

**EFFECTS OF INTERNET MARKETING STRATEGIES ON PROFITABILITY  
OF SELECTED SUPERMARKETS IN MOMBASA COUNTY KENYA**

**ABDI BASI GIRAD**



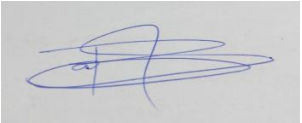
**A PROJECT SUBMITTED IN PARTIAL FULFILMENT FOR THE DEGREE OF  
MASTER IN BUSINESS ADMINISTRATION (MARKETING OPTION) OF  
MOUNT KENYA UNIVERSITY**

**MAY, 2024**

**DECLARATION AND APPROVAL**

### **Student's declaration**

This project is my original work and has not been presented for a degree or any other award in any other University.

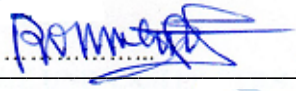
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### **Approval by the Supervisor**

I confirm that the work reported in this project was carried out by the candidate under our supervision.

Signature:  \_\_\_\_\_ Date 26/06/2023 \_\_\_\_\_

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**DEDICATION**

This study is dedicated to the unwavering love and support of my wife, whose patience and encouragement have been my constant motivation. To my mother, whose steadfast belief in me has seen me through my lowest times. To my children, Ahmad, Ruweyda and Musa whose bright spirits remind me of the future I strive to build. To my sister Asma, a beacon of determination and aspiration, may my journey inspire you to reach similar heights of achievement in your studies.



## ACKNOWLEDGEMENT

The successful culmination of this proposal would not have been achievable without the invaluable contributions and encouragement from numerous individuals. I feel compelled to express my deepest appreciation to all who made this work possible. Foremost, my heartfelt thanks go to Dr. Robert Obuba, whose insightful guidance, unwavering commitment, consistent accessibility, and expert counsel have been instrumental to the realization of this project.



## ABSTRACT

The pervasive influence of technology has thoroughly integrated into various facets of daily life, serving as a linchpin around which modern existence revolves. In this context, it is incumbent upon companies to adopt technology in a manner that confers a competitive advantage across various organizational functions. Leveraging technological tools and strategies is not just an enhancement but a necessity for capitalizing on emergent opportunities and ensuring long-term viability.

The objective of this research was to assess the impact of various internet marketing strategies on the profitability of selected supermarkets in Mombasa County, Kenya. Specifically, the study sought to evaluate the influence of social media marketing, affiliate marketing, content marketing, and mobile marketing strategies on the profitability of selected supermarkets in Mombasa County.

Methodologically, the research employed a descriptive research design, targeting a population of 250 employees from selected supermarkets in Mombasa County. A subset of 154 respondents was identified using the Taro Yamane formula to ensure a representative sample. Data collection involved the use of questionnaires distributed through physical means. For data analysis, the Statistical Package for the Social Sciences (SPSS) was utilized. The research involved both descriptive and inferential statistical methods, incorporating the calculation of frequencies, percentages, and standard deviations. Binary logistic regression was applied to test the hypothesis, aiming to draw conclusive inferences about the relationship between internet marketing strategies and the profitability of supermarkets in Mombasa County, Kenya.

The findings indicated that a majority of survey participants agreed with the idea that employing a website design marketing strategy provides businesses with an immediate online presence. Additionally, they noted that this approach facilitates easy data access and updates, ensuring customers remain well-informed about market products. The statistical analysis yielded a B value of 1.525, a Wald statistic of 8.271, a p-value of 0.0004, and an Exp (B) of 0.282. Respondents also conveyed that they utilize social media not only for engaging with their target audience but also for learning from competitors. The study

associated a social media marketing strategy with a B of 1.265, a Wald statistic of 5.805, a p-value of 0.016, and an Exp (B) of 0.282.

Furthermore, the majority of participants agreed that employing affiliate marketing enhances business awareness and visibility. The study linked the affiliate strategy with a B of 1.304, a Wald statistic of 6.281, a p-value of 0.012, and an Exp (B) of 0.271. Participants also concurred that content marketing is effective in attracting loyal customers. However, the statistical analysis for the content strategy resulted in a B of 0.831, a Wald statistic of 1.583, a p-value of 0.208, and an Exp (B) of 0.436, suggesting no significant increase in the odds of profitability. Additionally, respondents agreed that email marketing facilitates communication with a mass audience and enables customer segmentation. The study associated email marketing strategy with a B of 1.386, a Wald statistic of 6.988, a p-value of 0.008 (significantly less than 0.05), and an Exp (B) of 0.250.

In conclusion, the research found that businesses with internally managed websites, Facebook pages/suites, and affiliate marketers with apps (as opposed to URLs) experienced significantly increased profitability odds. Content marketing did not show a significant impact on profitability. The study recommended businesses prioritize internally managed websites, create multiple Facebook pages/suites, collaborate with marketers using apps, and focus on various online marketing strategies, excluding content marketing. Lastly, it suggested that retail businesses should shift towards triggered email rather than batch email to boost profitability odds.

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## LIST OF ACRONYMS

|                 |  |
|-----------------|--|
| <b>Ad.</b>      | -Advertisement   |
| <b>App</b>      | - Application  |
| <b>DMA</b>      | - Data Marketing Association                                 |
| <b>KNBS</b>     | - Kenya Bureau of Statistics                                 |
| <b>KEMU</b>     | - Kenya Methodist University                                 |
| <b>KPMG</b>     | - Klysvelde Peat Marwick Goerdeler                           |
| <b>NACOSTI.</b> | - National Commission for Science, Technology and Innovation |
| <b>NSE</b>      | - Nairobi Stock Exchange                                     |
| <b>NHL</b>      | - National Hockey League                                     |
| <b>PBC</b>      | - Perceived Behaviour Control                                |
| <b>NHL</b>      | - National hockey league                                     |
| <b>SEO</b>      | - Search Engine Optimization                                 |
| <b>SME</b>      | - Micro and Small Enterprise                                 |
| <b>SPSS</b>     | - Statistical Package for Social Sciences                    |
| <b>TPB</b>      | - Theory of Planned Behaviour                                |
| <b>USA</b>      | - United States of America                                   |

# CHAPTER ONE

## INTRODUCTION

### 1.1 BACKGROUND OF THE STUDY

Numerous technological advancements have emerged recently, driven by current trends. These innovations have effectively tackled various challenges faced by communities in different areas. One particular sector that has encountered significant difficulties is marketing, as the rise of countless local and global businesses has intensified competition. Moreover, the county is experiencing a high unemployment rate, leading people to seek self-employment opportunities. It is evident from statistics on annual graduation rates from universities and other tertiary institutions that not all graduates can secure traditional office jobs (Wójcik & Ioannou, 2020). As a result, many graduates are choosing to start their own businesses, with some even venturing into entrepreneurship while still in school. In this scenario, internet marketing has played a crucial role in supporting both small and large businesses in numerous countries. The primary reason behind this is its ability to simplify the marketing process, providing a significant advantage to businesses utilizing it.

The landscape of global commerce has been radically reshaped by technological advancements, enabling an unprecedented level of interconnectedness between businesses and consumers. According to Shi et al. (2020), these advancements have created a seamless framework for engagement, irrespective of geographical location. With the proliferation of digital platforms, a substantial volume of international trade now transpires through electronic networks. The internet's extensive infrastructure facilitates global user interactions and provides access to an immense reservoir of information. Enabled by various digital devices, users can access the internet virtually anytime and anywhere, revolutionizing their expectations in terms of cost, service speed, convenience, and product

information (Luo, 2022). The ramifications of this transformation are staggering in terms of scale and reach. For instance, in the United States, internet penetration exceeds 80% among households, with the average American dedicating approximately 32 hours per month online. Mobile internet usage is also a burgeoning trend, with over 63 million U.S. citizens engaging online via smartphones. Internationally, the statistics are even more compelling: more than 2 billion people have internet access, with a billion using mobile phones for connectivity. This user base is projected to experience exponential growth in the near future, particularly in mobile internet usage (Kotler, 2018). As a consequence, the corporate landscape has been quick to adapt. The overwhelming majority of traditional enterprises have augmented their business models to incorporate online sales and communication platforms (Kotler & Armstrong, 2017).

Within this paradigm, companies like Amazon have emerged as behemoths. Currently standing as the third-largest retailer globally, Amazon commands an impressive portfolio that includes not only retail but also forays into fashion and proprietary label creation. The phenomenon is not limited to the Western market; Alibaba, for instance, dominates online retail in China and is expanding its international footprint (Gensler, 2017). Further, the emergence of specific online shopping events, such as Cyber Monday in the United States, underscores the magnitude of this shift. Featuring participation from major retailers like Amazon, Walmart, and Target, Cyber Monday in 2017 alone generated an unprecedented \$6.6 billion in sales (Orare & Nkirina, 2019).

In the past ten years, businesses across various sectors in Africa have eagerly embraced the internet and incorporated it into their daily operations (Barnes & Hinton, 2007). This includes numerous companies in the retail sector, who have enthusiastically adopted the

internet as an additional marketing tool (Hubert, 2001). The retail industry in Africa has also actively embraced e-commerce, as evidenced by the establishment of online presence by various retail companies. This development has far-reaching implications. Firstly, it has significantly reduced the barriers, such as geographical, psychological, and legal obstacles, that previously limited African consumers from shopping beyond their immediate vicinity. Consequently, previously untapped consumer purchasing power has been unleashed, granting millions of consumers unprecedented freedom to make choices from the vast global market and exercise their shopping rights. Secondly, there is expected to be substantial growth in intra-African trade, which is seen as a valuable opportunity for the development of African economies (Nkamnebe, 2006). Thirdly, the ability for Africans living overseas to purchase remotely from their home continent has raised remittances that support regional growth while also preserving cultural linkages between the diaspora and their own nation. Fourthly, regardless of their geographical location, individuals from all over the globe may purchase and experience Africa thanks to the openness of the African market via online platforms. With equitable chances in the global supply chain, this denotes a revival in Africa. These occurrences are backed by the shift in consumer behavior in Africa, where more individuals are purchasing online.

The expansion of Africa's middle class, coupled with rising disposable incomes, marks a significant economic transition on the continent. Estimates suggest that around 33% of Africans are spending between \$4 and \$20 on a daily basis, a figure that the African Development Bank projects will increase to 42% by 2060. Concomitant with this economic buoyancy is the rapid penetration of internet access across Africa. McKinsey's report posits that by 2025, approximately 50% of the African populace will have internet connectivity. If these predictions hold, online shopping could potentially constitute as much as 10% of retail sales, translating to an estimated \$75 billion (Deloitte & Touche, 2015). Google's data

further corroborates this trend, indicating a substantial uptick in online commercial searches originating from Africa.

This burgeoning digital economy has given rise to several prominent e-commerce platforms within the continent. Jumia, founded in Nigeria in 2012, has established itself as Africa's largest business-to-consumer online retailer. Boasting a customer base of over three million across more than 23 countries, Jumia is a pivotal player in African e-commerce. Similarly, South Africa's Take lot has been a steadfast presence since its inception in 2002, gaining accolades for its user-centric shopping experience. The significant growth potential of Africa's online retail sector has not gone unnoticed by multinational corporations. E-commerce giants like Amazon, AliExpress, and Alibaba are making inroads into the African market, indicating a recognition of its emerging importance as a nexus for online retail (International Trade Centre [ITC], 2015). The confluence of an ascending middle class, expanding internet penetration, and the global interest in Africa's e-commerce potential makes the continent a critical frontier for the future of online retail. As such, local and international businesses alike would do well to strategize accordingly, as they stand to gain considerably from the demographic and technological shifts currently shaping the African market.

In Kenya, the advantages of online shopping compared to traditional retailing have led to its increasing popularity. These advantages include the convenience of home delivery and privacy, the ability to avoid crowds and save time in checkout queues, and the comfort of shopping from the comfort of one's own home. Online shopping also saves time in research and decision-making, as well as providing easier access to information (Swinyard & Smith, 2003; Ahmad et al., 2010; Monuwe et al., 2004). Recent events such as terrorist attacks at shopping malls and the Covid-19 pandemic have further emphasized the importance of online shopping due to concerns about security and the need to stay at home (Westgate Mall

attack in Westlands, Nairobi). These factors may encourage more people to shift away from traditional brick-and-mortar stores and embrace online shopping.

The advent of the internet has become a transformative catalyst for business innovation and growth in Kenya. It has redefined the modalities through which retailers interact with customers, allowing for a broadening of the marketplace beyond the spatial confines of brick-and-mortar establishments (Ahmed & Ramayah, 2010). This digital transformation has incited a retail metamorphosis in Kenya, attracting considerable entrepreneurial investments. The proliferation of internet usage has not remained limited to the retail sector; its impact is pervasive, influencing the operational strategies of financial institutions, educational entities, religious organizations, and even governmental agencies. Despite these advancements, the rate of online shopping in Kenya trails the global average of 23%, attributed to several impediments such as slow delivery timelines, a deficit of consumer trust, elevated shipping costs, apprehensions about the authenticity of products and the security of payment systems, as well as a general lack of consumer savvy regarding online transactions (Deloitte & Touche, 2015). Notably, social media platforms like Facebook, WhatsApp, and Instagram have acted as supplemental channels for online retail, contributing to approximately 15% of total sales in this segment. Indigenous online retail platforms, Jumia and Killimall, command a significant share of the online market, with market shares of 38% and 22% respectively (Nkirina, 2019).

Given these developments, business managers in Kenya have acquired a strategic advantage, able to reach an expanded and more diverse audience both within and beyond national borders. Moreover, consumers have also reaped the benefits of internet marketing, availing themselves of the opportunity to engage in price comparisons and enjoy enhanced accessibility to various services. The overarching aim of this discourse is to delve into the influence of internet marketing on the profitability of the retail sector in Kenya.

Major corporations, especially those in telecommunications and banking, have been at the forefront of integrating internet marketing infrastructures to remain competitive in a continually evolving global business ecosystem (Hitt, Ireland & Hoskisson, 2019). The primary motivation for these integrations is twofold: first, to bolster profitability and, second, to sustain a competitive edge in an increasingly digitized marketplace. To realize these objectives, multiple online marketing strategies have been adopted. Among them, website marketing and social media marketing stand out as particularly effective. Website marketing revolves around the optimization of online platforms to boost brand visibility, while social media marketing leverages platforms such as Instagram, WhatsApp, Twitter, LinkedIn, Imo, and Facebook to publicize the array of products available in retail stores (Hitt et al., 2019).

The retail industry in Kenya has become increasingly popular by leveraging social media platforms. This strategy has proven to be highly advantageous because it enables businesses to establish and promote their brands online, tapping into the vast number of social media users. Consequently, the significance of internet marketing for a company's profitability should not be overlooked. Additionally, certain retail stores also employ email marketing as an internet marketing tactic. This approach involves sending personalized emails to customers, keeping them informed about new product launches and pricing. By providing customers with relevant information, their interest and confidence in the products grow, leading to a larger customer base and enhanced profitability for the businesses. (Ndiege, 2019).

In the retail industry, a prominent internet marketing approach is influencer marketing. This strategy involves partnering with business managers and brand ambassadors to promote a company's products. By leveraging the popularity of influential individuals, businesses can enhance their reputation and ultimately increase profits (Varadarajan et al., 2022). Another

significant aspect of internet marketing in Kenya is search engine optimization, which aims to improve a website's ranking on search engine result pages. This, in turn, drives more high-quality and abundant traffic to the website. Retail businesses in Mombasa have been effectively utilizing this strategy to boost their profitability. Additionally, content marketing plays a crucial role for several retail businesses in the country. This approach centers around creating and distributing tailored content to reach a specific online audience. Furthermore, affiliate marketing is another strategy being used, where affiliates receive rewards based on the customers they bring to the business (Damnjanovic, 2020).

Another kind of internet marketing is paid advertising, like pay-per-click. Businesses in this strategy are charged a fee each time one of their advertisements is clicked (Gensler, 2017). The goal of this study is to examine numerous technological developments that have a big impact on Kenya's retail sector's potential to increase profitability via internet marketing. The study will clarify the nature of profitability within the context of internet marketing in the nation by looking at these tactics. The adoption of information technology is rapidly increasing worldwide, with over half of the global population having access to computers or mobile devices. The internet, in addition to being a vast source of information, has transformed into a vast global marketplace, continuously growing and evolving. Nowadays, most consumers can use their smartphones, tablets, or computers to browse and purchase a wide range of products online (Kim, Libaque & Park, 2019). According to a report by the Kenya National Bureau of Statistics (KBNS, 2019), the retail sector holds a significant portion of Kenya's GDP, ranking fifth in terms of share. Additionally, it stands as the third largest employer within the private sector. Mombasa City County's Directorate of Trade has documented that leading Chain Supermarkets, which typically encompass an area of over 3001sq.m and employ 50 to 100 individuals, can be found in various locations nationwide.

## 1.2 STATEMENT OF THE PROBLEM

The retail industry in Kenya, particularly supermarkets, had experienced mixed results. Historically, many supermarkets relied on business model that emphasized high sales volume with narrow profit margins. Another kind of internet marketing was paid advertising, like pay-per-click. Businesses in that strategy were charged a fee each time one of their advertisements was clicked (Gensler, 2017). The goal of this study was to examine numerous technological developments that had a big impact on Mombasa's supermarket sector's potential to increase profitability via internet marketing. The study was to clarify the nature of profitability within the context of internet marketing in the nation by looking at these tactics. This business model proved unviable, leading to the closure of many Uchumi outlets, Nakumatt and Tuskys supermarkets faced a similar fate. In light of these circumstances, retailers facing such challenges must consider alternative business models that reduced operating expenses. One potential option for them was adopting online shopping (Cyttonn, 2018).

Presently, a few supermarkets in Mombasa operate online businesses, but they encounter various difficulties. One major challenge was that customers cannot physically interact with products displayed in online stores. The inability to touch, smell, or hear a product creates a lack of trust due to the absence of face-to-face communication. Additionally, consumers are aware of and consider the risks associated with online purchases. Consequently, if a consumer perceives a high risk in buying a particular item, they may opt for a traditional brick-and-mortar retailer instead (Berthon et al., 2012). Therefore, online firms must convince consumers to purchase their products despite the risks involved in online shopping.

