

Exploring effects of promotional strategies on the performance of leather products' enterprises in Tanzania.

Mariam Said Kapipi
Tanzania Institute of Accountancy, Dar es Salaam
Department of Business Studies,
Email: mariam.kapipi@tia.ac.tz

Abstract

This study investigated the effects of promotional strategies on the performance of leather product enterprises in Tanzania, with a specific focus on profit and return on investment (ROI). Grounded in the Marketing Mix Theory, the study assessed the effects of personal selling, advertisement, and sales promotion. A quantitative research approach was used, employing a cross-sectional design. Data were collected through structured questionnaires from a randomly selected sample of 134 leather enterprises in Dodoma and Mwanza regions. Using SPSS Version 20, multiple linear regression analysis was conducted to evaluate the relationship between promotional strategies and business performance. The results indicated that personal selling and advertisement significantly and positively influenced both profit and ROI, while sales promotion did not show a statistically significant impact. Regression models demonstrated strong explanatory power, with promotional strategies accounting for 72.5% of the variance in profit and 87.2% in ROI. These findings reinforce the theoretical argument that consistent, targeted promotional efforts are vital for enhancing enterprise outcomes in competitive markets. The study concludes that leather enterprises should focus on strengthening personal selling and digital advertisement strategies to improve customer engagement and financial performance. It is recommended that stakeholders invest in marketing training and digital infrastructure to enhance the promotional capabilities of small enterprises. Future research should expand geographically and consider longitudinal methods to explore the long-term effects of promotional strategies on business growth.

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1. Introduction

Leather has been an essential material throughout human history, initially valued for its practical uses in clothing and shelter. Over time, however, its significance has evolved beyond basic functionality. In contemporary society, leather has become a symbol of luxury, prestige, and social status (Gorfu, 2018; Mahi, 2002). Items such as leather jackets, car interiors, and home furniture are now perceived not just as necessities, but as representations of style and affluence. Particularly in wealthier nations, the presence of leather in consumer goods signifies sophistication and success (Gorfu, 2018). This transformation underscores leather's dual role as both a utilitarian material and a status-driven commodity in the global market.

Globally, the leather industry has demonstrated its economic potential by providing employment and contributing to industrial development. According to Abdela (2018), enterprises involved in leather production offer income-generating opportunities and improve the livelihoods of workers. Europe, in particular, dominates the global leather trade, accounting for approximately 25% of the world's leather demand (Mahi, 2021; Kitole & Sesabo, 2022). It also boasts some of the most competitive and consumer-oriented markets for leather products, where innovation, quality, and brand value play a crucial role. The continent's leadership reflects the importance of market dynamics, product differentiation, and strategic promotion in influencing sector performance at the global level.

In Africa, the leather industry also holds significant potential. Ethiopia, for instance, has demonstrated how leather enterprises can contribute meaningfully to national development. The Leather Industry Development Institute (LIDI, 2015) reported that 134 private sector companies employ over 22,000 individuals, contributing around 6% to the country's manufacturing GDP. Kenya's industry, while promising, faces challenges including competition from second-hand imports, low-cost non-leather alternatives, and more efficient foreign producers (UNIDO, 2010; ITC, 2011; Mwesigwa, 2016; Dimoso & Andrew, 2021). Despite these constraints, the region still harbors untapped domestic and international market opportunities that could be leveraged to drive socio-economic growth if proper strategies are implemented.

In Tanzania, leather products such as shoes, sandals, belts, bags, and bracelets are primarily produced by micro and small enterprises (REPOA, 2015). The sector directly employs around 1,000 individuals and indirectly supports over 700 others (REPOA, 2020). However, its contribution to the national economy remains marginal, at only 0.01% of GDP (ITC, 2020). This underperformance is linked to multiple factors, including poor-quality raw materials, inadequate capital investment, limited access to markets, and stiff competition from international manufacturers (Mbassa, 2014; Ndaro, 2016; Kitole & Utouh, 2023; Lwesya, 2018; Utouh & Kitole, 2024; Maziku, 2019). Despite the potential for growth, these structural and strategic limitations have prevented the sector from realizing its full potential and meaningfully contributing to economic development.

