

Effects of Social Network on Marketing of Goods and Services: A Study of University of Maiduguri Campus, Nigeria

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ABSTRACT

Social networks have grown to be one of the fastest modes of communication both locally and internationally. It is fast becoming one of the sturdiest means of reaching out to the individuals and public. The 21st century marketing of goods and services has gone beyond the traditional face to face mode. Organisations have come up with several goods and services and the internet is one of the best ways of making them known to the public. With the increasing rate of patronage of social networks, organisations have decided to market their products. However, the outstanding threats are the activities of fraudsters, dishonesty, among others. This paper studies the effect of social networks on the marketing of goods and services among consumers in study area. It particularly looked at the importance of these social networks and the characteristics such as convenience, personalisation and social surveillance. Questionnaire was distributed to gather relevant data and Chi-square analysis was used to analyse the data. It revealed that social networks have significant effect on the online marketing of goods and services. It also revealed that security challenges remain the greatest threats to online marketing to individuals and organisations. The paper recommended that government should assist in ensuring that people can get to internet facilities wherever it is required. Besides obvious threats, organisations are encouraged to use these social networks to access more customers and expand sales beyond geographical locations.

Keywords: *Marketing, Internet, Social Networks, Goods and Services*

Introduction

A social network is a structure made up of individuals (organisation) called “Nodo”. A social structure made of nodes that represent relationship and flows between people, groups, organisation, animals and computers; disseminating information, knowledge and processing entities. The term itself was coined by J.A. Barnes in 1954.

Social network marketing is when advertisers use social network blogs online communities Wikis and other online mediums as platforms for their marketing strategies. The birth of the social networking trend has brought a change in the way people surf the web and interact socially. Network marketing makes use of the process of advertising, promotion and selling ideas, theories, values and philosophies. In a social environment, social network marketing is popularly called “internet marketing” but is also known as “multi referral marketing”; controlling the marketing potentials and using them to market businesses in the best more profitable ways.

Social network marketing provides organisation with a way to connect with their customers. However, organisation must protect their information as well as closely watch comments and concerns on social media they use. A flash pull done on IT executive from countries according to Barnes (2010) revealed that social media mishap caused organisations setback.

In recent years, organisations and individuals have suffered from inefficient and imprudent network of the marketing of goods and services which has resulted to invaluable goods and social loses to the society. With the viral prone nature of the internet, mistakes by an employee had in some cases resulted in devastating consequences for organisation. Some of the fundamental questions posed by this research include: Has social network led to improved delivery of goods and services? Is there opportunities offered by social network in the marketing of goods and services? Does organisation/ individual maximise the opportunities offered by social networking? Is social network a benefit or a cause in modern marketing strategies?

To succinctly answer these fundamental research questions, this paper intends to find out what the devastating consequences are and whether it has improved marketing of goods and services. The major objective is to examine the effect of social networking on the marketing of goods and services in Nigeria. The specific objectives are to:

- i. identity various social networks used for the marketing of goods and services.
- ii. access the effect of social networking on the marketing of goods and services.
- iii. make necessary recommendations to the identified problems.

To achieve these objectives, the paper hypothesises that:

H_0 : Social network has no effect on the marketing of goods and services in the study area.

H_1 : Social networking does not posed threats to organisations using the platform for marketing of goods and services.

This study will be particularly important to organisation or institutions with information on proper social networking since networking is a memory behind every successful society. The systematic social networking allow organisations to provide continuity in the event of a disaster support, decision making, be accountable and useful to the society.

Literature Review

The term social networking and social media recently became a phenomenon to be reckoned with and it is one of the fastest growing industries and generally a part of the everyday lives (Kaye, 2005). Social networking was originally designed as a simple and entertaining way to share interests, photos and other personal information but it has grown into technological and societal revolution (Herran, 1996).

Akuezuilo (1993) observed that media as we know it emerged only in 1994 with the introduction of geocities a tool that help individuals to create and manage a website with content of their choice, with geocities they could share information links, photos and text could receive recipient generated comments. In the real life, it forged friendship between strange online friendships at the first scene and quickly gained enough members to capture the attention of marketers and the public alike. When MySpace was introduced in 2003, it quickly overtook Friendster but with the Launching of Mark Zuckerberg's Facebook site in 2004, MySpace and Friendster were rendered obsolete (Kaye, 2005). Facebook today continues to dominate the social networking or the social network scene.

Twitter, launched in 2006 has also gained a huge followers with its unique micro blogging format, allows users to send out shut message of 140 characters or less to a number of people simultaneously. According to Keith, marketing evolved into its present day prominence within pill bury during four distinct periods beginning after the simple trade era in American history. Keith called these periods the production era, the sale era, the marketing era and the marketing company era.

Many hypotheses on this subject matter were affirmative statement predicting a single research outcome and tentative explanation of the relationship between social networks and online marketing of goods and services. Gyewaany and Julsan (2003) opined that further hypothesis may be tested to ascertain the risk profile of social networking. Akuezuilo (1993) agreed that such hypothesis should provide evidence to supporting it until a full investigation is carried out. Indeed, the main difference between hypothesis and the answer that might be obtained at the end of an investigation is that hypothesis is an expression of what you think ought to be and the latter is a categorical statement based on research findings.

Research Methodology

The research work is limited to the effect of social network (internet marketing) on marketing of goods and services in an organisation. However, the result obtained from the research will be interpreted within the framework of Nigerian society on the ground that university of Maiduguri draws staff and students from all parts of the country.

