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**INFLUENCE OF INTERNET MARKETING STRATEGIES ON THE
MARKET SHARE OF ONLINE SHOPS IN NAIROBI COUNTY IN KENYA**

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INFLUENCE OF INTERNET MARKETING STRATEGIES ON THE MARKET SHARE OF ONLINE SHOPS IN NAIROBI COUNTY IN KENYA.

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Abstract

Purpose: The online shopping sector in Kenya is still not well developed and online commercial activities contribute to just over 1% of Kenya's GDP. Kenya's rate of online shopping is 23% and currently lags behind the global rate of online shopping which is 59%. The different level of development in online shopping between Kenya and other developed economies shows that the sector still has a long way to go in Kenya. Online shops face competition from the conventional 'brick-and-mortar' stores and supermarkets. In order to deal with the competition most online shops market their products using internet marketing, which is defined as advertising of a company's products or services over the internet with the view of increasing profits or market share. Market share is the percentage of an industry acquired by a company during a certain period of time. This study aimed to establish the influence of internet marketing strategies on the market share of online shops in Kenya. The specific objectives of the study were: to determine the influence of website design strategies on the market share of online shops in Nairobi County in Kenya; to establish the influence of content marketing strategies on the market share of online shops in Nairobi County in Kenya; to assess the influence of affiliate marketing strategies on the market share of online shops in Nairobi County in Kenya and to establish the influence of social media marketing strategies on the market share of online shops in Nairobi County in Kenya.

Methodology: This study adopted descriptive research design. The study covered 68 respondents drawn from a population of 34 online shops operating within Nairobi County, with an average of 2 respondents selected per organization. The study relied on data collected using a questionnaire comprising of both open-ended and close-ended questions, structured to meet the objectives of the

study. The data was analyzed using inferential statistics by means of Statistical Packages for Social Sciences version 20.

Results: The results indicated a P-value of 0.0002, which is less than 0.05 against all the variables in the study. This indicated that website design marketing strategies, content marketing strategies, affiliate marketing strategies and social media marketing strategies had a significant influence on the market share of online shops in Nairobi County. The study revealed a positive correlation between website design and market share with a correlation coefficient of 0.015, a positive correlation between content marketing and market share with a correlation coefficient of 0.163, a positive correlation between affiliate marketing and market share with a correlation coefficient of 0.057, and a positive correlation between social media marketing and market share with a correlation coefficient of 0.923. The study concluded that social media marketing strategies contributed the most to the overall market share of online shops in Nairobi, followed by content marketing strategies, affiliate marketing strategies and finally website design marketing strategies.

Unique Contribution to Theory and Practice: The study recommended that online shops needed to come up with an internet marketing mix that incorporated all the different strategies given that the respondents gave varied views on which internet marketing strategies were more influential. The County governments were encouraged to look into ways of making internet connectivity more affordable since most online shops indicated unreliable and expensive internet as a challenge when trying to conduct internet marketing. The ‘brick-and-mortar’ shops that were not making a profit were also urged to consider the online business model. Retail customers were advised to be willing to accept change and embrace online shopping.

Keywords: *Website design strategies Content marketing strategies, Affiliate marketing strategies, Social media marketing strategies and Market share.*

1.0 INTRODUCTION

Information technology is being adopted globally at an exponential rate. More than half of the people on earth are connected to either a computer or a mobile device. In addition to being a giant repository of information, the internet has now become a giant marketplace. The online commercial ecosystem is also evolving fast especially in Africa. Most shoppers are now able to access the internet so as to review various products and later buy the product using a digital device such as a smartphone, tablet or computer (ITC, 2015). Since the inception of the internet in 1991, many businesses have begun migrating from merely conducting some of their transactions online to fully operating over the internet. Companies that operate fully over the internet are referred to as online-based firms. These firms also market their products using internet marketing, which is the advertising of a firm's products or services over the internet. Marketing over the internet has several advantages such as speed, capacity, convenience, and precision, which ensures that more consumers can be reached compared to conventional advertising methods. Most consumers tend to first gather as much information as they can about a product, make price comparisons amongst different sellers and then make a decision. The seller of the product, therefore, needs to come up with a marketing strategy that will communicate as much as possible and convince the buyer to eventually buy their product or services (Kabuba, 2014).

In the retail sector, online shops have begun making inroads in the market. Online shops have a number of advantages compared to the conventional 'brick-and-mortar' shops. To the business itself, they offer operational efficiency, reduced inventory, twenty-four-hour operation, lower communication costs, and access to foreign markets. To the consumer, they also offer twenty-four-hour services, a variety of options for the consumer before making a purchase, and instant price comparisons between different sellers of the same commodities or services. For instance, before a buyer decides on buying a television, he will be able to check the different brands being sold online, make price comparisons between the different sellers and ultimately make a purchase at any time of the day. The adoption of internet technologies is considered to be a potential major contributor to the GDP of various nations across the world. According to Mckinsey Global Institute, the internet has a greater impact on the GDP of developed countries compared to the developing nations. The international e-commerce report for Africa of 2015 stated that the average

contribution of ICT to the economies of G8 countries was 3.8% whereas the average of African nations was 1.1%. There is, therefore, a huge potential for the growth of e-commerce in Africa (ITC, 2015).