To address these challenges, various institutions have implemented training and capacity-building initiatives aimed at improving the quality and productivity of the leather industry. According to Ndaro (2016), short-term training programs and in-service courses have been designed to upskill producers and enhance enterprise performance. These programs were supported by institutions such as the Tanzania Commission for Science and Technology (COSTECH), the Vocational Education and Training Authority (VETA), and the Small Industries Development Organization (SIDO), under the framework of the United Republic of Tanzania's Leather Sector Development Strategy (2016–2020). While these interventions were well-intentioned, their actual impact on enterprise performance remains unclear, particularly in terms of market expansion and competitiveness.

Many existing studies have primarily focused on managerial and operational constraints affecting the sector's performance. These include issues related to leadership, infrastructure, technology adoption, and financial access (Ndaro, 2016; Lwesya, 2018; Maziku, 2019). However, limited attention has been given to the role of marketing strategies, specifically promotional efforts, in influencing business outcomes. Despite interventions by government agencies (URT, 2020), there is a lack of empirical evidence examining whether these efforts have significantly improved visibility, brand perception, and market reach of leather products. This gap in research underscores the need to evaluate the effectiveness of promotional strategies as a critical factor in boosting performance among leather product enterprises.

Promotion, as a component of the marketing mix, plays a vital role in creating product awareness, attracting customers, and sustaining competitiveness in dynamic markets. Yamamoto et al. (2011), Susilo (2020), and URT (2020) emphasize that in a fast-paced global economy, effective promotional strategies are essential for the survival and growth of leather enterprises. These strategies may include advertising, sales promotions, public relations, and digital marketing—each influencing customer engagement and brand loyalty in unique ways. Therefore, this study aims to investigate the influence of promotion strategies on the performance of leather product enterprises in Tanzania. By doing so, it seeks to provide insights into how marketing interventions can drive growth, enhance competitiveness, and ultimately contribute to national economic development.

2.Theoretical Underpinning

This study is grounded on the Marketing Mix Theory, originally developed by Neil H. Borden in 1964. Borden introduced the concept of the marketing mix to describe a set of controllable variables that a business could use to influence consumer responses and achieve desired performance outcomes. The theory emphasizes the importance of strategic decision-making across several core elements—commonly referred to as the 4Ps: Product, Price, Place, and Promotion. Among these, promotion is highlighted as a critical strategy for engaging customers, increasing visibility, and ultimately driving sales (Borden, 1964). Later, scholars like Gronroos (1994) extended this understanding by reinforcing the role of promotion tools such as advertising, personal selling, sales promotions, and public relations in shaping consumer behavior and enhancing business outcomes.

The theory advocates that an organization's performance is largely influenced by how well it integrates these marketing mix elements, with a strong focus on the customer as the central driver of business success. Specifically, Borden (1964) noted that the effective use of promotion enables firms to inform, persuade, and remind customers about their products, thereby enhancing brand recognition and purchase decisions. In the current digital age, enterprises increasingly leverage social media platforms to advertise their offerings and connect with broader audiences in cost-effective ways. This is particularly relevant for micro and small businesses, such as leather product enterprises, that operate with limited resources and need high-impact, low-cost promotion strategies to compete effectively.

The theory is directly aligned with the purpose of this study, which is to examine how promotional strategies influence the performance of leather product enterprises in Tanzania. By focusing on promotion as an independent variable, the study seeks to assess how tools such as digital advertising, word-of-mouth marketing, and customer engagement contribute to improved enterprise performance. The Marketing Mix Theory provides a strong theoretical lens for this investigation because it recognizes promotion as a key component in shaping business success—especially for small-scale businesses that rely on creative marketing to differentiate themselves in competitive markets. Thus, the theory offers a solid foundation for

analyzing the strategic use of promotion among leather enterprises aiming to grow their market share and boost productivity.

Despite its usefulness, the Marketing Mix Theory is not without limitations. One major critique is that it offers a firm-centric and transactional view of marketing, often overlooking long-term customer relationships and dynamic market conditions. It assumes that consumers respond predictably to marketing stimuli, which may not always hold true, especially in diverse and evolving markets like Tanzania's. Additionally, the theory does not fully address external environmental factors—such as economic constraints, technological limitations, and cultural influences—that may affect how promotional strategies are implemented and received. For leather enterprises in Tanzania, these contextual factors could significantly influence the effectiveness of promotional tools, and thus, the theory must be applied with caution and complemented by contextual understanding.

