

Awareness and Usage of Online Advertising Channels by Small Business Owners in Select Cities in Nigeria

AKPAN, Church Solomon, *Ph.D.*

Department of Mass Communication
Akwa Ibom State University, Abak, Nigeria

&

EPEPE, Umefien Dakoru, *Ph.D.*

Department of Communication Studies
National Institute for Nigerian Languages, Aba, Abia State

Abstract

Although Okoro and Epepe (2015, 2017) had done some empirical work on online advertising by Nigeria-based small businesses, there continues to be a need for more empirical research in this area considering the complexity and fluidity of online advertising. This is the major reason this paper examines awareness and usage of online advertising channels amongst small businesses in select cities in Nigeria. Using the Network Advertising Model (NAM) and Technology Acceptance Model (TAM) as theoretical frameworks, a survey of 281 small business owners/managers was conducted in selected capital cities (Asaba, Ikeja, Jalingo and Awka) of four randomly selected States to elicit data for the study. Findings indicate relatively low online advertising awareness level (about 45%), contrary to respondents' claim of awareness. In order of importance, 'Free listings' (92.1%) 'Others'(63.7%), 'Affiliations'(61.4%), 'Facebook' (40.2%) and 'Google'(22.0%) were the five most used online advertising channels, with owning a brand website/blog (7.1%), Twitter (18.9%) and YouTube (8.7%) being the least used channels. The Chi Square test found a positive relationship between level of awareness and usage of online advertising. Based on the findings, it is recommended that to benefit from the power of 'spreadability' of online advertising, small

business owners/managers must move beyond having an online presence, to developing appropriate strategies to mitigate inherent challenges and intricacies of online advertising.

Keyword: Awareness, Usage, Online Advertising, Channels, Media, Small Business, Nigeria, Spreadability, TAM, NAM

Introduction

Advertising that takes place through multiple channels on the Internet or Web, often referred to as online advertising, has introduced fast-paced changes to the advertising landscape, since it started over two decades ago. Hoffman and Novak (1996) stated that the Internet provides a useful medium for advertising. Evans (2009) posits that the unique characteristics of online advertising include the use of internet-based technologies and data collection methods to target and track specific individuals, and to automate the buying and selling of advertising inventory. Because of its high level of interactivity between the media, audiences and advertisers the networking power of online advertising has increased the potential of advertisers to focus on a market niche, as well as target specific audiences.

In this regard, Rodgers and Thorson (2017) submit that new technologies have enabled advertisers to intrude into consumers' online territory by using contextual targeting and geo-targeting to place advertising messages relevant to users' interests, preferences, and purchase history. They contend that based on extant behavioural targeting methods that observe audiences' activities online; it has become easier to determine when to deliver an appropriate advertising message to the decision maker to influence favourable outcomes to purchasing intentions.

Because of the associated benefits of online advertising, several businesses around the world, seeking to improve visibility and spread of their brand are increasingly advertising on Web 1.0 channels such as email, business websites and free listings. Qiang, Clarke and Halewood (2006) emphasised that businesses using e-mail for customer communication have the potential to grow 3.4 per cent faster in terms of sales than those who ignore the innovation. Many more businesses are using Web 2.0 such as YouTube, Facebook, Google and blogs and so on because they provide, paid and unpaid opportunities to advertisers, particularly small businesses, to advertise and compete with larger corporations, in relatively more cost-effective ways.

Alam, Khatibi, Ahmad and Ishmail (2007) note that Small and Medium

Enterprises (SMEs) can increase their market reach, enhance customer service, and reduce both marketing and distribution cost with the use of Information and Communications Technologies (ICTs). Thus, online advertising is germane to small business growth considering their significant contributions to economies. The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2013) confirm that there is increasing recognition of the fact that Micro, Small and Medium Enterprises (MSMEs) accelerate the attainment of broad socio-economic objectives, such as poverty reduction, employment generation, wealth creation, among others. The SMEDAN, reports the National Policy documents classified MSMEs in terms of employment and assets. Accordingly, a micro enterprise is an organisation having 1-9 employees and less than Ten Million Naira (excluding land and building), and a small enterprise as one with 10-49 employees and ten to less than 100 million Naira (SMEDAN, 2013).

Drawing from the above classifications, this paper conceptualises a small business in terms of headcount alone, by finding a middle ground between the headcounts of a micro enterprise and small enterprises. Thus, a small business in this paper is any business with 1-25 employees. Chowdhury and Wolf (2003) note that in spite of their importance, a major weakness of small businesses is their weak productive capacity, which becomes apparent in low domestic and international market coverage. It would therefore imply that to remain relevant in the digital age, small businesses must harness the power of the networked environment that online advertising offers.

Studies have been conducted on ICTs /e-commerce adoption and SMEs in Nigeria (Apulu & Latham., 2009; Kuyoro, Awodele, Alao & Omotunde, 2013; Oluwatayo, 2014; Ongori & Migiro, 2010; White, Afolayan & Plant, 2014), and online advertising and customer satisfaction in E-tailing firms in Nigeria (e.g., Nwokah & Ngirika, 2018). To the researchers' knowledge, few studies appear to have focussed on exclusively on online advertising and small business scholarship (e.g., Okoro & Epepe, 2015, 2016 & 2017). The scale of advertising activities taking place over the Internet or Web, and the broad dimensions to online advertising and small business scholarship, make it imperative to update investigations.

