



EXTENT OF UTILIZATION OF E-MAIL MARKETING TECHNOLOGY BY SMALL AND MEDIUM SCALE BUSINESS OPERATORS IN ABIA AND ENUGU STATES, NIGERIA

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Abstract

This study determined the extent of utilization of e-mail marketing technology by small and medium scale business operators in Abia and Enugu States using descriptive survey research design. One research question and a hypothesis were developed to guide the study. The population for the study consisted of 272 selected registered Small and Medium scale Enterprises (SMEs) in Abia (160) and Enugu (112). The entire population of 272 registered SMEs were studied, hence, there was no sampling. The instrument for data collection was a 10-item structured questionnaire titled: "Extent of Utilization of E-mail marketing Questionnaire (EUETO). The instrument was validated by three experts; the reliability of the instrument was ascertained using Cronbach Alpha reliability technique which yielded an overall of 0.89. Data for the study were collected by the researcher and research assistants. Out of the 272 copies of the questionnaire administered to the respondents, 253 copies were duly completed and retrieved which indicated a high rate of return of 93%. The data collected were analyzed using mean scores and standard deviation for answering the research question while the hypothesis was tested using the t-test statistics at 0.05 level of significance. The findings of the study showed that the level of utilization of e-mail marketing technology for marketing products and services by small and medium scale business operators is low. There was no significant difference in the mean rating of the responses of SMEs operators on the extent of utilization of e-mail marketing technology by small and medium scale business operators in Abia and Enugu States. Based on the findings, the study recommended that federal and state government should adopt the various e-marketing technologies and package them into the training programme of the intending SMEs operators and the existing ones in order to enhance technology adoption for better marketing practice and economic sustainability. Stakeholders such as Nigerian Educational Research and Development Council (NERDC), National Commission for Colleges of Education (NCCE) and National University Commission (NUC) in -charge of education reform and development in the country should be provided with the findings of this study to strengthen the curriculum of Business education in tertiary institutions in the country. There should be a collaborative effort of both the body of SMEs with Cooperate Affairs Commission and Ministry of Commerce and Industry to plan a periodic seminar/workshop to create more awareness on the relevance of technology adoption for better e-marketing practice in Nigeria.



Introduction

The emergence of internet and associated technology-enabled science –to –face interface necessitated a new market era. The new era of marketing has shifted from traditional roots of television, print and radio marketing to electronic marketing “having online focus”. Electronic marketing refers to the application of marketing principles and techniques via electronic media and more specifically the internet. According to Rune (2011) E-marketing is defined as a process by which a company is positioned in a specific way to achieve stated marketing objectives. It is a marketing logic by which businesses hope to create customer’s value and achieve profitable customer relationship. Rune (2011) posited that the most important step to an effective e-marketing campaign is the proper planning to ensure that all marketing objectives, messages and comprehensive execution plan are clearly defined to deliver the optimal performance results. Rune further buttressed that e-marketing technology is the strategic process of creating, distributing, promoting and pricing goods and services to target market over the internet or through digital tools.

There are various e-marketing technologies identified and used by businesses online such as search engine, social media, interactive online adverts, e-mail, online directories, affiliated marketing, viral marketing websites and others (Small-Bizconnect, 2015). E-mail marketing is one of the components of e-marketing. According to Agomuo (2005), Electronic mail (E-mail) is a form of information interchange in which messages are sent from one personal computer or computer terminal to another via modems and a telecommunication system. In others words, e-mail are a short form for electronic mail, it is information stored on a computer that is exchanged between two users over telecommunication. More plainly, e-mail is messages that contain text, files, images or other attachments sent through a network to a specific individual or group of individuals. E-mail marketing is one of the oldest and the still the most powerful e-marketing strategy that has taken advantage of customer’s most prolific touch point with the internet Electronic mail marketing was discovered to be first form of e-marketing that consists of e-mail marketing messages to potential customers modeled after direct e-mail. (Raofi, 2012). Fariburzi and Zahedifard (2012) averred that e-mail marketing is a powerful marketing channel, a form of direct marketing as well as a digital marketing that uses email to promote individual business’s products or service.

