Direct Marketing to Online Social Network (OSN) Users in Nigeria

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Abstract

Online Social Network (OSN) serves as one of the pervasive media of connecting to family and friends; make social plans and also obtain information about company's products and brands. This study demonstrated how in the near future online Social Networks may offer greater commercial benefits to its users than the present social benefits. Results indicated that the majority of the users of Social Networking sites are teenagers and young adult. The study as well confirms that Parental rules and regulations have no significant influence on child's use of Social Networking sites.

Keywords: Online Social Network, Products, Teenagers, Media, Users, Non – Users

1. Introduction

The recent developments in information technology have brought about a lot of changes in the communication system, and this consequently has made the world become a global village. There is emergence of internet which made possible Online environments where people can present their profiles, make links to other users and communicate with them.(Gross and Acquisti, 2005; Krasnova, Spiekermann, Koroleva and Hildebrand,2009). This online environment is called Online Social Networks (OSN).

Alexander (2008) observed that that the history of social software's popularity proves that people very much want to communicate with others online. However, the two way nature of social software makes this function self reinforcing. A Social Network can therefore be described as a set of people or group of people, "actors" with some pattern of interaction or "ties" between them. The Social Network Sites allow members to connect to users with similar interests, all within an online environment. The sites are described as "Relationship facilitators" that help individuals build connections with others. (Educause Learning Initiative, 2006; Cain, 2008). In other word, Social Network has led not only to increase affiliation but the growing world of "friendonomics" (TNS, TRU and Marketing Evolution, 2007). Studies have been done in the past about Networks such as friendships among the group of individuals, business relationships between companies and intermarriages between families. (Wasserman and Faust, 1994; Newman, Watts and Strogatz, 2001 and Scott, 2000). This study therefore, attempts to examine the commercial opportunities available to business organizations and users on Social Networking Sites, most especially in Nigeria.

2. Literature Review

<u>Definition of Social Networks</u>

Redbridge Marketing (2008) defined Social Networks as "online communities of people who typically share a common interest in activity". Social Networking Sites are also defined as "those web sites that provide opportunity to interact, allow visitors to send e – mails, post content, build web content and or take part in live chat (YALSA, 2007). Taylor Nelson Sofres (TNS), The Teenage Research Unlimited (TRU) and Marketing Evolution (2007) in a similar word remarked that Social Networking represents:

- A fad, especially among the young and technologically obsessed
- An unprecedented tool for keeping in touch with friends and family
- A disruptive, unscripted environment
- An un paralleled opportunity for brands and consumer to make real connections
- Some combination of all of the above …. and then some.

The Office of Communications (OFCOM) Research Document defined Social Network (SN) sites as "those sites which allow users to set up online profile or personal home pages and develop an online Social Network. The definitions of Social Networking above suggest that it is not only a forum for developing a social interactions but business relationship between companies that post their adverts on the sites and the registered online users. There are various Social Networking Sites but the most common ones are Facebook, Myspace, Bebo, Flickr, del.icio.us, Technorati, Wikipedia, hi 5, labroots and Picassa. Facebook has about 200 million active users, while Myspace

and Bebo are the other two most popular sites among the list (Facebook.com, 2009). The Social Networking process is very simple, for example no knowledge of graphic or web design is needed to create a blog, post to a forum, add to a friend's wall, check out a friend's photo or a Sport figure via You tube and edit a wiki. All these explain the increase popularity of Social Networking among the youth (Alexander, 2008; OFCOM, 2008).

SOCIAL NETWORKING TOOLS

Office of Communications (OFCOM) Research Document listed the following as some of the Social Networking tools:

Blog – This is a web page for writing journal entries, reviews, articles, and more. Readers are allowed to post their comments.

Podcasts – These are audio files available for down load and usually for free via subscription.

RSS – This allows subscribers to automatically receive information from blogs, newspapers and Podcasts.

Tagging – This allows for subject heading, to content in order to organize information in a meaningful way and also connect to others that tag similar content in the same way.

Wiki – This is a collaborative space for developing web content.

