



DIGITAL MARKETING STRATEGIES AND SALES PERFORMANCE ONLINE SHOPPING MALLS IN PORT HARCOURT, RIVERS STATE NIGERIA.

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Abstract

The study sought to establish the relationship between digital marketing strategies and sales performance of online shopping mall in Port Harcourt. The study specifically focused on social media marketing, email marketing and search engine optimization in relation to sales performance. The target population of the study comprised of all customers of online shopping malls in Port Harcourt. The target population is said to be infinite. The data collection instrument was a questionnaire and quantitative data was used. The study used correlation to achieve the specific objectives. Analysis was conducted using SPSS version 21 and the findings indicated that social media marketing, email marketing and search engine optimization have a positive and significant relationship with sales performance of online shopping malls in Port Harcourt. The study recommends that Online shopping malls in Port Harcourt should incorporate digital marketing experience in their products and service offerings in order to create innovative customer experience which will help boost their market performance.

IndexTerms – Digital Marketing Strategies, Sales Performance, Online Shopping, Malls, Port Harcourt.

Research Through Innovation

Introduction

Ever since the creation of the Internet, the world of business has changed greatly with a redefinition in areas like marketing and customer relations. According to (Sin, Nor & Al-Agaga (2012) the utilization of digital channels to increase and facilitate more customer patronage has turned into a need in today's turbulent and aggressive business environment. It is being utilized more operationally, as a springboard to maintain good communication and provide cost-effective products or services to the clients. This medium opened the doors for the conditions of conducting business through electronic methods. The intense growth of the internet provides the opportunity for hundreds of thousands of companies setting up shops online, to gain millions of consumers as their customers worldwide. In the early days, the average computer user might not have been able to use the Internet as we use it today. With the arrival of easy-to-use web browsers and other interface friendly applications, this medium went from being an advanced, text-oriented, and specialized application into a massive multimedia tool on a global scale for virtually every industry. Some early speculators like Hein and Rich (1997) quoted in Goldsmith and Lafferty (2002) suggested that advertising on this medium would be more effective due to its interactive nature.

Kotler, Keller, Brady, Goodman, & Hansen (2009) pointed out Marketing as a process of understanding and satisfying customer needs. In the pre-industrial era, this process was achieved through Relationship Marketing, during which a close relationship was created between the customer and the company. As the name implies relationship marketing is a strategy designed to foster customer loyalty, interaction, and long-term engagement. It is designed to develop strong connections with customers by providing them with information directly suited to their needs and interests and by promoting open communication (Haker,1999). The customers made their everyday purchases locally and a natural bond was created between the seller and the buyer. However, with the introduction of the industrial age, the focus on marketing went from individual- to mass marketing. The company's attention turned to reaching out to as many consumers as possible. This method was dominant during the past decades, but with the birth of the commercial Internet, companies have discovered the possibilities of recreating relationship marketing. By keeping the information flow of their products and service available online, companies can create suited offerings to customers while satisfying their needs. This sort of marketing method is considered to be more acceptable, and at the same time more effective.

Statement of Problem

The business environment is ever-changing, due to macroeconomic variables like technology. With the advent of the 21st century, technology has crept into every nook and corner of our daily life, frequent advancement in lifestyle has propelled the demand for ease in the daily routine. The constant growing belief of quickness and ease in almost all the dealings has led organizations to think differently thereby providing the customers with a wide array of facilities and products through the internet which the traditional market has failed to deliver. Thus, the invention of the internet has changed the traditional way people shop. The customer in today's era has not only many stores choice, but they also have a wide variety of channels to choose from. With the start of numerous channels and a continuous increase in the competition among both online and offline shopping modes, the understanding of what encourages the customer to opt for any one channel in comparison to the other becomes progressively important to access (Ojukwu,2014).