The retail industry in Kenya, especially supermarkets, has struggled with profitability, partly due to reliance on traditional business models with high sales volume but low profit margins. The failure of major supermarkets like Uchumi, Nakumatt, and Tuskys highlights the need

for innovative strategies to enhance profitability. Although some supermarkets in Mombasa have adopted internet marketing strategies, they face significant challenges, such as building consumer trust and managing the risks associated with online shopping. There is a clear gap in understanding the effectiveness of various internet marketing strategies in improving profitability in this sector. This study aims to fill this gap by investigating the impact of different internet marketing strategies on the profitability of supermarkets in Mombasa County, Kenya, and providing actionable insights to enhance their effectiveness.

By recognizing the challenges faced by current internet marketing strategies in the Kenyan retail industry, this research aims to enhance and provide guidance to those retailers who had not yet embraced any internet marketing strategies mentioned earlier. Furthermore, the study seeks to address the challenges and risks associated with existing online marketing strategies by analyzing the best process for improving profitability (Varadarajan et al., 2020). The research also intends to explore various strategies for enhancing safety precautions and reducing losses resulting from inadequate management of marketing sites.

### **1.3 PURPOSE OF THE STUDY**

The prime purpose of this research was to find out the effect of internet marketing strategies on profitability in the retail industry in Mombasa County, Kenya. Specifically, the study sought to evaluate the influence of social media marketing, affiliate marketing, content marketing, and mobile marketing strategies on the profitability of selected supermarkets in Mombasa County.

### **1.4 SPECIFIC OBJECTIVES**

The outlined specific objectives of the study will guide the study;

- i.** To assess effect of website marketing strategies on profitability of retail industry in Mombasa County

- ii. To determine the effect of social media marketing strategies on profitability of retail industry in Mombasa County
- iii. To analyze the effect of affiliate marketing strategies on profitability of retail industry in Mombasa County
- iv. To establish the effect of content marketing strategies on profitability of retail industry in Mombasa County

### 1.5 HYPOTHESIS

**H<sub>01</sub>:** Online marketing strategies have no significant effect on profitability of supermarkets in Mombasa County.

### 1.6 RESEARCH QUESTIONS

- i. What is the effect of website marketing strategies on profitability of retail industry in Mombasa County?
- ii. What is the effect of social media marketing strategies on profitability of retail industry in Mombasa County?
- iii. How does Affiliate marketing strategies affect profitability of the retail industry in Mombasa County?
- iv. What is the effect of Content marketing strategies on profitability of the retail industry in Mombasa County?

### 1.7 SIGNIFICANCE OF THE STUDY

The objective of this study was to contribute new knowledge to the existing scholarly work on internet marketing strategies in the supermarket sector. It will provide additional secondary data for future researchers interested in exploring this area. The research outcomes have practical implications for marketers seeking to enhance their internet marketing strategies. The study's recommendations can aid policymakers in formulating effective policies to support and improve internet marketing. Furthermore, it will benefit

both current retail industry participants looking to refine their internet marketing skills and those interested in entering the internet marketing business.

### 1.8 SCOPE OF THE STUDY

The aim of this academic study was to evaluate the impact of internet marketing on the profitability of the supermarket sector in Kenya, focusing primarily on prominent supermarkets within Mombasa County. To ensure a coherent and robust analysis, the study investigated four specific dimensions of internet marketing: website marketing strategies, social media marketing strategies, affiliate marketing strategies and content marketing strategies. The criteria for supermarket selection involve two key financial and operational metrics: a capital base of a minimum of Kshs. 3 billion and the presence of at least 15 operational branches. Based on these criteria, the study scrutinized seven leading supermarkets—Naivas, Quickmatt, Choppies, Eastmatt, Carrefour, Foodplus Chandarana, and Cleanself. These selected supermarkets were strategically situated in urban locations characterized by elevated purchasing power and a consumer base that was relatively well-versed in internet usage, primarily due to the ubiquity of smartphones and laptops.

This focus allowed a targeted examination of how internet marketing strategies are deployed in environments where they are most likely to have a measurable impact on profitability. The choice of these specific supermarkets also facilitates an in-depth analysis, taking into account various socio-economic variables like customer purchasing power and digital literacy, which are instrumental in understanding the complexities of internet marketing in a developing economy like Kenya.

The methodology for this study incorporated both qualitative and quantitative data collection techniques. Surveys were conducted, targeting employees and managers in these selected supermarkets, as well as customers who engage in online shopping. In addition, financial records were examined to discern any correlations between the implementation of internet marketing strategies and profitability metrics. The data analysis will employ

statistical software to run both descriptive and inferential statistics, ultimately aiming to establish whether a significant relationship exists between internet marketing strategies and increased profitability in the retail industry within the context of Mombasa County, Kenya. By addressing these specific variables and focusing on a targeted selection of supermarkets, this study contributed to the broader academic discourse on the synergies between internet marketing and profitability, specifically within the Mombasa County supermarket landscape.

### 1.9 LIMITATIONS OF THE STUDY

In light of the time constraints and resource limitations associated with the study, the scope was narrowed to a smaller sample size, which might not have fully encapsulated the breadth of perspectives present in the larger population. This constraint inherently restricted the generalizability of the research findings. Moreover, potential reluctance or suspicion from respondents posed an additional challenge, particularly concerning the privacy and ethical handling of the information they provided. To address these limitations and ethical considerations, several strategies were implemented. First, participants were assured of the confidentiality of their responses, with all data being aggregated for analysis to maintain anonymity. Second, an informed consent process was undertaken to elucidate the study's objectives and the voluntary nature of participation. Third, it was explicitly stated that the collected data was used solely for academic purposes, thereby alleviating concerns about the potential misuse of information. Lastly, a probability sampling technique was employed to minimize selection bias and thus increase the representativeness, validity, and reliability of the study. Despite these limitations and challenges, the study aimed to offer meaningful insights into the impact of internet marketing strategies on the profitability of the retail sector in Kenya, within the specified scope and available resources.

#### 1.10: DELIMITATIONS

To overcome the challenges, the researcher explained to the respondents the reasons as to why they should cooperate and answer the questions. One being that the investigation was for learning only. The researcher also overcame the limitations by guaranteeing the respondents that their names was kept unidentified and that the information given was handled with maximum concealment and dedicated for educational only.

#### 1.11 ASSUMPTIONS OF THE STUDY

The study was based on basic assumptions that selected supermarkets in Mombasa County, had established a significant online presence and implemented various internet marketing strategies to promote their products and services, the targeted customers in Mombasa County are sufficiently aware of the internet marketing strategies employed by these supermarkets, and there was active engagement with online marketing channels, such as social media, email marketing, and online advertisements. The study further assumed that the internet marketing strategies adopted by these supermarkets have a direct or indirect impact on their profitability.

#### 1.12 OPERATIONAL DEFINITION OF TERMS

**Online marketing:** refers to the use of different internet platforms and tactics to promote goods, services, or brands.

**Website marketing strategies:** refers to a marketing tactic in which a business creates a website to promote its goods.

**Social media marketing strategies:** refers to an online marketing approach in which a business sells its products via social media sites like Facebook, Twitter, and WhatsApp.

**Affiliate marketing strategies:** refers to a marketing approach where a business hires a third party to promote its goods online through tools like apps or links like URLs.

**Content marketing strategies:** an online marketing approach where a business sells its items by disseminating information about the products via online videos, online magazines, or electronic books to provide additional knowledge about the usage of the product without explicitly having to make a sale.

**E-mail marketing strategies:** refers to a tactic used in internet marketing that involves making sure that emails are delivered to different target consumers informing them about the arrival of new items on the market and their pricing. That is possible to accomplish that using batch or triggered email.

**Retail Business:** refers to companies that engage in the selling of goods to end users, including supermarkets and shopping malls.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 INTRODUCTION

This section contains the theoretical foundation. To comprehend the contributions made by others to the current academic literature regarding the impact of internet marketing strategies on profitability, the study examined information from multiple sources. The chapter initiates with an examination of several theories associated with internet marketing strategies. Additionally, it emphasizes the examination of empirical evidence, conceptual aspects, and concludes with a summary of the literature and identification of research gaps.

## 2.2 THEORETICAL REVIEW

Online marketing, also referred to as internet marketing, involves utilizing the internet to promote a business, brand, and its products or services by employing various tools that attract customer attention, generate leads, and drive sales. This research aligns with the following theories: Generational Theory, Theory of Planned Behaviour, and Game Theory.

### 2.2.1 GENERATIONAL THEORY

According to generational theory, people of the same generation tend to have same worldviews and values (Bilgihan, 2016). According to Strauss and Howe (2000), a generation consists of those born during a 20-year window. An individual's self-awareness as a member of a specific generation, shared common experiences of significant events or political occurrences during their formative years, and shared common beliefs and attitudes toward topics like career, religion, marriage, and sex are the three key factors in understanding a generation. This theory can be applied to analyze internet marketing strategies, where each generation had distinct inclinations and attitudes in terms of behavior, fashion, communication style, and spending preferences. For instance, a social media strategy would consider the generational theory to target products specifically appealing to active users of a particular social media platform. Different platforms have varying user demographics and usage patterns. Similarly, a content marketing strategy would tailor content to suit specific age groups. Marketers can also identify the online platforms where their target consumers are present based on their generational cohorts (Barnier, 2010). For

instance, the response of Generation Y or Millennials (aged 19-38) to internet marketing was expected to differ because they process website information more quickly than older generations and exhibit lower loyalty but greater emotional engagement. When using an affiliate marketing strategy, it is crucial to select an affiliate from the same generation as the target consumers (Bourcier et al., 2010).

Klynveld Peat Marwick Goerdeler (2017) found that, contrary to popular belief, those in Generation X (those between the ages of 39 and 54) were the most likely to buy online. Reasons for this include the fact that members of Generation X were often better off financially and had more settled families and houses than their younger counterparts, the millennial generation. The Baby Boomer generation (those now between the ages of 55 and 74) may be less likely to buy online than younger generations, but they are more likely to spend more money on each transaction. In contrast, millennials tend to put greater emphasis on accessories, bags, and beauty products (Moschis, 1996). This is because Baby Boomers tend to purchase more expensive things like wine, healthcare products, appliances, and home goods.

By leveraging the insights from generational theory, online marketers can develop strategies that effectively target their desired audience and maximize sales (Lissitsa, 2016). It is important for marketers to recognize that their audience evolved and changed over time, and therefore, they should adapt their brand and products to remain relevant to new market entrants with different reference frames. Understanding the generational aspects of audience demographics allows marketers to create more intelligent and targeted advertising content. Swedish automaker Volvo, for instance, used an approach to marketing that prioritized openness and honesty in order to attract consumers from Generation X. Volvo knew that Generation X would be the first to be exposed to mass media marketing, therefore the company aimed to make their campaign stand out by emphasizing social media and word

of mouth among consumers (Houston, 2011). In conclusion, by acknowledging and understanding the insights provided by generational theory about different age groups within their target audience, marketers can craft messages that effectively meet the needs of their audience (Lissitsa, 2016).

### 2.2.2 THEORY OF PLANNED BEHAVIOUR (TPB)

The Theory of Planned Behaviour, originally articulated by Ajzen in the early 1990s, posits that individual actions and intentions were driven by three core components: personal attitudes toward the behavior, social expectations or norms, and one's self-efficacy or perceived control over the behavior. Within this framework, the idea was that these three elements both directly and indirectly guide behavior through shaping one's intentions to act in a certain way. Empirical validations for this theory have been robust, substantiated by comprehensive reviews and meta-studies (Armitage & Connor, 2001).

According to this model, intentions serve as a pivotal variable that bridges an individual's attitudes, social expectations, and perceptions of control to their actual behavior. For example, in the realm of e-commerce, consumer hesitancy often stems from privacy concerns. Positive perceptions of internet safety can influence customer attitudes towards online shopping and ultimately inform their purchase behavior. Moreover, one's confidence in their online shopping skills informs their perceived control, which subsequently impacts the likelihood of engaging in online purchasing activities (George, 2004).

While traditional applications of the Theory of Planned Behaviour position behavioral intention as a precursor to the actual behavior, this sequence presents a modeling challenge in cases where intention and behavior are not concurrent. As a result, our model will create direct links between the various attitudes that inform decisions related to online purchases, rather than including both intention and behavior within a single framework. The subsequent figure will depict how this adapted Theory of Planned Behaviour model applies to the context of internet purchases.

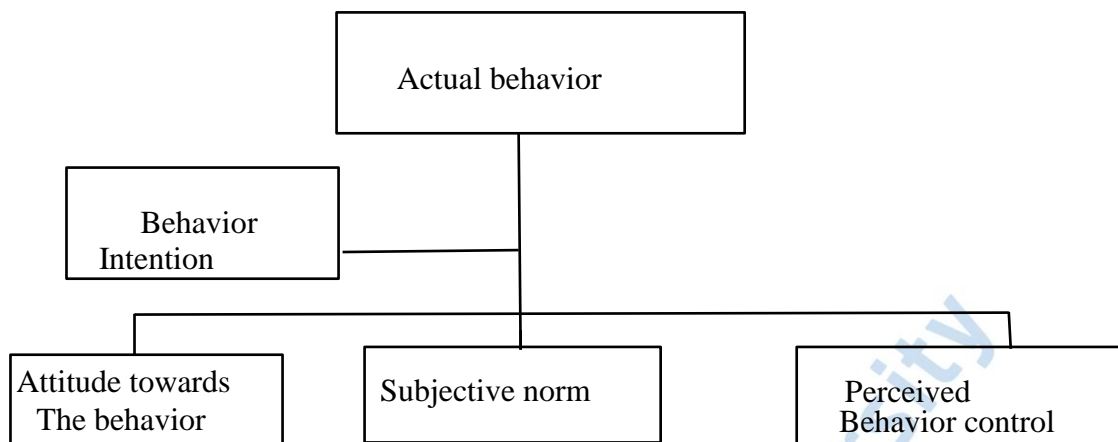


FIGURE 1: THEORY OF PLANNED BEHAVIOUR

Source: researcher (2023)

When implementing an internet marketing plan for an online store, it is important for marketers to consider addressing attitudes and subjective norms. The content marketing strategy should focus on providing educational information to customers, ensuring that they feel confident in their purchase decisions and understand how to use the products correctly. By doing so, this approach can alleviate customers' concerns about the effectiveness of online shopping. Additionally, the content marketing strategy should also address the issue of safety and unauthorized access to personal information, assuaging any worries users may have. To enhance the effectiveness of an affiliate marketing strategy, it is beneficial to collaborate with individuals who possess a significant following and can influence people's attitudes and subjective norms towards the products being promoted. Additionally, the Theory of Planned Behaviour offers valuable insights for implementing website marketing strategies. By collecting user-specific information such as browsing history and geographical location, marketers can more precisely target their audience. This focused targeting can, in turn, influence potential customers' attitudes and intentions towards making

an online purchase, thereby aligning with the theory's emphasis on the role of attitudes in shaping behavioral intentions.

Similarly, in the context of social media marketing, the theory can be employed to understand the dynamics of consumer engagement. By strategically acquiring fans or followers who are part of the target demographic, marketers can gain access to an individual's broader social network. This not only amplifies the reach but also leverages social norms, another key component of the Theory of Planned Behaviour. By becoming a part of an individual's social circle online, brands can create a sense of social validation or endorsement, thus influencing subjective norms and potentially affecting consumers' intentions to engage with the brand or make a purchase.

By providing the right incentives, these fans will share and endorse the brand with others who share similar interests, ultimately influencing their perceptions and attitudes towards the brand.

### 2.2.3 GAME THEORY

There are parallels can be drawn between competitiveness on the battlefield and competition in the marketplace. With the publication of "On the Theory of Games of Strategy" by John von Neumann, the field of Game Theory was born. According to this idea, effective tactics may be derived by analyzing the actions of similar persons in the same setting. The key assumptions of Game Theory are that all participants in the external environment act rationally, possess knowledge of the rules and regulations, and their reactions can be mathematically calculated and analyzed. The environment can range from conflict, like sports, to cooperation, such as mergers or partnerships.

Game Theory proves beneficial in analyzing strategic actions of other participants in the external environment, particularly in duopoly or oligopolistic structures like the retail sector in Kenya. However, it is not applicable in a monopoly setting. Companies utilizing internet marketing strategies should consider incorporating Game Theory into their decision-making

process to generate online leads and increase market share. Since these firms view internet marketing as a profitable investment, it is crucial to invest wisely and avoid unnecessary expenditures. By learning from competitors' mistakes and adopting successful internet marketing strategies, online shops can optimize their outcomes. The framework of Game Theory also enables companies to respond competitively, such as implementing price cuts in areas where competitors have invested heavily, while assessing the overall impact on their market share.

When choosing among the four main internet marketing strategies, companies must remember that investment is required, similar to any other endeavor. The chosen strategy should be cost-effective and measurable. For example, a social media marketing strategy might be preferable over an affiliate marketing strategy due to lower costs. Conducting a cost-benefit analysis for each strategy is essential to determine its effectiveness. Additionally, online marketers need to consider legal frameworks, as certain internet marketing strategies may be illegal in specific jurisdictions. For instance, social media platforms may be banned in certain countries, rendering a social media marketing strategy ineffective. It is crucial to adopt an appropriate internet marketing mix and consider the long-term impact of strategies on the company's market share.

A company can also leverage its website to target customers effectively, such as implementing a customer journey approach using software like Marketo or Pardot for lead nurturing. Lead nurturing involves guiding website visitors through a predetermined path to convert them into customers by influencing their decisions and ultimately leading to sales. This process entails offering enticing content and automating subsequent actions based on the visitor's interaction with the content. It is essential to rationalize the customer's decisions to anticipate and respond to their actions in a manner that maximizes the chances of making a sale.

## 2.3 EMPIRICAL REVIEW

This section will discuss empirical studies on the variables, which include: Website marketing strategy, Social Media Marketing Strategy, Affiliate Marketing Strategy, and Content Marketing Strategy.

### 2.3.1 WEBSITE MARKETING STRATEGY

Empirical studies have shown that website marketing strategies can significantly impact business profitability. Studies indicate that effective website design enhances user experience, which can lead to increased customer retention and sales. The initial step in online marketing involves the creation of a website. Marketers must design an attractive website and devise methods to attract and retain customers, encouraging them to visit frequently (Kotler & Armstrong, 2017). In a study conducted by Orare and Nkirina (2019) on the influence of internet marketing on the market share of online shops in Mombasa, it was argued that employing website design marketing strategies is an effective approach to enhance sales relationships with customers worldwide. Understanding the needs of customers is crucial for online businesses when developing a website. The website's design should reflect the brand and culture of the company, influencing factors such as imagery, color schemes, and graphics. Moreover, the website should be goal-oriented. For instance, an entertainment website would prioritize visual content, while an educational website would focus on providing detailed information about the company profile, management structure, goals, and objectives (Sakas *et al.*, 2022).