Thus, the term e-mail marketing is usually used to refer to the following:

- i. Sending e-mail messages with the intention of enhancing the relationship of a business owner with its current or previous customers, to obtain customer loyalty and repeat business
- ii. Sending e-mail messages with the aim of acquiring new customer or convincingly make current customer to purchase something immediately.
- iii. Integrating advertisement in e-mail messages sent by other companies to their customers (Fariburzi & Zahedifard, 2012). E-mail has become such a popular marketing tool for businesses partly because it forces the user to take some kind of action; an email will sit in the inbox until it’s read, deleted or archived. Dehkordi, Rezran, Rahman, Fouladvanda and Jouya (2012) submitted that e-mail marketing is a very important aspect of electronic marketing that offers many practical benefits over traditional direct mail at lower cost which signifies it is possible to send better messages audience as part of the campaign.

Zorana (2004) stated that there are three major aspects of e-mail strategy which include:



1. **Opt-in-mail:** This happens when an internet user deliberately signs up to receive commercial e-mail about topics of internet. This is an approach to e-mail marketing in which customers confidently request to be included in an email campaign or newsletter. Opt-in mail is widely acceptable type of e-mailing. Utilizing only opt-in e-mail for sending marketing messages as a form of permission marketing.
2. **Opt-out e-mailing:** This happens where customers are automatically added to the mailing list. It is known to be a type of email widely used though not recommended and in some situations are illegal. It is also an approach to email marketing in which customer are included in e-mail newsletters or campaigns until they specifically request not to be subscribed any more.
3. **Spam:** conversely in using opt-in emails enable where the receivers have voluntarily accepted to receive commercial email about a topic of interest, some companies are not appropriately using internet mailing lists to broadcast the same message to large number recipients who do not request for it. This type of unsolicited commercial emailing is called spamming, or spam. It is an unsolicited "junk" e-mail sent to large numbers of people to boast production or services. It is also known as inappropriate promotional or commercial posting to discussion groups or bulletin boards.

Thus e-mail marketing software provides businesses with an e-mail list that has been segmented on the bases of so many factors such as: customers' likes and dislikes, length of time addresses that have been on the list spending behaviours and other important criteria. E-mail are specifically created and then sent out to target members of the e-mail list, providing them with personalized e-mail that provides information with personalized and details which they are interested in or have requested. According to Forostan (2015) this helps in promoting trust and loyalty to a company hence also insures sales.

Furthermore, e-mail marketing campaign for example start with a welcome letter, which not only give valuable information about the company but can also request for key information concerning new clients making it easy to put the individuals in the right categories for future marketing endeavours (Forostan, 2015). Newsletters are e-mail that is sent to provide information and keep customers breasted. It is not necessary for them to carry promotion rather it ensures that a customer is always contacted or pit on the known with the brand. Other e-mail campaign includes sending out announcements on products or services, coupons for future purchasing and lots more (Forostan, 2015).

E-mail marketing is one of the easiest, most effective and affordable ways to grow any business. This is because it keeps the customers and prospects coming back, in terms of more products already bought. Thus the business owner or entrepreneur can make amends as at when due and satisfy its customers more, by using attractive, professional-looking e-mail communications to stay in regular touch with customers and prospects, in order to build strong relationships. Email is the most personal advertising medium in history (Babalola et al, 2014).

Etuk, Etuk and Baghebo (2014) opened that the definitions of SME are usually cleared in each country, based outline role of SME in the economy, policies and programs designed by particular agencies or institution empower to develop SME. For instance, a small business in the developed economic of countries like Japan, Germany and United State of America (USA), may be a medium or large scaled business in developing countries economy like Nigeria. Thus in Nigeria SMEs abound representing about 90 percent of the manufacturing industrial sectors and contribute approximately one percent of National Cross Domestic Product (NCDP) (Oyeyinka in



Okoli and Ezenwafor, 2015). A proper definition of SMEs is important to distinguish between the different categories of the production units in terms of factor like, number of employees, the value of fixed assets, production capably, basic characteristics of the inputs, level of technology used, capital employed, and management characteristics (Sali, 2014).

Odubanjo (2000) stated the role of SMEs in economic development to include: technological industrial development, employment generation, technology acquisition, capacity building, promotion of economic growth increased standard of living, industrial dispersal or spread, serving of large scale industries expert, promotion, structural transformation of rural areas, flexibility and low take off requirement. Therefore, SMEs in Nigeria context is seen as the source of economic growth, dynamic and flexibility, in fact the backbone of the economy. Small and medium scale enterprise.

The small business sector is recognized as an integral component of economic development and a crucial element in the effort to lift countries out of poverty.

Sausser (2015) affirmed that small and medium scale businesses are during force for economic growth, job creation and poverty reduction in developing countries and the means through which accelerated economic growth and rapid industrialization has been achieved.