Despite many retail bankruptcies online giants such as Amazon and eBay are still making huge profits. Amazon is currently the world's third-largest retailer in terms of revenues, profits, assets and market value, and is also one of the world's most powerful public companies. The company has ventured into areas such as fashion and has even rolled out its own private label. By the year 2017, Amazon was already dealing in online groceries and was considering venturing into pharmaceuticals. Online shopping is also popular in China, and its biggest online store is Alibaba which conducts a lot of its business outside China (Gensler, 2017). The big online shopping stores are now setting up online shopping days that record extraordinary sales. Cyber Monday is an event in the United States where stores like Amazon, Target and Walmart offer discounts on selected goods. In 2017, Cyber Monday was the biggest shopping day of the year and online shoppers spent \$6.6 billion. Retailers clearly need to find creative ways to market themselves online so as to bring in more customers during such occasions (Amadeo, 2018). Most African economies are either developing economies or least developed economies. African countries usually adopt an increase in exports as a development strategy. The global marketplace offers developing countries a chance to sell their product. The exporters on the other hand usually gain a lot in technology and knowledge transfer through interaction with buyers from developed economies. Despite the potential gain from online trading, most online shops only thrive domestically but remain marginal in the international scene. While African companies apply considerable innovation towards serving domestic markets, they seem to be blocked internationally. Some of the reasons identified for this include difficulty in conducting international banking transactions, a negative perception amongst international markets about doing business with Africa and poor infrastructure within the African continent such as road, rail and seaports. Additionally, there are many sociopolitical factors such as African governments not doing enough to promote SMEs. Internet connectivity in Africa is also low compared to other developed nations worldwide. Online retail sales in Africa are however expected to expand. In South Africa, e-commerce revenues have been growing at an exponential rate in recent years making her the leading nation in e-commerce. Online retail is also becoming

popular in Kenya, Morocco, and Nigeria. The largest online business-to-consumer retailer in Africa is Jumia which has over 3 million customers spread out across the continent. Other popular stores include Kilimall in Kenya and Souq in Egypt. Multinationals such as Alibaba, Amazon, and AliExpress are also expanding into the African market (ITC, 2015).

Kenya's global rate of online shopping is 23% and is currently behind the global rate of online shopping which is 59%. The existing gap with other global economies shows that Kenya still has a long way to go. The various reasons cited for the gap include slow delivery, lack of trust, high shipping costs, doubts over the authenticity of the products, fear of the security of payment methods and lack of consumer knowledge on how to properly make orders using the internet. Presently, there is a rise in the usage of social media platforms such as WhatsApp, Instagram, and Facebook which contribute to at least 15% of the online shopping. The most sought-after online shopping sites in the country are Jumia and Kilimall which take up 38% and 22% respectively of all the online shoppers (The Star, 2017). Online shopping is also on the rise in Kenya. It is estimated that the size of the e-commerce market will rise to US\$50 billion by 2018, compared to US\$8 billion in 2013. There are several online businesses coming up in the country and more investors are channeling money into this sector (Branding Voice, 2017). Nigeria-based Jumia which is the largest online shop in Africa with outlets in Ivory Coast, Egypt, and Morocco, has also grown to be the most popular online shop in Kenya. The online retailer has a similar business model to Amazon by offering a diverse number of products to its consumers. The company was launched in 2012 and has since expanded throughout Africa. The online shopping store is also participating in online shopping days like their foreign counterparts. In Kenya, Jumia organizes the black Friday which has turned out to be the largest shopping event in the country. In 2017, Jumia recorded close to two million shoppers on the first day of the campaign (Money&Markets, 2017).

Online shopping in Nairobi County has benefitted greatly from the introduction of the 4G cellular network by the three main mobile service providers in Kenya namely Safaricom, Airtel, and Telkom. The 4G network is now wholly available in the county and most customers are now able to access different mobile applications and conduct transactions from the comfort of their homes. In the year 2017, online shop Jumia sold over 250,000 phones to the Kenyan market. About 97%

of all the phones were smartphones, and 68% of the smartphones were sold in Nairobi County alone. The increased internet usage has led to Kenya being the global leader in the share of internet traffic (Omondi, 2018). The most frequent online shoppers in Nairobi County are the salaried individuals, followed by the self-employed and students. However, online shopping is not popular among unemployed people. The growth rate of online shopping has been stagnant at just over 2% since 2015, which can be attributed to the slow take-up of mobile banking or internet banking as a means of transacting online (Malenya, 2017). Most shoppers within Nairobi County still prefer to use cash as a means of payment, while a smaller number prefer to use mobile banking. This can be attributed to a lack of trust or skepticism due to a bad experience that the consumers might have faced in the past. A recent study by (Kirui, 2016) conducted amongst Nairobi shoppers revealed that the consumer behavior was greatly influenced by perceived use, perceived usefulness, compatibility, and trust. This shows that online shops intending to market their products in Nairobi County cannot overlook the importance of interpersonal influences or subjective norms.

