An analysis of social media marketing of indigenous construction firms in Nigeria: A tool for sustainable growth

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ABSTRACT

Indigenous construction firms in Nigeria operate in one of the harshest economic climates while competing with their foreign counterparts. ICFs require strategic and innovative marketing skills in selling their products and services to current and prospective clients. The paper examined the use of social media marketing strategies by indigenous construction firms in Nigeria; a tool for sustainable growth. The study used quantitative data through a questionnaire survey instrument at company-level. A total of seventy-nine (79) questionnaires at firm level were utilised. The data collected were presented using stacked bars, radar charts and matrix correlation. The study identified the social media platforms mostly utilised by ICFs and the major barriers resisting the adoption of the innovative marketing strategy in Nigeria. The perceived benefits accrued to ICFs in the use of social media as a marketing tool differs across the type of social media platforms in use by the ICFs. ICFs need to be concerned about image and trust building through a concerted effort in client engagement on social media platforms to improve their brand and reputation. Social media marketing strategies should be integrated with the traditional marketing plans of construction firm.

KEYWORDS: Construction, Construction industry, Indigenous construction firms, Marketing strategies, Social media, Sustainable growth.

INTRODUCTION

In today’s world, every organization must as a necessity, exist in an online platform. As online platforms such as the use of websites, social media platforms and other internet based systems that link customers to products have changed the way businesses are run. The global impact of web-based systems cannot be over-emphasised, for the far-reaching benefits they engender on businesses (Afolabi et al., 2017). Companies need customers to grow and survive in an economic environment, while a large percentage of these customers’ time are increasingly being spent on social media platforms. Therefore, getting consumers to purchase company’s products is dependent on meeting customers in the market place of online media. With more than 3.5 billion people users of one form of social media app, the likelihood of attracting a user to a product is fairly high (Iblasi, Bader & Al-Qreini, 2016). Lee, Hosanagar and Nair (2014) noted that firms are judiciously increasing their marketing budgets to include advertising on social networking sites such as in developed countries where spending on social media marketing has increased from 8.4% to about 22% within the last five years. For clarity marketing on social media is concerned with making connections with potential or current consumers thereby building a firm-consumer relationship (Erdogmus & Cicek, 2012).
Essentially, social media platforms are web-based apps that allow the creation and exchange of user generated content (Kaplan & Haenlein, 2010). Weinberg (2009) is of the opinion that the process helps to promote the firm’s website or other online platforms in order to bring the firm’s product or services to the fore.

According to Ajanthan (2017), social media platforms such as Tumblr, Facebook, YouTube, Pinterest, Twitter, Google+, Instagram, LinkedIn and so on have become the new method of making a marketing statement in the 21st century, thereby, enabling users to express themselves in unprecedented ways. This internet marketing utilizes social networking sites as a marketing tool to achieve branding and marketing communication goals. In a fast pace changing world, the digital space of social media platforms offer numerous benefits to firms. Some of the benefits may have not yet been realised. Some of the benefits known to researchers include consumer-brand engagement (Schultz & Peltier, 2013), increased opportunities in communicating with consumers around the world (Bruhn et al., 2012), facilitating word-of-mouth communication (Chen et al., 2011), low cost, increased sales (Agnihotri et al., 2012) to mention a few.

The construction industry has been mostly traditional in its operation, although, it is fast changing and embracing new innovative information and communication technologies (ICTs) (Afolabi & Oyeyipo, 2017). Construction firms in developing countries are categories under foreign or indigenous firms. With the rough terrain in developing countries in jostling for construction jobs, indigenous construction firms (ICFs) need every form of marketing strategies to survive since foreign firms control a large chunk of the projects given by the largest client; the public client. The National Bureau of Statistics (2015) in their Nigerian construction report showed that foreign companies have dominated the construction industry since the 60’s and 70’s till now, controlling 95% of construction projects given out by the federal government, while the 5% is shared amongst ICFs. These reports confirm that the construction industry in Nigeria is dominated by foreign companies. However, ICFs in developing countries have developed capacities over the years by acquiring latest equipment and increased technical know-how to handle complex projects. The problem may be the lack of information to communicate their improved capacities and competitive advantage in handing government projects. An online campaign to highlight their strengths and past projects can go a long way in assuring clients of their prowess. Moreover, the dominance of foreign firms have not deterred the high frequency of new indigenous construction firms been formed daily but with low survival ratings over a few years (Asma et al., 2015). Bartelsman et al. (2005) revealed that 20-40 percent of new firms fail within two years post-entry, while only about 40-50 percent survive beyond the seventh year. As a result, high construction firm mortality have been reported in literature globally, but with more emphasis on developing countries (Egesa, 2011).