Amanda (2016) postulated that marketing has widened its scope as technology has freed small business from the restrictions of products when it comes to reaching new and existing customers, hence internet/ electronic marketing ranges from simple International Websites, to advertng and others.

Amanda (2006) continued that online product sales and email marketing are becoming more effective with low cost method to reach a large group of people with newsletters, coupons or business updates. Though e-marketing appears to be a new concept for firms operating in developing economics, its full adoption by small and medium scale business will be an enablement emerging from e-marketing technologies.

Amanda (2016) concluded that e-marketing is one sure way by which small and medium scale business operates can secure a plane for themselves in the 21st century of commerce and industry.

Statement of Problem

E- Marketing is an Information Communication Technology (ICT) device for facilitating business operations for individual and organization at both local and international levels. E-marketing creates an opportunity for businesses to explore the great benefits that the internet has brought, such as providing pre-sales technical assistance and after sales support service to few customers, collecting market data, promoting their service and products, hasten business operators, better customer relations, facilitative innovation (Kother and Armstrong, 2010). It is surprising however, to note that despite the numerous benefits obtained from the emergence and adoption of e-marketing much small scale business are still unable to effectively utilize the various component of e-marketing strategies in their operations.

James (2013), noted that the knowledge of these benefits is not known to most SMEs hence the small adoption in developing country.

Odgbo (2011), stated that there has been little awareness on the relevance of e-marketing strategies despites the increase fame of the internet. According to Adebeye (2007), SMEs in Nigeria are yet to begin effective utilization of the marketing innovation that would ensure their growth and survival.



Nwosu and Udemba (2016) submitted that there is widely speculation by social commodities and stakeholders that most SMEs operators in Nigeria hardly embraced the immeasurable advantage of the internet in their business.

Nwachukwu (2010) bland the low productivity and high mortality rate of SMEs to low access to market., poor information, weak business linkage and low level of e-marketing application usage has deprived the SMEs the access to engage in the refined and global economic business. The situation has been of great concern to the government, citizenry, operators, practitioners and the organize private sector groups. It was based on this background that this study was carried to examine the extending utilization of e-marketing by small and medium scale business operators in Abian and Enugu states of Nigeria.

Purpose of the Study

The main purpose of the study was to determine the extent of utilization of email marketing technology by small and medium scale business operators in Aba and Enugu States.

Research Question

The study answered the research question below:

1. To what extent do small and medium scale business operators in Abia and Enugu States utilize e-mail for marketing their products and services?

The data for answering research question one is presented in Table 1 below.

Table 1: Mean Ratings of Respondents on extent to which Small and Medium Scale Business Operators in Abia and Enugu States Utilize E-Mail for Marketing their Products and Services.

S/N	Item Statements	\bar{X}	SD	Rmks
1	E-mail is used in my company to send commercial messages about product or services to my customers.	2.37	0.89	LU
2	My company utilizes internet mailing lists in broadcasting unsolicited junk messages to a large number of people	2.33	0.77	LU
3	Opt-out e-mail is used in my company where customers are included in e-mail campaign without them registering for it.	2.26	0.92	LU
4	Opt-in e-mail are used in my company where customers are included in e-mail campaign	2.42	0.87	LU
5	e-mail messages are used in my company to facilitate business relations with previous, current and prospective customers	2.23	0.95	LU
6	My company acquires new customers through utilization of e-mail messages.	2.43	0.86	LU
7	My company uses e-mail in marketing sales of products and services.	2.33	0.97	LU
8	Through the use of e-mail my company promotes sales of products and services.	2.51	0.79	MU
9	E-mail helps my company to customize messages for its customers	2.45	0.87	LU
10	E-mails are used in my company for promotional marketing transactions.	2.33	0.99	LU

Note: \bar{X} = Mean, SD = Standard Deviation, MU = Moderately Utilized; LU = Less Utilized; n = 253



The data presented in Table 1, showed that the mean ratings of the respondents on 9 out of the 10 items in the Table had mean values that ranged from 2.26 to 2.45 which are within the boundary limit of 1.50 – 2.49 on 5-point rating scale. This indicates that the 9 identified items of e-mail are “less utilized” by operators of small and medium scale businesses for marketing their products and services in Abia and Enugu States. The mean value of the remaining item in the table, specifically item is 2.51 which fall within the boundary limit of 2.50 – 3.49 on 5-point rating scale. This signified that item 8 (the use of e-mail my company promotes sales of products and services) is “moderately utilized” by operators of small and medium scale businesses for marketing their products and services in Abia and Enugu States. The standard deviation value of the 10 item range between 0.77 to 0.99 which indicates that the responses of the respondents are close to one another.