CLASSIFICATION OF SOCIAL NETWORKERS

TNS, TRU and Marketing Evolution (2007) gave the following Classifications:

- ✓ The Professionals – These are the world leading citizens.
- ✓ The See and Be Seens – They are the searchers, always on the lookout for new connections.
- ✓ The Connectors – They are the communication positive human hubs of Social Networking.
- ✓ The Explorers – They are users who are exploring the practical benefits of the medium but are not yet emotionally engaged.
- ✓ The Rookies – These are the new users who are still more connected to the traditional media.
- ✓ The Spectators – They are largely non users generally aware of but not yet engaged by Social Networking.

OFCOM (2008) in their Research Document gave five distinct groups based on their behaviour and attitude:

- ➢ Alpha Socialisers – They are minority people who used sites to flirt, meet new people and be entertained.
- ➢ Attention Seeks – This group crave for attention and comments from others.
- ➢ Followers – They are many, they joined sites to keep up with what their peers were doing.
- ➢ Faithfuls – The group are many, who typically used Social Networking Sites to seek friendships often from School or University.
- ➢ Functionals – They are minority, who tended to be single minded in using sites for particular Purpose.

They went further to define Non Users as distinct group who based on the following reasons are not using Social Networking Sites:

- • Concerned about Safety – They show concern about their safety online, most especially in respect of making personal details online.
- • Technically experienced – This group lack confidence in the use of internet and computers.
- • Intellectual rejecters – They have no interest in Social Networking Sites and see them as a waste of time.

Friends as used on Social Network Site are different from its offline meaning. The term "Friend" is used on Social Network Sites as anyone who has invited or being invited by another user (OFCOM, 2008).

Marketing on Online Social Network (OSN)

Business organizations are now faced with commercial opportunities on Social Networking sites most especially, through their Profile page and online advertising to social network users. Krasnova et al (2009) in their study reported that commercial agents or marketers target message to specific interest groups the same way through search engine or traditional advertising channels. The other way of reaching consumers is for brands, setting up

their profiles on Social Networking Sites, accepting "friends" they can keep up to date with the latest brands. Social Networking Sites are becoming an important source of traffic for other sites most especially websites for entertainment industry (OFCOM, 2008).

There are companies who organize promotion on Social Networking Sites thus reminding their members about its brand and website with every interaction. This type of information often positively received. Companies build their presence on Social Networking sites through various means like advertising using banner or tower adverts, blog, form and moderate groups, share newsworthy articles and videos, create members profile which directs traffic back to the company's website and post relevant company's events and jobs (Cain,2008). In the context of online transactions empowering users with control is also important. Research findings have shown that when companies grant consumers control over their information they develop more trusting attitude and more willing to continue relationship with the firm (Culnam and Armstrong, 1999; Dinev and Hart, 2003).

Value creation in Social Networking according to Krasnova et al (2009) is different from that of traditional forms of advertising. In traditional marketing model Advertising is delivered from the Business to Consumer (B2C) while in Social Networking if the message doesn't stop once communicated, there is "Momentum effect" then, we adds in Consumer to Consumer component and the value chain becomes: B2C + C2C = Value Creation. The Momentum effect accounts for over half of Social Networking Marketing. It is an effect that occurs when one consumer uses the brand as a reference point in their own Profile, or passes along the information to a friend.

However, OFCOM (2008) mentioned some areas of potential risk when using Social Networking Site which include:

➢ Giving out sensitive personal information, photographs and other contents like Phone number, home address or e – mail address.

➢ Posting content (especially photos) that could be reputational damaging for example Photograph of people drinking and smoking or nude photograph.

➢ Contacting unknown people online or accepting unknown people as friends for example "friends of friends".

➢ Social Networking Sites can be abused by online Crooks, Stalkers and bullies or even one's own friends to bully, lie, start rumours and set up   fake profiles (Hogben, 2007).

3. Methodology

This research was conducted in three locations: Tanke, a rapidly developing suburb; Kwara College of Education Ilorin and University of Ilorin Mini Campus, all in Ilorin Kwara State, Nigeria. These areas have the largest concentration of Business Cafe in the city and Internet facilities are being offered commercially to the Public who are mostly students and civil servants residing here and in the neighbourhood. Research Instrument in form of questionnaires was distributed to 1347 respondents at those Cafes between 27th to 29th May, 2009. A total of 1329 questionnaires were filled and returned. Chi square and Correlation analysis were the Statistical techniques employed for data analysis. The Study examines the influence of Parental restrictions on Child's use of Social Networking Sites and also determines whether or not these Sites are mostly used by teenagers and young adult or the elderly ones.

