



Influence of Social Media Marketing on Business Performance Among Clothing SMEs in Dar Es Salaam City, Tanzania

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Abstract— This study investigated the effect of social media marketing on business performance among clothing SMEs in Dar es Salaam, Tanzania, as well as the mediating role of online social network relationships. A quantitative approach and an explanatory research design were employed. Using systematic sampling, 363 respondents were selected from a population of 3,952 clothing SMEs. Data were collected through structured questionnaires, and regression analyses were conducted on 357 valid observations. Three regression models were estimated: one assessing the total effect, one incorporating the mediator, and one examining the direct effect in the presence of the mediator. Social media marketing exhibited a positive association with business performance ($B = 0.933, p < 0.001$) and with online social network relationships ($B = 0.847, p < 0.001$). In the final model, both social media marketing ($B = 0.710$) and online social network relationships ($B = 0.264$) remained statistically significant predictors (both $p < 0.001$), jointly accounting for 89.1% of the variance in business performance. The reduction in the marketing coefficient indicated partial mediation, although formal confirmation would require testing the indirect effect. The study concludes that social media marketing and online social network relationships enhance the business performance of SMEs. It recommends that clothing SMEs intensify product promotion, customer communication, and relationship management via social media, while systematically monitoring enquiries, orders, and repeat purchases.

Keywords— Social Media Marketing, Business Performance, Clothing SMEs, Online Social Network Relationships

I. INTRODUCTION

Social media has become a major point of interaction between clothing enterprises and their customers (Silvano & Mbogo, 2022). By using photographs, short videos, customer reviews and direct messages, retailers display available inventory, describe product attributes and respond to enquiries before customers visit physical outlets or place orders (Silvano & Mbogo, 2022). The magnitude of this opportunity is illustrated by global statistics. At the beginning of

2026, there were approximately 5.24 billion social media user identities worldwide, representing 63.9% of the global population and an increase of 4.1% over the preceding year (Search Engine Land, 2026). In parallel, 50.0% of adult social media users reported using social platforms to learn about brands and view their content (Kemp, 2025a). These statistics underscore the significance of social platforms as channels for product and service discovery and for business communication.

Social media marketing is particularly suitable for clothing SMEs because it enables firms to present designs, colour variations, prices and new arrivals while maintaining direct contact with prospective buyers (Romano, 2023). For instance, a clothing retailer can post a new collection on Instagram, respond to questions about sizes through direct messages and share customer feedback to encourage subsequent purchases (Titilayo & Samour, 2025). Such activities assist SMEs in attracting customers beyond their immediate trading areas. Their contribution to business performance is consequential for the broader economy. According to the World Bank (2025), SMEs account for approximately nine out of ten businesses and more than 50% of employment in developing markets. Understanding how these enterprises can increase sales and sustain customer relationships therefore has implications for business continuity, employment and household income.

In Tanzania, the size of the online audience provides a basis for examining the effect of social media marketing on clothing businesses. Kemp (2025b) reported approximately 20.2 million internet users in 2025, representing 29.1% of the population. In addition, the country had 6.75 million social media user identities, an increase of 1.1 million, or 19.5%, since early 2024. These identities may include multiple accounts belonging to the same individual. Meta's advertising tools further estimated potential advertising audiences of 6.75 million for Facebook and 3.70 million for Instagram in Tanzania. Although advertising audiences do not necessarily represent actual buyers, these figures indicate opportunities for clothing SMEs to showcase products and establish contact with potential customers (Kemp, 2025b).

However, the mere availability of social media platforms does not determine whether their use enhances business performance. Related evidence from Tanzania is provided by Silvano and Mbogo (2022), who examined women's clothing stores in Nyamagana District. Their findings indicated a positive relationship between Facebook marketing and sales performance ($\beta = 0.199$, $p < 0.020$), suggesting that social media supports clothing retail activities. Nonetheless, their study concentrated on women's clothing stores in a single district, limiting the generalisability of the results to clothing SMEs in other locations. More recently, Mushi (2024) analysed

questionnaire data from 335 SMEs in Mbeya City using partial least squares structural equation modelling (SEM) and identified significant relationships between digital marketing strategies and SME performance, including sales growth, market share and market development. However, by examining multiple digital marketing strategies collectively, that study provides limited evidence regarding the specific contribution of social media marketing among clothing SMEs in Dar es Salaam City.