Orare and Nkirina (2019) conducted a descriptive research study, concluding that website design strategies alone are not effective as a standalone internet marketing strategy. These strategies should be implemented as part of a comprehensive internet marketing mix. The study emphasized the importance of all aspects of website design, including aesthetics, user-friendliness, search engine optimization, and security. Since the website is often the first point of contact between the buyer and the retailer, the customer's impression of the site is

important. The research further revealed that cost is a major hindrance for many online businesses when it comes to implementing website design.

According to Hoogers *et al.*, (2023), Diageo a multinational alcoholic beverages company known for brands such as Guinness, Johnnie Walker, Smirnoff, and Baileys, achieved profitability through website design. However, due to its massive size and operations in over 20 countries, Diageo faced the challenge of coordinating accurate data distribution across hundreds of websites. To address this, they enlisted the help of Conversion Works, a specialist agency and Google Analytics Partner, to set up Google analytics on all their brands' websites and provide training to their marketing teams. By utilizing the Google Application Programming Interface (API), Diageo successfully displayed up-to-date analytics reports directly on their websites, making them easily accessible to brand managers and eliminating the need for them to chase the data. This streamlined process resulted in time savings, improved workflow, and ultimately increased profitability (Sharma *et al.*, 2019). Search Engine Optimization (SEO) plays a vital role in online advertising. Strong SEO strategies contribute to increased website traffic by improving the site's visibility and ranking on search engine results pages, such as Google.

### 2.3.2 SOCIAL MEDIA MARKETING STRATEGY

Social media marketing has been found to be a powerful tool for engaging with target audiences and gaining insights from competitors. Research indicates that social media platforms, such as Facebook and Instagram, enable businesses to reach a wide audience and foster customer relationships. Globally, social media marketing plays a crucial role in business operations. It encompasses a wide range of activities, from traditional approaches to innovative strategies, and it encompasses a diverse cultural landscape, spanning from conservatism to modernism, and a variety of governance styles, ranging from autocracy to anarchy (Raj, 2022). Businesses often use social media marketing as a means of promoting their goods or services and establishing a brand for themselves in the marketplace. The

implementation of this plan includes the posting of status updates that include both text and photos, the uploading of videos, and the sponsorship of content. According to Kotler and Armstrong (2017), businesses of all sizes may benefit from using social media marketing to reach a wider audience. In today's digital landscape, customers frequently use social media platforms like Twitter, Pinterest, Instagram, and Facebook to interact with brands. Neglecting this opportunity to engage directly with the audience can be disadvantageous for the business. Implementing effective marketing strategies on social media platforms can lead to remarkable success, including loyal brand supporters, increased leads and sales, improved website traffic, and better understanding of target audiences. Among these platforms, Facebook holds the position of being the most popular and socially impactful company in the online world (Kotler & Armstrong, 2017).

In a study on the influence of internet marketing strategies on the market share of online shops in Nairobi County in Kenya, Orare and Nkirina (2019) found that Facebook remains the dominant online platform for adults, with a significant number of daily users. This provides businesses and brands with a valuable opportunity for high visibility. However, relying solely on purchasing a few Facebook ads and accumulating page likes is no longer sufficient for building a brand. A comprehensive marketing approach is needed, incorporating both paid media and earned media (word of mouth, sharing, and endorsements). Paid advertisements on Facebook can effectively reach the target audience and allow businesses to control the message, delivery timeline, and ad volume (except for sponsored stories). This enables retailers to easily measure the impact of paid media on the growth of their Facebook page. On the other hand, earned media, such as sharing, has the potential for longer-term benefits compared to paid media. The act of sharing can extend the reach of an advertisement campaign even after its completion (Appel et al., 2020).

Considering that Facebook is primarily used for socializing and connecting with friends, it is advisable to adopt a light and friendly tone in marketing messages. Additionally, it is important to note that organic reach on Facebook may be limited, so it is beneficial to explore cost-effective advertising strategies to enhance the business's presence. More shares and endorsements lead to increased trust in the brand and higher engagement on the Facebook page. This can create a chain reaction, where the initial advertisement is amplified by users sharing the brand. Therefore, earned media has the potential for lasting benefits beyond the initial campaign (Appel et al., 2020). To maximize engagement on Facebook, marketers should encourage users to go beyond simply liking posts by using calls-to-action to prompt comments, shares, and other forms of engagement. This can lead to the creation of effective "Page Post like Sponsored Stories," where fans' comments are used in advertisements, increasing the brand's visibility to their friends (Orare & Nkirina. 2019)

Sengar (2021) noted that Pinterest has witnessed significant growth as a social media platform. Its focus on visual content makes it particularly suitable for retail, although any business can enhance its sales by advertising on Pinterest. The platform offers businesses the opportunity to showcase their products while cultivating a unique brand identity through appealing and original pin boards. The majority of Pinterest's user base consists of females. Additionally, Twitter serves as a marketing tool that enables users to promote their updates across the internet. Businesses can follow relevant users in their target market or related industries, ensuring a steady stream of followers. Incorporating both official tweets regarding announcements and promotions, as well as fun tweets, helps build the brand. It is crucial for retailers to retweet customer praise and respond to inquiries whenever possible, as effective communication and engagement are key to using Twitter as a marketing instrument.

For those seeking a more professional social media platform for marketing purposes, LinkedIn is an excellent choice. Utilizing LinkedIn Groups allows for professional discussions with individuals in similar industries, sharing content with like-minded audiences. It also serves as a platform for job advertisements and networking opportunities. Encouraging customers to recommend the business's LinkedIn page enhances its credibility and reliability among potential customers. Engaging in the Questions section of LinkedIn and providing solutions helps establish the business as an industry expert, thus increasing brand trustworthiness (Somosi, Hajdú & Molnár, 2023).

YouTube is the leading platform for creating and sharing video content, offering great potential as a marketing tool. While many businesses aim for viral videos, the chances of achieving that are minimal. Instead, focusing on creating helpful and informative "how-to" videos can be more effective. These videos also have the advantage of ranking higher in Google's video search results, highlighting the value of video content (Schwemmer, & Ziewiecki, 2018).

Frith and Wilken (2019) suggested that businesses with physical stores can greatly benefit from utilizing Yelp and FourSquare as social media marketing platforms. By claiming their location on these platforms, businesses can offer additional incentives like check-in rewards or special discounts. It is important to remember that customers using these platforms can write and share their reviews, which can significantly impact the business. Accumulating positive reviews can greatly influence potential customers and contribute to business growth.

Furthermore, Reddit is an ideal platform for sharing compelling content. With over 2 billion monthly page views, it holds significant promise as a social media marketing tool. However, marketers should be aware that only genuinely original and intriguing content is likely to succeed. Posting spam or overt advertisements can lead to backlash from Reddit's tech-

savvy user base. If a business possesses content that would resonate with a young, liberal, geeky, and passionate audience, they can expect substantial rewards and increased traffic (Kwon, & Shao, 2021).

### 2.3.3 AFFILIATE MARKETING STRATEGY

Affiliate marketing strategies involve partnering with affiliates to promote products and drive sales. Affiliates earn commissions based on the sales they generate, providing an incentive for them to effectively market the business's products. Affiliate marketing is a cutting-edge, cutting-edge approach to internet marketing in which a firm rewards its affiliates with a commission for each client brought in by the affiliate's promotional efforts. Affiliate marketing is one of the most effective methods of bringing in new customers for an online store (Edelman & Brandi, 2015).

This promotional approach could be implemented via social media, site content, or a product integration. The affiliate is provided with a unique URL (the affiliate link) and the clicks on that link are tracked by the company. By promoting another person's or company's products, an affiliate in an affiliate marketing arrangement earns a commission. An affiliate promotes a product they believe in in exchange for a cut of the revenue generated by sales of that product. Affiliate URLs allow for the tracking and recording of purchases made from one website to another. Affiliate marketing leverages the skills of many people for the greater good of selling a product, while rewarding those who contribute to the plan with a cut of the proceeds (Houghton et al., 2019). The affiliate or advertiser, the client, and the vendor or product creator are the several players required for this to work.

Malenya (2017) looked at what factors are driving e-commerce expansion in Mombasa County. The majority of online merchants were employed, with the second largest percentage being self-employed, according to Malenya's descriptive study. Therefore, it was deduced that the affluent were the ones most likely to shop online. These are those who have the means to make a purchase but neither the inclination nor the leisure to go out and

do it in person. Therefore, they quickly choose an item to buy online and have it sent to their house. According to Malenya, consumers are more likely to make a purchase when they feel safe and can have faith in the company they are dealing with. This will significantly boost new customer growth and boost consumer traffic.

According to Mang'era's (2021) research on the impact of affiliate marketing on e-commerce, regardless of whether the seller is a sole proprietor or a multinational conglomerate, they are all just vendors, product creators, merchants, or retailers with goods to offer. The offering may be something physical, like a piece of technology, or it could be a service, like a tutorial video. Affiliate marketing is characterized by a profit-sharing structure in which both the seller and the brand, in its many guises, stand to benefit (Mang'era, 2021). An affiliate, sometimes known as a publisher, is a third party that promotes the seller's products or services in an effort to bring in new customers. To restate, the affiliate sells the product by emphasizing its benefits to the consumer, increasing the likelihood that the buyer will make a purchase. The affiliate receives a cut of the proceeds when a successful sale has been made. Typically, affiliate marketers will focus their ads on a certain demographic and tailor their content to that group's tastes (Bala & Verma, 2018). This helps the affiliate carve up a unique market space or brand identity that attracts clients who are highly likely to buy the promoted goods.

Whether or not customers understand it, their purchases are what make affiliate marketing a viable business model. The affiliate promotes the goods by posting about them on various online mediums. Affiliates and sellers share in the profits made from the sale of items to customers. Affiliates may opt to be transparent with their audience about the fact that they will get a commission on sales if they do so (Bilgihan, 2016). Sometimes a consumer will be made aware that they are participating in an affiliate marketing scheme, while other times they may be completely in the dark. Affiliate marketing seldom results in a higher retail

price for the goods since the affiliate's share of the income is already included into the pricing. Customers won't notice any difference in the standard operating procedure or product acquisition when they participate in an affiliate marketing scheme. By using affiliates, retailers may reach a wider audience and generate more sales without having to devote resources to client acquisition (Bala & Verma, 2018). Furthermore, trustworthy information on current consumer behavior on trends and interests is provided by computer software that records and collates data from affiliate websites. It is cost-effective, attracts a larger audience, and helps build credibility. This combination may significantly increase both traffic and sales.

One of the top affiliate firms in Kenya, Jumia was formed on March 3, 2013, according to the company's website. The firm provides a comprehensive product catalog, online shopping, and secure, convenient payment and shipping alternatives. Jumia advertises itself as Kenya's go-to place for all your clothing and electronics needs. They sell and ship a wide variety of items, including clothing for both sexes, electronics, home furnishings, cooking utensils, cosmetics, food, baby and kid items, books, and much more (Gensler, 2017).

To facilitate the buying and selling of goods in specific markets, Jumia provides its users with an online platform, a logistics service to transport and deliver a seller's products to customers, and a payment system (Ahmet et al, 2017). Banners, text links, and a product feed that provides even more information about their offerings are all part of their advertising repertoire. The necessity for affiliate firms like Jumia has increased in light of recent happenings in the globe and in Kenya, such as the breakout of Corona Virus (Covid-19) in China in December and its subsequent spread to Kenya. Because of people's need for privacy, a growing number of businesses are looking for affiliates to help spread the word about their goods and get them into customers' hands (Ahmet et al, 2017). Jumia has already contracted its services with major stores like Carrefour.

Kilimall is one of the largest electronic marketplaces in Kenya. The website states that it was established in Kenya in July 2014 by Chinese citizen Yang Tao, who had relocated to Kenya in 2010. Since its inception, it has opened branches in both Nigeria and Uganda. Retailers and consumers alike can take advantage of the site's ever-growing selection of more than 10 million products across numerous categories, including apparel, handbags, infant care items, cosmetics, mobile devices, computers, speakers, and more (Cakanlar & Nguyen, 2018). Over 20 nations and regions may receive packages from Kilimall. Kilimall also offers its affiliates resources to help them develop their marketing expertise. Product shipping - tracking, specialized technical support and helpline, and a plethora of other premium services are just a few of the services they provide to ensure the greatest levels of client satisfaction (Cakanlar & Nguyen, 2018). The company places a premium on its customers and is committed to improving their buying experience. The firm has developed an APP (Kilimall App APK) so that users may easily access their services and take advantage of their outstanding online offerings.

#### 2.3.4 CONTENT MARKETING STRATEGY

According to Hilker (2017), "content marketing" is "an administrative procedure by which a company identifies, analyzes, and profitably satisfies consumer demand through digital content shared electronically." Content marketing focuses on creating and distributing valuable, relevant content to attract and engage a target audience. Research indicates that while content marketing can attract loyal customers, its impact on profitability is mixed.

The Content Marketing Institute (2015) provides the following definition of content marketing, which isn't widely agreed upon: "Content marketing is the marketing and business process of creating and distributing relevant and important content in order to attract and retain a clearly defined and understood target audience in order to drive profitable

customer action." You can guarantee that your audience gets what they want using content marketing. "The effective consolidation of created, curated, and syndicated content" is how Barbour and Marshall (2015) describe it.

The goal of content marketing is to attract and retain a clearly defined target audience via the dissemination of relevant and consistent material in order to drive profitable customer action. Different from product advertising, the purpose of this kind of marketing is not to directly sell the product itself. To tell its narrative, businesses often create and disseminate content marketing strategies. Just as people require other people's trust in order to be managed, businesses need the trust of their prospective customers in order to make a name for themselves in the marketplace (Cakanlar & Nguyen, 2018). Infographics, slide shows, blogs, e-books, case studies, pictures, videos, memes, white papers, quizzes, and e-books are only some of the many formats for displaying content (Milhinhos, 2015). According to Ahmet et al. (2017), who coined the term "content marketing," this kind of advertising is a method that entails creating and publishing content on websites and social media platforms. According to Strauss, the material you produce should be quickly understood, widely disseminated, intriguing, readily available, and thoroughly engaging.

According to Tarver (2019), the Coca-Cola Company's virally successful "Share a Coke" campaign is exemplary of effective content marketing. The 500 ml bottles had the corporate logo substituted with 250 of the most popular American names, and buyers were encouraged to look for bottles with special names so they could give them as presents. Coca-Cola hopped on the social media bandwagon by encouraging drinkers to post their #shareacoke moments and photos on Twitter and Instagram. In an effort to give customers more agency, companies have been encouraging them to create online media material and entrusting them with discussions about the product on social media. As a consequence, in the first year of the campaign's introduction, customers shared over 500,000 photos using the #shareacoke

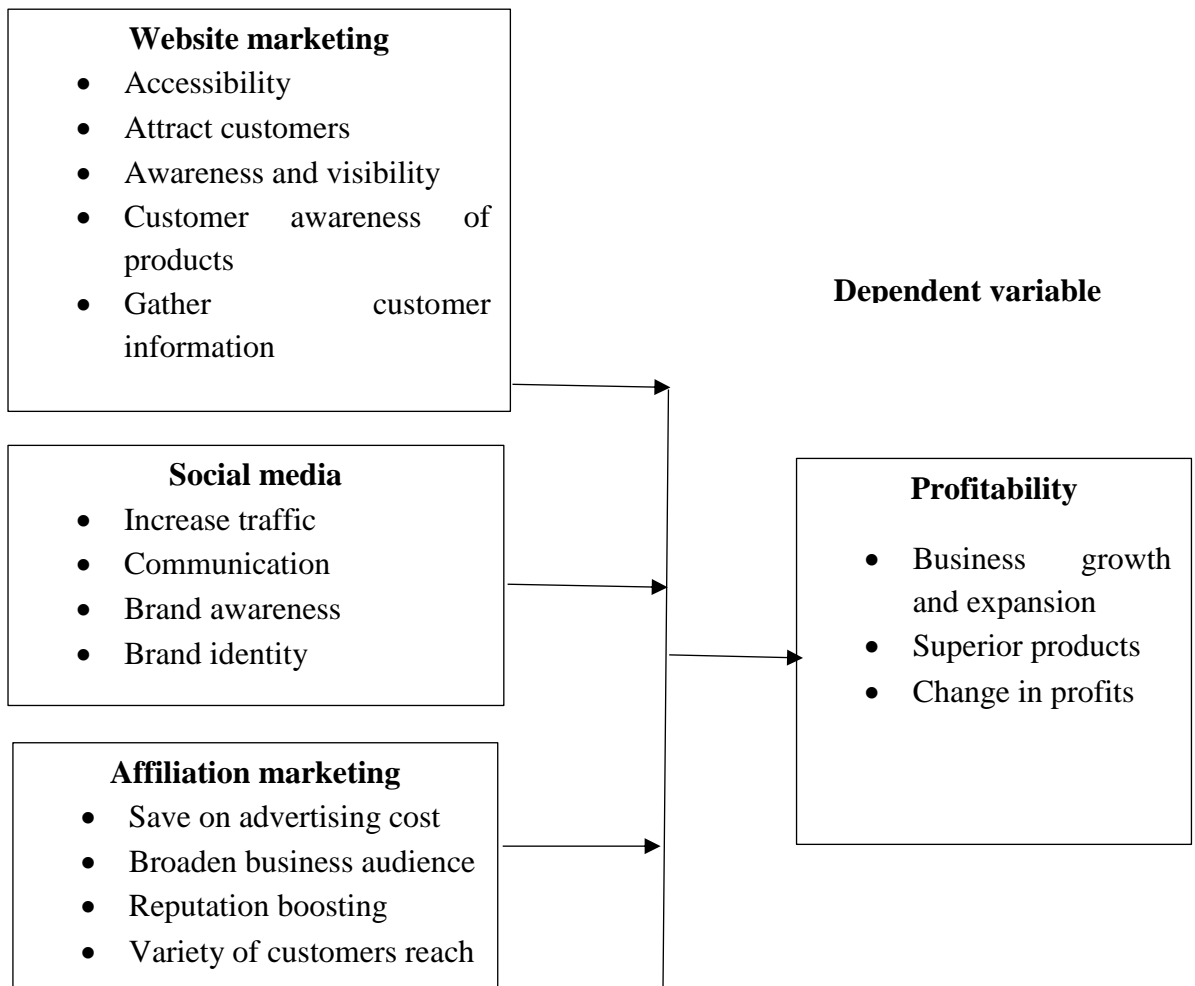
hashtag. Coca-Cola's "Share a Coke" campaign gained momentum that year, leading to a 25 percent growth in the company's Facebook fan base. In 2015, Coca-Cola established an online shop where consumers could purchase bottles that they could personalize by adding their own names to. Song lyrics were also added to bottle packaging, giving customers a new way to connect via music. Two years later, an additional function was developed that let supporters hear a catchy ditty personalized with their name. In 2018, however, the firm transformed the name labels into stickers that could be applied to everything from notebooks and cell phones to clothing and more. "(Tatver, 2019)

Based on her findings, Weerasinghe (2018) concluded that content marketers in Sri Lanka could offer tangible benefits to customers and prospects by providing information that answers or helps to answer their most pressing questions. In addition, content marketing requires marketers to act more like publishers by providing useful editorial offerings than like traditional vendors of goods and services. A content marketing plan based on the BEST (Behavior, essential, strategic, target) matrix. Marketers should be able to choose the right content mix of goods by integrating data on the target market, organizational objectives, and available budget. Marketers need to keep a close eye on everything from ideation to publication, from keywords to SEO, from formatting to tagging and pictures (Weerasinghe, 2018). Finally, Weerasinghe draws the conclusion from her research that content marketing contributes positively to company development.

