

## **Influence of social media on SMES marketing performance evidence from Bodija, Ibadan north local government Oyo state**

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**Abstract** - The present study investigated the marketing strategies of SMEs in Bodija, Ibadan-North Local Government Area, Oyo State, with a specific focus on their engagement with social media platforms. It examined their perceptions of these platforms, the effects of social media on their marketing outcomes, and the obstacles they face in leveraging social media for business promotion. Additionally, the research analysed the correlation between the level of social media engagement and marketing practices, and whether the socio-demographic profiles of SME owners in the studied area played a role in their social media marketing adoption. The research outcomes further indicated several significant challenges that hinder SMEs from effectively utilizing social media for marketing and business promotion. These challenges comprised the loss of social media accounts, the unreliability and inconsistency of network service providers, and the substantial time investment needed to build a social media audience that converts into customer support. The study recommends that SMEs pursue digital marketing training and partner with professionals to mitigate these obstacles. Despite the possible advantages of social media for SME marketing, it is crucial to address these constraints to maximize the effectiveness of social media platforms and enhance business promotion.

**Keywords:** social media, marketing SMEs, SMEs advertising

### **1. Introduction**

The emergence of social media has altered the marketing strategies employed by businesses, especially small and medium-sized enterprises (SMEs). It offers an affordable channel through which products and services can be advertised to a broad audience.. The swift expansion of social media has altered traditional methods of customer engagement, introducing both opportunities and hurdles. SMEs that adopt and utilize these tools strategically are more likely to strengthen their position within the marketplace.

While social media continues to gain prominence as a tool for business promotion, the degree to which it is utilized for marketing by small and medium-sized enterprises (SMEs) in Ibadan North Local Government remains uncertain. This study aims to investigate the impact of social media use on product marketing among SMEs operating in the Bodija area of Ibadan North.

Social media refers to websites and applications that allow users to create and share content or participate in social networking (Kaplan & Haenlein, 2010). SMM involves creating and sharing



content on social media platforms to achieve marketing goals such as brand awareness, customer engagement, and lead generation (Kietzmann et al., 2011).

Small and medium-sized enterprises (SMEs) play a vital role in driving economic growth and development both globally and within Nigeria. Nigerian SMEs contribute approximately 50% of the Gross Domestic Product (GDP) and employ over 80% of the labor force (Nwankwo, 2019). Despite their significance, these SMEs face challenges such as limited access to funding, poor infrastructure, and ineffective marketing. Social media integration into marketing offers a potential solution by enabling SMEs to reach wider audiences cost-effectively.

Prior studies have examined how social media can improve business performance. For instance, Rapp (2012) noted that social media facilitates customer relationship development, increases brand awareness, and contributes to higher sales. Likewise, Barnes and Jacobsen (2013) identified its usefulness in engaging customers and generating leads. Nonetheless, there remains a scarcity of research specifically focusing on how SMEs in Nigeria are adopting social media for marketing purposes.

A considerable portion of existing research on social media and SMEs in Nigeria has concentrated on the challenges confronting these enterprises and the role of governmental support (e.g., Adeniyi & Ajayi, 2019; Ojo, 2018). Therefore, a gap in current knowledge exists regarding the practical application of social media by SMEs, particularly within Ibadan North Local Government, a key commercial zone in Oyo State, Nigeria.

In conclusion, social media has become an indispensable element of marketing for numerous businesses, particularly SMEs. Nevertheless, there is a paucity of research exploring the utilization of these digital tools by SMEs in specific regions such as Ibadan North. This study seeks to address the identified gap by exploring how social media usage affects the marketing efforts of SMEs located in the Bodija area of Ibadan North Local Government. The outcomes of this research are expected to yield practical insights that may enable SMEs in Nigeria to implement more effective marketing strategies through social media and enhance their market competitiveness.

Previous research has explored various factors that contribute to effective communication for business performance, including effective marketing, organizational performance, and environmental factors (Jain et al., 2015; Kibe, 2014; Bery et al., 2015; Nnamani & Ajagu, 2014). Some studies have also examined the impact of marketing strategy, customer perception, social marketing, and sales promotion on business promotion (Mady, 2011; Bashar et al., 2012; Phokwane, 2020). However, limited attention has been given to the role of media as a communication tool for organizational performance and business promotion (Gbolagade et al., 2013; Festus, 2016). The study will investigate the marketing strategies employed by small and medium-sized enterprises, focusing on the limited understanding of social media's effectiveness and its adoption as a preferred marketing medium among SMEs in Ibadan North Local Government Area, Oyo State.

This study attempts to provide answers to the following questions: (1) What are the mechanisms through which social media influences the marketing performance of SMEs? (2) What effects does social media have on the marketing performance of SMEs? (3) How does social media affect the marketing performance of SMEs?

### ***Research Hypothesis***

**Hp1:** There is no statistically significant association between social media usage and the marketing activities of SMEs in Bodija, located within Ibadan North Local Government Area, Oyo State.

**Hp2:** The research will establish that social media usage has a discernible influence on the marketing performance of SMEs in Bodija, Ibadan North Local Government Area, Oyo State.

**Hp3:** The findings will indicate that the socio-demographic attributes of SME operators, both collectively and individually, influence their use of social media as a marketing instrument in the study location.