3.Methodology

This study employed a cross-sectional research design to explore the influence of promotion strategies on the performance of leather product enterprises in Tanzania. The cross-sectional design was appropriate as it allowed data to be collected at a single point in time from a large population, making it possible to examine relationships between variables without manipulating the study environment. A quantitative research approach was adopted, as it enables the use of statistical tools to measure and analyze patterns in data and is particularly suited for studies aiming to generalize findings from a sample to a broader population. The research was conducted in Dodoma and Mwanza regions, targeting leather enterprises registered with local government authorities.

To ensure representativeness, simple random sampling was employed to select participants from the sampling frame. This technique gave all enterprises an equal chance of being included in the study, thereby reducing selection bias. The sample size was determined using the Yamane (1967) formula for sample size calculation, considering a 95% confidence level and a 5% margin of error. Based on the known population of leather enterprises in the two regions, a total of 134 enterprises were selected as the final sample size. Data were collected using a structured questionnaire, which included closed-ended questions on promotional strategies (advertising, personal selling, and sales promotion) and business performance indicators such as profit levels and return on investment. The questionnaires were administered physically by trained research assistants, with the assistance of local trade officers to facilitate access and cooperation.

To uphold ethical standards, informed consent was obtained from all participants, and respondents were assured of the confidentiality and anonymity of their responses. Enterprises were assigned numeric codes to protect their identities. Participation was voluntary, and no coercion was involved. Additionally, to ensure the reliability and validity of the research instruments, the study involved pilot testing and mock interviews with a small group of leather entrepreneurs who were not included in the final sample. Feedback from the pilot was used to revise unclear questions and improve overall instrument clarity. The final questionnaire demonstrated strong reliability, with a Cronbach's Alpha coefficient of 0.783, indicating high internal consistency. Data were analyzed using SPSS Version 20, employing descriptive statistics, reliability testing, and multiple linear regression analysis to determine the effect of promotional strategies on enterprise performance. Model assumptions such as normality, linearity, and absence of multicollinearity were all tested and satisfied, ensuring the robustness of the findings.

4.Results

Results in Table 1 present the findings of the normality test conducted on various promotional activities undertaken by leather product enterprises in Tanzania. The normality of the data was assessed using skewness and kurtosis statistics, with acceptable thresholds commonly falling between -2 and +2. This indicates that data points within these ranges can reasonably be considered to follow a normal distribution. As shown, all items fall within these thresholds, suggesting that the distribution of responses across the promotional variables is approximately normal and suitable for further statistical analysis, such as regression.

The results also reveal variations in how different promotional strategies are practiced among enterprises. For instance, the use of social media platforms like WhatsApp, Facebook, and Instagram is negatively skewed (-1.414), indicating that a large number of respondents frequently use these platforms to promote products. Similarly, offering free trials to new customers also shows a strong negative skewness (-1.474), suggesting that this practice is quite common. On the other hand, items such as participation in trade shows and customers recommending products to friends are positively skewed (.823 and 1.058, respectively), implying that these practices may be less frequent or vary more widely among businesses.

Table 1: Normality test for promotion of leather product enterprises

Item	Skewness Statistic	Kurtosis Statistic
Enterprise's use WhatsApp, Facebook and Instagram to announce enterprise products	-1.414	1.411
Enterprise's offer free trial for new products to some customer	-1.474	1.134
Enterprises always participate in trade shows each year	.823	-.791
Always my customer tells their friend about new offering	1.058	.063
Enterprise's always visit potential customer	.437	-1.210
Enterprise's address customer concern	.368	-1.197
Enterprise's initially meets with the customer and determines a customer's wants and needs	.934	.002
Enterprise's offer two of an in-demand products at a reduced price	.968	-.193
Always enterprise's offer free accessories such as bracelet during the holiday	1.022	-.068
Enterprise's always make posters for products and offer to the new customers	-1.028	-.185

Additionally, the kurtosis values, which measure the "tailedness" of the distribution, support the idea that responses are relatively balanced. None of the items show excessively high or low

kurtosis, meaning that extreme values are not overly influencing the data. This provides confidence that the responses reflect a reliable spread of perceptions and behaviors across different enterprises. These results confirm that the promotional variables are statistically suitable for use in further inferential analysis, particularly the multiple linear regression model, which assumes normality of variables to ensure the validity of its findings.