## 2.5 CONCEPTUAL FRAMEWORK

A matrix representation of the research variables and their interrelationships is called a conceptual framework. The purpose of the research project is to find out how online marketing affects the nation's merchants' profitability. The profitability of Kenya's retail business is the dependent variable, while Internet marketing tactics make up the independent variables. The figure 2 example is shown below.

### Independent Variables



*FIGURE 2: CONCEPTUAL FRAMEWORK*

**Source: Researcher (2023)**

## 2.4 RECAP OF LITERATURE REVIEW

Numerous academic inquiries have delved into the link between digital marketing approaches and the financial success of organizations. These studies have often utilized various theoretical models to shed light on how online marketing influences a company's bottom line. To aid in grasping this relationship, a comprehensive conceptual framework has been devised. This framework outlines the key elements at play in researching the dynamics between online marketing strategies and organizational profitability.

The bulk of existing research primarily examines the interplay between digital marketing and profitability within the retail sector of advanced economies, focusing particularly on regions like the United States and the United Kingdom. This attention underscores the critical role that internet marketing is expected to play in the evolution of the retail industry. For local retail businesses, this represents a significant opportunity for growth and adaptation.

However, there's a noticeable gap in the literature regarding developing countries, especially in relation to retail enterprises. Therefore, this study sets out to explore the effects of internet

marketing on the profitability of retail businesses specifically in Mombasa County, Kenya, thus contributing to a more global understanding of these dynamics.

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1 INTRODUCTION

This section delineates the multifaceted methodologies employed to gather pertinent data for this investigation. Included within are discussions on the research framework, intended study group, sampling methodology and size, tools used for data acquisition, development of these instruments, protocols for data gathering, conceptual definitions of variables, and analytical techniques employed.

#### 3.2 RESEARCH DESIGN

The research design serves as the blueprint for executing a study in the field of marketing research. It outlines the essential steps involved in gathering the necessary data to address or resolve the issue at hand in the marketing research context (Malhotra et al., 2012). In the present study, a descriptive research approach was adopted. Such a method aimed to

accurately describe the characteristics of the participants and the phenomena under investigation, particularly from an industry-specific perspective (Sekaram, 2006).

The focus of this investigation was to examine the impact of online marketing strategies on the retail sector's profitability. Utilizing a descriptive survey methodology, data was collected through questionnaires designed to gauge opinions, preferences, perceptions, and attitudes of the selected study population. The survey primarily included closed-ended questions that offer the opportunity for quantitative analysis, utilizing Likert scales as recommended by Kothari (2008).

### 3.3 TARGET POPULATION

Kothari (2008) recommends that the sample population should be sufficiently large to minimize sampling errors, share common traits or attributes, yet also maintained a degree of heterogeneity. For this research, the target population consisted of retail supermarkets with a capital base exceeding Kshs. 3 billion and a minimum of 15 branches. Accordingly, the research focused on seven key supermarkets: Naivas, Quickmatt, Choppies, Eastmatt, Carrefour, Chandarana, and Cleanself, which collectively operate 250 branches nationwide, as reported by the Ministry of Industrialization, Trade, and Enterprise Development in 2020. It would be impractical to consider the entire scope of retail businesses for this study, particularly given its emphasis on internet marketing strategies. Smaller retail supermarkets, many of which have yet to adopt online marketing practices, are therefore not included in the target population. The chosen demographic for this study were branch managers within these leading supermarket chains, as they bear responsibility for implementing and overseeing internet marketing initiatives within their respective stores.

These managers serve in the seven aforementioned leading chain supermarkets, some of which have a nationwide presence. This research aimed to examine a population comprising 250 managers and sales representatives in charge of internet marketing across supermarkets

located in Mombasa County. The focus on branch managers was justified by their role in shaping policies and directing marketing activities within their organizations.

TABLE 1: POPULATION DISTRIBUTION

| <b>Name of Retail</b> | <b>Target Population</b> |
|-----------------------|--------------------------|
| Naivas                | 92                       |
| Quickmatt             | 31                       |
| Chopies               | 26                       |
| Eastmatt              | 29                       |
| Carrefour             | 28                       |
| Food plus chandarana  | 28                       |
| Clean self            | 25                       |
| <b>Total</b>          | <b>250</b>               |

**Source: Ministry of Industrialization, Trade and Enterprise Development Mombasa County (2023)**

### 3.4 SAMPLE SIZE SELECTION TECHNIQUES AND SAMPLING PROCEDURE

In the realm of scientific research, a sample is essentially a smaller group chosen from a larger population. The researcher adopted Taro Yamane formula. This selection was made specifically for the purpose of collecting data, which was then used to draw conclusions about the larger group. This concept was integral to studies that aimed to understand broader trends or behaviors without examining every individual in the population.

For the research at hand, the chosen sample size was 154 respondents. This number was determined using the Taro Yamane formula, which is a widely recognized method for calculating sample sizes in research. This formula is represented as  $n = \frac{N}{1 + N \times e^2}$ , where 'n' represents the sample size, 'N' is the total population size, and 'e' is the margin of error, squared.

To illustrate the application of this formula, consider a total population size of 250 and a margin of error set at 5%. The calculation was to be as follows:

$=2501+250 \times (0.05)^2 n=1+250 \times (0.05)^2 250$ . This calculation yields a result of approximately 153.84615. When this is rounded to the nearest whole number, the final sample size is determined to be 154 respondents. This process ensured that the sample size is sufficiently large to provide reliable and statistically significant results, while still being manageable in terms of data collection and analysis.

The obtained sample was allocated proportionately across different ratios. To ensure a balanced representation from each category within the target population, a random sampling approach was employed. This technique ensured that the respondents within each category are selected randomly, thereby increasing the likelihood that the sample was a true representation of the broader population.

TABLE 2: SAMPLE SIZE DISTRIBUTION

| Name of Retailer     | Population size | Sample size |
|----------------------|-----------------|-------------|
| Naiivas              | 93              | 61          |
| Quickmatt            | 31              | 23          |
| Choppies             | 26              | 20          |
| Eastmatt             | 29              | 22          |
| Carrefour            | 28              | 21          |
| Food plus Chandarana | 28              | 21          |
| Clean self           | 25              | 19          |
| <b>Total</b>         | <b>250</b>      | <b>154</b>  |

Source: Researcher (2023)

### 3.5 DATA COLLECTION PROCEDURES

Data collection for this study is slated for future execution, employing questionnaires as the principal instrument for amassing primary data. These questionnaires was distributed both in a physical format and electronically via email, depending on feasibility and accessibility. To address any questions or concerns that may surface during the data collection phase, channels of communication was established through telephone and email correspondence.

Respondents were allocated a maximum timeframe of one week to fill out and submit their completed questionnaires.

Upon receipt of these completed instruments, the next steps involved coding the responses to facilitate subsequent analysis. This coding process translated the raw data into a format that can be more easily scrutinized and interpreted, thereby providing the necessary foundation for rigorous analytical techniques to be applied later in the research.

### 3.6 PILOT STUDY

To assess both the reliability and validity of the questionnaire, a pre-test was conducted prior to the full-scale data collection. The size of the pre-test sample was calculated using the formula  $np = 8\% (250-154) = 8$ , where  $np$  denotes the size of the pre-test sample with an 8% margin of error,  $N$  represents the total population size, and  $n$  indicates the main study sample size. Based on this formula, the pre-test sample size will be  $np = 8\% (250-154) = 8$ .  $np = 8\% (N-n)$ , which rounds up to 8. Thus, eight questionnaires were administered to eight sales managers in the targeted retail supermarkets.

The outcomes of the pre-test were not incorporated into the main study; rather, they were utilized solely for evaluating reliability. Participants were requested to scrutinize the preliminary questionnaire and respond as though they were actual survey respondents. Post-completion, the research team consulted the pre-test participants to determine if the questions effectively elicited the intended information, making adjustments to the questionnaire based on their feedback. The finalized questionnaire was calibrated to accurately gather the data required for the study's objectives.

The questionnaire was bifurcated into two key sections. The initial segment was primarily to solicit background information, while the latter segment delved into the internet marketing strategies deployed to enhance profitability in the retail sector. The rationale for employing a closed-ended questionnaire in this research hinges on several factors: expedited

response times, enhanced uniformity in answers, ease of interpretation, facilitated comparison across respondents, cost-efficient coding, and streamlined statistical analysis. The pilot study aimed to assess the reliability and validity of the questionnaire used in the research. Eight questionnaires were administered to sales managers in targeted retail supermarkets. The outcomes of the pilot study were not integrated into the main research but were used solely for evaluating reliability. Participants were asked to review the preliminary questionnaire and respond as actual survey respondents would. Feedback from the pilot study participants were used to make adjustments to the questionnaire, ensuring it effectively elicited the intended information. The finalized questionnaire, divided into two sections, focused on background information and internet marketing strategies deployed in the retail sector. The decision to use a closed-ended questionnaire was based on factors such as expedited response times, uniformity in answers, ease of interpretation, and comparability across respondents, cost-efficient coding, and streamlined statistical analysis.

#### 3.6.1 RELIABILITY OF THE INSTRUMENTS

In accordance with Mugenda and Mugenda (2008), establishing both the validity and reliability of a research instrument necessitates conducting a pre-test or pilot test. This test involved a sample comprising participants whose characteristics closely mirror those of the intended study population. Mata-López et al. (2021) further assert that a reliable questionnaire yield consistent responses, even when the data collection was replicated by a different researcher.

In this research, the reliability of the questionnaire was assessed using Cronbach's Alpha coefficient, a widely recognized measure for internal consistency. An acceptable threshold for this metric was set at 0.7, which is generally considered an acceptable level for research in the social sciences. This standard ensured that the questionnaire were both reliable and consistent in measuring the variables under investigation. Reaching or exceeding this

threshold bolster confidence that the instrument is effectively capturing the data necessary to meet the research objectives.

### 3.6.2 VALIDITY OF THE INSTRUMENTS

In order to ascertain the precision with which the developed measures assess the intended concepts, a validation process was conducted, focusing specifically on Content Validity. According to Sürücü and Maslakci (2020), content validity is ascertained by scrutinizing the extent to which a scale's content adequately fulfills the measurement objectives. In this context, the assessment will evaluate whether the items within the measure comprehensively encapsulate the entire domain of the construct under scrutiny.

To ensure the questionnaire's precision and relevance, a thorough content validity process was conducted. This involved an expert review by academic and industry professionals, who evaluated each item for relevance, clarity, and comprehensiveness. A content validity index (CVI) was calculated, leading to revisions of items with low relevance. The revised questionnaire underwent pilot testing with a small sample from the target population to ensure clarity and correct interpretation. Final adjustments were made based on pilot test feedback and further expert review, ensuring the instrument comprehensively covered the study's objectives and effectively measured the intended constructs.

Consequently, this validation process aims to confirm that the research instrument is pertinent to the study's goals and is effectively calibrated to measure what it purports to assess. Such validation ensures that the questionnaire's items are not only topical but also exhaustive in their coverage of the construct, thereby enhancing the credibility and rigor of the study's subsequent findings.

### 3.7 DATA ANALYSIS

Data analysis in this study serves as the mechanism for transmuting raw field data into interpretable and meaningful information. The initial stage post-collection involves meticulous examination and cleaning of the dataset to identify and rectify any instances of

incompleteness or logical discrepancies. Subsequent to this quality assurance phase, the data will be prepared for analysis.

Specifically, the responses gleaned from the questionnaires will be encoded and transferred into the Statistical Package for Social Sciences (SPSS) software for further manipulation and interpretation. Within SPSS, descriptive statistical techniques will be employed to analyze the Likert scale data and responses to closed-ended questions. These descriptive analyses will utilize percentages and frequencies to provide a comprehensive overview of the dataset.

In addition to descriptive statistics, inferential statistical techniques will be utilized, particularly binary regression analysis. This method facilitates the testing of hypotheses concerning the relationships between independent and dependent variables. The binary regression model will be configured to provide insights into the extent and nature of these relationships. Though the exact specifications of the model will depend on the preliminary findings, it will generally adopt the following form:

$$Y = \eta + \alpha_i + \beta_j + \gamma_k + c_1 + e$$

Where Y probability of having a profitable organization. n is a constant: i= website marketing; j= social media marketing; k= affiliate marketing and, l= content marketing.  $\alpha$ ,  $\beta$ ,  $\gamma$ , C, E represents the variables estimates. We used the reference cell method whereby  $\alpha$ ,  $\beta$ ,  $\gamma$ , and c are coefficient of each variable while e = error term. This approach allowed us to understand the impact of each type of internet marketing strategy on organizational profitability, providing a detailed and statistically significant analysis of the data.

### 3.8 ETHICAL CONSIDERATIONS

Ethical considerations constitute an indispensable element of any research project, serving not just as an academic requirement but as a moral imperative. The central aim of adhering to research ethics in this future study was to safeguard participants against any form of harm,

whether physical or psychological, emanating from their involvement in the research process.

Guided by ethical principles that encompass criteria, codes, and protocols, the researchers established a comprehensive framework delineating acceptable and unacceptable behaviors during the research lifecycle. This included data collection, analysis, and dissemination of findings.

In safeguarding the confidentiality and anonymity of participants, several specific measures were instituted. Participants' names were systematically omitted from questionnaires, thus ensuring that the information gathered cannot be traced back to individual respondents. All data was securely stored and accessible only to the research team for academic purposes.

Participants were fully apprised of the research objectives, the significance of their contribution, and the broader academic applications of the study's findings. Their informed consent was obtained free from coercion, underscoring their voluntary participation in the research process.

Furthermore, to ensure that the research is conducted in line with institutional and national guidelines, the research team secured necessary approvals from Mount Kenya University as well as from the National Commission for Science, Technology, and Innovation (NACOSTI). These authorizations served to affirm that the study meets the requisite ethical and academic standards, thereby legitimizing the data collection activities among the target population.

## CHAPTER FOUR

### RESEARCH FINDINGS, ANALYSIS AND PRESENTATION

#### 4.0 INTRODUCTION

This chapter provides an analytical perspective on the data gathered from the field regarding the impact of internet marketing strategies on the profitability of chosen supermarkets in Mombasa County. It delves into the responses collected and examines how different online marketing approaches have influenced the financial outcomes of these retail businesses. The chapter presents respondent's demographic characteristics, descriptive statistics of the study variables guided by the study objectives. Inferential statistics was also presented in this chapter.

#### 4.1 RESPONSE RATE

The investigator distributed 154 questionnaires to the seven prominent chain supermarkets located in Mombasa County. Of these 154 surveys, 111 were completed and returned, resulting in a response rate of 72.07%. Notably, 27.93% of the respondents either did not return their surveys or their provided information was deemed unusable for the study. According to Mugenda and Mugenda (2003), a response rate exceeding 70% is considered adequate for a research study.

#### 4.2 RELIABILITY ANALYSIS

In this research, the reliability of the instrument used for data collection was assessed using Cronbach's Alpha, a statistical test widely recognized for evaluating the internal consistency of a survey or questionnaire. This test essentially measures how closely related a set of items are as a group. It determines whether the various items on a scale are measuring the same underlying construct or concept, which is crucial for ensuring the validity of the instrument.

Table 3, as mentioned, likely presents the results of this reliability test. It would typically show the Cronbach's Alpha value for each scale or subset of items within the questionnaire. A high Cronbach's Alpha value (generally above 0.7) suggests that the items are consistently measuring the same underlying concept, indicating good internal consistency and reliability of the instrument. This is important in research as it adds to the credibility and trustworthiness of the data collected, ensuring that the conclusions drawn are based on consistent and reliable measures.

TABLE 3: RELIABILITY ANALYSIS

| Variable                          | Number of items | CronbachAlpa |
|-----------------------------------|-----------------|--------------|
| Website Design Marketing Strategy | 6               | 0.798        |
| Social Media Marketing Strategy   | 7               | 0.854        |
| Affiliate Marketing Strategy      | 6               | 0.789        |
| Content Marketing Strategy        | 6               | 0.795        |
| Supermarket Profitability         | 5               | 0.852        |

Source: Researcher (2023)

Table 3 demonstrates that all the research variables exhibited Cronbach Alpha values exceeding 0.7, indicating the reliability of the scale employed in this research study. These results align with the assertion made by Malhotra (2012), who affirms that a threshold above 0.7 is considered acceptable for a study.