This study examined how social media usage affects the marketing practices of small and medium-sized enterprises (SMEs) in the Ibadan North Local Government Area, Oyo State. (1) To examine consumer perceptions regarding the use of social media as a marketing instrument. (2) To evaluate the impact of social media usage on the marketing performance of small and medium-sized enterprises. (3) To investigate the barriers hindering effective utilization of social media for business promotion by SMEs.

This study primarily investigates the impact of social media usage on the marketing strategies of small and medium-sized enterprises (SMEs) in the Bodija area of Ibadan North Local Government Area. The Bodija axis is noted for its dense population of SMEs, positioning it as a strategic and relevant setting for this research.

This study seeks to explore how social media is used by SMEs to market their products thus increasing profit and visibility for customer patronage. The study seeks to know how social media can be used to promote business growth.

This study would be of immense importance to marketers in creating deeper engagement with consumers to build the reputation of business. In the long run, this will aid the improvement of the market intelligence of businesses and their industries as a whole.

The findings for this study would be of value to SMEs as they would be able to understand the effect of using social media to market their products for the improvement of their business practices. Additionally, this study will enable entrepreneurs to improve their social media marketing strategies for business promotion. In essence, this research work will enable SMEs to gain knowledge and understanding of the role of social media as an effective marketing tool for their business.

**(a) Social media:** it encompasses digital platforms that enable individuals to generate, distribute, and interact with information, ideas, opinions, and content within online communities and networks. This includes, but is not limited to, social networking sites such as Facebook, Twitter, Instagram, LinkedIn, and Snapchat, as well as blogs, forums, video-sharing platforms, and other online communication channels (Uwajumogu et al., 2021; Adekunle & Jekayinfa, 2019).

**(b) Social media marketing:** the use of social media platforms such as Facebook, Instagram, Twitter, and LinkedIn to promote a product, service, or brand (Agwu & Carter, 2021; Adekunle & Jekayinfa, 2019).

**(c) Small and medium-sized enterprises (SMEs):** firms that employ fewer than 250 people and have an annual turnover of less than 50 million naira (Uwajumogu et al., 2021).

**(d) Advertisement:** This is a communication technique that entails running a complex persuasive process for the realization of which a variety of specific tools capable of causing psychological pressure on the concerned public are used (Dahlen and Rosengren, 2016). The sponsor undertakes advertising communication efforts with the goal of achieving specific communication objectives, such as delivering a standardized message to a targeted audience about the company, its products, or services.

**(e) SMEs:** Refers to Small and medium-sized enterprises (SMEs) or small and medium-sized businesses (SMBs) are businesses whose personnel members fall below certain limits (Aramovna, 2020). A small business is an independently owned and operated entity that is not a major player in its industry. It is often referred to as a "small firm" or a "small and medium-sized enterprise" (SME), distinguishing it from larger corporations.

Recent research increasingly examines the impact of social media usage on business growth, especially concerning small and medium-sized enterprises (SMEs). The importance of social media for businesses is highlighted by Rapp (2012) and Barnes and Jacobsen (2013). Social media refers to websites and applications that allow users to interact with each other using network technologies (Kaplan and Haenlein, 2010). Social media platforms are widely used by individuals of all ages and profiles globally, including in Turkey, for various reasons such as socializing, communication, content sharing, information acquisition, collaboration, and personal presentation (Zincir, 2014; Kara,



2013). Among the benefits of social media for SMEs are increased brand awareness and corporate image, better customer relationship management, improved brand communication, increased sales, competitive advantage, and risk avoidance (Odabaşı & Odabaşı, 2010). This study's central objective is to analyze the impact and effectiveness of social media as a communication tool in the improvement of business operations among small and medium-sized enterprises (SMEs) situated in the Ibadan North Local Government Area of Oyo State.

The Social Exchange Theory (SET) is a framework from sociology and psychology that describes social behavior as a process of exchanging rewards and costs between individuals or groups. According to SET, people participate in social exchanges with the goal of maximizing benefits and minimizing costs, with the outcome of any exchange being influenced by the perceived rewards and costs involved. Rewards and costs can be tangible or intangible, and can include things like money, love, respect, or time. SET has been used to explain a variety of social phenomena, including interpersonal relationships, organizational behavior, and economic transactions (Blau, 1964; Molm, 2010).

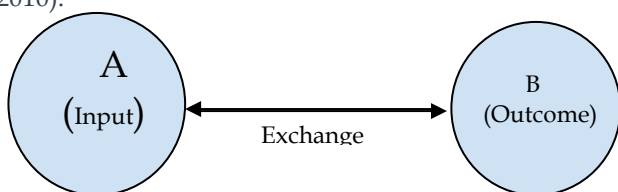


Figure 1 Social Exchange Theory Diagram

The SWOT model is employed by organizations as a strategic planning framework to assess their strengths, weaknesses, opportunities, and threats, emphasizing the importance of leveraging strengths and opportunities while addressing weaknesses and mitigating potential threats. By evaluating internal and external elements, the SWOT Model helps organizations create strategies that support their goals and objectives. Its widespread use in the business world demonstrates its value in guiding strategic decision-making across diverse industries and contexts (Hill & Westbrook, 1997; Kotler & Keller, 2016).