Table 2: Multicollinearity Test results

Model	Collinearity Statistics	
	Tolerance	VIF
1	Personal selling	.179
	Advertisement	.179
	Sales promotion	.997

Table 2 presents the results of the multicollinearity test, which assesses whether independent variables in the regression model are highly correlated with each other—a condition that can distort the accuracy of regression coefficients. The test uses two key indicators: Tolerance and the Variance Inflation Factor (VIF). A tolerance value below 0.1 and a VIF above 10 typically indicate a serious multicollinearity problem. In this case, Personal Selling and Advertisement both have tolerance values of 0.179 and VIF values of approximately 5.58, which are within acceptable limits, although they suggest a moderate level of correlation. This means these two variables share some overlap but not to the extent that would compromise the model's integrity. In contrast, Sales Promotion shows a tolerance value of 0.997 and a VIF of 1.003, indicating virtually no multicollinearity with the other predictors. Overall, the results suggest that while there is some degree of correlation between advertisement and personal selling, all variables remain within safe thresholds, and multicollinearity is not a significant concern in this regression model.

Table 3: Overall Reliability Statistics for Promotion of leather product

Cronbach's Alpha	N of Items
0.783	11

Table 3 presents the overall reliability statistics for the promotional items used in the study, measured using Cronbach's Alpha. The Cronbach's Alpha value is 0.783, which indicates a high level of internal consistency among the 11 items related to promotion strategies. In social science research, an alpha value above 0.7 is generally considered acceptable, meaning the items reliably measure the same underlying construct—in this case, promotional practices of leather product enterprises. This result confirms that the questionnaire items used to assess promotion are both consistent and reliable, making the dataset suitable for further statistical analysis such as regression and correlation tests.

Table 4: Overall Model Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
PROFIT	0.851 ^a	0.725	0.718	0.411
ROI	0.934 ^a	0.872	0.869	0.272

Table IV: Predictors: (Constant), Sales promotion, Personal selling, Advertisement

Table 4 presents the overall model test results for the regression analysis examining the influence of promotion strategies—sales promotion, personal selling, and advertisement—on two key performance indicators: profit and return on investment (ROI). For the profit model, the R value is 0.851, indicating a strong positive correlation between the promotional strategies and profit. The R Square value of 0.725 means that approximately 72.5% of the variation in profit can be explained by the combined effect of the three promotional strategies, with an Adjusted R Square of 0.718 confirming this strong explanatory power after accounting for model complexity. Similarly, the ROI model shows an even stronger relationship, with an R value of 0.934 and an R Square of 0.872, suggesting that 87.2% of the variation in ROI is explained by the predictors. The Adjusted R Square of 0.869 further validates the model's robustness. The relatively low standard error of the estimate for both models (0.411 for profit and 0.272 for ROI) indicates a good fit and suggests that the models are reliable in predicting business performance based on promotional efforts. Overall, the results demonstrate that promotion strategies have a significant and substantial impact on the performance of leather product enterprises in Tanzania.

Table 5: ANOVA Table

Model		Sum of Squares	Df	Mean Square	F	Sig.
PROFIT	Regression	57.723	3	19.241	114.092	.000 ^b
	Residual	21.924	130	.169		
	Total	79.647	133			
ROI	Regression	65.379	3	21.793	295.046	.000 ^b
	Residual	9.602	130	.074		
	Total	74.981	133			

Table V: Dependent Variable: PROFIT and ROI

b. Predictors: (Constant), Sales promotion, Personal selling, Advertisement

Table 5 presents the ANOVA (Analysis of Variance) results for the regression models assessing the impact of promotional strategies—sales promotion, personal selling, and advertisement—on profit and return on investment (ROI) among leather product enterprises. For the profit model, the F-value is 114.092 with a significance level (p-value) of .000, indicating that the regression model is statistically significant. This means the combination of the three promotional strategies explains a significant amount of variance in profit, and the likelihood of this result occurring by chance is extremely low. The regression sum of squares (57.723), compared to the residual sum of squares (21.924), further confirms that the predictors contribute meaningfully to explaining differences in profit levels among the enterprises.

Similarly, the ROI model shows an even stronger effect, with an F-value of 295.046 and a p-value of .000, confirming that the model is highly significant. The regression sum of squares (65.379) is substantially higher than the residual sum of squares (9.602), indicating that the promotional strategies account for the majority of the variance in ROI. These results support the conclusion that sales promotion, personal selling, and advertisement collectively have a significant and positive influence on both profit and ROI. Therefore, the ANOVA results validate the effectiveness of these promotion strategies as key drivers of financial performance among leather product enterprises in Tanzania.