#### 4.3 DEMOGRAPHIC INFORMATION

The study aimed to gather basic demographic information about the target sample, which is crucial for understanding the context and background of the respondents. This included data on gender, age, educational level, and the number of years the respondents have been working in the retail supermarket sector. Collecting such information helps in:

#### 4.4.1 RESPONDENTS' GENDER DISTRIBUTION

The study aimed to determine the gender distribution of respondents from leading chain supermarkets in the country, focusing on the number of male and female participants. This information is crucial for understanding the demographic makeup of the sample and ensuring that the perspectives and experiences of both genders are adequately represented in the research.

The findings of this gender distribution are presented in Table 4. This table likely provides a clear breakdown of the number of male and female respondents, allowing for an easy comparison and understanding of the gender ratio within the sample. Such data is valuable in assessing whether there is a balanced representation of genders or if one is more predominant in the context of the retail supermarket sector. This insight can be particularly relevant in analyzing responses to internet marketing strategies, as gender differences might influence perceptions and interactions with these marketing approaches.

TABLE 4: RESPONDENTS' GENDER DISTRIBUTION

| Gender | Frequency | Percent (%) |
|--------|-----------|-------------|
| Male   | 77        | 69.4        |
| Female | 44        | 30.6        |
| Total  | 111       | 100.0       |

**Source:** Researcher (2023)

The study's findings indicated that 69.4% of the participants were male, while 30% were female, revealing a predominant male presence in the retail business. There is a shifting landscape in management, as contemporary trends reflect a departure from traditional

gender roles. Nowadays, women are increasingly occupying roles that were historically considered male-dominated, signifying cultural changes in the industry.

#### 4.4.2 RESPONDENTS' EDUCATIONAL LEVEL

The study included an investigation into the highest level of education attained by the participants. This aspect is important because educational background can significantly influence how individuals perceive and interact with internet marketing strategies, especially in the retail sector. Higher education levels might correlate with a greater understanding of or familiarity with digital technologies and marketing techniques. Table 5 in the study presumably presents the detailed breakdown of the educational qualifications of the respondents.

TABLE 5: EDUCATIONAL LEVEL OF RESPONDENTS

|              |               | Frequency  | Percent      |
|--------------|---------------|------------|--------------|
| <b>Valid</b> | Secondary     | 21         | 18.9         |
|              | Diploma       | 26         | 23.4         |
|              | Undergraduate | 50         | 45.0         |
|              | Postgraduate  | 14         | 12.6         |
| <b>Total</b> |               | <b>111</b> | <b>100.0</b> |

Source: Researcher (2023)

According to the data in Table 5, the results suggest that a significant portion of the participants possessed an undergraduate degree as their highest level of education, comprising 45% of the sample. Following this, 23.4% held a diploma, 18.9% had completed secondary school, and a smaller fraction of 12.6% had achieved a postgraduate education. Importantly, all the respondents demonstrated an ability to comprehend the questionnaire and provide appropriate responses.

#### 4.4.3 RESPONDENTS' WORK EXPERIENCE

The study needed to find out the work experience of the participants. The findings are tabulated in Table 6.

TABLE 6: RESPONDENTS' WORK EXPERIENCE

|              |                      | Frequency  | Percent      |
|--------------|----------------------|------------|--------------|
| <b>Valid</b> | Less than 5 years    | 2          | 1.8          |
|              | Between 6 – 10 years | 56         | 50.8         |
|              | Above 11 years       | 53         | 47.4         |
| <b>Total</b> |                      | <b>111</b> | <b>100.0</b> |

Source: Researcher (2023)

Results in table 6 reveals that a significant portion of the respondents, specifically 50.5%, had served as branch managers in their respective organizations for a duration of 6 to 10 years. Additionally, 47.4% of the participants had extensive experience exceeding 11 years, while a mere 1.8% had less than 5 years of work experience. This suggests that the majority of the participants possessed substantial work experience, equipping them with a deep understanding of marketing strategies, particularly the impact of internet marketing on the retail industry's profitability in Kenya. Their wealth of experience contributed valuable and reliable information to the research study.

#### 4.5 DESCRIPTIVE ANALYSIS

In this section, an examination is conducted on the independent variables, encompassing website design marketing strategy, social media marketing strategy, affiliate marketing strategy, and e-content marketing strategy. It also explores the dependent variable, which pertains to the profitability of supermarkets, within the context of the research. The descriptive statistics provide a clear overview of how various internet marketing strategies impact the profitability of supermarkets in Mombasa County, Kenya. The findings suggest that a multi-faceted approach, incorporating website optimization, active social media

engagement, strategic affiliate partnerships, and high-quality content marketing, can significantly enhance the profitability of retail businesses. These insights will guide further inferential analysis to determine the strength and significance of these relationships.

#### 4.5.1 WEBSITE DESIGN MARKETING STRATEGY

##### 4.5.1.1 Form of Website Ownership

The study aimed to determine the nature of website ownership used for marketing purposes by the businesses of the participants. This aspect is vital as it sheds light on how retail supermarkets in the study are engaging with internet marketing, specifically through their own websites.

Table 7 likely presents the findings on this matter, categorizing the participants based on the type of website ownership their businesses employ for marketing.

TABLE 7: STATE OF WEBSITE OWNERSHIP

|              |  | Frequency | Percent |
|--------------|--|-----------|---------|
| <b>Valid</b> | We rely on outsourced consultants' website for marketing | 37        | 33.3    |
|              | We have our own managed website for marketing            | 74        | 66.7    |
| <b>Total</b> |  | 111       | 100.0   |

Source: Researcher (2023)

Findings in Table 7, reveals that majority of firms, specifically 66%, have their own in-house managed websites for marketing purposes. In contrast, only 33.3% of the firms utilize websites managed by outsourced consultants for marketing. This clearly demonstrates that companies have made substantial investments in website marketing by developing and managing their websites internally, using their own employees for these tasks.

##### 4.5.1.2 Practices on Website Marketing

In the study, participants were asked to express their level of agreement with a statement related to the effectiveness or impact of website design as a marketing strategy. This aspect

is important because website design plays a crucial role in attracting and retaining customers, influencing their shopping experience, and ultimately impacting the effectiveness of online marketing. Table 8, as referenced, presumably displays the responses to this query.

**TABLE 8: DESCRIPTIVE STATISTICS OF WEBSITE DESIGN MARKETING STRATEGY**

| Statements  | SD   | D    | N   | A    | SA   |
|---|------|------|-----|------|------|
|   | f    | f    | f   | f    | f    |
|   | %    | %    | %   | %    | %    |
| We use website layout and appearance to draw visitors to the website, thereby increasing traffic. | 5    | 13   | 11  | 50   | 32   |
|   | 4.5  | 11.7 | 9.9 | 45.5 | 28.2 |
| We use website marketing to raise awareness and visibility of the company and its products        | 1    | 5    | 11  | 65   | 29   |
|   | 0.9  | 4.5  | 9.9 | 58.8 | 26.1 |
| Website design marketing helps us identify potential customers and increase sales.                | 1    | 8    | 7   | 56   | 39   |
|   | 0.9  | 7.2  | 6.3 | 50.5 | 36.1 |
| Data on our website is simple to access and update as necessary.                                  | 1    | 6    | 8   | 56   | 46   |
|   | 0.9  | 5.4  | 7.2 | 50.5 | 36.0 |
| Our website marketing offers the company an immediate online presence                             | 15   | 17   | 12  | 35   | 23   |
|   | 13.5 | 15.3 | 8.9 | 31.5 | 20.7 |

**Source: Researcher (2023)**

Findings in Table 8, indicate that majority of the respondents expressed their concurrence with the utilization of website marketing by businesses for the purpose of information gathering on potential customers and augmenting sales. Specifically, 45.0% of respondents exhibited agreement, with an additional 28.8% demonstrating strong agreement, while 11.7% voiced disagreement, and only 4.5% registered strong disagreement with this assertion. Likewise, the investigation reveals that when it comes to the employment of website layout and aesthetics by retail enterprises to attract visitors to their websites and thereby amplify web traffic, a majority of participants concurred. To be precise, 58.8%

affirmed agreement, while 26.1% indicated strong agreement, and an insubstantial 0.9% evinced strong disagreement, with 99% maintaining a neutral stance.

Moreover, the study unveils a predominant consensus among the participants regarding the deployment of website marketing by retail businesses as a means to enhance the awareness and visibility of both the business and its array of products. This consensus is substantiated by 50.5% expressing agreement, while 35.1% conveyed strong agreement, 7.2% enunciated disagreement, and a minimal 0.9% evinced strong disagreement. Further, with regard to the assertion positing that retail businesses employ website marketing to establish an immediate online presence, a majority of participants are in agreement, with 50.5% demonstrating concurrence, complemented by 36.0% exhibiting strong agreement. A mere 7.2% adopted a neutral stance, whereas only 0.9% strongly dissented from this perspective.

Lastly, in alignment with the research findings, it is discerned that retail establishments utilize their websites as a means of apprising customers about the latest product trends available in their store or shop. A substantial 31.5% voiced agreement, with an additional 20.7% declaring strong agreement. In contrast, 18.9% maintained a neutral standpoint, and merely 13.5% registered strong disagreement. These findings are consistent with the assertions made by Kotler and Armstrong (2014), who advocate for an enhanced focus on the aesthetics and functionality of websites, emphasizing their role in retaining prospective customers, facilitating prolonged visits, and promoting product and service exploration, as well as encouraging online transactions when necessary.

#### 4.5.2 SOCIAL MEDIA MARKETING STRATEGY

The study second objective sought to determine the effect of social media marketing strategies on profitability of selected supermarkets in Mombasa County.

##### 4.5.2.1 Facebook Page

This section of the study focused on determining whether the respondents' firms had an active presence on Facebook by maintaining a Facebook page. This inquiry is significant

as Facebook, being one of the largest social media platforms, plays a crucial role in digital marketing strategies for many businesses. Its wide reach and diverse user base make it a valuable tool for engaging with customers, promoting products or services, and building brand awareness. Table 9 in the study likely presents the findings on this particular aspect.

TABLE 9: FACEBOOK PAGE

| Statement                                    | Frequency | Percent |
|--|-----------|---------|
| We do not have a Facebook page               | 42        | 37.8    |
| We have a Facebook page with a business suit | 69        | 62.2    |
| Total  | 111       | 100.0   |

Source: Researcher (2023)

Table 9 illustrates that a significant portion of the surveyed companies maintained a Facebook page with a business presence, as evidenced by 62.2% of the respondents. In contrast, a smaller proportion of firms, totaling 37.8%, did not possess a Facebook page. This observation underscores the extensive use of digital marketing strategies, particularly via social media platforms such as Facebook, by these companies.

#### 4.5.2.2 Practices on Social Media Marketing Strategy

In this part of the study, participants were asked to express their level of agreement with a statement concerning the effectiveness or relevance of social media marketing strategies for their businesses. The focus on social media marketing is crucial in today's digital landscape, as social media platforms have become key channels for reaching and engaging with customers, building brand awareness, and driving sales. Table 10 in the study likely displays the participants' responses to this statement.

TABLE 10: DESCRIPTIVE STATISTICS OF SOCIAL MEDIA MARKETING STRATEGY

| Statement   | SD<br>f<br>% | D<br>f<br>% | N<br>f<br>% | A<br>f<br>% | SA<br>f<br>% |
|---|--------------|-------------|-------------|-------------|--------------|
| Utilizing social media (Facebook, the internet, and Instagram) increases website traffic. | 2<br>1.8     | 1<br>0.9    | 12<br>10.8  | 59<br>53.2  | 37<br>33.3   |
| Utilizing social media, we can connect and communicate with crucial audiences better.     | 0<br>0       | 3<br>2.7    | 13<br>11.7  | 51<br>45.9  | 44<br>39.6   |
| We use social media to increase brand recognition.  | 2<br>1.8     | 1<br>0.9    | 7<br>6.3    | 63<br>56.8  | 38<br>34.2   |
| Utilizing social media, we build a brand's reputation and favorable brand associations.   | 0<br>0       | 5<br>4.5    | 8<br>7.2    | 43<br>38.7  | 55<br>49.5   |
| We engage the intended audience in dialogue through social media.                         | 4<br>3.6     | 7<br>6.3    | 18<br>16.2  | 40<br>36.0  | 42<br>37.8   |
| We utilize social media to observe rivals.  | 1<br>0.9     | 4<br>3.6    | 12<br>10.8  | 55<br>49.5  | 39<br>35.1   |

**Source: Researcher (2023)**

As indicated in Table 10, the consensus among survey participants regarding the utilization of social media platforms (specifically, Facebook, the Internet, and Instagram) by supermarkets for augmenting website traffic is evident. A significant proportion of respondents, comprising 53.2%, expressed agreement with this proposition, while 33.3% of participants strongly concurred. A smaller percentage, 10.8%, maintained a neutral stance, with a mere 0.9% registering disagreement with the assertion.

Regarding the assertion that retail enterprises deploy social media to enhance communication and engagement with their core target audiences, the data depicted in Table 4.8 demonstrates a similar pattern. Here, 45.9% of respondents concurred, and 39.6% strongly concurred, whereas only 11.7% maintained a neutral position, and a scant 2.7% dissented from the statement. The findings also reveals that retail businesses employ social media as a means to elevate brand awareness. The majority of survey respondents, encompassing 56.8%, affirmed agreement with this notion, with 34.2% expressing strong

agreement. In contrast, 6.3% of respondents adopted a neutral stance, while a mere 0.90% registered disagreement with the statement.

Regarding the use of social media by retail businesses to establish a brand identity and cultivate positive brand associations, the survey results in Table 4.8 illustrate a robust consensus. Notably, 49.5% of participants strongly agreed, and 38.7% expressed agreement, while 7.2% assumed a neutral position, and only 4.5% dissented from the assertion. In relation to the claim that retail establishments employ social media platforms to foster dialogues with their target audiences, the data presented in Table 4.8 reflects a prevailing consensus. Specifically, 36.0% of respondents agreed, and 37.8% strongly agreed with this assertion, while 16.2% maintained a neutral perspective, and a mere 6.3% of respondents disagreed.

Further, with regard to the statement asserting that retail businesses leverage social media to gain insights from their competitors, the majority of survey participants, comprising 49.5%, concurred, while 35.1% strongly agreed. A smaller segment, 10.8%, assumed a neutral position, with a mere 0.9% of respondents strongly dissenting. These findings align with the research of Harris and Dan (2012), who contend that Facebook posts hold the potential to go viral, with users sharing the brand content, often surpassing the value derived from the initial investment in Facebook advertisements. It is plausible to extract more benefits from earned media compared to paid media, as customer engagement endures well beyond the conclusion of the original marketing campaign. Moreover, the observations of Felix et al. (2017) posit that social media, when utilized as a marketing tool, engenders conversations and facilitates continuous interaction to nurture and cultivate a dedicated follower base.

#### 4.3.3 AFFILIATE MARKETING STRATEGY

The study third objective sought to analyze the effect of affiliate marketing strategies on profitability of supermarkets in Mombasa County

### 4.3.3.1 Approach on Affiliate Marketers Operate

In this segment of the study, the focus was on understanding the operational dynamics between affiliate marketers and the supermarkets. Affiliate marketing is a key aspect of digital marketing strategies, where external entities or individuals (affiliates) promote a company's products or services in exchange for a commission on sales or leads generated through their efforts. Table 11 in the study is expected to present the results of this investigation.

TABLE 11: APPROACH ON AFFILIATE MARKETERS OPERATE

| Approach to affiliate                   | Frequency | Percent |
|---|-----------|---------|
| Our affiliate marketers have a blog URL | 36        | 32.4    |
| Use of APP                              | 75        | 67.6    |
| Total                                   | 111       | 100.0   |

Source: Researcher (2023)

Table 11 indicated that a predominant portion of the supermarkets depended on affiliate marketers equipped with a mobile application (APP), constituting 67.6%. In contrast, a smaller proportion of 32.4% relied on affiliate marketers utilizing a URL blog for promoting retailers' products.

### 4.3.3.2 Practices on Affiliate Marketing

Participants were asked to express their agreement levels concerning statements related to the affiliate marketing strategy. The results of this inquiry are presented in Table 12.

TABLE 12: DESCRIPTIVE STATISTICS OF AFFILIATE MARKETING STRATEGY

| Statement  | SD | D   | N   | A    | SA   |
|--|----|-----|-----|------|------|
|  | f  | f   | f   | f    | f    |
|  | %  | %   | %   | %    | %    |
| To raise awareness and exposure of the company and its goods, we employ affiliate marketing. | 0  | 2   | 11  | 64   | 34   |
|  | 0  | 1.8 | 9.9 | 57.7 | 30.6 |

|  |     |      |      |      |      |
|--|-----|------|------|------|------|
| To save costs on advertising, we employ affiliate marketing.                 | 1   | 2    | 16   | 58   | 34   |
|  | 0.9 | 1.8  | 14.4 | 52.3 | 30.6 |
| To increase the company audience, we employ affiliate marketing.             | 2   | 7    | 14   | 51   | 37   |
|  | 1.8 | 6.3  | 12.6 | 45.9 | 33.3 |
| In order to improve the company's reputation, we employ affiliate marketing. | 4   | 14   | 11   | 61   | 21   |
|  | 3.6 | 12.6 | 9.9  | 55.0 | 18.9 |
| To reach a range of consumers, we employ affiliate marketing.                | 4   | 14   | 6    | 58   | 29   |
|  | 3.6 | 12.6 | 5.4  | 52.3 | 26.1 |

Source: Researcher (2023)

In Table 12, concerning the assertion that retail enterprises employ affiliate marketing to enhance awareness and visibility of the business and its products, a predominant 57.7% of respondents concurred, followed by 30.6% expressing strong agreement. Additionally, 9.9% remained neutral, while only 1.8% of participants disagreed. Regarding the assertion that retail establishments leverage affiliate marketing to economize on advertising costs, the majority of respondents, comprising 52.3%, concurred, with an additional 30.6% strongly agreeing. Conversely, 14.4% maintained a neutral stance, and a mere 0.9% expressed strong disagreement. In relation to the assertion that retail enterprises utilize affiliate marketing to broaden their business audience, a substantial 45.9% of respondents agreed, accompanied by 33.3% strongly agreeing. Meanwhile, 12.6% adopted a neutral position, and only 1.8% strongly disagreed.

Lastly, concerning the assertion that retail businesses employ affiliate marketing to reach a diverse customer base, a majority of 52.3% of respondents agreed, followed by 26.1% expressing strong agreement. Conversely, 12.6% disagreed, while only 3.6% strongly disagreed. These findings align with Tiago and Verissimo's (2014) proposition that retailers engaging affiliates gain access to a broader market, facilitating the sale of services and products with efficiency and without the need for extensive customer search efforts.