<b>Strength</b>	<b>Opportunity</b>
<b>Weakness</b>	<b>Threat</b>

Figure 2 SWOT Analysis Model Diagram

In Nigeria, social media has emerged as a widely used platform for small and medium-sized enterprises (SMEs) to promote their products and services. While it provides SMEs with valuable opportunities to reach new customers and strengthen ties with current ones, it also brings about various challenges. The SWOT analysis framework can be applied to assess the opportunities and obstacles associated with social media marketing for Nigerian SMEs.

The SWOT analysis framework assesses a company's internal strengths and weaknesses, as well as external opportunities and threats. In the context of social media marketing among Nigerian SMEs, internal strengths may include the entrepreneurial drive and creativity exhibited by SME owners. Conversely, limited technical expertise and constrained financial resources often represent key internal weaknesses. On the external front, the growing population of social media users in Nigeria presents significant opportunities for market reach and customer engagement. However, these advantages are tempered by external threats such as intense competition and unstable market dynamics.

Social Exchange Theory offers useful insights into the dynamics of interactions between SMEs and their customers on social media platforms. Based on the idea that social behavior arises from an exchange process designed to maximize benefits and minimize costs, the theory proposes that individuals engage in relationships they consider to be rewarding. Applied to social media marketing within Nigerian SMEs, this theory highlights the importance of building customer relationships through the consistent delivery of valuable content, responsiveness, and positive engagement. By doing so, SMEs can strengthen customer loyalty, foster trust, and stimulate positive word-of-mouth promotion.

Several studies in Nigeria have adopted theoretical frameworks such as SWOT analysis and Social Exchange Theory to examine the dynamics of social media marketing among SMEs. For instance, Agwu and Carter (2021) employed the SWOT analysis model to systematically identify the internal strengths and weaknesses, as well as external opportunities and threats, associated with the adoption of social media platforms by Nigerian SMEs. In a similar vein, Uwajumogu et al. (2021) utilized Social Exchange Theory to investigate the motivational and relational factors that influence SMEs' engagement with social media marketing. Collectively, these studies provide critical insights into both the potential benefits and limitations Nigerian SMEs encounter in leveraging social media for business growth.

"In today's digital environment, social media platforms have become essential tools for Small and Medium Enterprises (SMEs) aiming to connect with their target audiences. In Nigeria, the adoption of Social Media Marketing (SMM) by SMEs has gained considerable traction, largely driven by the broader availability and reach of internet services. These platforms offer SMEs vibrant avenues to promote their products and services, increase brand visibility, and foster direct communication with their customers. This empirical review aims to assess the impact of social media usage on the marketing performance of SMEs in Nigeria, drawing on findings from peer-reviewed studies and academic literature. Empirical evidence from scholarly literature consistently underscores the positive influence of social media usage on the marketing performance of SMEs. For instance, Adekoya and Adegbite (2021), in a study published in the *Journal of Entrepreneurship Education*, found that social media significantly contributed to improved customer engagement, brand visibility, and increased sales among SMEs. In a similar vein, Ogbuefi and Okeke (2019) examined the role of platforms such as Facebook, Twitter, and Instagram in the marketing strategies of Nigerian SMEs. Their findings revealed that firms leveraging social media reported enhanced brand recognition and higher sales performance compared to their counterparts who did not. Moreover, social media was shown to positively shape customer perceptions of the quality and value of products and services offered by these enterprises.

Adekunle and Jekayinfa (2019) investigated the role of social media in the marketing of SMEs in Nigeria. The study found that social media usage significantly influenced SMEs' customer engagement, which, in turn, positively impacted their marketing efforts. The study suggested that SMEs should utilize social media platforms strategically to strengthen customer relationships and improve their marketing efforts.

Olayinka et al (2019) in a study, examined the impact of social media usage on the marketing performance of SMEs in Nigeria. The study found that SMEs that used social media platforms reported higher customer acquisition and retention rates compared to those who did not use social media. The study recommended that SMEs should prioritize social media marketing as it enhances their marketing performance. Similarly, a study by Li, Huang, and Lu (2020) published in the *Journal of Business Research*, revealed that social media marketing positively affected SMEs' customer loyalty and satisfaction.

While social media offers numerous advantages for marketing among SMEs, several obstacles limit its effective use. According to Ezeuduji and Okeke (2019), SMEs in Nigeria face challenges such as insufficient technical know-how, limited financial and infrastructural resources,



restricted internet access, and a general lack of understanding of social media marketing strategies. The study emphasized the need for SMEs to invest in digital marketing education and seek collaboration with experts in the field to address these issues effectively.

Another study by Chinyamurindi and Kazembe (2021) published in the *Journal of Small Business and Enterprise Development*, identified a lack of digital marketing skills, inadequate resources, and insufficient knowledge of social media marketing as some of the challenges faced by SMEs. Similarly, a study by Wu and Wu (2020) published in the *Journal of Marketing Management*, found that measuring the effectiveness of social media marketing was a significant challenge for SMEs.