The present study draws on Social Network Theory to investigate how business ties formed and sustained through social media are related to performance. Granovetter (1973) explains how social ties provide access to information and contacts beyond an individual's immediate circle. Applied to clothing businesses, this perspective suggests that shared product posts, customer recommendations and ongoing interactions connect retailers with new buyers and encourage repeat purchases. These constitute potential mechanisms through which social media marketing may improve business performance, rather than outcomes that can be inferred from platform use alone. Accordingly, the current study examines the influence of social media marketing on business performance among clothing SMEs in Dar es Salaam City, Tanzania.

II. LITERATURE REVIEW

2.1 Theoretical Review

This study employed Diffusion of Innovation Theory (DOI) and Social Network Theory (SNT) to explain the influence of social media marketing on the performance of clothing small and medium-sized enterprises (SMEs) in Dar es Salaam City, Tanzania. DOI, originally formulated by Rogers (1962) and refined in subsequent editions, explicates how innovations diffuse through communication channels within a social system over time. Rogers (2003) delineates five stages in the innovation-decision process: knowledge, persuasion, decision, implementation, and confirmation. The likelihood of adoption is partly determined by an innovation's perceived relative advantage, compatibility, complexity, trialability, and observability.

Applied to the present study, owners of clothing SMEs may adopt social media marketing when they perceive it as advantageous for attracting clients, congruent with their business activities, and feasible given their existing skills and resources. For example, a retailer may initially post photographs of clothing items on Instagram, evaluate customer enquiries and orders, and then decide whether to sustain and expand such activities. DOI thus provides a framework for explaining variation in both the adoption and continued use of social media marketing. Nevertheless, adoption in itself does not necessarily result in improved SME performance; the study therefore examines whether the use of social media marketing contributes to enhanced business outcomes.

Social Network Theory (SNT) elucidates how relational structures and patterns of connections influence access to information, resources, and opportunities (Borgatti & Halgin, 2011). It directs analytical attention to actors, the ties among them, and their positions within a network. In the present study, clothing SMEs, their clients, and other business contacts constitute the actors, while their connections via social media constitute the ties. Product sharing, customer referrals, comments, and direct messages represent potential pathways through which information disseminates to prospective consumers. Granovetter's (1973) concept of weak ties further suggests that connections beyond familiar customers expose businesses to new audiences and opportunities. For instance, when a client shares a clothing retailer's post, the retailer's products are introduced to individuals outside the existing customer base. Repeated interactions help to build trust and may stimulate additional purchases. Accordingly, SNT provides a conceptual basis for examining how relationships maintained through social media contribute to sales growth, customer retention, and market expansion among clothing SMEs in Dar es Salaam.

2.2 Empirical Review

This section provides a review of prior empirical studies that have examined the influence of social media marketing on business performance. For example, Ellyawati *et al.* (2024) in Indonesia investigated the effect of social media marketing on the performance of SMEs. Their study was guided by

the Technology Acceptance Model (TAM), the Unified Theory of Acceptance and Use of Technology (UTAUT), and Diffusion of Innovation (DOI) Theory. A quantitative approach and survey research design were employed, involving a sample of 291 micro, small, and medium enterprises (MSMEs) located in Surakarta. Structural Equation Modeling (SEM) results indicated that social media marketing is associated with improved business performance, particularly through increased sales, market share, and enhanced customer relations. However, a contextual gap exists because the study was conducted in Indonesia, whereas the present study focuses on clothing SMEs in Dar es Salaam. A theoretical gap is also evident, as their research relied on TAM, UTAUT, and DOI Theory, while the current study is grounded in Social Network Theory (SNT) in conjunction with Diffusion of Innovation Theory. SNT is important because it elucidates how connections and interactions between SMEs and customers on social media contribute to expanding customer reach and increasing sales. DOI Theory, in turn, explains how social media marketing tools are adopted and diffused among SMEs over time. The combined application of these two theories provides a more comprehensive understanding by explaining both the adoption of social media marketing by SMEs and the role of network relationships in enhancing its effectiveness, which is more suitable for clothing SMEs in Dar es Salaam.

Kikawa *et al.* (2022) in Uganda examined the relationship between social media marketing and SME performance. Their research employed a quantitative approach and involved 152 business units. The findings indicated that compatibility and perceived ease of use positively influence the adoption of social media marketing, while age and gender strengthen SME performance. The study recommended the adoption of user-friendly social media tools and the promotion of digital adoption among SMEs. Nevertheless, it presents a methodological gap due to its emphasis on moderating effects and a contextual gap because it was conducted in Uganda rather than among clothing SMEs in Dar es Salaam, Tanzania.

