

# **The Influence of Social Media Marketing on Business Performance: An Empirical Investigation of the Supermarket Industry in Tanzania**

**Arnold Lambert Njunwa**

[lambert.njunwa@tia.ac.tz](mailto:lambert.njunwa@tia.ac.tz)

<https://dx.doi.org/10.4314/ajasss.v6i2.7>

## **Abstract**

*This study aimed at examining the influence of social media marketing on the performance of businesses, with a specific focus on supermarkets in Dar es Salaam. The research employed an explanatory research design and a sample of 200 respondents was selected through purposive sampling. Data analysis was conducted using multiple regression analysis with the aid of Statistical Package for Social Sciences (SPSS). The findings revealed that social media performance, analytics and an active presence have a positive and significant influence on the business performance of supermarkets in Dar es Salaam. The study concluded that social media marketing contributes significantly to enhancing the overall business performance of supermarkets. This underscores the pivotal role of social media marketing in driving the success of supermarkets in Dar es Salaam region. It is recommended that, first, future research can use objective data on financial performance metrics. Second, future studies might consider other industries in which the link between social media marketing and business performance can be of interest for example airlines and tourism industries.*

**Keywords:** *Social Media Marketing, Supermarket, Social Media Performance, Business Performance*

## 1.0 INTRODUCTION

Globally, social media platforms such as WhatsApp, Twitter, Instagram and Facebook have become an integral part of peoples' lives (Liu *et al.*, 2023). Currently, businesses such as retail companies have recognised the potential of these platforms to reach and engage with their target audience in new and innovative methods (Athey *et al.*, 2023). The primary driver behind this phenomenon is the utilisation of social media platforms such as WhatsApp, Facebook and Instagram which fosters a sense of familiarity among users. This in turn, facilitates communication (Alvarez *et al.*, 2020), enabling companies to engage in interactions and content exchange with both customers and suppliers. Consequently, businesses have harnessed the potential of social media as a tool for fostering relationships with their customers and partners (Tarsakoo & Charoensukmongkol, 2019; Weismuelier *et al.*, 2020).

Social media performance is one of the constructs of social media marketing. It emerges as a pivotal determinant of a company's overall business performance (Wang & Kim, 2017). Companies that excel in social media performance stand a better chance of improving their business performance (Tafesse & Wien, 2018). Additionally, the application of social media analytics enhances a company's business performance by equipping it with techniques to identify potential customers and key competitors, thereby facilitating informed marketing decisions (Athey *et al.*, 2023).

Furthermore, maintaining an active presence on social media platforms enable companies to reach potential customers and tap into various market segments (Wang & Kim, 2017). This active online engagement fosters interactions with customers, thereby cultivating mutual trust (Tarsakoo & Charoensukmongkol, 2019). Establishing a robust presence on social media is a crucial prerequisite for increasing performance since it helps forge strong connections between the company and its customer base (Athey *et al.*, 2023). Through active participation on social media companies can harness online conversations to gather valuable customer information, which can then be used to enhance marketing strategies (Liu *et al.*, 2023).

The retail industry in Tanzania has witnessed substantial changes due to the rapid growth of digital technologies and online communication platforms (Mwaifyusi & Dau, 2022). Social media platforms are considered to be a powerful tool to businesses to change with customers, build brand awareness and drive sales (Kazungu *et al.*, 2017). This has led to an increased adoption of social media marketing strategies among retail businesses seeking to stay competitive in an evolving market landscape. However, while the potential benefits of social media

marketing are widely acknowledged, the extent to which these strategies directly influence the business performance of supermarkets in Tanzania remains an important and relatively unexplored area of research (Mwafyusi & Dau, 2022).

