

ONLINE MARKETING USE: SMALL AND MEDIUM ENTERPRISES (SMEs) EXPERIENCE FROM KENYA

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Abstract

This study aimed at exploring insight on small and medium enterprises' (SMEs) experiences on have in online marketing use, using evidence from cases of SMEs in Kenya. The study employed a case study design to inquiry. In-depth interviews with a total of 110 informants that included small business owners, IT experts and government authorities (MSEA) were engaged in data collection. The data were subjected to qualitative analysis and interpretations within and across sectors. Findings showed that online marketing use is popularly known to most SMEs. Presence of online platforms like OLX.co.ke, Cheki.co.ke and Jumia.co.ke are common to most small business owners. It was also found that majority of small businesses do not use full potential of these platforms because most have insufficient budget for IT investment, cannot accommodate IT personnel, lack access to IT constructed infrastructures, some are unaware whether or not there are customers online and legal status to online payment as well as registrations are issues experienced by most SMEs in going online. The study recommended for SMEs to have proper selection of online platforms, develop a good social network plan and get involved by taking the lead or being active.

Key words: Online Marketing, Social Media, Online Platform, SMEs Challenges

Introduction

During the last fifteen years, Internet literally revolutionized the landscape of global business arena by major penetration of companies and households in almost every corner of the planet. The fast expansion in technology has allowed advancement of the Internet, which has been geared towards creation of convenience for its users. Internet use has gained popularity in organizations globally, resulting in establishment of new concepts in marketing. One of new concepts is online marketing. Online marketing as a concept seeks to provide customers' needs as individuals, creating worth for customers and improvement of the communications link between companies and individuals (Shemi & Procter, 2013). According to Burgess and Bothma (2007), online marketing is a business effort to inform, converse, promote and sell products including services over the Internet. Online marketing attempts to reach out to as many existing and potential customers as possible through the Internet.

Maguire and Magrys (2007) argue that online marketing involves finding the right marketing plans that are suitable to the target market and eventually translate them into sales. Use of Internet by organizations has offered an economic pattern of marketing their products to a larger customer base and a highly personal interaction in the marketing (McIntyre, 2002). This has availed better research of customer needs and has permitted easier provision for needs at a lower

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cost. In line to that, development of online marketing has created better supply chain schemes permitting delivery of online goods to the customer, allowing convenience to the customer and guaranteeing a sale for the firm. With this in mind, firms' accountability has been more effective traditional marketing strategies; they gain benefits of ease of networking and communicate to customers as well as stakeholders for a strong mutual benefit. Chaffey and Smith (2005) identified that firms were able to boost their sales turnover and profitability including their market share from use of online marketing. That was due to ease of access to information, low cost of economic interactions and enhanced communication with customers (Chaffey and Smith, 2005). Chaffey and Smith (2005) identified that online marketing improved customer relations through activities that enable exchange of ideas, products and services to satisfy marketing aims of both parties. Dury (2008) went far not only to delivering the message but also disclosed that online marketing enabled receiving and exchanging perceptions including ideas in short periods of time (Dury, 2008). Tiessen and Wright (2001) approved that online marketing offered firms' access of new market niches as well as increased openings beyond geographical boundaries thereby restricted international entry obstacles. Early adopters of online marketing have gained a competitive advantage and reputable customer loyalty programs that have made them retain as well as get new clients (Sparkes and Thomas, 2001). Business firms that have recognized these benefits of an online presence have created company websites and engage in social media connections for growth, profitability and development of their firms.