Hanif *et al.* (2024) in Ghana investigated the influence of social media marketing on SME performance in the Wa Municipality. The findings showed that social

media marketing is associated with improved SME performance through enhanced brand recognition, customer engagement, and business growth. Although this study is relevant to the present research, it leaves a contextual gap because it focused on SMEs in Ghana rather than clothing SMEs in Dar es Salaam. It also presents a theoretical gap, as it relied on TAM, whereas the current study is anchored in Social Network Theory and Diffusion of Innovation Theory.

Silvano and Mbogo (2022) examined the impact of social media marketing on the sales performance of small businesses, concentrating on women's clothing stores in Nyamagana District, Tanzania. Their study revealed that Facebook and Instagram exert a significant positive impact on sales performance, whereas Twitter shows no direct relationship with sales performance. While their research focused on women's clothing stores in Nyamagana District, the present study concentrates on clothing store businesses in the Dar es Salaam City Council, Tanzania.

Similarly, Nganga (2022) identified a weak positive relationship between social media marketing and SME performance in Kenya, thereby creating a contextual gap because the study was conducted outside Tanzania. Likewise, Gontur *et al.* (2023) reported a positive relationship between social media marketing and SME performance in Nigeria, using a relatively small sample of 130 SMEs, which limits the generalizability of the findings.

In the Tanzanian context, Kishimbo *et al.* (2025) found that social media marketing enhances SME performance and that strategic capabilities reinforce this relationship. However, their study was conducted at the national level and was guided by Uses and Gratification Theory (UGT) and the Resource-Based View (RBV), thereby leaving both contextual and theoretical gaps. The present study addresses these gaps by focusing on clothing SMEs in Dar es Salaam and employing Social Network Theory and Diffusion of Innovation Theory to explain how social media marketing influences business performance.

In a related Tanzanian study, Njunwa (2024) examined the influence of social media marketing on the business performance of supermarkets in Dar es

Salaam. Regression analysis results indicated that social media marketing is associated with improved SME business performance. The study recommended that managers refine their social media strategies, utilize data more effectively, and maintain an active online presence to increase market share and competitiveness.

Although previous studies consistently demonstrate a positive relationship between social media marketing and SME performance, the majority of these investigations have been conducted outside Tanzania (Nganga, 2022; Gontur *et al.*, 2023; Kishimbo *et al.*, 2025).

Existing studies have mostly used theories for instance the Resource-Based View and Uses and Gratification Theory, which clarify internal resources and user behaviour but give inadequate attention to innovation adoption and online network relationships. Also, numerous studies depend on small samples and used different sectors, limiting the applicability of their findings. This study fills these contextual, methodological and theoretical gaps by examine clothing SMEs in Dar es Salaam using a larger sample and join in the DOI and SNT to describe ON how social media marketing have effect on business performance.

2.3 Conceptual Framework

Figure 1 presents the conceptual framework illustrating the relationship between the predictors of social media marketing and the dependent variable, namely the business performance of SMEs. Online social network relationships are incorporated as a mediating variable, as they embody the principles of Social Network Theory and elucidate the mechanism through which social media marketing influences business performance. The model depicted in Figure 1 posits that social media marketing affects SMEs' business performance both directly and indirectly via online social network relationships. The direction and magnitude of these relationships are estimated using regression coefficients (Gujarati & Porter, 2009; Wooldridge, 2016). This analytical approach is consistent with Social Network Theory, which emphasizes the significance of networks and relationships in enhancing business performance (Scott, 2017).

