

UTILIZATION OF SOCIAL MEDIA BY ONLINE ENTREPRENEURS FOR SUCCESSFUL CUSTOMER AWARENESS IN ANAMBRA STATE, NIGERIA

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Abstract

The study examined the extent social media are utilized by online entrepreneurs for successful customer awareness in Anambra State Nigeria. These new media and attendant tools have been resorted to by online entrepreneurs to reach their customers who are widely dispersed. The concern of the study was that the extent online entrepreneurs utilized social media tools for marketing purpose was not known. The study adopted descriptive survey research design and the population for the study was 1450 entrepreneurs out of which 10 percent sample size was taken. Two research questions guided the study and one hypothesis was tested at 0.05 level of significance. A structured questionnaire was used as instrument for data collection. Mean and standard deviation was used to answer the research questions while z test was used to test the null hypothesis. Findings made from the study showed that online entrepreneurs in Anambra State utilized social media to a great extent in creating customer awareness. Findings also revealed that online entrepreneurs were active on social media between 13 – 16hrs everyday which gave them round the clock access to their customers. The study recommended among others that entrepreneurs who are not using social media in Anambra State should make effective use of social media sites and utilize the attendant potentials in creating successful customer awareness in order to broaden the scope of their businesses and generate more income.

Keywords: Utilization, Social media, online entrepreneurs, Customer awareness

Introduction

Social media came into existence in the 1990s. Boyd and Ellison, (2007) documented that the first recognizable social network site called “Six degrees” was launched in 1997 on sixdegrees.com. It allowed users to create profiles, list and surf friends’ lists. While Six Degrees attracted millions of users, it failed to become a

sustainable business and in the year 2000, the service came to an end. In 2002, social media received a great boost with the launch of Friendster. Within a year of its launch, Friendster recorded more than three million registered users and a ton of investment interests. According to (Boyd & Ellison, 2007) In 2003, My Space, LinkedIn, Last FM, Tribe net, Hi5 among others sprang up. In 2004, popular names like Facebook Harvard, Dogster and Mixi evolved. From 2005 till date a lot more of social media sites were launched for example Twitter, 2go, Watsapp, Google Plus, Badoo

Kaplan and Heinlein (2010) defined social media as computer mediated tools that allow people to create, share or exchange information, ideas, pictures, videos in virtual communities and networks. Social media is defined as a group of Internet-based applications that build on the ideological and technological foundations of web 2.0 and allows for the creation and exchange of user generated content (Hussian and Adamu, 2014). Social media is a category of online media where people talk, participate, share, network and bookmark online. It is also known as the new media that speed up conversations in a more interactive way which makes communication more effective and worthwhile. It is an online media that takes communication beyond the limitations of the traditional media (Ogbe, 2014).

According to Okoro and Nwafor (2013), social media is an interactive web-based platform that offers citizens opportunity and place to connect, share opinions, experiences, views, contacts, knowledge, expertise, as well as other issues like job and career tips. An expanded definition is that social media is a process that empowers individuals to promote their websites, products, or services through online social channels and to communicate with and tap into a much larger community that may not have been available via traditional advertising channels (Stan, 2012). The emergence of social media is changing many traditional ways of doing business. The innovative application of social media platforms, (notably by konga.com, Jumia.com, olx, gloo.ng, and gidimall and so on in Nigeria) helps to drive customer awareness, interaction and marketing campaigns and has been identified by industry watchers as a fundamental factor responsible for their massive success in business (Uzor, 2014).

According to Ramsay (2010), the 21st century has seen a shift in the way entrepreneurs market their products and services. Ramsay revealed that entrepreneurs who use social media for marketing are presently experiencing new development. It has made consumers more accessible, it has emerged with a completely new set of communication tools that make the process of exchanging information much easier and faster, and it has compelled entrepreneurs to rethink how they communicate with their customers.