Moreover, there are limited studies in the area of supermarkets (Liu *et al.*, 2023; Mwafyusi & Dau, 2022). To the best of our knowledge, prior research in the field of supermarkets has not extensively explored the impact of social media marketing on business performance by considering factors such as social media performance, social media analytics and active engagement on social media platforms. For instance, a study conducted by John and Walford in 2021 focused on the utilisation of social media marketing strategies by supermarkets during the COVID-19 pandemic. Similarly, a study by Tama (2021) primarily aimed to understand how social media information influenced panic buying behaviour at supermarkets during the early stages of the COVID-19 pandemic. Where some research such as Ranabathan *et al.*, (2017) and Colicev *et al.*, (2018), have examined the relationship between social media marketing and customer satisfaction in the supermarket industry, there remains a research gap in comprehensively examining how social media marketing strategies impact the overall business performance of supermarkets. Consequently, this study seeks to delve into the multifaceted effects of social media marketing on supermarket business performance.

Our findings offer several implications for theory and practice. First, this study adds to the collective understanding of how social media marketing affects the performance of the supermarkets. Second, for practitioners, the results of this study can be used to improve business performance of the supermarkets via social media marketing for firms. The findings can be used to develop marketing strategies and social media marketing campaigns aimed at attracting potential customers in order to increase business performance.

## **2.0 PRIOR LITERATURE AND HYPOTHESES**

Social marketing plays a substantial role in enhancing business performance as emphasised by Tarsakoo & Charoensukmongkol (2019). Many companies have adopted social media as a crucial component of their marketing strategies with the explicit aim of improving business performance both in terms of growth and adaptability to market dynamics (Liu *et al.*, 2023). The study by Athey *et al.*, (2023) provides a definition to effectively navigate fluctuations in market behaviour. Conversely, “growth” within a company’s context signifies the achievement of substantial increase in marketing – related outcomes as outlined by Wang and Kim (2017).

With the recent rise of social media marketing due to COVID – 19 pandemic, it is important to establish its effects on the business performance of supermarkets. For example, John & Walford (2021) assessed the use of Facebook by the supermarkets in New Zealand during the COVID – 19 pandemic based on social media performance. Tama (2021) established the influence of social media active presence on panic buying at supermarkets during the early phase of COVID – 19. Other studies in the area of supermarket for example Ramanathan *et al.*, (2017) and Colicey *et al.*, (2018) link social media marketing and customer satisfaction through social media analytics. Collectively, these studies provide evidence of the influence of social media marketing on certain aspects of business performance of supermarkets.

We build on these previous works in the following way; we separate total social media marketing into social media performance, social media analytics and active presence in the social media. This is contrary to previous studies conducted in the retail industry where to the best of our knowledge no study used these three constructs of social media marketing to show the relationship between social media marketing and business performance in the retail industry (see Table 1).

**Table 1: Preceding Studies and Contributions**

Study	John & Walford (2021)	Tama (2021)	Ramanathan <i>et al.</i> , (2017)	Colicev <i>et al.</i> , (2018)	This Study
<b>Industry</b>	Retail industry	Retail industry	Retail industry	Retail Industry	Retail industry
Objective	Examine the usage and SMP among supermarket retailers	Investigate the influence of APS on panic buying	Explore to role of SMA on customer satisfaction	Establish the relationship between SMA and customer-based brand equity	Examine effects of SMP, SMA and APS on business performance
Dependent variable (BP)	No	No	No	No	Yes
Social media platforms used	Facebook	Facebook	All	All	All
Sample size	6 supermarkets	125 supermarket staff	102	39 retailers	200 supermarket staff
Questionnaire surveys	No	Yes	Yes	No	Yes
Major findings	Retailers could do more in terms of enhancing SMP	APS contributes to increased panic buying	Social media reviews dramatically impact customer satisfaction	SMA has positive relationship with customer-based brand equity	APS has strongest positive effect on BP followed by SMA and SMP

**NOTES:** SMP = Social media performance, SMA = Social media analytics and APS = Active presence on social media, BP = Business performance

## 2.1 Social media performance and business performance

Various scholars have provided definitions of social media performance. For instance, Adeola et al., (2020) describe it as the positive outcome achieved through the implementation of social media strategies in marketing activities. Tarsakoo & Charoensukmongkol (2019) elaborate on social media performance as certain outcomes stemming from customer-oriented social media efforts, encompassing customer engagement and the development of a substantial follower base with the ultimate goal of enhancing business performance. Tafesse & Wien (2018) added that social media performance is rooted in favourable customer perceptions regarding the use of social media.

