

## **Social Media Penetration and Enterprise Stability of Smes in South East Zone of Nigeria**

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**Abstract:** *Nigeria and other countries in Africa are referred to as developing nations in the international community largely because of the undeveloped nature of their private sectors with the SMEs being a major component of the private sectors. Private enterprises are known to be the driver of most developed economies and the need to understand how social media can be used by them to ensure their enterprise stability becomes inevitable. The paper adopted the survey research design through quantitative research approach. Primary data was elicited through the administration of questionnaires with 3000 questionnaires distributed among SMEs in the South East zone of Nigeria. The study reveals a high level of usage of social media among respondents. Overall, 82.3% of participants use one social media platform or another. However, only 24.5% of that figure used it for the purpose of business promotion. This implies that SME operators in the South-East are not leveraging adequately on the benefits that social media provides for small business promotion. Although the level of social media penetration generally is high, majority of SMEs owners use their social media account more for socialization. Findings of the study revealed that social media usage through innovativeness and market access affects enterprise stability ( $R = 0.817$ ,  $R^2 = 0.668$ ,  $p < 0.05$ ,  $F_{(2, 2876)} = 2888.137$ ), social media penetration also affects enterprise stability ( $R = 0.538$ ,  $R^2 = 0.290$ ,  $p < 0.05$ ,  $F_{(1, 2877)} = 1173.776$ ). The study concludes that even with the high social media usages in the South East zone of Nigeria, there is a dearth in its usage for business promotion among small business owners and encourages its use as it can also help bring about generation of new business ideas, enhance creativity and innovation, and thus lead to the much needed enterprise stability that has eluded most small businesses in the region.*

**Keywords:** *Social Media penetration, Enterprise Stability, SMEs, Innovativeness, Market Access*

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### **I. Introduction**

Nigeria and other countries in Africa are referred to as developing nations in the international community largely because of the undeveloped nature of their private sectors. Private establishments or enterprises are known to be the driver of most developed economies and thus has become the major sources of income, a breeding ground for entrepreneurs and a provider of wealth and labour for countries where they thrive. For many years, the government in Nigeria controlled many aspects of the nation's economy thereby playing the role of both an umpire and an actor and thus enacted policies that tend to favour the government while emasculating private enterprises. However, since the dawn of the millennium, the government in Nigeria has come to realize the unique role an enterprising populace can play in the development of the economy in which they operate and how such enterprising effort can be of huge benefit to the country in general.

In a collaborative study between the Nigerian Bureau of Statistics and Small and Medium Enterprises Development Agency of Nigeria (NBS/SMEDAN, 2013) and the National MSMEs revealed that there are 17,284,771 MSMEs in Nigeria. A detailed breakdown of this further revealed that micro businesses constitute about 17,261,753 or 99.87%, the small enterprises constitute about 21,264 or 0.12% and the medium scale enterprises make up about 1,654 or 0.01%. Furthermore, the National Enterprises Development Program revealed that Micro Enterprise contribute about 70% of employment generation in Nigeria, small enterprises generate 20% of employment while Medium enterprises contribute 5-10%. From this revelation it is evident that micro enterprises make up about 99% of the total SMEs in Nigeria and that they play important roles in the economic life of the nation. In spite of these realization, Oyelaran (2010) noted that SMEs contribute only 1% to the country's GDP as against 40% in Asia, 50% in the USA. This sector of the economy can benefit a lot by deployment of innovative technologies to extend their reach to their customers beyond their small local environment

In talking about entrepreneurship in Nigeria, one region of the country quickly comes to mind. That is not to say that people from other regions in the country lack entrepreneurial spirit, but that the South-East zone of Nigeria appear to be ahead of all others in small sector enterprises. With very scanty federal government

presence, underdeveloped state and local government operations and very few multinationals in the zone, it gladly became the hub of entrepreneurship in the country. With a sizeable number of career civil servants, one can hardly find a family in which there are no entrepreneurs of a certain kind. Whether it be extraction, manufacturing or business development and marketing, the South-East zone of Nigeria, aptly described as “Nigeria’s home of business minds,” is where Onitsha – with the largest market in West Africa, Aba – the indisputable home of indigenous technology in Nigeria and Africa and the ‘Japan of Africa’, Nnewi – ‘the Taiwan of Nigeria’, and Abakaliki – ‘the food basket of Nigeria’ (ECCIMA, 1990: 1-2) are located. The zone, over the years has proven to possess the capacity to champion entrepreneurship development in not just Nigeria, but the entire West African sub-region. This is also demonstrated by the dominating role individuals of that region’s extraction play in the business world in and around the country.