In most literature on Small and Medium Enterprises (SMEs), it has been noted that SMEs offer a significant potential to growth of most developing economies (Macintosh, 2003; Saeed, 2002; Pedersen, 1998). However, marketing is important to success of small business enterprises (Jazra, Khan, Hunjra, Rana Aziz & Rauf, 2011; Walsh & Lipinski, 2009). Marketing as a concept enlightens SMEs on channels available to convey their messages. Such channels comprise traditional media such as printouts, radio and television as well as emerging media like online advertising platforms, social media, mobile marketing and the like. Researchers found that online marketing is more cost-effective than traditional marketing. It has led to most modern SMEs shift their marketing budgets towards engaging online marketing platforms (Rollins, Nickell & Ennis, 2013). Despite the full potential offered by online marketing to the SMEs in this electronic world (e-world), there have been little or no initiatives for the SMEs in East Africa (EA) to fully engage in online platforms for their sustainability. One could wonder about challenges they experience. Additional aspects include the following: What experience would the EA SMEs need for their engaging into online marketing strategy? What challenges do they face in going online? In due regard, this study aimed at exploring informative insights on online marketing use and provides SMEs with learned experiences.

Online Marketing

Despite the fact that online marketing has proven beneficial to Multinational companies like Coca-cola or Unilever that have gained a global outreach through use of globalization in communication, SMEs are seen to take a slow pace in adopting it in their operations. Apple and Dell rank high as beneficiaries of online marketing through which they have had an increase in revenues per annum. Thus, SMEs also can gain such advantages and improve their chances of their survival by embracing online marketing. Highlights of barriers to online marketing use are discussed by studies in South Africa and Botswana whereby developing countries are seen to be at a slower pace in adapting to the technologies due to financial and capacity constraints (Shemi & Procter, 2013; Mutula & Van Brakel, 2007). It was recommended for state governments to

support development of Information Communication Technology (ICT), a factor of online Marketing. The Kenyan government has developed strategies in support for IT development in Kenya in its Konza Techno City Strategy (Vision, 2030).

Researchers have agreed that marketing is also important to success of small firms and could increase their chances of survival (Cronin & Gilmore, 2012; Halibi & Lussier, 2014; Jazra *et. al.*, 2011; Walsh & Lipinski, 2009). The way consumers find and use information changes with increasing Internet adoption rates and advances in technology. Zickuhr and Smith (2012) found that 92 percent of consumers search products and services online. A small business survey conducted by Deluxe Corporation found that 49 percent of surveyed small business owners claimed that effectively reaching customers with limited resources was their biggest challenge (Small Business Trends, 2011). Social media affords SMEs with a variety of online marketing opportunities for little to no monetary cost. SMEs should embrace such opportunities since they often face resource constraints in terms of time and money. Social media provides businesses an opportunity to engage and interact with consumers to create lasting relationships. As a result, SMEs often ignore or mismanage opportunities and challenges presented by creative consumers (Berthon, Pitt, McCarthy, & Kates, 2007). One reason behind this amateur is lack of understanding regarding online marketing platforms and various forms they can take (Kaplan & Haenlein, 2010). To help address this gap in knowledge, we herein present and illustrate using a Kenyan experience on use of online marketing. The experience can help the SMEs to make an insightful sense of online marketing as well as understand their customers and their engagement needs.

SMEs and Kenya's Experience

The Session Paper Number 2 of 2005, Development of Micro and Small Enterprises for Wealth and Employment Creation for Poverty Reduction, defines an SME as an enterprise with between 1 and 50 employees. The World Bank defines an SME as one that fits either of the following criteria: a formally registered business with an annual turnover of between 8 to 100 million Kenyan shillings, employing between 5 and 150 employees and has an asset base of at least Kenya shillings 4 million.