Table 6: Effects of promotion strategies on the performance of Leather products

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
Profit	(Constant)	-0.076	0.189		-0.402	0.689
	Personal selling	0.490	0.105	0.508	4.672	0.000
	Advertisement	0.344	0.105	0.357	3.283	0.001
	Sales promotion	0.140	0.093	0.069	1.501	0.136
ROI	(Constant)	0.005	0.125		0.043	0.966
	Personal selling	0.653	0.069	0.698	9.418	0.000
	Advertisement	0.233	0.069	0.250	3.371	0.001
	Sales promotion	0.079	0.062	0.040	1.286	0.201

a. Dependent Variable: PROFIT and ROI

Table 6 presents the regression analysis results showing the individual effects of personal selling, advertisement, and sales promotion on the performance of leather product enterprises in terms of profit and return on investment (ROI). The performance metrics are analyzed separately, and the coefficients reveal how each promotional strategy contributes to these outcomes. Starting with profit, personal selling has a statistically significant positive impact, with an unstandardized coefficient (B) of 0.490, a t-value of 4.672, and a p-value of 0.000, indicating strong significance. The standardized beta coefficient (0.508) suggests that personal selling has the greatest relative influence on profit among the three strategies considered.

Advertisement also shows a statistically significant effect on profit, with a coefficient of 0.344, a t-value of 3.283, and a p-value of 0.001. This means that as enterprises invest more in advertising, profit increases. The beta value of 0.357 indicates a moderate positive influence, making advertisement the second most impactful promotional strategy in terms of profit. On the other hand, sales promotion has a lower coefficient of 0.140, and although its impact is positive, it is not statistically significant ($p = 0.136$). This suggests that, for profit outcomes, sales promotion may have limited or inconsistent effectiveness in this context.

In the ROI model, personal selling again emerges as the most influential promotional strategy. It has a very strong coefficient of 0.653, a t-value of 9.418, and a p-value of 0.000, indicating a highly significant effect. The beta value of 0.698 confirms that personal selling contributes most to explaining variations in ROI among the enterprises. Advertisement also plays a meaningful role, with a coefficient of 0.233 and a p-value of 0.001, supported by a beta value of 0.250. These results suggest that both personal selling and advertisement are effective tools for enhancing investment returns, with personal selling being substantially more impactful. Similar to the profit model, sales promotion in the ROI model shows a positive but statistically insignificant effect, with a coefficient of 0.079 and a p-value of 0.201. The relatively small beta

value of 0.040 further supports its minimal influence on ROI. This may be attributed to the short-term nature of sales promotions, which may not translate directly into sustainable profitability or long-term investment returns for small leather enterprises. These findings imply that longer-term, relationship-based strategies like personal selling and visibility-enhancing methods like advertisement are more effective in driving performance.

Overall, the regression results emphasize that personal selling is the most influential promotional strategy for improving both profit and ROI in the leather industry, followed by advertisement. Sales promotion, while potentially useful, appears to have a less consistent impact, and may need to be re-evaluated or combined with other strategies to maximize its effectiveness. The results support the idea that direct customer engagement and strategic advertising investments are key drivers of enterprise success in the leather sector in Tanzania.

Table 7: Hypotheses testing on promotion with performances

	Hypothesis	P-value	Decision
PROFIT	H19: Advertisement	0.001	Reject
	H20: Personal selling	0.000	Reject
	H21: Sales promotion	0.136	Accept
ROI	H22: Personal selling	0.000	Reject
	H23: Advertisement	0.001	Reject
	H24: Sales promotion	0.201	Accept

Table 7 presents the results of hypothesis testing to determine the individual influence of promotion strategies—advertisement, personal selling, and sales promotion—on the performance of leather product enterprises, measured through both profit and return on investment (ROI). The hypotheses were tested using p-values, with a significance threshold set at 0.05. For profit, both advertisement ($p = 0.001$) and personal selling ($p = 0.000$) were found to have statistically significant effects, leading to the rejection of hypotheses H19 and H20, respectively. This confirms that these two promotional strategies have a meaningful and positive influence on profit. On the other hand, the p-value for sales promotion was 0.136, which is above the 0.05 threshold, leading to the acceptance of H21, indicating that sales promotion does not significantly affect profit in this context.

