The effect of marketing strategies on the financial performance of commuter bus operators in Tanzania: Evidence from Morogoro Municipality

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ABSTRACT

This study examined the effect of marketing strategies on the financial performance of commuter bus operators in Tanzania, using evidence from Morogoro Municipality. Guided by the Resource-Based View Theory, the study conceptualized marketing strategies as strategic organizational capabilities capable of improving business outcomes by enhancing passenger attraction, customer retention, and market positioning. The study employed a mixed-methods research approach with a convergent parallel design. Quantitative data were collected through structured questionnaires, while qualitative insights were obtained through semi-structured interviews to explore operators' experiences and challenges in implementing marketing strategies in a competitive commuter transport environment. The target population involved commuter bus operators and and commuter bus owners. Quantitative findings were analyzed using descriptive statistics and inferential techniques, including regression analysis, to determine the effect of marketing-related variables on average daily revenue, while qualitative data were analyzed thematically. The regression results showed that the overall model was statistically significant and explained a moderate proportion of the variation in average daily revenue. Specifically, advertising, branding, operating on high-demand routes, and increasing the number of trips per day had statistically significant positive effects on financial performance. In contrast, fare adjustment and fixed schedules showed insignificant effects. The qualitative findings supported the quantitative results by indicating that traditional marketing practices may contribute to short-term income stability but can limit revenue growth and competitiveness when not complemented with more adaptive and modern marketing approaches. The study concludes that marketing strategies significantly influence the financial performance of commuter bus operators in Morogoro Municipality. It therefore recommends that operators should strengthen marketing capabilities, particularly advertising, branding, customer engagement, and demand-oriented service planning, through consistent implementation and, where feasible, adoption of digital and customer-focused marketing approaches to enhance long-term financial sustainability.

Keywords; Commuter Bus Operators, Effect, Financial Performance, Marketing Strategies, Tanzania

I. INTRODUCTION

Urban public transport systems have historically played a critical role in supporting economic development, labour mobility, and spatial integration in cities worldwide. Since the early twentieth century, commuter bus transport has remained one of the most accessible and flexible forms of urban mobility because of its relatively low investment requirements, operational adaptability, and ability to serve large populations. However, increasing urbanization, population growth, rising operational costs, and intensified competition among transport providers have created significant challenges regarding the financial sustainability of commuter bus operations. Deng et al. (2023) argue that modern urban transport systems must balance service accessibility with financial sustainability because inadequate cost recovery threatens operational continuity. Similarly, Zhang et al. (2024) demonstrate that while government subsidies and policy interventions may enhance transport service provision, they do not automatically improve financial efficiency, emphasizing the need for effective managerial and strategic approaches. Globally, evidence shows that commuter satisfaction and behavioural responses significantly influence the financial viability of transport operators, with factors such as service reliability, affordability, safety, comfort, and accessibility determining passenger choices (Galvez et al., 2025; Javid et al., 2024; Jayakumar et al., 2023). Consequently, transport operators are increasingly required to adopt marketing strategies, including service branding, customer engagement, promotional communication,

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pricing strategies, and market positioning, to attract and retain passengers and improve financial outcomes (Nguyen & Mogaji, 2022).

Across Africa, commuter bus operators operate within increasingly complex environments characterized by rapid urban expansion, increasing mobility demand, informal transport competition, regulatory constraints, and limited financial resources. Major cities in countries such as Ghana, Nigeria, Kenya, and South Africa continue to experience growing demand for affordable public transport services while operators struggle with unstable revenue streams, increasing operating costs, and limited competitive strategies. In Ghana, studies indicate that passenger affordability concerns strongly influence transport usage patterns, often restricting operators' ability to implement cost-reflective pricing strategies (Atombo & Wemegah, 2021; Adom-Asamoah et al., 2021). In Nigeria, Akanmu et al. (2025) reveal that operational and service characteristics significantly influence passenger choices, while Amoo and Aworemi (2024) establish that marketing strategies contribute directly to transport business performance. Similarly, Birundu et al. (2025) demonstrate that innovation and strategic management practices enhance the performance of transport companies in Kenya. Despite these findings, most African transport studies have focused more on service quality, infrastructure improvement, and operational challenges, with limited attention to how marketing strategies influence financial performance indicators such as revenue growth, profitability, customer retention, and market competitiveness. This creates a knowledge gap regarding the role of strategic marketing practices in improving the sustainability of commuter bus businesses within African urban transport systems.