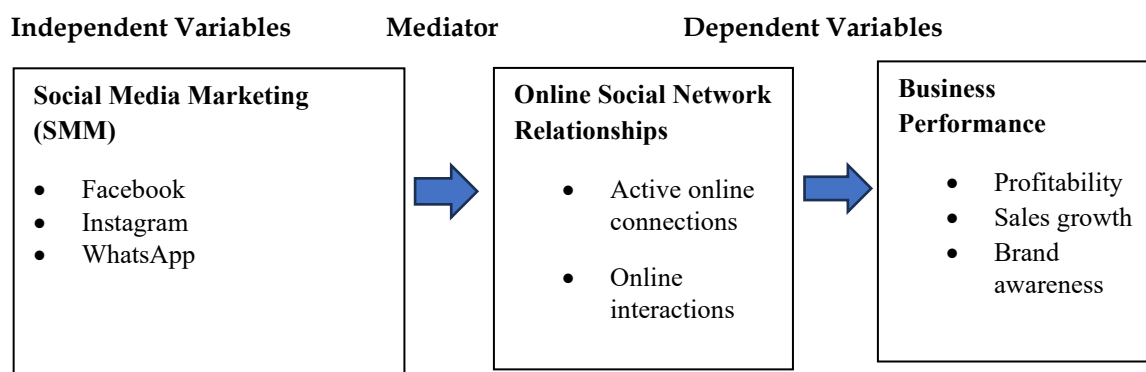


Fig.2: Conceptual Framework

III. RESEARCH METHODOLOGY

This study was conducted within the jurisdiction of the Dar es Salaam City Council, which hosts the highest concentration of small and medium enterprises (SMEs) in Tanzania, totaling 204,312 SMEs, and thereby constituted the empirical setting for the investigation (NBS, 2024). The study adopted a quantitative research approach to assess both the magnitude and direction of the influence of social media marketing on SMEs' business performance through the application of a simple linear regression model (Saunders *et al.*, 2019). Furthermore, an explanatory research design was employed to examine the causal relationship between social media marketing and SMEs' business performance by testing hypotheses to generate evidence-based conclusions for decision-making (Creswell & Creswell, 2018).

Given the known population of 3,952 clothing SMEs in Dar es Salaam City Council (DCC, 2025), Yamane's (1967) formula was applied at a 5% margin of error, yielding a sample size of 363 respondents. The study used systematic sampling, in which a sampling frame compiled from relevant business registers was used to select eligible SMEs. After randomly selecting the initial sampling unit, the study selected subsequent units at a predetermined sampling interval until it reached the required sample size. This procedure provided a systematic and transparent approach to respondent selection and helped minimise subjective selection, thereby supporting the credibility of the study findings (Creswell & Creswell, 2018; Saunders *et al.*, 2019). Primary data were collected using closed-ended questionnaires.

Simple linear regression was utilized to examine the influence of social media marketing on the dependent

variable of SMEs' business performance while holding other factors constant (Gujarati & Porter, 2009). This model is appropriate for determining the individual contribution and statistical significance of each variable, as well as identifying the factors that exert the strongest effect on SMEs' business performance (Wooldridge, 2016; Hair *et al.*, 2020). Given that the study incorporated a mediating relationship, mediation analysis was conducted using hierarchical regression in accordance with the procedures proposed by Baron and Kenny (1986), complemented by the bootstrap approach recommended by Hayes (2022). The analysis was implemented through three sequential regression models.

Equation 1: Effect of Social Media Marketing on the SMEs business performance (Total Effect)

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon \dots\dots\dots (1)$$

where:

Y = Business Performance

X_1 = Social Media Marketing

β_0 = Constant

ε = Error term

Equation 2: Effect of Social Media Marketing on the Mediating Variable

$$M = \beta_0 + \beta_1 X_1 + \varepsilon \dots\dots\dots (2)$$

where:

M = Mediating variable (online network relationships)

This model determines whether the independent variables significantly influence the mediator of online network relationships)

Equation 3: Mediation Model

$$Y = \beta_0 + \beta_1 X_1 + \beta_4 M + \varepsilon \dots\dots\dots (3)$$

The third model estimates both the direct effects of the independent variables and their indirect effects operating through the mediator. Mediation is evaluated by testing whether each indirect effect, defined as the product of the predictor-to-mediator coefficient and the mediator-to-outcome coefficient, differs significantly from zero, preferably using bootstrap confidence intervals. A statistically significant indirect effect in conjunction with a statistically significant direct effect is interpreted as evidence of partial mediation. When the indirect effect is statistically significant, and the direct effect is not, the results indicate indirect-only mediation, commonly referred to as complete mediation. A reduction in the magnitude of the direct coefficient alone is insufficient to establish mediation.

The assumptions underlying regression analysis were examined to ensure the validity of estimation and inference. Multicollinearity was assessed using the Variance Inflation Factor (VIF), with values exceeding 10 indicating substantial multicollinearity. Homoscedasticity was evaluated to determine whether the error terms exhibit constant variance, whereas normality tests were applied to assess the distribution of residuals. Autocorrelation was examined using the Durbin-Watson statistic, with values close to 2 indicating the absence of first-order autocorrelation (Gujarati & Porter, 2009; Wooldridge, 2016).

IV. FINDINGS

This section presents the principal empirical results obtained through the application of a linear regression model. Given the inclusion of a mediating variable, hierarchical linear regression was identified as the appropriate analytical approach. Accordingly, the

hierarchical regression analysis was conducted using three models to examine both the direct effect of social media marketing on business performance and the mediating role of online social network relationships among clothing SMEs. The model was therefore estimated in three sequential regression stages, as follows:

4.1 Direct Effects of Social Media Marketing on Business Performance (Equation 1)

The first regression model assesses whether social media marketing exerts a statistically significant influence on SMEs' business performance. The primary objective is to determine whether the social media marketing strategy significantly predicts business performance.

$$BP = \beta_0 + \beta_1 SMM + \varepsilon \dots\dots\dots (4)$$

where BP denotes SMEs' business performance (dependent variable), SMM denotes social media marketing, β_0 is the intercept, β_1 is the regression coefficient, and ε represents the error term.