From observation and review of extant studies, there continues to be the need for better understanding of this fast evolving and constantly changing online advertising landscape. It is particularly important to investigate the level of online advertising awareness, conceptualised as the degree or extent of knowledge of online advertising systems, structures and strategies by small business operators and the impact it has on usage. Thus, this paper uses survey data from small business operators in four States' capital cities to shed some light on this issue. Findings should

help provide basis for future empirical validation and conceptualisations of small business and online advertising within the specific context of extent of awareness and usage in a developing country such as Nigeria.

Objectives of the Study

Specifically, the study aims to:

1. find out the demographics of small business owners/managers;
2. find out the level of online advertising awareness among small business owners/managers in Nigeria; and
3. To ascertain usage of online advertising by small business owners/managers.

Research Hypotheses

The extent of awareness on online advertising is negatively related to usage by small business owners.

Literature Review

Online Advertising: Understanding An Evolving Landscape

Since it started in the mid-1990s (Kaye & Medoff, 2001; Rodgers & Thorson, 2017), online advertising has evolved to challenge traditional advertising practices and structures. Rodgers and Thorson (2017) posit that the Internet has completely changed communication, and communication industries such as advertising. Rodgers, Ouyang & Thorson (2017) submit that new technologies have brought more intricacies to the advertising delivery process, which may significantly influence the processing of digital advertising, and possibly change the understanding of term a “digital ad.” Evans (2009) aptly captured these evolution in the words of Schumpeter (1942) by stating that, “Internet-based advertising is a 'gale of creative destruction' sweeping across the advertising and media landscape”. At the time, Evans noted that newspapers in particular, appear to be losing readers and advertisers to online advertising. More recently, Rodgers and Thorson (2017) revealed in a couple of years, digital advertising spending in the United States of America (USA) will be expected to overtake television advertising, with associated large increase in the social media.

A plausible reason for the mass movement of advertising revenue online may be that online advertising has given equal control to advertisers and consumers through active two-way communication features. A privilege that was scarce in the traditional one-way advertising model. Rodgers and Thorson (2015) note that “Perhaps one of the most basic ways to think about how individuals process advertisements in an interactive environment is to distinguish between aspects of the

Internet that are consumer-controlled and those that are advertiser-controlled”. Taylor (2013) observes that in actual sense, consumers in a digital environment actively participate in the message creation/dissemination process. In this regard, Rodgers and Thorson (2017) rightly point out that online advertising has moved communication toward being less “mass” and more “networked” oriented.

Moreover, the Internet and Web have expanded advertising options, at relatively lower costs. Chowdhury and Wolf (2003) observe that the benefit of ICT as a cheap substitute, in respect of advertising, is dominant in literature. In a pertinent pioneer study, Abell and Lim (1996) observed that marketing on the Internet has received substantial attention because businesses reach a wider audience at reduced marketing costs (see also Evans, 2009). Rodgers and Thorson (2017) submit that advertising in the digital age involves a massively inter-connected set of modes and range of “connection” among those modes that exists in a multiple channel, multiple media and multiple device interactive communication networks.

The multidimensional attributes of online advertising have removed scarcity of advertising medium and have made flexibility of advertising formats and budget friendly campaigns possible. Evans (2009) emphasised that any website that attracts viewers is a potential supplier of advertising inventory. Thus, today internet and user-generated video sites such as YouTube, social networking sites such as Facebook, and blogs offer advertising space to brands for a fee or free. Rodgers and Thorson (2015) notes that digital advertising that can depend directly on search and display from online advertising giants such as Google and Facebook, but can also be done as brand website, news website and email and types of advert like banners , sponsorships , interstitials and superstitials, pop-ups, hyperlinks and so on. Evans (2009) adds that buying and selling advertising space through the Internet could take the form of (1) “search advertising,” that appears on search results pages; (2) “display advertising” that appears on non-search web pages; (3) classified listings that appear on web sites; and (4) Internet e-mail based advertisements (Evans, 2009).

Nonetheless, it is noteworthy that the structure of online advertising in its early days was a clone of traditional advertising in terms of advertising measures, payment and placement. For example, Evans (2009) submits that advertising were paid for in ways that were similar to their traditional channels, where advertisers can display text (like classifieds), graphics (like magazines) and video (like television) ads in the space supplied by the publishers. Over the years, this practice has changed as online advertising have evolved into unique formats and, payment options with optimal and near accurate targeting possibilities (Evans, 2009).

Apparently, online advertising has opened up new opportunities for niche marketing that target specific audiences. Rodgers and Thorson (2017) state that social

media platforms like Facebook and Twitter provide advertisers with new platforms to reach and target consumers. Freedman (2005) observes that compared to other industry standards, the Internet is useful to target advertising specifically to customers for a small percentage of the price of mass-market. Rodgers and Thorson (2017) further contend that new technologies have enabled advertisers to intrude into consumers' online territory by using contextual targeting and geo-targeting to place advertising messages relevant to users' interests, preferences, and purchase history. Based on extant behavioural targeting methods that observe audiences' activities online, it is easier to determine when to deliver an advertising message appropriate to that of the decision maker in terms of purchasing intentions (Rodgers & Thorson, 2017).

On the downside, Rodgers, Ouyang and Thorson (2017) warn that though targeting enhances the prospect for “spread” of brand related-content, it is invasive on privacy. Christian (2001) also argues that whereas the Internet offers the improved ability to target consumers that are interested in a particular product or service, there was not as much practical creative freedom as there is with traditional media.