Regarding ROI, the pattern is similar. Both personal selling (H22, $p = 0.000$) and advertisement (H23, $p = 0.001$) had p-values below the 0.05 threshold, leading to the rejection of both null hypotheses, which supports their significant impact on ROI. These findings highlight that engaging directly with customers (personal selling) and using advertising to increase market visibility are effective promotional strategies not just for short-term profit, but also for improving long-term investment returns. In contrast, the null hypothesis H24 for sales promotion was accepted ($p = 0.201$), confirming that, as with profit, sales promotion does not have a statistically significant impact on ROI among the surveyed enterprises.

Therefore, the hypothesis testing strongly supports the idea that personal selling and advertisement are statistically significant drivers of performance in leather product enterprises, while sales promotion lacks consistent impact on both profit and ROI. This may suggest that more personal, sustained, and visibility-driven promotion methods are better suited for performance growth in this sector, whereas temporary incentives like discounts or giveaways (sales promotion) may not be enough to generate measurable financial outcomes. These insights provide valuable guidance for leather enterprises seeking to prioritize their marketing efforts for optimal business performance.

5. Discussion

The role of promotion in enhancing enterprise performance has been widely acknowledged in both theory and practice. According to Borden (1964), promotion is one of the essential components of the marketing mix that directly influences consumer awareness, perception, and purchasing behavior. In the leather industry, where product differentiation can be minimal, strategic promotion becomes a major tool for creating competitive advantage. This aligns with the theoretical proposition that marketing decisions, especially those involving customer outreach and visibility, play a significant role in shaping the success of small and medium enterprises (Borden & Marshall, 1959). Effective promotion strategies help to bridge the gap between product availability and customer knowledge, which is particularly crucial for industries that depend on craftsmanship, style, and consumer preference.

Marketing scholars such as Mullins et al. (2012) and Engel et al. (2000) have emphasized that businesses that successfully communicate their value proposition to consumers often outperform their peers. In the African context, where many small enterprises face resource limitations, tailored promotional strategies can serve as cost-effective tools for market expansion. These strategies must be designed to resonate with the local environment, leveraging cultural cues, language, and technology. For instance, in countries like Ethiopia and Nigeria, it has been found that small businesses perform better when they adopt integrated marketing efforts that combine traditional and modern communication methods (Abdela, 2018; Ebitu, 2016). This approach ensures that the message reaches both rural and urban consumers, thereby widening the market base.

Furthermore, the effectiveness of promotional strategies varies across regions and industries, depending on customer behavior and market maturity. Studies conducted by Anyadighibe et al. (2014) and Gbolagade & Oyewale (2013) in Nigeria show that personal selling has a strong effect on customer loyalty and repeat purchases. This is especially true in sectors that require customer education, such as financial services and handmade products, including leather goods. Personal selling enables enterprises to build lasting relationships through trust, responsiveness, and customized services. This approach aligns with Rouse (2015), who defines relationship marketing as a long-term strategy that focuses on customer retention rather than one-time transactions, making it ideal for small businesses aiming for sustainability.

Another important aspect of promotional strategy is advertising, which helps create brand awareness and influence consumer perception. Cheruiyot (2014) emphasized the importance of integrated marketing communication in building a strong brand presence, particularly in formal institutions such as banks. The same principles can be applied to leather enterprises that seek to enhance visibility and legitimacy in the market. Advertising through digital platforms such as social media offers cost-effective opportunities for businesses to engage with their audience, track campaign effectiveness, and build consistent brand messaging. Mumel et al. (2007) supported this by noting that well-structured advertising campaigns correlate positively with business performance, as they improve brand image and customer trust, key factors for repeat business.

Sales promotion, while often seen as a useful tactic, presents some limitations in terms of long-term performance impact. Syeda et al. (2011) observed that while sales promotions can lead to immediate increases in customer interest, they may not necessarily translate into sustained performance or customer loyalty. This concern is echoed by Mullins et al. (2012), who argue that over-reliance on sales promotions can lead to price sensitivity and diminish the perceived

value of the product. In the leather industry, where the appeal is often linked to quality and craftsmanship, excessive promotions may even harm the brand's premium image. Therefore, enterprises must be cautious in using sales promotions, ensuring they are strategic, limited in scope, and aligned with brand positioning.