The integration of social media into marketing strategies has proven to be a critical driver of enhanced marketing performance among SMEs. Its effective use fosters greater customer engagement, broader brand visibility, and increased sales potential. To maintain competitiveness in an evolving digital landscape, Nigerian SMEs must not only adopt these platforms but also proactively address challenges such as limited digital literacy, infrastructural constraints, and resource limitations. By strategically leveraging social media while mitigating associated barriers, SMEs can optimize their marketing outcomes, increase revenue, and build stronger, more loyal customer relationships.

While the body of research on the adoption of social media marketing by SMEs in Nigeria continues to grow, a significant research gap persists regarding the influence of personal factors such as entrepreneurial behavior, personality traits, and digital literacy – on the effective utilization of these platforms. Although international literature has addressed these variables to some extent, the focus has largely been on developed countries, leaving the Nigerian context underexplored. There is thus a critical need for empirical investigations that examine how such individual-level characteristics shape social media adoption and usage among Nigerian SMEs. Insights from such research would provide actionable recommendations for enhancing digital marketing capabilities and improving overall business performance in the local SME sector.

## **2. Method**

This chapter presents the methodological framework adopted for the study. It elaborates on the research design, sampling strategy, data collection instruments, and the procedures implemented to ensure validity and reliability. Additionally, it describes the analytical techniques employed to interpret the data and derive meaningful insights.

### **2.1 Research Design**

This study employed a descriptive survey design, which focuses on gathering data to systematically organize, describe, and interpret observed phenomena. Similarly, survey research is one in which a group of people or items are studied by collecting and analysing data from only a few people or items considered to be representative of the entire group (Nworgu, 2006). A survey research design is employed in this study so that findings would be generalized to the entire population.

### **2.2 Study Area**

The Research Study investigates Bodija, Ibadan North LGA which houses majority of businesses in Ibadan, Oyo State (Toyobo, Muili, & Adetunji, 2014). Some largest centres of businesses are situated in the area as well. Most businesses in the area tend to have recorded good success as they also extend their annexes in the area. The SMES who are the primary intermediary between the producers and consumers will be used to source data and information required on the research.

### **2.3 Population of study**

The target population for this study consists of Small and Medium Enterprises (SMEs) operating in Bodija, situated within the Ibadan North Local Government Area of Oyo State, Nigeria. As per the 2017 data published by the Oyo State Government, this local government area has an estimated population of 856,988 residents.



Bodija in Ibadan North LGA area is purposively selected to be used in the study as it is one of the areas in the LGAs with the largest commercial hubs in Ibadan, Oyo State.

#### **2.4 Sample Size Determination**

The researcher employed Taro Yamane's formula to calculate the sample size for the study, applying a standard confidence level of 95% and a margin of error set at 5%. The calculation formula is presented as follows:

Here's the properly arranged formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

- $n$  = sample size
- $N$  = population size
- $e$  = margin of error (in decimal form, e.g., 0.05 for 5%)



## 2.5 Sampling Technique

Proportionate sampling procedure was employed to select the sample. The sample size of 11 SMES in Bodija comprising 3 staff each of the organizations i.e. the MD/CEO, Sales Executive Officer, and the Organization Media Influencers/Promoters which represent the entire respondents. Purposive sampling technique was then used to select 33 respondents (3\*11) from each Organizations/ Business Sectors in Bodija, Ibadan North Local Government Area.

## 2.6 Research Instrument

The primary data for this study were gathered through a self-designed questionnaire consisting of six sections. Section A collected demographic information from the respondents. Section B investigated the social media platforms used by the SMEs. Section C explored the patterns of their social media usage. Section D evaluated the perceived impact of social media on marketing performance. Section E examined consumer perceptions of the effectiveness of social media as a marketing tool, while Section F aimed to identify key barriers hindering the effective use of social media for business promotion among SMEs.

**3.7 Validity and Reliability of research Instrument.**  
The face validity of the instrument was established by showing the instrument to the Head of Department Business Entrepreneurship & Executive Education (UISE) and based on his comments, suggestions and modifications was made on items, the instrument was later approved after observing the necessary corrections.

Reliability shows consistency, dependability and predictability of measuring instruments, thus showing its power of accuracy. (Onwumere, 2005). A pilot testing was carried out using google forms to ensure reliability of the instrument. Cronbach's alpha was used to check the internal consistency reliability. The psychometric property was ( $\alpha = 0.77$ ).

## 2.8 Method of data analysis

Data were collected through a questionnaire, which was thoroughly reviewed for completeness and accuracy. Only properly completed copies were included in the analysis. The data were analyzed using the Statistical Package for the Social Sciences (SPSS) version 25. The results were presented using descriptive statistics such as frequencies, percentages, means, and standard deviations, as well as inferential statistics including Analysis of Variance (ANOVA).

**3.9 Ethical consideration.**  
Prior to collecting data via interviews, experiments, or observation, ethical researchers obtain informed consent from participants (Eisnecker & Kroh, 2017). To ensure that research ethics are followed, the researcher obtained participants' informed consent before conducting semi-structured interviews with them by distributing the self-structured research instrument. Participation in this study was entirely voluntary and came with no perks or remuneration.