Nevertheless, Evans (2009) reiterates that online advertising increases the accuracy of targeting niche and clients. Duncombe and Heeks (2005) submit that there is increasing evidence that MSMEs are using web-based marketing techniques that have the ability to target niche export markets (see also Moodley, Morris & Velia, 2003). This global niche advertising and audience targeting options are benefits lacking in traditional advertising that have become an attraction point for small business advertisers.

The argument is that the interactive online advertising landscape is imperative for small business brand visibility and spread in an increasingly globalised world. Nonetheless, Ba, Whinston and Zhang (1999), note that without the advantage of a strong brand name or the resources to establish a widely recognised online business that can handle heavy global traffic, small businesses may find it difficult to achieve online trust benefitted by their larger counterparts. In addition, small businesses would need infrastructure that facilitates collaboration and customisation which online advertising offers.

In spite of the above narratives, it would be erroneous to assume that online advertising has completely replaced traditional advertising. The paper rather advocates for advertising environment that blend traditional and online advertising strategies in mutually beneficial ways. Christian (2001) writes on the need for blended approach, as a strategy for successful online advertising in small tourism organisation in Australia. In a similar argument, Igbiduru (2011) posits that the synergies between online and offline advertising in the marketing mix can

significantly improve efficiencies and effectiveness of an overall advertising campaign for Nigerian brands. It is therefore important for small businesses to have an understanding of how changes in the advertising industry work to make informed online advertising decisions.

Online Advertising and Small Businesses: Awareness and Usage

Separate studies by *The Gallup Organisation* and the *Second Annual Small Business Internet Survey* (as cited in Grandon & Pearson, 2004) suggest that the primary motive for small businesses who have established websites was to use the platforms to advertise and promote their businesses, rather than to conduct e-commerce. Christian (2001) shares a similar view that the purpose of building an internet presence for many businesses is purely to publicise the organisation's name, its purpose or intent and to provide information to its existing customers.

Kuyoro *et al.* (2013) submit that internet connectivity has provided SMEs opportunities to use more advanced communications capabilities such as email, file sharing, creating websites, and e-commerce to better promote and distribute their products through online presence. Goldstuck (2012) found that 63 per cent of South African active formal SMEs had a website for advertising and other e-commerce activities.

Extant studies have established factors that influence the use of the Internet or Web for advertising or e-commerce. Abell and Lim (1996) investigated small firms in New Zealand that were using the Internet for marketing and advertising, communication within or outside the company and found that companies used the Internet in more ways, gained more benefits from its use, and were more likely to use it for advertising or marketing. Abell and Lim found that over 70 per cent of the small firms were aware of this benefit. Only a quarter of the companies engaged in advertising or marketing was on the net, 83% of these did so through a web home page, with mailing lists (37%), new groups (33%), electronic publications (23%) and virtual shopping malls (20%). Half of those using the net for marketing felt that it had been “effective” or “very effective” while a third was “neutral” and 13 per cent indicated it was “too early to tell”. They further report that the main reasons for not using the Internet for marketing (in order of importance) was because target customers were not connected, lack of expertise or personnel, perception that online advertising would be ineffective, exorbitant connection or usage charges and technical limitations of hardware or software (Abell & Lim, 1996).

The Boston Consulting Group (BGC) in a 2013 survey of 550 small business owners in the USA found that in spite of the explosive growth of digital advertising on e-mail, websites, Facebook, and Twitter, the actual usage of online advertising stood

at only 3 per cent. The BCG survey also found that many small businesses were not fully aware of all the digital-advertising options available to them, and most of those that are aware of the options are often not sure of the optimal ways to exploit the channels for their benefit. Similarly, Christian (2001) found that in light of the cost-effective promotional opportunities afforded by the Internet, its use as a promotional tool is not significant among small to medium tourism enterprises. Overall, 70 per cent of all Australian small businesses having 1-4 employees were found to be using computers and 34 per cent of those businesses were connected to the Internet (Christian, 2001).

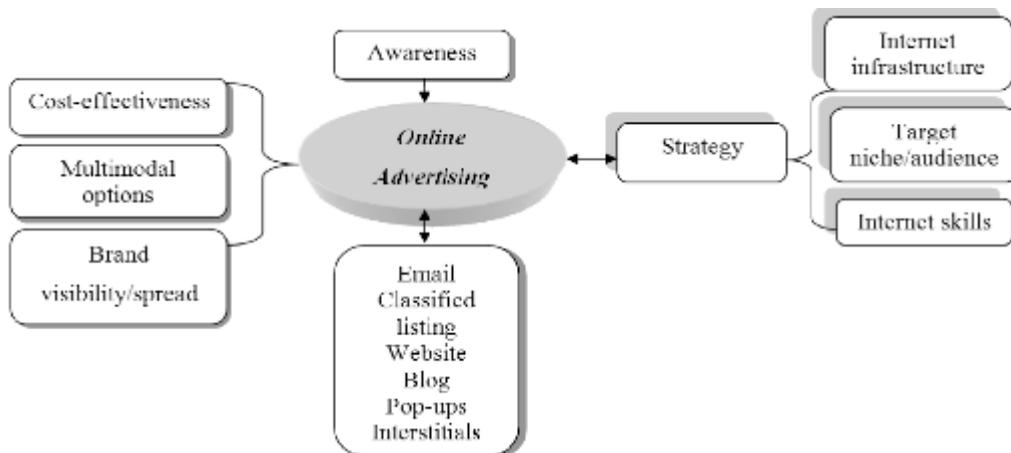
Iacovou, Benbasat and Dexter (1995) found that economic costs and lack of technical knowledge are two of the most significant factors that deter Information Technology (IT) growth in small organisations. Christian (2001) reiterates that barriers to Internet use include a range of impediments such as strategic, high costs and issues related to adopting new technologies. However, he cautions that if small businesses are to remain competitive, they need to overcome impediments and decide to strategize on the use of the Internet as an important marketing tool. Kuyoro *et al.* (2013) supports that for SMEs to be successful, they have to do more than just have an online presence having a website or email, but must strategize. Looi (2014) confirms that the education and experience of employees of small businesses, and owner/managers particularly, played a role in influencing the adoption of an innovation (see also Goldstuck, 2012). Rodgers and Thorson (2000) reveal that a number of mediating variables, such as skill level, assist in switching motives in online advertising. Duncombe and Heeks (2005) who note, “computer-based systems require higher levels of education and literacy, and specific user skills”.