Research Hypothesis

In line with the specific purpose of the study the null hypothesis was tested at 0.05 level of significance.

H0₁: There is no significant difference in the mean ratings of the responses of the SMEs operators or the extent of utilization of e-mail for marketing their products and services based on educational qualification (Pre-Degree and Degree).

The data for testing hypothesis one are presented in Table 2

Table 2: the t-test Statistics of the Mean Ratings of the responses of SMEs operators on the extent of utilization of E-mail for marketing their products and services based on their educational qualification (pre-degree and degree)

S/N	Item Statements	\bar{X}_p	SD _p	\bar{X}_d	SD _d	P-value	Rmk
1	E-mail is used in my company to send commercial messages about product or services to my customers.	2.32	0.86	2.42	0.67	0.34	NS
2	My company utilizes internet mailing lists in broadcasting unsolicited junk messages to a large number of people	2.16	0.65	2.49	0.85	0.00	S*
3	Opt-out e-mail is used in my company where customers are included in e-mail campaign without them registering for it.	2.23	0.90	2.29	0.95	0.64	NS
4	Opt-in e-mail are used in my company where customers are included in e-mail campaign	2.31	0.80	2.53	0.71	0.11	NS
5	E-mail messages are used in my company to facilitate business relations with previous, current and prospective customers	2.24	0.99	2.22	0.92	0.83	NS
6	My company acquires new customers through utilization of e-mail messages.	2.30	0.88	2.56	0.72	0.04	S*



7	My company uses e-mail in marketing sales of products and services.	2.32	0.92	2.34	0.71	0.86	NS
8	Through the use of e-mail my company promotes sales of products and services.	2.40	0.80	2.62	0.97	0.03	S*
9	E-mail helps my company to customize messages for its customers	2.31	0.79	2.60	0.94	0.02	S*
10	E-mails are used in my company for promotional marketing transactions.	2.17	0.98	2.49	0.76	0.03	S*

Note: Level of Sig. = 0.05, **NS** = Not Significant, **S*** = Significant; Pre-degree and Degree
Pre-degree **Degree**
(n1 = 103) (n2 = 150)

The data presented in Table 2 above show that the p-value of items 1, 3, 4, 5 and 7 are 0.34, 0.64, 0.11, 0.83 and 0.86 respectively which are all greater than 0.05 level of significance. This indicates that there are no significant differences in the mean ratings of the responses of SMEs operators with high and low educational qualification on the extent of utilization of the five items of e-mail for marketing their products and services. Thus, the hypothesis of no significant difference in the mean ratings of the responses of the SMEs operators with high and low educational qualification is not rejected regarding the 5 items. On the other hand, the p-values of the remaining five items, specifically items 2, 6, 8, 9 and 10 are 0.00, 0.04, 0.03, 0.02 and 0.03 respectively which are in case less than 0.05 level of significance. This indicates that there are significant differences in mean ratings of the responses of SMEs operators with high and low educational qualification on extent of utilization of the five items of e-mail for marketing their products and services in the same area. Therefore, the hypothesis of no significant difference in the mean ratings of the response of the two groups of respondents is rejected regarding the five items.

Methodology

Descriptive survey research design was adopted to carry out the study. Survey research design in the opinion of Ali (2006) is a descriptive study, which uses the sample data of an investigation to document, describe and explain what is in extent or non-existent, on the present status of a phenomenon being investigated. Onojetah (2019) in Ponto, (2015) noted that descriptive survey research strategies using questionnaire with numerically rated items and qualitative using open-ended questions or both strategies for data collection. This study was carried out in Abia and Enugu states, Nigeria. The population consisted of 272 selected registered SMEs in Abia (160) and Enugu (112); hence there was no sample. The instrument for data collection for the study was a structured 10 item questionnaire. The questionnaire was structured on a 5- point rating scale of very highly utilize (VHU) Highly Utilized (HU), moderately utilized (MU), Less utilized (LU) and very Less Utilized (VLU) with corresponding values of 5, 4, 3, 2, and 1 respectively. The instrument was face –validated by three experts of two Business educators and Measurement and evaluation of Ebonyi State University Abakaliki and Imo State, University, Owerri, Cronbach, Alpha reliability method was used to determine the reliability of the instrument which yielded a coefficient of 0.89