1.1 Statement of the Problem

Kenya has a population of over forty million people and is the seventh most populous country in Africa. As of 2017, Kenya was considered a young country since approximately 61 percent of the population was youth below the age of 24. The rest of the African population is also youthful since the continent had about 226 million youth aged between the ages of 15 and 24 in 2015. The rates of youth unemployment are therefore high in both Kenya and Africa, and the bulk of the unemployed people are the youth (Hall S., 2017). The growing number of youths in the country suggests that the government needs to come up with ways to enable investment and job creation for the next generation of young entrepreneurs. The online marketing space is still relatively new in Kenya and many firms are exploring the option of selling their products online. The retail market space is currently dominated by traditional table top stores and supermarkets. According to the Kenya National Bureau of Statistics, the retail spending in Kenya was in excess of 1.8 trillion in 2016. Over 30% of Kenyans shop at formal retail establishments such as supermarkets, and these establishments account for 90% of all shoppers (Cytonn, 2018). The wholesale and retail stores contribute to about 8.4% of Kenya's economy, though it is also estimated that about a quarter of consumers go online to search about fast moving goods and services yet hardly end up making an

online purchase. This represents a huge gap in the online market space which means that the online shops still have to do more in terms of convincing buyers to purchase their products (CAK, 2017). The existing supermarkets in Kenya have had mixed fortunes. Traditionally most of the supermarkets adopted a business model where they depended on a large volume of sales at small profit margins. Most of the big industry players have invested in many branches spread across the country, with Uchumi, Nakumatt, Naivas, and Tuskys all having over 25 branches. In 2016 supermarkets such as Naivas, Tuskys and Choppies were able to achieve a positive profit margin. In the same year Uchumi supermarket, who had borrowed in excess of 3 billion shillings in the period between 1997 and 2004, ended up with a negative 44.1% net margin. Most of the borrowed money had been invested in real estate expansion, operating costs and utility costs such as depreciation, rent, and electricity. The business model required very little room for inefficiencies, and in the end, most of Uchumi's outlets had to be closed down. Nakumatt supermarket also faced the same fate. There is, therefore, a need for the retailers facing such challenges to adopt a different business model that eliminates some of the operating costs such as rent and depreciation. The online shopping model should be an option that such retailers could consider (Cytton, 2018).

Online businesses in Kenya are also facing various challenges. First, most consumers prefer to see the product they are purchasing in person and even touch it if possible. In the online store, consumers do not have a sense of the product that they are seeing on the internet. They cannot see it physically, smell it, touch it or even hear it. The lack of face-to-face communication makes consumers develop a low level of trust. The consumers also tend to consider the various risks associated with making the purchase before shopping online. Consumers prefer to purchase items online that do not require physical inspection. Therefore, if a consumer perceives the risk of purchasing the commodity to be high, he or she might opt for the traditional brick-and-mortar retailer to buy the product (Javadi, Dolatabadi, Nourbakhsh, Poursaedi, & Asadollahi, 2012). The online firms, therefore, still have the task of convincing the consumer to buy their products despite the risks involved with online shopping.

1.2 Objectives of the Study

To determine the influence of internet marketing strategies on the market share of online shops in Nairobi County in Kenya. The study was guided by the following objectives:

- i. To determine the influence of website design strategies on the market share of online shops in Nairobi County in Kenya
- ii. To establish the influence of content marketing strategies on the market share of online shops in Nairobi County in Kenya.
- iii. To assess the influence of affiliate marketing strategies on the market share of online shops in Nairobi County in Kenya. iv. To establish the influence of social media marketing strategies on the market share of online shops in Nairobi County in Kenya.

2.0 LITERATURE REVIEW

2.1 Theoretical Review.

2.1.1 Generational theory

According to (Howe & Strauss, 2000) a generation can be described as people born within a 20-year period. The nature of a generation can be more clearly defined by three things: the individuals' own perception that they belong to a certain generation which begins around adolescence; the shared common turning points or political events that must have occurred during the individuals' formative years in history; and the shared common beliefs and attitudes towards career, religion, marriage or sex. The generational theory can be used as a tool to analyze internet marketing strategies. The theory suggests that different generations have different preferences in terms of how they communicate, dress, and their preferences in terms of what they buy. A content marketing strategy, for example, would adopt the Generational Theory to ensure that the appropriate content is shown to the appropriate age-group. The generation would also determine the different places where marketers can find their consumers online. A social media strategy would only be effective in marketing products that appeal to frequent users of a specific social media platform. Different social media platforms have different statistics in terms of the frequency that users access the platform and the ages of the users. An online shop would benefit from these numbers as it would ensure that they market the right product in the right platform. For a company using an affiliate marketing strategy such as a blogger, the company should ensure that the affiliate is someone who would be able to appeal to the targeted market. The personality should be from the same generation as the targeted consumers (KPMG, 2017). According to the KPMG online consumer report, millennials, who were aged between 18 and 33 years old, were most likely to access the internet

using a wireless connection. On the other hand, Generation X people aged between 34 and 45 years old were more active than millennials in researching financial information and were also the most active online shoppers. Baby boomers aged over 45 years old were likely to spend more money per purchase compared to the other generations. When comparing the type of products that they bought online, it was established that millennials bought the most accessories, bags, and beauty products. Generation X bought the most furniture and home décor, whereas baby boomers bought the most jewelry, books and home appliances. Using the information from the generation theory, online marketers would be able to invent online marketing strategies that would appeal to the appropriate target audience and optimize their sales in return. An example of the of the shared experiences in Kenya is demonstrated in Figure 2.1