According to Micro and Small Enterprises Act Number 55 of 2012, "Microenterprise" means a firm, trade, service, industry or a business activity: whose annual turnover does not exceed five hundred thousand shillings, which employs less than ten people and, whose total assets and financial investment in the manufacturing sector, where the investment in plant and machinery or the registered capital of the enterprise does not exceed ten million shillings and the service sector and farming enterprises where the investment in equipment or registered capital of the enterprise does not exceed five million shillings. SMEs in Kenya are perceived as facilitators of economic growth and development. They create employment opportunities, avail goods as well as services and steer competition and innovation (KIPPRA, 2006). SMEs constitute around 75 percent of all businesses, employ 4.6 million people (30%), account for 87 percent of new jobs created and contribute 18.4 percent of the Gross Domestic Product [GDP (GOK, 2009)]. The Kenyan government considers the sector as the centre of industrial development and has based various development plans on it (GOK, 2007). However, the sector faces binding problems that make it difficult for it to realize its full potential and deliver to government expectations (GOK, 2015).

Small businesses are vital for economic growth all over the world and thus, their growth including profitability is crucial. Small and medium-sized enterprises (SMEs) are estimated to account for 80 percent of global economic growth (Jutla, 2002). Despite increased use in Internet over the past years, it is surprising that majority of SMEs do not seem to understand online marketing and many fail to make the most of the marketing opportunities that exist online (Fisher, 2007). SMEs form the spine of economic development in Sub-Saharan Africa (SSA) including Kenya where they give livelihood and employment of a lot of people. However, despite their importance to the economic development, very few SMEs grow and advance to the next level with most of them not even lasting for two years.

Although there are basic policies and strategies of marketing that most companies utilize, it is well recognized that SMEs have distinct characteristics that distinguish them from conventional marketing in big organizations (Gilmore *et. al.*, 2012). Such characteristics may be established by inherent traits and behaviours of the entrepreneur or the owner/manager and they may be established by an integral size and development stage of the enterprise. SME marketing is disorganized and informal due to the way the owner runs the business (Dobbs and Hamilton, 2007). SMEs' owners or managers make most decisions themselves, respond to recent opportunities as well as circumstances and so decision making is done haphazardly as per personal and business priorities at any specific point in time. Evidently, such limitations will affect and determine marketing characteristics of an SME. The business environment of an SME is more flexible, adaptive and change oriented, focused on problem-solving as well as action-oriented than large organizations (Deakins and Freel, 2009).

Media Research Theories

There are quite several online marketing platforms that need to systematically be classified. The media research theories (social presence, media richness) offer an explanatory perspective of online marketing platforms with regard to opportunities and use SMEs can experience. Regarding the media-related component of Social Media, social presence theory (Short, Williams & Christie, 1976) states that,

“media differ in the degree of *social presence* (defined as the acoustic, visual, and physical contact that can be achieved) they allow emerging between two communicating partners. Social presence is influenced by the intimacy (interpersonal vs. mediated) and immediacy (asynchronous vs. synchronous) of the medium, and can be expected to be lower for mediated (e.g., telephone conversation) than interpersonal (e.g., face-to-face discussion) and for asynchronous (e.g., e-mail) than synchronous (e.g., live chat) communications. The higher the social presence, the larger the social influence that the communication partners have on each other's behaviour.”

Parallel to social presence theory is the concept of media richness. Media richness theory (Daft & Lengel, 1986) is based on the assumption that the goal of any communication is resolution of ambiguity and reduction of uncertainty. It states that media differ in the degree of amount of information they allow to be transmitted in a given time interval (richness). From that ground, we conclude that some media are more effective than others in resolving ambiguity and uncertainty. Applied to the context of online marketing, platforms like blogs, collaborative projects, social network sites, content communities and the like can have varying degrees of social presence they allow to interact. Online marketing has the great potential power to influence majority of consumers in a minute. In his book, “The New Influencer, Gillin (2007)

pointed out that conventional marketing has long held that a ‘dissatisfied customer tells ten people,’ but this is out of date. In this new age of social media, he or she has tools to tell 10 million consumers virtually “overnight.” In due regard, influence of social media is a merit to SMEs’ online platform experience.