Small and Medium scale Enterprises (SMEs) are generally regarded as the cornerstone of both developed and developing economies. Most governments view SMEs as a major driver of the national economy and source of employment opportunities and therefore tend to support them in various ways. They are often credited as agents of innovation, agents of alleviating poverty, economic growth, wealth creation and employment creation (Hanqin & Morrison, 2007; Mutula & Brakel, 2006). The importance of entrepreneurship development in several economies globally cannot be overemphasized; as such majority of countries worldwide have established programs to support entrepreneurship within their communities (Obaji, & Olugu 2014; Gangi, & Timan, (2013; OECD, 2000)

In the case of Nigeria, being a developing nation, its quest to become one of the leading economies of the world in the nearest future cannot be realized without the input of SMEs, whose innovativeness would impact on all sectors of the nation’s life including governance. Such lofty height can only be achieved if the small-to-medium scale business sector in the country are properly and legally structured, well managed and professionalized. By so doing, they will be enabled to contribute reasonably to the gross domestic product (GDP) of the country through increased global visibility and active participation in international trade. However, irrespective of the fact that the south-east zone of Nigeria is popular for the entrepreneurial prowess of its inhabitants, business experts have decried the lack of adoption of modern business principles and technique that characterize entrepreneurial efforts in the region. The inability of entrepreneurs in the zone and in other parts of Nigeria to adopt modern innovative, institutional and regulatory frameworks that enhances the operations and encourage growth and development of the small-to-medium scale enterprise as obtained in advanced nations has been the bane of the sector’s development across the country for many years.

A good number of small-scale businesses in the region are not registered and they are founded and managed by owner-managers who themselves are semi-illiterates and majority of their employees do not possess formal education. The implication is that the will-power and passion necessary to drive the business to survival across many years is present, but the ability to imbibe innovation and enhanced modern approaches to doing business in order to enable it grow from strength to strength is lacking. Such scenario plays out in the areas of proper business incorporation and the adoption of flexible methods of business promotion such as social media.

The advent of the Internet changed the world’s approach to doing just about everything including business. Web 2.0 brought about innovative and flexible methods of socialization, governance, education, religion and business. The emergence of internet based platforms such as the social media brought about an added dimension to every aspect of life. Since the discovery of social media, the world has changed drastically, its discovery brought about a total transformation to the political, religious, educational, economical and socio-cultural spheres in the 21<sup>st</sup> century. As Ruth and Endurance (2015) observed, any organization that does not utilize the power of the social media in this time could be regarded as backward and unprogressive. Zuwarimwe and Kirsten, (2010) posits that one major area in which social media has been very effective is in the discourse that it is a conduit of beneficial information to economic agents such as small-scale businesses, in achieving their economic goals. This fact led the World Bank research portfolio to incorporate the concept of social media with the aim of understanding its role in socio-economic development. This comes in the wake of the failure by orthodox economic theories to steer countries out of economic distress towards a more sustainable economic development trajectory (World Bank, 2003; Zhang, Zhang, Scott & Boucher, 2006).