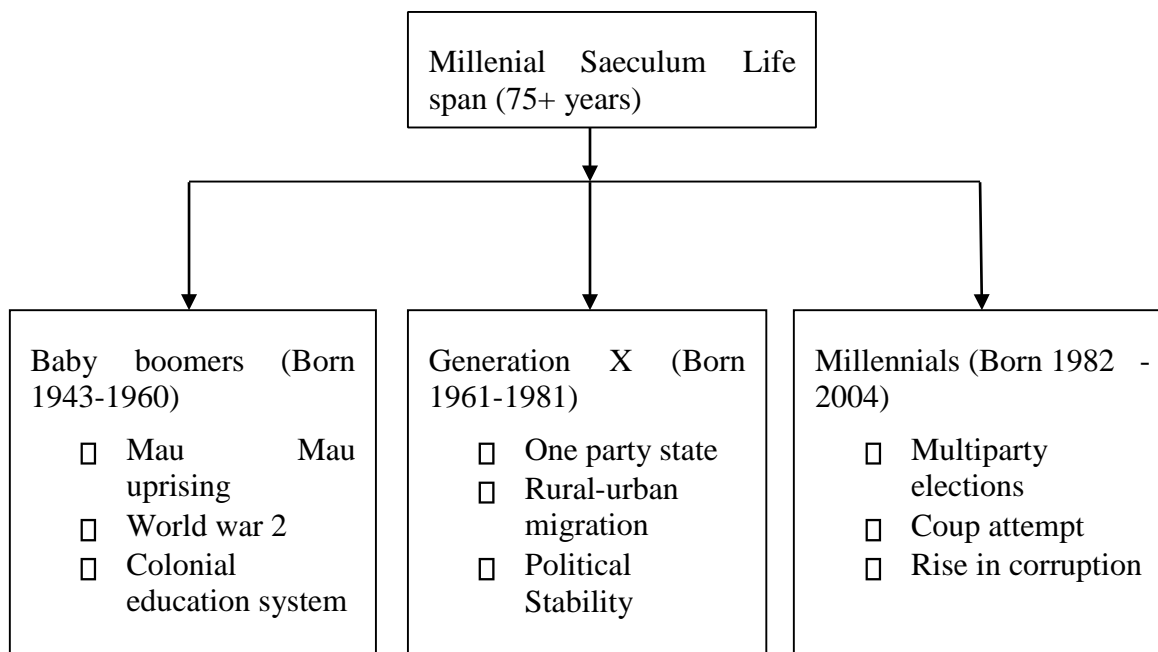


Figure 1: The generational theory in the Kenyan context

2.1.2 Theory of Planned Behavior

The Theory of Planned Behavior was proposed by (Ajzen, 1991) to explain behavior over which people had the capability to exercise self-control. According to the theory, behavioral intent is influenced by three things: subjective norms which are the perceived social pressure to perform the behavior in question; the individual's belief that a certain behavior will have an expected result; and the individual's belief in their efficacy (capability) to perform the behavior in question

(Cameron, Ginsburg, Westhoff, & Mendez, 2012). Consumers tend to avoid making online purchases due to reservations on whether the personal information that they give to the online shops will be kept private. Consumer belief in the internet being trustworthy would positively affect their attitude toward online shopping, and in turn, positively affect their purchasing behavior. A positive belief by consumers in their own competency regarding online purchasing positively also affects perceived behavioral control (PBC), and the PBC then affects online purchasing (George, 2004). In a typical TPB model, when the behavior in question is the making of an internet purchase, the intention to make an internet purchase will appear as a construct preceding the purchasing behavior. However, the two cannot occur in the same model because intent and behavior occur at different times. There will be a direct path between the different attitudes towards internet purchasing. This is demonstrated in Figure 2.1.