Entrepreneurs have been widely acknowledged as the most viable vehicle for sustaining industrial development because they possess the capacity to promote indigenous enterprise culture (Ugwushi, 2009). According to Olatokun and Bankole (2011), male and female entrepreneurs in Nigeria use social media as a marketing tool for creativity, open communication and sharing of knowledge with their customers. Social media allows online entrepreneurs gain access to resources that might otherwise not be available to them. It also aids the development of business worthiness, increase the customer and supplier contacts and bring to light where resources and funding are available, promote innovation and help in the cultivation of strategic partnerships.

An online entrepreneur is seen as a person who makes use of communication tools and internet platform to influence business. The online entrepreneur uses social media as a platform to transfer video, photos, text and information among internet users who are the

customers (Brogam, 2010). According to O'Reilly (2006) the online entrepreneur uses social media for marketing in the present day. The online entrepreneur understands the roles of social media and brings in business on the internet platform with user generated content where all the individuals are present.

Sandsiv (2011) enumerated the reasons why online entrepreneurs use social media for marketing to include reduced cost, increased revenue, brand building, product feedback and ground monitoring. An online entrepreneur must use social media for marketing because social media is a fast track in connecting with consumers and easy to change behaviour and decisions. It gives online entrepreneurs lower cost in advertising and promotion, easy brand awareness, facilitates easy monitoring of business failure and creates a large reach to consumers.

In Nigeria today, the social media and marketing are like twins that are inseparable and are becoming increasingly important in business awareness and development. They have become more important than traditional media as a trusted, faster, and directly connected source of information (Adegbuyi, 2013). Marketing is a crucial activity that aids the survival and success of business. Businesses in the 21st century have more marketing opportunities today than ever before and the quest for faster ways and means for male and female entrepreneurs in sending their messages regarding the availability of goods, prices, and location has led to the use of social media where everyone is present. (Babble, 2013).

The findings of the study would equip entrepreneurs with more knowledge about the effectiveness of using social media in business. Entrepreneurs will be able to measure consumer feedback on goods and services in order to improve their businesses and increase profit. The findings of the study would also enable entrepreneurs consider different social media tools for marketing purposes, and know the benefits of using each tool effectively.

The findings would enable the society to become aware of the positivity of social media marketing, its influence and need in any business growth. Also the society would be able to know different social media platforms and how to use each one to the advantage of promoting a business. The findings would also enable communication technology industry to know the influence social media has made and will continue to make in a business. Also the findings will encourage the ICT industry to upgrade to higher technologies and platforms to make business more global.

Statement of the Problem

Studies have shown that the traditional media is no longer the gatehouse of quick access to information because messages are not quickly passed on. The traditional media was found to be slow and not easy for entrepreneurs to promote consumer awareness as effectively as they wanted. The real problem with the traditional marketing however comes down to one truth: marketers are out of touch with consumers to whom they are marketing their products to. The gap between what the consumers want and what the traditional marketing is offering is the reason many consumers are looking somewhere else for ideas about which products to buy and which brand to promote.

In the present, traditional media seem to be falling out of trend especially in this 21st century when everyone and everything is done through the internet. The concern of the study is to ascertain the extent online entrepreneurs utilize social media tools for marketing purposes. It is against these backdrops that this study examined the extent of utilization of social media by online entrepreneurs for customer awareness in Anambra State.

Purpose of the Study

The main purpose of the study was to determine the extent of utilization of social media by online entrepreneurs for successful customer awareness in Anambra State, Nigeria.

Specifically, the study determined the extent:

- (1) social media sites are utilized by online entrepreneurs for successful customer awareness.
- (2) how much time online entrepreneurs spend on social media sites in creating awareness of their products and services to their customers.

Research Questions

The following research questions guided the study:

1. To what extent are social media sites utilized as a marketing tool by online entrepreneurs for customer awareness?
2. How much time do online entrepreneurs spend on creating awareness of their products and services to their customers

Hypothesis

The null hypothesis below was tested at 0.05 level of significance

1. There is no significant difference in the mean ratings of male and female online entrepreneurs regarding the extent of utilization of social media sites for customer awareness.

