

ABSTRACT

For women entrepreneurs to effectively contribute towards socio-economic development in Tanzania, access to credit is very important. However, use of credit has been a major setback for their entrepreneurial development. This study was carried out to assess credit use and performance of women owned micro enterprises, taking Opportunity International clients in Moshi Municipality as a case study. Qualitative Data were collected by using interview whereas quantitative data were gathered using questionnaires and documentary review. A multiple regression analysis was applied in data analysis where; the Statistical Package for Social Science (SPSS) and Micro-soft Excel computer software was employed. Furthermore, in determining performance of women owned micro enterprises, a gross profit margin was employed. Effectiveness, efficiency and productivity were used as performance indicators. It was found that mobile banking, restaurants and retail shops had better performance whereas; retail shops were the most profitable businesses. House hold size and amount of money spent in business alone significantly influenced performance of women owned micro enterprises. Women are urged to establish retail shops and mobile banking such as M-pesa, Airtel money, easy pesa and Tigo-pesa because they are most efficient and profitable businesses in their localities. On the other hand, Opportunity International is argued to diversify its products because the study found out that despite the fact that women apply for business loans, a significant amount of the same loan was directed to non-business activities.