The population of the study comprises of consumers within university of Maiduguri campus. It takes a random sample of 50 respondents from whom data was elicited for this research. The researcher administered questionnaires to three set of people which include the staff of ICT centre University of Maiduguri, students of the school and professionals in the field of marketing.

The researcher made use of analytical tools as tabulations, percentage etc. in testing the hypothesis, simple percentage was considered suitable. The sample frame is as presented on Table 1.

Table 1: Sample Frame

Categories	No. of respondents
ICT staff	20
Students	20
Professionals	10
Total	50

The resultant data was analysed using simple percentage and cross tabulations of facts and Chi-square calculated and critical table values. Conclusions were drawn and recommendations were made based on the findings of the study.

Data Presentation and Analysis

This section presents data and the results of the analyses of the study. It particularly presents data and preliminary analysis with tabulated percentage responses include: the patronage of social network; social network help the awareness of intention to organisations; Purchase goods via online channels; sales of products marketed online; challenges faced by marketers through social networks; response of organisations to the opportunities offered by social networks; and, social network has helped in making the intention of organisation known to you.

Table 2: Responses on the patronage of social network

Categories	Frequency	Percentage
ICT staff	20	40
Students	20	40
Professionals	10	20
Total	50	100

Source: field survey, 2016

In rating, it appears that more people have been on social networks which indicate 100% and this is an indication that respondents actually know about services offered on the platform of social network.

Table 3: Responses on whether social network help the awareness of intention to organisations

Responses	Frequency	Percentage
Yes	45	90
No	5	10
Total	50	100

Source: Field survey, 2016

From the table3 there in clear indications that organisation has been able to make their information know to the use of social network.

Table 4. Responses on Purchase goods and online

Responses	Frequency	Percentage
Yes	15	33.3
No	30	66.7
Total	45	100

Source: Field survey, 2016

From the table 4 shows that majority do not buy goods online and their reason was that of fear of fraudsters and dishonesty. Therefore organisations have the task of assuring and re-assuring customer that it is safe to buy products online.

Table 5: Responses on products marketed online

Responses	Frequency	Percentage
Yes	15	30
No	35	70
Total	50	100

Source: field survey, 2016

Table 5 shows that not many individuals really market their products online which were indicated in the table above as 30%. Their reason for not embarking is that so many people are just beginning to use social networks and therefore they market any product they have to win the confidence of the people even though they welcome greatly the idea of marketing through social networks.

Table 6: Responses on challenges faced by marketers through social networks

Responses	Frequency	Percentage
Yes	50	100
No	0	0
Total	50	100

Source: field survey, 2016

The table 6 shows that there are 100% of people being scared of fraud, theft or dishonesty. So there is a challenge of getting people to accept online business and looking at the majority of people patronising social network and under the age of 18years which you can go into business deals with them.

Table 7: Response of organisations to the opportunities offered by social networks

Responses	Frequency	Percentage
Very good	8	16
Good	30	60
Fair	10	20
Poor	2	4
Total	50	100

Source: field survey, 2016

Form table 7 above there is clear indication that organisations are responding positively to the opportunities presented by social networks which shows 60%. It shows that very soon goods and services will saturate social networks and all you will have to do is to place orders and have your goods delivered to you with little or no stress.

Test of hypothesis

Re- H_0 – social networking has no effect on the marketing of goods and service advertised on it.

Re- H_1 – social network has effect on the marketing effectively utilised by organisations on goods and services.

Re- Table 3: Responses on whether social network has helped in making the intention of organisation known to you

Responses	Frequency	Percentage
Yes	45	90
No	5	10
Total	50	100

Source: field survey, 2016

Expected frequency calculated (Fe)

$$Fe_i = \frac{\text{percentage of yes} \times \text{implication of error}}{\text{total number of respondents}}$$

$$= \frac{90 \times 5}{50} = \frac{450}{50} = 9$$

$$Fe_{ii} = \frac{5 \times 5}{50} = \frac{25}{50} = 0.5$$

O	E	O-E	(O - E) ²	$\frac{(O - E)^2}{E}$
45	9	36	1296	144
5	0.5	4.5	20.25	40.5
8	9	-1	1	0.11
30	9	21	441	49
10	0.5	9.5	2.25	4.5
2	0.5	1.5	2.25	4.5
Total				41.86

$$X = \frac{(O - E)^2}{E}$$

Therefore X computed = 41.86 X critical

$$df = (R-1)(C-1) \\ = (2-1)(5-1) \\ = 1 \times 4$$

df = 4

The value of the cut off point for 4 degree of freedom from table 1 under 5% is 9.488. As calculated 41.86 in higher than table value, we would therefore reject the null hypothesis and accept the alternative hypothesis which states that social networks have had positive effects on the marketing of goods and services.

Conclusions

The researcher discovered that social networks have a great future in the marketing of goods and service in Nigeria.

The researcher also discovered that many people are scared of doing business online because of the fear of fraudsters and fraudulent activities.

Technology applications are important as proven in this study, connecting with social networks can affect the customer's behaviours.

The organisation that sells online should find more factors that can increase the customers affection and online internet site should also be fast and always up to date with first-hand information.

Recommendations

It was there for recommended that:

- There should be improvement of technology for easy access of internet facilities and at affordable rates.
- There should be public awareness of the importance of social networks to see them beyond interaction sites.
- Organisation should see social networks as an avenue to expand their marketing and information activities, and know the needs, and wants of their customers.
- Techniques should be designed to combat internet theft, reduce or minimize activities of internet fraudsters which will help enlarge customer management.
- Organisations should be encouraged in marking the best of social networks and improve the quality of their activities on these social networks.
- People should see the internet as an avenue to widen their target market and make their highest profits overtime.

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