

**CHALLENGES OF ADOPTION OF INTERNET  
ADVERTISEMENT IN REAL ESTATE INDUSTRY IN  
TANZANIA;  
A CASE STUDY OF KINONDONI DISTRICT**

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ADVERTISEMENT IN REAL ESTATE INDUSTRY IN  
TANZANIA;  
A CASE STUDY OF KINONDONI DISTRICT**

**By**

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**A Dissertation Submitted in Partial Fulfilment of the Requirements for the  
Degree of Master of Business Administration Corporate Management (MBA  
(CM)) of Mzumbe University**

**2015**

**CERTIFICATION**

We the undersigned certify that we have read and hereby recommend for acceptance by Mzumbe University a research report entitled: Challenges of Adoption of Internet Advertisement in Real Estate Industry in Tanzania; A Case Study of Kinondoni District partial fulfilment of the requirements for the award of Master Degree Business Administration in Corporate Management of Mzumbe University.

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Thank you to all that made this work possible. The noble who made this work possible are many among them I would like to list a few.

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Thanks to all people who advised, sacrificed their time and encouraged the accomplishment of this work.

## **DEDICATION**

This work is dedicated to God my Lord, my family and, fellow Tanzanians.

## **ABBREVIATIONS**

Com	Communications
GDP	Gross Domestic Product
ICT	Information and Communications Technology
IT	Information Technology
ITV	Independent Television
LDCs	Least Developed Countries
MLHSD	Ministry of Land and Human Settlement Development
PPP	Public Private Partnership
Realtor	Real Estate Agent
RSA&WOM	Road Sideboards Advertisement and Word of Mouth
SDP	Sustainable Dar es Salaam Project
SEM	Search Engine Marketing
SME	Small Medium Enterprises
TAM	Technology Acceptance Model
TRA	Theory of Reasoned Action
TV	Television
Tshs	Tanzanian Shillings
UNCTAD	United Nations Conference on Trade and Development
USA	United States of America
USD	United States Dollar
WWW	World Wide Web

## **ABSTRACT**

Businesses in various industries need to develop competitive advantage based on an adequate and intensive use of information and communication technologies (ICT), especially through internet advertisement, which is an essential element for success in today's market. This fact is as well relevant in the Tanzanian real estate industry; whose survival depends, among other factors, on the use they make of internet advertisement to develop new organizational models; compete in new markets or enhance their internal and external communication relationships. Given the relevance of this topic, the present study was conducted to explore the Challenges on Adoption of Internet Advertisement in Tanzanian Real Estate Industry. Purposive sampling was used to pick out 90 respondents, who were 70 realtors and 20 real estate customer respondents. Thereafter data was collected through semi structured interview, observation, web browsing and documentary review. This data was analysed using descriptive statistics and presented in tables, charts and supporting explanations from field findings. The results showed that there was poor adoption of internet advertisement in Tanzania real estate industry. This sluggish adoption was caused by some challenges facing realtors including; inadequate knowledge regarding internet as media of advertisement, financial constraints, complex nature of internet advertisement and, harsh taxation policies on sole real estate proprietors. Further the study showed that realtors face these challenges differently depending on their individual background factors which are; educational background, experience in real estate industry and age. The results further showed possibility of realtors to increase their market share through internet advertisement, because customers were willing to access real estate information through internet. It was recommended that effort should be made to educate realtor about internet advertisement. Moreover, in order to overcome high costs of internet advertisement individual realtor should form union for cost sharing. Through union, Information Technology professionals can be helpful in constructing internet advertisement and educate them in order to tap into the growing online market.

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## **CHAPTER ONE**

### **INTRODUCTION AND BACKGROUND OF THE STUDY**

#### **1.1. Background**

Every new technology is a force for “creative destruction.” Transistors hurt the vacuum-tube industry, xerography hurt the carbon-paper business, autos hurt the railroads, and television hurt the newspapers. Instead of adopting the new technologies, many old industries fought or ignored them, and their businesses declined (Kotler, 2002).

The world been has and is always changing; it is only that the pace of change has increased (Thole & Gibbons, 1956). Businessmen if are at all to survive these changes they must adopt them profitably (Thole & Gibbons, 1956).For example each month worldwide there are 40 million people who are newly connected to the internet for the rest of their lives (Internet Advertising Bureau UK, 2014) Businessperson must take advantage of this evergrowing population of customers using internet, by advertising through internet.

Before going further the research demands few terminologies defined to enable quick and appropriate understanding of the discussion underway. These definable terms are internet, advertising and real estate, and an understanding of who is a real estate agent.

Internet is the “network of networks” that operates on a set of technical protocols that enable people from around the world to access and exchange information using tools such as the World Wide Web, e-mail, chat rooms, etc. It began as a project of the United States military establishment that wanted a communication system that was robust and non-centralized. The communication protocol was in operation by the 1970s, but use was restricted to the government with the exception of a few academic researchers. In 1993, the Internet burst into public consciousness with the development of the tools that made the Web possible. This graphical interface made the Internet much more user friendly and by the mid 1990s, many businesses and consumers began to use the technology (Sally, 2004)

Advertising is a paid, mediated form of communication from an identifiable source, designed to persuade the receiver to take some action now or in the future (Sally, 2004). Advertising is the best-known and most widely discussed form of promotion, probably because of its pervasiveness (Belch & Belch, 2003). Advertising expenditure for the year 2013 around the globe is reported to be 121.47 billion US Dollars (statista.com, 2014). Advertising is an important part of many marketers' promotional mixes (Belch & Belch, 2003). It is a very cost-effective method for communicating with large audiences. For example, the average 30 second advertisement on a major television network such as ITV during the 08:00 PM, News Hour reaches nearly a million households at a time around Tanzania. Advertising is also used to build a brand image and symbolic appeals for the company or brand (Belch & Belch, 2003).

Online advertising, also called online marketing or Internet advertising is a form of marketing and advertising which uses the Internet to deliver promotional marketing messages to consumers. It includes email marketing, search engine marketing (SEM), social media marketing, many types of display advertising (including web banner advertising), and mobile advertising. Like other advertising media, online advertising frequently involves both a publisher, who integrates advertisements into its online content, and an advertiser, who provides the advertisements to be displayed on the publisher's content. Other potential participants include advertising agencies that help generate and place the advertisement copy, an advertisement server who technologically delivers the advertisement and tracks statistics, and advertising affiliates who do independent promotional work for the advertiser (Clow & Baack, 2007).

Real Estate or Real Estate Property or Real Property is land including anything permanently fixed to it, including buildings, sheds and other items attached to the structure. Real estate can be grouped into three broad categories based on its use: residential, commercial and industrial. Examples of real estate include undeveloped land, houses, town homes, office buildings, retail store buildings and factories (Kiyosaki, 2010).

Real Estate Agent or real estate broker is a person who or organization which acts as an intermediary between sellers and buyers of real estate property and attempts to

find sellers who wish to sell and buyers who wish to buy. It may be a person or organization whose business is to market real estate on behalf of clients, but there are significant differences between the actions and liabilities of brokers and estate agents in each country. Real estate brokers and their salespersons assist sellers in marketing their property and selling it for the highest possible price under the best terms (Jannatpour, 2012).

Organizations in both private and public sectors have learned that the ability to communicate effectively and efficiently with their target audiences is critical to their success (Belch & Belch, 2003). Advertisements offer a wide range of suggestions or pieces of information to people, enabling them to choose what they want to buy (Hart & Lamb, 1981). Advertisement is done through various media, where the sellers, make decision on the most appropriate and cost effective media of advertisement. Due to the rapid spread of information and communication technologies (ICT) and ever decreasing communication costs most businesses around the globe are adopting electronic commerce (e-commerce), which among its components, includes internet advertisement (Matambalya & Wolf, 2001).

The increasing competition through globalisation puts various enterprises under considerable pressure, and marketers are using any means at their disposal including various ways of advertising to win larger market share. Though e-commerce has been a popular term in business and industry over the past decade, its application to developing countries in various enterprises has generally been scanty and lacking an extensive usage (Procter & Shemi, 2013).

The Internet is a rapidly growing advertising medium. There is some evidence worldwide that television audiences are migrating to the internet. Clow and Baack (2007) in their study found that the vast majority 75% of New Jersey population reported that they gave up time watching television to surf the web instead. Although it is impossible to measure the total impact of online advertisement, companies that have advertised have experienced an increase in both online and store sales (Clow & Baack, 2007).

Tanzania is in the transition of information technology. The Internet Service Providers have undergone serious restructurings to enable cheap and easy

accessibility of internet. Not only so but during the 2000's Tanzanians have been able to access devices with amazing ability of accessing internet in the electronics market, devices such as Personal Computers, Mobile Phones with Internet accessing ability and recently Tablets and Smart Phones which are categorically user friendly mobile digital partners with great ability to access internet. All these changes have brought upon Tanzanian businesses and various industries great competitive pressure because Customers can now access information at their finger tips, which gives them a greater freedom of choice among products not only nationally but also globally. Nevertheless the local business men are now opened to a global market place through information technology, hence new opportunities but at very same time a competitive edge that is unprecedented. The Tanzanian real estate agents face the same competitive pressure, and setbacks of reaching potential customers with adequate information to appeal them to buy the real estate products. Wagner, Fillis and, Johannson (2003) in their work on E- Business and E-Supply in Small and Medium Sized Businesses (SMEs), observed that, the adoption of ecommerce by various enterprises, found that Enterprises could gain competitive advantage through adopting e-commerce since it improved their marketing performance by increasing access to the market (Wagner et al., 2003). The Internet has become the new wave in real estate advertising. It has many attractive features for real estate advertising, not the least of which are lower costs than traditional advertising and an audience with generally higher incomes. It offers licensees the opportunity to control directly both the content and the visual impact of their advertising and to update it instantly (Georgia, 2014). Let alone the advantage of digital maps and e-government database which provides instant and relevant information directly to the buyer without necessitating elongated visits to many locations for making decision.

The UNCTAD, (2001) report on E Commerce and Development, rated Tanzanian businesses as laggard adopters of e commerce, again in another study done ten years later, by Kabanda (2011) gave the same findings. Real Estate agencies as well remain lethargic in the adoption of electronic commerce methods of advertisement up to date. The Tanzania real estate industry has a potential to increase access to the market, hence profitability, through use of internet as media of advertisement. At present the Real Estate industry in Tanzania use extensively media such as

newspapers, television, radio, posters, magazines and very few agencies use internet to advertise real estate products.

Most studies conducted on challenges facing businesses in adoption of e-commerce of which internet advertisement is its component, have focused on technical side (Matambalya & Wolf, 2001; Procter & Shemi, 2013). A few have attempted to investigate how E-Commerce is conceptualized from a business perspective and how business men and women social practices are formed regarding E-Commerce (UNCTAD, 2001; Kabanda, 2011). This is because researchers in LDC's tend to use survey-based approaches that provide "limited rich explanations of how and why" SMEs adopt or fail to adopt a particular technology (Alemayehu, Heeks, & Balcells, 2006). They fail to note that the overall success of a given technology, internet advertisement in this instance, will have to include an understanding and appreciation of the social interactions with the structures involved in the E-Commerce initiative. This is a social study designed to understand real estate stakeholder's attitudes towards the adoption of internet as media for advertising. In order to understand the adoption logic and challenges facing those trying or supposed to adopt internet advertising a qualitative research constituted of semi structured interview was conducted.

## **1.2. Statement of the Problem**

Studies in this context particularly in Africa have been inadequately represented in scholarly journal publications (Procter & Shemi, 2013; Schlosser, Shavitt, & Kanfer, 1999; Abraham, Hunter, & Vollman, 2012). There is a need to understand the contextual perspective of the challenges of internet advertisement adoption in real estate business especially in Tanzania, which can take cognisance of the peculiar nature of the Tanzanian environment. This research was designed to investigate the challenges of adoption of internet advertising in the Tanzania real estate industry.

Most studies (Procter & Shemi, 2013; Matambalya & Wolf, 2001) on internet as a media of advertising in Africa have focused on SME's and general trading. Again research papers written in Tanzanian context have intensified on e commerce adoption in SME's (Kabanda, 2011; UNCTAD, 2001). Real Estate investment is a fast growing industry in Africa and Tanzania in particular. Growing population,

increasing middle class citizens, local and foreign investments all round up in one thing leasing or acquisition of land for different purposes.

Again it is not disputable that over the last two decades Tanzania has undergone major communications advancement in terms of technology, accessibility and price. At present there are more Tanzanians connected to the internet than the past two decades. People are using computerised devices with ability of accessing internet nearly everywhere bought at a relative cheap price than last two decades. ISP's (Internet Service Providers) have also ensured cheap access to the internet by offering more data bundles at lower price, and with the newly installed national optical fibre the communications costs are forecasted to drop. The business men are now running out of excuses as to why they should not use internet as a media for advertisement.

The real estate industry is unexplored and untamed business opportunity lacking enough publicity. Internet is a fast growing form of communication highly reliable and usable at the 21<sup>st</sup> century Tanzania. There is a need for understanding what challenges these business men and women face in adoption of internet as a media for advertising real estate products.

### **1.3. Research Questions**

The study addresses the following research questions

1. What are the most used media of advertising in real estate industry in Tanzania?
2. What are the challenges of adopting internet advertisement in real estate industry in Tanzania?
3. What should be done to increase market share of the real estate agents by using internet as an advertising media?

### **1.4. The objectives of the study**

#### **1.4.1. Broad Objective**

The general objective was to investigate the adoption of internet advertisement in Tanzania real estate industry.

#### **1.4.2. Specific Objectives**

1. To identify the most used advertisement media in real estate industry
2. To examine challenges of adopting internet advertisement in the real estate industry
3. To evaluate chances of improving market share of the real estate agents in using internet as an advertising media.

#### **1.5. Scope of the Study**

The study was carried in Dar es Salaam, Kinondoni District in particular. This is among the most matured real estate business centres in Eastern Zone of Tanzania. Within it there are many experienced real estate agents with viable information that was crucial for this research study.

#### **1.6. Significance of the Study**

Real estate buyers are using vast sum of money and ample time in searching for real estate properties and information, and resorts to the assumption that real estate properties are scarce. Sellers of real estate industry use large expenses in publicising their property and conclude that, the buyers are not interested or not present. At the very same time internet is among the cheap advertising media and its users are increasing in number.

The findings from the current study help to identify the barriers for the adoption of internet as a media of advertisement in real estate industry; and suggest possible ways through which the use of internet as media of advertisement can be improved.

The study provide for possible ways to bridge the above mentioned business communication breakdown in the real estate industry in Tanzania. This information may help buyers to access reliable and instant information about real estate properties; while sellers publicise vast information about real estate properties in the internet to a greater number of audience at very same time.

#### **1.7. Justification of the study**

There is scarcity of scholarly publications on internet advertising in real estate industry particularly in the country. There is a need to understand the contextual

perspective of the challenges of internet advertisement adoption in real estate industry. This understanding should take cognisance of the peculiar nature of the Tanzanian environment.