#### 4.3.4 CONTENT MARKETING STRATEGY

Study fourth objective was analyzing the effect of affiliate marketing strategies on profitability of selected supermarkets in Mombasa County.

#### 4.3.4.1 Main Content Marketing Strategy of Online Marketing

The study's goal in this section of the questionnaire was to determine the main content marketing techniques that the companies used. A key component of digital marketing is content marketing, which is the production and dissemination of online content (blogs, videos, and social media postings) intended to pique interest in a brand's goods and services without overtly endorsing them. The study's Table 13 most likely summarizes the conclusions on the different content marketing tactics that the companies used.

TABLE 13: MAIN CONTENT MARKETING STRATEGY OF ONLINE MARKETING

| Sharing content platform    | Frequency  | Percent      |
|-----------------------------|------------|--------------|
| Use of educational articles | 19         | 17.1         |
| Use of e-books              | 40         | 36.0         |
| Use of online Videos        | 52         | 46.8         |
| <b>Total</b>                | <b>111</b> | <b>100.0</b> |

Source: Researcher (2023)

Table 13, indicates that a significant portion of retail firms predominantly employed online video emails as a primary content marketing strategy, constituting 46.8%. Following this, the utilization of e-books was observed at 36.0%, while a smaller proportion of 17.15% of respondents opted for educational articles. The results suggest that YouTube is primarily utilized for disseminating additional information or content about the business's products.

#### 4.3.4.2 Practices through Content Marketing Platform

In this part of the study, participants were asked to indicate their level of agreement with a statement regarding the efficacy or importance of content marketing strategy in their business operations. Content marketing, being a crucial component of digital marketing, involves creating and sharing valuable content to attract and retain a clearly defined

audience, ultimately driving profitable customer action. Table 14 in the study likely presents the results of this inquiry, showing how participants rated their agreement with the statement about content marketing strategy.

TABLE 14: DESCRIPTIVE STATISTICS OF CONTENT MARKETING STRATEGY

| Statement   | SD         | D        | N          | A          | SA         |
|---|------------|----------|------------|------------|------------|
|   | f          | f        | f          | f          | f          |
|   | %          | %        | %          | %          | %          |
| We employ content marketing to draw in repeat business.   | 14<br>12.6 | 7<br>6.3 | 5<br>4.5   | 58<br>52.3 | 27<br>24.3 |
| To produce and disseminate worthwhile, relevant, and consistent information, we employ content marketing. | 0<br>0     | 4<br>3.6 | 9<br>8.1   | 49<br>44.1 | 49<br>44.1 |
| We employ content marketing to make our brand more visible.   | 1<br>0.9   | 4<br>3.6 | 13<br>11.7 | 53<br>47.7 | 40<br>36.0 |
| We employ content marketing to improve the company's reputation.  | 1<br>0.9   | 3<br>2.7 | 9<br>8.1   | 41<br>36.9 | 57<br>51.4 |
| To raise brand familiarity and awareness, we use content marketing.                                       | 0<br>0     | 4<br>3.6 | 9<br>8.1   | 56<br>50.5 | 42<br>37.8 |

Source: Researcher (2023)

Table 14 provides insights into the application of content marketing in the retail sector, specifically addressing various statements. In terms of utilizing content marketing to attract loyal customers, 52.3% of participants agreed, with an additional 24.3% expressing strong agreement. Conversely, 12.6% strongly disagreed, and only 4.5% maintained a neutral position. Concerning the use of content marketing by retail businesses to generate and disseminate important and consistent information, 44.1% of participants expressed agreement, and an equal percentage, 44.1%, showed strong agreement. Additionally, 8.1% remained neutral, and only 3.6% disagreed with the statement. Regarding the use of content marketing to enhance brand awareness and recognition, the majority of participants, at

50.5%, agreed, followed by 37.7% who strongly agreed. Meanwhile, 8.1% took a neutral stance, and only 3.65% disagreed with the statement.

These findings are consistent with Tarver's (2019) research, which highlighted the success of Coca-Cola's content marketing strategy, specifically the "share a Coke" campaign. This initiative, featuring personalized labels with common American names, encouraged consumers to share the product on social media platforms, resulting in significant engagement and profit. Similarly, the findings align with Burman and Aggrawal's (2015) emphasis on the effectiveness of content marketing in delivering sought-after content to the audience where they actively search for it. They underscored the significance of a well-crafted combination of generated and synthesized content for optimal results.

#### 4.3.6 PROFITABILITY OF THE SELECTED SUPERMARKETS

##### 4.3.6.1 Overall state of Profitability

In this section of the study, the objective was to determine the overall profitability of the firms involved. Understanding the state of profitability is crucial as it provides a measure of the financial health and success of the businesses, and can be indicative of the effectiveness of their marketing strategies, including internet marketing. Figure 2 in the study is expected to present the outcomes regarding the firms' profitability.

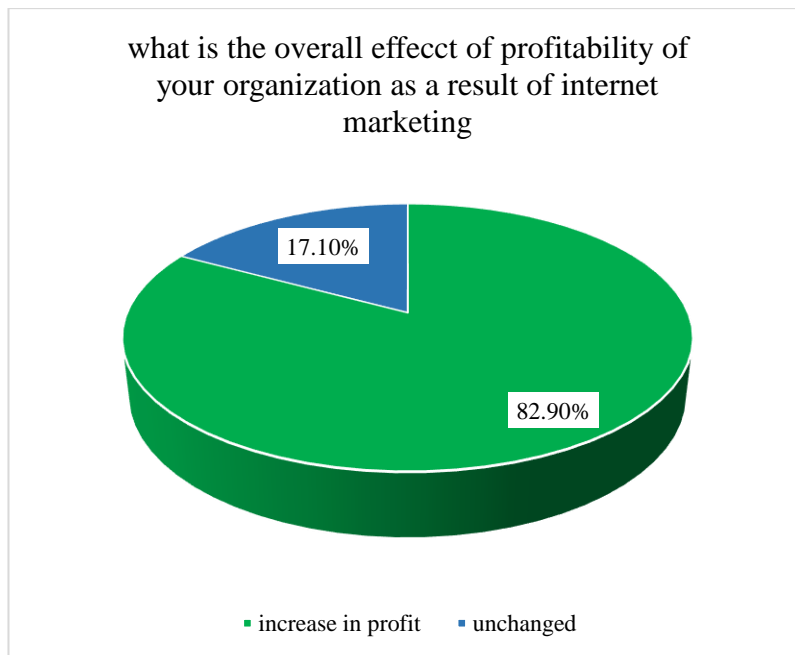


FIGURE 2: OVERALL STATE OF PROFITABILITY

Source: Researcher (2023)

The findings presented in the aforementioned figure 2 indicate that 82.90% of the surveyed firms experienced increased profits attributable to their internet marketing strategies. In contrast, only 17.10% of the firms reported unchanged profits due to their internet marketing efforts. Malhotra (2012) supported these results, affirming that Diageo, a prominent multinational alcoholic beverages company generating annual revenue of Euro14,500 million and renowned for brands such as Guinness, Johnnie Walker, Smirnoff, and Baileys, achieved enhanced profitability through the implementation of online marketing strategies.

#### 4.3.6.2 Descriptive Statistics on Profitability of Supermarkets

In this portion of the study, participants were requested to express their level of agreement with a specific statement about the efficacy or significance of social media marketing strategy in their business operations. This aspect is vital since social media marketing plays

a significant role in contemporary marketing strategies, using platforms like Facebook, Twitter, Instagram, and others to engage with customers, promote products, and enhance brand visibility. Table 15 in the study likely presents the responses to this statement.

TABLE 15: DESCRIPTIVE STATISTICS OF INTERNET MARKETING ON PROFITABILITY OF SUPERMARKETS

| Statement  | SD  | D    | N    | A    | SA   |
|--|-----|------|------|------|------|
|  | f   | f    | f    | f    | f    |
|  | %   | %    | %    | %    | %    |
| Internet advertising has increased sales.                      | 3   | 18   | 8    | 56   | 26   |
|  | 2.7 | 16.2 | 7.2  | 50.2 | 23.4 |
| Customer flow has risen as a result of internet marketing      | 4   | 15   | 8    | 52   | 32   |
|  | 3.6 | 13.5 | 7.2  | 46.8 | 28.8 |
| Marketing costs have decreased because to internet marketing.  | 0   | 1    | 3    | 45   | 62   |
|  | 0   | 0.9  | 2.7  | 40.5 | 55.9 |
| Internet marketing reduces costs by cutting operational costs. | 4   | 7    | 12   | 39   | 49   |
|  | 3.6 | 6.3  | 10.8 | 35.1 | 44.1 |

Source: Researcher (2023)

Table 15 reveals insights into the impact of internet marketing on retail business. Regarding the statement that internet marketing has increased sales for retail businesses, the majority of respondents, totaling 50.5%, agreed, while 32.4% strongly agreed. In contrast, 16.2% disagreed, and only 2.7% strongly disagreed with the statement. Regarding the assertion that internet marketing has reduced marketing expenses, the majority, accounting for 46.8%, agreed, and 28.8% strongly agreed. On the other hand, 13.5% disagreed, and only 3.65% strongly disagreed. This suggests that retail businesses have experienced a decrease in marketing expenses due to internet marketing.

Concerning the statement that retail shops have seen an increase in profitability since the introduction of internet marketing, the majority, at 44.15%, strongly agreed, while 35.15% agreed. Additionally, 10.8% of participants were neutral, and 3.65% strongly disagreed with

the statement. The results suggest that a significant proportion of businesses have witnessed increased profits through internet marketing. The analysis of these results aligns with Kotler and Armstrong's (2018) study, which observed that the pervasive influence of digital technology has transformed various aspects of our lives, including communication, information sharing, entertainment access, and shopping. The digital connectivity presents a unique opportunity for businesses to directly reach their audience. Online marketing is identified as a promising avenue for growth in Kenya's retail sector, considering the widespread digital connection globally. With over 3.3 billion people (46% of the world population) online, the trend is expected to continue growing. According to the Kenya National Bureau of Statistics census (2019), Kenya stands out among African countries in smartphone acquisition, contributing to significant changes in digital marketing within the country and globally.

#### 4.4 HYPOTHESIS TESTING

This section discusses correlation analysis as well as binary logistic regression analysis

##### 4.4.1 Correlation Analysis

In this section of the study, the emphasis was on analyzing the correlations between the investigated variables, aiming to determine their strength and direction, whether positive or negative. Understanding these correlations is essential for discerning how various factors interact and their combined influence on the studied outcomes. Table 16 likely displays the findings of this analysis.

TABLE 16: CORRELATION ANALYSIS

|                |                     | Website | Social Media | Affiliate | Content | Profitability |
|----------------|---------------------|---------|--------------|-----------|---------|---------------|
| Website Design | Pearson Correlation | 1       |              |           |         |               |
|                | Sig. (2-tailed)     |         |              |           |         |               |
|                | N                   | 111     |              |           |         |               |

|                        |                     |        |        |        |      |     |
|------------------------|---------------------|--------|--------|--------|------|-----|
| Social Media Marketing | Pearson Correlation | .228** | 1      |        |      |     |
|                        | Sig. (2-tailed)     | 0.000  |        |        |      |     |
|                        | N                   | 111    | 111    |        |      |     |
| Affiliate Marketing    | Pearson Correlation | .494** | .388** | 1      |      |     |
|                        | Sig. (2-tailed)     | 0.000  | 0.000  |        |      |     |
|                        | N                   | 111    | 111    | 111    |      |     |
| Content Marketing      | Pearson Correlation | -.154  | -.138  | -.085  | 1    |     |
|                        | Sig. (2-tailed)     | .053   | .074   | .186   |      |     |
|                        | N                   | 111    | 111    | 111    | 111  |     |
| Profitability          | Pearson Correlation | .288** | .237** | .247** | .118 | 1   |
|                        | Sig. (2-tailed)     | .001   | .006   | .004   | .110 |     |
|                        | N                   | 111    | 111    | 111    | 111  | 111 |

\*\*Correlation is significant at the 0.01 level (2-tailed). Source: Research (2023)

The relationship between website marketing and supermarket profitability has a positive effect,  $r=.288$  which is significant at  $p$ -value 0.001; social media marketing strategy and supermarket profitability had a positive effect,  $r=0.237$  and a  $p$ -value=0.006 that was significant. Affiliate strategy had a positive effect on supermarket profitability,  $r=0.247$  and a corresponding  $p$  value=0.004 which was significant, content marketing and supermarket profitability had a positive relationship,  $r=0.118$  and a  $p$ -value = 0.110 which was insignificant,

#### 4.4.2 BINARY LOGISTIC REGRESSION

##### 4.4.2.1 Chi-Square

In this part of the study, a Chi-square test was conducted to determine if there is any relationship between the independent and dependent variables. The Chi-square test is a statistical method commonly used to assess if there is a significant association between two

categorical variables. Table 17 in the study likely displays the results of this Chi-square analysis.

TABLE 17: OMNIBUS TESTS OF MODEL COEFFICIENTS

The Omnibus Tests of Model Coefficients the emphasis was on analyzing the correlations between the investigated variables, aiming to determine their strength and direction, whether positive or negative. Understanding these correlations is essential for discerning how various factors interact and their combined influence on the studied outcomes. The results are in Table 17

|               |       | Chi-square | df | Sig. |
|---------------|-------|------------|----|------|
| <b>Step 1</b> | Step  | 20.919     | 6  | .000 |
|               | Block | 20.919     | 6  | .000 |
|               | Model | 20.919     | 6  | .000 |

Source: Research (2023)

The table 17 indicates a Chi-square ( $\chi^2$ ) value of 20.919 with a p-value of 0.001, signifying a significant relationship between the independent and dependent variables. This significance is established as the p-value of 0.001 is less than the conventional threshold of 0.05. Consequently, the study rejects the null hypothesis that posited online marketing strategies have no impact on the profitability of supermarkets in Mombasa County.

#### 4.4.2.2 Model Summary

The model summary is used to explain how much of the dependent variable can be explained by the independent variables. The results are in Table 18.

TABLE 18: MODEL SUMMARY

| Step     | -2 Log likelihood   | Cox & Snell R Square | Nagelkerke R Square |
|----------|---------------------|----------------------|---------------------|
| <b>1</b> | 89.071 <sup>a</sup> | .107                 | .178                |

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001

In binary regression analysis, both Cox & Snell R Square and Nagelkerke R Square function as metrics to clarify the degree to which independent variables can predict the dependent variable. As depicted in the table, the range indicates a Cox & Snell R Square of 10.7% and a Nagelkerke R Square of 17.8%. The results imply that a model that includes independent variables like website strategy, social media strategy, content strategy, affiliate strategy, and email strategy may explain approximately 1.7% of the variability in the profitability of the firms, as denoted by the Nagelkerke R Square value.

#### 4.4.2.3 Classification Table

In the study, a classification table was used to evaluate the accuracy of a model in predicting a binary dependent variable. This type of analysis is crucial when the outcome of interest can take one of two possible values, such as 'yes' or 'no', 'success' or 'failure', etc. The classification table helps in understanding how well the model distinguishes between these two outcomes based on the independent variables.

Table 19 likely presents the findings from this analysis.

TABLE 19: CLASSIFICATION TABLE

| Observed           |                   | Unchanged | Predicted        | Percentage error |
|--------------------|-------------------|-----------|------------------|------------------|
|                    |                   |           | Increase Profits |                  |
| Profitability      | Unchanged Profits | 0         | 19               | .0               |
|                    | Increased profits | 0         | 92               | 100.0            |
| Overall Percentage |                   |           |                  | 82.9             |

- a. Constant is included in the model
- b. The cut value is .5000

**Source: Researcher (2023)**

The binary regression model is utilized to predict events as either happening or not happening. In this specific investigation, a binomial model was employed to predict whether

retail businesses in Kenya would undergo a shift in profitability or remain stable as a result of implementing online marketing strategies within retail supermarkets. The classification table revealed that the model accurately classified 82.9% of values. Values surpassing 0.5 indicated an increase in the profitability of firms, while values below 0.5 suggested that the profits of the firms stayed unchanged after implementing strategic online marketing.

#### 4.4.2.4 Regression Coefficients and Logistic Odds

In this part of the study, a binary regression analysis was conducted to determine the effect of independent variables on a dependent variable, specifically examining whether the independent variables increase the likelihood of having profitable retail businesses. Binary regression, particularly logistic regression in this context, is a statistical method used to model the relationship between a binary dependent variable and one or more independent variables.

Table 20 likely presents the results of this binary regression analysis.

TABLE 20: BINARY LOGISTIC ODDS

|                                     | B     | S.E. | wald  | df | Sig.  | Exp(B) |
|-------------------------------------|-------|------|-------|----|-------|--------|
| Website strategy                    |       |      |       |    |       |        |
| Outsourced consultants' website     | -     | -    | -     | -  | -     | 1.000  |
| Own managed website                 | 1.525 | .530 | 8.271 | 1  | 0.004 | .218   |
| Social media marketing strategy     |       |      |       |    |       |        |
| Do not have a Facebook page         | -     | -    | -     | -  | -     | 1.000  |
| Have a business suit Facebook page  | 1.265 | .525 | 5.805 | 1  | .016  | .282   |
| Affiliate strategy                  |       |      |       |    |       |        |
| Affiliate marketers have a blog URL | -     | -    | -     | -  | -     | 1.000  |
| Affiliate marketers use an APP      | 1.304 | .520 | 6.281 | 1  | .012  | .271   |
| Content strategy                    |       |      |       |    |       |        |

|                             |      |      |       |   |      |       |
|-----------------------------|------|------|-------|---|------|-------|
| Use of educational articles | -    | -    | -     | - | -    | 1.000 |
| Use of e-books              | 831  | .661 | 1.583 | 1 | .208 | .436  |
| Use of online videos        | .310 | .582 | .284  | 1 | .594 | .733  |

a. Variable(s) entered on step.1: website strategy, social media strategy, affiliate strategy, and content strategy.