The results presented in the table indicate that social media marketing has a positive and statistically significant association with the business performance of clothing SMEs in Dar es Salaam ($B = 0.933$, $SE = 0.019$, $\beta = 0.933$, $t = 48.904$, $p < 0.001$). The findings indicate that a one-unit increase in social media marketing is associated with a 0.933-unit increase in business performance. The standardized coefficient shows that a one-standard-deviation increase in social media marketing is associated with a 0.933-standard-deviation increase in business performance. The intercept was statistically insignificant ($B = 0.001$, $p = 0.965$). These results support the rejection of the null hypothesis that social media marketing has no significant relationship with business performance.

Table 1: Coefficient for Model 1

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.001	.019		.044	.965
	Social Media Marketing	.933	.019	.933	48.904	.000
a. Dependent Variable: Business Performance						

4.2 Effects of Social Media Marketing on the Mediating Variable (Model 2)

The second equation presents the finding that social media marketing has a significant effect on the mediating variable, namely online social network relationships. The purpose of this test is to determine whether social media marketing is associated with an increase in online social network relationships. Accordingly, the existence of a statistically significant relationship constitutes one of the necessary conditions for establishing mediation.

$$\text{OSNR} = \beta_0 + \beta_1 \text{SMM} + \varepsilon \dots\dots\dots (5)$$

The results reported in Table 2 indicate that social media marketing exhibits a positive and statistically

significant relationship with online social network relationships among clothing SMEs in Dar es Salaam ($B = 0.847$, $SE = 0.028$, $\beta = 0.846$, $t = 29.923$, $p < 0.001$). This finding implies that a one-unit increase in social media marketing is associated with a 0.847-unit increase in online social network relationships. The standardized coefficient indicates that a one-standard-deviation increase in social media marketing corresponds to a 0.846-standard-deviation increase in online social network relationships. Consequently, the null hypothesis positing no significant relationship between social media marketing and online social network relationships is rejected.

Table 2: Coefficient for Model 2

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.001	.028		.020	.984
	Social Media Marketing	.847	.028	.846	29.923	.000

a. Dependent Variable: Online Social Network Relationships

4.3 Mediation Model (Model 3)

The final model incorporates both the predictor and the mediator variables to assess whether online social network relationships mediate the relationship between social media marketing and business performance. Accordingly, this study compares the regression coefficients (β_1) from Model 1 and Model 3. Mediation is present if the coefficients decrease after the mediator is introduced while online social network relationships (OSNR) remain statistically significant. If the coefficients remain significant but are reduced in magnitude, this indicates partial mediation. Conversely, if the coefficients become non-significant, this implies full mediation.

$$\text{BP} = \beta_0 + \beta_1 \text{SEM} + \beta_4 \text{OSNR} + \varepsilon \dots\dots\dots (6)$$

Model 3 includes social media marketing and online social network relationships as predictors of SMEs' performance. The results in Table 3 indicate that social media marketing remains positively and significantly associated with SMEs' business performance after controlling for online social network relationships ($B = 0.710$, $SE = 0.033$, $\beta = 0.709$, $t = 21.502$, $p < 0.001$). In addition, the findings show that online social network relationships exhibit a positive and statistically

significant association with SMEs' business performance when social media marketing is held constant ($B = 0.264$, $SE = 0.033$, $\beta = 0.264$, $t = 8.011$, $p < 0.001$). Thus, a one-unit increase in social media marketing is associated with a 0.710-unit increase in business performance, whereas a one-unit increase in online social network relationships is associated with a 0.264-unit increase in business performance. The standardized coefficients demonstrate that social media marketing has a stronger relationship with SMEs' business performance than online social network relationships.

In comparison with Model 1, the coefficient for social media marketing decreases from $B = 0.933$ ($\beta = 0.933$) to $B = 0.710$ ($\beta = 0.709$), while remaining statistically significant. Together with the significant relationship between social media marketing and online social network relationships in Model 2 ($B = 0.847$, $p < 0.001$), this pattern is consistent with partial mediation.