Method

Descriptive survey research design was used for this study. This research design is one in which a group of people or items are studied by collecting and analyzing data from only a few people or items considered to be representative of the entire group (Nworgu, 2006). The study was conducted in Anambra State Nigeria. Anambra State is located in the south-east geopolitical zone of Nigeria. The population size of the study was gathered from Businesslist.com.ng, in 2016 which listed 1450 entrepreneurial businesses using social media in Anambra State as a marketing tool. Out of the total population of 1450 entrepreneurial businesses, a sample size of 145, representing 10 percent of the population was selected. According to Olaitan, Eyo, Ali and Sowande (2000), when a population runs into few hundreds, it is advisable to use 40 percent or more, when several hundred use 20 percent, when a thousand use 10 percent and when several thousand use 5 percent or less. Consequently 10 percent of the total population of 1450 was selected through the use of simple random sampling. A structured questionnaire with 15 items altogether in three clusters was used for data collection. The reliability of the instrument was analysed using the test-retest and a correlation co-efficient (r) value of 0.90 was obtained.

A total of 145 Copies of the questionnaire were administered by the researchers with the help of research assistants who were briefed on the purpose of the study. Out of a total of one hundred and forty-five copies of the questionnaire, five copies were not correctly filled. Therefore the researchers were left with one hundred and forty copies which were effectively completed and used for data analysis. Data collected in the study were analysed using the mean of scores and standard deviation for the research questions, while z- test was used to test the hypothesis at 0.05 level of significance. Data analyzed was interpreted thus: for the first research question, an item with the mean score of 4.50-

5.00 was used to a Very great extent (VGE), mean scores between 3.50-4.49 was regarded as great extent, 2.50-3.49 was regarded as moderate extent, 1.50-2.49 was regarded as low extent while 0.50-1.49 was regarded as very low extent. For the second research question, an item with the highest frequency was regarded as the highest number of hours spent on social networking sites.

Results

The results of the study are presented below:

Research question 1:

To what extent are social media sites utilized as a marketing tool by online entrepreneurs for customer awareness?

Table 1: Entrepreneurs Mean Rating’ on Social Media Sites utilized for Customer Awareness N= 140

S/NO	Social Media Sites For Customer Awareness	Mean	SD	Remark
1	Facebook	4.5	0.8	Very Great extent
2	Twitter	4.0	1.0	Great Extent
3	Youtube	2.5	1.1	Moderate Extent
4	Instagram	3.2	1.0	Moderate Extent
5	Linkedin	2.4	0.9	Low Extent
6	Whatsapp	4.7	0.7	Very Great extent
7	Googleplus	3.9	1.3	Great Extent
8	Blackberry messenger	4.4	0.9	Great Extent
9	Blogs	3.3	1.5	Moderate Extent
10	Pintrest	2.2	1.3	Low Extent
Cluster mean		3.5		Great Extent

The data contained in Table 1 show answers to the first research question on the extent of utilization of social media sites as a marketing tool for customer awareness. The results indicate that online entrepreneurs use both Facebook and whatsapp to a very great extent; and twitter, Googleplus and blackberry messenger to a great extent. On the other hand, the responses of the entrepreneurs also indicate that youtube, instagram, and blogs are moderately used while pintrest and linkedin are used to a low extent by entrepreneurs in creating customer awareness. With a cluster mean value of 3.5, it is clear that social media sites are all utilized by online entrepreneurs in creating customer awareness. Online entrepreneurs in Anambra State utilized mostly social media sites which create much traffic for them in marketing their products while those sites which do not generate much traffic are not frequently used.

Research question 2:

How much time do online entrepreneurs spend on social media to create customer awareness?

Table 2: Frequency count and percentage of online entrepreneur’s responses on the amount spent online

S/N	Hours spent on using social Networking sites	frequency	percentage
1	13 -16hrs	71	50.7
2	10 -13hrs	50	35.7
3	7 – 10hrs	10	7.1
4	4 – 7hrs	7	5.0
5	1 – 4hrs	2	1.4

The data in Table 2 reveal five categories of time spent by online entrepreneurs on social media to create awareness. The respondents expressed the view that majority of them spent 13 – 16hrs daily online. This has the highest frequency and percentage of 71 (50.7). This is followed by 10 – 13hrs with the frequency and percentage of 50 (35.7), while the respondents that spent only 1 – 4hrs daily are just 2 (1.4)

Hypothesis 1

There is no significant difference in the mean ratings of male and female entrepreneurs regarding the utilization of social media sites as a marketing tool.