4. Results and Discussions

The findings reveal that 759 respondents were Males while 570 were Females. It was also clear from the study that most of the respondents (1074) were teenagers and young adults, while less than half of the respondents were first degree holders. As shown from the above, it can be said that there are more male who patronize Business café, and only few amongst them are elderly one. The sample has similar characteristics with that of the Nigerian Socio – demographic data. Table 3a in Appendix 2 reveals that 94.7% of the Populations are 60 years old and below while 100% of the respondents selected for the study falls within that age bracket. The managerial implication is that fewer proportions, of the populations are above 60 years old. The country's socio – demographic data also reveals that we have more male than the female, which is in agreement with the result obtained from the data (Table 3b Appendix 2). All these further prove the reliability of the data used for the study. The study reveals that fewer people are graduates. It was also shown that most of the respondents are Yoruba, who were mostly Christian. The reason for this may be because the locations where the research was conducted are dominated by students and workers who are Christians of Yoruba extraction, with fewer Ibo and Hausa Tribes. The activity mostly done at leisure was checking out Social Networking site (760). In terms of the media use to connect to family, pursue romance, make social plans and relax, Social Networking site was the most preferred. This shows the pervasiveness of this medium compare to all other media considered for the study.

Television followed in terms of the medium most preferred for finding out about product and having fun. This may be due to the sound and quality picture benefits of Television. All the respondents preferred the use of Search Engine as the best option for looking for specific information while most agreed (1075) that radio was the media for listening to Music. In respect to the number of hours spend on each of the activities, It was shown that most spent less than one hour on Online Social Networking and play Video games, while they spent less than two hours every day on watching television, listening to radio, reading Newspapers and Magazines. The respondents also spent three to four hours listening to music. This indicates that the respondents spent most time on music and fewer time on other activities. This also suggests that with time when user of Online Social Network becomes more involved in using internet more time will be devoted to Social Networking activities.

There are greater numbers of respondents (824) who are online Social Network users and most of these users had more than two years of experience using Network sites. The largest proportion of these respondents prefer being on Social Network sites when they are at work or school and always feel they have many things to do on the sites. This suggests that these respondents want to spend more time and believe the time spent on Social Networking sites is not enough, though there are fewer ones (191) who spent between 7 to 8 hours in the study. The interactions with these respondents further reveal that those who spent long hours also rely on paid services provided by Private Telecommunication Operators like Zain, Starcom and Multi links in addition to those offered by Business Café. They also have Laptop and Desktop Computers that further make it possible for them to use internet facilities at their convenience most especially in their homes. Most of these users are on Social Networking Sites late at night, early in the morning and before going to school or work. A greater part of them (379) agreed that a company or brand become their favourite through their friend's recommendation while 887 respondents agreed that the level of their Parent's rule and restrictions concerning Social Networking Sites was not very strong. The implications of these are: there is "Momentum Effect" in the use of Social Networking Sites for Company brands or products. Those respondents that have bought products online agreed that initially they were scared of being duped but with assurance from their friends they became confident. Respondents said they bought online mostly; electronics, shoes, wrist watch, books, clothing materials and other gift items (Appendix 1, Summary of results).

Hypotheses

From the Literature review and others related works consulted, the following hypotheses are proposed for the study:

Hypothesis 1: There is no significant difference in the use of Social Networking (SN) sites by both the young adults and the elderly ones.

Hypothesis 2: Parents' rules and restrictions have no significant influence on child's use of Social Networking Sites.

The Test of Hypothesis H_1 with Spearman Correlation Coefficient

Hypothesis H_1 was tested using Spearman correlation, and the result of the analysis indicated that there was a strong negative correlation (-0.762) at 99% Significant level (Table 1 Appendix 2). This means that age of users is in inverse relationship with the use of Social Networking Sites. In other word, the teenagers and young adults (40 years and below) use Social Networking Sites more than the elderly one (41 years and above). Therefore the Null Hypothesis of no significant difference is rejected and the alternative hypothesis of significant difference in the use of Social Networking Sites by both the young and elderly one is accepted. This is further confirmed from the frequency distribution of respondents, which indicates that only 255 (19%) respondents are in 41 years and above (Appendix 1). This therefore clearly explains that majority of the users of Social Networking Sites are teenagers and young adults.