Van Akkeren and Harker (2003) found that SME owner/manager most interested in acquiring new technology are between 30 and 50 years old (see Grandon and Pearson 2004; Oluwatayo, 2010). Chuang *et al.* (2009) found that an older manager may be reluctant to take risks to try out new technology. Thus, those Strauss and Howe (2000) refer to as the 'Millennials', born in the early eighties and mid-nineties, just before the invention of the Web would presumably be more likely have a greater awareness or use online advertising. Van Akkeren and Harker (2003) found that SME owners/managers who are women might be insignificantly more interested in acquiring the technology than men. The argument here is that education and internet competence of small business operators might have a positive influence on awareness and usage of online advertising.

This paper posits that having the right online advertising strategy is as important as technological competence (in addition to relevant education) and finance to a successful small business online advertising campaign.

Moreover, the United Nations Conference on Trade and Development (UNCTAD) in 2004 reported the regional differences and digital imbalance associated with small businesses use of the Internet for advertising purposes. Van Akkeren and Harker (2003) found that computer literacy of the business owner can influence adoption of new technology. In addition, Iacovo *et al.* (1995) found that high organisational readiness and awareness of the benefits, which is imperative for the allocation of the available resources, are required for integrated, high impact pre-adoption of specific technology was low and recommended the need for promotion to increase awareness. Such awareness programmes could include development and pilot testing of e-commerce or e-business support packages for MSMEs in developing countries (Duncombe & Heeks, 2005). It therefore implies that if the owners are unaware or do not understand the technologies available, they are unlikely to adopt (Kirby and Turner, 1993; Thong and Yap, 1995). Obviously, with the appropriate strategies, online advertising serves useful purposes for small businesses visibility and growth. This position gleaned from the literature review is illustrated in Figure 1.

Figure 1: Proposed Small Business and Online Advertising Conceptual Model



Theoretical Framework

This paper anchors on the Network Advertising Model (NAM) introduced by Rodgers and Thorson (2017) and the Technology Acceptance Model (TAM) of Davis (1989). The NAM is a modification of Rodgers and Thorson's (2000) Interactive Advertising Model (IAM). The IAM explains how interactive advertising works in Web 1.0 environments such as emails and brand websites with the basic components including consumer-controlled aspects, such as Internet uses and information processes;

advertiser-controlled aspects, like advert structures; and the range of responses that result from the interaction of a functioning, information processing individual with the structures of Internet advertising. While the IAM was more interactive than traditional advertising models, it could not explain higher levels of interaction in Web 2.0 and Web 3.0 environments.

Thus, Rodgers and Thorson (2017) proposed the NAM to reflect the complexities and emerging changes in interactive advertising on Web 2.0 and Web 3.0 channels. The NAM, while maintaining significant tenets of the IAM, is different in that it accounts for the “networked” potentials of social media such as Facebook, Google, LinkedIn, Snapchat, Pinterest, twitter, etc (Rodgers & Thorson, 2017). According to Rodgers and Thorson (2017), the idea of “spreadability” (Jenkins 2008; Jenkins, Ford & Green 2013) is a central feature of the NAM where advertising messages no longer needs paid media to be 'spread'. Rather, most brands now harness the power of spread of the network to employ combination of paid, earned, social, and owned media tools (Rodgers & Thorson 2017).

Rodgers and Thorson (2017) stress that the theoretical premise that the crucial mechanism in online advertising is a network of message movements across platforms, with frequent message duration, migration, manipulation, and creation (e.g., user-generated advertising) by participants (formerly known as the audience). Advertising messages in the NAM means structured messages in the form of tweets, shares, press release, Facebook sites, events that no longer need paid media to be spread, but rather hugely depend on the power 'electronic Word-of-Mouth (eWOM) and 'virality' (Wang, and Rodgers, 2010).

As the Internet involves many media such as online sites of old media, social media, as well as sites built by individuals or corporations that operate on multiple devices (e.g., laptop computers, tablets, smartphones, etc) the idea of spread of advertising messages through 'like', 'share', comments and recommendations, and so on etc, is huge within brand network, thus and the advertiser may have little or no control over that activity, thus making the “listening process” critical (Rodgers & Thorson, 2017). The idea of 'spreadability' is relevant to this present study, as small businesses need to exploit their social media network to be visible to their niche market, in order to track behavioural intentions that would inform posting appropriate persuasive messages through paid and unpaid advertising online channels. But to do this effectively, small business operators must be fully aware of online advertising structure, processes and strategies. This level of awareness is imperative to promote small businesses acceptance and usage of a new technology such as online advertising.