According to Perreault and McCarthy (2005) making better goods or services will not necessarily guarantee business success or increased construction firms’ performance, if not backed by effective marketing. Social media marketing offers indigenous construction firms an avenue to attract private/corporate clients and engage public clients on their new developed capacities and competitive advantage in the construction industry. Social media marketing (SMM) strategies are very different from traditional marketing practices (Ojelabi et al., 2018). There is need to understand the peculiarities and the challenges pertaining to its use for a unique industry such as the construction industry in developing countries. Therefore, the study examines the use of social media marketing strategies by indigenous construction firms as a tool for sustainable growth. The following listed objectives would guide the flow of this study.
• Identify the social media platforms utilised by indigenous construction firms for marketing their construction product and services.

• Examine the barriers experienced in the use of social media platforms in marketing their construction product and services.

• Assess the perceived benefits accrued to indigenous construction firms in the use of social media as a marketing tool.

REVIEW OF RELATED LITERATURE

The success or failure of a firm is largely dependent on the importance it places on marketing (Ogbu, 2017). Effective marketing is critical for business growth in a competitive open market environment (Ojo, 2011) like Nigeria, identified as being among the largest construction markets in Africa (Odediran, Babalola & Adebiyi, 2013). The study considers the use of social media marketing strategies in the construction industry. The uniqueness of the construction industry can be understood in the type of product it markets and the numerous participants that come together to ensure the product is of high quality and standard. What construction firms sell to its prospective and current clients is trust. This trust is in-built in the quality of the product and the project delivery either in terms of buildings, civil structures or other installation services. The use of social media marketing in the construction industry would entail detailed packaging of construction product and services in statement and pictorial patterns on their online platforms. The use of social media marketing has been researched in other industries. Ajanthan (2017) studied the impact of social media marketing (SMM) on building brand equity in Sri Lankan Travel & Tourism Industry. Using a questionnaire based instrument of hotel customers, the study showed that there is a strong positive impact of SMM on brand equity. In the study by Lee et al. (2014) on the effect of social media marketing content on consumer engagement based on evidence from Facebook. By using content analysis, the study found out that persuasive content increases customer engagement while informative content such as mentions of prices, availability, and product features decreases customer engagement but increases when aided with persuasive traits. Persuasive content thus seems to be the key to effective engagement and indigenous construction firms can take advantage of this to showcase its product and services. Iblasi et al. (2016) studied the impact of social media as a marketing tool on purchasing decisions of SAMSUNG electronic appliances. The study revealed that firms have to consider the use of social media in their marketing plans while noting that 50.5% of the customers surveyed spent between 2-3 hours online purchasing different items, 18.3% spent between 4-5 hours, while the lowest percentage is 14% which spent less than 1 hour online. The study seemed to show that prospective and future clients are online and that is where indigenous construction firms need to be for sustained growth in the industry. In an exploratory research by Srinivasan, Bajaj and Bhanot (2016) among 50 Micro Small and Medium Enterprises (MSMEs) on social media participation showed that SMM had a strong influence on brand awareness and brand trust, which in turn, have a strong influence on customer acquisition and customer retention. The study by Afolabi, Ezenwoke and Ayo (2017) showed the ability of using social media platforms in creating a competitive advantage in financial institutions. Their study helped the banking industry in Nigeria understand how to perform a social media competitive analysis and transform social media data into knowledge, which will form the foundation for decision-making and internet marketing of such institutions. A study on the challenges with social media adoption by Oji, Iwu and Tengeh (2017) among...
small businesses in South Africa suggests that access to the internet is one of the most prominent factors that inhibit the adoption of social media platforms.

**METHODOLOGY**

The quantitative study was carried out in the South-western part of Nigeria in Lagos State. The state is the 6th largest megacity in the world with population over 20 million requiring the need for state-of-the art infrastructure and housing units to meet the shelter demands of its citizen. This has made many construction firms to thrive within the state with large volumes of ongoing construction works been carried out by indigenous construction firms within the state. Many of the indigenous construction firms have their head offices within Lagos State making it a viable area of study for the subject. The study was carried out on a company-level basis on the social media practices of the construction firms. This follows the Roger’s Diffusion of Innovation (DOI) theory, which primarily considers acceptance of innovative-based ICT tools based on a company level. The application of the Rogers’ DOI theory in ICT diffusion and adoption is not new to the construction industry (Ibem & Laryea, 2015). The Rogers’ theory indicates a new way of doing things by emphasizing the benefits of innovative-based ICT tools over the manual approach or other approaches. Nazari, Khosravi and Babalhavaeji (2013) stated that the Rogers’ theory functions as a scientific framework to understand the behaviour of potential adopters at firm level by explaining why some technologies are quickly adopted and used, but others are not.