In Tanzania, commuter bus transport remains an essential component of urban mobility, particularly in municipalities experiencing rapid population growth and expanding economic activities. The sector has historically been dominated by privately owned operators functioning under government regulatory oversight, while recent reforms, including the introduction of the Bus Rapid Transit (BRT) system in Dar es Salaam, have aimed to improve efficiency, service quality, and urban transport management. Existing studies have examined various dimensions of Tanzania's commuter transport sector, including service quality, customer satisfaction, infrastructure development, and policy reforms. For example, Njau (2020) found that service quality dimensions significantly influence customer satisfaction within Tanzania's BRT system, while Ndolage (2025) established that commuters' willingness to pay for improved transport services depends largely on perceived value and service improvements. Furthermore, Mwesigwa (2025) examined equity and social inclusion issues within Tanzania's urban transport reforms, while Njele (2025) identified overcrowding and operational inefficiencies as persistent challenges affecting commuter experiences. However, these studies have mainly concentrated on operational and policy aspects of transport systems, providing limited understanding of the role of marketing strategies in enhancing the financial performance of commuter bus operators. Although regulatory frameworks implemented by the Land Transport Regulatory Authority (LATRA), fare controls, and infrastructure investments have improved service regulation, many operators continue to experience financial challenges due to increasing fuel prices, maintenance costs, competition, and changing passenger expectations. Therefore, there is limited empirical evidence on how marketing practices such as advertising, digital promotion, branding, customer relationship management, and service differentiation contribute to improved financial outcomes among commuter bus operators in Tanzania.

Morogoro Municipality provides an important context for examining the relationship between marketing strategies and financial performance among commuter bus operators. As one of Tanzania's growing urban centres, Morogoro Municipality has experienced increased demand for commuter transport services due to population growth, commercial activities, educational institutions, and expanding daily mobility needs (Njau, 2020). Despite this growing demand, many commuter bus operators in the municipality continue to rely mainly on traditional approaches, particularly fare adjustments and route availability, rather than adopting deliberate marketing strategies aimed at attracting and retaining customers. Limited use of promotional activities, digital marketing, branding, customer loyalty initiatives, and service differentiation may constrain operators' ability to improve revenue generation and maintain long-term competitiveness.

Moreover, existing research on Tanzania's commuter transport sector has largely focused on Dar es Salaam, especially the BRT system, leaving limited evidence on secondary urban areas such as Morogoro Municipality (Ndolage, 2025). This represents a significant research gap because commuter bus operators operate as business entities whose sustainability depends not only on transport service provision but also on effective market-oriented strategies. Therefore, this study seeks to examine the effect of marketing strategies on the financial performance of commuter bus operators in Tanzania: Evidence from Morogoro Municipality, with the aim of generating empirical insights on how marketing practices can enhance profitability, competitiveness, and sustainable growth within Tanzania's urban transport sector.

1.1Research Objective

This study is set for the purpose of examining the effect of marketing strategies on the financial performance of commuter bus operators in Morogoro Municipality, Tanzania,

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II. LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Resource Based View Theory

The study is underpinned by Resource-Based View (RBV) Theory, introduced by Barney (1991), explains that organizations achieve sustainable competitive advantage and improved performance by developing and effectively utilizing internal resources and capabilities that are valuable, rare, difficult to imitate, and difficult to substitute. These resources may include physical assets such as buses, terminals, and operational facilities, as well as intangible resources such as managerial skills, customer relationships, service quality, innovation, and marketing capabilities. In the context of this study, marketing strategies are considered strategic organizational resources that commuter bus operators can utilize to improve financial performance. Specifically, strategies such as competitive pricing, advertising, digital promotion, customer relationship management, service branding, and service differentiation represent internal capabilities that can enable operators to attract more passengers, increase customer loyalty, strengthen market positioning, and improve revenue generation. For commuter bus operators in Morogoro Municipality, financial performance is not determined only by external factors such as passenger demand, government regulations, or competition, but also by how effectively operators develop and apply their marketing capabilities to create value for customers. Therefore, RBV provides a suitable theoretical foundation for examining how marketing strategies influence financial outcomes by explaining that operators possessing stronger marketing capabilities are more likely to achieve better profitability, increased passenger volumes, and sustainable business growth (Barney, 1991; Nguyen & Mogaji, 2022; Amoo & Aworemi, 2024).