Accordingly, the TAM Davis (1989) influenced to a large extent by Ajzen and Fishbein's (1975) theory of reasoned action (TRA), which suggested that a person's

actual behaviour could be determined by considering their previous intention and the beliefs that a person would have for the said behaviour. In the original TAM, Davis (1989) explains that when a new technology confronts the potential user, the decision to actually use is dependent on two main acceptance variables: Perceived usefulness (PU) and perceived ease-of-use (PEOU). Davis defines PU as “the degree to which a person believes that using a particular system would enhance his or her job performance”. PEOU is the degree to which a person believes that using a particular system would be free from effort” (Davis, 1989).

Chuttur (2009) criticised the TAM for its predictive power, and lack of practical effectiveness, but agrees that the TAM appears to be the most influential and adapted information system theory. It is for this predictive power of usage that the TAM is relevant to this study. The assumption is that when an owner/manager of a small business (user) does not perceive a new technology (online advertising) to be useful and easy to use, it might affect decision to use the innovation in their businesses. On the other hand, if the complexity of the 'networked' online advertising environment is perceived to be daunting, small businesses may not be rushing to sign up for online advertising packages.

Methodology

The study used survey research design to examine the awareness and usage of online advertising channels for small businesses within the Nigerian context. The population of the study comprised of 2,809 businesses listed on Vconnect (<https://www.vconnect.com/>) in four randomly selected States (Delta, Lagos, Taraba, and Anambra) from a stratification of the geographic zones of Nigeria. Considering that this paper focused on online advertising, it was pertinent to work with small businesses with some online presence. Thus, Vconnect, reputed to be one of the foremost online directories for small businesses in Nigeria (Vconnect, 2018) was helpful in the manual keyword search of small businesses by States. The sample size was determined using 10 per cent (N=281) of the population, which was proportionally distributed to the States (see Table 1).

Table 1: Population and sample size

State	Population	Sample Size
Taraba	27	3
Delta	166	12
Anambra	111	11
Lagos	2,555	255
Total	2,809	281

Population source: <https://www.vconnect.com>

Since the paper was interested in online usage and awareness, which requires substantial internet access, the survey was conducted in the capital cities (Jalingo, Asaba, Awka and Ikeja) of the selected States. Small businesses that participated in the survey cut across 8 business sectors: ICT, manufacturing, distributive trade, artisans, fashion, food and beverages and service providers. The survey was conducted using questionnaire, which was administered to 281 owners/managers of small businesses in the cities, with the help of four research assistants. Selection of CEOs/managers was based on their decision-making position and expert knowledge about the organisation.

Cronbach's alpha reliability coefficient of 0.729 resulting from piloting 20 small businesses in Port Harcourt indicated that the instrument for the study was reliable. 7.9 per cent of sample failed to complete the questionnaire on the suspicion that data might be used for tax purposes, and the remaining 6 per cent returned the questionnaire in unusable state. Overall, 241(86.1%) completed questionnaire were returned and found useful. Wimmer & Dominck (2006) considers this return rate adequate for face-to-face survey instrument administration.

Data Presentation and Discussion

Data collected for the study were presented in frequency tables and pie charts. Analysis of data for the three research questions was done using simple percentages. The research hypothesis was tested using the Chi Square at degree of freedom ($df = 3$) and level of significance at ($p > 0.05$).

Research Question 1: What are the demographics of small business owners in the selected states in Nigeria?

The aim of research question 1 was to provide an overview of the demographics of respondents to deepen discussions in other results.

Table 2: Demographic data of respondents

Age		
	Frequency	%
21-30	38	15.8
31-40	53	22.0
41-50	81	33.6
51-above	69	28.6
Total	241	100
Gender of respondents		
Male	189	78.4
Female	52	21.6
Total	241	100

Highest Qualification

VTO	2	0.8
VT&FE	49	20.3
VT&NFE	28	11.6
FSLC	67	27.8
SSCE	39	16.2
OND/NCE	32	13.3
Bachelors' Degree/HND	21	8.7
Masters	3	1.2
PhD	-	-
Total	241	100
Computer literacy		
Yes	143	59.3
No	98	40.7
Total	241	100

Note on Highest Qualification:

Vocational Training Only, Vocational Training and Formal Education (VT & FE), Vocational Training & Non-Formal Education (VT&NFE), First School Leaving Certificate (FSLC), Senior Secondary School Certificate (SSCE), Ordinary National Diploma (OND), National Certificate in Education (NCE), Higher National Diploma (HND).

Results in Table 2 summarise demographics of respondents which show that 38 (15.8%) respondents were between 21-30 years of age, 53 (22.0%) were in the 31-40 age range, 81 (33.6%) were between 41-50 years, whereas 69 (28.6%) of respondents were 51 years and above. More than half (62.2%) of the respondents were above 40 years, outside the age range of the millennial, who are presumed to be much more technologically perceptive. The result on age might have implications for online advertising awareness and usage. Studies have found relationships between age and usage of new technologies in SMEs.

For example, Van Akkeren and Harker (2003) found that SME owners/managers who were between 20-50 years are more favourable to adopting new technologies for business. Chuang *et al.* (2009) found that an older manager might be reluctant to risk adopting new technology (see also Oluwatayo, 2014). In this regard, one might expect that the fact that majority (62.2%) of respondents were over 41 years in the present study, online advertising usage would be low. In contrast, in a pertinent study, Okoro and Epepe (2017) found a negative relationship between age and perceived profitability of online advertising usage by small businesses. Nevertheless, observation that is more recent shows an increasing presence of older

adults in digital spaces, which has the potential to blur the line between age and use of new technologies in small businesses.