A survey research design was used in carrying out the study which entailed the design of a questionnaire instrument. Due to the characteristics of respondents, the study could not obtain a comprehensive list of indigenous construction firms within Lagos state, therefore, a quota sampling technique was used in selecting the construction firms where the questionnaires were administered. At firm level, management staff within the firms with information on the social media handling of the construction firms were selected to partake in the study. It was pertinent that the indigenous construction firms selected had one form of active social media account at the time of the study. 125 questionnaires were distributed at firm level to the indigenous construction firms. 79 questionnaires at firm level were well filled and scrutinized to be free of any form of errors. This represented a 63% response rate and was deemed adequate for the study. The design of the questionnaire instrument for examining the use of social media marketing strategies by indigenous construction firms as a tool for sustainable growth had four main sections. These were the indigenous construction firms’ information, the social media platforms used for marketing purposes, the barriers experienced in the use of social media platforms in marketing construction product and services and the perceived benefits accrued to indigenous construction firms in the use of social media as a marketing tool. The study used a 5-point Likert scale to measure the construction companies’ social media marketing practices towards construction products and services. The data collected were presented using stacked bars, radar charts and matrix correlation. In order to determine the validity of the variable selection, an inter-item correlation matrix was performed which showed positive values for all the variables tested in the study. The positive values indicated that the variables selected had the same principal features ideal for the study. A value of 0.722, which indicated a strong correlation among the variables in the questionnaire instrument was observed for the mean inter-item correlation which is appropriate for the study.
RESULTS AND DISCUSSION

This section contains the result and discussion on the use of social media marketing strategies by indigenous construction firms as a tool for sustainable growth. Firstly, the indigenous construction firms’ demographic information was described to understand the characteristics of the participants. Section two contains the breakdown of the objectives of identifying the social media platforms utilised by indigenous construction firms, barriers experienced in the use of the social media platforms and the perceived benefits accrued to indigenous construction firms in the use of social media as a marketing tool for their product and services.

Indigenous Construction Firm’s (ICFs) Demographic Information

The study showed the details of the indigenous construction firms that participated in the survey. Specifically, ICFs that had one form of social media account used for projecting the image of the company, marketing purposes or for client-relationship management and so on, were selected to be part of the sample. Figure 1 showed the summarized breakdown of the information of the indigenous construction firms. This section is necessary to understand the type and capacities of the indigenous construction firms in the study. From Figure 1, most of the indigenous construction firms surveyed within the study area specialized in only building construction. The breakdown of the organization type indicated that majority of the ICFs were into contracting works. A large percentage of the ICFs had a workforce capacity of 1 to 10 paid construction staff. The implication of this is that most of the indigenous construction firms surveyed were majorly small-scale sized firms. The result showed that most of the ICFs had above 5 years working experience in the construction industry. The scope and demographic distribution of the indigenous construction firms is appropriate and adequate for this study. Small-scale construction businesses in Nigeria are most times constrained in the number of construction projects they are awarded, by the federal government. However, their contribution is immense in employment generation and use of locally sourced materials.

![Figure 1: Summary of Indigenous Construction Firms’ (ICFs) Information](image-url)
Social Media Platforms as a Marketing Tool

Using the measurement of social media availability and the level of use, this section measured the social media platforms predominantly used by indigenous construction firms as a marketing tool in the construction sector. Figure 2 showed the distribution of the social media platforms among the ICFs used for construction purposes. The result indicated that most ICFs use Facebook for their marketing purposes closely followed by the professional networking site of LinkedIn. This study aligned with findings in the Irish construction industry by Kelly (2016). Same as in the Irish construction industry, Facebook was identified as the most utilised social media platform for marketing construction businesses. For example, a Kitchen cabinet company advertised a bank holiday discount promotion through their Facebook platform, with customers required to quote “Facebook” upon purchase in order for the discount to be applied. The company received 147 new business enquiries as a direct consequence of this Facebook promotion, with 60% of these interactions converting into sales. The availability of live broadcast streaming on Facebook increases the potential impact the Facebook platform can offer as a marketing tool (Kelly, 2016).

