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Electronic Marketing Practices and Performance of Telecommunications Companies in Kenya

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Abstract
The objective of the study was to establish the influence of e-marketing practices on the performance of telecommunications companies in Kenya. The population of the study comprised all telecommunications companies licensed by the Communications Authority of Kenya. Primary data were collected from managers using a semi-structured questionnaire while secondary data were obtained from industry performance reports. Data analysis involved descriptive statistics, factor analysis and regression analysis. The results revealed statistically significant relationship between e-marketing practices and organizational performance. Organizations that are able to adopt novel strategies that include e-marketing practices are capable of reporting better performance.
Keywords: e-marketing practices, offline marketing, online marketing, organizational performance, telecommunications companies, kenya

1. Introduction

The environment within which organizations operate is characterized by uncertainties and dynamism. This calls for development of appropriate strategies, including e-marketing practices, which can assure the organizations of success. The interest of management is in the development of strategies that guarantee organizational competitiveness and performance. Adoption of e-marketing practices results into better performance in sales, distribution and customer acquisition (Hossinpour et al., 2014; Brodie et al., 2007). Ellis-Chadwick and Doherty (2012) considered e-marketing practices the 'latest type of marketing' with valuable potential in contributing to organizations' marketing activities. Appreciating the influence of organizational strategies and specifically the adoption of e-marketing practices on organizational performance becomes vital to managers.

Telecommunications industry in Kenya is growing rapidly thereby making great impact to the economy. The industry is made up of companies that fall under three main categories thus: International Network Facility Providers, National Network Facility Providers (NFP) and Non-Infrastructure Based Service Providers (Communications Authority of Kenya, 2015). The industry was liberalized in 1990s and this brought about heightened the competition, technological advancements and globalization (Letangule & Letting, 2012). The competitive environment calls for players who are innovative, customer-driven and able to target their customers effectively in order to cut an edge in the industry (Lwiza & Nwankwo, 2002).

1.2 Electronic Marketing Practices

E-marketing practices entail application of marketing principles in communicating a company's offerings through the internet (Kotler, 2003; Harridge-March, 2004). Banerjee and Dash (2011) contend that e-marketing practices use the internet as a platform that allows firms to adapt to the needs of customers, reduces transaction costs, and allows customers to move from time-and location-based behaviours toward non-temporal and non-locational behaviour. Ellis-Chadwick and Doherty (2012) add that e-marketing practices do not only relate to the use of internet technology but also interactive activities in facilitating interaction with organization's customers. E-marketing practices therefore make use of electronic communications technology that entail on-line and off-line networks; including digital platforms, electronic mails, websites and telecommunications technology for the achievement of marketing objectives (Baker & Sinkula, 2005).

Dann and Dann (2011) posit that e-marketing practices are marketing activities and approaches that require a level of interactivity for their application. This means that e-marketing practices depend on some form of technology including electronic, interactivity and marketing for execution. E-marketing practices therefore go beyond the internet and use of corporate website in communicating an organization's offerings while at the same time managing customer relationships. E-marketing is therefore a modern and evolving business practice that involves marketing of products, services, ideas and information through the internet and other forms of electronic media (El-Gohary, 2010).

1.3 Organizational Performance

Organizational performance has received a lot of attention yet there is no census among scholars on the meaning of the term. . According to McCann (2004) and Firer (2003), organizational performance is the efficiency and effectiveness with which organizations transform inputs into outputs. Bourne et al (2003) adds that besides efficiency and effectiveness, organizational performance should also be viewed in terms of adaptability and financial perspectives. Kaplan and Norton (1987) on the other hand espoused the balanced score card that views organizational performance in terms of financial, customer, innovation and learning and internal process perspectives. Hubbard (2009) publicized the Triple Bottom Line that entails natural environment and social responsibility as necessary measures of organizational performance. Lusthaus et al (1999), on their part, introduced the International Development Research Centre (IDRC) model that presented effectiveness, efficiency, relevance and financial indicators as vital measures of performance. Despite the lack of consensus on the term, it is clear that organizational performance remains an integral concern for every organization.