The practical application of RBV in this study is reflected in its ability to explain how commuter bus operators can use marketing resources to improve their financial performance within the competitive urban transport environment of Morogoro Municipality. The theory guides the study in assessing how existing marketing practices, including fare-setting approaches, promotional activities, branding initiatives, and customer engagement mechanisms, contribute to attracting and retaining passengers and enhancing business returns. For example, operators who effectively use digital marketing platforms, develop recognizable service brands, communicate value to passengers, and maintain positive customer relationships may gain a competitive advantage over operators who rely only on traditional operational approaches. Furthermore, RBV helps explain variations in financial performance among commuter bus operators by suggesting that differences in internal marketing capabilities and strategic resource utilization may result in different levels of revenue growth, profitability, and market competitiveness. The theory also supports identifying opportunities for improving marketing capabilities, such as adopting innovative promotional strategies, customer loyalty programs, and technology-based communication approaches, which can strengthen operators' financial sustainability. This application addresses the limited attention given in Tanzanian transport research to marketing as an internal strategic resource, where previous studies have mainly focused on service quality, regulation, infrastructure, and passenger satisfaction rather than the contribution of marketing capabilities to business performance (Ndolage, 2025; Galvez et al., 2025). Therefore, RBV provides an appropriate framework for linking marketing strategies with financial performance and guiding recommendations for enhancing the competitiveness and sustainability of commuter bus operators in Morogoro Municipality.

2.2 Empirical Review

Globally, empirical studies have increasingly highlighted the importance of marketing strategies in strengthening the financial sustainability and competitiveness of public transport operators. Deng et al. (2023) emphasise the need to balance service accessibility with financial sustainability, while Zhang et al. (2024) demonstrate that government subsidies and policy interventions do not necessarily translate into improved financial efficiency. These findings suggest that transport operators require deliberate business strategies beyond operational improvements to achieve sustainable financial outcomes. In particular, Galvez et al. (2025), Javid et al. (2024), and Jayakumar et al. (2023) establish the importance of service reliability, affordability, safety, comfort, and accessibility in influencing commuter satisfaction and travel choices. Similarly, Nguyen and Mogaji (2022) highlight the relevance of marketing strategies, including customer engagement, promotional communication, pricing, branding, and market positioning, in attracting and retaining customers. Evidence from Africa further supports the relevance of strategic marketing to transport business performance. Atombo and Wemegah (2021) and Adom-Asamoah et al. (2021) demonstrate that affordability influences transport usage in Ghana, while Akanmu et al. (2025) identify operational and service characteristics as important determinants of passenger choices in Nigeria. Amoo and Aworemi (2024) establish that marketing strategies contribute to transport business performance, whereas Birundu et al. (2025) show that innovation and strategic management practices enhance transport company performance in Kenya. However, although these studies establish the importance of service characteristics, marketing, and strategic management, the available evidence provides limited clarity on the specific contribution of individual marketing strategies to financial performance

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indicators such as profitability, revenue growth, customer retention, and market competitiveness among commuter bus operators. Consequently, further empirical investigation is necessary to establish how deliberate marketing practices translate into measurable financial benefits within different urban transport contexts.

In Tanzania, existing empirical studies have predominantly examined service quality, commuter satisfaction, transport infrastructure, and regulatory reforms, leaving the relationship between marketing strategies and the financial performance of commuter bus operators insufficiently explored. Njau (2020) found that service quality dimensions significantly influence customer satisfaction within the Bus Rapid Transit (BRT) system, while Ndolage (2025) established that commuters' willingness to pay for improved transport services depends on perceived value and service improvements. Mwesigwa (2025) examined equity and social inclusion in urban transport reforms, whereas Njele (2025) identified overcrowding and operational inefficiencies as challenges affecting commuter experiences. Although these studies provide useful insights into transport service delivery and commuter behaviour, they do not sufficiently establish how marketing strategies influence operators' financial outcomes. Moreover, the concentration of existing research on Dar es Salaam, particularly its BRT system, limits understanding of the experiences of commuter bus operators in secondary urban centres. This gap is particularly relevant to Morogoro Municipality, where increasing transport demand does not automatically guarantee improved financial performance because operators must also attract passengers, retain customers, manage operating costs, and differentiate their services in a competitive environment. Therefore, the present study, The Effect of Marketing Strategies on the Financial Performance of Commuter Bus Operators in Tanzania, seeks to address this empirical and contextual gap by examining how marketing strategies relate to the financial performance of commuter bus operators. Its contribution lies in shifting the analytical focus from service delivery and regulatory conditions towards the business strategies that may influence revenue generation, profitability, customer retention, and competitiveness. By investigating these relationships in Morogoro Municipality, the study is expected to provide context-specific evidence that can inform marketing decisions among commuter bus operators and support the development of more financially sustainable urban transport businesses in Tanzania.