Social media performance plays a vital role in augmenting business performance (Yasa *et al.*, 2020). Prior research conducted by scholars like Tarsakoo & Charoensukmongkol (2019), Yasa et al., (2020) and Tafesse & Wien (2018) confirms that social media performance contributes to improved business performance through factors such as a growing follower base, increased web traffic from social media, enhanced customer engagement metrics and the ability to effectively reach a larger customer audience through social media channels (Alvarez et al., 2020). In light of the synthesis of these arguments, the current study defines social media performance as the outcomes stemming from customer – centric social media practices encompassing factors such as follower growth, increased web traffic, improved customer engagement metrics and the effectiveness of reaching customers via various social media platforms, all aimed at enhancing overall business performance. These arguments gave rise to the following hypothesis statement:

*H<sub>1</sub>: Social media performance and business performance of the supermarkets are positively and significantly related*

## 2.2 Social media analytics and supermarkets business performance

As per Kliez *et al.*, (2020), social media analytics encompass systematic activities geared towards collecting, examining, and comprehending customer behaviour within social media, all aiming to facilitate informed marketing decisions. Wang & Kim (2017) contend that social media analytics empower companies to gain insights into their customers, ultimately leading to an enhancement in supermarkets business performance. Social media analytics impact supermarket business performance through elements such as planning, understanding social media customers, gauging social media effectiveness and monitoring social media activities, as underscored by Alvarez *et al.*, (2020) and Adeola *et al.*, (2020). Notably social media analytics have a positive impact on a company's business performance (Alvarez, 2020). An increase in the utilisation

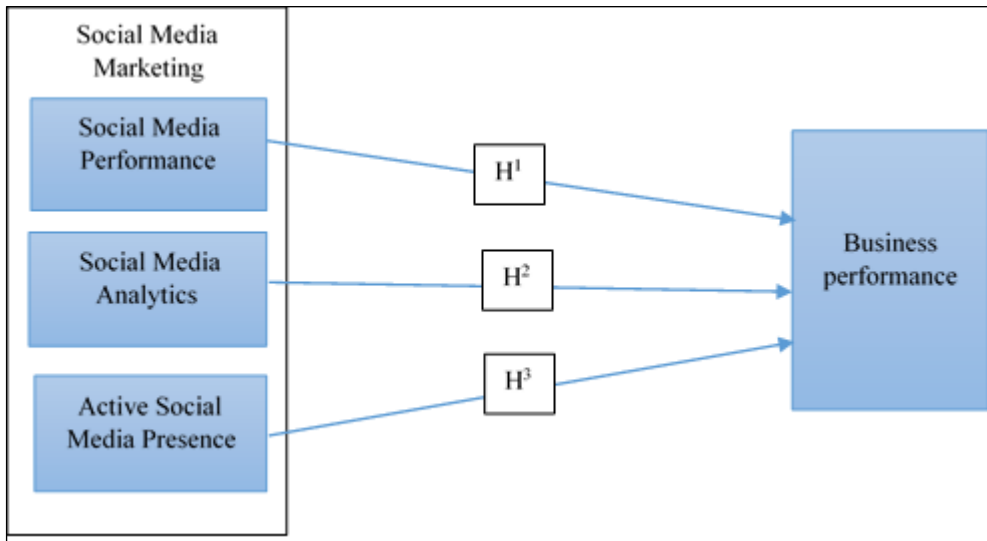
of social media analytics is linked to an improvement in overall business performance (Wang & Kim, 2017). Consequently, this study defines social media analytics as a multifaceted set of dimensions that enable companies to discern customer behaviour, identify competitors and make well-informed marketing decisions by harnessing the power of social media. Building on these arguments, the following hypothesis was formulated:

H<sub>2</sub>: *Social media analytics and business performance of the supermarkets are positively and significantly related*

### **2.3 Active Presence in social media and business performance**

Active Presence in social media involves companies engaging in daily social media activities as highlighted by Jung *et al.*, (2020). The research conducted by Gonzalez-Lafayse & Lapassouse\_Madrid (2016) characterises “active presence” as the company actively participating across various social media platforms such as Instagram and WhatsApp by creating diverse content, launching marketing campaigns and engaging in consistent communication with customers on daily basis. Active presence on social media contributes significantly to enhancing a company’s business performance by providing ample content maintaining a regular posting schedule and facilitating frequent interactions with customers as noted by Yasa *et al.*, (2020) and Alvarez *et al.*, (2020). Achieving the desired level of business performance necessitates active engagement on social media platforms as it fosters a strong connection between the company and its customer base (Wang & Kim, 2017). Additionally, as affirmed by Yasa *et al.*, (2020), active presence on social media boosts business performance by creating a conducive environment for the company to respond effectively to a competitive market. This study defines active presence in social media as the consistent use of social media platforms for conducting market activities by firms. This argument led to the formation of the following hypothesis statement:

H<sub>3</sub>: *Active presence in social media and business performance of the supermarket are positively and significantly related*



**Figure 1.** Conceptual framework

### 3.0 RESEARCH METHODOLOGY

#### 3.1 Research Design and Study Area

This study adopted an explanatory research design in line with the recommendations of Yasa *et al.*, (2020) and Tafesse & Wien (2018) to investigate the impact of social media marketing on business performance. Explanatory research design is particularly suitable for studying cause-and-effect relationships which aligns with the objectives of the study. Typically, this design is employed when a deductive approach such as hypothesis is planned for the research process as outlined by Hair *et al.*, (2010). Consequently, the choice of explanatory research design was driven by the study’s intention to test hypotheses. The research was conducted in Dar es Salaam, a strategic choice location due to its status as the commercial hub of Tanzania boasting the highest concentration of supermarkets. According to Kazungu *et al.*, (2017), approximately 88% of all supermarkets in Tanzania are situated in Dar es Salaam.

#### 3.2 Sample Size and Sampling Techniques

Each variable in the study necessitated a minimum of 10 to 15 respondents following the guidelines of Hair *et al.*, (2010). Furthermore, Yasa *et al.*, (2011) emphasized that the estimation of sample size should account for the specific research design. Li *et al.*, (2020) proposed that a minimum of 30 cases or more is required for correlation research. Consequently, the chosen sample size for this study was 200 aligning with the suggestions of previous researchers (Li *et al.*, 2020; Tarsakoo & Charoensukmonkol, 2019) which also coincides with the recommendation of Yasa *et al.*, (2011).

Purposive sampling was employed to select employees working in the supermarkets of Dar es Salaam with a focus on individuals involved in marketing activities. This method was chosen because the study aimed to target supermarket employees responsible for social media marketing as advocated by Tarsakoo & Charoensukmongkol (2019), who highlighted that purposive sampling is effective in obtaining suitable respondents. Consequently, Likert-scale questionnaires were distributed to a total of 200 supermarket staff members in Dar es Salaam. This technique was deemed appropriate for collecting data from a large sample as suggested by Alvarez et al., (2020) and Mmasi & Mwaifyusi (2021).

### 3.3 Data Analysis Techniques

The study employed both descriptive analysis and multiple regression analysis in accordance with the recommendations of Charoensukmongkol & Tarsakoo (2019) and Mwafyusi & Dau (2022). Additionally, preliminary analyses were conducted including tests for autocorrelation, assessments of normality through correlation analysis, evaluations of multicollinearity and tests for homoscedasticity. To facilitate data analysis, the study utilised the Statistical Package for Social Sciences (SPSS). The multiple regression analysis was conducted to evaluate the relative predictive power of social media performance, social media analytics and active presence on the business performance of the supermarkets following the guidance of Wang & Kim (2017). Consequently, the study employed the subsequent multiple regression equation:

$$BP = f(SP, SA, AP) \dots \dots \dots (i)$$

Where: BP= Business Performance, SP= Social Media Performance, SA= Social Media Analytics and AP= Active Presence