1.4 Research Problem

The environment within which organizations operate is constantly changing and this requires management to develop strategies that assure them of sustainability. Adoption of e-marketing practices translates into organizational performance through improved sales, distribution and reach (Hossinpour et al., 2014). Moreover, organizations that have adopted e-marketing practices are also able to navigate the turbulent and dynamic business environments for success (Trainor et al. (2011).

Liberalization of the telecommunications sector implies that players need to market themselves in a climate characterized by competition and dynamism. The dynamic competitive environments within which organizations operate also influence their performance by presenting opportunities for growth, development, value, wealth creation and threats that organizations must address in order to survive (Njeru, 2013). Telecommunications companies are developing innovative strategies including e-marketing practices that assure them of competitiveness (Letangule & Leting, 2012). E-marketing practices influence performance when the organization is able to develop mechanisms and strategies that enable integration and adaptation to the competitive environment (Egan et al, 2004).

Studies have tested the relationship between e-marketing practices and organizational performance; however, differences in concepts, direction and magnitude of the relationship between the variables are evident. Harridge-March (2004) used the 7 Ps of marketing in his study and demonstrated that electronic marketing should be considered the 'New Kid on the Block' and a modern marketing strategy being adopted globally. He however did not consider the specific elements that constitute e-marketing and how the elements can be aligned to the 7ps for competitiveness. Hossinpour et al. (2014) in seeking to establish the effect of e-marketing on sales of Life and Investment Insurance focused on internet marketing but failed to consider the effects of other e-marketing elements on their study. Brodie et al. (2007) established the fast rate at which organizations are adopting e-marketing practices and the contribution of e-marketing to organizations' efficiency and effectiveness but failed to demonstrate any financial gains through adoption of e-marketing practices.

Gaps have also been noted on studies linking e-marketing practices and performance of Telecommunications companies in Kenya. Brodie et al. (2007) conducted studies among service firms in USA**;** Hossinpour et al. (2014) studied Life and Investment companies in Germany while Tsiotsou and Vlachopolous (2011) considered the Travel and Tourism companies in Greece. On their part, Salem et al. (2013) conducted their study on Hotels in Egypt while Asikhia (2009) studied service firms in Nigerian. These indicate that the relationship between e-marketing practices and Telecommunications companies has not been adequately researched.

2. Theoretical Review

Managerial perception of the environment within which an organization operates can influence the choice of marketing strategies adopted by the organization that enable it achieve greater performance. The study is anchored on Diffusion of Innovations Theory (DIT) which tries to describe adoption of e-marketing practices against competitive environment that telecommunications companies operate in.

2.1 Diffusion of Innovations Theory

Diffusion of Innovations Theory (DIT) explains the process by which innovations are adopted by users. According to Rogers (1995), diffusion is the process by which new ideas are communicated to members of a social system over a period of time through different channels. Schiffman and Kanuk (2010) posit that innovations do not always have equal potential for consumer acceptance; some innovations are readily accepted, others take longer while yet still some are rejected altogether thus have no chance of adoption.

Diffusion process introduces five characteristics that help in consumer approval of innovations including relative advantage, compatibility, complexity, trialability and observability (Rogers, 1995; Schiffman & Kanuk, 2010; Armstrong & Kotler, 2003). Relative advantage relates to how prospective customers feel an innovation is outstanding compared to alternatives. Compatibility relates to how prospective consumers recognize an innovation as coherent with their desires, beliefs and principles. Complexity is how an innovation is difficult to understand or use. Trialability relates to how innovation can be tested in small bits while observability is the easiness with which a product's values and characteristics can be perceived, visualized or expressed to prospective consumers. Adopter categories outlined by the DIT provide useful framework capable of guiding management in understanding the likely rate of adoption of the systems and practices implemented by an organization. Consequently, the diffusion process becomes most appropriate in implementation of strategies that enable effective scanning of the environment for competitiveness.