The scarcity of scholarly publications on internet advertising is a shared view. Procter & Shemi, (2013), Schlosser et al.,(1999),Abraham, et al.,(2012) at different settings have admitted lack of scholarly efforts in understanding different aspects of internet advertisement. In addition there is little empirical evidence of how the diffusion and application of information and communication technologies (ICTs) can be a catalyst for economic competitiveness and growth in developing countries (Matambalya & Wolf, 2001).

The scanty in scholarly publications of e-commerce in Africa has also been pointed out by Procter and Shemi, (2013). While Schlosser et al.(1999) admits that there is existence of some users of the internet advertisement as well as guidelines on how to design internet advertisement, little is known about internet users' attitudes toward internet advertising.

There is no publication on relationship between internet advertisement and its adoption in the real estate industry in Tanzania. Most the reported works on electronic commerce has focused at the other end of the spectrum; low cost advertisement, easily-describable commodity or branded goods, such as music CDs or computer parts, which justifies the need for the current research. Wagner et al. (2003) in their work on E- Business and E-Supply in Small and Medium Sized Businesses (SMEs), observed that the adoption of ecommerce by various enterprises enabled them to gain competitive advantage since it improved their marketing performance by increasing access to the market.

Among the objectives of the Tanzania Human Settlements Policy (2000) points out were to make serviced land available for shelter and human settlements development in general to all sections of the community. As for the year 2000, 60% of Tanzanian urban population was reported to be settled in unplanned areas, this necessitated the policy to recognize and promote participation of the private and informal sectors in planning, development and management of human settlements (Tanzania Human Settlement Policy (THSP), 2000). The current study concentrated on this sector's

adoption of internet advertisement as a way to improve the performance of real estate services. The Tanzania real estate industry is yet to utilize its full potential by embracing the technological advancement in communication through internet advertisement. Some studies have been done on Tanzanian Businesses and SME's, and conclusively rated Tanzania as a slow adopter of e commerce in general (Kabanda, 2011; UNCTAD, 2001). Therefore the challenges facing the Tanzanian Real Estate Industry, resulting in sluggish response in adoption of internet as a media of advertisement were explored in order to understand the status of adoption and suggest ways for improving the prevailing situation.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2. Literature review**

##### **2.1. Theoretical Review**

This study is related to the following theories which explain the adoption process of technology in a community, organization or to an individual.

##### **2.1.1. Marketing Advertisement Theories**

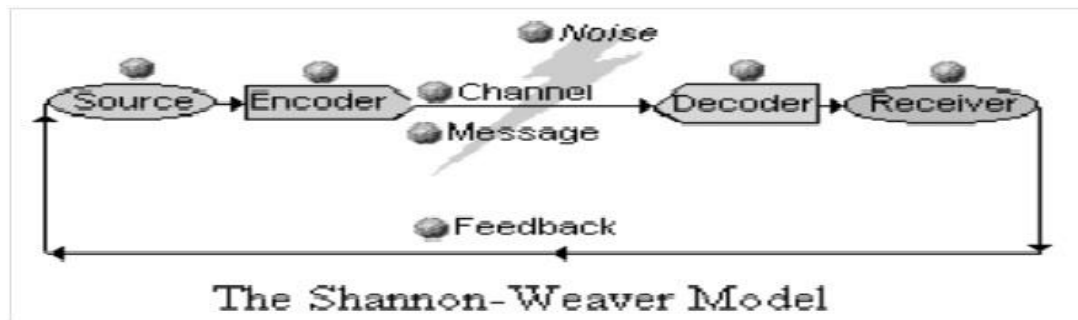
Digital marketing channels are relatively new and they're still evolving compared to traditional channels of advertisement. However traditional marketing theories still applies and on digital marketing. The following are theories on market communication.

##### **2.1.1.1. The Marketing Communication process**

Originally published by Shannon and Weaver (1949), this was a mathematical communication theory explaining how electrical signals could be transferred from one point to another. Later was introduced as a communication theory within human communication when Weaver thought it also met the demands on how humans affect each other (Barlow, 2002). Ever since the theory has evolved expanding its traditional five elements of advertisement communication up to seven (Barlow, 2002). There is said to be seven main elements in this process model: sender, message, receiver, feedback, channel, context or setting and noise or interference. These seven are equally important in the process of communication and without one of them, the process will not be complete (Dwyer, 2005)

The sender creates a need/purpose with its communication, chooses a message to send out through the right channel that can lead to a created need among the audience/receiver. During the transfer depending on the media/channel there can be barriers/noise. In modified model above the receiver also can give feedback of communication received (Dwyer, 2005). Figure 1 below illustrates the Shanon Weaver communication model. This research will focus on the media/channel through which communication is passed from the encoder to decoder.

**Figure 1: The Shannon Weaver Model**



### **2.1.1.2. Hierarchy of Effects Theory**

The hierarchy of effect approach is grounded on the base that to be effective and achieve the desired response, several steps has to be completed and passed. The Hierarchy of Effects Model was created by Robert J Lavidge and Gary A Steiner (1961). This marketing communication model, suggests that there are six steps from viewing a product advertisement (advert) to product purchase. The job of the advertiser is to encourage the customer to go through the six steps and purchase the product.

The first is awareness. The customer is made aware of the product through advertising. The second is knowledge of the product by the customer through various channels for example through the internet, retail advisors and product packaging. The third is ensuring the customer likes the product. The fourth is making the customer prefer the product over any other substitute. The fifth step is creating consumer desire for purchasing the product (conviction). The sixth step is the customer purchasing the product (Laviclge & Steiner, 1961).

The first two steps are cognitive stage the customer takes towards buying the product. The third and fourth steps are affective in nature; it is the stage which the customer takes interest of the product. The fifth and sixth stage is when the advertisement has succeeded in altering customer behaviour and influenced the actual buying (Laviclge & Steiner, 1961).

### **2.1.1.3. Network Theory**

Network theory studies relationships of all sorts, whether between people, animals or things. Social network analysis is an overlapping tool for learning about patterns that develop within social networks and how they influence behaviour. The theory place foundation on result of the influence consumers have over each other's decisions (Law & Hassard, 1999). Digital marketing channels such as Facebook, Twitter and Jamii Forums are useful in this regard, as they allow marketers to listen to what consumers are saying, and they allow marketers to leverage the power of influential users to spread messages throughout their networks. Research shows that the most powerful users are those with the most influence across a number of differentiated networks.

### **2.1.1.4. Generational Theory**

Generational marketing theory holds that consumers born of the same generation defined as a 20-year period have common attitudes and behaviours because of shared experiences that influenced their childhoods and shaped their view of the world (social-networking-fact-sheet, 2015). The relevance of generational theory to digital marketing is primarily in the ways in which each generation communicates and the online places where marketers can reach them (Clurman & Smith, 1997). For example, Pew Internet gave a fact sheet of 2010 that millennials, who are 18 to 33 years old, are most likely to access the Internet wirelessly. Generation X, on the other hand, who are ages 34 to 45, are more active than millennials in such activities as researching financial information. However, Pew's research emphasizes increasing homogeneity across groups for such activities as researching health information, shopping, making travel arrangements and downloading podcasts. Furthermore, Pew notes, pre-baby boomers are shedding their "silent generation" image. They're now the fastest-growing group of social network users, and they're just as likely as millennials to own smart phones (social-networking-fact-sheet, 2015).

### **2.1.2. Theories on adoption of internet advertisement**

Internet advertisement is an invention, hence a technology. It is new in the Tanzanian environment especially the real estate industry. The study intends to understand phenomenon aspiring or discouraging the adoption of this technology. The following are theories on adoption of technology.

#### **2.1.2.1. Diffusion of Innovations Theory**

Rogers (1995) is a known scholar in the area of diffusion research. His book, *Diffusion of Innovations* (4<sup>th</sup> ed.), is the most often cited work dealing with diffusion. According to Rodgers diffusion is not a single, all-encompassing theory. It is a Meta theory encompassing several interrelated diffusion theories.

Diffusion is the process by which an innovation is adopted by members of a certain community under the influence of following factors;

- i. The innovation itself,
- ii. The communication channels used to spread information about the innovation,
- iii. Time, and
- iv. The nature of the society to whom it is introduced (Rodgers, 1995).

There has been a long and impressive history of research related to the adoption and diffusion of innovations (Surry & Brennan, 1998). Many of the most important and earliest studies in this area were conducted by researchers working in the field of rural sociology (Rodgers, 1995). In fact, a study that investigated the diffusion of hybrid-seed corn Ryan & Gross, (1943) is considered to be the first major, influential diffusion study of the modern era (Rodgers, 1995). Other researchers have investigated the diffusion of innovations in such diverse fields as solar power, farm innovations in India and weather forecasting.

One major reason for this lack of utilization of internet as media of advertisement in real estate industry is the major concentration on its technological ability and advancement in advertising while giving less consideration to other issues. Technical superiority, while important, is not the only factor that determines whether

or not an innovation is widely adopted, it might not even be the most important factor (Pool, 1997). A complex network of social, economic, technical, organizational, and individual factors interact to influence which technologies are adopted and to alter the effect of a technology after it has been adopted (Segal, 1994). In order to fully understand the field, practitioners have to understand more than just hardware, software, design models, and learning theory. Understanding why people use internet advertisement in real estate industry and, perhaps more importantly, why they do not is at the core of the process. That's where adoption, and diffusion, becomes relevant.

According to Rodgers, (1995) there are four major theories that deal with the diffusion of innovations.

#### **2.1.2.1.1. The innovation-decision process theory**

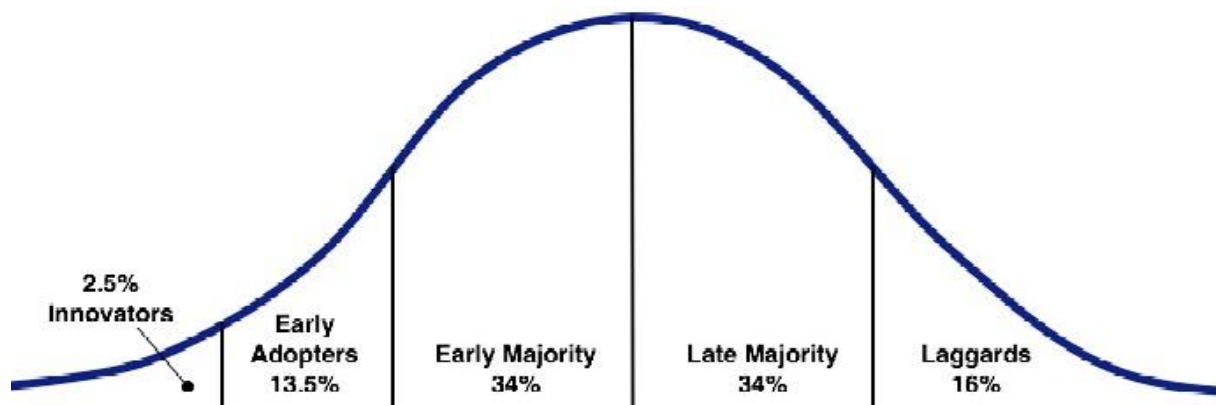
The innovation-decision process theory is base on time and five distinct stages (Daugherty & Reece, 2010). The first stage is knowledge. Potential adopters must first learn about the innovation. Second, they must be persuaded as to the merits of the innovation. Third, they must decide to adopt the innovation. Fourth, once they adopt the innovation, they must implement it. Fifth, they must confirm that their decision to adopt was the appropriate decision. Once these stages are achieved, then diffusion results (Rodgers, 1995)

#### **2.1.2.1.2. The individual innovativeness theory**

The individual innovativeness theory is based on who adopts the innovation and when. A bell-shaped curve is often used to illustrate the percentage of individuals that adopt an innovation see Figure 2. The first category of adopters is innovators (2.5%). These are the risk-takers and pioneers who lead the way. They do not need persuasion but relevant information about the new technology is enough to arouse their inquisitive nature. The second group is known as the early adopters (13.5%). These are opinion leaders who share the positive testimonials about new technology. In their nature they need very little persuasion as they are receptive to change. The third are the early majority; these are followers who read reviews by early adopters to be persuaded (34%). Fourth group are late majority (34%). These are sceptics who are not keen to change and will only adopt the new technology if there is a strong

feeling of being outdated by using previous technology. They can be persuaded by providing marketing material, evidence, reviews, from opinion leaders and case studies to show how the new technology works. The innovators and early adopters convince the early majority. The late majority waits to make sure that adoption is in their best interests (Daugherty & Reece, 2010). The final group is the laggards (16%). These are the individuals who are highly sceptical and resist adopting until absolutely necessary, they regard themselves as traditionalists. It is better not waste time persuading this group. In many cases, they never adopt the innovation (Rodgers, 1995).

**Figure 2: The individual Innovativeness Theory Model**

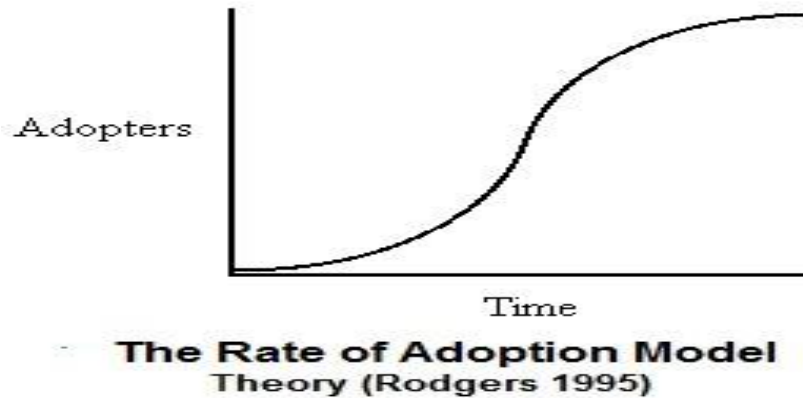


The individual innovativeness theory model (Rodgers, 1995)

### 2.1.2.1.3. The rate of adoption theory

The theory of rate of adoption suggests that the adoption of innovations is best represented by an s-curve on a graph see Figure 3. The theory holds that adoption of an innovation grows slowly and gradually in the beginning. It will then have a period of rapid growth that will taper off and become stable and eventually decline (Rodgers, 1995).

**Figure 3: The Rate of Adoption Theory Model**



#### **2.1.2.1.4. The theory of perceived attributes**

The theory of perceived attributes is based on the notion that individuals will adopt an innovation if they perceive that the innovation has certain perceived attributes (Botha & Atkins, 2005). The following are the attributes. First, the innovation must have some relative advantage over an existing innovation or the status quo. Second, it is important the innovation be compatible with existing values and practices. Third, the innovation cannot be too complex. Fourth, the innovation must have the ability to be tested for a limited time without adoption. Fifth, the innovation must offer observable results (Rogers, 1995).

#### **2.1.2.2. Technology Organisation Environment Framework**

This frame work was originally constructed by Tornatzky and Fleischer (1990) in their work *The Processes of Technological Innovation* in 1990. Since then it has been used by various researchers in analysing e business adoption in firms. Some works adopted this theory (Procter & Shemi, 2013; Thong, 1999; Oliveira & Martins, 2011).