Online Marketing Platforms

Online marketing is use of Internet and related technologies for creating, communicating, and delivering value to customers. Nowadays, computers and the Internet have been very important tools for our daily life ways in conjunction with rapid development of knowledge and technology. With rise of this new technology, individuals have started searching everything they want online with the aid of Internet. Moreover, it is a commonplace of information gathering. The technologies loom large in our social life and business life as well. Online marketing can incorporate website, search engine marketing, social media marketing, content marketing, electronic mail (e-mail) marketing, mobile marketing and banner advertising (Eida & El-Gohary, 2013; Jarvinen *et. al.*, 2012).

Online markets have dramatically altered the retail landscape and conventional marketing strategies. By eliminating barriers associated with geography as well as physical costs of maintaining a storefront, online markets have created democracy of buyers and sellers. The most common online markets are online auctions. The largest well known online marketing platform providers are generic providers like eBay, Amazon and Yahoo auctioneers, which sell a large wide range of goods and services (Bapna *et. al.*, 2001; Gregg & Walczak, 2003).

A good number of online marketing platform opportunities to SMEs are available in Kenya. They include OLX.co.ke, Cheki.co.ke and Jumia.co.ke. They have created self-discloser and self-presentation to the SMEs as well as customers on a wide range of goods and services through Internet (Short, Williams, & Christie, 1976). For example, OLX.co.ke allows sellers to transact their goods both new and used from household goods, motor vehicles as well as real estate properties. The buyer gets an opportunity to choose from a wide variety of items at one point and therefore, minimizes costs of moving from one shop to another. Tiessen and Wright (2001) confirm that online marketing has allowed firms to access new market niches as well increase opportunities beyond geographical boundaries thereby curbing international entry barriers. Advances in technology and usage are leading to greater global interconnectivity and can be utilized as a means for expansion of SMEs (Tseng *et. al.*, 2004). Despite advancement in technology, SMEs experience varieties of challenges when it comes to going online.

Challenges of online Marketing use

SMEs in their nature are limited from adapting to new technologies due to several environmental constraints. Ease of access to financial capital was identified by Sharma and Aragón-Correa (2005) as one of the barriers. Financial policies favour large companies due to lack of collateral and high transaction costs (Parker and Castleman, 2009). SMEs have few non-skilled personnel and for use of internet marketing, use of IT skilled personnel is key. Elliot and co-authors (2007) noted that use of Internet marketing was barred due to their lack of user capability skills. Lack of skilled ICT personnel has been cited as a common problem that prevents SMEs from developing and use Internet marketing in their firms (Mutula and Van Brakel, 2007). Thus, in many cases, ICT personnel are usually in short supply or perhaps unavailable (Shemi and Magembe, 2002).

Poor infrastructure supporting use of Internet marketing was also key barrier, especially in developing countries (Molla and Licker, 2005). It has impeded organizational ability to invest in IT and exploit technological potential to a level where sustainability is being achieved and a positive impact on financial performance being generated. Lack of sufficient infrastructure for adoption of Internet marketing has led to its slow pace of adoption, especially in developing countries. In most developing countries, lack of Internet and slow speed of telecommunication networks has greatly contributed to delays in adopting Internet marketing. Lack of reliable electricity supply to organizations or its clients is also a barrier to adopting online marketing. There is also the challenge of telecommunication infrastructures like the optic fiber cable, the fourth generation network with high speed and network transmission masts to ensure that there is strong network coverage.

Awareness on Internet marketing and Internet marketing business models (Dlodlo and Dhurup, 2010) is among challenges confronted by SMEs as they wish going online marketing. Current SME customers may not be in a position to easily access the Internet and therefore, they fail to use online marketing. Until a sufficient number of their main local customers or suppliers participate in online commercial activities, there is little incentive for individual SMEs to become engaged in online marketing themselves. Many SME owners do not have technical IT backgrounds and it can be difficult to convince that technology standards such as encryption and the like exist to protect them. Security, legal, and liability issues were often identified as very important concerns of participating SMEs. Due to insufficient knowledge on electronic commerce (e-commerce) technologies, there is an internal resistance to change and scepticism of benefits from online marketing among SMEs.