The DIT is applicable to the study considering the relative novelty of e-marketing (Ellis-Chadwick and Doherty (2012) as a marketing strategy. The theory guides organizations in understanding how adoption of e-marketing practices alongside new systems, innovations and ideas is guided by characteristics depicted by the theory. Moreover, not all employees are likely to adopt the innovations, systems and e-marketing practices at the same time but at different stages based on their evaluation of the innovations.

2.2 Electronic Marketing Practices and Organizational Performance

E-marketing practices have benefits that go beyond communication to embracing different aspects of marketing including marketing research, sales activities, customer relationship management, analysis and planning (Brodie et al., 2007). It is considered the latest type of marketing (Ellis-Chadwick & Doherty, 2012) with valuable potential in contributing to organizations' marketing activities. Harridge-March (2004) argues that although it may not replace traditional marketing efforts, it plays a valuable and complementary role in creating greater customer value.

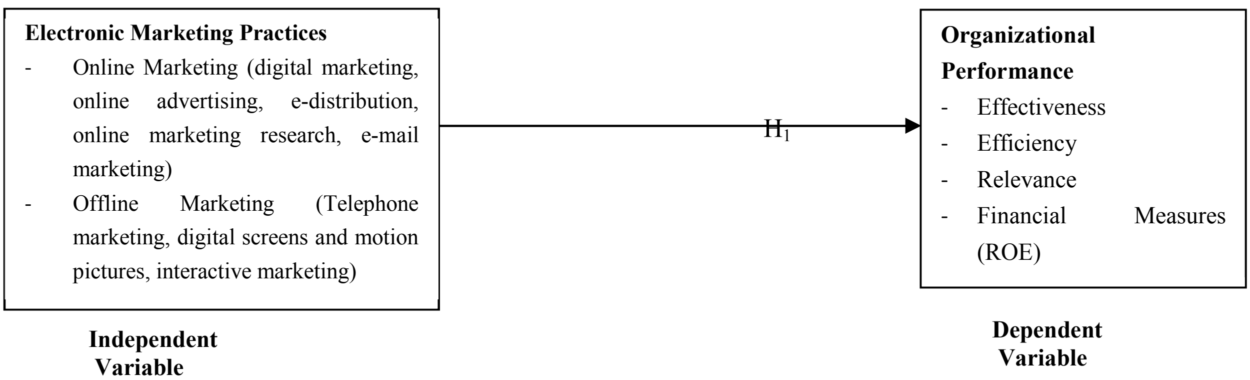
Studies linking e-marketing practices to organizational performance have reported divergent findings with Hossinpour et al (2014) maintaining that the use of e-marketing practices improves sales, distribution, marketing research and reach which eventually positively affects overall sales performance. Trainor et al (2011) argue that organizations that have adopted e-marketing practices are able to navigate the turbulent and dynamic business environments for success. Brodie et al (2007) also maintain that there is a strong positive relationship between e-marketing practices and organizational performance while adding that organizations with higher penetration of e-marketing practices fair better in terms of customer acquisition. They however challenge the notion that information technology enabled business process innovations lead to rapid business performance. On their part, Avlonitis and Karanyani (2000) posit that e-marketing practices enhance firm performance through improved sales. They are however quick to add that despite this, its adoption rarely results into competitive advantage. This study seeks to address these divergent views and specifically focuses on telecommunications companies in Kenya. The study attempts to establish how the adoption of e-marketing practices affects organizational performance.

The following sections detail the conceptual framework and hypotheses of the study. This is followed by the study methodology, analysis and results. Finally, conclusions are drawn.

2.3 Conceptual Framework and Conceptual Hypothesis

The conceptual framework shown in Figure 2.1 is based on reviewed theoretical models and literature. Previous studies supported the positive relationship between e-marketing practices and performance. Similarly, this study hypothesizes that Telecommunications companies in Kenya are capable of enhancing their performance by implementing e-marketing practices.