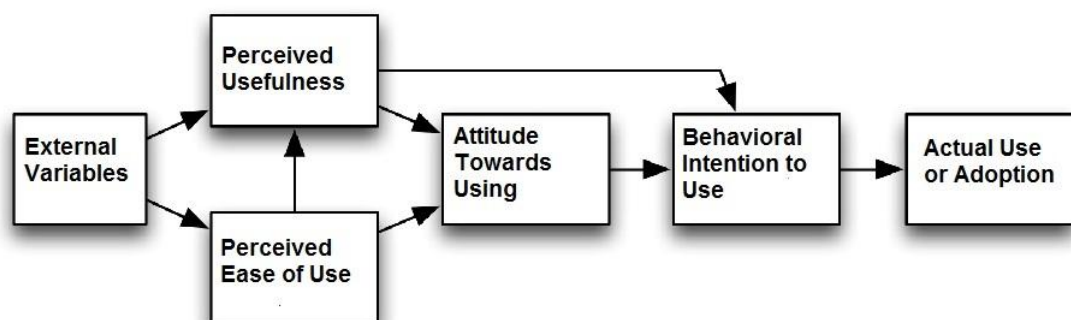
Considering the main theme of this study being the challenges in adoption of internet advertising in real estate industry this theory the Technology Organisation Environment Framework is relevant in discussing the challenges in terms of three categories; 1) technological challenges, 2) organizational challenges, and 3) environmental challenges.

#### **2.1.2.3. Technology Acceptance Model (TAM)**

TAM is probably the mostly used model to explain IT usage and has received considerable empirical support (Venkatesh, Davis, & Morris 2007). TAM is an adaptation of Fishbein and Ajzen's(1980) more general Theory of Reasoned Action (TRA), which is a well-researched adoption model that has been proven to predict and explain behaviour in variety of contexts (Davis, Bagozzi, & Warshaw, 1989). TAM, on the other hand, is specifically tailored for examining user acceptance of information systems in organizational context. The central idea of TAM is that an individual's affective attitude toward using a technology determines the intention to use the technology. Intention to use the technology, in this theory, is a direct determinant to the usage of technology (Davis et al. 1989).

The attitude in TAM is determined by two beliefs about the technology usage: (1) Perceived Usefulness (PU), which is the degree to which a person believes that using a particular system would enhance his or her job performance, and (2) Perceived Ease of Use (PEU), the degree to which a person believes that using a particular system would be free of effort (Davis et al. 1989). Figure 4 elaborates the model diagrammatically. Under this study, Internet Advertisement is a technological notion; this theory is useful in determination of the realtor's attitudes towards the adoption of the internet advertisement technology.

**Figure 4: The Technology Acceptance Model**



Technology Acceptance Model (Davis, Bagozzi, & Warshaw, 1989)

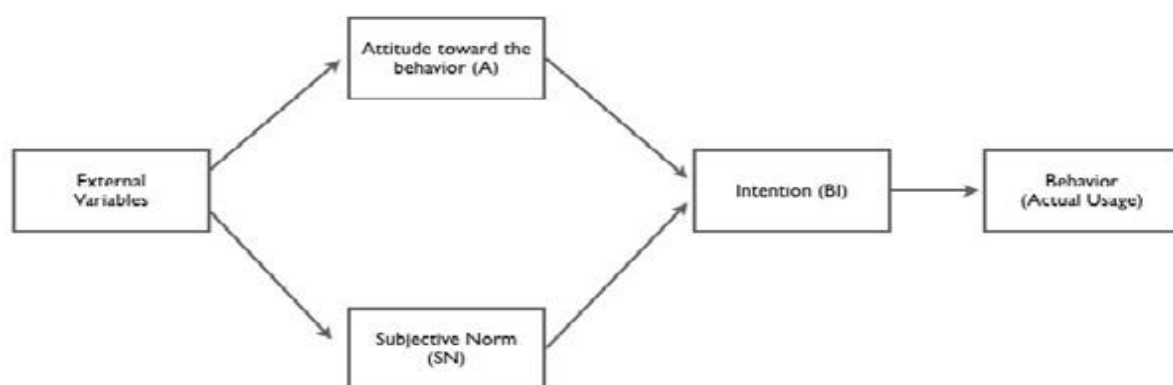
#### 2.1.2.4. The Theory of Reasoned Action

As said earlier the TAM is an extension of another theory the Theory of Reasoned Action (TRA) Ajzen and Fishbein(1980). This theory is widely used in Social Psychology which is concerned with determinant of consciously intended behaviours. This theory set a base on the belief that behaviour is not difficult to predict and, therefore individual’s intention is viewed as a determinant for behaviour. The underlying assumption is that individual will act in accordance to their intentions, hence if predictions are to be made whether an individual will buy or use a product, the most efficient and simple way is to ask if he/she intends to do so, because people usually do what they intend to (Ajzen & Fishbein, 1980).

According to the theory, the intention is determined by two aspects: (1) Subjective Norm, which is the person’s perception that most people who are important to him think he, should or should not perform the behaviour in question, and (2) The Individual Attitude towards Intended Behaviour or in other words Attitude towards the behaviour. All these are well explained in the model below.

Since the adoption of internet advertisement is completely voluntary in part of realtors, understanding their intention to adopt or not to will be of considerable importance to this study.

**Figure 5: The Theory of Reasoned Action Model**



**Theory of Reasoned Action (Ajzen & Fishbein, 1980)**

## 2.2. Internet Advertisement in Real Estate Industry

It is evident that the real estate sector plays a pivotal role in the Tanzanian economy, as it contributes to employment generation and GDP growth of the country. Almost ten per cent of GDP in 2013 was contributed by the real estate and business services

sector (BOT, Financial Stability Report, 2013). While in Banks the Real Estate Sector plays a key role, from a real estate financing perspective: It is estimated that mortgage loans outstanding amount to 156 billion/- with the average mortgage debt size being 62million/- or USD 38,000 was generated in 2013 (BOT, Mortgage Market Update, 2013). Such productive and profitable industry is yet to reach its full potential because of slow adoption of internet advertisement. The following are evidences showing the promising market growth after adopting internet marketing around the world.

In America, Internet Business Statistics (2015) reports that according to the National Association of Realtors, 74% of home buyers polled answered that they would use the Internet as part of their home search. In South Africa the SACCommercialPropNews (2015) reports that a major area of technology influencing the South African Commercial Real Estate Industry is the evolution of digital media web portals. Online property portals have recently seen an increase in consumers searching for property online. This is an indication of a shift in house-hunting strategies by consumers from traditional to digital search of real property.

### **2.3. Challenges of adoption of internet advertising in real estate industry**

There is very limited literature on challenges in the adoption of e commerce in real estate industry. Among those is Kumar (2014) who in his work identified the major challenge to be the intermediaries (the real estate agents) who mainly benefit on the cumbersome information hierarchy in real estate industry. He points out that e marketing might swipe out the need for the realtors (real estate agents) because the information chain will be shorter and clearer between the vendor and vendee of real estate products. Kumar, (2014) Points out that the real estate agents instead have made sure the monopoly of information continues and stress regular on site investigations by customers is the best way to be sure of the property purchases so that they may maintain their status quo.

Procter and Shemi, (2013) pointed challenges such as Technological restraints such as lack of electricity power in rural areas, lack of IT personnel, slow network, technological backward infrastructure to be barriers on adoption of e commerce in Botswana SME's. These challenges reflect the Tanzanian technological environment;

however there is a difference in some aspects which this study is yet to reveal due to different settings. However Procter and Shemi, (2013) focused on the SMEs in Botswana setting, the current study is focused on the real estate industry in particular, specifically in Tanzanian environment.

Furthermore in China a qualitative study done by Sunand Ifeanyi (2014) discovered that the challenge facing the adoption of e marketing in real estate was the cost of setting website. Another being all those web related activities in order to properly advertise and the need to maintain the website and the cost related to it.

In another study conducted in Sweden by Alström, Gander, Haraldsson and Lind (2013) rouse two categories of barriers for adoption of e marketing which were awareness and resources. It was found that most successful firms, which used traditional marketing methods, were uncertain on the results e marketing would bring if adopted. These firms feared to invest a vast sum of money in changing their traditional marketing methods in to modern electronic marketing methods, because they were already at their optimal performance using traditional marketing methods. Adopting e marketing was unnecessary risk taking. Hence the firms had awareness but were afraid to take a resourceful risk into a modernization.

#### **2.4. Empirical Literature Review**

There is a scanty on studies done under this perspective in Tanzanian environment. Most works done have focused on SME's. Studies discussing e marketing in Real Estate Industry were done in other countries with different environment.

Literatures have been brought forward concerning internet as an effective advertising tool. A study done in USA by Pavlou and Stewart, (2000) found that, the Internet offers an unprecedented level of interactivity, allowing consumers to immediately respond to advertisements and connect closely with the advertiser. Furthermore a worldwide study done by Economist (2015) reported that Internet advertisement has revolutionized advertising works, while with traditional mass media, such as TV or newspapers, showed that half the advertising expenditure is wasted on the wrong audience. Whereas, advertising messages on digital channels can be tailored to individual consumers at low cost. Another study done in German by Klapdor, (2013) concluded that, because people devote a significant amount of their daily time to

digital channels, the Internet has become a highly precise, interactive mass medium. The increasing budgets for online advertising reflect this development. Even during the economic recession (2008–2010), in which the German gross domestic product remained nearly constant with a compound annual growth rate (CAGR) of 0.1%, spending on search, display, and other forms of online marketing annually climbed by 10.5% (Klapdor, 2013).

There is inadequate literature pertaining internet advertisement in real estate industry in Tanzania. However various studies have been done on e commerce and internet marketing which is related to internet advertisement on various industries and SME's. These studies all reached at consensus that online marketing increases business competitiveness to the adopters. In a study done by Wagner et al. (2003) observed that, the adoption of ecommerce by various enterprises, made them gain competitive advantage through adopting e-commerce since it improved their marketing performance by increasing access to the market. This will concur with a study done at East Africa by Matambalya & Wolf (2001) which reported that the spread of ICT has led several commentators to argue that these technologies are creating an information economy. This information is critical resource and basis for competition in all sectors. In yet another study by Cequn, Xuewen and, Xuedong (2009) observed that, the information communication channels play market media role, and make the product sales and service more professional in real estate industry in China. These studies all show that adoption of internet advertisement may bring competitive edge to the businesses. However some concentrated on SME's and sourced from environments different from Tanzania. Tanzania real estate industry is laggard in adoption of e marketing which is expected to transform real estate services for the better. Some studies have been done in Africa on Challenges in adoption of e commerce of which internet advertisement is a component. A study done in Botswana by Procter & Shemi, (2013) pointed out the major challenge for adoption of e commerce by SME's was poor infrastructure. In yet another study done in Tanzania by Kabanda (2011) it was observed that e commerce at its initial element that is internet advertisement is effective in SME's. However it is not adopted by majority SME's due to various unaddressed socioeconomic and political challenges faced by business men and women. However these studies concentrated on SME's and some were from environments different from Tanzania. Therefore there is a need

for a study on the challenges facing the Tanzania real estate industry in adoption of internet as media of advertisement.

There is ongoing evolution in advertisement from traditional methods to modern ones where internet is viewed as most effective media as the following literatures unveils. In New Zealand, McDonagh (2006) discovered though many people stick with traditional methods of locating real property, there was a fast growth on population of consumers who preferred to use internet as a source of information in locating residential real estate. In another similar study done in Canada by Muhanna and Wolf (2002) observed that most customers of real estate industry prefer using internet as source of information. As a result, changing the traditional nature of activities of realtors and overruling them as a source of information. Muhanna & Wolf (2000) argues that the realtors have adopted internet and improvise using it as a marketing tool. In USA the National Realtors Association (NAR) and Google (2012) found out that ninety percent of home shoppers in USA rely on the internet as one of their primary research sources and, fifty two percent turn to the web as their first step. Through this observation they advised the realtors to base their marketing activities on internet in order to maximise contact with home buyers. The Tanzanian population may have not reached such intensity of internet search for real estate products as USA, Canada or New Zealand. However due to telecommunications advancements the population utilizing internet as a search tool for information and decision making is growing fast. For example people are asking product advice in forum websites such as [www.jamiiforums.com](http://www.jamiiforums.com) to make the right purchasing decision. Some studies done, have suggested internet as the most effective media of advertisement in real estate industry. A study done in both UK and USA by eCampaignPro (2013) reports online marketing tools to be rated the most effective by most realtors in both USA and UK. The report shows that offline marketing tools are rated ineffective compared to online marketing tools such as internet advertisement and social networks. Furthermore an explorative study done in Canada by Properties Online Inc (2014) gave an overview of most used search tool by the real estate customers to be the internet. When the study was done most customers confirmed internet as being effective source of information than other media of advertisement. This study will be conducted to reveal the realtors perspective on the effectiveness of internet advertisement as real estate marketing tool in Tanzania.

## **2.1. Conceptual Framework**

This study undertook an effort to understand different socioeconomic phenomena from determinants for adoption of internet advertisement to Individual background qualities affecting real estate industry on the adoption of internet advertisement in order to unveil the challenges causing sluggish adoption of internet advertisement in real estate industry.

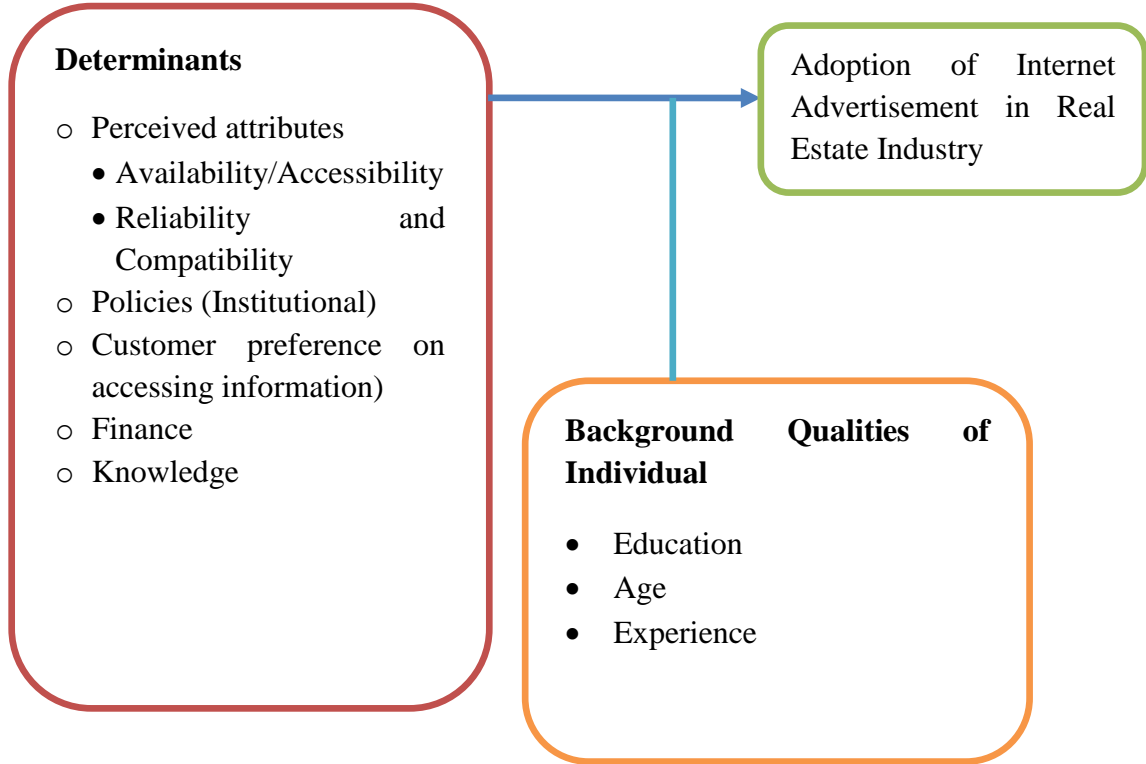
Individuals are likely to adopt technology if the perceived attributes are high (Rodgers, 1995). If internet advertisement has a higher relative advantage compared to other forms of advertisement, such as easy accessibility, ability to be tested, less complexity, reliability and, compatibility to the work, then there is a higher likelihood of being adopted. Government policies affecting the real estate industry as well as telecommunications industry may positively or negatively affect the adoption of internet advertising in real estate industry. Market preferences in accessing information also influence the realtor's likelihood of adopting or not adopting internet advertising, if the market prefers internet then the realtor is likely to adopt internet advertising, if the market prefers other media then realtors are not likely to adopt internet advertising. Also Individuals will only adopt if they have adequate financial resources for buying and running internet advertisements, if they don't have enough financial resources for acquisition then it is most likely that they will not adopt such internet advertisement easily. Knowledge of existence of internet advertisement is imperative if individual realtor is at all expected to adopt internet advertisement.