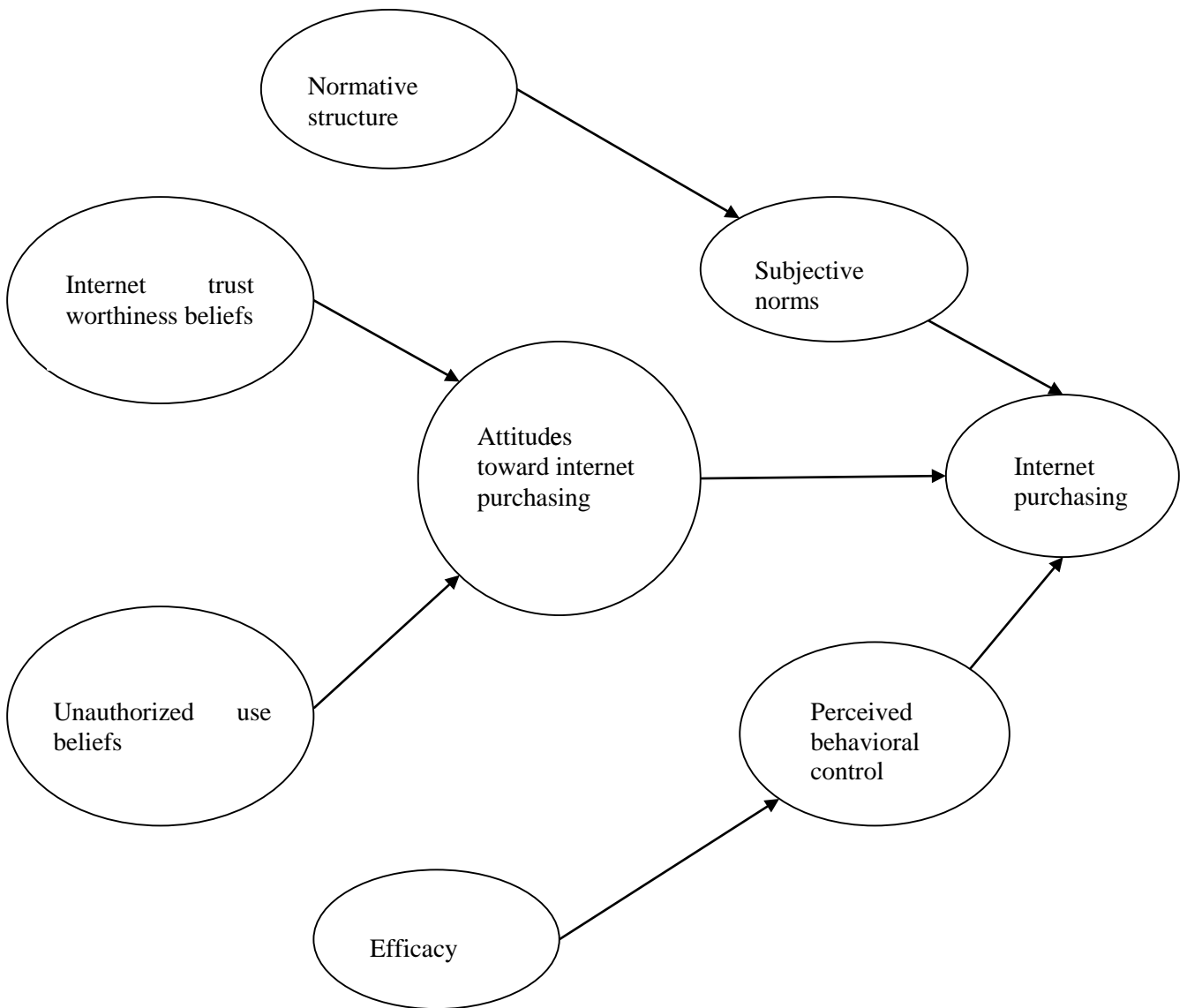


Figure 2.1 Theory of planned behavior in internet purchasing

When implementing an internet marketing strategy, the online shop should address attitudes and subjective norms. A content marketing strategy should be educative enough to give customers confidence that they purchasing the correct item which they know how to use. This would positively affect the consumers' fears concerning their efficacy in internet purchasing. A content marketing strategy could also concentrate on addressing safety concerns that the users have over unauthorized access to their information (Kirui, 2016). An affiliate marketing strategy such as an influencer should be someone with enough following to convince people that they are purchasing

a useful commodity. An influencer should be someone powerful enough to change people's attitude or change a general subjective norm. Alternatively, the Theory of Planned Behavior can be applied to the website design strategy since a website needs to be designed in such a way that it can gather enough information about its users. Metrics such as browsing history and geolocation targeting could be used by the company to accurately target customers and hopefully change their intent or attitudes concerning online purchasing (Hall S. H., 2019)

2.1.3 Game Theory

Game Theory began to exist as a unique field after the 1928 publication of a paper by John Von Neumann titled On the Theory of Games of Strategy. The theory involves analyzing the behavior of other individuals within the same environment who are behaving strategically and later coming up with your own strategies based on their performance. The conditions for Game Theory are: all the members operating within the external environment are rational; the players involved are familiar with the rules and regulations, and; the reactions of the other players within the external environment can be calculated and analyzed mathematically. The environment could be one of conflict like a sport, or it could be one of cooperation such as a merger or partnership. Game Theory is a useful tool that can be used in a duopoly or oligopolistic structure such as the retail sector in Kenya since it takes into account the strategic actions of other members in the external environment. The theory is however unsuitable in a monopoly (Mota, Grilo, & Faias, 2016).

Companies that deploy internet marketing strategies need to consider Game Theory as a part of an effective and efficient decision-making process as they strive to generate online leads or gain in market share. Since most firms that use internet marketing strategies deploy them as a profitmaking investment, they have to ensure that they invest in the right marketing strategy and avoid unnecessary expenditure. An online shop can learn from the mistakes of its competitor and avoid investing in a marketing strategy that is costly. Likewise, they can learn from the positive investments made by their competitors and adopt internet marketing strategies that work. The framework of Game Theory also allows firms to adopt multiple competitive reactions like price cutting in areas where their competitors invested heavily, and later analyze the effects of their actions on their overall market share (Chintagunta & Vilcassim, 1992).