III. METHODOLOGY

3.1 Research Approach and Design

This study adopted a mixed-methods research approach using a convergent parallel design to examine the effect of marketing strategies on the financial performance of commuter bus operators in Tanzania, with evidence from Morogoro Municipality. The quantitative approach was used to measure the relationship between marketing strategies, including pricing strategies, promotional activities, service branding, digital marketing, and customer engagement, and financial performance indicators such as revenue growth, profitability, and customer retention. The qualitative approach complemented the quantitative findings by exploring operators' experiences, perceptions, and challenges in implementing marketing strategies within the competitive commuter transport environment. The simultaneous collection and integration of both quantitative and qualitative data enhanced the depth, reliability, and validity of the findings by providing both measurable relationships and contextual explanations of how marketing strategies influence business performance.

3.2 Study Area

The study was conducted in Morogoro Municipality, Tanzania, where commuter bus services play an important role in meeting the transport needs of a growing urban population. The area was selected because it has privately operated commuter buses and a competitive transport market in which operators face challenges related to revenue generation, customer retention, and business sustainability. These characteristics made Morogoro Municipality an appropriate setting for examining how marketing strategies—such as pricing, promotion, customer engagement, and service differentiation-relate to the financial performance of commuter bus businesses outside major metropolitan areas.

3.3 Target Population

The target population comprised commuter bus operators providing urban transport services in Morogoro Municipality. The study also involved selected key informants with relevant knowledge of the operators' marketing practices, business operations, and competitive environment. Operators were the main source of information on marketing activities and financial performance, while key informants provided additional perspectives on operational challenges and strategies used to attract and retain customers. This population was appropriate because its members had direct experience of the issues investigated.

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3.4 Sampling and Sample Size

A combination of purposive and simple random sampling was used. Purposive sampling was applied to identify commuter bus operators and key informants with relevant experience and knowledge of urban transport services in Morogoro Municipality. Where a list of eligible operators was available, simple random sampling was used to select respondents from that list, giving eligible operators a fair chance of inclusion and helping to reduce selection bias. The study sample consisted of **230** commuter bus operators **and** 3 key informants**;** these figures should be completed to report the actual sample size.

3.5 Data Collection Instruments and Procedures

Data were collected using questionnaires and semi-structured interviews. Questionnaires were administered to commuter bus operators to obtain quantitative information about their marketing practices, including advertising, pricing, promotions, customer engagement, and service differentiation, as well as financial performance indicators such as revenue trends, profitability, and customer growth. Semi-structured interviews were conducted with selected key informants to explore operational challenges, market competition, and approaches used to improve business performance. Using both instruments enabled the study to gather comparable responses from operators while also obtaining detailed explanations of the circumstances in which their marketing strategies were applied.

3.6 Data Analysis

Quantitative data from the questionnaires were analysed using descriptive statistics, including frequencies, percentages, means, and standard deviations, to summarize respondents' marketing practices and financial performance. Correlation and regression analyses were used to examine the relationships between marketing strategies and financial performance. Interview data were analysed thematically by identifying recurring ideas concerning marketing challenges, competitive opportunities, and strategies for improving business performance. The findings from the quantitative and qualitative analyses were considered together to provide a fuller account of how marketing decisions relate to revenue generation, customer attraction, and the sustainability of commuter bus businesses in Morogoro Municipality.

3.7 Ethical Considerations

Ethical procedures were followed throughout the study. Permission to conduct the research was obtained from the relevant authorities, and informed consent was obtained from each participant before data collection. Participants were told the purpose of the study, that their participation was voluntary, and that they could withdraw at any stage. Their identities and responses were kept confidential, and the information collected was used only for academic purposes. These measures helped protect participants' rights and supported open and honest responses about their marketing practices and business performance.