The Test of Hypothesis H_2 with Chi - Square.

In respect to the influence of Parent's rules and restrictions on Child 's use of Social Networking Sites, Chi Square Statistical techniques was employed for the analysis, the result shows that the estimated Chi – Square is significant at the 99% Confidence level (Table 2 Appendix 2).The Null hypothesis – variables have uniform distribution was accepted and the alternative hypothesis that Parent's rules and restrictions have significant influence on child's use of Social Networking sites was rejected. The frequency distribution further reveals this position; more respondents (67%) agreed that Parent's restriction does not have significant influence on Child's use of Social Networking Sites. This seems to be in alignment with the opinion of those respondents that were administered questionnaire, most of them said their Parents show less concern on what they do on the internet

but are mostly interested about their welfare and academic progress. Therefore, we can conclude that Parental rules and regulation does not have significant influence on child's use of social Networking sites.

5. Conclusions and Recommendations

This study has shown that Social Networking sites have become increasingly popular medium of communication amongst the youth, most especially the teenagers and the young adult. This is in agreement with the results of past similar studies (TRU, 2007). The medium is not only used to connect family, friends and make social plans but also to find out about company's brand and products. There is greater expectation in the near future that the commercial benefits of Social Networking Sites may far outweigh its social functions if adequate precaution is taking to address some of the problem areas, most especially in regards to its abuse by Online Crooks, Stalkers and Bullies. Based on the findings of this study, the following recommendations are made:

- ✓ There is need for Companies to integrate immediately Social Networking within their marketing and media plans, considering the growing community of those expressing deep emotional involvement about its use.

- ✓ Staff or consultant that has passion for Online Social Network sites should be engaged by Companies in order to develop successful Marketing Campaign for the Organisation.

- ✓ The Online Social Networks are not self maintaining, they need users to promote and sustain them.

- ✓ Social Networking should be seen as an activity and medium, in other word it is more than just something to do, it should be venue in which something is done.

- ✓ Program should be designed to encompass other media, most especially instant messaging, television, cell phones and radio.

- ✓ Companies need to increase their presence on Social Networking Sites in order to benefit from the powerful commercial environments it offers to users.

- ✓ Parents are encouraged to make their children understand what private information is; most especially information like their full name, address, phone number, family and bank account numbers. This is part of the measure to promote safe Internet use and Social Networking.

Limitations

The small sample size considered for the study serves as limitations affecting generalization and fair representation. There is focus on Online Social Network, not considering the effect Internet may have on the success of Direct Marketing to users. Networking sites are about long term relationship building and this make it different from conventional advertising which is active and have no need of relationship. Typical Online Social Network users expect a collaborative and open approach; therefore anything that seems like a hard sell or forced on users will be strongly rejected. The Social Networking sites provide little interaction with the outside Internet, for instance user on Facebook cannot interact with a user on My Space. However, the analysis though with limited scope, provide strong basis for a reliable and valid result that is suitable for generalisation. The 1329 respondents considered, give fair representation of the population under study and therefore attempt to provide valuable insight about Direct Marketing to Online Social Network Users.

Suggestions for Future Research

The study suggests future research in to how Users will be able to benefit from interaction amongst different Social Networking sites. Additional future research should also be done on the training needs of new users and what would motivate them to be involved in Direct Marketing on Social Networking sites.

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APPENDIX 1

SUMMARY OF RESULTS FOR ONLINE SOCIAL NETWORK (OSN)

A. BIOGRAPHICAL DATA

1. Sex: Male (759) Female (570)

2. Age: Less than 20 (316) 21 – 30years (568)31 – 40 years(190)41 – 50years(127)51- 60 years (128) above 60 years (X).

3.Educational Status:WASC,GCE,NECO,SSCE(190)Professional/Diploma/NCE/Undergraduate(567)HND/BSc/BA Degree (127) Post graduate/Postgraduate Diploma (253) MA/MSc (64) Ph. D Degree (128) Others (X)

4. Religion: Christianity (759) Islam (570) Traditionalist (X) Others (X).

5. Tribe: Yoruba (1079) Ibo (126) Hausa (126) Niger Delta (X) Others (X).

B. LEISURE AND SOCIAL ACTIVITIES

6. Which activity you most likely do at leisure?

- ➢ Checkout Social networking site (760)
- ➢ Talk on cell phone (64)
- ➢ Listen to Music (189)
- ➢ Watch Television (126)
- ➢ Play video game (126)
- ➢ Listen to Radio (64)

Television (T) = 1, Radio(R) = 2, Newspaper (N) = 3, Social Networking Sites (SN) =4, Search Engines (SE) =5, Magazines (M) = (6), Others (O) =7.