This chapter presents analysis of data from field work. The data were analyzed using both descriptive and inferential statistical methods. Descriptive statistics included frequency counts and percentages, while inferential statistics involved correlation analysis, multiple regression analysis, and Analysis of Variance (ANOVA).

### Section A: Demographic Analysis

Descriptive Analysis of the demographic information of the respondents

Table 1 Distribution of the respondents by various demographical variables

Gender	Frequency	Percentage %
Male	15	45.5
Female	18	54.5
<b>Total</b>	<b>33</b>	<b>100.0</b>
<b>Age of Business</b>		



0-2yrs	17	51.5
3-5yrs	15	45.5
6-10yrs	2	6.1
10yrs and above	4	12.1
<b>Total</b>	33	100.0
<b>Marital Status</b>		
Single	10	30.3
Married	23	69.7
<b>Total</b>	33	100.0
<b>Nationality of Business</b>		
Nigerian	33	100
Foreigner	-	0
<b>Total</b>	33	100

Table 2 Respondents' Knowledge on Social Media Platforms

Variables	Twitter	Instagram	Facebook	Whatsapp Business	OthTers, Specify	Mean	Std Dev
Which of the social media platform(s) do you know?	26 (79%)	3 (9%)	2 (6%)	2 (6%)	0 (0%)	1.39	0.64
Which of the social media platform(s) do you use for your business?	12 (36%)	15 (46%)	2 (6%)	4 (12%)	0 (0%)	1.94	0.96

**Research Question One:** What are the mechanisms through which social media influences the marketing performance of SMEs?

Table 3 Consumer's Perspectives on Using Social Media as a Tool for Marketing their Business

Variables	Very Often	Often	Sometimes	Rarely	Never	Mean	Std Dev
How often do you use Twitter for your business?	3 (9%)	4 (12%)	8 (24%)	8 (24%)	10 (30%)	2.45	1.30
How often do you use Instagram for your business?	10 (30%)	14 (42%)	6 (18%)	2 (6%)	1 (3%)	<b>3.91</b>	1.01
How often do you use Facebook for your business?	10 (30%)	8 (24%)	5 (15%)	6 (18%)	4 (12%)	<b>3.42</b>	1.41
How often do you use Whatsapp Business for your business?	26 (79%)	5 (15%)	2 (6%)	0 (0%)	0 (0%)	<b>4.67</b>	0.77
<b>Weighted Mean</b>						<b>3.61</b>	

From table 3 the result reveals that the respondents are fond of using Whatsapp ( $\bar{x} = 4.67$ ) and Instagram ( $\bar{x} = 3.91$ ) as these two items are having means above the weighted mean (3.61), which was taken as a bench. The result implies that sample business owner often use Whatsapp and Instagram.

Table 4 Consumer's Perspectives on Using Social Media as a Tool for Marketing their Business



	ITEM	SD	D	N	A	SA	Mean	Std Dev
1.	I use Twitter to search for products and compare prices.	3 (9%)	9 (27%)	14 (42%)	7 (21%)	0 (0%)	2.76	0.90
2.	I use Facebook to search for products and compare prices.	4 (12%)	7 (21%)	7 (21%)	11 (33%)	4 (12%)	3.12	1.24
3.	I use Instagram to search for products and compare prices.	2 (6%)	1 (3%)	4 (12%)	18 (55%)	8 (24%)	<b>3.88</b>	1.02
4.	I use Whatsapp Business to search for products and compare prices.	3 (9%)	7 (21%)	5 (15%)	12 (36%)	6 (18%)	3.33	1.27
5	Twitter has influenced my awareness of a business	1 (3%)	3 (9%)	15 (46%)	11 (33%)	3 (9%)	3.36	0.89
6..	Facebook has influenced my awareness of a business	2 (6%)	0 (0%)	9 (27%)	16 (49%)	6 (18%)	<b>3.73</b>	0,97
7.	Instagram has influenced my awareness of a business	2 (6%)	0 (0%)	3 (9%)	18 (55%)	10 (30%)	<b>4.03</b>	0.98
8.	Whatsapp Business has influenced my awareness of a business.	2 (6%)	1 (3%)	3 (9%)	15 (46%)	12 (36%)	<b>4.03</b>	1.08
	Weighted Mean						<b>3.53</b>	

Table 4 presents the results of a study in the specified area concerning consumers' viewpoints on the utilization of social media as a marketing tool for businesses. The weighted mean, calculated to address this research question, was 3.53 and served as the benchmark for evaluation. The table illustrates consumer perspectives on the application of social media for business marketing within the study region. Out of the eight metrics employed to assess these perspectives, four registered a mean score exceeding the 3.53 weighted mean benchmark. Specifically, the following items showed mean scores above the benchmark: 'I use Instagram to search for products and compare prices' (= 3.88), 'Facebook has increased my awareness of a business' (= 3.75), 'Instagram has increased my awareness of a business' (= 4.03), and 'WhatsApp Business has increased my awareness of a business' (= 4.03). The data indicates that consumers in the study area consider Facebook, Instagram, and WhatsApp to be the primary social media platforms for business marketing.