Figure 2.1: conceptual Framework



From the conceptual framework on Figure 2.1, the conceptual hypothesis was stated as follows: -

H1 There is a significant relationship between e-marketing practices and performance of telecommunications companies in Kenya

3. Methodology

A descriptive cross-sectional survey design was applied. Study population comprised all telecommunications companies in Kenya licensed by the Communications Authority of Kenya and was made up of 408 companies derived from the directory of Communications Authority of Kenya as at June 2016. The sample size for the study consisted of 205 telecommunications companies that were arrived at using an approach recommended by Krejcie and Morgan (1970). Selection of representative companies was arrived at using stratified random sampling technique advocated by Cooper and Schindler (2010). Proportionate sampling was used to determine the desired sample size for each stratum to enable adequate representation of every stratum.

Data was obtained from primary and secondary sources. Secondary sources included company financial statements and annual industry performance reports published by the Communications Authority of Kenya for 2015 and 2016. The Data quantified financial performance of telecommunications companies and used in testing e-marketing practices - financial performance relationship. Primary data was collected through semi-structured questionnaire targeting three managers responsible for management of finance, marketing and human resource activities within the organizations. Use of multiple respondents improve reliability of data collected resulting into reduced bias. The choice of the respondents was informed by the top positions they hold that make them custodians of information relevant to the study.

The questionnaire was pre-tested among managers in five telecommunications companies that were not included in the study. The drop and pick up later method was used in the administration of the questionnaire. An introductory letter explaining the purpose of data collection and confidentiality of data collected accompanied the questionnaire. Follow up was made by research assistants who received prior training on interviewing skills, rapport building and convincing respondents to complete the questionnaire.

Cronbach's alpha was used in reliability test. Cooper and Schindler (2006) assert that coefficient between 0.7 and 0.9 is appropriate for reliability test. Gliem and Gliem, (2003) indicate that value of 0.7 is considered reliable while Asikhia (2009) recommends reliability cut off point of 0.6. The study interpreted coefficient of 0.6 and beyond as reliable scales. The results revealed that e-marketing had a Cronbach's value of 0.852 while Organizational Performance had a value of 0.772. Construct and face validity were undertaken in testing for validity of the study variables. Besides, Sampling adequacy tests that show appropriateness of items for factor analysis was also considered. Kaiser-Meyer-Olkin (KMO) test of sampling adequacy and Bartlett's test of sphericity were conducted and results revealed appropriateness of data for factor analysis.

Discussing questionnaire with scholars and practitioners in marketing and organizational behaviour enabled assessment of face validity. Content validity was tested by conducting a pilot test on selected managers from two companies. The respondents' comments on the clarity of the questionnaire were taken into account. Construct validity was established through factor analysis that enabled determination of underlying constructs of the variables.

E-marketing practices was operationalized along online and offline marketing while organizational performance was operationalized along both financial and non-financial indicators with the non-financial indicators including efficiency, effectiveness and relevance while Return on Equity (ROE) was used in determining organizational financial performance.

3.1 Data Analysis

Descriptive and inferential statistics were employed in data analysis. On e-marketing practices and non-financial performance perspectives, the respondents were tasked to rate on a 5 - point Likert scale how their organizations compared alongside provided statements. Mean, standard deviation and coefficient of variation were computed from the responses. On the other hand, ROE was used in depicting financial performance. This was presented as a percentage by computing the overall annual contribution over a five year period. Relationship between the variables was tested using regression analysis where simple regression analysis was used in computing the direct relationship between e-marketing practices and performance of the telecommunications companies (Fairchild & Mackinnon, 2009).

The general linear regression model was in the form: -

$$y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \ldots + \beta_n x_n + \varepsilon \quad (1)$$

The regression model used in testing the influence of the explanatory variables on organizational performance was:-

$$\text{Organizational Performance} = \beta_0 + \beta_1 \text{Electronic Marketing Practices} + \varepsilon \quad (2)$$

4. Results

The study applied 205 questionnaires that were directed to representative companies that formed the sample size out of which 160 came back but 5 were not complete and were discarded. Response rate was 75.6% which was considered adequate for the study. Fowler (1984) recommends a response rate of 60% as representative for any study. The Questionnaire targeted three managers responsible for management of finance, marketing and human resource activities within the organizations. Aggregate scores were computed from the three individual respondents from every company and scores used to reduce single source response bias.