**Source: Researcher (2023)**

#### **4.4.2.4.1 Effect of Website Strategy on Profitability**

The research aimed to examine the effect of website marketing strategies on the financial performance of retail businesses in Kenya. The study discovered a significant association with a B-value of 1.525, Wald statistic of 8.271, and a p-value of 0.004, which was below the 0.05 threshold. The Exp (B) value was 0.282. The results indicated that retail businesses owning their websites, as opposed to outsourcing website management, increased the likelihood of profitability by a factor of 0.218, holding other variables constant, as indicated by the Exp (B) value of 0.218. Orare and Nkirina (2019) supported these findings in their research on the influence of internet marketing on the market share of online shops in Nairobi. They argued that website design marketing strategies are effective in enhancing sales relationships with customers and are widely used for their global customer reach.

#### **4.4.2.4 .2 Effect of Website Strategy on Profitability**

The research also aimed to examine the effect of a social media marketing strategy on the profitability of retail businesses in Kenya. The study found that the social media marketing strategy was correlated with a B-value of 1.265, a Wald statistic of 5.805, and a p-value of 0.016, indicating significance as it was below the 0.05 threshold. The Exp (B) value was 0.282. The results indicated that having a Facebook page business suite, as opposed to those without one, increased the odds of profitability by a factor of 0.282, holding other variables constant, as indicated by the Exp (B) value of 0.282. This aligns with the findings of Kotler and Armstrong (2014), who emphasized the strength of social media marketing in attracting potential customers, irrespective of the business's size. They noted that customers nowadays

use various social media platforms, including Twitter, Pinterest, Instagram, and Facebook, to engage with brands. Neglecting this opportunity for direct interaction with the audience can be detrimental to the business. Effective marketing on social media platforms has the potential to propel businesses to exceptional prosperity, fostering brand loyalty, and generating leads and sales.

#### **4.4.2.4.3 Effect of Website Strategy on Profitability**

The research also aimed to investigate the effect of the affiliate strategy on the profitability of retail businesses in Kenya. The study found that the affiliate strategy was correlated with a B-value of 1.304, a Wald statistic of 6.281, and a p-value of 0.012, indicating significance as it was below the 0.05 threshold. The Exp (B) value was 0.271. The results indicated that having an APP as an affiliate marketer, as opposed to using a URL, increased the odds of profitability by a factor of 0.271, holding other variables constant, as indicated by the Exp (B) value of 0.271.

This corresponds with the findings of Malenya (2017) when investigating the factors influencing e-commerce growth in Nairobi County. Malenya discovered that most e-commerce vendors were either employed or self-employed, with aristocrats being more likely to engage in e-commerce sales. These individuals have the capital to spend, access to the internet, and a lack of time to physically visit a store. Consequently, they prefer making online purchases, relying on the convenience of having items delivered to their homes. Malenya concludes that buyers prioritize security and trust in transactions, highlighting the importance for retailers to utilize reputable affiliates to enhance buyer confidence. This approach can boost customer traffic and foster significant growth in new customers.

#### **4.4.2.4.4 Effect of Content Strategy on Profitability**

The research sought to analyze the impact of content strategy on the profitability of retail businesses in Kenya. The study determined that content strategy had a B-value of 0.831, a

Wald statistic of 1.583, and a p-value of 0.208, which is above the 0.05 threshold, indicating insignificance. Regarding the use of e-books, the results showed a B-value of 0.310, a Wald statistic of 0.284, and a p-value of 0.594, also above 0.05, and thus considered insignificant. The Exp (B) was 0.436 for e-books and 0.733 for online videos. In essence, these findings suggest that content marketing does not have a significant correlation with profitability, as the p-values associated with these variables were all above 0.05.

In contrast, Weerasinghe (2018) reported different outcomes in her study on the influence of content marketing on online customer engagement in Sri Lanka. She discovered that by integrating knowledge of the audience, organizational objectives, and financial planning, marketers could select an appropriate content mix for their products. Weerasinghe emphasized the importance of careful content creation, organization, keyword selection, search engine optimization, style modifications, tagging, and visual elements. Her analysis concluded that content marketing positively impacts business growth.

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 INTRODUCTION

This chapter serves as a comprehensive wrap-up of the research, encapsulating the key findings, drawing conclusions, and offering actionable recommendations based on the

study's analyses. It is structured to provide a holistic view of the research outcomes and their implications.

## 5.2 SUMMARY OF THE FINDINGS

The study aimed to assess the impact of internet marketing strategies on the profitability of supermarkets in Kenya. It explored the effectiveness of website design marketing, assessing factors like user experience and visual appeal. The role of social media marketing was also examined, focusing on how advertising and customer engagement on platforms like Facebook and Twitter affect profitability.

Additionally, the study investigated the influence of affiliate marketing, analyzing how partnerships with promoters affect sales. The impact of content marketing through blogs, articles, and videos was evaluated, particularly in terms of customer engagement and sales. Finally, the study looked at the effectiveness of email marketing strategies, examining their influence on customer retention and overall profitability.

This comprehensive analysis aimed to understand how each marketing strategy contributes to the financial success of supermarkets in Kenya, providing valuable insights for optimizing digital marketing approaches.

Below is the summary of the findings:

### 5.2.1 WEBSITE DESIGN MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

According to the results, the majority of respondents agree that a website design marketing plan offers a firm an immediate online presence and that it is simple to access and update data as needed, keeping clients up to speed on the latest items available. Additionally, the analysis showed that  $\text{Exp}(B) = 0.282$ ,  $\text{Wald} = 8.271$ ,  $B = 1.525$ , and a p-value of 0.004 were all less than 0.05.

### 5.2.2 SOCIAL MEDIA MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

The study's findings show that most participants agree that social media marketing helps build a business's identity, favorable brand associations, and brand recognition. Additionally, using social media platforms like Facebook, Instagram, and the internet increases website traffic, which boosts revenue. Additionally, respondents said they utilize social media to learn from rivals and to have discussions with the target audience. The research found a correlation between the social media marketing approach and  $\text{Exp (B)} = 0.282$ ,  $\text{Wald} = 5.805$ ,  $\text{p-value} = 0.016$ , which was less than 0.05 and hence significant.

#### 5.2.3 AFFILIATE MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

Most respondents agree that they utilize affiliate marketing to reach a wider audience and raise brand knowledge and exposure for their company and goods. According to the research, the affiliate method was associated with  $\text{Exp (B)} = 0.271$ ,  $\text{Wald} = 6.281$ , a p value of 0.012, which was significant since it was less than 0.05, and  $B = 1.304$ .

#### 5.2.4 CONTENT MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

Most responders agree that content marketing draws in devoted clients. Retailers may create and distribute compelling content with the help of content marketing, which also helps to raise brand awareness and recognition.

The study found that, for the use of e-books,  $B=0.831$ ,  $\text{Wald}=1.583$ , a p-value of 0.208 that was greater than 0.05 and therefore insignificant, and  $\text{Exp (B)} = 0.436$ ; for the use of online videos,  $B=0.310$ ,  $\text{Wald}=0.284$ , a p-value of 0.594 that was greater than 0.05 and therefore insignificant, and  $\text{Exp (B)} = 0.733$  were associated with content strategy.

### 5.3 CONCLUSION

The section presents a summary of the study conclusion according to the independent variables as follows:

#### 5.3.1 WEBSITE DESIGN MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

The research comes to the conclusion that, when other variables are kept constant, the profitability of retail enterprises improves by a factor of 0.218 when firms control their own

websites instead of relying on the website management of consultants. This is because the Exp (B) associated with website marketing is equal to  $\text{Exp (B)} = 0.218$ .

Thus, it can be said that supermarket profitability is favorably impacted by website design marketing approach. In order to guarantee the most possible advantages from the website, marketing managers must make sure that website design is a well considered process. When potential clients browse a website, they get a first image of the retail establishment. They will form an opinion about the retail establishment in a matter of seconds, thus it is essential that you create a good impression on potential buyers, collect leads, and prevent them from switching to a rival's website. Search engine optimization (SEO) basics are particularly important for marketers to understand since they impact how content is produced, which in turn affects how search engines index the website. Marketers should collaborate with a web design firm and be aware of their procedures in order to guarantee successful web design techniques.

Consumers trust websites that are well-designed; they will trust websites that are well-designed. Therefore, steer clear of out-of-date content and make sure the website seems professional so that visitors will feel at ease, trust the company, and spend more time there—thereby improving the likelihood of capturing leads. By developing the retail brand, website design establishes consistency. As a result, people prefer the brand when making purchases since they are acquainted with it. Furthermore, as this study's findings demonstrate, a retail firm needs an effective website.

### 5.3.2 SOCIAL MEDIA MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

The research comes to the conclusion that, when other variables are kept constant, having a Facebook profile increases the likelihood of profitability for a firm by a factor of 0.282. This is because the Exp (B) associated with social media marketing was  $\text{Exp (B)} = 0.282$ . According to the study's data, social media is the most popular online marketing medium.

Utilizing social media on Facebook, Twitter, and Instagram boosts website traffic. A hashtag is a crucial tool on social media that connects users who have an interest in a certain topic. Social media gives brands a platform to reach a wider audience by engaging consumers and sharing relatable tales about their products and services. Customers may connect to these experiences and establish a relationship with the store that will hopefully grow over time. Compared to conventional platforms, social media marketing makes it possible for word to spread about retail brands and initiatives since it allows consumers to view the brand even when they are not in need of it, and it does it quickly and easily. Social media also enables one to quickly act on competitive insights and learn from rivals. But social media trends shift quickly, so supermarkets need to stay ahead of the game to stay in business.

#### 5.3.3 AFFILIATE MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

Because the Exp (B) connected with affiliate marketing approach was  $\text{Exp (B)} = 0.271$ , the research concluded that when other parameters were kept constant, the probabilities of profitability improved by a factor of 0.271 when the affiliate marketer had an APP instead of a used URL. Therefore, it can be said that employing well-known individuals or groups on social media to enhance brand awareness has a beneficial impact on supermarket profitability. Influencers have a significant impact on their followers' purchasing decisions. They often have a sizable following, and via postings on social media and other interactions, they may be able to point their followers toward a certain product. Based on the study's findings, it is clear that the majority of retail businesses in the nation are selling their goods via social media rather than using affiliates to market and promote them. Furthermore, the profitability of supermarkets has not been entirely harmed by affiliate marketing.

#### 5.3.4 CONTENT MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

The analysis comes to the conclusion that there was no meaningful correlation between the probabilities of profitability and content marketing since the p-values for all of the articles and videos were negligible. Increased audience size and improved engagement via content marketing may result in more sales and better leads. Marketing expenses decrease as content gets more effective. Kenyan supermarkets need to achieve significant revenue objectives since they have not yet completely adopted content marketing. The drawbacks of content marketing include failing to employ keywords relevant to the specific niche that the material is meant for, failing to answer consumer inquiries, and failing to target Google's response box when content ranks highly. Well-written and well-considered content may enhance brand awareness and recognition while also improving the retail establishment's reputation.

#### 5.4 RECOMMENDATIONS

Online marketing has the ability to greatly increase the inclination of over 20 million Kenyan customers to make purchases. Taking into account the quick growth of online marketplaces and retailers as well as the rising number of consumers making purchases from both national and international online merchants. Internet marketing offers the chance to connect with these dispersed, overlooked customers. Retailers should eliminate brick and retail to save operational costs and embrace internet marketing to unleash high profitability.

##### 5.4.1 WEBSITE DESIGN MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

Globally, internet marketing is becoming more popular. In order for Kenyan merchants to benefit from this, their websites must be designed to function optimally and provide a return on investment (ROI) for their brands. In addition to serving as a brochure, the website should be mobile-friendly and designed to function on a variety of displays. Furthermore, in order for a website to be user-friendly, it should have value-adding features like shopping carts and e-commerce features that allow shops to sell products online using credit cards or mobile money. Include website feature marketing automation as well, since this will help

merchants better understand the visitors to their website and nudge them down the sales funnel until they become customers.

Because owned websites boosted the odds of success among retail enterprises, the research advised businesses to operate their own websites instead of using consultants' websites.

#### 5.4.2 SOCIAL MEDIA MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

Retailers use social media the most; therefore, in order to get the most out of social media marketing, they should engage customers on social media platforms like Facebook, Instagram, and Twitter, and tell stories about their products and services to increase brand awareness. Because it increases the likelihood of success, retail enterprises should establish more Facebook sites with business suites.

#### 5.4.3 AFFILIATE MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

Retailers that want to sell and promote their items should invest in influencers. By using additional application (APP) development, influencers with large followings may draw more attention to the retailer's brands. Retail companies should concentrate on hiring marketers that employ applications (APPs) in their marketing, since this enhances the likelihood of marketing more effectively than utilizing URLs.

#### 5.4.4 CONTENT MARKETING STRATEGY AND PROFITABILITY OF SUPERMARKETS

Retailers should engage in content marketing by spending money on creating enticing and persuasive digital material that can be shared on a variety of media channels. They should also make sure that the message serves to enlighten and amuse consumers in addition to promoting their brand. Retailers must therefore make sure that the material they provide to customers has been carefully considered by consulting experts. The research did not uncover a strong correlation between content marketing and profitability, thus the company should concentrate more on other internet marketing tactics.

### 5.5 SUGGESTION FOR MORE RESEARCH

The goal of the study was to determine how online marketing techniques affected Kenyan grocery profits. Email marketing, social media marketing, content marketing, affiliate marketing, and website design were all covered. To provide a comprehensive understanding of the problem, further research on external obstacles impeding online marketing is recommended.

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## APPENDICES

### APPENDIX I: INFORMED CONSENT FORM

#### Introduction

You are cordially invited to participate in an academic research study conducted by Abdi Basi Girad, affiliated with Mount Kenya University. The study is titled "Effects of Internet Marketing Strategies on Profitability of Selected Supermarkets in Mombasa County, Kenya." We urge you to read the following information meticulously to grasp the study's objectives, protocols, risks, and potential benefits. If you have any queries, please feel free to ask. Your participation is entirely voluntary, and you can discontinue your involvement at any time without incurring any penalty.

#### Purpose of the Study

The central objective of this research is to scrutinize the influence of internet marketing strategies on the profitability of selected supermarkets in Mombasa County. The information collected will serve academic purposes exclusively.

#### Procedures

Should you consent to participate, you will be required to complete a questionnaire, which you should return to the researcher upon completion.

#### Confidentiality

The confidentiality of your responses will be rigorously maintained. The data will be stored securely and will only be accessible to the research team. Any published findings will be presented in an aggregated manner that ensures anonymity.

#### Potential Risks

Although efforts are in place to minimize any associated risks, there are no known risks linked to participation in this study. Should you experience discomfort or distress during the study, please inform the researcher promptly.

#### Benefits

While you may not derive direct personal benefits from participating, your contribution will help to advance the body of knowledge relating to the effects of internet marketing strategies on profitability.

#### Voluntary Participation and Withdrawal

Your involvement in this study is entirely discretionary. You have the right to opt out at any given time without needing to furnish any explanation. Such a decision will not impact your relationship with the researcher.

#### Contact Information

If you have questions or concerns, or if you wish to withdraw your participation, you can reach Abdi Basi Girad at 0792392716. For ethical inquiries, you may contact:

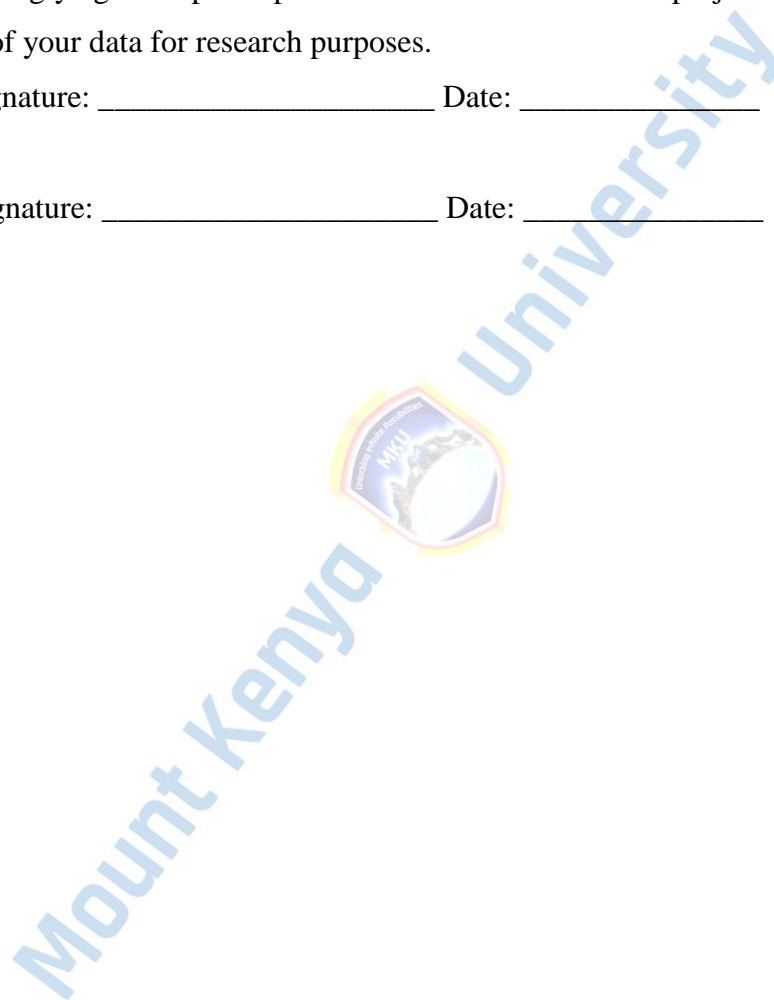
The Chairman, MKU Ethical Review Committee, P.O. Box 342 – 01000, Thika

By signing below, you attest to the following:

- You have carefully read and comprehended the details in this consent form.
- You have had an opportunity to pose questions and have received satisfactory responses.
- You willingly agree to participate in this academic research project and consent to the use of your data for research purposes.

Participant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Researcher's Signature: \_\_\_\_\_ Date: \_\_\_\_\_



APPENDIX II: RESEARCH QUESTIONNAIRE  
PART 1 – BIO DATA

Questionnaire No.....

Introduction

This questionnaire is aimed at gathering insights about the effects of internet marketing strategies on the profitability of selected supermarkets. Please make your selections by marking a (√) next to the appropriate choices. All information collected will be strictly confidential and will only be used for academic research. We request that you complete all the items in the questionnaire.