The regression equation (i) can be presented in the following empirical equation

$$BP = \beta_0 + \beta_1 SP + \beta_2 SA + \beta_3 AP + \varepsilon_i \dots \dots \dots (ii)$$

### 3.4 Validity and Reliability Test

**Content Validity:** To ensure content validity, the study conducted an extensive literature review following the recommendation of Almanasreh *et al.*, (2019) and Shrotryia & Dhanda (2019). Consequently, a thorough review of the literature was carried out encompassing business performance and the various aspects of social media marketing namely social media performance, social media analytics and active presence on social media.



**Construct Validity:** As proposed by Mathieu *et al.*, (2021), construct validity was evaluated with a focus on both convergent and discriminant validity.

**Convergent Validity:** Bornmann *et al.*, (2019) suggest that Confirmatory Factor Analysis (CFA) and correlation analysis are the most effective methods for assessing convergent validity. Therefore, this study utilised CFA and correlation analysis to evaluate convergent validity. CFA, by analysing factor loadings Marsh *et al.*, (2020) revealed that all factor loadings for social media performance, social media analytics, active presence in social media and business performance exceeded the recommended threshold of 0.5 thus confirming convergent validity (Shau, 2017). Furthermore, correlation analysis as shown in Table 6 indicated strong correlations among all variables aligning with the principles of convergent validity (Bornmann *et al.*, 2019).

**Discriminant Validity:** Discriminant validity was assessed using the Average Variance Extracted (AVE) method as recommended by Monacis *et al.*, (2017). In this study, AVE values for all constructs were compared with the squared correlation coefficients between the constructs following the guidance of Yasa *et al.*, (2021). The results presented in Table 3 demonstrated that the AVE values for social media performance, social analytics, active presence in social media and business performance exceeded the squared correlation coefficients, confirming discriminant validity.

Results from Confirming Factor Analysis (CFA): Prior to factor analysis, it is essential to conduct Kaiser-Meyer-Olkin (KMO) and Bartlett's Test of Sphericity to assess data fitness as proposed by Sahim (2018). The results in Table 2 indicated a KMO value of 0.755 suggesting that the data was suitable for CFA (Cetinkaya & Rashid, 2018). Additionally, Bartlett's Test was applied to confirm that the correlation matrix was not an identical matrix in line with previous studies by Kumar (2020) and Cetinkaya & Rashid (2018). The results indicated that Bartlett's Test for Sphericity was highly significant ( $p \leq 0.000$ ) affirming the suitability of all variables for CFA (Sahin, 2018).

**Table 2:** KMO and Bartlett's Test

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Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.755
Bartlett's Test of Sphericity	Approx. Chi-Square	922.612
	Df	120
	Sig.	.000

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The findings derived from the Confirmatory Factor Analysis (CFA) Indicate that all variables including social media performance, social media analytics, active

presence and business performance exhibit factor loadings surpassing the 0.5 threshold. Furthermore, both Cronbach’s alpha and Average Variance Extracted (AVE) values were above the threshold value. This suggests that discriminant validity and convergent validity were not violated.

**Table 3: Factor Analysis**

Variable	Loading	Cronbach's $\alpha$	AVE
<b>Social Media Performance</b>		.821	.898
Social media follower base	.559		
Social media web traffic	.735		
Customer engagement metrics	.734		
Reach social media customers	.629		
<b>Social Media Analytics</b>		.872	.887
Social media plan	.708		
Learn social media customers	.700		
Measure social media effectiveness	.626		
Social media monitoring	.849		
<b>Active Social Media Presence</b>		.951	.867
Sufficient social media content	.910		
Frequent social media posts	.860		
Regular social media posting plan	.932		
Frequent customer interactions	.886		
<b>Business Performance</b>		.921	.889
Competitiveness	.569		
Business expansion	.692		
Flexibility	.602		
Market share	.547		

**Extraction Method: Principal Component Analysis**

Reliability Test: This study employed Cronbach’s Alpha coefficient. As per the recommendation of Hair *et al.*, (2010), a threshold of 0.7 or higher was utilised. The results presented in table 3 indicate that the Cronbach alpha values for all construct including social media performance, social analytics, active presence and business performance exceeded the 0.7 threshold aligning with the guidance of Hair *et al.*, (2016). These findings affirm that the reliability of the measurement instruments was upheld in study as all Cronbach values fell within the acceptable range.