Consequently, SMEs in the south-east and in fact all over Nigeria can benefit from the opportunities provided by social media platforms in creating awareness and spreading information about goods and services to prospective clients. Kareem and Akoja (2017) affirm that social media platforms are changing business operations and strategies for organisations. Social media allow businesses to connect and engage with customers in creative and diverse ways that suits the interest and needs of the business owner. It allows business owners to develop strong relationships with their market and potential customers without huge finance and greatly improve brand visibility (Magaret, Law & Oyinkansola, 2017). According to Oxborrow (2012), social media open new opportunities to SMEs which they can leverage to penetrate their markets, reach their customers and develop relationships in a personal and direct manner that can catapult their brand and raise their awareness as successfully as any large business. Social media enable SMEs to reach a larger and potentially global audience

in a very short period of time with relatively little stress. In addition, Jagongo and Kinyua (2013) submit that social media provide for improved customer service and adequate feedback. Potential customers can find SMEs on social networks, be informed of available products and services, and make inquiries which may lead to purchases. This ultimately increases chances of loyalty and advocacy from customers. Against this backdrop, this research is therefore aimed to investigate the extent of social media penetration among owners and operators of SMEs in South-East Nigeria, and the level to which its adoption has help in creating more business opportunities, breaking new grounds and in ensuring the stability and survival of small business enterprises.

### **Statement of the Problem**

Promotion and awareness creation are important aspects of business engagement. This is because, brand visibility help attract new customers, retain existing ones and build customer loyalty. However, conventional modes of advertising and sales promotion are quite expensive and in many cases out of the reach of SMEs, thereby heightening the need for a more affordable but effective means for SMEs to promote their businesses. . In this regard, SMEs using the social media would give the enterprise a wide publicity beyond its immediate community and business environment. This is because it would connect the owners to people all over the world, creating, sharing and disseminating contents and helping to advertise their products (Oztamur&Karakadilar, 2014). Social media help provide a window of opportunity for small businesses who cannot afford the high cost of traditional advertising and sales promotion to showcase their products and services to a wide audience at a cheaper rate. SMEs the world over, known to face the constraint of limited capital, with almost no fund to engage in outlandish promotional activities are readily taking to social media by maintaining accounts on different social networking platforms such as Facebook, Instagram, WhatsApp, Twitter, YouTube and many more to showcase their products and services in order to reach prospective customers. SMEs in the South-East of Nigeria still face the problem of poor institutional and regulatory frameworks with a good number still operating unprofessionally. The study will therefore bridge the gap for SMEs in the region to understand how social media are able to transform and grow them in terms of usage as marketing and communication tools, and how they can tap into the dynamism and potential social media presents to enhance their operations. Presently, there are no definitive laid out practices and policies that relate to the use of social media by organizations in Nigeria.

### **Objective of the study**

The overall objective is to investigate the level of social media penetration and its effect on enterprise stability among SMEs in south-east Nigeria. Specific objectives include:

1. establish the effect of social media usage on the innovativeness of SME operators in south-east Nigeria; determine the effect of social media on the market access of SMEs in south-east Nigeria.

### **Hypothesis**

**H0<sub>1</sub>:** Social media usage through innovativeness and market access does not significantly influence enterprise stability of SMEs in south-east zone of Nigeria.

**H0<sub>2</sub>:** Social media penetration does not significantly influence enterprise stability of SMEs in south-east zone of Nigeria

## **II. Literature Review**

### **Social Media as a Concept**

Social media are web-based and mobile-based technologies that are used to turn communication into interactive dialogue among individuals, organizations and communities. They enable individuals within a community to exchange views, ideas and opinions on issues of mutual concern. According to Kaplan and Haenlein (2010), social media is a group of internet-based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user-generated content. Their definition of social media is not too divorced from that of Ahmad, Hoda, AlHazimi, Melibari, and Althubiani, (2012). who saw it as internet based applications that enable greater application through user generated content. They further delineated that social media comes in the form of podcasts, social blogs, web logs, news portals, inter forums, Facebook, Twitter among others, to create a public sphere to communicate.

Internet users in Nigeria according to the Nigerian Communications Commission, NCC (2018), stands at 104.6 million. The same report highlights that 75% of the internet users in Nigeria have accounts on one or more social media platforms. The size of social media, taken as a whole, can be overwhelming. As of June 2018, there were about 80 million tweets per day. Facebook chat usage is currently over one billion messages daily, according to the Nielsen report of 2018. Social media have emerged as strong platforms for information dissemination and public discourse, making it imperative for both the government and key players in the private sectors, SMEs inclusive, to take it seriously and possibly utilize the new media platforms it offers for

government-citizen and business-public engagement in an online, real-time and interactive manner. SMEs operators therefore must acquire in-depth knowledge on brand building and positioning, and also create brand stories and develop communication that resonates with the target market, while applying sales-driven marketing techniques using social media since it is affordable, cheap and possess the capacity to showcase one's idea to the world.

