3.405	3.404	3.405	4.109
Independence model	9.421	8.567	10.343	9.555

**Table 4.19 HOELTER**

MODEL	HOELTER	HOELTER
	.05	.01
Default model	65	70
Independence model	21	23

**Table 4.20 Hypothesis Tests Results**

Path	Result ( $\beta$ )	Probability value (p)	Decision
H1: Online Marketing has a positive impact on firm performance.	+0.61	+0.00	Accept
H2: Email Marketing has a positive impact on firm performance.			

	+0.07	+0.00	Accept
<b>H3: Social Media Marketing has a positive impact on firm performance</b>	+0.27	+0.00	Accept
<b>H4: Digital Marketing has a positive impact on firm performance.</b>	+0.49	+0.00	Accept

Table 4.20 shows that all independent variables of Digital Marketing positively influence advertising firm performance. Online Marketing has a positive impact on firm performance of +0.61, while Email Marketing, Social Media Marketing and Digital Marketing have a positive impact on firm performance of +0.07, +0.27 and +0.49 respectively hence the decision is to accept H1, H2, H3 and H4 as well. [

#### **4.6 Chapter Summary**

Chapter four was a presentation and an analysis of the study findings. The findings were presented in tables and diagrams which included pie charts and bar graphs. The findings presented showed the impact of digital marketing variables on advertising firms' performance in Harare Metropolitan Province. These independent variables are Online Marketing, Email Marketing and Social Media Marketing. The variable Affiliate Marketing had been left out of the analysis since most respondents had little knowledge about it. Chapter five will focus on making conclusions on the findings and put forward some recommendations

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.0 Introduction**

This chapter presents the summary of the research, conclusions, and the contributions of the research to the body of knowledge, organization, recommendations and areas for more research.

#### **5.1 Summary of Findings**

**The study sought to achieve the following objectives:**

1. To investigate the effect of Online Marketing on advertising firm performance.
2. To ascertain the impact of Email Marketing on advertising firm performance.
3. To examine the effect of Social Media Marketing on advertising firm performance
4. To assess the effects of Affiliate Marketing on advertising firm performance.

#### **5.2 Research conclusions**

**The research made the following conclusions about the research objectives:**

##### **Online Marketing and Firm Performance.**

This study concluded that Online Marketing has a positive impact on firm performance ( $\beta = 0.61$ ,  $p = 0.00$ ). This result means that a one-unit increase in the degree of Online Marketing will result in Firm Performance increasing by 61%. The result concurs with an affirmation of Singh's (2022) research which stated that digital marketing has a positive impact on the competitiveness of the restaurant industry by ensuring brand attractiveness. Based on that, companies nowadays are ensuring that their Online Marketing is highly informative and interactive (Jiang & Chan, 2010). Therefore, hypothesis H1 is accepted.

##### **Email Marketing and Firm Performance.**

This study concluded that Email Marketing positively influences Firm performance ( $\beta = 0.07$ ,  $p = 0.0$ ). The result showed a one-unit increase in Email Marketing activity will result in a 7% increase in firm Performance. Therefore, hypothesis H2 was supported by the findings and results after applying the structural equation modelling and this has been accepted.

### **Social Media Marketing and Firm Performance.**

The research results showed that there is a positive relationship between Social Media Marketing and Firm Performance ( $\beta = 0.27$ ,  $p = 0.00$ ). Thus, a one-unit increase in Social Media marketing leads to an increase in Firm performance by 27%. Similar findings were also confirmed by another author Purwanti et al., 2022, on Digital Marketing Capability and MSMEs Performance: Understanding the Moderating Role of Environment Dynamism. The results of this study showed that embracing Social Media Marketing increases firm performance for advertising firms in Harare Metropolitan Province. The hypothesis (H3) is therefore accepted.

## **5.3 Recommendations**

### **5.3.1 Online Marketing and Firm Performance.**

Based on the aforementioned conclusion it is evident that Online Marketing positively influences Firm Performance. Companies and products with high-value Online Marketing are preferred by customers (Keller, 2002). It is therefore imminent, especially in this digital world that marketing personnel ensure that their firm advertising meets the following dimensions: Interactivity and Control. Interactivity is ensuring that Online Marketing is visually appealing and entertaining. This is ensuring that the layout is in such a way that it is engaging, this can be achieved through adding animation, videos and pictures to catch the eye of visitors. Nowadays, companies showcase their product features Online.

### **5.3.2 Social media Marketing and firm performance.**

The research results confirmed that Social Media Marketing has a positive impact on firm performance. Companies ought not to turn a blind eye to Social Media, especially at this time when there is a huge rise in the use of social platforms. To effectively increase sales volumes and profitability, there is a need to join and effectively manage social media platforms. Oztamura and Karakadilar explored the role of social media for SMEs as a new marketing strategy and for firm performance perspective and observed that social media is not only a communication tool for amusement but is also an important part of marketing strategies in business life. Marketing managers should create periodic content plans for what they are going to post on the pages and schedule them so that the pages are active.

### **5.3.3 Email Marketing and Firm Performance.**

The research confirmed that Email Marketing has a positive impact on firm performance. There is therefore need for companies to improve their degree and value of Email Marketing. This will be achieved through ensuring that company Email Marketing meets the following three factors: Reliability, Responsiveness, and Competence. The reliability factor consists of four items usually related to accurate email transactions, accurate records, correct performance, and the fulfilment of promises. Responsiveness is critical to email service this is the prompt response to customer requests, the speed in resolving complaints, and speedy services. Lastly, competence relates to an employee's ability to answer customer questions correctly, their ability to resolve problems that arise, and compliance with customer requests. Therefore, marketing teams should periodically attend customer service training to up their skills.