**4.0 FINDINGS AND DISCUSSION**

**4.1 Response rate**

Out of the 200 questionnaires distributed to supermarket employees in Dar es Salaam, 9 questionnaires (4.5%) were found to be missing and 15 questionnaires (7.5%) were deemed unusable. Subsequently, a total of 176 questionnaires (88.0%) were usable hence the response rate for this study standing at 88.0%

exceeded the recommended threshold of 50% as suggested by Hair *et al.*, (2015). Therefore, the response rate was considered satisfactory for the purpose of analysis as outlined in Table 4.

**Table 4: Response Rate**

	Frequency	Percent
Missing Questionnaire	9	4.5
Unusable Questionnaire	15	7.5
Usable Questionnaire	176	88.0
Total	200	100.0

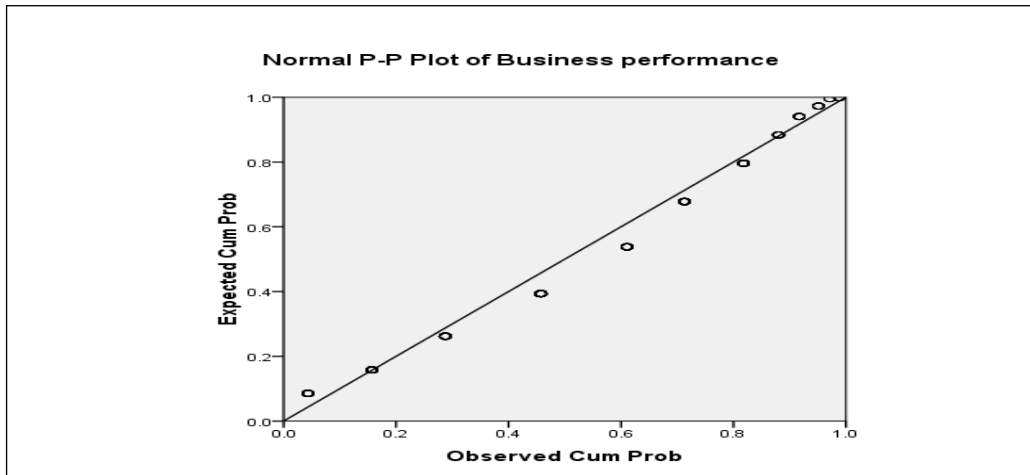
Source: Researcher, 2023

## 4.2 Tests for regression assumptions

### 4.2.1 Tests for autocorrelations assumption

Khan *et al.*, (2019) suggested employing the Durbin-Watson Statistic to assess the autocorrelation assumption. As indicated in Table 8, the Durbin-Watson statistic was calculated to be 2.124. According to Yasa *et al.*, (2020) when the Durban-Watson statistic is close to or equals 2 it suggests the absence of a significant autocorrelation issue within the dataset. Therefore, the results affirm that the assumption of autocorrelation was not breached in this study.

### 4.2.2 Multivariate normality test



**Figure 2:** P-P Plot for normality test

### 4.2.3 Multicollinearity assumption

Gonzalez-Lafayse & Lapassouse-Madrid (2016), Borg *et al.*, (2020) and Wang & Kim (2017) recommend utilising the Variance Inflation Factor (VIF) and

Tolerance as appropriate tests to assess the multicollinearity assumption. In this study, VIF and tolerance values were employed to evaluate the presence of multicollinearity in the data. Multicollinearity is a concern when the VIF value exceeds 4.0 or the tolerance value falls below 0.20 as outlined by Hair *et al.*, (2010). The results presented in Table 5 reveal that all tolerance values and VIFs for social media performance, social media analytics and active social media presence remained within the acceptable range. This observation suggests that the multicollinearity assumption was not violated in this study. Consequently, the study is devoid of multicollinearity issues.