4.1 Descriptive Results

For e-marketing practices and non-financial performance indicators, relevant statements depicting each of the variables were developed and the respondents were to show how each of the statements portrayed practices in their organizations. A 5-point Likert scale ranging from 1 - 'not at all' to 5 - 'very large extent' was used. Financial performance was based on Return on Equity (ROE) which was presented as a percentage. Overall organizational performance was also expressed in percentage after converting non-financial measures to percentage as recommended by Brown and Beik (1969).

The results revealed that the overall organizational performance indicator which was expressed in percentage and scored Mean = 58%, SD = 2.102 and C_V = 9.46%, while electronic marketing practices scored mean of 4.56, SD = 0.646, Cv = 14.4%. This implies that due to the competitive environment within which the telecommunications companies operate, they have had to implement robust marketing strategies that include e-marketing practices while adapting to changes in the business environment in order to improve their performance.

4.2 Tests of Hypotheses

The study hypothesized that there is a relationship between e-marketing practices and overall performance of telecommunications companies. Relationship between the variables of the study was tested through simple regression analysis. In order to assess e-marketing practices and organizational performance relationship, three sub-hypotheses were derived and tested. The first one focused on e-marketing practices and non-financial organizational performance of the telecommunications companies. The second sought to determine the relationship between e-marketing practices and organizational financial performance while the third hypothesis tested the relationship between e-marketing practices and overall organizational performance. The first hypothesis was therefore derived and tested as follows:

Hypothesis 1_a: There is a significant relationship between e-marketing practices and non-financial performance of telecommunications companies

The results of regression analysis are presented in Table 4.1

Table 4.1: Summary of Regression Results for the Relationship between E-marketing Practices and Non-Financial Organizational Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.531[a]	.282	.277	.28900

Table 4.1 shows that 28.2% of the variance in organizational non-financial performance is explained by e-marketing practices (R = .531, R^2=.282, p-value<0.05). This reveals that the relationship is statistically significant.

The results of the test of significance of the variables is represented in Table 4.2

Table 4.2: Test of Significance of Electronic Marketing Practices and Organizational Non-Financial Performance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.015	1	5.015	60.040	.000[a]
	Residual	12.779	153	.084		
	Total	17.794	154			

a. Predictors: (Constant), E-marketing Practices

b. Dependent Variable: Non-Financial Performance

Table 4.2 shows that F ratio was significant (F=60.040, p-value<0.05) with the results demonstrating high robustness of the regression model. This implies that the relationship between e-marketing practices and organizational non-financial performance is statically significant at p<0.05 level of significance.

The regression coefficients of the test is presented in Table 4.3

Table 4.3: Regression Coefficients of electronic Marketing Practices and Organizational Non-Financial Performance

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.665	.227		11.723	.000
Emarketing Practices	.411	.053	.531	7.749	.000

a. Dependent Variable: Non-Financial Performance

In Table 4.3, the beta (β) coefficient indicates that e-marketing practices contribute substantially to the change in the organizational non-financial performance ($\beta=.531$, $t=7.449$, p-value<0.05). This illustrates that, for one unit change in e-marketing practices there is a corresponding 0.531 variation in organizational non-financial performance. From these results, the hypothesized influence of e-marketing practices on organizational non-financial performance is therefore confirmed. The hypothesis was therefore supported.

The regression model that explained the above relationship was arrived at as follows:

$$Y = 2.665 + .531\ EMP \qquad (3)$$

Where:

Y = Non-Financial Organizational Performance

EMP = Electronic Marketing Practices

The study further sought to establish the effect of electronic marketing practices on organizational financial performance. Study by Hossinpour et al., (2014) maintains that adoption of e-marketing practices results into increased sales and overall organizational financial performance. The following Hypothesis was derived to guide the study.