A company that decides to market using any of the four main internet marketing strategies needs to remember that they are expenditure just like any other. They should invest in a strategy that is measurable in terms of the cost that they incur. In some cases, an affiliate marketing strategy could be more expensive compared to a social media marketing strategy thus making the latter option preferable. A cost-benefit analysis should be conducted for every strategy to determine if they are beneficial or not. Online shops need to also bear in mind that they operate within a legal framework and the internet marketing strategy could be illegal depending on their jurisdiction. For instance, several social media platforms are banned in China and deciding to operate a social media marketing strategy could be futile. Also, online shops should adopt the proper internet marketing mix and always be considering whether their strategies have any effect on the company's market share in the long run (Mota, Grilo, & Faias, 2016).

3.0 RESEARCH METHODOLOGY

The purpose of the research design is to ensure that the initial research questions are answered clearly and fairly (Imenda, 2014). The study was mainly descriptive in nature. Descriptive research can be described as the process of collecting data with the intention of explaining the status of a group of people or to test a hypothesis (Mugenda, 1999). Descriptive research was used in this study because the data being collected from the respondents was subjective and based on their own opinions. Also, the research was being used to quantitatively describe certain aspects of the population i.e. online shops, which is the relationship between internet marketing strategies and their market share. The target population consisted of the marketing heads and IT heads in each of the online shops in Nairobi County. According to (SoftKenya, 2018) there were 34 online shops operating within Nairobi County. The study population was 68 respondents, with an average of 2 respondents per organization. The sampling frame is the total number of respondents who should have been interviewed for the study, from which a well-founded inference shall be made concerning the population. The sample frame for this study was the marketing and IT heads for all the online shops operating within Nairobi County. In this study, the researcher used a census survey of all the online shops. The researcher selected two respondents from each company, namely the marketing managers and IT managers, for the interview, hence a sample size of 68 respondents. The study used primary and secondary data. Primary data was collected using structured

questionnaires comprising of both open-ended and close-ended questions. The respondents were able to anonymously fill questionnaires. The questionnaires were made short enough to all the respondents to be able to answer fast enough, and long enough to ensure that the data collected was relevant. The questionnaire was divided into five key parts to address the objectives of the study. Secondary data was collected to provide information on the performance and market share of the online shops versus their ‘brick-and-mortar’ counterparts. Data obtained through the questionnaires were first checked for completeness and consistency. The questionnaires found correctly filled and fit for analysis were coded. The researcher used descriptive statistics such as measures of central tendencies, frequency deviations, and percentages. The results were presented in tables to describe the parameters of the study. Inferential statistics were applied to establish relationships among the study variables.

The following regression model was used: $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$

Where: Y= market share, β_0 = constant; β_1 , β_2 , β_3 , and β_4 : are the coefficients that were estimated, X_1 = website design marketing strategy; X_2 = content marketing strategy X_3 = affiliate marketing strategy; X_4 = social media marketing strategy and e = error term

4.0 RESULTS

4.1 Response Rate

The target respondents for the study were 68 individuals working in the 34 listed online shops in Kenya. All the targeted respondents were served with the questionnaire forms. However, 11 respondents did not return the completed questionnaire forms. The remaining 57 respondents completed the questionnaire forms, which were used for data analysis. This gave a response rate of 83.82% which is reliable for the study as shown in Table 4.1.

Table 1: Response Rate

	Frequency	Percentage (%)
Responded	57	83.82
Non-respondent	11	16.18
Total	68	100

4.2 Inferential Statistics

The researcher conducted a multiple regression analysis so as to test the relationship among independent variables (internet marketing strategies) on the market share of online shops operating

within Nairobi County. The researcher used the Statistical Package for Social Sciences (IBM SPSS 20.0) to code and calculate the values of the multiple regressions of the study.

4.2.1 Model Summary

As shown in Table 4.2, the R-value was 0.963, which depicts a strong relationship between the dependent variable, which is the “Market Share” and independent variables, which are Social Media Marketing Strategies, Affiliate Marketing Strategies, Content Marketing Strategies, and Web Design Marketing Strategies. Furthermore, the results showed that the R-Square in the model summary is 0.928, which is 92.8%. This means that other factors not included in this study accounted for 7.2% of the influence of internet marketing strategies on the market share of online shops in Nairobi County.

Table 4.2. Model Summary

Model	R	R square	Adjusted R Square	Standard Error of the estimate
1	.963 ^a	.928	.923	.268
a. Predictors: (Constant), The extent of web design use, The extent of content marketing use, The extent of affiliate marketing use, The extent of social media marketing use				

4.2.2 ANOVA Table for Regression Model

The ANOVA table generated during the multiple regression analysis was explored as shown in the Table 4.3. The ANOVA table generated during the multiple regression analysis was explored as shown in the Table 4.3. From the ANOVA Table, p-value was 0.0002 and F-calculated was 155.523. Since p-value was less than 0.05 and the F-calculated was greater than F-critical (2.5498), then the regression relationship was significant in determining how social media marketing strategies, affiliate marketing strategies, content marketing strategies, and web design marketing strategies influenced Overall Market Share.