The rate of adoption varies from one individual to another depending on the background qualities of each individual (Daugherty & Reece, 2010). These qualities will be limited to literacy level, age, experience and, exposure to information technology. If an individual has a high literacy level, she or he is expected to adopt new technology faster than one with lower literacy level. Further, individuals of younger age are most likely to be early adopters of new technology than elderly. Experience matters in making marketing decisions, experienced individuals may take a toll being not in a hurry to risk their business position, while less experienced may make decisions of adopting faster because they are green on the field (Daugherty & Reece, 2010).

An individual with higher exposure is likely to be persuaded to adopt new technology, than a less exposed individual. The individual IT literacy is an important ingredient towards adoption or non adoption of internet advertisement. Individuals without IT literacy may find the technology unnecessarily complex and hence reduce the likely hood of adopting the technology (Thong, 1999). Hence the research will take course in identifying these background qualities of each individual and how they positively or negatively contribute to the adoption of internet as a media of advertisement in real estate industry.

However it is very important to understand that this is an exploratory research which is the researcher's tool to understand issues more thoroughly. It explores attitudes towards adoption of internet advertisement in real estate industry. These attitudes have no clear cut definition or parameter as in quantitative research rather is open in order to get rich information on challenges facing realtors in adoption of internet advertisement. Therefore, this framework is a mere skeleton which will be used to classify the challenges in spheres shown above as Figure 6 below illustrated graphically.

**Figure 6: The Conceptual Framework model**



**Source:** Author

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3. Methodology**

##### **3.1. Introduction**

This chapter covers the type of the study, study area, study population, units of analysis, variables and their measurements, sample size and sampling techniques, types and sources of data and, data collection methods that were used in the research study. This part shows the methods that were used to answer the research question so as to attain the research objectives.

##### **3.2. Type of Study**

The objective was to understand the contextual challenges facing the Tanzanian real estate agents in adoption of internet as a media for advertisement. Unveiling these socioeconomic political phenomena challenging adoption of internet advertising in real estate, the researcher adopted an explorative case study, research. This was a qualitative research with, quantitative descriptive statistics such as frequency distributions and charts made from the data collected to support qualitative descriptions.

##### **3.3. Study Area**

The area of study was Kinondoni district of Dar es Salaam region. This district has an area of 531 square kilometers, with a 2012 reported population of 1,775,049 people growing at a rate of five percent per year (PMOALG, 2015). It is a densely populated district and blooming with real estate business in all scales, from big construction works to renting a living room. This district was the most ideal location for the study and information collected is based upon this geographic location.

The Explorative Case Study was conducted in Kinondoni District Dar es Salaam. This is because real estate industry in the area of study is mature and there are many realtors in the area with diverse practices and business experience. The Dar es Salaam city is one of the Regions which enjoyed the national effort of building sustainable commercial and industrial city. In 1992 the Dar es Salaam Development

Project financed by joint efforts of the Government and UNDP (THSP, 2000) was introduced and came into effect. The Ministry of Land Housing and Human Settlement Development (MLHSD) identified the greatest concentration of poorly serviced unplanned settlements is located in Kinondoni, hence giving it priority in effecting the project. The introduction of Sustainable Dar es Salaam Project (SDP) led to increased public awareness on the role and contribution of stakeholders and private sector as a whole in the planning, development and management of human settlements and land use in general. It also brought more integration of various sectors and community participation from planning, implementation and management of land (THSP, 2000). For these reasons the study area selected was Kinondoni District because of its high rate of real estate industry awareness, development and, growth.

Because of limitations pointed out earlier in chapter three regarding time and financial limitations the researcher could not reach all wards of this district. The researcher was able to reach fifteen streets from twelve different wards. Appendix 2 shows the streets, wards and divisions that were reached by the researcher.

#### **3.4. Study Population**

This study focused on real estate industry agents and customers. Individual realtors brought insight on challenges of adopting internet advertisement at individual level. Customers forecasted the possibility of increasing market share through using internet advertisement. The study population was realtors operating in Kinondoni District area and their customers in respective area.

#### **3.5. Unit of Analysis**

The unit of analysis was individual real estate agents and customers of real estate industry. Their attitude towards adoption of internet advertising in their business activities was the most valued information in this research study. While customers views on preferred media of advertisement forecasted the possibility of increased market share to adopters. Inference was drawn and recommendations were made based on this information.

### **3.6. Variables**

This is a perception study on human behaviour towards certain stimuli; the variables tend to change (Saunders, Lewis, & Thornhill, 2009). After field study however the variables were grouped into three, the independent variables, dependent variable and, individual background influencing factors.

The Independent variables are the challenges to adoption of internet advertisement in the Tanzanian real estate industry. These are Perceived attributes, Policies (Institutional), Customer preference on accessing information, Finance and, Knowledge. There is one dependent variable which is adoption of internet advertisement in Tanzania real estate industry. The Individual Background Influencing Factors are Age, Literacy level and, Experience of individual realtor.

### 3.6.1. Measurement of variables

The measurement of variables was done in an orderly manner as presented in the following tables;

**Table 3-1: Independent Variables**

<b>Independent Variables Measurement</b>		
<b>Variable</b>	<b>Measurement Procedure</b>	<b>Relevant Interview Questions</b>
<b>Attributes</b>	Availability and accessibility of internet advertisement services in comparison to other media of advertisement.  Reliability of the technology of internet advertisement in comparison to other media of advertisement	Semi structured interview question number 10, 11, 12, 13 and, 14
<b>Policies (Institutional)</b>	Government policies on real estate industry as well as telecommunication industry which favours internet advertisement	Semi structured interview question number 12 and 13
<b>Customer preference</b>	Customer preference in accessing the realtors. What media to often use to contact the realtors. What media they would prefer.	Semi structured interview question number 1 and, 2 in Part B
<b>Finance</b>	The financial factor in adopting internet advertisement. Is internet advertisement expensive or cheaper to use and service.	Semi structured interview question number 5,6,11,12 and,13
<b>Knowledge</b>	How much does a realtor understand about internet advertisement? Does a realtor have enough knowledge about internet advertisement? Does the knowledge help or discourages the realtor in adoption of internet advertisement?	Semi structured interview question number 7,8 and, 13

**Table 3-2: Individual Background Factors Influencing Adoption Decision**

<b>Individual Background Influencing Factors</b>		
<b>Variable</b>	<b>Measurement Procedure</b>	<b>Relevant Interview Questions</b>
<b>Age</b>	The influence of age of realtor in adoption of internet advertisement. The aged are more resilient in adoption of internet advertisement, while the young are pioneers of new technology and, middle aged are slow learners but adopts change with time.	Semi structured interview question number 1
<b>Literacy level</b>	The influence of educational background of realtors in adoption of internet advertisement despite the challenges. Realtors with rich educational background are likely to research about and adopt internet advertisement. realtors with average educational background are slow adopters of internet advertisement	Semi structured interview question number 3
<b>Experience</b>	The influence of experience of realtor in motivating adoption of internet advertisement. Realtors with greater experience are well established, they see internet advertisement as unnecessary use of resources. Realtors with average and small experience are keen in adopting internet advertisement to expand their market share.	Semi structured interview question number 2

### **3.7. Research Sample**

The research sample size was 90 respondents, where 70 were realtors and, 20 were real estate customers. The researcher purposively picked only real estate agents and customers of real estate products.

#### **3.7.1. Purposive Sampling**

A purposive sample, also commonly called a judgmental sample, is one that is selected based on the knowledge of a population and the purpose of the study. The subjects are selected because of some characteristic (Saunders, Lewis, & Thornhill, 2009). Individual real estate agents and, their customers were the target sample. Hence purposive sample included all individuals involved in the real estate industry within the study area who volunteered for the interview.

### **3.8. Types of Data and Collection Methods**

There was basically Primary Data and some Secondary sources.

#### **3.8.1. Primary Data**

These are first hand information collected directly from realtors picked up randomly from study population. The useful methods were semi - structured interview and mobile phone interview. The questions helping to guide the interview, draw inference and, identify challenges of internet adoption in real estate industry are attached in Appendix 1.

##### **3.8.1.1. Semi – Structured Interview**

This is an interview which there is a prior structured sequence of questions guiding, but not restricting the interviewer allowing for spontaneity and, for more relevant questions depending on circumstances, to develop during the course of the interview. This made the respondents at ease to raise many issues on the study question freely, providing rich information unveiling the challenges facing realtors in adoption of internet as a media of advertisement.

The trend of qualitative studies shows that interview is most effective as it gives the respondent being at ease and free flow of information. It is also very useful in saving

time because the researcher gets immediate response. Letting alone the fact that interview will not be limited to respondents' literacy level.

The work of Ryan and Gross (1943) in rural sociology is cited as the beginning of diffusion research. They used interviews as their main method of data collection. This has been a trend in diffusion research since.

Another work done by Sun and Ifeanyi, (2014) which was a qualitative study of the same nature conducted in China deployed mainly face to face interview where a list of real estate agencies was randomly selected using the local business directory in Suzhou, China. Inquiry was made by telephone or in person to make sure that all the participants have been working in the real estate industry for about five years and are willing to participate in the study anonymously.

The sample study was Kinondoni District realtors operating at the area. The vast diversity of the sample study called for semi - structured interview as the most appropriate primary data collection method. The interviews were recorded into transcript with respondents consent. In event of no consent the information obtained was effectively immediately recorded at end of interview through direct pin pointing of major issues and relevant points helpful for research purposes. This helped the researcher during data analysis in selecting most relevant data for drawing conclusions.

### **3.8.1.2. Mobile phone interviews**

These were most useful for distant respondents or those with rather tight schedules and could not easily participate in a face to face interview. Most of the respondents interviewed through mobile phone were those who had advertised their numbers and could not meet for face to face interview. The web pages were searched using search engines such as goole.com, yahoo.com and, bing.com and also using social networks such as instagram, facebook.com and, jamiiforums.com. These conversations were directly recorded into transcript by researcher.

### **3.8.1.3. Observation**

The researcher observed some facts about respondents such as operating environment, nature of work and, office setting of respondents. These data were very necessary to draw inferences in some accounts such as status of registration. Sometimes these were helpful in fast identification of respondent's media of advertisement such as RSA&WOM. The observation data, added a significant value to the collected information for the study purposes.

### **3.8.2. Secondary Data**

These data was collected through internet browsing and visiting web pages of real estate agencies that have adopted internet advertisement. Also a documentary review of previous works done on the same field.

#### **3.8.2.1. Internet Browsing**

The researcher browsed through various real estate available websites and internet pages and retrieved mobile phone numbers of the realtors using the website for interview.

This was also done by Sun and Ifeanyi, (2014), where they visited several websites owned by real estate firms in China and also other websites which advertised on behalf of the firms in order to investigate firms that had adopted e commencing in China.

Similarly through website visiting the researcher will easily identify firms that have adopted internet advertising and set appointments for interview to get information for the study.

#### **3.8.2.2. Documentary Review**

It is the use of outside sources, documents, to support the viewpoint or argument of an academic work; it involves some or all of conceptualising, using and assessing documents that support the study question (Saunders, Lewis, & Thornhill, 2009).

The researcher visited library and, other documentary sources and made use of documents with some similarities to the research study. This helped the researcher to gain a broader view point of the study and gain an eloquent flow of ideas.

### **3.8.3. Data Analysis**

Data was analysed through quantitative and qualitative data analysis methods. There was extensive use of descriptive statistics to draw statistical sense out of the data. These were presented in charts and tables, supported by explanations from field findings.

### **3.9. Limitations to the study**

The research was a great experience in exploring socioeconomic and political aspects facing realtors in adoption of internet advertisement. However some setbacks emerged during the study. These setbacks were financial constraints and time limitations for data collection.

Other limitations were during data collection when some respondents avoided answering some questions which led to data distortion. In turn information by these individuals could not be used hence reducing from the original larger data set. However this limitation did not affect the research study since data collected was sufficed to draw reasonable inferences.

## **CHAPTER FOUR**

### **RESULTS AND DISCUSSION OF FINDINGS**

#### **4. Presentation and Discussion of Findings**

##### **4.1. Introduction**

This chapter presents the findings of field study for analysis. The first part is the presentation of respondent's profile. The remaining parts are based on research specific objectives, which were;

1. To identify the most used advertisement media in real estate industry
2. To examine challenges of adopting internet advertisement in the real estate industry
3. To evaluate chances of improving market share of the real estate agents in using internet as an advertising media.

Descriptive statistics, mainly frequency distribution, percentages, pie charts and other charts have been used to present the findings and draw inferences. The drawn inferences were used to discuss the findings basing on the conceptual framework.

##### **4.2. Nota Bene**

In this work the following are important to be understood. The term; general sample population or, sample population or, overall population refers to a total of 90 respondents which includes; 70 realtor respondents and 20 customer respondents. The phrase realtor sample population or realtor population refers to 70 realtor respondents within the general population. The term customer sample population or customer population refers to 20 customer respondents within the general population. The term N.A. refers to not applicable. These terms applies to all presentation within text or tables or charts.

##### **4.3. Profile of respondents**

The study population was comprised of 90 respondents from Kinondoni district in Dar es Salaam region. Among the 90 respondents there were 70 realtor respondents and, 20 customer respondents. This section presents the general profile of all respondents. It is composed of their age set, literacy level, and experience in real

estate industry and, gender. The profile of respondents is important for better understanding on individual background factors that can affect the research problem. It is also important in drawing inferences for discussion.