The second most ranked social media platform utilised in this study showed LinkedIn. LinkedIn has been documented as the most powerful marketing tool of the 21st century, allowing businesses to form strategic partnerships and find clients (Chansamooth, 2014 cited in Kelly, 2016), with studies confirming that LinkedIn sends nearly four times more visitors to your company homepage than the other popular social media such as Facebook and Twitter.
The platform allows companies to precisely target their audience based on persona filtering criteria including job function and title, industry, skills and company name which identifies potential leads and builds relationships by providing accurate background information for upcoming meetings about potential client. Therefore, the LinkedIn platform offers a brand or company access to a host of educated, skilled and influential people within their industry (Kelly, 2016). The findings of the study suggests that ICFs do not depend on only one (1) type of social media platform in order to market their products and services. Srinivasan et al. (2016) argued that the services offered by different social media platforms are numerous via the internet which makes it complicated for some companies to know which ones to use and how to use them. One major solution for the ICFs would be to depend on an independent website with the ICFs’ own domain name to reach potential customers. Kirby (2010) opined that the company–specific website should be complemented by social media tools to drive traffic to the company–controlled portal. Through, the social media accounts, the ICFS are able to promote the company’s website and reduce the crowded nature of social media platforms. The social media accounts of the ICFs should be able to stimulate conversations among customers to be able to lead them to a common place – the ICFs’ website where detailed information on the products and services are comprehensive.

**Barriers to Social Media Marketing Strategies**

The study identified barriers that could be encountered, in the use of social media marketing platforms in the construction industry. Barriers such as: fear of company/client information leakage, external pressure from competitors, negative perception about social media platforms, lack of knowledge of social media marketing strategies, lack of investment on social software/hardware tools, complexity of managing social media platforms, resistance to adopt new marketing strategies, size of construction firm, poor control over social media use and lack of business strategies by construction firms. A radar chart was used to measure the barrier gap in the multivariate dataset through a graphical illustration by assigning one axis to one variable and joining the points of each variable. Figure 3 showed the radar chart of the barriers to social media marketing strategies. Using a Likert scale of 5= Strongly Agree, 4 = Agree, 3 = Undecided, 2 = Disagree, 1 = Strongly disagree, the radar chart showed that the ‘barrier factors’ hovered around 2.4 to 2.8 showing agreement by the indigenous construction firms on the barriers to the use of social media marketing platforms for sustained growth in the construction industry. The radar chart showed that there are no outliers. The major barriers to the use of social media marketing strategies by indigenous construction firms (ICFs) as identified from the radar chart are Lack of business strategies by construction firms (2.82), Poor control over social media use (2.80), Size of construction firm (2.77) and Resistance to adopt new marketing strategies (2.77).

Although, effective marketing may create numerous advantages for construction firms, including sustainable growth, increased profits, increased sales and client satisfaction, development of brand identity, entrance into new markets, improved customer loyalty and reputation, enhanced procurement processes and coordination capability, and quality improvement (Mahmood et al., 2017). Construction marketing is still undeveloped and misunderstood with its benefits viewed with skepticism (Arditi et al., 2008). Surveys in the USA, the UK, Turkey, Russia, Indonesia, Malaysia, Croatia, Nigeria, and Jordan indicate that the marketing budget and commitment to marketing management in the construction industry are substantially lower than that in other industries (Butković, 2010; Kulik et al., 2014). This unwillingness is more visible in regards to the marketing plan, due to the intangibility of its...
short-term benefits. Consequently, many construction firms in developing countries do not create a formal marketing plan. Some of the characteristics of the construction industry hamper ICFs from having a strategic marketing business strategy to ensure sustainable growth. Issues of lowest price mostly practiced in developing countries could be helped via the use of social media marketing-related parameters such as references and trust-based relationships to spread the “low price–good quality” practices of the construction firm. Although, the end product that a customer desires may be intangible at the moment, the unique attribute of social media platforms means that ICFs can convince prospective clients through physical evidences that they will complete the project better than competitors in pictures, past client, equipment capacity profile, financial turnover etc. These physical evidences can be portrayed via their social media business strategy.

The unique characteristics of ICFs play an important role such as the size of the firm, the age, location etc., therefore, each company should develop its own unique social media marketing mix incorporated into its traditional marketing strategies, and marketing managers should allocate marketing resources to these components in order to provide additional value for customers. For example, Owusu-Manu et al. (2015) demonstrate that social marketing-related practices are the least important marketing activities for SME contractors, while Bechtel—the largest contractor in the US—spent considerable resources on activities such as social campaigns and scholarships for students. As another instance, a small construction company could just use a free weblog for communication to the market, but a large construction company may need to employ diverse marketing tools such as a professional website, advertising, participation in trade shows and seminars, social networking, catalogs, and press releases.