Table 4.3:1 ANOVA Table for Regression Model

Model		Sum of Squares	Df	Mean Square	F	Sig. (p-value)
1	Regression	52.256	4	13.064	155.523	.0002 ^b
	Residual	4.368	52	.084		
	Total	56.624	56			

4.2.3 Coefficients of Regression Model

The following table provides a complete presentation of beta coefficients (β s) for the multiple linear regression analysis. From the table, it can be seen that there is a significant value, which is p (sig.) >0.05 for Social Media Marketing Strategies, Affiliate Marketing Strategies, Content Marketing Strategies, and Web Design Marketing Strategies.

Table 4.4: Coefficients for the Independent Variables

Model	Variables	Beta	Standard error	T	Sig.
1	(Constant)	.053	.146	.361	.020
	The influence of web design use	.015	.113	0.130	.040
	The influence of content marketing use	.163	.065	2.525	.014
	The influence of affiliate marketing use	.057	.059	0.970	.027
	The influence of social media marketing use	.923	.125	7.402	.000

From the Coefficients Table, the regression equation was:

$$Y = 0.053 + 0.015 X_1 + 0.163X_2 + 0.057X_3 + 0.923 X_4$$

According to the established regression equation, and taking all independent variables into account (web design marketing, content marketing, affiliate marketing, and social media marketing) to be constant at zero, the market share of the online shops would be equal to 0.053. Also taking all other independent variables at zero, a unit increase in website design marketing strategy would lead to a 0.015 increase in the market share of online shops in Nairobi County. A unit increase in content marketing would lead to a 0.163 increase in market share; a unit increase in affiliate marketing would lead to a 0.057 increase in market share, whereas a unit increase in social media would lead to a 0.923 increase in market share. The findings inferred that social media marketing strategies contributed the most to the overall market share of online shops in Nairobi, followed by content marketing strategies, affiliate marketing strategies and finally website design marketing strategies. From the findings, we can also infer that all the four internet marketing strategies were significant in improving the market share of online shops in Nairobi County. This is in agreement with (McPheat, 2011) who proposed a combination of all four internet marketing strategies as a means of growing an online business.

4.3 Discussion of Findings

The discussion of the findings is in relation to internet marketing strategies and the market share of online shops operating within Nairobi County.

4.3.1 Website Design Marketing Strategies

The study revealed that website design marketing strategies influenced the market share of online shops to a moderate extent. The study also revealed that all the different aspects of website design, namely layout and appearance, web hosting and reliability, and Search Engine Optimization had a moderate effect on the market share of online shops in Kenya. Most of the online shops that deployed website marketing strategies preferred investing in the appearance and making the website more user-friendly, though there was a significant variation in their level of agreement. Fewer online shops favored investing in security, reliability or Search Engine Optimization for their websites. Website design strategies were also considered to be a good strategy in improving sales relationships with customers and were used due to their ability to serve customers worldwide. Some customers, however, considered investing in website design to be expensive. These findings concur with Fadeyev (2008) who argues that online shops need to know their customers' needs before coming up with a website to serve them. The website should be designed in such a way that it captures the brand and culture of the company. This would determine the type of images being displayed, the color being used, and the graphics. The site should also be goal driven. For instance, an entertainment website should have more pictorials whereas an educative website should have as much information as possible such as the company profile, management structure, goals, and objectives.

4.3.2 Content Marketing Strategies

The study established that content marketing strategies influenced the market share of online shops to a moderate extent. Most online shops agreed that personalized content and written word influenced their market share greatly. In contrast, it was established that videos and tutorials had minimal influence on market share with a significant variation in the level of agreement. This implied that some respondents actually viewed videos and tutorials to be an important marketing strategy. Content marketing strategies were used because they were available on a 24-hour basis, had the ability to track and measure results and also because they led to improved relationships

with customers. However, content marketing was considered to be an expensive strategy. The findings are in line with Human, Hirschfelder and Nel (2018) who argues that the quality of the content is important. However, online businesses also need to remember that the distribution and quantity of the content is just as important. Whether it is written word, a video or personalized content, the content needs to be conveyed in a convincing way.

4.3.3 Affiliate Marketing Strategies

The study revealed that affiliate marketing strategies influenced the market share of online shops in Nairobi County to a moderate extent. Bloggers and influencers were the most preferred form of affiliate marketing, though there was a significant variation in the level of agreement. Comparison websites were also considered influenced and had a small variation in the level of agreement. However, affiliate programs were not popular amongst all the online shops and most firms regarded their contribution to market as low though there was a significant variation in the level of agreement. Online shops that used affiliate marketing strategies adopted them because they improved their sales relationships with customers and also because they could be able to measure the impact of each aspect of affiliate marketing independently. However, affiliate marketing was considered to not have a global impact. Most online shops in Kenya also felt that the strategy was expensive. These findings are in line Edelman and Brand (2014) who noted that the online shops need to decide if their affiliate marketing strategy will be managed in-house or the service will be outsourced. These services also have their own costs which may impact on profits. The affiliate marketing strategy that is chosen may have an impact on the profits, market share and popularity in varying degrees.