More than half of the respondents were males 189 (78.4%) and 52 (21.6%) females, indicating a dominance of male small business owners/managers. Studies have established relationships between gender and adoption of new technologies in SMEs. Okoro and Epepe (2017) found no significant relationship between gender of small business operators and perceived profitability of online advertising usage. In contrast, Van Akkeren and Harker (2003) who found that female SME owners/managers, are insignificantly more interested in acquiring new technology than their male counterparts. However, the fact that the number of small business owners/managers that were males was significantly higher than females in the present study, does not guarantee that the males would be more likely to be aware of and, or use online advertising for their business.

Results in Table 2 on educational qualification of small business owners/managers (in order of significance), show that 67 (27.8%) had FSLC, and 49 (20.4%) had some form of VT& FE. While 39 (16.2%) had SSCE, 32 (13.3%) were OND/ NC holders, 28 (11.6%) had some form of VT & NFE, 21 (8.7%) had Bachelors/HND degrees. 3 (1.2%) respondents had Masters Degrees and an insignificant 2 (0.8%) respondents had vocational training with no form of formal or non-formal education. None of the respondents had a PhD. This result on highest qualification implies a relatively literate demography, as only 0.8 per cent did not add any form of education to their vocational training. This finding deviates from Oluwatayo's (2014) who revealed that about 43 per cent of SME owners had no formal education.

Overall, 23.2 per cent of respondents had some form of tertiary education in the present study. Findings are partly similar to those of Oluwatayo (2014) who found that only about one-quarter of SME owners had tertiary level education, but contrasts with those of Grandon and Pearson (2004) who found that the majority of owners/CEOs of SMEs were well-educated, with over 68.67 per cent holding a 4-year college degree or higher. This variance may be attributable to regional differences (UNCTAD, 2014). The argument is that the relatively literate sample in the present research might have positive implications for online advertising usage. This position agrees with Van Akkeren and Harker (2003) who found that education was significant in acquiring new technology.

Table 2 further reveals that more than half 143 (59.3%) of small business owners/managers were computer literate, with 98 (40.7%) not being computer literate. This result may be attributable to the relatively significant formally educated sample. This position is consistent with Duncombe and Heeks (2005) who note,

“computer-based systems require higher levels of education and literacy, and specific user skills”. Again, significant result on computer literacy might have positive implications for online advertising awareness and usage. Pertinent studies have established that SME owner/manager with narrowly focused education and experience are less likely to appreciate the usefulness of e-Commerce (Looi, 2014).

Research Question 2: What is the level of awareness of online advertising amongst owners/managers of small businesses in Nigeria?

The aim of research question 2 is to establish level of awareness of online advertising by small business owners/managers. To establish this, it was imperative to first ascertain the awareness through an overview of the general knowledge of online advertising by small business owners/managers (see Table 3).

Table 3: Online Advertising Awareness

	Response	Frequency	Per cent
Are you aware of online advertising?	Yes	237	98.3
	No	4	1.7
Total		241	100

Results in Table 3 indicate that nearly all 237 (98.3%) of the respondents claim to be aware of online advertising, with only 4 (1.7%) indicating that they were not aware of online advertising. This result is not surprising, considering the fact that the sample was drawn from an online source (Vconnect.com). It is possible that some businesses could have been registered on the site through third party, association or by proxy. Again, the cosmopolitan location, with majority of the respondents located in Ikeja, a supposedly Internet savvy environment, may be attributable to the impressive results of online advertising awareness. Moreover, the significantly computer literate sample and ubiquity of internet friendly mobile devices may also be responsible for the result on awareness. This position is similar to a pertinent study that suggest that Nigerian SMEs' understanding of ecommerce technology is reasonably well developed, as most managers/owners had received some form of ecommerce training (White *et al.*, 2014).

Importantly, power of 'spread' as advocated by the NAM may have influenced awareness. However, finding on awareness in the present study, deviates sharply from several extant studies that found an apparent lag in the awareness and use of the Internet for advertising (e.g., BCG, 2013; Iacovou *et al.*, 1995). The variance in results of present research may be linked to regional and time factors. In conclusion, the increasing power 'Networked' environments of Web 2.0 channels,

accessed through multiple digital devices might have 'spread' and created the overriding awareness of online advertising among small business owners/managers.

Table 4: Level of Awareness of Online Advertising

Awareness level	Frequency	Per cent
Very Low	43	17.8
Low	91	37.8
High	101	41.9
Very High	6	2.5
Total	241	100

Table 4 illustrates results from a 4-point rating scale, showing the extent of awareness of online advertising awareness, where 4 is the highest and 1 is the lowest score. Findings show that 43(17.8%) of respondents had 'Very Low' level of online advertising awareness. This was conceptualised, as a insignificant level of awareness or an outright lack of knowledge of online advertising structures, processes and strategies. 91(37.8%) scored 'Low', meaning that respondents had a fair knowledge about online advertising structures and strategies. Whereas, 101(41.9%) respondents indicated, 'High Awareness' suggesting that they have passable practical knowledge, with fair understanding of online advertising strategies. Only 6 (2.5%) of respondents had 'Very High' awareness level, implying a state of advanced practical knowledge and good understanding of evolving concepts, structures, procedure and strategies of online advertising.