Some profile factors such as experience in real estate industry do not apply to customer group but are necessary for discussion in relation to realtors. Depending on the profile components the data will therefore be presented, either for all respondents or, differently or, for only one group. This is necessary for uninterrupted flow of explanation and building inferences necessary for proper discussion, conclusion and, recommendations.

#### **4.3.1. The Age of Respondents**

The findings in Table 4.1 show there were 25 respondents between 19 to 29 years (27.8%) and,41(45.6%) respondents were between 30 and 39 years old; which was the majority of the study population. Fifteen respondents (16.7%) were between 40 to 49 years while, seven respondents were within 50 to 59 years old and, those above 60 were only two (2.2%).

**Table4-1: Age of respondents**

<b>Age sets distribution of both realtors and customer respondents</b>		
<b>Age Group</b>	<b>Frequency</b>	<b>Percent</b>
19-29	25	27.8
30-39	41	45.6
40-49	15	16.7
50-59	7	7.8
>60	2	2.2
<b>Total</b>	<b>90</b>	<b>100.0</b>

Source: Field Data 2015

The minimum age was 18 years because it is the legal adult age where a person can enter a contract. Realtors and customers alike enter contracts on real property; taking respondents below the majority age would be ignoring this fact. Hence the youngest age group ranged between 19 and 29 years old. Furthermore during the field study the researcher did not come across any respondent below the age of 23 years. The

maximum age of reference was 60 years, where by those above such age were only 2 respondents.

#### 4.3.2. The Literacy Level of Respondents

According to Table 4.2 all realtor respondents were above primary level. Majority of realtor (49) respondents which is 70% of realtor sample population were holders of certificate of secondary education. Others were 9 realtors with vocational training skills which is 12.9% of realtor sample population. Twelve realtors (17.1 %) of realtor sample population were University graduates.

**Table 4-2: Literacy level of realtor respondents**

<b>Educational Level</b>	<b>Frequency</b>	<b>Percentage in Realtor sample Population (70)(%)</b>
Primary	0	0
Secondary	49	70.0
Vocational Training	9	12.9
University	12	17.1
<b>Total Realtors</b>	<b>70</b>	<b>100.0</b>

Source: Field Data 2015

Table 4.3 shows the literacy level of customer respondents. Whereas 3 (15%) customer respondents had secondary education; 7 (35%) had vocational training; and 10 (50%) customer respondents were graduates.

**Table 4-3: Literacy level of customer respondents**

<b>Educational Level</b>	<b>Frequency</b>	<b>Percentage Customer sample Population (20)(%)</b>
Secondary	3	15.0
Vocational	7	35.0
University	10	50.0
<b>Total Customers</b>	<b>20</b>	<b>100.0</b>

Source: Field Data 2015

A split table presentation of this finding is necessary in order to distinguish the customer respondent literacy levels from that of realtors. This is because the literacy level information collected from each respondent group had a specific purpose different from another group. The literacy level of realtors will be used in assessing their adoption or non adoption of internet advertisement. The literacy level of customer respondents will be used to determine if it affects their preference in accessing real estate information.

The field study brought insight as to why the majority of realtor respondent group were secondary school leavers. The real estate industry in Tanzania is not matured enough, and real estate agency is still considered as an informal profession requiring no formal skills. This could be the reason why most form four and six leavers tend to employ themselves as realtors. In some situation it was even noted that a realtor had more than one profession. For example in Mtongani area the researcher found a realtor was also mason and, in another location a carpenter was also a realtor. The immaturity of the industry encourage more entrants without formal education on the field, hence most of unemployed secondary leavers seized the opportunity. However these realtors possess enough information on real estate in the areas they operate. The researcher through interview found out that realtors are amazingly organized, well coordinated and, have vast understanding of their job. Despite their level of education they operate at high discretion and strict code of conduct of respecting each other territories. They have great unity in execution of their duties and faced challenges. For all of this the researcher concluded that their educational level did not affect the execution of their work. However to some point it was a barrier to some exposures which those with higher education enjoyed in smooth operation of their business as will be discussed later.

#### **4.3.3. The Respondent's Experience in Real Estate Industry**

This profile component fits only to the 70 realtors group of respondents. The overall experience of respondents in real estate industry findings are shown in Table 4.4. Twelve realtor respondents (17.1 %) had experience of less than 5 years in real estate industry while, a majority of thirty three realtor respondents (42.7 %) had experience between 5 and 10 years. Twenty five realtor respondents (35.7 %) had above 10 years of experience.

**Table 4-4: Experience in real estate industry**

<b>Experience in years</b>	<b>Frequency</b>	<b>Percent in realtor sample population (70) (%)</b>
>5	12	17.1
5-10	33	47.2
>10	25	35.7
<b>Total realtor respondents</b>	<b>70</b>	<b>100</b>

Source: Field Data 2015

The experience of realtors to some extent is a mirage image of the growth of Tanzania real estate industry. It is not in dispute that until early 2000's the awareness on the true value of land was not as high as it is now. Until then information about real property was not a commodity to be bought. However with vast urbanisation, ever hiking real property prices; slowly information on real property was realised to be a valuable commodity. So a class of realtors grew fast and their numbers swelled. This explains why majority (33 out of 70 realtors) have an experience of between 5 and 10 years followed by those with experience of more than 10 years (25 out of 70 realtors). With these numbers new entrants could have been discouraged to enter into the industry in belief that the profession was saturated. Also at present there has been an awakening of big national corporations like Public Pension Fund (PPF) and National Social Security Fund (NSSF) turning their eye to real estate industry. Again the dormant National Housing Corporation (NHC) is resurrected back to operation and is operating at full zeal. With such competitors amateur realtors are highly discouraged to carry on business in urban community such as Kinondoni District. That could be the reason why there were only 17% of respondents who had experience below 5 years.

#### **4.3.4. Gender Distribution of Respondents**

Table 4.5 shows that there were 81 (90%) male respondents and there were 9 (10%) female respondents over the entire general sample population in the study.

**Table 4-5: General gender distribution of respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percentage in general sample population (90) (%)</b>
Male	81	90.0
Female	9	10.0
<b>Total Respondents</b>	<b>90</b>	<b>100.0</b>

Source: Field Data 2014

Tables 4.6 and 4.7 present a detailed gender distribution on the respondent population. A split table presentation was necessary to show gender reality of each group in the sample population. All realtor respondents 70 (100%) were male (Table 4.6).

**Table 4-6: A detailed Gender frequency distribution of realtor respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percentage in realtor sample population (70)(%)</b>
Male	70	100
Female	0	0
<b>Total Realtor Respondents</b>	<b>70</b>	<b>100</b>

Source: Field Data 2015

Table 4.7 shows that, there were 11 (55%) male customer respondents and, 9 (45%) female respondents.

**Table 4-7: A detailed gender frequency distribution of customer respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percentage in customer sample population (20)(%)</b>
Male	11	55
Female	9	45
<b>Total Customer respondents</b>	<b>20</b>	<b>100</b>

Source: Field Data 2015

Female respondents in the study as presented above were only from customer group of respondents. All realtor respondents approached were male. This might have been due to the nature and operating environment of respondents. The working

environment is at most in small informal social gatherings (*'vijiwe'*). In these gatherings information is shared and circulates. The time to sit in the office is very limited, most of the time the realtor is walking searching for information, visiting property with customers and, surveying new properties and opportunities. This nature of operating environment as explained above discourages most females to become sole realtors, hence making most realtors being men. Most lady realtors are those found in registered big real estate companies such as PPF, NHC and, NSSF as employees and not sole proprietors.

#### **4.4. The state of adoption of internet advertisement**

Among specific objectives of this research study was to find out the most used media of advertisement in Tanzanian real estate industry. This is because the research was based on the assumption that the adoption of internet advertisement in real estate industry is poor. The following analysis and presentation of field results is based on that account.

There were a total of 90 respondents which included 70 realtor respondents and 20 customer respondents. In this section the presentation and discussion will be based on 70 realtor respondents for proper flow of presentation and discussion. This is because only realtor respondents are responsible for advertising real estate products; making them subjects to the assessment on adoption of internet advertisement in real estate industry. Hence this section is not applicable to the group of 20 customer respondents.

The findings in Table 4.8 show that the dominant media of advertisement in real estate industry under study is Road Side Advertisement and Word of Mouth (RSA&WOM). It was used by a majority of 54 (77 %) realtor respondents. The RSA&WOM are normally the first and foremost approach to the customer. When the customer seeks information about real estate property he/she normally communicates with realtor through mobile phone. The mobile phone numbers are normally made available through RSA displaying realtor's occupation and mobile phone number. The WOM is communicated to customer after inquiry in particular area. The people knowing a realtor in their area will give the customer through WOM realtor's mobile phone number to communicate with.

**Table 4-8: Basic Media of Advertisement used by realtor respondents**

<b>Basic Media of Advertisement</b>	<b>Frequency</b>	<b>Percentage in realtor sample population (70) (%)</b>
RSA&WOM	54	77
Internet	16	23
<b>Total Realtor Respondents</b>	<b>70</b>	<b>100</b>

Source: Field Data 2015

The specific objective of unveiling the most used media of advertisement in real estate industry was very important base of the study. These findings have not only revealed that RSA&WOM is major media of advertisement used by 77% realtors but has also shown poor adoption of internet advertisement in real estate industry used by only 23% realtors. Therefore this finding proves the very primary basis of this research that, the rate of adoption of internet advertisement in real estate industry is still low.

Further enquiry was done in attaining the alternative media of advertisement for the 54 realtors who were using RSA & WOM. The enquiry showed that only 2 (3.7 %) of the 54 realtor respondents using RSA & WOM sometimes used internet and another 2 (3.7 %) used newspaper as an alternative media of advertisement (Table 4.9). This finding revealed that even as an alternative media of advertisement internet had poor adoption.

**Table 4-9: Alternative Media of Advertisement for the realtors using RSA & WOM**

<b>Alternative Media of Advertisement</b>	<b>Frequency</b>	<b>Percentage in realtor using RSA&amp;WOM sample population (54) (%)</b>
Radio	0	0
Newspaper	2	3.7
Internet	2	3.7
None	50	92.6
<b>Total Realtor Respondents</b>	<b>54</b>	<b>100</b>

Source: Field Data 2015

This justifies the research problem that, there is poor adoption of internet advertisement in real estate industry. There were 16 realtors using internet as basic media of advertisement and 2 who occasionally used internet as an alternative means of advertisement (Tables 4.8 and 4.9). Thus in total sum, 18 out of 70 realtors had exposure to internet as a media of advertisement.

#### **4.5. Challenges on adoption of internet advertisement in real estate industry**

The findings focused on the aforementioned three groups of variables as presented in the conceptual framework. Independent variables are the challenges on adoption of internet advertisement in real estate industry. There were five tested variables during this study, including; perceived attributes, policies, finance, knowledge and, customer preference. There were three individual background factors; age, literacy level and, experience in real estate industry. These individual background factors influence realtor's adoption decision despite presence of challenges.

The research was explorative and inferences were drawn from individual respondent explanations. These explanations were placed into groups depending on their nature, each falling to an independent variable of similar nature.

It is also imperative to understand at this point that there were two kinds of respondents which are 70 realtors and 20 customers. In the first four challenges, only the data collected from 70 realtor respondents group were useful in drawing inference. This is because realtors were the ones responsible for advertising their businesses. Hence the first four challenges were faced by realtors in adopting internet advertisement.

The last challenge was proved from the data of 20 customer respondents group alone. This is because preference in the media of accessing real estate information can be easily gauged from the customers of the real estate products

##### **4.5.1. Perceived attributes**

When the question about the most preferred media of advertisement was posed, it was always followed by its comparison to internet advertisement. Most realtor respondents admitted that internet advertisement was a good media of advertisement.

However the main concern or challenge was the complex nature of internet as a media of advertisement compared to other media of advertisement. Table 4.10 presents the views of respondents on internet complexity and accessibility issues. Those who viewed internet as complex and inaccessible were indexed *yes* while those who did not were indexed *no*.

From Table 4.10 below, 53 (76%) realtor respondents viewed internet advertisement as complex. The remaining 17 (24%) realtor respondents viewed internet advertisement as not complex.

**Table 4-10: Challenge concerning perceived attributes**

<b>Internet advertisement is complex and inaccessible</b>	<b>Frequency</b>	<b>Percentage in Realtor Sample Population (70) (%)</b>
Yes	53	76
No	17	24
<b>Total Realtor Respondents</b>	<b>70</b>	<b>100</b>

Source: Field Data 2015

The present 53 (76%) realtors who viewed internet as complex and inaccessible shared the following views. They said, internet advertisement was too technical (complex), and expensive (inaccessible) compared to RSA&WOM. Most of these respondents were willing to join internet advertisement; but the technical aspect of internet advertisement discouraged them. Some respondents shared that even if the website or page was set by IT technicians, still the operating of the website was too complex for them to handle. This means that they would have to contract a technician to oversee the website from time to time, which is too expensive for them. Only 17(24%) of realtor respondents did not view internet advertisement as complex and inaccessible. These 17 realtors had means and knowledge of overcoming the complexity and accessibility issues of internet advertisement.

In so saying for an average real estate sole proprietor the internet advertisement technology was far too complex and expensive to run. Not adopting it was a business tactical decision of keeping service costs as low as possible to maximize profit

Therefore despite the fact that most realtors accepted that internet advertisement was reliable, however it was perceived to be complex and expensive by most realtors. Thus realtors saw internet advertisement had unnecessary complex attributes in comparison to other media of advertisement. They therefore voted internet's complex nature as a challenge to its adoption as a media of advertisement in real estate industry.

#### 4.5.2. Finance

Most realtors were operating at a capital scale of below one million Tshs. In this capital scale realtors had to be extremely cautious on spending their money in investments. Only those very necessary investments were purchased. In such economical scale internet advertisement seemed as unnecessary expenditure to most of the realtors. Table 4.11, below presents the respondents concerns which were finance related.

Table 4.11 shows that, there were 52 (74%) realtor respondents who viewed internet advertisement as expensive. The other 18 (26%) respondents viewed that internet advertisement was not expensive.

**Table 4-11: Challenge with regard to finance**

<b>Challenge in finance</b>	<b>Frequency</b>	<b>Percentage in Realtor sample Population (70) (%)</b>
Yes	52	74
No	18	26
<b>Total Realtor Respondents</b>	<b>70</b>	<b>100</b>

Source: Field Data 2015

As compared to RSA&WOM means of advertisements which had nearly no payments, internet advertisement would need some money to establish. This was a great concern to many realtors. Let alone setting a website the realtors had to consider the need to have devices that support comfortable and fast internet access. For a moderate performing internet accessing device one had to invest at least two hundred thousand shillings. Investing on such device was a blind risk on whether it

will increase or decrease or not alter sales. Most realtors with low capital did not want to take this risk which would jeopardise their entire business.

