

## E-MARKETING IN TANZANIA

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## e-Marketing

- E-marketing means using digital technologies to sell goods and services.
- These e-Marketing tools include:
  - e-mails,
  - websites, and
  - mobile phones

These tools are valuable complement to traditional marketing methods whatever the size of the company or business model.

## The Benefits of e-marketing

- e-marketing is a revolution for the marketing industry.
  - it gives businesses of any size access to the mass market
  - at an affordable price and,
  - it allows truly personalised marketing, unlike TV or print advertising.

## Specific Benefits

- global reach
- lower cost
- trackable, measurable results
- 24-hour marketing
- shorter lead times
- a level playing field
- personalisation
- one-to-one marketing
- more interesting campaigns
- better conversion rate

## Global Reach

- A website can reach anyone, anywhere in the world, provided they have internet access.
- This allows the company to tap new markets and compete globally with only a small investment.
- Useful for niche providers, companies whose products can be posted easily, or businesses who are looking to expand geographically but cannot afford to invest in new offices or businesses.

## Lower Cost

- A properly planned and effectively targeted e-marketing campaign can reach the right customers at a much lower cost than traditional marketing methods.
- You can build a website for as little as a few hundred pounds or send e-mail for a fraction of a penny.

## Trackable, Measurable Result

- Marketing by e-mail or banner advertising makes it easier to establish how effective campaign has been.
- Clicks on the banner adverts or e-mails allows the company to assess effectiveness of different online campaigns
- There are always systems to keep statistics of the visitors to the web sites

## 24-hour Marketing

- With a website your customers can find out about your products even if your office is closed.

## e-Marketing Options

- There are a wide variety of e-marketing options available, each with their own particular strengths and weaknesses.
- Here are some of the most common options:
  - E-mail
  - Text Messaging (Or Sms)
  - Websites

## E-mail: Pros

- It is a fast, flexible and effective way of getting marketing messages through.
- Flexible – you can send plain text, graphics or attach files – whichever suits your message best.
- Easy for people to forward on to others, building your reputation by word of mouth.
- People can click on links and follow your call to action immediately.
- Less intrusive than telephone marketing.

## E-mail: Cons

- Files need to be small enough to download quickly.
- Unsolicited commercial e-mail (or 'spam') is a real problem and irritates consumers.
- You need to make sure that your e-mail marketing complies with privacy and data protection rules, and that
- it needs to be properly targeted on people who want to receive it.

If you do this properly, you can build a strong reputation as a best practice marketer.

## E-mail: Costs

- If you already have an e-mail system, you can send e-mail at virtually no cost.
- If you want to send a bulk mailing or you want someone else to handle the responses, you can use an e-mail marketing agency.
- Even then the cost can be as low as a few pence per message.

## Text Messaging (Or Sms)

- Text messaging or SMS (Short Messaging Service) are the brief messages that people send from their mobile phones.

### PROS

- Many people nowadays have mobile phones, making them a very powerful way of reaching people.
- Most people take them everywhere – meaning they can be great for time sensitive messages: for example, a reminder that an offer finishes on a certain date.
- People tend to read virtually every text they get – unlike junk mail, spam or adverts which can be ignored.

## Sms - Cons

- The size of messages is very limited (hardly can be up to 160 characters – which does not give you much space to get your message over).
- Because phones are such a personal thing, people will respond negatively if they receive unwanted texts.
- You have to seek permission to send the customers texts
- SMS marketing should comply with privacy and data protection rules. Because there has been a rise in fraudsters
- It's good practice to make it clear who the message is from.

## Sms - Costs

- Because it's not practical to send out text messages one at a time, you will need to employ a mobile phone agency to send out the texts for you.
- These work out at about 10p per text depending on the operator
- The development of 3G and smartphones, which have larger screens and can play music and video clips, has made MMS (Multimedia Messaging Service) possible.
- In future, companies will be able to send much richer, more interesting messages to these phone.
- Since the technology is new, it isn't yet being widely used. However, the same agencies that manage SMS campaigns will offer it soon

## Web Sites

- A website is a collection of 'pages' of information that can be viewed by anyone with internet access.
- You can use it for anything from promoting your company to making sales and exchanging information with customers and suppliers.

## Web Sites - Pros

- A good website, with the right design and features can attract passing trade from anywhere in the world.
- You can use text, photos, music and video to sell your goods or services – far more information than you could include in any other marketing medium.
- You can allow people to personalise your website so that they are taken straight to the things that interest them.
- The entire marketing and buying process can take place without the need for any staff to be present.
- It is easy for people to pass on website addresses (or URLs) to generate word of mouth publicity.