**Research Question Two:** To assess how social media usage influences the marketing performance of SMEs

Table 5 Influence of Social Media on the Marketing Performance of their Business

S/N	ITEM	SD	D	N	A	SA	Mean	Std Dev
1	Twitter helps to influence my product visibility	4 (12%)	3 (9%)	14 (42%)	9 (27%)	3 (9%)	3.12	1.11
2	Facebook helps to influence my product visibility	3 (9%)	0 (0%)	10 (30%)	13 (39%)	7 (21%)	<b>3.64</b>	1.11



3	Instagram helps to influence my product visibility	3 (9%)	1 (3%)	3 (9%)	17 (52%)	9 (27%)	<b>3.85</b>	1.14
4	Whatsapp Business product visibility	3 (9%)	0 (0%)	2 (6%)	11 (33%)	17 (52%)	<b>4.18</b>	1.19
5	Twitter helps to drive more traffic for my products visibility	2 (6%)	4 (12%)	16 (49%)	9 (27%)	2 (6%)	3.15	0.94
6	Facebook helps to drive more traffic for my products visibility	1 (3%)	2 (6%)	9 (27%)	15 (46%)	6 (18%)	<b>3.70</b>	0.95
7	Instagram helps to drive more traffic for my products visibility	2 (6%)	2 (6%)	7 (21%)	16 (49%)	6 (18%)	<b>3.67</b>	1.05
8	Whatsapp Business helps to drive more traffic for my products visibility	4 (12%)	0 (0%)	3 (9%)	14 (42%)	12 (36%)	<b>3.91</b>	1.26
	<b>Weighted Mean</b>						<b>3.65</b>	

Table 5 presents the findings on how social media impacts the marketing effectiveness of businesses within the study area. A weighted mean coefficient of 3.65 was used as the benchmark to analyze this. The table indicates that, out of the eight items measuring social media's influence on marketing performance, six had means exceeding the 3.65 benchmark. For instance, the following platforms showed means above the benchmark: Facebook influenced product visibility ( $\bar{x} = 3.64$ ), Instagram influenced product visibility ( $\bar{x} = 3.85$ ), WhatsApp Business influenced product visibility ( $\bar{x} = 4.18$ ), Facebook increased traffic for product visibility ( $\bar{x} = 3.70$ ), Instagram increased traffic for product visibility ( $\bar{x} = 3.67$ ), and WhatsApp Business increased traffic for product visibility ( $\bar{x} = 3.91$ ). These results suggest that Facebook, Instagram, and WhatsApp are key social media platforms affecting businesses' marketing performance

**Research Question Three:** How does social media affect the marketing performance of SMEs?

Table 6 Constraints Hindering the Use of Social Media  
as a Marketing Tool for SMES Business Promotion

	ITEM	SD	D	N	A	SA	Mean	Std Dev
1.	Loss of social media account leads to loss of customer database	1 (3%)	3 (9%)	6 (18%)	17 (52%)	6 (18%)	<b>3.73</b>	0.97
2.	Some social media campaigns need a Domiciliary Bank account that my business cannot afford.	2 (6%)	5 (15%)	13 (39%)	11 (33%)	2 (6%)	3.18	0.98
3.	I do not have the required knowledge and on social media marketing.	6 (18%)	12 (36%)	6 (18%)	6 (18%)	3 (9%)	2.64	1.25
4.	Network service providers are unreliable.	0 (0%)	3 (9%)	5 (15%)	18 (55%)	7 (21%)	<b>3.88</b>	0.86

5.	Network service providers are inconsistent.	0 (0%)	1 (3%)	7 (21%)	18 (55%)	7 (21%)	<b>3.94</b>	0.75
6.	I do not have the skills needed to create marketing content that converts.	6 (18%)	9 (27%)	9 (27%)	7 (21%)	2 (6%)	2.70	1.19
7.	It takes time to build a social media following that translates to patronage.	0 (0%)	1 (3%)	1 (3%)	24 (73%)	7 (21%)	<b>4.12</b>	0.60
	Weighted Mean						<b>3.45</b>	

Table 6 details the obstacles that limit the use of social media as a marketing tool for promoting SME businesses in the study area. A weighted mean coefficient of 3.45 was established and used as the benchmark for this analysis. The table shows that, out of the seven factors assessed as constraints on social media use for SME business promotion, four had means exceeding the 3.45 benchmark. Specifically, these included: the loss of a social media account leading to the loss of a customer database (= 3.73), the unreliability of network service providers (= 3.88), the inconsistency of network service providers (= 3.94), and the extended time required to develop a social media following that converts to customer loyalty (= 4.12). The findings indicate that the challenges hindering social media's use as a marketing tool for SME business promotion are the potential loss of social media accounts, unreliable and inconsistent network service providers, and the lengthy process of building a social media following that results in customer patronage.

#### 4.2 Research Hypothesis

**Hypothesis One:** No significant link was found between how much SME owners in the Ibadan-North Local Government Area of Oyo State use social media and their marketing efforts.