The findings in Table 4.11 shows that a majority of 52 (74%) of realtor respondent's views on challenges facing them in adoption of internet advertisement were financially related. Most respondents viewed internet advertisement as a long term plan which needs business stability. Some respondents even shared that internet advertisement best suits big companies which are well established. However as will be discussed on challenge of adoption based on knowledge these arguments was made due to lack of enough exposure and knowledge on the matter.

### 4.5.3. Knowledge

Most realtors 53 (76%) faced knowledge related challenges on adoption of internet advertisement (Table 4.12). They did not have knowledge on how to do it or where to find experts who can help them do it. Most of the realtors had a minimal or no understanding of internet advertisement at all. Most of them did not believe that they could advertise in the internet. Some excuses popped up during interview, like “no I think you have mistaken me for a large company with enough resources and products to advertise online”. These realtors were resourced with vast information on real estate products in areas they operate which could be advertised in the internet. In fact during the interview some realtors from Ununio Area shared that most realtors advertising in the internet buy information from local realtors. Other 17 (24 %) realtor respondents did not face any knowledge related challenges.

**Table 4-12: Challenge related to knowledge on internet advertisement**

<b>Knowledge related challenges</b>	<b>Frequency</b>	<b>Percentage in realtor sample population (70) (%)</b>
Yes	53	76
No	17	24
<b>Total Respondents</b>	<b>70</b>	<b>100</b>

Source: Field Data 2015

Knowledge related challenge might have lead to other challenges such as an idea that internet was too expensive. This challenge clouded the respondent's view of possibility of modifying their operations. It is the same challenge that caused the same 53 realtor respondents to give an excuse that internet was complex (Table 4.10). All these preceding challenges were highly influenced by the fact that respondents did not have real knowledge about internet advertisement. It was observed that the main knowledge they had was not based on personal research, but on hearsay information from other people.

#### **4.5.4. Policies**

There is no question that the government policy on real estate is good, and that of telecommunications is awesome. Present policies on real estate encourage private investment on real estate industry. It also welcomes private businesses to enter partnership with the NHC. The telecommunications have made an effort of encouraging modernization of information technology in Tanzania. This includes spreading of internet services to as many parts of Tanzania as possible. However the realtors faced another difficulty in relation to policies regarding registered small business proprietor.

The realtors who viewed that government policies affected their ability to adopt internet were coded *yes*; realtors who viewed that government policies could not affect their internet adoption decision are coded *no*; for those who did not raise any policy related challenge were coded *no idea* (Table 4.13).

Table 4.13 shows that,23 (33%) realtor respondents said yes;11 (16 %) realtor respondents said no; a majority 36 (51 %) realtor respondents had no idea how government policy affects them (Table 4.13).

**Table 4-13: Challenge concerning Policies**

<b>Challenge concerning Policies</b>	<b>Frequency</b>	<b>Percentage in Realtor Sample Population (70) (%)</b>
Yes	23	33
No	11	16
no idea	36	51
<b>Total Realtor Respondents</b>	<b>70</b>	<b>100</b>

Source: Field Data 2015

In sharing explanation on how a realtor's decision is affected by the government policies the following arguments came forth from the 23 realtor respondents. The respondents shared that, a realtor with a registered business company, partnership or, name, increases credibility to customers. More so is required to realtors who wants to advertise online especially with the rumbling cyber bill. However they urged that the moment one registers his/her business the revenue authorities come and take all their profit through heavy taxation. Therefore in the knowledge of this, most realtors are not registered. These respondents argued that, being not registered does not mean they are not credible realtors; they actually close many business deals in various scales. However if they register their businesses they face the danger of losing their small capital to the revenue authorities and face business demise. With this regard tax education and transparency on taxation calculations could help to improve realtors to open up their business.

Table 4.14 shows that, a majority of 47 (67%) realtor had a quick access of mobile phone number. While 14 realtor (20 %) respondents could only be accessed by physical visiting the area they operate. Only 9 (13 %) realtor respondents had registered companies.

**Table 4-14: Registration status and quick access to agent**

<b>Registration status and Quick Access to Agent</b>	<b>Frequency</b>	<b>Percentage in realtor sample population (70) (%)</b>
Phone Number	47	67
Location	14	20
Registered Company	9	13
<b>Total Realtor Respondents</b>	<b>70</b>	<b>100</b>

Source: Field Data 2015

These 47 realtors with quick access of mobile phones and 14 realtors with quick access to their location made a total of 61(87%) unregistered realtor respondents. They held small offices, openings or, shop dealing with other kinds of trade together with real estate as included service to the list. Their registration was at most of entirely different occupation. Only 9 (10%) respondents were registered and thus having quick access to their company address. These 9 (10%) realtors were companies with bigger capital (above 5 million Tshs), experience, network and resources as compared to unregistered realtors. Furthermore most of registered companies were registered as general trading companies and not as real estate agency. This at least allowed them to engage many kinds of business at once in order to realise profit. In this way tax laden could be evenly distributed in these businesses so as to survive in business.

From these results based on realtor views it shows that most realtors are facing the fear of heavy tax load imposed by revenue authorities after registration. Realtors' argument is that the taxation policy affects them while trying to earn a decent living. In turn it discourages them to register their companies or business names. Eventually it limits business expansion which includes advertising in the internet.

Therefore most realtors were afraid of going online because they had not registered their business. They feared what would happen after registering their companies. However, in their state of being unregistered they manage to get customers and close many business deals. The respondents explained that their main concern was if they register the revenue authorities would tax out all their profits leaving them bankrupt. From such arguments it seems the government policies are not supportive on small business proprietors' growth. Therefore their fear is that every right given by right

hand is taken by tax authorities. This terrifies individual realtors in growing their businesses, which include adopting internet advertisement and going global.

#### **4.5.5. Customer perception on media of advertisement in real estate industry**

Among the general population of 90 respondents there was a group of 20 customers of real estate products. This section discusses results only from the group of 20 customer respondents; because it is about customer's perception on media of accessing real estate information. Therefore in this section the perceptions from the group of 70 realtor respondents are irrelevant; hence they are neither presented nor discussed.

Table 4.15 shows that, 17 (85 %) customer respondents use RSA&WOM as main media of accessing real estate information. The remaining 3 (15 %) customer respondents access real estate information through the land department office.

**Table 4-15: The basic media of accessing real estate information for customer respondents**

<b>Basic media of accessing real estate information</b>	<b>Frequency</b>	<b>Percentage in Customer Respondent Sample Population (20) (%)</b>
RSA&WOM	17	85
Land Department	3	15
<b>Total Customer Respondents</b>	<b>20</b>	<b>100</b>

Source: Field Data 2015

These customers were accustomed to RSA&WOM not by choice but by practice. It was the most common and easy way to get information regarding real estate. Through RSA&WOM, customers procured realtors phone numbers which was used for further communications. When they were asked, would they like that information to be readily available in the internet 16 (80 %)customer respondents responded on the affirmative and would like to access real estate information through internet (Table 4.16). Only4 (20 %) customer respondents opted for information to be given by land department office.

**Table 4-16: Customers who would like internet to be media for accessing real estate information**

<b>Internet Acceptance</b>	<b>Frequency</b>	<b>Percentage in Customer Sample Population (20) (%)</b>
Yes	16	80
No	4	20
<b>Total Customer Respondents</b>	<b>20</b>	<b>100</b>

Source: Field Data 2015

These findings and discussion drew and inference on the matter. Customer preference on media of advertisement was not a challenge for a realtor in adoption of internet advertisement. This is because customers are accustomed in following information where ever it is. Also due to the fact that, most of customers would prefer to access information through internet if made available. In the light of this study customer preference on media of advertisement was confirmed not to be a challenge in internet adoption.

#### **4.6. Evaluation on probability of increasing market share through internet advertisement**

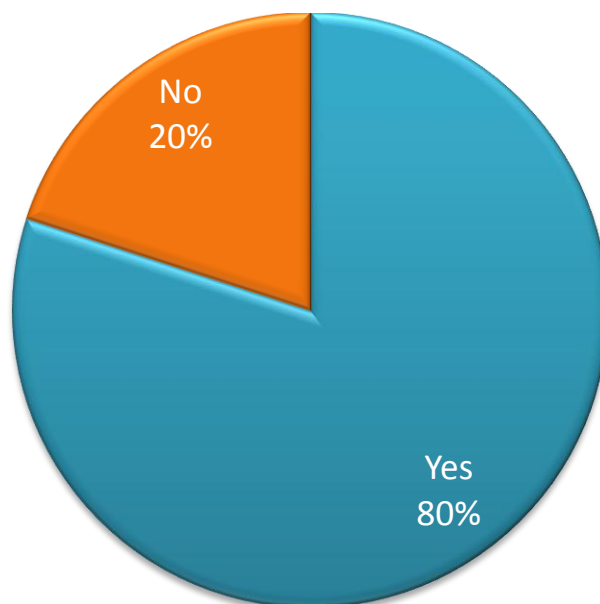
Sample population comprised 90 respondents where 70 respondents were realtors and 20 were customers. This section's discussion is based on information from the 20 customer respondents, because it evaluates probability of increased market share.

The researcher interviewed 20 customer respondents on which media of advertisement they preferred for information in real estate industry. It was found out in previous section 4.5.5 that customers search information about real estate products where ever it is found. This is because there was no choice for the customers; they had to follow information where it was available disregarding their own preferences. This means realtors were at liberty to use any media of advertisement.

However these customers were asked if they would like the information to be readily available in the internet. Upon answering the question it was found that 16 (80%) of customer sample population liked the idea of accessing real estate information

through internet. Those customers who answered on affirmative were indexed *yes* and those who did not like the idea are indexed *no* (Figure 7, Table 4.16).

**Figure 7: Customers who would like internet to be media of accessing real estate information**



Source: Field Data 2015

Customers preferred internet advertisement because it was universal and readily available than any other media of advertisement. These customers were using RSA&WOM just because it is the most readily available and realtors use it. However they shared that it is sometimes cumbersome and limited in universality. For example a newly recruited student in the Institute of Social Welfare Dar es Salaam living in Mwanza; goes into a lot of trouble finding a rental house for accommodation in Kijitonyama area. However if all information were found in a realtor website online the student could avoid a lot of trouble with just a few clicks.

The results clearly show that the consumers are wearied out by the old advertising mode and that there is a promising future in advertising online. The world is changing fast and consumers do not have time to waste hunting realtors on foot. They want to save time accessing information they need when they want where they are. Internet advertisement is a clear path into tapping to that market. Realtors need

to add internet advertisement as their media of advertisement in order to expand their market share.

Therefore basing on these findings and market trend there is a greater chance for a realtor to increase market share in adoption of internet advertisement. These findings answer the third objective and research question on the affirmative.

#### **4.7. Discussion on the Effect of Individual Background Factors Influencing Decision of Adopting of Internet Advertisement**

In this section data presented and analysed is that of 70 realtor respondents group of respondents out of the general population sample of 90 respondents. This is because the section discuss, on how the individual realtor background factors can influence decision of adopting internet advertisement. Therefore in this section the 20 customer respondents group will be excluded from data presentation and discussion. This is necessary to enable proper flow of presentation analysis and discussion thereafter.

It is important to remember that under this study challenges are independent variables influencing adoption or non adoption of internet advertising. However individual background factors which are age, literacy and, experience are influencing factors affecting adoption decision of each individual realtor. These influencing factors may cause an individual to adopt internet regardless of the challenges by overcoming them. They may also render individual unable to overcome challenges and eventually not adopt internet advertisement.

The following discussion will show the influence of individual background factors on adoption or non adoption of internet advertisement despite presence of challenges. The challenges are independent variables, the individual background factors are influencing factors affecting adoption decision at individual level.

#### 4.7.1. The influence of age in adoption of internet

The distribution of age groups of respondents was an influencing factor to the adoption of internet advertisement. Table 4.17 present the frequencies of each realtor respondent age group.

Table 4.17 shows that, 13 (18.6%) realtor respondents were aged between 19 and 29 years. A majority of 33 (47.1%) realtor respondents were between 30 and 39 years. Fifteen realtor (21.4%) respondents were between 40 and 49 years. Seven realtor (10%) respondents were between 50 and 59 years. Two realtor (2.9%) respondents were aged above 60 years.

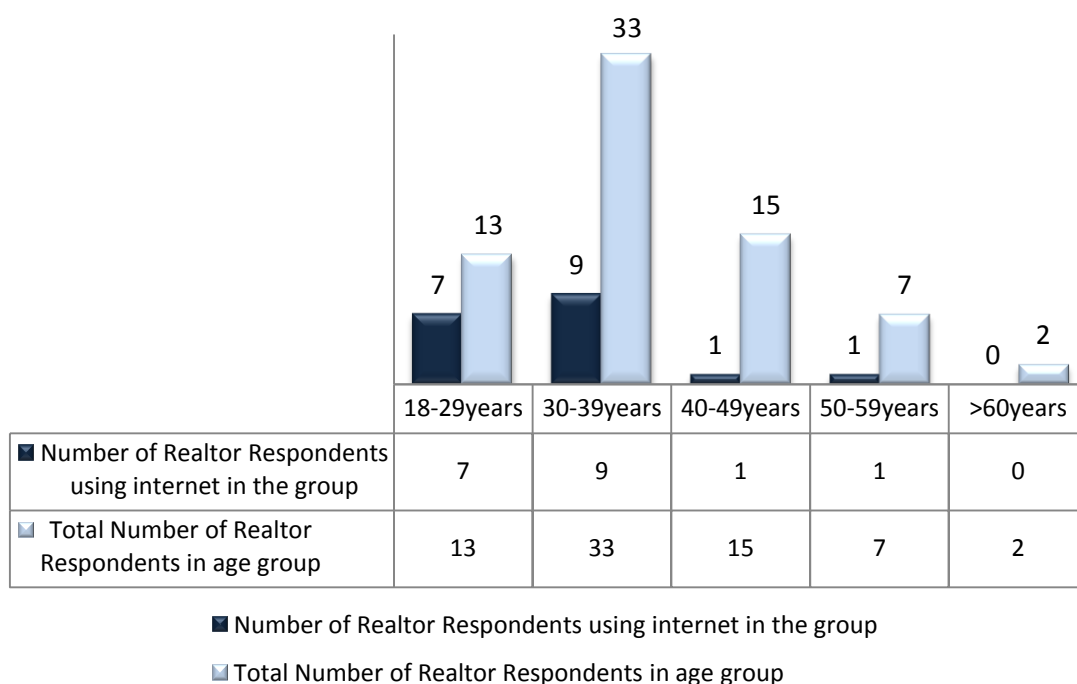
**Table 4-17: The age of realtor respondents only**

<b>Age group of respondent</b>	<b>Frequency</b>	<b>Percent in realtor respondents (70) (%)</b>
19-29	13	18.6
30-39	33	47.1
40-49	15	21.4
50-59	7	10.0
>60	2	2.9
<b>Total Realtor Respondents</b>	<b>70</b>	<b>100.0</b>

Source: Field Data 2015

The results in Figure 8 shows that the age group of 19-29 years and 30 -39 years old were the major users of internet advertisement. Where 7 out of 13 realtor respondents aged between 19 and 29 years and; 9 out of 33 realtors aged between 30 and 39 years adopted internet for advertising their business; 1 out of 15 realtors from the group aged between 40 and 49 years adopted internet advertisement; likewise 1 out of 7 realtor from group aged between 50 and 59 years adopted internet advertisement. There was no realtor who adopted internet advertising who was above 60 years old.