IV. FINDINGS & DISCUSSION

4.1 Findings

4.1.1 Effect of Marketing Strategies on Financial Performance

Findings from Table 1 presented the multiple regression results on the effect of marketing strategies on the financial performance of transport operators, measured by average daily revenue. The overall regression model was statistically significant ($F = 34.49$, $p = 0.001$), indicating that the independent variables together explain variations in average daily revenue. The R-squared value of 0.481 implies that approximately 48.1% of the variation in average daily revenue is explained by the independent variables included in the model, while the remaining 51.9% is explained by other factors not captured in the model. This suggests that the model has a moderate explanatory power and that marketing strategies play an important role in influencing financial performance.

Table 1

multiple regression results on the effect of marketing strategies (N – 230)

Variables	**Coefficient**	**Std. err.**	**t**	**P-value**
Advertisement	1790.318***	262.648	6.82	0.000
Branding	2922.585***	267.436	10.93	0.000
Route with high demand	4349.248***	769.54	5.65	0.000
Average trips per day	213.396***	69.8143	3.06	0.003
Fare adjustment	-35.755	350.012	-0.10	0.919
Fixed schedules	-1165.699	776.103	-1.50	0.135
Constant	45242.49	1774.999	25.49	0.000

Dependent variable: Average daily revenue

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F - Value 34.49, P < F 0.000, R Square 0.481
Notes: *** represent statistical significant levels at 1%.

The findings further show that advertisement had a positive and statistically significant effect on average daily revenue (β = 1790.318, p = 0.001). This implies that firms engaging in advertisement generated approximately TZS 1,790 more in daily revenue compared to those that did not advertise, holding other factors constant. The result suggests that advertisement helps transport operators attract more customers and improve business visibility, thereby increasing revenue generation. The implication is that transport businesses should invest more in promotional and advertising activities to strengthen market awareness and customer attraction.

> *However, interview responses have reported different effects of the old marketing strategies on the financial performance of the commuter buses as they demonstrated down here;In my experience, traditional strategies such as fixed routes, manual fare collection, and reliance on passenger queues help maintain steady daily income but limit opportunities for revenue growth. They noted that lack of flexibility in pricing sometimes reduces competitiveness during low-demand periods*" (Manager 2 on the 23rd April 2026).

Similarly, bus owner 2 had this to say;

> *You know**, t**raditional strategies contribute positively to stable daily cash flow, but theyalso lead toincome fluctuations when passenger demand is low or competition is high. They emphasized that poor service quality or lack of innovation reduces passenger loyalty, affecting long-term profitability* (Bus owner 2 on the 23rd April 2026).

Again, response from marketing staff demonstrated that;

> *In my experience**, traditional approaches such as word-of-mouth and physical presence at bus stands still generate passengers but are becoming less effective due to increasing competition and digital transformation. They noted that buses that fail to modernize their marketing approaches tend to experience declining passenger numbers and reduced earnings* (Marketing staff 2 on the 23rd April 2026).

The interview findings indicate that traditional marketing strategies in the commuter bus sector of Morogoro Municipality have mixed effects on financial performance. Manager 2 explained that approaches such as fixed routes, manual fare collection, and reliance on passenger queues help ensure steady daily income, but they limit revenue growth and reduce competitiveness, especially during periods of low demand due to inflexible pricing systems. Similarly, Bus Owner 2 observed that while traditional strategies support stable daily cash flow, they also contribute to income fluctuations when passenger demand decreases or competition intensifies, further noting that limited service innovation and poor quality reduce customer loyalty and long-term profitability. In addition, Marketing Staff 2 emphasized that although word-of-mouth promotion and physical presence at bus stands still generate passengers, these methods are increasingly becoming less effective in the face of rising competition and digital transformation. Overall, the responses suggest that traditional marketing strategies remain useful for short-term income stability but are inadequate for ensuring sustained financial growth and competitiveness in the evolving transport market.

Branding was also found to have a positive and statistically significant effect on average daily revenue (β = 2922.585, p = 0.001). This indicates that an increase in branding efforts contributes to an increase in daily revenue by approximately TZS 2,923, holding other variables constant. The result implies that strong branding improves customer trust, recognition, and loyalty, which eventually enhances financial performance.

Route with high demand:Similarly, operating routes with high demand had a positive and statistically significant influence on average daily revenue (β = 4349.248, p = 0.001). This means that operators serving high-demand routes earned about TZS 4,349 more daily revenue compared to those operating on less demanded routes, ceteris paribus. This finding suggests that market-oriented route selection is crucial for maximizing revenue. Average trips per day also showed a positive and statistically significant relationship with average daily revenue (β = 213.396, p = 0.003). This indicates that each additional trip made per day increases average daily revenue by approximately TZS 213, holding other factors constant. The result implies that increasing operational frequency contributes positively to revenue generation because more trips enable firms to serve more passengers.