Table 7 Correlation between Social Media Usage and Marketing amongst SME Owners

Variables	No	(r)	P	Remark
Social Media Usage	33	0.615	0.00	Significant
Marketing amongst SME Owners	33			

*Significant at 0.05*

As illustrated in Table 7, the Pearson product-moment correlation analysis reveals a strong positive and statistically significant relationship between the use of social media by Small and Medium Enterprise (SME) owners and their marketing activities. The correlation coefficient (r) of 0.615, combined with a p-value of 0.00, underscores the strength and reliability of this association. This finding indicates that as SME owners increase their engagement with social media platforms, there is a corresponding improvement in their marketing efforts. Social media serves as a powerful tool for promoting products and services, interacting with customers, and increasing brand visibility. The statistically significant result ( $p < 0.05$ ) confirms that this relationship is unlikely to have occurred by chance, and it highlights the importance of digital platforms in modern business strategies. In the context of the study area, this suggests that SMEs leveraging social media effectively are more likely to experience enhanced marketing outcomes and improved business performance.

**Hypothesis Two:** Social media has an impact on the marketing performance of small and medium-sized enterprises in the Bodija area of Ibadan-North Local Government Area, Oyo State.



Table 8 Correlation between Social Media and Marketing Performance SME Owners

Variables	No	(r)	P	Remark
Social Media	33	0.478	.005	Significant
Marketing Performance of SME Owners	33			

*Significant at 0.05*

Table 8 shows the Pearson product-moment correlation results, indicating a strong positive and statistically significant relationship between SME owners' social media usage and their marketing performance ( $r = 0.478$ ,  $p = 0.05$ ). These findings suggest that social media usage is an important factor in determining marketing performance among SME owners in the studied area.

**Hypothesis Three:** Socio demographics profile will jointly and independently influence social media as a marketing tool among SME owners in the study area.

Table 9 Regression Summary and ANOVA of Socio Demographics Profile and Social Media as a Marketing tool among SME Owners

Multiple R = 0.271 R Square = 0.073 Adjusted R Square = 0.022 Standard Error = 4.668					
<b>Analysis of Variance</b>					
Source of Variance	Sum of Square	df	Mean Square	F	Sig.
Regression	50.108	3	16.703	.766	.522
Residual	631.953	29	21.791		
Total	682.061	32			

*Significant @  $p < .05$*

Table 9 shows a joint contribution of the independent variables (business age, business owner gender, marital status) to the dependent variable (SME owners' use of social media as a marketing tool). The analysis produced these results:  $F(3, 29) = 0.766$ ; Adjusted  $R^2 = 0.073$ ;  $p > 0.05$ . This suggests that the combined effect of business age, business owner gender, and marital status influences SME owners' use of social media for marketing. Consequently, hypothesis 3, which proposed that socio-demographic profiles would jointly and independently affect SME owners' use of social media for marketing, is retained due to the non-significant overall relationship. Further examination of Table 7 indicates that the multiple regression, with an adjusted  $R^2$  of 0.073, explains 7.3% of the total variance in social media usage as a marketing tool among SME owners. The remaining 92.7% may be explained by other factors and residuals not accounted for in the study model. These findings point to a joint contribution of business age, business owner gender, and marital status to SME owners' use of social media for marketing.

Table 10 Relative Contributions of Socio Demographics Profile in the prediction of Social Media as a Marketing tool among SME Owners

Variables	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			



(Constant)	33.514	4.248		7.890	.000
Age of Business	1.077	.845	.229	1.275	.212
Gender of the Business Owner	.620	1.637	.068	.379	.708
Marital Status	1.330	1.775	.134	.749	.460

As presented in Table 10, the relative contributions of the socio-demographic variables (business age, business owner gender, and marital status) to predicting social media usage as a marketing tool among SME owners were found to be insignificant. Specifically, the beta coefficients and their associated t-values and p-values for business age ( $\beta = 0.845$ ;  $t = 0.229$ ;  $p > 0.05$ ), business owner gender ( $\beta = 0.068$ ;  $t = 0.379$ ;  $p > 0.05$ ), and marital status ( $\beta = 0.134$ ;  $t = 0.749$ ;  $p > 0.05$ ) all indicate a lack of significant individual predictive power regarding SME owners' use of social media for marketing.

## 4. Conclusion

### 4.1 Conclusion

This study explored the usage of social media as a marketing tool among small and medium enterprise (SME) owners in Ibadan North Local Government Area, Oyo State. It examined consumer perspectives on social media marketing, assessed the impact of social media on marketing performance, and investigated the challenges faced by SME owners in adopting social media for business promotion. Additionally, the study evaluated the influence of socio-demographic factors on the adoption and use of social media platforms by SME operators.

The findings revealed that social media platforms such as Facebook, Instagram, and WhatsApp play a pivotal role in enhancing the marketing activities of SMEs. From the consumers' point of view, these platforms are effective in providing access to business information, facilitating interaction with businesses, and allowing price comparisons and product searches. The study found that business owners were most aware of Twitter, followed by Instagram and Facebook, although WhatsApp Business, despite being less recognized, was among the most widely used platforms for actual business marketing. This suggests that awareness of a platform does not necessarily correlate with its business utility; instead, SMEs are more likely to adopt platforms that offer direct, customer-centered functionalities.

Analysis of consumer behavior further indicated that Instagram and WhatsApp are commonly used to search for products and compare prices, highlighting the centrality of these platforms in the decision-making process of consumers. Data from Table 3 indicated that these social media tools substantially enhance marketing performance by increasing product visibility, facilitating brand awareness, and driving customer traffic. SMEs that embraced these platforms reported higher levels of customer engagement and business growth. These outcomes support the view that social media is not merely a supplementary marketing channel but a core driver of contemporary SME success.

