

ABSTRACT

This study examines the effectiveness of social media as perceived by Small and Medium – Sized Enterprises (SMEs) in Kinondoni District – Dar Es Salaam Region. This was done based on investigating the contribution of social media to SME's, assessing the perception of SME's towards the effectiveness of social media and deeply examination of the factors which influences SME's to use social media in their activities. The study used cross sectional design that involved the collection of data at a single point in time. Questionnaires were distributed to 90 SME's in Kinondoni District, respondents being either the owner or manager. Purposive sampling was used to get exactly data from key respondents and then simple random sampling techniques was employed to further giving chances for every member to be included in the study.

Qualitative and Quantitative data were collected and then analyzed; the results of the findings have been presented in tables and figures for clear interpretations. The study reveals that social media has played a vital role in contributing to success in most SME's, further more the study established that social media helped SME's to grow up tremendously. On the level of satisfaction, most SME's were satisfied with the usage of social media tools, as they are helping them to advertise their products and helping them to meet new customers. Also the study exposes the effectiveness of social media to SME's as the main tool to grow brand mindfulness, increasing trades, acting as a tool for marketing their products as well as usability. Additionally, social media helped SME's to reduce marketing and public relations costs as most of the business owner were able to advertise their products on social media and also to express their product themselves without involve a public relation officer.

The study recommends that more education should be given to few SME's on the usage of social media and how they can benefited more from social media activities. Moreover, social media stakeholders should introduce favorable applications specific to SME's so as they can encourage more SME's to adopt the use of social media tools that will result into their growth, and also to reduce the cost of advertisement to SME's into their pages.