Therefore, the findings regarding the impact of traditional marketing strategies on the financial performance of Commuter Buses indicated that marketing strategies significantly influence the financial performance of commuter bus operators in Morogoro Municipality, although their effectiveness varies depending on the type of strategy adopted and the extent of implementation. The regression model demonstrated moderate explanatory power (R^2 = 48.1%), suggesting that while marketing strategies are important determinants of daily revenue, financial performance is also shaped by additional operational, economic, and contextual factors not captured in the model. Specifically, advertisement, branding, operating on high-demand routes, and increasing trip frequency were found to positively and significantly influence revenue, implying that customer visibility, market positioning, demand-oriented route planning, and operational efficiency contribute meaningfully to business profitability. In contrast, fare adjustment and fixed schedules

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showed statistically insignificant effects, indicating that conventional pricing and rigid scheduling practices may no longer provide competitive advantage or substantial financial returns in a dynamic transport market. Qualitative findings reinforce this interpretation by revealing that traditional strategies such as manual fare collection, passenger queues, word-of-mouth promotion, and fixed operational routines still provide short-term income stability but increasingly limit growth, customer retention, and competitiveness due to weak innovation, poor flexibility, and growing digital transformation. This suggests that long-term financial sustainability depends not merely on increasing passenger numbers, but on integrating strategic branding, innovation, service quality improvements, operational efficiency, and adaptive marketing systems capable of responding to changing commuter expectations and market competition.

4.2 Discussion

The findings of the regression results about the effects of traditional marketing strategies indicated that marketing strategies significantly influence the financial performance of commuter bus operators in Morogoro Municipality, as evidenced by a statistically significant model ($F = 34.49$, $p < 0.001$) and an R^2 value of 0.481. This implies that 48.1% of the variation in average daily revenue is explained by marketing-related variables, while the remaining variation is influenced by other operational and contextual factors. This finding aligns with the arguments of Deng et al. (2023), who emphasize that transport system performance is shaped by a combination of operational strategies and external socioeconomic factors, including service design and demand patterns. Similarly, Mayo and Taboada (2020) argued that commuter choices and transport profitability are strongly influenced by service-related factors such as convenience, visibility, and accessibility. However, the moderate R^2 also suggests that while marketing strategies are important, they are not the sole determinants of financial performance, supporting Ndolage (2025), who highlights that financial readiness, affordability, and external economic conditions also significantly affect public transport sustainability in Tanzania.

The findings further revealed that advertisement has a positive and significant effect on average daily revenue, implying that operators who engage in promotional activities earn higher income. This result supports Javid et al. (2024), who found that effective communication and service promotion significantly enhance passenger satisfaction and intention to use public transport, ultimately improving revenue performance. Similarly, Galvez et al. (2025) argue that visibility and information accessibility strongly influence commuter trust and service usage in urban transport systems. However, the relatively modest coefficient suggests that while advertisement increases awareness, its impact may be constrained by service quality and reliability issues. This is consistent with Jayakumar et al. (2023), who caution that promotion alone cannot sustain satisfaction unless matched with consistent service delivery. Therefore, although advertisement is important for attracting passengers, its financial impact is maximized only when integrated with improved operational performance.

Findings indicated that branding was also found to have a strong positive and significant effect on revenue, indicating that well-branded commuter buses generate higher daily income. This finding is consistent with Li et al. (2024), who demonstrate that perceived service quality and satisfaction significantly shape transport usage behaviour, with branding serving as an important signal of reliability and professionalism. Likewise, Moghayedi et al. (2023) emphasize that commuter transport choices are influenced by psychological perceptions such as trust, safety, and recognition, which are strengthened through effective branding strategies. However, the effectiveness of branding in the current context may be limited by the informal nature of commuter transport operations, where branding is often inconsistent or poorly maintained. This partially contradicts Mwesigwa (2025), who notes that in many African urban transport systems, weak institutional regulation reduces the effectiveness of marketing signals such as branding. Despite these limitations, the findings suggest that branding remains a powerful differentiator in competitive transport markets, contributing to passenger loyalty and improved financial outcomes.