Despite the promising benefits, the study also uncovered several challenges that hinder the effective use of social media for marketing purposes. These include the loss of social media accounts due to hacking or technical issues, limited financial resources to sustain digital campaigns, a lack of sufficient knowledge or expertise in managing digital tools, and issues with internet reliability and consistency. These challenges affect the continuity, reach, and effectiveness of SME marketing efforts and limit the potential of social media to transform business operations fully.

The results of this research are in alignment with several existing studies. For instance, Adekoya and Adegbite (2021) emphasized that social media significantly enhances brand visibility, customer engagement, and sales for SMEs. Similarly, Ogbuefi and Okeke (2019) reported that SMEs leveraging Facebook, Twitter, and Instagram experienced higher levels of customer awareness and



sales than those that did not. These earlier studies support the findings of the present research, reinforcing the idea that social media platforms play an integral role in the marketing strategies of SMEs in Nigeria.

The study's findings also resonate with the research conducted by Ezeuduji and Okeke (2019), who noted that technical incompetence, limited resources, and poor internet access are common impediments for SMEs seeking to adopt digital marketing. This study, in agreement with theirs, recommends building capacity through digital training and forming partnerships with professionals to overcome these obstacles. Similarly, Chinyamurindi and Kazembe (2021) emphasized the lack of digital marketing skills and inadequate infrastructure as major barriers faced by SMEs, while Wu and Wu (2020) highlighted the difficulty in measuring the effectiveness of social media marketing strategies.

Moreover, the present study confirms the strong relationship between social media usage and SME marketing performance. It aligns with findings by Li, Huang, and Lu (2020), who emphasized that social media marketing positively influences customer loyalty and satisfaction. In a similar vein, Adekunle and Jekayinfa (2019) demonstrated that active social media engagement is linked to increased marketing performance, as customer feedback and interaction through these platforms contribute directly to business success. The results also echo the study by Olayinka et al (2019), which reported that SMEs using social media experience higher rates of customer acquisition and retention than those that do not.

The study further revealed that socio-demographic characteristics, such as gender and marital status of SME owners, jointly influence their use of social media for marketing. This suggests that demographic differences shape digital behavior and that marketing strategies need to be tailored accordingly. Recognizing these patterns can help in designing inclusive policies and support systems that account for the diversity among SME owners.

The study establishes that social media is an essential marketing tool for SMEs in Ibadan North Local Government Area. It offers numerous benefits, including enhanced product visibility, improved customer engagement, and increased brand recognition. However, the effective use of social media remains constrained by technical, financial, and infrastructural barriers. Addressing these challenges is crucial to unlocking the full potential of social media as a transformative tool for SME growth. By building digital capacity, improving infrastructure, and offering targeted support, stakeholders can enable SMEs to leverage social media more effectively and competitively.

#### **4.2 Recommendations**

In light of the findings, there is a need for sustained investment in digital marketing education and training for SME owners. Many of the challenges identified stem from insufficient knowledge about how to effectively use and manage social media platforms for business. Capacity-building programs should be designed and made accessible, possibly through partnerships between government agencies, business associations, and private training firms. These initiatives can equip SME operators with essential skills in digital branding, content creation, and online customer engagement.

Collaboration with digital marketing professionals can also help SMEs maximize their social media presence. Many business owners may lack the time or expertise to manage their accounts effectively. Outsourcing social media management to professionals or working with consultants can enhance the quality of marketing campaigns and ensure consistency in customer engagement. Such partnerships can also help SMEs develop and implement marketing strategies tailored to their specific industry and audience.

Improved internet access and digital infrastructure are essential for effective social media marketing. Policymakers and internet service providers must prioritize the development of stable, high-speed, and affordable internet services, particularly in underserved urban and peri-urban areas. A reliable internet connection is fundamental for real-time customer interaction, content delivery, and sustained marketing efforts.



Access to financing remains a pressing issue for many SME owners. Financial institutions and government support schemes should create funding options that are specifically targeted at digital marketing initiatives. These could include grants, low-interest loans, or subsidy programs that assist SMEs in acquiring devices, running paid promotions, or hiring digital experts.

Social media security awareness is another key area of focus. Business owners should be educated on account protection strategies, such as two-factor authentication, regular password updates, and phishing awareness. Protecting business pages from unauthorized access is essential for maintaining brand credibility and customer trust.

Socio-demographic diversity among SME owners should be considered when designing support programs. Gender-sensitive interventions, for example, may help address the digital divide among female entrepreneurs, while mentoring and peer-support networks can be particularly useful for new or inexperienced business owners. By adopting an inclusive approach that takes into account the varied backgrounds of SME operators, interventions can be more equitable and effective.

Ultimately, the integration of social media into SME marketing strategies is no longer optional – it is essential. To remain competitive in a digital economy, SMEs must embrace these tools proactively. With the right training, infrastructure, financial support, and strategic guidance, social media can become a powerful enabler of business success, resilience, and growth for Nigeria's small and medium enterprises.

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