Tick one of these Media you would prefer when you want to connect to:

	T	R	N	SN	SE	M	O
7. Family or Friends				824	315		190
8. Pursue Romance				696	443		
9. Listen to Music		1075			254		190
10. Have fun	378	254	63	254	380		
11. Find out about product	442			381	380	126	
12. Look for specific informations					1329		
13. Make Socials plan				824	63		379
14. Relax and unwind	505	126	63	635			

Note:

No of Hours Spend	Code
Less than 1 hour	1
1 – 2 hours	2
3 – 4 hours	3
5 – 6 hours	4
7 – 8 hours	5
Above 8 hours	6

How many hours do you spend on each of the following activities?

	1	2	3	4	5	6
15. Go online for Social Networking	505		253	380	191	
16. Watch Television	444	570	252	63		
17. Listen to Music	63	508	758			
18. Listen to Radio	189	698	379	63		
19. Play Video games	1140	126	63			
20. Read Newspapers and Magazines	189	885	192	63		

C. SOCIAL NETWORKING

21. How can you describe yourself in respect to Social Networking? A User (824) Non User (316) Undecided (189)

22. How long have you being using Social Networking? Less than 6 Months (442) 6 – 12 Months (126) 1 year – 2 years (127) above 2 years (634)

23. When are you regularly on your favourite Social Networking site? Early in the Morning (191) Before going to School/Work (X) Lunch time (X) At Work/School (505) After Work/ School (254) Evening (126) Late at Night (10 PM – 4 AM).(253)

24. What are your feelings about Social Network? I am never bored when using it (253) There are many things to do on the Site (570) I am excited when using it (127) I get information about brand and product (379)

25. Why do you make a Company or Brand your favourite on the Social Network Site? Recommended by friends (379) Company Sales offering (64) Company's Advert (191) Company's Brand (126) Company's Quality Product (190) Company's Discounts and Coupon (190) Company's Free Sample and stuff (189)

26. What is the level of your Parent's rules and restrictions concerning Social Networking Sites?
Very Strongly (253) Strongly (189) Undecided (X) Not Strongly (252) Not Very Strongly (635)

APPENDIX 2

Table 1. Correlations

			Age	SNdescript
Spearman's rho	Age	Correlation coefficient	1.000	-0.762**
		Sig (2 tailed)		0.000
		N	1329	1329
	SNdescript	Correlation Coefficient	-0.762**	1.000
		Sig (2 tailed)		0.000
		N	1329	1329

Source: Computer Print out.   P ≤ 0.01

Table 2. Chi – Square Frequencies

	Observed N	Expected N	Residual
Not very Strongly	635	332.3	302.8
Not Strongly	252	332.3	-80.3
Strongly	189	332.3	-143.3
Very Strongly	253	332.3	-79.3
Total	1329		

Test Statistics

	SNParerules
Chi – Square	375.918
d.f	3
Assymp Sig	0.000

Source: Computer Print out.   P ≤ 0.01

Table 3a .Nigeria Projected Population Distribution – 2005

Age	Percentage (%)
Less than 20 years old.	55.4
21 – 30 years old	16.8
31 – 40 years old	11.3
41 – 50 years old	7.0
51 – 60 years old	4.2
Above 60 years old.	5.3
Total	100

Source: National Bureau of Statistics, Abuja, 2005.

Table 3b: National Population Census figure by Year and Gender

Year	Total	Female	Male	% Female	% Male
1991	88,992,218	44,462,612	44,529,666	50	50
2006	140,003,242	68,293,683	71,709559	49	51
Population Growth	3.82%	3.5%	4.07%	49.5	50.5

Source: Projected Population, National Bureau of Statistics, Abuja, 2006.