Kshetri (2007) also highlights that conducting business through electronic networks raises numerous legal questions that include: the legal status and enforceability of electronic contracts; the legal jurisdiction of international internet marketing transactions; intellectual property rights and copyright protection for digital content; privacy of personal data; and validity of electronic “evidence” in case of legal disputes. In 2011, Linkdex, a company that helps businesses increase online marketing performance, conducted a survey of small and medium-sized businesses in the United Kingdom (UK) and the United States of America (USA) to find out marketing tools that were the most important. Small firms are generally at an advantage because their small size makes it easier to get close to customers and obtain valuable feedback (Gilmore O’Dwyer & Carson, 2009). This enables small businesses to take advantages of marketing opportunities through networking. Currently, there are mobile companies facilitating the use of safe online payment like the M-pesa.

Methods

The aim of this study was to explore experience on use of online marketing. Qualitative research approach using case studies was found to be appropriate for exploring understanding of how and why SMEs use online marketing. Although case study research has for most of the time been criticized for its lack of rigor, suggestions from previous studies (for example, Eisenhardt, 1989; Miles & Huberman, 1994; Yin, 1994) have been followed to ensure validity of the study. The approach gave researchers more flexibility in taking advantage of richness of data and obtaining meaningful results. Masoud (2007) cautions that, “in a social context, statistical generalizations act as prejudice that may effectively block understanding rather than constituting supportive pre-understanding.”

The study drew on secondary evidence and intensive primary interviews undertaken with small and medium business owners, IT experts and e-government stakeholders. Nairobi County in Kenya was purposively selected based on its highest level of IT users and developers compared to other East African countries. To focus the study, interviews were concentrated in Nairobi whereby almost over 75 percent of SMEs are formally registered (Mochoge, 2014). The study informants were selected based on criteria that firms must be small size or medium; should be registered in not less than three years; and should be dealing with any business, whose customers are the public. In order to make sure respondents meet the specified criteria, stratified referral sampling procedure was used to group respondents based on sub-counties, the sector of which they operate.

Prior to data collection, a list of 1050 registered SMEs was established from Micro and Small Enterprises Authority of Kenya (MSEA). To establish the appropriate sampling frame for respondents that met the stated criteria stated, screening was a necessity. The nine sub-counties of Dagoretti, Embakasi, Kamukunji, Kasarani, Langata, Makadara, Njiru, Starehe and Westlands were used to screen a 10 percent proportionate sampling. The sample of 110 businesses was established with multiple cases from each sub-county. The study used multiple cases to help improve validity and allow for comparisons and contrasts (see Kessy, 2011). In the list, establishments were also categorized into different sectors they operated and their status whether or not they have ever used online marketing platforms. The interviews were conducted in April, 2016. With the help of trained research assistants, there was a positive feedback from all established list of informants.

Data collected were qualitatively analyzed and interpreted. Qualitative data analysis was performed at two levels: within-case analysis and cross-case analysis. Within-case analysis is central to generation of insights into each case because it helps to deal with analysis of a large volume of data (Sheu, Yen & Chae, 2006). In this study, within-case analysis involved description of individual business in the sector the firm operates (IT developers, manufacturing, trade and service providers). Such description allowed unique patterns of each case to emerge before generalized patterns across cases were created. Then the researchers performed cross-case analysis whereby similarities and differences between businesses in the different sectors were identified as well as interpreted

Results

Sample characteristics

Descriptive analysis of respondents' demographics indicated 59 percent of SMEs owners to be male. Then 55.24 percent were operated by owners, while 17.14 percent were operated by top management. As for education achievement, only 9.5 percent had attained education less than high school and college diplomas/degree; 34.3 percent had obtained university degree; and 36.2 percent had a diploma/certificate qualification. In terms of annual turnover, 72 percent of the SMEs had turnover of less than 7.5 million Kenyan shillings. On the number of employees, 87.6 percent of the SMEs had 1 to 20 employees, only 2.9 percent had more than 41 employees.