![Figure 3: Barriers to social media marketing strategies](image-url)
Perceived Benefits of Social Media Marketing Strategies

Perceived benefits from the use of social media as a marketing tool were identified from literature. Matrix correlation was used to present the dataset. The variables of the social media platforms were compared with perceived benefits from the ICFs. Table 1 showed the Matrix Correlation of perceived benefits of social media marketing strategies. From Table 1, there was one form of benefit derived from the use of social media platforms. The ICFs perceived that different social media applications had varying benefits attached to their use in marketing construction businesses. The findings by Ogbu (2017) suggested that advertising and promotional activities which is a publicity-based marketing strategy has the potential to improve ICFs’ performance. The publicity-based marketing strategies via the social media platforms discussed in this study can help in managing firm reputation and image building (Abdullah & Threadgold, 2008). ICFs need good reputation to be able to survive the construction industry in developing countries.

| Perceived Benefits | LinkedInFacebook | Twitter | Google+ | Pinterest | YouTube | Social bookmarking | Blogger | StumbleUpon | GoogleSearch | Foursquare | Myspace | Reddit | Vimeo | Flickr | YouTube | iHeartRadio |
|-------------------|------------------|--------|--------|----------|---------|-------------------|--------|-------------|-------------|-----------|---------|--------|-------|-------|---------|----------|-----------|
The unattractive reputation of ICFs’ inexperience, lack of capacity and the embezzlement of project funds (Ugochukwu & Onyekwena, 2014) are endangerment to ICFs in developing countries. Consequently, these firms have not been trusted by the government (Ugochukwu & Onyekwena, 2014), thereby, been relegated to handling mainly building projects (Odediran et al. 2013) and ignored by the government in the handling of complex and capital intensive projects. Yuksel and Mryteza (2009) are of the opinion that positive publicity about an ICF could help counteract past negative publicity about ICFs. People tend to associate the quality of the work, with the name of the firm doing the work (Ogbu, 2017). Nigerian ICFs often imprint their firm names on their equipment, safety gear, such as helmets and overalls, and project signboards. These resources can be amplified via social media platforms linked to the company website. The ICFs that can provide these resources gain reputations as better firms. A constructive and impactful social media marketing strategy can help clients identify ICFs’ experience, capabilities and possible niches of operation. The quality of these marketing strategies by the ICF engenders a company that is conscious of the client’s needs and expectations.

CONCLUSION AND RECOMMENDATIONS

The study examined the use of social media marketing strategies by indigenous construction firms (ICFs) in Nigeria; a tool for sustainable growth. Social media platforms mostly utilised by indigenous construction firms in Nigeria for marketing their construction product and services include Facebook, LinkedIn, WordPress, Google + and Instagram. There are similarities in the agreement by ICFs in the barriers experienced in the use of social media platforms in marketing their construction product and services. The major barriers acknowledged in the study by the ICFs include lack of business strategies by construction firms, poor control over social media use, size of the construction firms and the resistance to adopt new marketing strategies such as the use of social media platforms. The perceived benefits accrued to indigenous construction firms in the use of social media as a marketing tool are diverse based on the type of social media platform in use by the ICFs. Some of the major perceived benefits in light of this study showed that Facebook and Google + can improve the image of construction firms; Twitter can ensure faster attraction of prospective clients; WordPress, Instagram, YouTube and Social bookmarking sites ensures better archiving of clients’ information. Furthermore, the use of YouTube platform can help engage the international market while WordPress can help foster better construction firm-client relationship. The study recommends the following:

- ICFs need to be concerned about image and trust building through a concerted effort in client engagement on social media platforms.
- ICFs should improve their brand and reputation through a constructive social media participation that is linked to their company website. This could be achieved through investment in marketing business plan that takes cognizance of social media marketing.
- Social media marketing strategies should be integrated with the traditional marketing plan of ICFs in order to engage social media users.
- Since the construction products and services is about quality and value of tangible products, ICFs should endeavour to use social media platforms that promote visual appreciation of the products and services been marketed by the ICFs.
• Informative content of past projects, past clients, financial and equipment capacity should be used in conjunction with persuasive content of scholarships, corporate social responsibility etc. in online post on social media in order to increase the engagement of prospective clients – private, corporate and public.

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