## **5.4 Implications**

### **5.4.1 Theoretical implications.**

Although several studies have already been carried out on digital marketing and firm performance, little research has been conducted to investigate how digital marketing influences building brand equity. Even though companies are now aware of the presence and opportunities presented by the evolution of the digital space little was known as to the impact on the brand value and equity. Thus, this research results can therefore be used by future scholars as a starting point for further research on the relationship.

The research has contributed to the existing literature and complements the discussion on present conceptualisations and quantifications of brand equity's relationship with digital marketing. The proposed set of determinants will be important to practitioners and academic researchers in the marketing business whose interests are centred on brand equity. It is important to consider that although previous research has provided results of customer choice, brand equity and SMEs' performance nonetheless most of them are from different sectors of

the industry and countries. This is the first research that paid attention to how digital Marketing variables affect the performance of advertising firms particularly in Zimbabwe's Harare metropolitan Province.

#### **5.4.2 Managerial Implications.**

In the context of Advertising firms, this research is going to immensely benefit the marketing team to employ digital marketing strategies that have an impact on boosting firm performance. In a world where everything is moving towards digital, it is important to start thinking about marketing in the context of digital. This research has laid the groundwork and foundation for the development of sound marketing strategies to build brand equity.

#### **5.4.3 Methodological implications.**

The methodology contribution of this research is the experience gained through the use of the survey approach the employment of the positivist view and the techniques used in data collection. The methodology will be of significance to other studies on the impact of digital marketing on firm performance in the context of advertising firms in the Harare Metropolitan Province of Zimbabwe. Instead of just using the descriptive approach mainly used in the previous studies, the researcher also made use of explanatory statistics to come up with complete results in the study.

#### **5.5 Areas of further research**

Future researchers ought to take a qualitative approach to include a larger number of participants so that the results may be more extensive and a more general conclusion drawn. Furthermore, as the studies revealed, digital marketing significantly influences firm performance paying particular attention to Harare Metropolitan province. There is an opportunity to extend the research to other provinces so that we can have generalized results. The research was limited to one sample and country, in future, other businesses outside Harare Metropolitan Province should be included in the study. This would enable the generalization of results in the region. The researcher comments that future studies should be focused towards corroborating the findings of this research by conducting similar studies in the whole country. Furthermore, future studies should consider using a longitudinal survey.



Also, this study can be extended to other constructs and elements related to digital marketing mobile marketing, Facebook and WhatsApp. Affiliate Marketing is also to be researched. There seems to be a missing gap since most firms do not have much information on Affiliate marketing.

## **5.6Chapter Summary**

Chapter 5 discussed the research conclusions and recommendations from the research results. Contributions of the research were also discussed in three aspects namely managerial, methodological and theoretical. Areas for future research were suggested by the researcher.

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**APPENDIX A**

**QUESTIONNAIRE:**

**Questionnaire to Firms Managers and Directors**

Could you please tick  $\surd$  or use an X where appropriate,

**Biographical background**

1. Indicate your gender                      Male  Females
2. How old are you?                      18 years to 25 years   
26 years to 30 years   
31 years to 35 years   
36 years to 40 years   
41 years and above
3. Indicate your educational level:                      Primary   
Secondary   
Tertiary
4. Indicate your level in Organisation:                      Non-Managerial   
Lower level Managerial   
Middle-level Management   
Executive Management   
Owner

**SCREENING:**

- a) Do you usually advertise your products or services: YES  NO

**If your answer to the above is yes please proceed to Part A and all that follows but if No just ignore the following questions.**

**Key:**

- Strongly Disagree ..... 1  
Disagree ..... 2

- Neutral ..... 3
- Agree ..... 4
- Strongly Agree ..... 5

Answer the following by marking the appropriate box with either an x or a √

**Part A: DIGITAL MARKETING CHANNELS**

**1. Online advertising**

Strongly Disagree -----Strongly Agree                    1    2    3    4    5

Online advertising is key in promoting market penetration.

Many firms have been able to increase their profitability by using online advertising.

A firm can leverage Online advertising in Harare to significantly grow their sales volumes.

Adopting Online Marketing allows firms to increase sales volumes

Marketing Online greatly promotes the ability of firms to attract and retain customers

**2. Email marketing**

Strongly Disagree -----Strongly Agree                    1    2    3    4    5

Adopting Email marketing allows firms to increase their sales volumes and profitability.

The use of Email marketing enhances a firm’s competitive advantage.

Marketing through Emails greatly promotes the ability of a firm to attract and retain customers.

Email Marketing is key in promoting market penetration.

**3. Social media Markeing**

**Strongly disagree -----Strongly Agree**      **1    2    3    4    5**

Social media is an effective way for business to grow their profitability.

By effectively utilizing Social media a firm can retain and attract customers.

Firms that leverage Social media are more likely to achieve higher sales volumes.

#### **4. Affiliate Marketing**

**Strongly Disagree-----Strongly Agree**      **1    2    3    4    5**

Adopting affiliate marketing enables a firm to increase sales volume and profitability.

The use of Affiliate marketing strategies enhances a firm's competitive advantage.

Affiliate Marketing promotes the ability of business firms to attract and retain huge customer bases.

### **Part B: FIRM PERFORMANCE**

**Strongly Disagree-----Strongly Agree**      **1    2    3    4    5**

Digital marketing enables firms to boost profitability.

Making use of digital marketing gives firms a broad base of customers and significantly attracts and retains more clients.

Firms that adopt digital marketing have increased competitive advantage and increased sales volumes.

THE END:

Thank you for your time and feedback.