Online marketing opportunities

Joint websites

Joint websites like Wikipedia allows the group and continuous development of content by many end users. In joint websites, the SMEs can be able to differentiate websites that allow users to add, remove and change text based content as well as websites, which enable group-based collection and rating of Internet links or media content. The rationale underlying joint websites is that the joint effort of many actors leads to a better outcome than any actor could achieve individually (Andreas Kaplan, Michael and Haenlein, 2010). From a corporate perspective, SMEs must be aware that joint websites are trending toward becoming the core source of information for many consumers. In Kenya, more than 85 percent of the SMEs were engaged in joint websites projects. Despite the fact that most of information in the joint websites is less accurate, there were 59 percent respondents had trust in them. The small firms had an opportunity to learn from big companies like Amazon and Nokia, which for this case, had good experience in testing their products, updating employees' information as well as status and maintaining the list of bookmarks to company related websites.

Social network sites

There is good number of social networking sites in Kenya. Most of them are global like Facebook, Twitter, blogs, linkdin, instagram and snapchat. Despite relying on international sites, Kenyans have gone far in developing the country's social networks like dropandlike.com of which 500,000 users can be registered; and meetup.com a platform where SMEs can meet whomever they want to trade with. The most amazing aspect is that these Kenyan based social engines had better audio and video posting features than even the big five. Having business on social networking sites is an easy and simplest way to communicate as well as share products/services with target audience (Evans, 2008). Pan (2011) expresses the importance of strategies for application of social media to ensure benefit to the institution with its branding and image as well as better communication with clients and other stakeholders. Use of social media has enabled customers associate with the firm and observe ratings including feedback for purchase decision-making. It has allowed developing loyalty and an extensive customer base.

E-mail marketing

The study found that about 59 percent of sampled SMEs in Kenya used e-mail marketing platforms. E-mail advertising is a form of online marketing, which is an important medium of marketing communication, especially for companies seeking to build and maintain closer relationships with customers (McCloskey, 2006). Widespread use of e-mail as means of distributing promotional messages has the advantage of low set up and distribution costs, targeted distribution of promotions such as discount coupons and affordability by SMEs (Moustakas, Ranganathan & Duquenoy, 2006). The study found this to be a cheaper online marketing tool and creates a stronger customer relationship as most business owners consented. With respect to myriads of online platforms use in Kenya, there had been successful stories from the SMEs. The study revealed that over 70 percent of the SMEs improved their profitability, 60.9 percent increased their products/services awareness, leading to brand name awareness, loyalty, perceived quality, and brand associations with more customers requesting their products. Remarkably, 63.8 percent of the SMEs doubled their market shares in the short run through reaching out wider audience by advertising anytime and everywhere. In addition, 53.3 percent improved customer relationship.

Online Marketing Experience

The study found out that 52.4 percent of the SMEs had problems in securing funds for establishing and engaging in online marketing platforms, purchase and maintain Internet gadgets as well as subscriptions to the Internet service providers. Major cost hindrances were on connection costs to Internet, the cost of adequate hardware and software including set up and maintenance costs. In spite of several studies indicating financial constraints to SMEs' growth (Chapman, 2000; Aragon & Correa, 2005), Kenyans have brought new strategies on embarking it through corporate financing on ICT and great networking strategies. Moreover, 42.8 percent of the SMEs had no skilled personnel towards online marketing. Most of them are owners' business managers who are involved in decision-making. They have no strategic orientation of ICT and/or online marketing.