## Web Site - Cons

- There are millions of other websites available – so yours needs to be built, marketed and improved carefully to appeal to your audience.
- It's easy to leave a website and head for another. Web users have high expectations so you need to be able to answer queries quickly and help people find what they want as simply and as straight forwardly as possible



## Web Site - Costs

- The good news is that planning is more important than money – a surprising number of expensive corporate websites make the most basic mistakes.
- In fact, for only a few resources you can build and run your own basic website.
- For a few thousand you can get a very professional site with lots of the features



E-marketing has huge potential but, like any new technology, there are also pitfalls



## e-Marketing Readiness in Tanzania

- Active sector players, include:
  - the Government,
  - Telecom operators of both fixed and mobile networks,
  - Internet Service Providers (ISPs),
  - Data Service Providers (DSPs),
  - Television and
  - Radio broadcasters



## e-Marketing Readiness...

- A growing fixed telephone network with a current switching capacity of some 235,000 subscribers
- TTCL and ZANTEL have 100% regional coverage and over 80% district coverage
- A growing mobile cellular network, by four licensed operators, with about 750,000 subscribers
- Mobile networks now have 100% regional reach and about 25% district coverage and also coverage of main highways/roads.



## e-Marketing Readiness...

- Collectively, the mobile and fixed networks give a combined teledensity for Tanzania of about 1.2% (12 phones for 1000 inhabitants).
- 16 Data Service Providers and 23 ISPs. Their efforts put together gives Tanzania a growing IP-backbone:
  - With 10 international data gateways/hubs,
  - 50 Points of Presence (PoPs), with 75% regional coverage and about 20% district coverage.
  - In terms of bandwidth, we have about 100Mbps local bandwidth for low latency applications and over 50Mbps international bandwidth for data and internet communications. A variety of local loop systems for distribution of bandwidth.



## e-Marketing Readiness...

- Very fast ICT diffusion via emerging Internet cafes in the regions and districts.
- 24 television broadcasters with 100% regional and 100% district coverage, demand driven. The challenge here is content programming.
- 18 radio broadcasters with a reach covering all regions and districts. Challenge is content programming.
- Inland fiber optic cables for high capacity transmission being built by utilities, e.g Tanzania Railway Corporation, TANESCO, SONGAS and TTCL.

## e-Marketing Readiness...

The East Coast Submarine Cable Project – a private sector initiative to extend the SAT3/WASC/SAFE Submarine cable by a new cable along the East Coast of Africa linking South Africa, Maputo, Dar es Salaam, Zanzibar, Mombasa and Djibouti

## Use of ICTs in Business

- Several Banks now offer real-time e-banking services over Wide Area Networks (Virtual Private Networks) country-wide.
- Some of the banks offer electronic payment services using smart cards (CRDB Tembo Card).

## Use of ICTs in Business...

- With broadband data services:
  - businesses now use email communication and web interfaces as a superior way to speed up operations and to cut operational costs.
  - The Government has a national-wide electronic payment system
  - The Universities are planning to become bearing centre for e-learning in computer science under the African Virtual University programme.

## Use of ICTs in Business...

- Diffusion of internet services into primary and secondary schools has already started slowly.
- Telemedicine is slowly being practiced
- Video conferencing and multimedia streaming services have started.

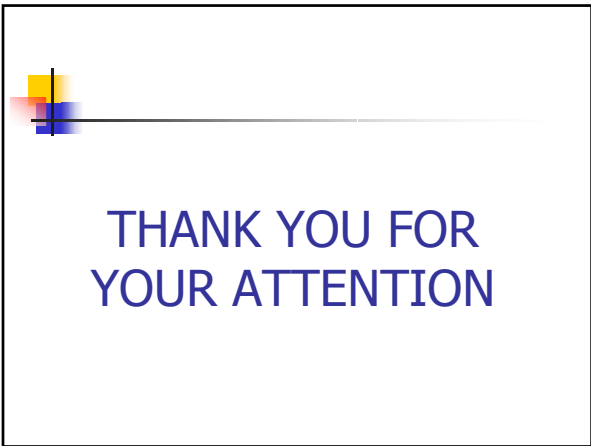
## Use of e-Marketing by SMEs

There are very limited examples of SMEs using ICTs in business in Tanzania because:

- There are very few web sites developed by SMEs.
- Few SMEs use online advertising facilities
- Very few have managed to participate in Virtual Exhibitions
- There is very limited use of e-mail marketing

## e-Marketing Strategy

- **Research & analyse**
  - Set targets
  - Make cost benefit analysis
- **Consult**
  - With customers
  - Follow Professional advice
- **Plan & test**
  - Evaluate options
  - Plan the rollout phase
- **Act**
  - Implement e-marketing
  - Evaluate



THANK YOU FOR  
YOUR ATTENTION