**Table 5: Correlations Coefficients**

Variable	N	1	2	3	4
1. Social Media Performance	176	1			
2. Social Media Analytics	176	.322**	1		
3. Active Social Media Presence	176	.345**	.412**	1	
4. Business Performance	176	.709**	.710**	0.762**	1

\*p < .05; \*\*p < .01 (2-tailed)

#### 4.2.4 Test for linearity assumption

In accordance with the recommendation of Mazengo & Mwaifyusi (2021) this study employed Pearson Correlation to assess the linearity assumption. The outcomes as presented in Table 6 reveal noteworthy correlations. Specifically, the correlations between business performance of the supermarkets and social media performance was found to be ( $r = 0.709$ ,  $p < 0.000$ ) while the correlation with social media analytics ( $r = 0.710$ ,  $p < 0.000$ ) and active social media presence exhibited intact as strong correlations are evident among the variables.

These data can be interpreted as; if the supermarkets increase their level of performance in social media activities then their business performance will be enhanced. If the supermarkets increase their strategies to collect customer sentiments on social media platforms, analyze them using business intelligence tools, and make informed decisions then it will have a positive impact on the supermarket's business performance. Finally, for positive supermarket business performance, they must actively engage in different digital marketing campaigns.

**Table 6: Correlations Coefficients**

Variable	N	1	2	3	4
1 Social Media Performance	176	1			
2 Social Media Analytics	176	.322**	1		
3 Active Social Media Presence	176	.345**	.412**	1	
4 Business Performance	176	.709**	.710**	0.762**	1

\*p < .05; \*\*p < .01 (2-tailed)

### 4.3 Descriptive statistics

The results displayed in Table 7 provide a descriptive analysis of social media performance, social media analytics, active social media presence and business performance. This includes key statistics such as the number of observations, minimum values, maximum values, means and standard deviations for each of these variables.

**Table 7: Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Social Media Performance	176	1.00	5.00	8.7670	2.69544
Social Media Analytics	176	1.00	5.00	9.1364	2.64762
Active Social Media Presence	176	1.00	5.00	8.9034	2.53136
Business Performance	176	1.00	5.00	6.7386	2.73180
Valid N (listwise)	176				

The results indicate that all variables encompass a total of 176 observations. Additionally, the findings reveal specific statistical characteristics for each variable. For social media performance, the minimum value is 1.0, the maximum value is 5.00, the mean stands at 8.7670 and the standard deviation is 2.69544. Social media analytics exhibits a minimum value of 1, a maximum value of 5.00, a mean value of 9.1364 and a standard deviation of 2.64762. Active social media presence reflects a minimum value of 1, a maximum value of 2.64762. Active social media presence reflects a minimum value of 1, a maximum value of 5.00, a mean of 8.9034 and a standard deviation of 2.53136. Furthermore, in terms of business performance, the maximum and minimum values are 1.0 and 5.00 respectively. The mean for business performance is 6.7386 with a standard deviation of 2.73180.

### 4.4 Findings from multiple regression analysis

The findings presented in Table 8 reveal a coefficient of determination denoted as ( $R^2$ ) equal to 0.866. These results indicate that approximately 86.6% of the variance in the business performance of supermarkets can be accounted for by the three independent variables namely social media performance, social media analytics and active social media presence.