**Please answer the following questions by ticking appropriately and/or answering briefly in prose.**

1. Please tick your gender.

(a) Male

(b) Female

2. Please indicate your age

(a) 20 - 29  (b) 30 - 39 years

(c) 40 - 49 years  (d) 50 - 59 years

(e) 60 & above years

3. Please indicate the highest level of education achieved

(a) Secondary  (b) Diploma Level

Level

(c) Undergraduate Level  (d) Masters/PHD

4. How long have you been employed in this business?

(a) 5 years & Below  (b) 6 - 10 years

(c) 11 – 15 years  (d) 16 – 20 years

(e) Over 20 years

## PART II

### Section A: Website Design Marketing Strategy

For the following statements, please indicate the extent to which you agree or disagree by marking an 'X' on the scale provided. The scale ranges from 1 to 5, where 1 means "Strongly Disagree," 2 means "Disagree," 3 is "Neutral," 4 is "Agree," and 5 is "Strongly Agree."

|   | Statement   | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| 1 | We use website layout and appearance to draw visitors to the website, thereby increasing traffic. |   |   |   |   |   |
| 2 | We use website marketing to raise awareness and visibility of the company and its products.       |   |   |   |   |   |
| 3 | Website design marketing helps us identify potential customers and increase sales.                |   |   |   |   |   |
| 4 | Data on our website is simple to access and update as necessary.                                  |   |   |   |   |   |
| 5 | Our website marketing offers the company an immediate online presence                             |   |   |   |   |   |
| 6 | We utilize it to inform customers about new product trends at the store or shop.                  |   |   |   |   |   |

### Section B: Social Media Marketing Strategy

For the following statements, please indicate the extent to which you agree or disagree by marking an 'X' on the scale provided. The scale ranges from 1 to 5, where 1 means "Strongly Disagree," 2 means "Disagree," 3 is "Neutral," 4 is "Agree," and 5 is "Strongly Agree."

|   | Statement   | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| 1 | Utilizing social media (Facebook, the internet, and Instagram) increases website traffic. |   |   |   |   |   |
| 2 | Utilizing social media, we can connect and communicate with crucial audiences better.     |   |   |   |   |   |
| 3 | We use social media to increase brand recognition.  |   |   |   |   |   |
| 4 | Utilizing social media, we build a brand's reputation and favorable brand associations.   |   |   |   |   |   |
| 5 | We engage the intended audience in dialogue through social media.                         |   |   |   |   |   |
| 6 | We utilize social media to observe rivals.  |   |   |   |   |   |

### Section C: Affiliate Marketing Strategy

For the following statements, please indicate the extent to which you agree or disagree by marking an 'X' on the scale provided. The scale ranges from 1 to 5, where 1 means "Strongly Disagree," 2 means "Disagree," 3 is "Neutral," 4 is "Agree," and 5 is "Strongly Agree."

|   | Statement  | 1 | 2 | 3 | 4 | 5 |
|---|--|---|---|---|---|---|
| 1 | To raise awareness and exposure of the company and its goods, we employ affiliate marketing. |   |   |   |   |   |
| 2 | To save costs on advertising, we employ affiliate marketing.                                 |   |   |   |   |   |
| 3 | To increase the company audience, we employ affiliate marketing.                             |   |   |   |   |   |
| 4 | In order to improve the company's reputation, we employ affiliate marketing.                 |   |   |   |   |   |
| 5 | To reach a range of consumers, we employ affiliate marketing.                                |   |   |   |   |   |

### Section D: Content Marketing Strategy

For the following statements, please indicate the extent to which you agree or disagree by marking an 'X' on the scale provided. The scale ranges from 1 to 5, where 1 means "Strongly Disagree," 2 means "Disagree," 3 is "Neutral," 4 is "Agree," and 5 is "Strongly Agree."

|   | <b>Statement</b>  | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| 1 | We employ content marketing to draw in repeat business.   |   |   |   |   |   |
| 2 | To produce and disseminate worthwhile, relevant, and consistent information, we employ content marketing. |   |   |   |   |   |
| 3 | We employ content marketing to make our brand more visible.   |   |   |   |   |   |
| 4 | We employ content marketing to improve the company's reputation.  |   |   |   |   |   |
| 5 | To raise brand familiarity and awareness, we use content marketing.                                       |   |   |   |   |   |

### **Section E: Effect of internet marketing on Profitability of Retail Industry**

For the following statements, please indicate the extent to which you agree or disagree by marking an 'X' on the scale provided. The scale ranges from 1 to 5, where 1 means "Strongly Disagree," 2 means "Disagree," 3 is "Neutral," 4 is "Agree," and 5 is "Strongly Agree."

|   | <b>Statement</b>   | 1 | 2 | 3 | 4 | 5 |
|---|--|---|---|---|---|---|
| 1 | Internet advertising has increased sales.  |   |   |   |   |   |
| 2 | Customer flow has risen as a result of internet marketing                                  |   |   |   |   |   |
| 3 | Marketing costs have decreased because to internet marketing.                              |   |   |   |   |   |
| 4 | Internet marketing reduces costs by cutting operational costs.                             |   |   |   |   |   |
| 5 | Since the emergence of online marketing, the retail store has seen improved profitability. |   |   |   |   |   |

Thank you completing the questionnaire.

### **APPENDIX 1II: WORK PLAN**

| ACTIVITY  | YEAR - 2023         |              |              |                |                   |  |
|---|---------------------|--------------|--------------|----------------|-------------------|--|
| Item/ Month   | Jan-<br>May<br>2023 | 2023<br>June | 2023<br>July | 2023<br>August | 2023<br>September |  |
| Proposal Development,<br>Proposal submission and<br>discussion with supervisors       |                     |              |              |                |                   |  |
| Proposal presentation,<br>Correction, acquisition of<br>data collection authorization |                     |              |              |                |                   |  |
| Pretesting of study<br>instruments, Discussion and<br>reporting                       |                     |              |              |                |                   |  |
| Data collection,<br>compilation, Data analysis<br>and reporting                       |                     |              |              |                |                   |  |
| Final project submission,<br>defense, correction matrix<br>and Publication            |                     |              |              |                |                   |  |

#### APPENDIX IV: BUDGET

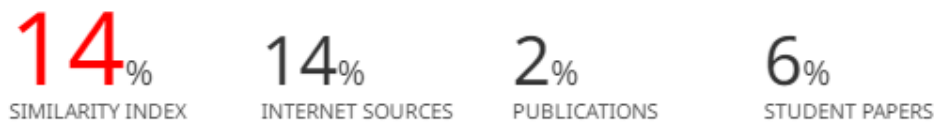
| <b>PARTICULAR</b>     | <b>ESTIMATED COST (KSH)</b> |
|-----------------------|-----------------------------|
| proposal writing      | 45000                       |
| Pilot study           | 40000                       |
| Field data collection | 50000                       |
| Data Analysis         | 30000                       |
| Project writing       | 30000                       |
| Publication           | 10000                       |
| Binding               | 10000                       |
| <b>Total</b>          | <b>215000</b>               |



#### APPENDIX V: SIMILARITY INDEX

# EFFECTS OF INTERNET MARKETING STRATEGIES ON PROFITABILITY OF SELECTED SUPERMARKETS IN MOMBASA COUNTY KENYA

## ORIGINALITY REPORT



## PRIMARY SOURCES

|          |   |               |
|----------|---|---------------|
| <b>1</b> | <a href="http://www.iajournals.org">www.iajournals.org</a><br>Internet Source                     | <b>2%</b>     |
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| <b>7</b> | <a href="http://erepository.uonbi.ac.ke:8080">erepository.uonbi.ac.ke:8080</a><br>Internet Source | <b>&lt;1%</b> |
| <b>8</b> | <a href="http://ir-library.ku.ac.ke">ir-library.ku.ac.ke</a><br>Internet Source                   | <b>&lt;1%</b> |

[su-plus.strathmore.edu](http://su-plus.strathmore.edu)

Internet Source

[su-plus.strathmore.edu](http://su-plus.strathmore.edu)

|    |   |      |
|----|---|------|
| 21 | <a href="http://etd.hu.edu.et">etd.hu.edu.et</a><br>Internet Source                       | <1 % |
| 22 | <a href="http://www.mediummultimedia.com">www.mediummultimedia.com</a><br>Internet Source | <1 % |
| 23 | <a href="http://1bz.com">1bz.com</a><br>Internet Source                                   | <1 % |
| 24 | <a href="http://rsmm.uma.ac.ir">rsmm.uma.ac.ir</a><br>Internet Source                     | <1 % |
| 25 | <a href="http://academicjournals.org">academicjournals.org</a><br>Internet Source         | <1 % |
| 26 | <a href="http://arro.anglia.ac.uk">arro.anglia.ac.uk</a><br>Internet Source               | <1 % |
| 27 | <a href="http://ikesra.kra.go.ke">ikesra.kra.go.ke</a><br>Internet Source                 | <1 % |
| 28 | <a href="http://dspace.unza.zm">dspace.unza.zm</a><br>Internet Source                     | <1 % |
| 29 | Submitted to University of Wolverhampton<br>Student Paper                                 | <1 % |
| 30 | <a href="http://kipdf.com">kipdf.com</a><br>Internet Source                               | <1 % |
| 31 | <a href="http://repository.smuc.edu.et">repository.smuc.edu.et</a><br>Internet Source     | <1 % |
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|----|---|------|
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| 35 | Submitted to Lappeenranta teknillinen yliopisto<br>Student Paper                    | <1 % |
| 36 | Submitted to Sydney Business Travel Academy<br>Student Paper                        | <1 % |
| 37 | <a href="http://erepository.mku.ac.ke">erepository.mku.ac.ke</a><br>Internet Source | <1 % |
| 38 | <a href="http://hj.diva-portal.org">hj.diva-portal.org</a><br>Internet Source       | <1 % |
| 39 | Submitted to University of Wales, Lampeter<br>Student Paper                         | <1 % |
| 40 | <a href="http://fastercapital.com">fastercapital.com</a><br>Internet Source         | <1 % |
| 41 | <a href="http://gradesfixer.com">gradesfixer.com</a><br>Internet Source             | <1 % |
| 42 | <a href="http://repository.kemu.ac.ke">repository.kemu.ac.ke</a><br>Internet Source | <1 % |
| 43 | Submitted to Foreign Trade University<br>Student Paper                              | <1 % |

|    |  |      |
|----|--|------|
| 44 | Submitted to Prince Sultan University<br>Student Paper   | <1 % |
| 45 | Submitted to University of Rwanda<br>Student Paper   | <1 % |
| 46 | core.ac.uk<br>Internet Source  | <1 % |
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| 55 | tind-customer-agecon.s3.amazonaws.com<br>Internet Source                       | <1 % |
| 56 | tsedb.theglobeandmail.com<br>Internet Source                                   | <1 % |
| 57 | Submitted to Middle East College of<br>Information Technology<br>Student Paper | <1 % |
| 58 | Submitted to University of Northampton<br>Student Paper                        | <1 % |
| 59 | Submitted to University of Northumbria at<br>Newcastle<br>Student Paper        | <1 % |
| 60 | Submitted to University of Wales Institute,<br>Cardiff<br>Student Paper        | <1 % |
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|    |  |      |
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| 66 | Submitted to Mancosa<br>Student Paper                | <1 % |
| 67 | Submitted to Strathmore University<br>Student Paper  | <1 % |
| 68 | Submitted to University of Kabianga<br>Student Paper | <1 % |
| 69 | Submitted to University of Ulster<br>Student Paper   | <1 % |
| 70 | aovotice.cz<br>Internet Source                       | <1 % |
| 71 | Submitted to Tilburg University<br>Student Paper     | <1 % |
| 72 | Submitted to University of Waikato<br>Student Paper  | <1 % |
| 73 | ir.tum.ac.ke<br>Internet Source                      | <1 % |
| 74 | media.neliti.com<br>Internet Source                  | <1 % |
| 75 | www.econstor.eu<br>Internet Source                   | <1 % |
| 76 | ir-library.mmust.ac.ke<br>Internet Source            | <1 % |
| 77 | www.erudit.org<br>Internet Source                    | <1 % |



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|    |   |      |
|----|---|------|
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APPENDIX VI: ERC CERTIFICATE

# Mount Kenya University



REF: MKU/ISERC/3308  
TO: ABDI BASI GIRAD

Date: 30 October 2023

REG: MBA/2019/51388

Dear Sir/Madam,

**RE: EFFECTS OF INTERNET MARKETING STRATEGIES ON PROFITABILITY OF SELECTED SUPERMARKETS IN MOMBASA COUNTY KENYA**

This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **2352**. The approval period is **30/10/2023 - 29/10/2024**.

This approval is subject to compliance with the following requirements;

- i. Only approved documents including informed consents, study instruments, MTA will be used
- ii. All changes including amendments, deviations and violations are submitted for review and approval by **Mount Kenya University**
- iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **Mount Kenya University** within 72 hours of notification
- iv. Any changes, anticipated or otherwise that may increase the risks or affect the safety or welfare of study participants and others or affect the integrity of the research must be reported to **Mount Kenya University** within 72 hours
- v. Clearance for export of biological specimens must be obtained from relevant institutions
- vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal
- vii. Submission of an executive summary report within 90 days upon completion of the study to **Mount Kenya University**

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) <https://research-portal.nacosti.go.ke> and also obtain other clearances needed.

Yours sincerely,

**The Chairman**  
**Mount Kenya University**  
**Ethics Review Committee**  
**P. O. Box 342 - 0100, Thika**

**Dr. Alfred Owino, PhD**  
**Chairman, Mount Kenya University ISERC**



## DIRECTORATE OF GRADUATE STUDIES

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MBA/2019/51388

31<sup>st</sup> October, 2023

*National Commission for Science Technology & Innovation (NACOSTI)  
Off Waiyaki Way, Upper Kabete,  
P.O Box 30623- 00100  
NAIROBI, KENYA*

Dear Sir/Madam,


**RE: ABDI BASI GIRAD- REGISTRATION NO. MBA/2019/51388**

The purpose of this letter is to introduce the above named student who is pursuing **Master of Business Administration** in the department of **Accounting and Finance** in the school of **Business and Economics**

The title of the research is **"Effects of Internet Marketing Strategies on Profitability of Selected Supermarkets in Mombasa County Kenya."** It has been cleared by the University's Ethics Review Committee (Certificate attached) and now has to proceed to the field to collect data between **November, 2023 and January, 2024.**

Any assistance accorded to the student will be highly appreciated.

Thank you.

  
**Dr. Samuel M. Karenga, Ph.D.**  
**Director, Graduate Studies**

**Mount Kenya University**  
P.O. Box 342 - 01000, THIKA  
Office of the Director,  
Graduate Studies

Enc.



REPUBLIC OF KENYA

## APPENDIX VIII: RESEARCH PERMIT



NATIONAL COMMISSION FOR  
SCIENCE, TECHNOLOGY & INNOVATION

Ref No: 919926

Date of Issue: 08/November/2023

### RESEARCH LICENSE



This is to Certify that Mr.. ABDI Basi Girad of Mount Kenya University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Mombasa on the topic: Effects of internet marketing strategies on profitability of selected supermarkets in Mombasa County Kenya. for the period ending : 08/November/2024.

License No: NACOSTI/P/23/31214

919926

Applicant Identification Number

Director General  
NATIONAL COMMISSION FOR  
SCIENCE, TECHNOLOGY &  
INNOVATION

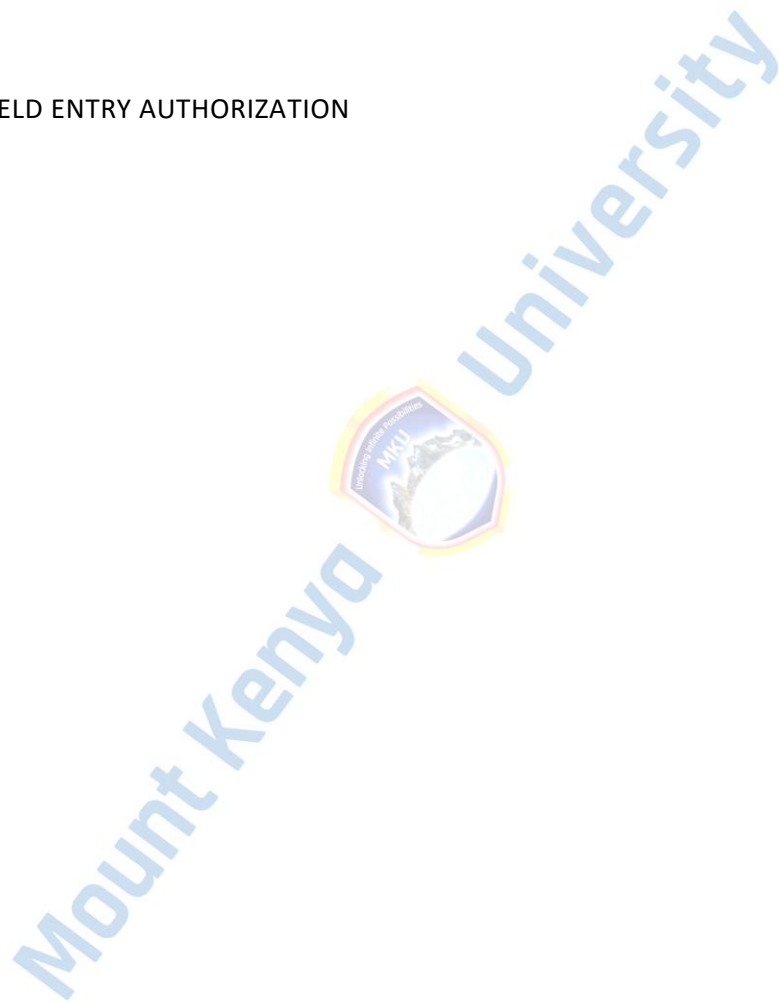
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APPENDIX X: FIELD ENTRY AUTHORIZATION



APPENDIX XI: COVER PAGE



# EFFECTS OF INTERNET MARKETING STRATEGIES ON PROFITABILITY OF SELECTED SUPERMARKETS IN MOMBASA COUNTY KENYA

*by* ABDI BASI

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**Submission date:** 18-May-2024 03:28PM (UTC+0300)

**Submission ID:** 2374933250

**File name:** marketing\_project\_1\_Autosaved.docx (227.06K)

**Word count:** 22473

**Character count:** 129853



APPENDIX XII: SUMMARY PAGE

APPENDIX XIII: LAST PAGE