Kaplan and Haenlein (2010) categorize social media into six distinct categories to include: Collaborative projects (e.g. Wikipedia), Blogs and microblogs (e.g. Twitter), Content communities (e.g. YouTube), Social networking sites (e.g. Facebook), Virtual game world (World of war craft) and Virtual social world (e.g. second life). The posit that the most effective of these categories in business activities, political campaigns, religious activities, etcetera are the blogs and microblogs, content communities, and social networking sites.

### **Social Media and the development of SMEs**

Print and electronic media together with the Internet and lead generation used to be the traditional method of driving traffic to a business and its website before the discovery of social media. However, as search engine algorithms evolve, website owners have to stay on their toes to make sure their website is constantly updated with relevant and current information to prevent being devalued in search results (Kumarasamy & Srinivasan, 2017). Today, social media platforms like, Facebook pages, Twitter accounts, and YouTube channels are seen as sites in their own right to mark online presence. Since their emergence, SME operators all over the world have highlighted the gains small-to-medium scale businesses derive through these platforms both for ideageneration, innovation as well as for promotion and persuasion. Businesses and organizations do not have to own websites or pay website owners directly before they can reach prospective clients through online advertisements. However, the availability of social media at the click of a button meant that one cannot only create a social media page for interpersonal communication but can as well create a separate page for his/her business where products and services can be showcased for online community members to view. The Social Media Marketing report by Mershon (2011) showed that among the 3,342 small scale business owners studied, 90% agreed that social media was not just important but has helped their businesses in a positive way. The study further revealed that small scale business owners agreed that social media helped them stand out in an increasingly noisy and overcrowded marketplace. 88% percent of owners said social media helped increase their exposure and attracted additional clients from far and near. Other areas of benefit as highlighted by the report include: The self-employed and small business owners (using social media) were more likely to report new partnerships, with at least 59% noting a benefit; Small businesses (using social media) were twice more likely to find qualified leads than other types of businesses; 48% of self-employed and small business owners saw improved sales as a direct result of their social media efforts; The self-employed (59%) and small business owners (58%) were more likely than others to see reduction in marketing costs when using social media marketing.

In a related study by Mediabistro (2017), 73% of small businesses studied were found to have used social media websites as marketing tools, they also affirm that social media marketing for small businesses is important. Participants in the research agree that social media helps small business owners gain control and manage their image online, establish and manage client relationships, and help improve their expertise among other benefits. In addition, small business owners can monitor competitor's activities and integrate with other media owners through interaction and increase brand awareness on social media. Sherpa Marketing report (2018) highlights that there are over three billion social network users across the globe and that more people on these networks follow brands rather than celebrities, with about 80% of Instagram users following at least one business. The report concluded that small businesses who do not take advantage of social media platforms in marketing their businesses will be missing out on a fast, inexpensive and effective way to reach almost half of the world's population. By providing messages that are open, transparent and helpful, social audiences will learn that your business cares about its customers and potential customers. One can position their company as a valuable resource by simply sharing information like advice, tips, or just answering questions about the industry.

### **Theoretical Framework**

The theoretical foundation for this research paper revolves around the Social Impact theory. Developed by Latane in 1981, long before the existence of social media, the theory seeks to explain how influence works. The three factors that make up social impact within the theory includes Strength, Immediacy and Number. Strength deals with the importance of the influencing group to the target of the influence, immediacy is about proximity in time of the influencing group to the target of the influence, while number relates to the numerical strength of the influencing group, i.e., number of people in the group. According to Latane (1981), three rules of influence are based on these factors:

- a. Impact is a function of strength x immediacy x number of sources.

- b. The greater the number of sources, the greater the impact.
- c. The most significant impact occurs between 0 sources and 1 source.