4.4.4 Social Media Marketing Strategies

The study established that social media marketing strategies influenced the market share of online shops in Nairobi County to a great extent. Social networks, social sharing sites and multimedia sites were all considered to influence market share to a great extent. There was also a significant variation in the level of agreement which implied that social media marketing was not popular amongst all the respondents. Social networks such as Facebook and Instagram were the most popular forms of social media marketing. Online shops used social media marketing strategies because they improved their sales relationships with customers and were available 24/7. They also

used social media marketing since they could be able to measure the impact of each aspect of social media independently. However, social marketing in Nairobi County was considered to not have a global impact. These findings are in line with Mungei, Ombui, and Iravo (2017) who argues that the great influence of social media can be attributed to the rate at which social media platforms are being adopted worldwide. Over a third of all online shoppers are reported to have known about whatever they are purchasing on social media. The popularity of social media and its dynamism makes it a very important part of internet marketing.

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusion

The study concluded that website design strategies were not an effective internet marketing strategy when deployed in isolation. The strategy needed to be deployed as part of an internet marketing mix. All aspects of website design are important and online firms need to invest in making sure that their websites are aesthetic, easy to use, are searchable and secure. The website is the initial point of interaction between the buyer and the seller, and the buyers' experiences when using a website could affect their opinion about whether to make a purchase. The study further established that most online shops considered the cost a major hindrance when trying to deploy website design.

The study concluded that content marketing strategies had a moderate influence on the market share of online shops in Nairobi County. Most online shops indicated that personalized content or the written word were more effective in improving their market share. Videos and tutorials were however found to have minimal influence on market share. Companies need to form a personal connection with their customers. An integral part of this to understand the users' needs and preferences, and creating a shopping experience that is unique to every buyer. Customers were more likely to buy products that they understood and felt competent enough to use.

The study concluded that affiliate marketing strategies also had a small influence on market share when used in isolation. The affiliate marketing strategy also needed to be deployed as part of an internet marketing mix. Bloggers and influencers were the best option when it came to convincing skeptical shoppers to purchase their goods online. The bloggers would act as a product ambassador for the merchant and therefore needed to share the same principles and values as the merchant in

order to be effective. Most online shops also agreed that Comparison Websites were effective. However, there were varied opinions on the influence of affiliate programs. This could be attributed to the fact that not all online shops were able to use them due to technical capability or financial reasons. Generally, most online shops considered the affiliate marketing strategy to be expensive. In contrast, there were a few online shops that found the strategy to be very influential. The study concluded that social media marketing influenced market share to a great extent and could be used as the sole internet marketing strategy. Social networks such as Facebook and Instagram had a great influence on market share. The popularity was due to the fact that the service was available on a 24/7 basis and also because of the interactive nature of social media. Most shoppers preferred to go to a social media page and read product reviews or company reviews before making a purchase. Most online shoppers also learnt about a website from the company's social media page. This made social media the most influential online marketing strategy. Finally, social media marketing was also considered to be a low-cost strategy.

5.2 Recommendations

The study recommends that colleges and the County government should urge more Computer Science graduates to develop the technical skills needed to design and improve websites. This would make the website design services more affordable. The online shops should allocate more revenue towards improving the Search Engine Optimization of their websites and improving their presence online. The online shops also need to invest in security for their website. This could be done through the use of professional web hosting services. This would make their services more secure, and improve the trust levels of the consumers.

The study recommends that online shops need to do more in terms of creating awareness about the benefits of online shopping. There still exists a fear about threats concerning user information and conmen. The companies need to demonstrate that their websites are safe. They also need to do more in terms of educating the users about their products and how to use them. The focus in content marketing needs to be more on the shopper and less on the product. The online shops need to make sure that they understand the buyers, their shopping patterns, their preferences and their culture. The customers tend to buy from a shop that they feel understands their needs.

The study recommends that online shops should only use bloggers or influencers that believe in their products and share the same values as them. A mismatch between a merchant and an affiliate would make the strategy unsuccessful. The County government could also encourage the youth to take up jobs as affiliate marketers as a way to encourage self-employment. There should also be proper laws in place that govern affiliate marketing, so as to alleviate the possibility of fraudsters pretending to be affiliate marketers.

Online shops in Nairobi County have embraced social media marketing. However, they should bear in mind the dynamic nature of social media and always ensure that they have a presence in all the popular social media platforms. The County government should also look into ways of making internet connectivity more affordable. Most online shops indicated unreliable and expensive internet as a challenge when trying to conduct internet marketing. Making internet connectivity more reliable would ensure that the online shops take advantage of the 24/7 availability of social media. The online shops need to come up with an appropriate internet marketing mix given that there were varied views amongst the respondents on which internet marketing strategies were more influential. The existing 'brick-and-mortar' shops need to also consider the online business model in case they are not making profit. Customers need to be willing to accept change and embrace technology.

Most online shops considered acquiring new customers as the most important metric of market share. However, there was a need to focus on retaining the existing customers. Online shops therefore need to come up with strategies that would improve customer loyalty. This could be achieved through improving their content marketing strategies so as to form a connection with their customers. There were also varied views on whether market share was a true measure of success for a company. As such, online shops need to bear in mind that there are other metrics that are important when gauging the success of their company. These include profit margins and popularity.

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