SMEs access to Internet was a challenge in Kenya. About 38.1 percent of SMEs struggle to be connected. There was high cost of securing data connectivity, where average monthly data bundles costing in between Kenyan shillings (KES) 3,000 for 5 gigabyte (GB) bundle up to KES 10,000 for a 30 GB bundle for the cheapest rates from Internet service providers. The costs of Wifi routers cost from KES 4,000 up to KES 10,000, depending on the model and a modem costs KES 1,000. Poor Infrastructure and lack of IT knowledge were also reasons given by respondents for their poor access to Internet. Lack of reliable electricity supply to organizations or its clients is also a barrier to adopting online marketing. There is also lack of telecommunication infrastructures like the optic fiber cable, the fourth generation network with high speed and network transmission masts to ensure that there is strong network coverage. About 52.4 percent of the SMEs, to a great extent, were affected by improper infrastructure in their firms. The infrastructure we are discussing is one supporting use of Internet marketing, for example, access to the broadband fiber optic cable and wireless adapters. Many developing countries still have frequent power outages and poor telecommunication infrastructures thereby resulting to limited Internet access and high costs.

In terms of security and privacy of firms, the study found out that 35.2 percent of the respondents, to a great extent, had experienced the challenges of security and privacy of their firms as a result of using online marketing. Some SME owners felt that some information about their firms was confidential and they were reluctant to provide it because they feared that their business competitors could access it and use it against them. Other studies have underscored absence of a national or international regulatory framework related to privacy and security as a major concern for SMEs not adopting the Internet (Lewis & Cockrill, 2002). In another study, Internet addiction, slow connections, Internet credit card theft and receipt of undesired e-mails were cited as perceived inhibitors of adoption (Liebermann & Stashevsky, 2002). Therefore, a clear privacy policy can increase customer trust and confidence in an organization's practices (Jordaan, 2004). Closely related to the problem of security and privacy is the issue of lack of trust on part of customers, which was recognized as a great challenge in the way of online marketing growth. In addition, it is the reason "online trust is growing in importance as a topic of study and its influence on internet marketing strategies is increasing." Bart (2005) defines trust in the virtual environment as follows: "online trust includes consumer perceptions of how the site would deliver on expectations, how believable the site's information is, and how much confidence the site commands." Today, despite rapid growth of online transactions, several people still mistrust electronic methods of paying and still have doubt whether or not purchased items will be delivered.

Conclusions and Implications

The study sought to provide informative experience on use of online marketing. Provided experience revealed that technological development has changed the way people communicate. Developments in interactive online platforms had catapulted producers and consumers' contact, for instance, development from passive model (Web 1.0) to an interactive model (web 2.0), consumers have become initiators and recipients of information exchanges. It has paved the way SMEs to develop integrated communication strategies to reach consumers on multiple platforms thereby enabling a wide sphere of influence. Revolution in online platforms was a great opportunity to SME in Kenya in improving their state of marketing, advertising and promotions. There had been tremendous change of people's perception on Internet from an information tool to an influencing tool.

With dramatic and global growth of online platforms such as Facebook (over billion users), companies of all sizes from different industries now view online marketing as an inevitable tool for their marketing strategies. Whether to launch and promote a new product or service, to communicate a new company initiative or to simply further engage customers in a rich, meaningful and interactive dialogue, SMEs have to imperatively resort to online marketing. The study revealed that the small business is prone to challenges when resorting to going online. The challenges are attributed to less experience in the ICT infrastructures, awareness of the existing opportunities, cost impact to IT investment and policies.

The study provides several recommendations to SMEs. First, proper selection of the platform: Selection of online platform has to be done carefully. There are thousands of online platforms facing the SMEs and more are getting into the space overnight. Then it is impossible for companies to be active and interactive to all. This is due to the fact that online platforms demand a lot of SMEs' time that would have spent into running the business. It implies that SMEs had to be focused on the target group where they want their marketing messages to be reached. There may be situations whereby certain features are necessary to ensure effective communication and such features are only offered by one specific application. For example, when the U.S. Army undertook an initiative in 2007 to reach the Hispanic community, it decided to utilize the social networking site Univision rather than the more popular Facebook. The choice was driven, in part, by the fact that Univision, a Spanish-language television network in the U.S. and Puerto Rico, was the social networking application with the largest Latin American audience due to an extensive range of Telenovelas and Mexican programs produced by Grupo Televisa (Andreas Kaplan & Michael Haenlein, 2010). However, another reason Univision was chosen is because it offers a moderating service, which checks comments from users for appropriateness before posting them on the site. In contrast, other applications, including Facebook, allow users to post messages without supervision. Hence, care has to be taken in selection of the platform.