Penn (2017) showed the relationship between social impact theory and social media usage in relation to public relations and marketing. Applying the three key factors of strength, immediacy and number as initially proposed by Latane (1981), Penn (2017) asserts that these principles become vastly more powerful in the context of social media. Further depiction of how a network like Facebook or Twitter applies to Latané’s theory was delineated thus:

- I. Social media provides strength in the form of friends, colleagues, and family: the people you have relationships with and whose opinions matter to you.
- II. Social media provides immediacy—both temporally and virtually: the people you are connected to are never more than a mobile device away.
- III. Social media provides enormous opportunity for the number of people in the influencing group.

SME operators who utilize social media for products and services marketing can leverage on the strength of interconnectivity among virtual community members and groups since information shared with a member of a group can go viral as more members identify with it. Penn observed that while you cannot necessarily impact your audience’s connections to each other, and cannot necessarily impact your audience’s immediacy (though you can be present with frequent content), you can have an impact on how deeply embedded you are in your audience’s community. The more people who are aware of your brand, the more deeply you are entrenched in that audience, and the more impact you will have by way of the third part of Latané’s theory (Penn, 2017). Since social impact theory suggests that an individual’s likelihood of change and being influenced is a direct function of strength (persuasiveness), immediacy and the number of advocates, SMEs are presented with these unique features by social media’s time tested nature of strength to persuade – more and more people are connecting on daily basis; immediacy- messages are spontaneous and a number of users whose approval can add credibility to shared information.

### III. Methodology

This is a descriptive survey research conducted in three out of the five states that make up the south-east geo-political zone of Nigeria. The three states namely Abia, Anambra and Imo were randomly selected as representative of the zone since all the states are largely commercially vibrant. Survey is considered appropriate for this study because it enables participants to self-report their perception about the variables of study through a structured questionnaire and guarantees the gathering of first-hand accurate opinions of respondents (Nworgu, 2015). The researcher further adopted the purposive sampling technique in selecting the three most commercially vibrant cities (one from each state), and in selecting the sample size of 3000 respondents across the sampled cities so as to obtain the important characteristics desired from them. The three selected commercial cities are Aba (Abia), Onitsha (Anambra) and Owerri (Imo), 1000 copies of questionnaires were distributed in each of these cities by the researcher and three research assistants among small-to-medium scale business operators with the aim of exploring social media penetration and enterprise stability of SMEs in the zone. In all, 2,879 representing (95.9%) of the questionnaires were found useable among those returned. Simple percentage, mean, standard deviation and linear regression were used through the Statistical Package for Social Sciences (SPSS) version 22.0 to run data analysis.

### IV. Results and Discussion

Findings are herein presented and discussed in line with study objectives.

**Table 1.1** Socio-demographic Characteristics Distribution of Respondents

Variable	Frequency	Percentage
<b>Gender</b>		
Male	1,932	64.4%
Female	947	35.6%
<b>Total</b>	<b>2,879</b>	<b>100</b>
<b>Age</b>		
20-29	738	25.8%
30-39	1,171	40.6%
40-49	970	33.6%
<b>Total</b>	<b>2,879</b>	<b>100</b>
<b>Education</b>		
FSLC	322	11.1%
WASSC	1,490	52.1%
Diploma	938	32.5%
First Degree	129	4.3%
<b>Total</b>	<b>2,879</b>	<b>100</b>

<b>Type of Business</b>		
Cybercafé	363	12.6%
Phone Sales/Repairs	487	16.9%
Boutique	438	15.3%
Nursery/Primary School	62	2.2%
Provision Store	871	30.3%
Hair Salon	337	11.7%
Fashion Design	321	11.0%
<b>Total</b>	<b>2879</b>	<b>100</b>
<b>Registration Status</b>		
Registered	703	24.5%
Not Registered	2,176	75.5%
<b>Total</b>	<b>2,879</b>	<b>100</b>

Majority of respondents 64.4% were male, while 35.6% were female. Also, 40.6% of respondents were young men and women within the age bracket of 30-39 years. However, only 129 (4.3%) of respondents had first degree, 938 (32.5%) had diplomas, whereas 1,490 (52.1%) completed Secondary education and 322 (11.1%) completed only Primary School education.