Hypothesis 1_{b}: There is significant relationship between electronic marketing practices and financial performance of telecommunications companies

The financial performance of the telecommunications companies was determined by Return on Equity (ROE) and results are presented in Table 4.4

Table 4.4: Summary of Regression Results for the Relationship between E-Marketing Practices and Organizational Financial Performance

a) Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.313[a]	.098	.092	.56416

b) ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.281	1	5.281	16.592	.000[a]
	Residual	48.697	153	.318		
	Total	53.977	154			

c) Regression coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.644	.444		5.958	.000
	E-marketing Practices	.422	.103	.313	4.073	.000

a. Predictors: (Constant), E-marketing Practices
b. Dependent Variable: Financial Performance

The results reveal that e-marketing practices had a positive and significant effect on organizational financial performance with a correlation coefficient of .313, $R^2=.098$. This implies that electronic marketing practices explained 9.8% of the variance in organizational financial performance. The F statistics was significant at 0.000 with F=16.592. This shows fitness of the regression model. The relationship was therefore positive and statistically significant. The standardized beta coefficient indicates that electronic marketing practices make significant contribution to organizational financial performance (Beta = .313, t = 4.073, $p< 0.05$). This shows electronic marketing practices as a good predictor of organizational financial performance. The hypothesis was therefore supported.

The regression model that explained the above relationship was arrived at as follows:

$$Y = 2.644 + .313\ EMP \quad (4)$$

Where:
Y = Organizational Financial Performance
EMP = Electronic Marketing Practices

Lastly, the study tested the effect of e-marketing practices on the overall performance of telecommunications companies in Kenya. Overall organizational performance was arrived at by combining the results from both financial and non-financial indicators. The following hypothesis was derived and tested.

Hypothesis 1_c: There is significant relationship between electronic marketing practices and overall organizational performance of telecommunications companies

The results are presented in Table 4.5

Table 4.5: Summary of Regression Results for the Relationship between E-Marketing Practices and overall Organizational Performance

a) Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.498[a]	.248	.243	.31955

d) b) ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.147	1	5.147	50.405	.000[b]
	Residual	15.623	153	.102		
	Total	20.770	154			

e) c) Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.654	.251		10.560	.000
	E-marketing Practices	.416	.059	.498	7.100	.000

a. Predictors: (Constant), E-marketing Practices
b. Dependent Variable: Overall Organizational Performance

The results revealed that e-marketing practices had a positive and significant effect on overall organizational performance with a correlation coefficient of .498, R^2 = .248. This implies that electronic marketing practices explained 24.8% of the variance in overall organizational performance. The F statistics was significant at 0.000 with a value of 50.405. This shows fitness of the regression model. The relationship was therefore positive and statistically significant. The standardized beta coefficient indicated that electronic marketing practices make significant contribution to overall organizational performance (Beta = .498, t = 7.100, $p< 0.05$). This implies that electronic marketing practices are good predictors of overall organizational performance. The hypothesis was therefore supported.

The regression model that explained the above relationship was arrived at as follows:

$$y = 2.654 + .498\ EMP \quad (5)$$

Where:
Y = Overall Organizational Performance
EMP = Electronic Marketing Practices

5. Discussion

The influence of e-marketing practices on organizational performance has attracted considerable research attention. Previous studies (Brodie, 2007; Trainor et al, 2010; Hossinpour et al, 2014) established that e-marketing practices are associated with long term organizational performance. The current study revealed a positive relationship between e-marketing practices and organizational performance when organizational performance was measured by both perceptual and objective indicators. E-marketing practices were based on both online and offline marketing practices while organizational performance measures were guided by the IDRC model (Lusthaus, 1999) that provides a holistic approach to organizational performance measurement and entails both subjective non-financial (efficiency, effectiveness and relevance) and objective (financial) measures. The study reveals positive relationship between e-marketing practices and non-financial organizational performance indicators (R^2 =.282, $p<0.05$)) as well as with financial organizational performance indicators (R^2 = .098, $p<0.05$). The findings from the study further reveal that as organizations adopt e-marketing practices, they are able to reach more customers. Notably, their engagement with the customers equally improves through interactive communications with an overall reduction on marketing expenditure.