Note that the initial four respondents who claimed they are not aware of online advertising (see Table 3 above) also indicated their level of awareness to contradict their earlier position. The significantly lower-end results on levels of awareness was quite surprising considering the fact that 98.3 per cent of respondents in Table 3 had claimed to be aware of online advertising. The fact that the millennial constituted less than have of the sample in terms of age range could explain the below average result of extent of awareness of online advertising. Nevertheless, this result is consistent with the BGC's survey, which found that contrary to claims of awareness, many small businesses were not fully aware of all the online advertising options, and most of those that are aware, are often not sure of the optimal ways to exploit the channels (BCG, 2013).

Again, one would have expected higher levels of awareness considering the education level, computer literacy, and urban location of respondents in the present

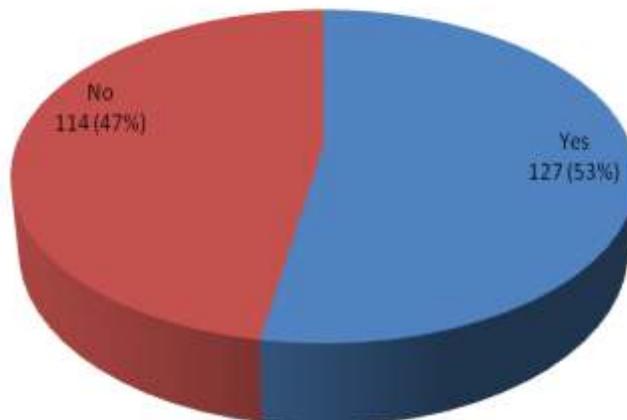
research. Perhaps, the computer literacy was not specific to online advertising. Thus, result on low level of awareness from the present study may be attributable to a lack of computer competence that focuses on online advertising skills, rather than general computer literacy. This specific focus is important because of the constantly changing nature of online.

Rodgers and Thorson (2013) reveal that a number of mediating variables, such as skill level, assist in switching motives in online advertising. Such motive switching is possible to the extent that small business operators are aware of the structure and options of online advertising and their perception of its usefulness to their businesses. The NAM suggests the power of 'virality' of online advertising through Wang and Rodgers's (2011) concept of eWOM may become particularly, useful. Thus a poor understanding of some of the emerging concepts and practices, may predict the extent of awareness and possibly, actual usage of online advertising. Duncombe and Heeks (2005) and Iacovou *et al.* (1995) identified the need for promotion of benefits of e-commerce to increase awareness among small businesses through programmes and pilot schemes of e-commerce or e-business support packages for MSMEs in developing countries. Thus, it is important for owners/managers of small businesses to introduce skill-based interventions to increase their extent of awareness of online advertising to benefit from the 'spreadability' of online advertising.

Research Question 3: How do small business owners/mangers use online advertising for their businesses?

Research question 3 sought to provide answers to online advertising usage of small businesses.

Figure 2: Use of online advertising



The result in Figure 2 reveals that 127 (53.0%) of small business owners/managers use online advertising, with 114(47.0%) reportedly having not advertised online. Usage of online advertising is measured as an intentional process of spreading paid or unpaid advertising messages online. This result is similar to what Christian (2001) found that 70 per cent of all Australian small businesses with between one and four employees use computers and 34 per cent of those businesses were connected to the Internet.

Despite the 'Networked' benefit of online advertising, 27.8 per cent of small business owners/managers revealed that they had not made intentional efforts to advertise their businesses online. Two possible reasons for non-usage of online advertising could be based on perceptions on usefulness and ease-of-use of online advertising. This supports in the original version of TAM that explains that when a new technology confronts the potential user, the motivation to use the technology depends on PU and PEOU (Davis, 1989). Thus, small business owners/managers who are yet to adopt online advertising, would likely adopt it when they perceive it to be useful and devoid of inherent complexities.

A cross-tabulation (see Table 6) between extent of usage frequencies show that only 4 (9.3%) of respondents that had 'Very low' level of awareness advertise online, while 33 (36.3%) out of 91 respondents with 'Low level' of awareness, advertised online. Quite expectedly, 84 (83.2%) respondents with 'High' level of awareness use online advertising and all 6 (100%) respondents with very high level of awareness use online advertising. The significant usage percentage values associated with the 'High' and 'Very high' level of awareness implies that the more small businesses owners are aware of online advertising and its strategies, the more likely they would use it for their businesses. Thus, high levels of awareness have the potential to demystify perceived challenges in the use of online advertising.

Table 5: Usage of online advertising by small businesses

Platforms	Frequency	Percent
Affiliations	78	61.4
Business blog/ website	9	7.1
Facebook	51	40.2
Free listing sites	112	92.1
Google	28	22.0
Twitter	24	18.9
YouTube	11	8.7
Others	81	63.7

**percentages are a function of the 127 small businesses who advertised online in the past 2years (see Figure 2).*

Results in Table 5, summarising usage of online advertising channel (in order of importance) showed that out of the 127 small business owners/managers that advertised online, 112 (92.1%) used free listings, and 81(63.7 %) advertised on other online channels, rather than the ones listed in Table 5, and 78 (61.4%) advertised through affiliations. 51(40.2%) advertise on Facebook, 28 (22.0%) advertised on Google, 24 (18.9%) used Twitter, and 11 (8.7%) advertised on YouTube. Only 9 (7.1%) small businesses owned a business website/blog. This meant that 'Free listings', 'Others' and 'Affiliations' were the top three online advertising channels used by small businesses. While Facebook and Google are reportedly the dominant online advertising channels (Rodgers and Thorson, 2017) result in present study did not reflect that dominance, as less than half of small business advertised on Facebook or Google respectively. Owning a business website/blog (7.1%) was the least used online advertising channel for small businesses. The result on website ownership contrasts sharply with Goldstuck (2012) who found that 63 per cent of South African active formal SMEs owned a website.