Respondents engaged in various forms of businesses ranging from cybercafé 12.6%, Phone Sales and repairs 16.9%, Boutique 15.3%, Nursery/Primary schools 2.2%, Provision stores 30.3%; Hair salon 11.7% to Fashion designing (Tailoring) 11.0%. In all, 703 (24.5%) of businesses were registered, while 2,176 (75.5%) are not registered.

**Table 2.1** Number of small-to-medium scale entrepreneurs utilizing social media to create awareness for their products and services

Question	Response	Respondents	Percentage
Do you have a Social Media account?	YES	2,371	82.3%
	NO	508	17.7%
<b>Total</b>		<b>2,789</b>	<b>100</b>
Which Social Media account(s) do you own?	Facebook	2,031	85.6%
	Twitter	131	5.5%
	Instagram	152	6.4%
	WhatsApp	2,366	99.8%
	YouTube	517	21.8%
	E-mail	1,983	83.6%
	Skype	31	1.3%
For what purpose(s) do you use Social Media?	Chat with friends	2,353	99.2%
	Post comments	2,117	89.2%
	Read news	531	22.3%
	Send messages	2,063	87.0%
	Publicize events	671	28.3%
Do you use Social Media to promote your business?	YES	583	24.5%
	NO	1,788	75.5%
<b>Total</b>		<b>2,371</b>	<b>100</b>

**Test of Hypothesis**

**H<sub>01</sub>:** Social media usage through innovativeness and market access does not significantly influence enterprise stability of SMEs in South-East zone of Nigeria.

**Table 3.1** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F
1	.817 <sup>a</sup>	.668	.667	2.35081	2888.137

a. Predictors: (Constant), Market Access, Innovativeness

**Table 3.2** Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	-1.872	.295		-6.336	.000
	Innovativeness	.196	.021	.140	9.268	.000
	Market Access	.850	.018	.712	47.053	.000

a. Dependent Variable: Enterprise Stability

The linear regression analysis of coefficient as shown in Table 3.1 and 3.2 reveals that there is a positive relation between the study variables. This was validated in figures as shown here ( $R = .817, R^2 = .668, F_{(2, 2876)} = 2888.137, P < .000$ ). The decision rule says when the P-value is less than the margin of 0.05% null hypothesis is rejected, if otherwise  $H_0$  will be accepted. The result as shown in the bracket reveals the p-value as .000 which implies that the null hypothesis is accepted. Therefore, the conclusion of the hypothesis result is that there exists a positive influence between social media usage through innovativeness and market access with enterprise stability of SMEs in South-East region of Nigeria.

**H<sub>02</sub>:** Social Media penetration does not significantly influence enterprise stability of SMEs in South-East zone of Nigeria.

**Table 4.1 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F
1	.538 <sup>a</sup>	.290	.290	3.43569	1173.776

a. Predictors: (Constant), Social Media

**Table 4.2 Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	5.384	.373		14.420	.000
	Social Media	.651	.019	.538	34.260	.000

a. Dependent Variable: Enterprise Stability

The linear regression analysis of coefficient as shown in Table 4.1 and 4.2 reveals that there is a positive relation between the dependent and the independent variables. This was validated in figures as shown here ( $R = .538, R^2 = .290, F_{(1, 2877)} = 1173.776, P < .000$ ). The decision rule says when the P-value is less than the margin of 0.05% null hypothesis is rejected, if otherwise  $H_0$  will be accepted. The result as shown in the bracket reveals the p-value as .000 which implies that the null hypothesis is accepted. Therefore, the conclusion of the hypothesis result is that there exists a positive effect of social media penetration on enterprise stability of SMEs in south-east region of Nigeria.

## V. Discussion

The result from table 2.1 depicts a high level of usage of social media among respondents. Overall, 82.3% of participants use one social media platform or another. However, only 24.5% of that figure used it for the purpose of business promotion. This implies that SME operators in the south-east are not leveraging adequately on the benefits social media provides for small business promotion. Although the level of social media penetration generally is high, it is not encouraging that majority of small business owners use their social media account more for chatting with friends and for other forms of socialization. Their failure to use social media for promoting business could result from lack of awareness.