**Table 8:** Coefficients of Determination

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.325	3.194		3.859	.000
	Social Media Performance	.335	.073	.347	4.055	.000
	Social Media Analytics	.413	.140	.216	2.960	.004
	Active Social Media Presence	.521	.085	.457	6.165	.000

a. Dependent Variable: Business performance

R<sup>2</sup> = 0.866

Durbin-Watson=2.124

The results indicate that the beta value for the constant is 12.325. This implies that when all independent variables (social media performance, social media analytics and social media presence) remain constant, the business performance is expected to be 12.325. Furthermore, the findings suggest that for each unit increase in social media performance, there is a corresponding increase of 0.335 in the scores of business performance. Consequently, an increase of one unit in social media analytics corresponds to a 0.413 increase in the scores of business performance for supermarkets. Finally, the results indicate that a one-unit increase in active social media presence within social media leads to a 0.521 increase in the scores of business performance.

#### 4.5 Discussion

The findings of this study underscore the direct influence of social media marketing on the business performance of supermarkets. All constructs related to social media marketing exhibit positive and significant effects on business performance. Precisely, the researcher observed that social media performance exerts a positive and significant impact on the business performance of supermarkets (beta value 0.335, t= 4.055, p= 0.000). This advocates that a one unit increase in social media performance leads to a 0.539 increase in business performance scores. Subsequently, we provide support for H1, supporting the direct relationship between supermarket business performance and social media performance. This aligns with previous studies by Li *et al.*, (2019) and Adeola *et al.*, (2020) which found a positive significant effect of social media performance on business performance.

Furthermore, the effect of social media analytics on supermarket business performance was examined. This study’s findings indicate a positive and significant relationship between social media analytics and business performance

(beta value 0.413,  $t=2.960$ ,  $p=0.0044$ ). This implies that a one-unit increase in social media analytics leads to a 0.413 increase in business performance scores. Thus, we support H2 affirming the positive impact of social media analytics on supermarket business performance. The current findings are consistent with prior studies by Gunawan & Sulaeman (2020) and Wang & Kim (2017) which likewise observed a direct effect of social media analytics on business performance. The utilization of social media in marketing activities influences the business performance and operations of various companies (Tarsakoo & Charoensukmonkol, 2019).

Lastly, we investigated the effects of active presence in social media on supermarket business performance. Our results revealed a positive and significant relationship between active presence in social media and business performance of these supermarkets (beta value 0.521,  $t=6.165$ ,  $p=0.000$ ). This suggests that a one-unit increase in active presence in social media within the supermarket's marketing activities leads to a 0.521 increase in business performance scores. This finding is in line with H3 confirming the direct impact of active presence in social media on supermarket business performance. These results align with prior studies by Gunawan & Sulaeman (2020) and Galati *et al.*, (2017) which demonstrated that presence in social media contributes to enhanced business performance.

## 5.0 CONCLUSIONS

This study provides compelling evidence of the direct influence of social media marketing on the business performance of supermarkets. It is imperative for managers to proactively develop and refine a well-structured social media strategy considering its significant influence on business performance. Effective utilisation of social media strategy is crucial as it contributes to the enhancement of business performance. Furthermore, in order to effectively manage social media marketing efforts, supermarket management should ensure that the company maintains an active presence across various social media platforms. This proactive approach will enable the company to elevate its marketing performance.

Our study underscores that improvements in social media marketing can directly enhance the business performance of supermarkets. As a valuable takeaway, our research suggests that supermarket managers should prioritise enhancing social media performance optimising social media analytics and ensuring a continuous and active presence on social media channels. This strategic focus will lead to increased competitiveness, business expansion, greater flexibility and an expanded market share.

Through this study, the researcher responds to the growing need for a more comprehensive comprehension of social media marketing as crucial factors influencing business performance. In particular, our research highlights the significance of various aspects of social media marketing. Our investigation contributes to the broader knowledge base by shedding light on how the overall business performance of supermarkets is influenced by social media marketing.

## 6.0 LIMITATIONS AND SUGGESTIONS FOR FURTHER STUDIES

Our findings are subject to various limitations which provide avenues for impending research. First, our study used subjective data but does not consider the financial performance metrics. Future research can use objective data on financial performance metrics. Second, future studies might consider other industries in which the link between social media marketing and business performance can be of interest for example the airline industry.

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