**Figure 8: Number of respondents using internet advertisement per age group**



Source: Field Data 2015

Below is Table 4.18 showing the percentage of adoption of Internet Advertisement per each age group. The group of realtors aged 18-29 years old had the highest adoption of 54% within the group, followed by 27% from the group aged 30-39. This shows that the rate of internet advertisement adoption among young realtor is higher than of aged realtors.

**Table 4-18: Percentage of Realtors Adopted Internet Advertisement per Age Group**

Age Groups of 70 Realtor Respondents	18 -29 years	30 -39 years	40 -49 years	50-59 years	>60 years
Number of Realtor Respondents using Internet in the group	7	9	1	1	0
Total Number of Realtor Respondents in age group	13	33	15	7	2
Percentage of Internet Adoption per Group (%)	54%	27%	7%	14	0%

Source: Field Data 2015

From the above results it is obvious that many realtors with younger age adopted internet advertisement, while only few aged realtors adopted internet advertisement. This draws a rather necessary inference that despite the existence of all challenges presented earlier these two age groups manage to successfully engage internet advertisement. Therefore age is a background factor influencing individual decision on internet adoption. In a more precise explanation it means young realtors are more likely to adopt internet advertisement more than aged realtors.

During the field study most interviewed individuals raised a concern on the complex nature of internet technology especially in comparison to mobile phone technology supported by RAS&WOM. This was shown and discussed earlier in section 4.4 and 4.5.1. A great number of these individuals did not even know the necessary process to advertise products online. The complex nature of internet advertisement as compared to other media of advertisement such as RSA&WOM discouraged aged realtors to use it.

When asked if they had any prospects of adopting internet advertisement, most of aged realtors said if they get technical assistance they may adopt. Young realtors said if they get educated on how to use they will adopt. The aged (40 to 60 and above years) wanted total help from someone with expertise on internet advertisement from setting it up to continuous use. Most of the young realtors said they needed to be educated on how to use it, after the setting up of advertisement.

Therefore age influence the rate of adoption of internet advertisement, young realtors are most likely to adopt than aged realtors despite the challenges. Age was dominant factor in overcoming complexity and knowledge issues. The young (those below 40 years) could easily deal with complex matters and were ready to learn or receive necessary knowledge. The aged were discouraged with technological complexity of internet advertisement and, were not eager to learn about it.

#### 4.7.2. Literacy level as a background influencing factor

According to Table 4.18 there were no realtors with primary education level. Forty nine (70%) realtors had secondary level education. Nine (12.8%) realtors had vocational skills and, 12 (17.1%) realtors were graduates.

**Table 4-19: Literacy Level of realtor respondents**

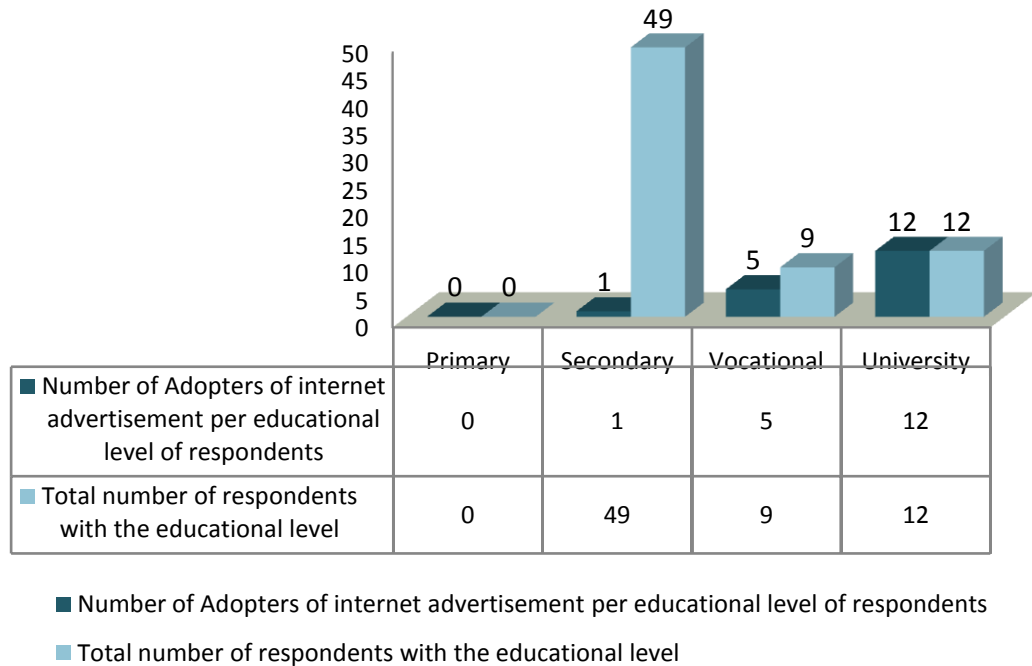
<b>Educational Level</b>	<b>Frequency</b>	<b>Percentage in Realtor sample Population (70) (%)</b>
Primary	0	0
Secondary	49	70.0
Vocational Training	9	12.9
University	12	17.1
<b>Total Realtor Respondents</b>	<b>70</b>	<b>100.0</b>

Source: Field Data 2015

After investigating Figure 9 presents that only 1 out of 49 realtors holding secondary education certificates (2% of the group) adopted for internet advertisement; 5 out of 9 realtors with vocational training skills (55.6% adoption per educational group) adopted internet advertisement; while all 12 out of 12 graduate realtor respondents (100% adoption per educational group) adopted internet advertisement.

Figure 9 below should be read together with table 4.8 and, table 4.9 in state of adoption of internet advertisement.

**Figure 9: The Influence of literacy level on the number of adopters of internet advertisement**



Source: Field Data 2015

Table 4.20 below shows the percentage of adoption of internet advertisement per each educational group. The realtor respondents with University level of education had 100% adoption of internet advertisement, followed by 57% adoption from realtor respondents with Vocational training.

**Table 4-20: Percentage of Adopters of Internet Advertisement per Educational Level Group of Realtor Respondents**

Education Level	Primary	Secondary	Vocational	University
Number of Adopters of internet advertisement per educational level of respondents	0	1	5	12
Total number of respondents with the educational level	0	49	9	12
Percentage of adopters of Internet Advertisement per Educational Level	0%	2%	56%	100%

Source: Field Data 2015

The results presented in Figure 9 read together with Table 4.20 reveals that, those realtors with higher educational background were pioneers in adoption of internet advertisement. Among 70 realtor respondents only 18 were using internet advertisement of which 16 were using it as their basic media of advertisement and 2 were using it as alternative media of advertisement. Among those 18 respondents 12 are University or College level elites, 5 passed through Vocational training and, 1 was a Secondary educate. The remaining 52 realtor respondents did not use internet advertisement, of which 48 had attained secondary education and, 4 had vocational training.

In the realtor sample population of 70 realtor respondents there were only 12 graduates who all used of internet advertisement. This shows that despite all other challenges still literacy level influenced heavily the decision of individual realtor to advertise in the internet. Higher literacy impliedly means the ability to deal with complex matters, being able to search for information and, use present resources to solve problems. Not only so but the language interface of internet advertisement is technical English which most realtors with moderate educational background could not understand. Also it was observed that realtors with higher education level had some exposure in using internet and a significant knowledge of its capabilities in business world.

From the results 70% of realtor sample population as presented earlier are holders of certificate of secondary education (Table 4.2). As presented above in Figure 9 only 1 out of 49 realtors with secondary education adopted internet advertisement. This explains why the results showed that, many (74.3% of realtor respondents) had not adopted internet advertisement (Tables 4.8 and 4.9). Some of these realtors were observed to have devices with internet capabilities and yet did not advertise online. While on the other side it was observed that realtors with higher educational background used similar devices to advertise their business online. Some of them did not have websites but they made most out of social networks such as instagram, face book and, whatsapp.

One realtor from Kinondoni area, a holder of certificate of vocational training was advertising his products in instagram and face book through his smart phone. While, there was another realtor with a capable smart phone who mainly used RSA&WOM

and not utilizing technology at hand. The difference here was how the highly educated realtor used same resources to advertise online through social networks, while, moderate educated did not.

Again concerning finance it was observed that, highly educated realtors had more information on how to increase their capital. The realtors with higher education financed the business through loans and seeking partnership with influential individuals when necessary. This kind of information was not available to moderate educated realtors. Through proper financing these highly educated realtors could expand their business and register their companies.

Furthermore highly educated realtors were clever enough to take advantage of favourable government policies. For example some of realtor companies which are also involved in construction industry are a response to the NHC, PPP campaign. On the other hand moderate educated realtors could not see how government policies could benefit them. In other words they could not utilise the provided opportunities by the same government policies that the highly educated took advantage of. Again, most (51% of realtor sample population) of them did not even have an idea on how government policies influence in their businesses (Section 4.5.4, Table 4.13).

The above results show that educational background has a significant influence in adoption of internet advertisement. A highly educated realtor is more likely to adopt internet advertisement faster than, a moderate educated realtor. Educational background defines realtor's ability to utilise same resources more efficiently and effectively. It defines the ability to overcome technological complexity and solve challenges at hand. Thus educational background influences the decision to adopt or not to adopt internet advertisement provided same resources.

#### 4.7.3. Experience as a moderating factor in internet adoption

Table 4.19 presents realtor experience in real estate industry in terms of years. Where 12 realtors (17.1%) had experience below 5 years; 33 realtors (47.2%) had experience between 5 and 10 years; 25 realtors (35.7%) had experience above 10 years.

**Table 4-21: Experience of realtor respondents in real estate industry**

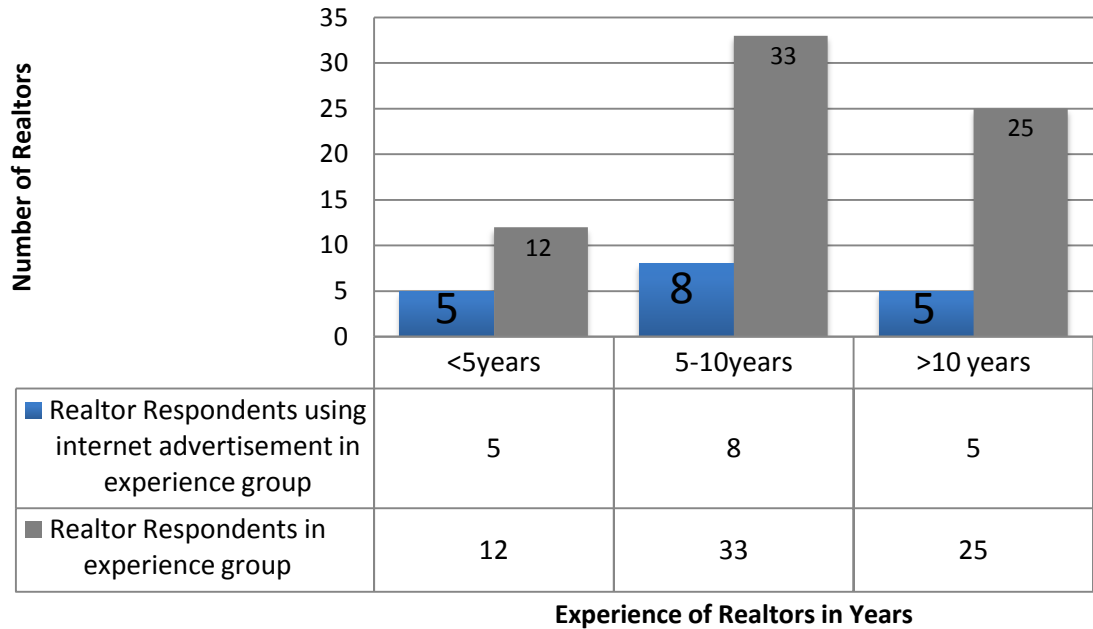
<b>Experience in years</b>	<b>Frequency</b>	<b>Percent in realtor sample population (70) (%)</b>
>5	12	17.1
5-10	33	47.2
>10	25	35.7
<b>Total realtor respondents</b>	<b>70</b>	<b>100</b>

Source: Field Data 2015

The findings presented in Figure 10 shows that out of 18 adopters of internet advertisement; 5 had experience below 5 years; 8 had between 5 and 10 years of experience; 5 had experience above 10 years.

Figure 10 should be read together with Table 4.21 above and tables 4.8 and 4.9 from Section 4.4.

**Figure 10: Chart presentation of relationship between internet adoption and experience in real estate industry**



Source: Field Data 2015

Table 4.22 shows that; 42% of realtor respondents with experience below 5 years use internet advertisement, 24% of realtors with experience between 5-10 years use internet, and 20% of realtors with experience above 10 years use internet advertisement. Hence realtors with less experience are likely to adopt internet advertisement.

**Table 4-22: Percentage of Adopters of Internet Advertisement per Experience Group of Realtor Respondents**

Experience	<5 years	5-10 years	>10 years
Realtor Respondents using internet advertisement in experience group	5	8	5
Realtor Respondents in experience group	12	33	25
Percentage of realtors using internet advertisement within experience group	42%	24%	20%

Source: Field Data 2015

A closer look to this finding will reveal that 5 (42%) out of 12 realtors with experience below 5 years used internet advertisement. This is the largest number of internet users within an experience group compared to all other experience groups. For example only 8 out of 33 from the group with 5-10 years of experience use internet. This observation might attribute to the fact that new realtors (experience <5 years) are penetrating the market. They are using internet advertisement as a strategic approach to access customer segments that prefer to access information through internet. In this way they are increasing the likelihood of not only penetrating the market but also expanding their market share. Eventually the market expands towards customers who prefer accessing information online, which is a fast growing segment. They believe that in the near future there will be a major shift on how customers search for information. Adopting internet advertisement to them is a necessary business move to secure future market share.

There was however an argument from experienced realtors especially those with more than 5 years in real estate industry that internet was unnecessary expenditure. The main reason for such perception was that most of them had already established their business very well. They were well known in areas they operate and even without internet advertisement they still had more than enough customers. One realtor with an experience ranged between 5 and 10 years said “here where I operate many people know me, so any customer coming to this area searching for realtor will be brought to me”. Experienced realtors acquired many customers through RSA&WOM adverts, so internet advertising would be just unnecessary expenditure.

Realtors with small experience are likely to adopt internet advertisement fast. Realtors with vast experience with moderate educational background are not likely to adopt internet advertisement.

Though experience influence realtor decision, however educational back ground play a greater role in influencing realtor decision on adopting internet advertising. Experienced moderate educated realtors were less likely to adopt internet advertisement because they had enough market shares. Realtors with less experience regardless they were highly educated or not were likely to adopt internet advertisement to expand their market share.