The insignificant result on website/blog in the present study may be cost related because free listings ranked the highest in the list of usage of online advertising channels. Abell and Lim (1996) found that one of the main reasons SMEs do not using the Internet for marketing was the high cost of connection or usage charges, technical limitations of hardware or software. Over the years, the barrier of cost has remained a recurring decimal for small businesses' online advertising efforts in African countries (Goldstuck, 2012). However, Christian (2001), reiterates that strategic impediment, is as important as the issue of cost to adopting new technologies. Kuyoro *et al.* (2013) argue that for SMEs to be successful, they must go beyond just having an online presence such as a website or email, to strategically position themselves. This requires certain online advertising skills such as 'listening' to the audience as the advertising message spreads through the network through tweets, retweets, posts, likes, shares etc (Rodgers &Thorson 2013).

Several pertinent studies have highlighted benefits small businesses derive from using the Internet or Web for advertising. For example, Duncombe and Heeks (2005) submit that MSMEs are using web-based marketing techniques that are effectual for targeting niche export markets. Kuyoro *et al.* (2013) note that internet connectivity has provided SMEs opportunities to use more advanced communications capabilities such as email, file sharing, creating websites, and e-commerce to better promote and distribute their products through online presence. Consistent with the TAM, perceptions on ease of use and perceived usefulness may have predicted the relatively low use of websites, Facebook and Google. Nevertheless, the conclusion

here is that a significant number of small business owners/managers use online advertising to 'spread' their advertising messages.

Research Hypothesis

Ho₁: The extent of awareness on online advertising is not related to the usage by small business owners.

Table 6: A chi square test extent of awareness and usage

Level of awareness	Use of online advertising		Total F (%)
	Yes F (%)	No F (%)	
Very low	4 (9.3)	39 (90.7)	43 (100.0)
Low	33 (36.3)	58 (63.7)	91 (100.0)
High	84 (83.2)	17 (16.8)	101 (100.0)
Very high	6 (100.0)	0 (0)	6 (100.0)
Total	127 (52.7)	114 (47.3)	241 (100.0)

$*X^2 = 85.349, df=3, P=0.001$

The Chi Square test was used to test the null hypothesis because the paper sought to establish a relationship between two variables: level of online advertising awareness and usage was observed in the cross-tabulation in Table 6 at, $X^2 = 85.349, df=3, P=0.001$. Since the significant value (0.001) of the chi square statistic is less than 0.05 level of significance, we reject the null hypothesis and accept the alternative. Therefore, the level of awareness of small business owners is positively related to the use of online advertising. This implies that the higher level of the awareness the more the use of online advertising. As breakdown of the result reveals that of the 43 respondents with very low level of awareness, 4 (9.3%) advertise online, and 33 (36.3%) out of 91 respondents with low level of awareness, advertise online. In contrasts, 84 (83.2%) respondents with high awareness use online advertising while all 6 (100%) respondents with very high levels of awareness used online advertising for their businesses. The increasing percentage values explain the positive relation. This implies that the higher level of awareness of online advertising, the more small business owners/managers use it in their businesses.

Conclusion

This paper investigated the awareness and usage of online advertising channels for small businesses in select capital cities in Nigeria. Anchored on the NAM and TAM for theoretical support, a survey of small business owners/managers revealed a

predominance of small business owners/managers who were over 40 years. The paper posits that 'non-millennial' might find it more challenging to keep up with the fast-evolving online advertising landscape than millennial, who were born into the world of fast-paced technology. More than half of small business owners/managers were males, with a significant number of respondents having some form of academic qualification and computer literacy that could be useful to predict extent of online advertising awareness and usage in terms of PU and PEOU. This is mostly possible when the computer skill set is specific to online advertising environments.

While 98.3 per cent of respondents claim to be aware of online advertising, more than half of 55.6 per cent have between 'Very low' to 'Low' extent of online advertising awareness. A sizable per cent (92.1) of respondents advertise online, with 'Free listings', 'others' and 'affiliations' ranking as the three most used online advertising channels. Facebook and Google ranked 4th and 5th, for small businesses' use of online advertising, respectively. Business website/ blog and YouTube were the least used online advertising sites.

The Chi Square test of the null hypothesis at ($df=3$ and $p>0.05$) found a positive relationship between extent of online advertising awareness and usage. Clearly, online advertising through its networking and interactive power has brought greater opportunities for small businesses to use paid and unpaid advertising options to target niche markets and audiences in an increasingly competitive global business environment. Thus, to remain relevant, more small business owners in Nigeria must seek to increase their levels of awareness of online advertising to ensure its strategic and optimal usage.

Limitations, Contributions and Recommendations for Further Studies

As with most related studies, this research had limitations, most of which points to the way of future studies. A major limitation of the study was the use of a single methodology, which had negative implications for robust data collection and the generalizability of the results. In this regard, future research can focus on using mixed methodology to investigate various aspects of online advertising and small businesses. In addition, the scarcity of an up-to-date, segmented and comprehensive official database of small businesses was also a challenge to retrieving study population and sample. In spite of this challenge, it is important for further studies to pay considerable attention to online advertising using larger small business samples in national and cross-national research.

In spite of the limitations, by applying the NAM and TAM theoretical perspectives, this paper makes important theoretical contributions to online

advertising and small business research within the Nigerian context. Moreover, the research findings have added to literature on level of online advertising awareness measures and usage patterns. Again, the confirmation of a positive relationship between level of awareness and usage has important implications for practice.

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