Second, ambiguity: It was found out that most of the SMEs tend to rely on various online platforms or set of different applications for the aim of securing the greatest possible reach. That might, in some cases, create ambiguities in online marketing use. In due regard, the SMEs have to ensure that their online marketing activities are all aligned with each other. Despite the fact that using different online interactive platforms can be a worthwhile and profitable strategy, but it has to be remembered that one goal of communication is resolution of ambiguity and reduction of uncertainty, nothing is more confusing than contradicting messages across different channels.

Third, Good Social network plan: A good plan on online marketing platforms has to be enforced to SMEs. In addition, integration between online social network and traditional marketing is key to success to the company's image. SMEs can gain informative experience from big companies like Coca-Cola. In June, 2006, a pair of performance artists shot a video featuring a series of geysers they created by dropping Mentos brand mints into 2-liter bottles of Coke. The clip became a major hit on YouTube. Realizing customers' enthusiasm for the performance, Coca-Cola fostered sensation by airing the video on late-night television and ensured broad digital distribution across different content communities. Besides advantage of high impact/low cost media coverage, the campaign also resulted in a measurable sales uplift (Andreas Kaplan and Michael Haenlein, 2010). To remain competitive, the SMEs have to be keen in planning their going online for the services and products they offer.

Fourth, take the lead: The online marketing platforms are about interactive and sharing to influence parties. The SMEs are recommended to take the lead in the discussion with customers and ensure that pieces of information or contents are updated. Jumia, meetups and dropandlike online shopping platforms in Kenya were good examples where varieties of goods and services are found and they are always updated. OLX, Cheki Kenya and hundreds of other blogs take the lead compared to kumatana.com in Tanzania and few in the rest of EAC countries. When considering the SMEs online platforms, great care must be extended beyond responding and moderating negative discussions/interactions on defending product/service offerings. The SMEs should be aware that there is a sound reasoning of defending why the product is better than the other. The products are not just to be posted online but there should be an active participation of the SMEs resulting in effectiveness of online marketing use.

Policy implication: Due to the potential economic gain realized through use of online marketing platforms in Kenya, there is a need for the government to review ICT policies so as to create a good technological environment for the SMEs. The Kenya Communication Act of 1998 and the ICT Policy of January, 2006 are all outdated. Currently, technology is taking a fast pace towards improvement. It should be reflected in amending flexible policies guiding SMEs in their implementation and soft use of what is happening in the virtual world. There should be government initiatives to promote online platforms not leaving the private sector only. Such measures will enhance reduction of installation and operational costs to SMEs in the country. They can be achieved by reducing tariffs on online marketing gadgets, data bundles and installing optic fibre cables for cheap access to Internet. The MSEA should be empowered to handle issues relating to SMEs' use of online platform.

Limitations and Areas for Further Studies

Despite being informative, this study had limitations to note. The study used SME cases from Nairobi County that served on contextualizing the study findings and thus, the findings cannot be wholly inferred to different contexts. Methodically, the sample size was purposively drawn and was relatively small. Thus, findings should be interpreted relatively. Due to emerging use of Smartphone together with Fourth Generation networks, they have changed the way people can use mobile phones for marketing purpose. It is further recommended to carry out a longitudinal comparative study in the five countries to realize economic benefits the EAC community can gain and to learn fellow's successful stories.

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