Data for the study were collected with the help of six research assistants through effective monitoring techniques, out of 272 copies of the questionnaire that were administered respondents, 253 copies were duly completed and retrieved which indicate high rate of return 93%. The data collected were analyzed using mean and standard deviation to answer the research question while T-test statistics was used to test the null hypothesis at 0.05 level of significance. To obtain the decision rule thus any item with mean value of 2.50 and above was interpreted as “accepted” while those less than 2.50 were interpreted as “rejected”. The hypothesis of no significance difference was accepted when that critical (t-tab) or the value was greater than the t- critical.

Discussion of Findings

The study identify from the research question that items of e-mails are less or lowly utilized by small and medium scale business operators in Abia and Enugu States for marketing their products or services to customers, the use of e-mail in selling commercial messages about products or service to customers, the use of internet, mailing list in broadcasting unsolicited junk messages to a large number of people, opting –out e-mail in company where customers are included in e-mail campaign without their consent; the use of e-mail message in a company to facilitate business relationship with previous, current and prospective customers; acquisition of new customers through utilization of e-mail message, use of company e-mail in marketing sales of products and services the use of e-mail for helping company to customizes messages and the use of e-mails in a company for promotional marketing transactions. The study identified that high utilization of e-mail technology is hampered by lack of answers.

Odigbo (2011) affirmed that has been little awareness on the relevance of e-marketing strategies despite increase frame of the internet. Also supported that Nigeria SMEs are yet to begin effective utilization of the marketing innovation that would ensure the growth and survival. This Iddris (2012) submitted that the most common use of e-mail is for communication and the main reason for having a website is to showcase, basic information about product and service. The study identified the handicaps that hindered the effective e-marketing adoption by small and medium scale business operators; hence all of them fall within moderate utilization level. The test of hypothesis indicated there was no significant difference in the mean rating, of small and medium scale business operators on the extent of utilization of e-mail as an e-marketing technology with high or low educational qualification of the respondents. According to business dictionary (2017) qualification implies the competency of an individual in discharging his /her duties which shows the high or low educational qualification has no effect on utilization of e-mail by SMEs operators in marketing their products and services. Therefore, the null hypothesis which stated that there are no significant differences in the mean ratings of SMEs operators on the extent of utilization of e-mail as an e-marketing technology with high or low educational qualification was not rejected.

Conclusion

The study investigated the extent of utilization of e-mail marketing technology by small and medium scale business operators in Abia and Enugu States, Nigeria, the paper reviewed that despite the numerous benefits emanating from the emergence and adoption of e-marketing, many business organizations, most especially small and medium scale enterprises were still unable to effectively utilize the various components of e-marketing strategies in their operation.



The paper also review that there has been little awareness or the relevance of e-marketing strategies despite the increasing fame of the internet.

However, it is noted the knowledge of these benefits were not known to most SMEs, hence the low level adoption in the developing countries such as Nigeria, Abia and Enugu states inclusive. The study concluded that the level of utilization of e-mail for marketing of products and service of SMEs operators in Abia and Enugu states is still low.

Recommendation

Based on the findings and conclusion of this study, the following recommendations were made that:

1. The federal and state government should adopt the various e-marketing technologies and package into the training programme of the intending SMEs operators and the existing ones in order to enhance technology adoption for better marketing practice and economic development.
2. Stakeholders such as Nigerian Educational Research and Development Council (NERDC), National Commission for Colleges of Education (NCCE) and National University Commission (NUC) in-charge of education reform and development in the country should be provided with the findings of this to strengthen the curriculum of business education in tertiary institutions in the country.
3. The operators and staff of small and medium scale enterprises should be subjected to effect information technology (IT) training on their own or by relevant government agencies for an improved marketing performance.
4. Government should guarantee small and medium scale organizations security and reliability trust, and access to capital improved adoption of e-mail system in Nigeria market environment.
5. The firms needs to expire for their collaboration with third-party agents for web-hosting and other e-marketing related support and maintained services to improve e-marketing adoption among Nigerian SMEs.
6. There should be a collaborative effort of both trade union of the body of SMEs with cooperate affairs commission and ministry of commerce and industry to plan a period seminar/ workshop to create more awareness on the relevance of technology, adoption for better e-marketing practice in Nigeria.

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