Consequently, the study concludes that social media marketing is positively and significantly associated with SMEs' business performance among clothing SMEs in Dar es Salaam. Online social network relationships also contribute significantly to business

performance. The reduction, but continued statistical significance, of the social media marketing coefficient

after inclusion of the mediator indicates partial mediation.

Table 3: Mediation Model (Model 3)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.001	.018		.039	.969
	Social Media Marketing	.710	.033	.709	21.502	.000
	Online Social Network Relationships	.264	.033	.264	8.011	.000

a. Dependent Variable: Business Performance

4.4 Regression Assumptions

4.4.1 Residual Normality Assumption

Residual normality was evaluated using a histogram and a Normal P-P plot. This assumption concerns whether the differences between observed and predicted values follow a normal distribution and supports hypothesis tests and confidence intervals,

mainly in small samples (Osborne, 2013). Figure 2 displays residuals centred around zero in an approximately symmetric, bell-shaped distribution, while Figure 3 shows points closely following the diagonal line. These patterns suggest that the residual normality assumption was reasonably satisfied.

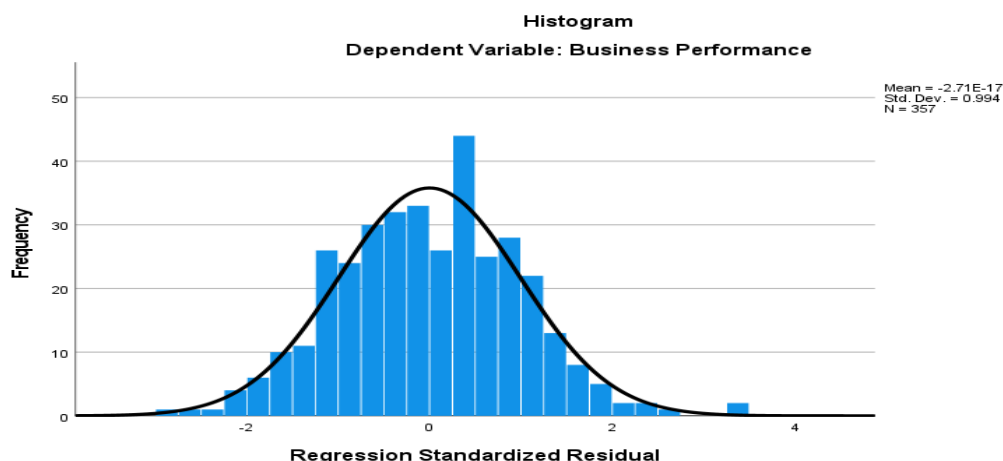


Fig.2: Histogram

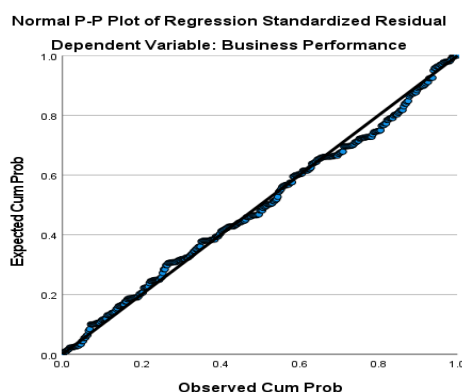


Fig.3: Normal P-P Plot

Similarly, Table 4 shows outcome of Kolmogorov-Smirnova and Shapiro-Wilk normality tests. Finding exposed that Shapiro-Wilk test associated with p_value of 0.831 while Shapiro-Wilk has p_value of is 0.200. Table 4.11 we obtain the p-values larger than

0.05, this shows that at the 0.05 level of significance, thus study reject the null hypothesis of normality (Kwak, 2023). Thus, study conclude that, the standardized residuals are normally distributed.

Table 4: Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Unstandardized Residual	.053	357	.200*	.896	357	.831
*. This is a lower bound of the true significance.						
a. Lilliefors Significance Correction						

4.4.2 Heteroscedasticity

This subsection presents the valuation of homoscedasticity, which assumes that regression residuals have constant variance across levels of the independent variables (Ocaña & Zumbo, 2019). Figure

4 demonstrates randomly scattered residuals with a fairly consistent spread and no clear pattern; this implies that the assumption was rationally satisfied. This supports the use of conventional standard errors for hypothesis tests and confidence intervals.