The regional context also plays a significant role in shaping the effectiveness of promotion strategies. For instance, in Tanzania, challenges such as low digital literacy, limited marketing knowledge, and underdeveloped infrastructure have restricted the ability of small enterprises to fully capitalize on promotional tools (Maziku, 2019; Ndaro & China, 2016). Similarly, studies by Mbassa et al. (2014) and Lwesya (2018) have pointed out that leather enterprises in East Africa often lack access to skilled marketers and marketing training, resulting in inconsistent and poorly executed promotional efforts. This situation reflects the need for capacity-building programs and public-private partnerships to support the development of effective marketing skills within the sector.

Moreover, the significance of applying context-appropriate marketing models has been underscored by research in other developing economies. Lisane (2018) and Mwesigwa (2016) found that for export-oriented industries like leather, promotional efforts must be backed by strategic planning, quality assurance, and supply chain management. They emphasized that without aligning promotional activities with product quality and market expectations, businesses may fail to convert visibility into actual sales. These insights suggest that promotion alone is not enough—it must be part of a larger framework that includes pricing, positioning, and customer engagement. This perspective is consistent with Zahra (2011), who argues that entrepreneurial success depends on a firm's ability to align internal capabilities with external opportunities.

Finally, to ensure the effectiveness of promotional strategies, the design and implementation of such initiatives must be guided by empirical evidence and sound research methods. According to Saunders et al. (2016), research-driven marketing allows businesses to target the right audience, craft relevant messages, and measure outcomes. This study followed rigorous methodological standards, aligning with the guidelines by Suhr & Shay (2009) and Ryan (2020), to ensure validity and reliability in evaluating promotional effectiveness. The use of statistical techniques such as multicollinearity testing, regression analysis, and reliability measurement supports the robustness of the findings and adds to the growing body of knowledge advocating for data-informed marketing practices in developing countries.

Conclusion and recommendations

This study set out to examine the influence of promotion strategies—namely personal selling, advertisement, and sales promotion—on the performance of leather product enterprises in Tanzania. Drawing from the Marketing Mix Theory, the findings provide meaningful insights into the practical application of promotional tools within the context of small and micro-enterprises operating in developing economies. The study reaffirms that effective promotional strategies are not only vital for increasing visibility and attracting customers but are also key drivers of profit and return on investment when executed appropriately. In an industry like leather, where product appeal is highly subjective and market competition is intensifying, promotion becomes a central tool for enterprise growth and sustainability.

Based on the findings, it is recommended that leather enterprises prioritize personal selling and advertisement as core strategies in their promotional mix. Personal selling should be enhanced through customer relationship training, product knowledge, and interpersonal communication skills to strengthen customer loyalty and repeat patronage. Similarly, enterprises should

leverage digital advertising platforms such as social media to expand reach, communicate brand value, and attract new customers. To do this effectively, business owners must be trained in digital marketing techniques, content creation, and branding to build consistent and engaging messaging that reflects the unique quality of their leather products.

While sales promotion showed less consistent impact on performance, it should not be discarded entirely. Instead, it should be used selectively during peak seasons or product launches to spark short-term interest and drive traffic to other more sustainable promotional channels. Stakeholders such as the government, industry associations, and development partners should support leather entrepreneurs with training, funding, and marketing resources to strengthen the overall promotional capacity of the sector. Furthermore, integrating promotion with other elements of the marketing mix—such as pricing, product development, and customer service—will result in more cohesive and effective marketing strategies.

Policymakers should also consider designing targeted interventions that enhance the marketing capabilities of micro and small leather enterprises. This could include the development of regional trade fairs, marketing mentorship programs, and digital hubs where entrepreneurs can learn and collaborate on promotional campaigns. By institutionalizing these support mechanisms, the leather industry in Tanzania can become more competitive, both locally and in international markets. Such efforts will not only improve business performance but also contribute to employment generation and industrial development across the country.

Like any research, this study is not without limitations. The research was limited to two regions—Dodoma and Mwanza—thus the findings may not fully reflect the experiences of leather enterprises in other parts of Tanzania. In addition, the use of a cross-sectional design means data were collected at a single point in time, which does not capture seasonal fluctuations or long-term promotional impacts. The reliance on self-reported data from questionnaires may also introduce response bias, as some respondents may have overstated or understated their promotional activities or business performance. Future studies should consider expanding the geographic scope, incorporating longitudinal data, and using mixed methods to gain deeper insights into how promotional strategies evolve and impact enterprise growth over time.

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