The results also show that operating on high-demand routes and increasing the number of trips per day significantly enhance average daily revenue, reinforcing the importance of operational efficiency in transport marketing performance. These findings support Mayo and Taboada (2020), who argue that route selection and service frequency are key determinants of commuter transport demand and profitability. Similarly, Deng et al. (2023) emphasize that demand concentration in urban transport systems significantly affects revenue distribution, with high-density routes generating more stable financial returns. However, the insignificance of fare adjustment and fixed schedules suggests that rigid operational structures do not contribute meaningfully to financial performance, and may even limit responsiveness to market demand. This aligns with Ndolage (2025), who highlights that inflexible pricing and scheduling systems reduce the ability of transport operators to respond to commuter needs and market fluctuations. In contrast, the interview findings reinforce this interpretation by showing that while traditional strategies such as fixed routes and manual fare collection ensure short-term income stability, they constrain revenue growth, reduce competitiveness, and weaken long-term sustainability. Overall, this supports the broader argument in Galvez et al. (2025) and Javid et al. (2024) that transport systems perform better financially when they combine demand-responsive operations with customer-oriented service strategies rather than relying solely on traditional, rigid operational models.

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V. CONCLUSION & RECOMMENDATIONS

5.1 Conclusion

This study concludes that marketing strategies significantly influence the financial performance of commuter bus operators in Tanzania, with evidence from Morogoro Municipality. The findings demonstrate that marketing-related factors explain a substantial proportion of variations in operators' financial performance, as indicated by the significant regression model and an R^2 value of 48.1%. Specifically, advertisement, branding, operating on high-demand routes, and increasing the number of daily trips were found to have positive and statistically significant effects on average daily revenue. This implies that commuter bus operators who actively promote their services, establish recognizable brands, strategically select profitable routes, and increase service frequency are more likely to achieve improved revenue performance. The findings confirm that marketing strategies are not merely promotional activities but important business resources that enhance customer attraction, market visibility, competitiveness, and profitability. Therefore, the financial sustainability of commuter bus operators depends increasingly on their ability to move beyond traditional operational practices and adopt market-oriented strategies that respond to changing passenger needs and competitive pressures.

Furthermore, the study concludes that while traditional marketing approaches continue to support short-term income stability, they are insufficient for achieving long-term financial growth and competitiveness in the commuter transport sector. Strategies such as fixed routes, manual fare collection, passenger queues, and word-of-mouth promotion provide basic operational continuity but limit flexibility, innovation, and customer engagement in an increasingly competitive and digitally influenced market. The insignificant effects of fare adjustment and fixed schedules further suggest that rigid traditional approaches alone cannot guarantee improved financial performance. Instead, sustainable growth requires commuter bus operators to integrate modern marketing practices, including effective advertising, strong branding, customer relationship management, digital communication, demand-responsive route planning, and improved service delivery. Therefore, the study concludes that strengthening marketing capabilities among commuter bus operators in Morogoro Municipality is essential for enhancing revenue generation, improving market competitiveness, and ensuring the long-term financial sustainability of urban commuter transport businesses in Tanzania.

5.2 Recommendations

Based on the findings, the study recommends that commuter bus operators in Morogoro Municipality should strategically strengthen their marketing capabilities by moving from traditional operational approaches toward more innovative, customer-oriented, and technology-based marketing practices. Operators should invest more in advertising, branding, and digital promotion through platforms such as social media, mobile communication, and online customer engagement channels to increase service visibility, attract new passengers, and strengthen customer loyalty. Since branding was found to have a strong positive influence on financial performance, operators should develop consistent brand identities through improved vehicle appearance, service reliability, customer care, and professional communication to differentiate themselves in the competitive transport market. Furthermore, operators should adopt demand-oriented operational strategies by prioritizing high-demand routes, optimizing trip frequency, and using passenger demand information to improve route planning and revenue generation. Transport associations and relevant authorities, including LATRA, should support operators through training programmes on marketing management, digital technologies, customer relationship strategies, and business planning to enhance their competitiveness. Additionally, operators should reduce overdependence on rigid traditional approaches such as fixed pricing structures and informal promotion methods by adopting flexible and responsive strategies that align with changing commuter expectations. These measures would enable commuter bus operators to improve financial performance, increase profitability, and achieve sustainable growth within Tanzania's urban transport sector.

Declaration of Interest

The authors declare that they do not have any known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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