#### **4.8. Discussion on application of theories based on the findings**

These theories were incorporated to the study during literature review. This is a discussion on their compatibility and application to the study after field study. This work is a blend of various theories which explains the process of adoption (diffusion) of internet advertisement (technology) into real estate industry (society). These theories are; Innovation Process Theory and Theory of Perceived Attributes from a Meta theory of Diffusion of Innovation(Rodgers, 1995);Technological Acceptance Model (Venkatesh, Davis, & Morris, 2007) and; The Generation Theory (Clurman & Smith, 1997).

The innovation-decision process theory is based on five stages. The first stage is knowledge. Second is persuasion as to the merits of the innovation. Third is decision towards adoption of the innovation. Fourth is implementation of innovation. Fifth is confirming that their decision to adopt was the appropriate decision (Rodgers, 1995).

In this study internet advertisement was the innovation. The research investigated its diffusion and challenges facing its diffusion in Tanzania real estate industry.

From the findings above it was obvious that there was lack in enough knowledge to the Tanzania real estate stakeholders who are realtors. The lack of knowledge caused weak persuasion on merits of internet advertisement causing realtors to perceive internet advertisement as complex and inaccessible. As a result there was poor adoption and implementation of internet advertising in Tanzania real estate industry as have been presented in the results.

Again the theory of perceived attributes provides five attributes that when available then an innovation will be successfully adopted or diffused. First, the innovation must have some relative advantage over an existing innovation or the status quo. Second, it is important the innovation be compatible with existing values and practices. Third, the innovation cannot be too complex. Fourth, the innovation must have the ability to be tested for a limited time without adoption. Fifth, the innovation must offer observable results (Rodgers, 1995).

In this study among challenges that faced realtors in adopting internet advertisement was its complex nature as compared to other advertising media like RSA&WOM.

From the results discussed above internet had some relative advantage, and was compatible to current aura. The realtors could test it and have observable results. However internet was complex compared to other media of advertisement.

The research results showed that many realtors lacked enough knowledge on internet as a media of advertisement. This caused them to view internet as a complex innovation, hence poor adoption.

In the Technology Acceptance Model which determined by two beliefs about the technology usage: (1) Perceived Usefulness (PU), which is the degree to which a person believes that using a particular system would enhance his or her job performance, and (2) Perceived Ease of Use (PEU), the degree to which a person believes that using a particular system would be free of effort (Venkatesh, Davis, & Morris, 2007).

In the results from the study it was obvious that the realtors perceived internet advertisement as a possibility of enhancing their business performance. The only problem was that realtors perceived internet as not easy to use (complex to operate). As have been discussed earlier this was caused by the lack of knowledge which caused them to perceive internet is complex.

However these attitudes under the TAM model are influenced by factors such as education, age and experience. People with different age, educational background and experience in the same industry have different attitudes. These attitudes may propel towards technology acceptance to discourage the same.

The Generation Theory holds that people born of the same generation defined as a 20-year period have common attitudes and behaviours because of shared experiences that influenced their childhoods and shaped their views of the world (Clurman & Smith, 1997).

In the research findings it was shown how age may influence realtor decision on adoption of internet adverting. As the results show above young realtors (those below 40 years old) were pioneers of adopting internet advertisement. At the same time there was a poor adoption of internet advertisement on aged realtors (those aged above 40 years old). From these results it was concluded that age influenced realtor's

decision on internet adoption. This influence was vivid by the difference of attitude and perception of internet advertisement between the young and aged realtors.

Together with the above reasons as the results provide. There were other factors which influenced poor adoption of internet advertisement in real estate industry. These were finance and policy related challenges which were not directly related to above theories. Therefore the research results conform with the above theories, with some additions to socio economic and individual realtor realities that were found out during field study as discussed above.

**CHAPTER FIVE**  
**SUMMARY, CONCLUSION AND RECOMMENDATIONS**

**5. Summary, Conclusion and Recommendations**

**5.1. Summary of the Research Study**

This research study was set on the presumption that there is a poor adoption of internet advertisement in real estate industry. The research sought to unveil underlying challenges faced by individual realtor regarding the adoption of internet advertisement. In order to understand these challenges objectives were set. These objectives were answered in the previous chapter.

First objective was to identify the most used advertisement media in real estate industry. The most used media of advertisement in real estate industry was RSA&WOM. This media was used by 77% of the realtor sample population. Internet advertisement was used by only 23% of the realtor sample population. With these findings the research was justified to proceed into second objectives of unveiling challenges of internet adoption on real estate industry.

The major challenge was limited knowledge about internet advertisement. This challenge was noted by 76% of realtor respondents. This influenced other challenges which were perceived attributes, most respondents (75% of realtor respondents) viewed internet as complicated. Another challenge was finance. Internet advertisement was perceived to be expensive by 74% of realtor respondents. Government policies were perceived to be harsh regarding taxation by 32% realtor respondents while 51% realtor respondents had no idea. Customer preference was revealed that it was not a challenge. This is because 80% of customer respondents perceived that internet would make access of information more reliable and easier; which confirmed the probability of realtors to gain market share through internet advertisement.

However despite presence of similar challenges it was observed that realtors react differently in adoption of internet advertisement. This was because individual background factors acted as moderating effect influencing decision regarding adoption of internet advertisement. The individual background factors were age,

literacy level and, experience. It was found regarding age, young realtors are more likely to adopt internet advertisement than aged. In regard to education it was found that realtors with higher educational background are likely to adopt internet advertisement. The moderating effect of experience was weak and did not show significant effect on adoption of internet advertisement on itself. However when it was bound with education it showed significant effect. Realtors with less experience and highly educated were likely to adopt internet advertisement. Realtors with more experience and moderate educational background were unlikely to adopt internet advertisement.

The third objective was to evaluate the possibility of increasing market share through internet advertisement. The information retrieved from customers of real estate industry was basis of information. The customers had no preference in media of advertisement; they used which ever mode the realtors used. However 80% of customer respondents shared that they would prefer if the information was readily available in the internet. Therefore this objective was answered in affirmative that there is a possibility of increasing market share through internet advertisement.

## **5.2. Conclusion**

There is undeniable reality that internet advertisement adoption is sluggish in Tanzania real estate industry. This sluggish adoption is caused by some challenges facing realtors. The challenges are knowledge regarding internet as media of advertisement, financial constraints, complex nature of internet advertisement and, harsh taxation policies on sole real estate proprietors. However the study shows realtors face these challenges differently provided their individual background factors especially educational background, and age. There is more to this research problem which requires more time and resources which is eminent constraint to the researcher at present. This study is explorative in nature and, it requires perceptions of individuals which are still many. More studies will give lucrative and concrete solution, in order to benefit both academic world and, Tanzanian real estate industry.

## **5.3. Recommendations**

The recommendations are given in regard to challenges facing adoption of internet advertisement in Tanzania real estate industry at individual realtor level.

### **5.3.1. Knowledge**

There is undisputable truth that there is a need for realtors to be provided with simple knowledge about internet advertisement. From this knowledge realtors will realise that internet is a very good media of advertisement in real estate industry.

Knowledge is a key to vast sum of opportunities and beautiful blend of disciplines to bring a customer the very best there is to offer. This knowledge giving program will not only enlighten the realtors but also it will provide self employment opportunities for unemployed IT graduates. Marketing graduates will be needed on designing advertisement and marketing language and, legal practitioners in overseeing legal issues on real estate and cyber laws as well. So will blend many professions at once and at the end it will raise the standard of service offered by individual realtor.

Perceived complexity of internet advertisement were and is mostly caused by lack of proper knowledge on the matter.

### **5.3.2. Finance**

Internet advertisement is expensive and that is a fact that will not change for a very long time to come. However internet is more universal media of advertisement than other media of advertisement.

These realtors have their unions depending on operational area. Instead of paying for website advertisement individually they can share up the cost among many union members to reduce individual burden of paying for website creation. This is a easy solution to small capital realtors in internet advertisement financing.

### **5.3.3. Policies**

Based on the data collected it is advisable that policies regarding taxation should address small businesses with small capital to be given tax holiday to help them grow. This way upon growth realtors will be able to expand business and necessitate internet advertisement of their products. However on the other hand realtors should take advantage of favourable policies. The land registration policy or, the trade unions financing policies are, among favourable policies.

#### **5.3.4. Perceived Attributes**

Internet advertisement is truly complex in comparison to RSA&WOM. However this challenge is mainly caused by limited knowledge by the realtors. The realtors need knowledge to understand this complex nature of internet advertisement. In fact the setting up of internet advertisement will be done by IT professionals. The only knowledge they need is on how to use internet to advertise their products. Moreover, advertisement by internet covers large area globally therefore will attract many customers, hence larger market share and profitability.

#### **5.3.5. Further studies**

This study is only a beginning to a wider understanding of the marketing of real estate products in Tanzania. Further and detailed studies are needed in each challenge, not only so but in revealing ways to solve these challenges. This study is not limited to one discipline. The researcher was surprised on how many international journals from information technology field were done on the seemingly similar areas. As was said in justification of the study there is a great need to conduct more of such studies in African context. More studies in particular should be conducted in Tanzanian environment and context.

Technologies advance in fast pace, the traditional method of advertisement will be obsolete due use of electronic media in communications. Therefore there is a need to conduct studies that will reveal mode and conduct of realtor and customer in use of internet advertisement. Also more studies to reveal how internet as media of advertisement will be compatible to people with different personal background.

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## APPENDIX 1

### Part A: for realtors only

1. How old are you?

18-29	30 – 39	40 –49	50 – 59	>60
1	2	3	4	5

2. What is your literacy level?

Informal Education	Primary Education	Secondary Education	Vocational Training	University or College Education
1	2	3	4	5

3. How long have you been in real estate industry?

<5 years	5 – 10 years	>10 years
1	2	3

4. What media do you normally use in advertising your services?

Radio	News Paper	RSA&WOM <sup>1</sup>	Internet
1	2	3	4

5. Why do you use it more often?

6. How much does it cost?

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<sup>1</sup>Road Sideboard Advertisement(RSA) and Word of Mouth(WOM) normally these are used together in aid of mobile phone communication which is written on the road side post or given to customer who ask locals for a real estate agent.

7. Do you know anything about internet advertising?
8. If yes how did you come to know about it?
9. Have you ever used it to advertise your services?
10. Or have you ever considered using it as a media of advertising?
11. Which do you prefer best, internet or other media?
12. If not using internet advertisement, why?
13. If using internet, what are the challenges in using it as a media of advertisement?
  - 13.1.attributes
  - 13.2.government policies
  - 13.3.finance
  - 13.4.knowledge
14. What are the best aspects of internet advertisement as compared to other media?
15. What were the opportunity costs during shifting from other media of advertisement to internet?

**Part B: For customers**

1. Through which media do you use in accessing real estate information?
2. Would you prefer if this information was readily available in the internet?

## APPENDIX 2

The highlighted streets of respective Wards and Divisions of Kinondoni District were reached by the researcher during data collection

DISTRICT	DIVISION	WARD	STREET	
KINONDONI	Magomeni	1. Makurumla	1. . Mianzini	
			2. Kimamba	
			3. Sisi kwa sisi	
			4. Kagera	
			5. Kwa jongo	
			6. Kilimahewa	
		2. Manzese	7. Uzuri	
			8. Midizini	
			9. Kilimani	
			10. Muungano	
			11. Mnazi mmoja	
			12. Mvuleni	
		3. Kimara	13. Matangini	
			14. Mavurunza	
			15. Kimara "B"	
			16. Baruti	
			17. Kimara Baruti	
		4. Mburahati	18. National Housing	
			19. Kisiwani	
			20. Barafu	
5. Ubungo	21. National Housing			
	22. Kibo			
	23. Msewe			

			24. Kisiwani
			25. Chuo Kikuu
		<b>6. Makuburi</b>	26. Makoka
			27. Mwongozo
			28. Kibangu
		<b>7. Sinza</b>	29. Sinza "A"
			30. Sinza "B"
			31. Sinza "C"
			32. Sinza "D"
			33. Sinza "E"
		<b>8. Mabibo</b>	34. Mabibo
			35. Kanuni
			36. Matokeo
			37. Azimio
			38. Jitegemee
		<b>9. Ndugumbi</b>	39. Makanya
			40. Ndugumbi Mpakani
			41. Kagera Mikoroshini
			42. Vigaeni
	<b>2. Kibamba</b>	<b>10 Mbezi</b>	43. Mbezi Luis
			44. Temboni
			45. Msakuzi
			46. Msumi
			47. Mpiji Magohe

		<b>11. Kibamba</b>	48. Kibamba		
			49. Kibwegere		
			50. Kiluvya		
			51. Kwembe		
		<b>12. Goba</b>	52. Kulangwa		
			53. Goba		
			54. Kinzudi		
			55. Matosa		
		<b>13. Kinondoni</b>	56. Kumbukumbu		
			57. Kinondoni Mjini		
			58. Kinondoni Shamba		
			59. Ada Estate		
		<b>14. Mwananyamala</b>	60. Bwawani		
			61. Mwinjuma		
			62. Msisiri "A"		
			63. Kambangwa		
			64. Msisiri "B"		
65. Kopa					
<b>15. Makumbusho</b>	66. Kisiwani				
	67. Mchangani				
	68. Minazini				
	69. Mbuyuni				
	70. Makumbusho				
<b>16. Hananasif</b>	71. Hananasif				
	72. Kisutu				
	73. Mkunguni				
<b>17. Kijitonyama</b>	74. Mpakani "B"				

			75. Bwawani
			76. Alimaua "A"
			77. Alimaua "B"
			78. Mwenge Nzasa
			79. Mpakani "A"
			80. Kijitonyama
		<b>18. Tandale</b>	81. Kwa Pakacha
			82. Sokoni
			83. Kwa Tumbo
			84. Kwa Mkunduge
			85. Kwa Mtogole
			86. Mharitani
		<b>19. Kigogo</b>	87. Kigogo kati
			88. Kigogo Mkwajuni
			89. Kigogo Mbuyuni
		<b>20. Mzimuni</b>	90. Mtambani
			91. Makumbusho
			92. Mwinyi Mkuu
			93. Idrisa
		<b>21. Magomeni</b>	94. Suna
			95. Makuti "A"
			96. Makuti "B"
			97. Dossi
			98. Idrisa
	<b>3. Kawe</b>	<b>22. Msasani</b>	99. Masaki
			100. Oysterbay
			101. Mikoroshini

			102. Makaranga
			103. B/Mpunga
		<b>23. Kunduchi</b>	104. Kilongawima
			105. Tegeta
			106. Wazo
			107. Ununio
			108. Madale
			109. Mtongani
			110. Salasala
		<b>24. Mbweni</b>	111. Mbweni
			112. Mpiji
			113. Maputo
		<b>25. Bunju</b>	114. Boko
			115. Bunju "A"
			116. Bunju "B"
			117. Mabwepande
			118. Mbopo
		<b>26. Kawe</b>	119. Changanyikeni
			120. Ukwamani
			121. Mbezi juu
			122. Changanyikeni
			123. Makongo juu
			124. Malalakuwa
		<b>27. Mikocheni</b>	125. Mikocheni "A"
			126. Mikocheni "B"
			127. Regent Estate.