Table 3: Summary of z-test analysis of male and female entrepreneurs on the extent social media sites are utilized as a marketing tool for customer awareness.

Variable	N	X	SD	α	Df	z-cal	z-crit	Remark
Male Entrepreneurs	83	3.9	1.1			0.05	138	0.5
Female Entrepreneurs	57	3.8	1.2					1.960
								Accept

Data presented in Table 3 indicate that at 0.05 alpha (α) value and degree of freedom of 138, the z-calculated value is 0.5 which is less than the z-critical of 1.960. The null hypothesis is accepted. This invariably implies that there is no significant difference in the mean ratings of both male and female entrepreneurs regarding the utilization of social media sites as a marketing tool for customers’ awareness.

Discussion

The study revealed that online entrepreneurs in Anambra State used different social media sites like Facebook, whatsapp, instagram and blackberry messengers, Googleplus, Blogs, Linkedin and twitter for creating customers' awareness. The use of these social media sites by entrepreneurs in Anambra State was because social media sites help them create high traffic to their websites, offer easy access and high customer feedback. This finding corroborates with the findings of Jeremy (2013) who said that business owners (entrepreneurs) use social media sites for marketing their businesses to large audience which they would not have been able to reach.

The use of social media sites by online entrepreneurs was because of the effectiveness of social media sites such as whatsapp, Facebook and twitter which help to increase the level of awareness among customers since most people have easy and free access to social media sites. These findings corroborate the findings of Adeyemi (2012) who noted that social media play vital roles in creating awareness of products, reaching to customers at their places of convenience and thereby improving the sales volumes. Adeyemi also revealed that electronic marketing has outperformed the traditional method of marketing that was in vogue before now. The findings further corroborate the findings of Ebinga and Nwode (2013) who noted that social media forum allow users to discuss about topics, businesses, and benefits of products and as a result increases the awareness of the brand as well as build the brand value.

The study also revealed that the respondents showed that online entrepreneurs spend 13 – 16hrs on the utilization of social media for creating customer awareness. This finding is in line with Mayfield (2008) who aptly submitted that entrepreneurs who use social media for marketing must be actively participating, sharing, networking and bookmarking online.

With regards to the hypothesis, the z-test analysis revealed that online entrepreneur's customer awareness is based on gender. This revealed a no significant difference. This finding corroborates the findings of Jeremy (2013) who said that business owners (entrepreneurs) use social media sites for marketing their business to large audience which they would not have been able to reach

Conclusion

From the above study, the use of social media has been observed and noted to be useful to online entrepreneurs who use it as a marketing tool in their businesses for customer awareness. This is due to the fact that most of the entrepreneurs have seen how useful and powerful social media sites could be when used in marketing. Hence, one could without any doubt come to see the reasons why it becomes a norm for most entrepreneurs today to employ this medium in marketing their businesses. Consequently, it is evident from this study that social media sites are effective tools for marketing. Hence, the need for the utilization of social media sites by online entrepreneurs as a marketing tool for successful customer awareness.

Recommendations

Based on the findings of this study and the conclusion drawn, the following recommendations are made:

1. Entrepreneurs who are yet to make use of social media for marketing should redirect their thoughts and make effective use of social media sites so as to

reap the potentials of social media in marketing their products. This will help broaden the scope of their businesses and generate more income for them.

2. Entrepreneurs, who are not frequently utilizing social media, should increase the time spent online. This will effectively give them the insight into what is trending and how to adapt to every change.
3. Educational institutions should include the use of social media in their school curriculum especially for vocational education students. This will enable students who will become future entrepreneurs appreciate and become more conversant with the use of social media as an effective marketing tool.

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