These findings are consistent with results obtained by Brodie (2007) and Trainor et al (2010) who established a positive relationship between e-marketing practices and organizational performance. Specifically, Trainor et al. (2010) found a positive relationship in improved sales and distribution of organizations that had adopted e-marketing practices. The findings are consistent with the current study that revealed how organizations that have adopted e-marketing practices have reported improved Return on Equity. Asikhia (2009) indicated that e-marketing practices contribute to better delivery of customer offerings and obtaining of marketing intelligence while Trainor et al (2010) stated that e-marketing practices lead to improved customer reach, engagement and retention. The current study further revealed that e-marketing practices do not only enable wider customer reach but also proved cheaper than traditional marketing practices. Adoption of e-marketing practices therefore positively influences the overall organizational performance through both non-financial and financial performance indicators.

Notably, the findings are contrary to results obtained by Avlonitis and Karanyani (2000) who found that there is no competitive advantage that e-marketing practices contribute to organizational performance while adding that organizations that adopted e-marketing practices have no assurance of improved performance. Similar sentiments were held by Salem et al (2013) who maintained that there is no evidence of positive impact on the performance of five star hotels in Alexandria that had adopted e-marketing practices. Hossinpour et al (2014), while basing their studies on Iranian Insurance companies concluded that whereas e-marketing practices facilitate market oriented strategies that enable interactive sales activities and customized product offerings in business to business markets, there is no evidence that the improved sales performance is a direct influence of adoption of e-marketing practices. Moreover, adoption of e-marketing practices does not automatically lead to competitive advantage.

Despite the contrary opinions presented in the above studies, empirical evidence presented in the current study as well as in majority of previous studies reveal that e-marketing practices as a marketing strategy cannot be ignored by organizations that seek to improve their overall performance along both non-financial and financial perspectives. The findings are also consistent with the position held by Rogers (1995) in espousing the factors that determine acceptance of innovations through the Diffusion of Innovations Theory that details how innovations with higher relative advantage are easily adopted. Organizations have increasingly discovered that e-marketing practices have relative advantage over traditional marketing practices through wider customer reach, reduced marketing costs, improved interactivity with the customers and overall marketing efficiency. It is therefore no wonder that organizations have adopted e-marketing practices as an unmatched marketing strategy and a resource for superior performance.

6. Conclusions

The study established a positive relationship between e-marketing practices and performance of telecommunications companies. This suggests that telecommunications companies in Kenya have adopted e-marketing practices as unavoidable marketing strategy that assures them of competitiveness. Specifically, both online and offline marketing practices are being applied by the companies. The adoption of e-marketing practices has assured the companies of improved performance alongside both financial and non-financial perspectives. Reduced marketing expenditure was reported by majority of the companies that had adopted e-marketing practices. The companies were also more able to not only advertise their products cost effectively but also received feedback on their performances through e-marketing practices. Telephone marketing had gained a lot of acceptance among majority of the companies, with short messaging being utilized to cost effectively communicate with customers. While seeking to adopt strategies that assure them of competitiveness and success, the telecommunications companies must also take cognisance of the consumers' high knowledgeability and demand for better services. This requires that the companies be responsive to the needs and wants of their target customers better than their competitors in order to succeed in this competitive environment.

The study builds onto the Diffusion of Innovations Theory espoused by Rogers (1995) in explaining how consumers adopt innovations that they believe have higher relative advantage compared to alternatives. Organizations have established that e-marketing practices have higher relative advantage compared to traditional marketing strategies through effective and efficient communication and application of relevant marketing principles. It is no wonder that it is considered an unmatched marketing strategy that cannot be avoided by any organization that seeks to remain successful in a competitive environment.

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