Evidently, there is a dearth of awareness regarding social media usages in business promotion among small business owners in the south-east region of Nigeria compared to other regions such as the south-west and the south-south. Ruth and Endurance (2015), found that many SME operators in Bayelsa state, south-south Nigeria, are utilizing social media to promote their businesses, with 81.4% of respondents in their study agreeing that social media has contributed to the number of customers they have. Similarly, Margaret, Law and Oyinkansola (2017) found that a high number of SME operators in the Yaba area of Lagos State, South-West Nigeria, uses social media for business promotion and attest to increase in customer attraction and patronage. Jaokar, Jacobs, Moore, and Ahvenainen (2009) established that the internet has brought about several new elements to business engagements: it has made consumers more accessible, it has emerged with a completely new set of communication tools that make the process of exchanging information much easier and faster, and it has compelled companies and businesses to rethink how they are communicating with their customers. Most businesses have turned their attention to the use of social network as a worthwhile communication tool, and if used adequately, they can significantly improve their online presence, in the form of effective promotion. To achieve success with online marketing, marketers need to have a presence in the environment that their customers inhabit (Jagongo & Kinyua, 2013).

Importantly, evidences provided by the experiences of respondents who utilized social media for business promotion in this study is in congruence with the aforementioned. In terms of social media effects in business innovation, nearly all respondents who used social media to promote their businesses 99.8% agreed that social media usage has improved their creativity, exposed them to new business ideas and generally brought

about an added dimension to their methods of doing business. In the area of market access, 99.4% agree that social media has attracted more customers to their businesses, increased their access to a larger market base and brought about more patronage to their goods and services. In agreement with this finding, Babalola and Babalola (2015) held that marketers are increasingly adopting online marketing because they are “attractive to a significant segment of the demographics for most customer profiles, it can effectively reach the target customer, faster and less expensive to conduct direct marketing campaigns, measurable, which means that successes are identifiable and repeatable, open 24-hours a day and cost-effective in the long run”(p. 402).

Small-to-medium scale businesses in south-east Nigeria enjoy some measure of stability during their lifetime. However, according to SMEDAN (2013), most SMEs in Nigeria hardly survive beyond five years due to several challenges ranging from inconsistent government policies, lack of infrastructures, poor capital base and low level of education and industrial awareness on the side of many SME owners. Onuoha (2012) noted that most SMEs in the south-east are not alienated from these challenges. He further identified education as a major constraint to the development and growth of SMEs in the south-east region as many enterprises hardly outlive their owners. Poor education, he observed accounts for why most businesses in the region are not properly incorporated, does not employ graduates and professionals, hardly has functional boards, operate without clear cut mission and vision statements, lacks creativity and innovativeness, and does not engage actively on strategic management. Findings from this study tend to lay credence to these facts. Whereas SME owners all over the world are waking to the realization that internet based social networks can function as a super highway through which information about their businesses can spread to their current and prospective customers, those in the south-east of Nigeria are yet to imbibe this current trend. This situation is greatly impeding the growth and development of small-to-medium scale businesses in that region.

## VI. Conclusion

Social media penetration in the south-east region of Nigeria is high just as it is in many parts of the world today. However, only a small number of SMEs use social media applications for enterprise promotion in the study area, with a significant number using social media tools for things other than business promotion. Although Social media are easy to use, convenient, and affordable and offer a wide reach to varied market segments, small-to-medium scale business owners in the region are yet to grasp the idea of using them as promotional tools with which to attract customers’ attention to their businesses. This study therefore concludes that there is need for a sensitization and awareness campaign designed to bring about the understanding of social media usefulness to business promotion among small business owners in the south-east. With a high number of small businesses owned and operated in the region, employing affordable but effective businesses promotional tools can bridge the gap created by their inability to utilize other traditional promotional mix that are beyond the reach of majority of small businesses. It can also help bring about generation of new business ideas, enhance creativity and innovation, and thus lead to the much needed enterprise stability that has eluded most small businesses in the region as well as other parts of the country for many years.

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