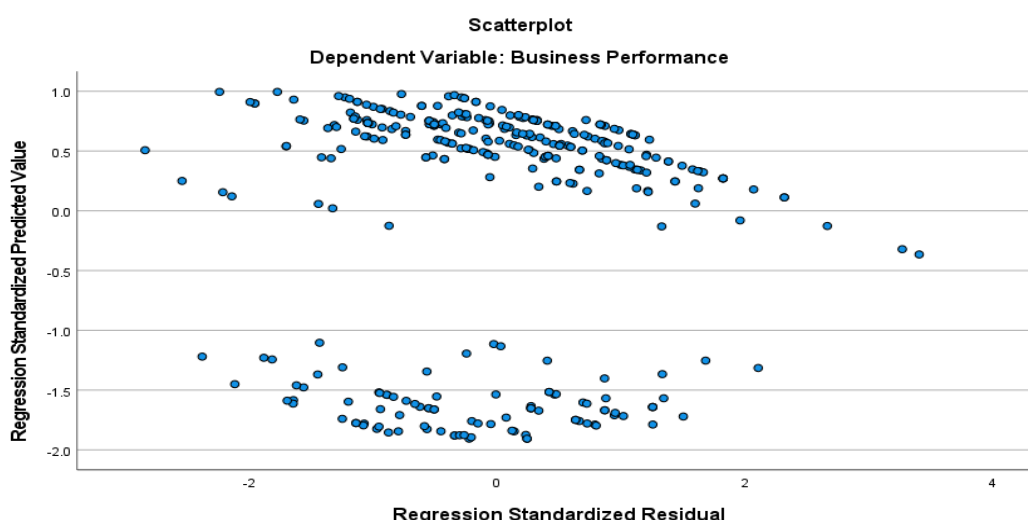


Fig.4: Scatter Plot

4.4.3 Multicollinearity

Multicollinearity occurs when predictors are highly correlated, making their individual relationships with the dependent variable difficult to estimate precisely (Shrestha, 2020). It was assessed using tolerance and the Variance Inflation Factor (VIF), with tolerance

below 0.20 and VIF above 5 showing potential concerns. Table 5 shows that social media marketing and online social network relationships each had a tolerance of 0.284 and a VIF of 3.522. These values fall within the stated limits; this implies there is no serious multicollinearity.

Table 5: Multicollinearity

Variables	Tolerance	VIF
Social Media Marketing	.284	3.522
Online Social Network Relationships	.284	3.522

4.4.4 Autocorrelation

Autocorrelation refers to correlation among regression error terms, violating the assumption that residuals are independent (Chaudhary *et al.*, 2023). The presence of autocorrelation contributes to biased standard errors and unreliable statistical inferences (Gujarati & Porter, 2009). In the current study, the Durbin-Watson test was applied to evaluate autocorrelation (Chen, 2016). A value close to 2 specifies no autocorrelation (Wooldridge, 2010). As shown in Table 6, the Durbin-Watson statistic was 1.8, which implies that the residuals are independent and the regression results are reliable.

4.4.5 Model Summary

This subsection shows the regression model summary revealed in Table 6. The model has a correlation coefficient of $R = 0.944$, which implies a strong positive connection among the predictor variables (online social network relationships and social media marketing) and business performance. The R Square value of 0.890 shows that online social network relationships and social media marketing jointly account for 89.0% of the variation in business performance.

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.944a	.891	.890	.33183522	1.801
a. Predictors: (Constant), Online Social Network Relationships, Social Media Marketing					
b. Dependent Variable: Business Performance					

4.4.6 Analysis of Variance (ANOVA)

The ANOVA was conducted to evaluate the overall model significance. As presented in Table 7, the model has an F-statistic of 1440.67 and a p-value of 0.000; this implies the model is statistically significant. This

finding shows that social media marketing and online social network relationships jointly have a significant effect on SMEs' business performance. Therefore, the regression model is suitable for explaining variations in SMEs' business performance.

Table 7: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	317.279	2	158.640	1440.677	.000b
	Residual	38.981	354	.110		
	Total	356.260	356			
a. Dependent Variable: Business Performance						
b. Predictors: (Constant), Online Social Network Relationships, Social Media Marketing						

V. DISCUSSION OF FINDINGS

This section discusses findings. The findings showed that social media marketing had the strongest positive and statistically significant effect on business performance. Therefore, the null hypothesis was rejected, and the alternative hypothesis was accepted. The study concludes that social media marketing positively and significantly influences the business performance of clothing SMEs in Dar es Salaam. Moreover, the findings show that, among all the

predictors in the model, social media marketing contributes the greatest effect, highlighting its importance as the primary digital marketing tool for clothing SMEs in Dar es Salaam. This result is consistent with the operational practices of numerous SMEs, which use Instagram, Facebook, TikTok and WhatsApp Business to show new clothing collections, advertise promotional offers, interact with customers and receive orders. For instance, a boutique in Kariakoo that posts new fashion arrivals on Instagram

and responds on time to inquiries through WhatsApp is likely to attract more customers, increase sales and increase profitability. Thus, the findings indicate that continuous investment in social media marketing offers clothing SMEs a competitive advantage in attracting and retaining customers.

Finding consistence with Ellyawati *et al.* (2024) from Surakarta, Indonesia exhibited that social media marketing had a significant positive effect on business performance, particularly in increasing sales, market share and customer relations. Likewise, findings align with Kikawa *et al.* (2022) from Uganda exposed that compatibility and perceived ease of use positively influenced the adoption of social media marketing, and age and gender also had a positive moderating impact on SME performance. Moreover, the findings align with Hanif *et al.* (2024) from Ghana, who showed that social media marketing improved SME performance by strengthening brand recognition, customer engagement and business growth. Similarly, Silvano and Mbogo (2022) from Nyamagana District indicated that Facebook and Instagram had a significant effect on sales performance, whereas Twitter had no direct effect.

In addition, Nganga (2022) from Kenya revealed a weak positive correlation between social media marketing and SME performance. Moreover, a study conducted by Gontur *et al.* (2023) in Ghana showed that social media marketing correlates positively with SME performance. Similarly, Kishimbo *et al.* (2025) from Tanzania exposed that social media marketing is associated with the increase SMEs business performance while social media strategic capabilities positively moderated that relationship. Moreover, Njunwa (2024) from Tanzania revealed that social media performance is associated with increase SMEs business performance, with the model explaining 86.6% of the changes in performance.

Moreover, the results of the current research align with the assumptions of the Diffusion of Innovations theory clarifies that businesses that use innovative technologies and communication channels are times more likely to gain competitive advantages and increase business performance. Social media marketing stands as one of the most widely adopted digital marketing innovations since it enables businesses to communicate directly with customers, promote products at fairly low cost and respond fast

to changing market demands. The finding that social media marketing has the strongest positive and significant effect on business performance among clothing SMEs in Dar es Salaam supports the central proposition of the Diffusion of Innovation Theory that successful adoption of innovation increases business outcomes. Clothing SMEs that successfully integrate social media platforms into their marketing activities are able to reach larger audiences, increase their customer relationships, increase brand visibility and increase sales, eventually improving business performance compared with SMEs that depend on traditional marketing approaches.

The findings are supported by numerous previous studies that have established the positive influence of social media marketing on SME performance. For example, Tajvidi and Karami (2021) found that social media capabilities significantly increase firm performance by enhancing customer engagement, simplifying knowledge sharing and strengthening marketing capabilities. Similarly, Chatterjee and Kar (2020) described that the actual use of social media marketing increases firms' responsiveness, customer interaction and competitive advantage; this is associated with increased business performance. Similarly, Dwivedi *et al.* (2021) concluded that digital marketing innovations, mainly social media platforms, permit businesses to enlarge market range, increase customer relationships and firms' growth. Thus, the present findings confirm that clothing SMEs that actively adopt social media marketing attain advanced business performance through enhanced customer achievement, increased sales opportunities and stronger market competitiveness.

VI. CONCLUSION

This study exposed that social media marketing has no significant influence on business performance among clothing SMEs in Dar es Salaam, this study rejects the null hypothesis and accepts the alternative hypothesis. Social media marketing was revealed as the strongest predictor of business performance among all variables contained within the model. This finding confirms that constant use of social media platforms associated with advantages of facilitated the promotion of products, increase the instant

communication with customers especially located different regions of Tanzania.

VII. RECOMMENDATION

This section presents the recommendation based on the findings of this study. Clothing SMEs should increase their investment in digital marketing activities to increase business performance. Since social media marketing has been shown to have the strongest effect on SME performance, SME owners are required to make greater use of platforms, for instance, Instagram, Facebook, TikTok and WhatsApp Business to encourage products, communicate with customers, and receive orders. Similarly, businesses are recommended to develop strong digital marketing plans, often monitor client engagement and assess the effectiveness of their online marketing activities to increase the SMEs' sales and client satisfaction.

VIII. AREAS FOR FURTHER STUDIES

The current research examined the influence of social media marketing on business performance among clothing SMEs in Dar es Salaam, with online social network relationships as a mediating variable. This study was limited to clothing SMEs in Dar es Salaam and used a quantitative research approach and an explanatory research design. Future studies should be conducted in other sectors and regions of Tanzania and consider comparative or longitudinal research designs to determine whether the findings are consistent across different contexts and over time.

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