Despite the known benefits of digital marketing, little is known about digital marketing in the banking sector because the majority, of the digital marketing literature, focuses on large businesses and organizations (Celuch & Murphy, 2010). Large businesses are expected to have websites that also, are mobile-enabled and they can hire outside experts to manage search engine optimization projects and social media marketing firms to implement and run social media campaigns, whereas bank owners “develop, change, and evolve their traditional marketing activity through intelligent social media use”(Atanassova and Clark, 2015). The amount of investment for digital marketing is dependent on the firm's existing marketing strategies and expectations for success (Reichheld and Scheffer, 2000). Money deposit banks likely would benefit from participating in and developing a digital marketing strategy, and the lack of such a strategy broadens the performance gap between competing banks due to reduced opportunities to reach target markets and stimulate sales growth. Thus, compared to other businesses online shopping malls have different digital footprints and technology adoption speeds (Harrigan, 2011), which calls for specific research of their digital prospects. Many studies are yet to focus their attention on how this concept of digital marketing channels can boost sales performance. This study therefore seeks to evaluate the effect of digital marketing channels on sales performance of online shopping mall in Port Harcourt.

Research Through Innovation

Conceptual Framework

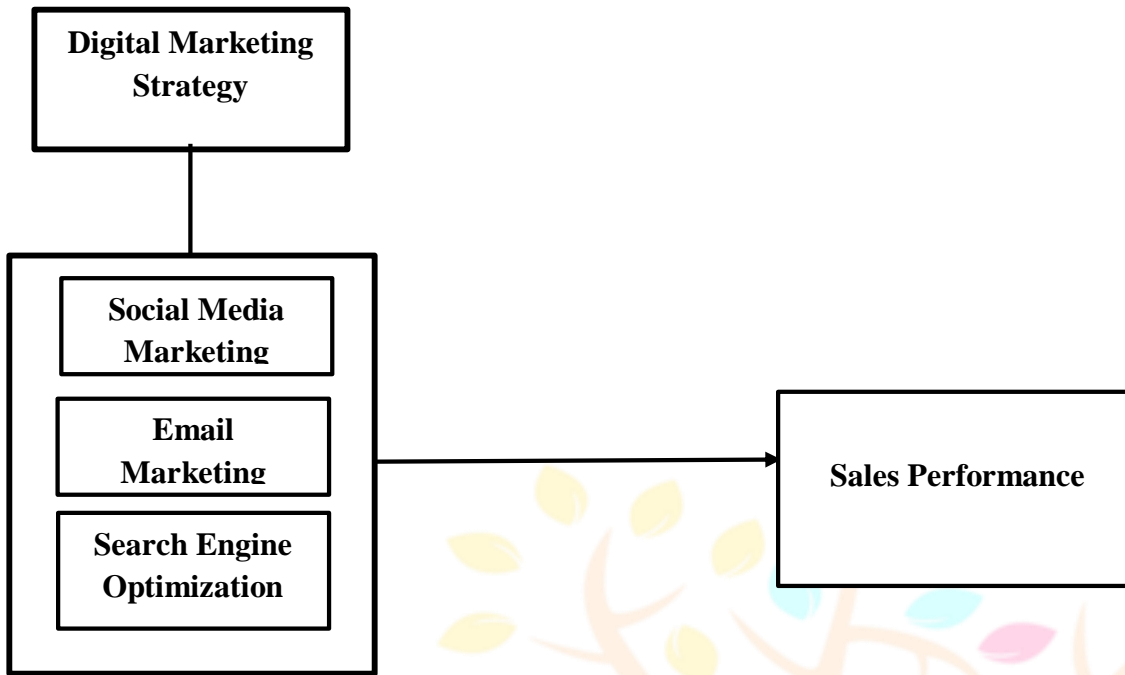


Fig. 1.1: Conceptual framework of digital marketing and sales performance of online shopping mall in Port Harcourt. Source; Morris, M. H., Schindehutte, M. & LaForge, D. W. (2002)

Aim/Research Objectives

The aim of the study is to investigate the relationship digital marketing strategies and sales performance of online shopping mall in Port Harcourt. The following objectives will guide study:

1. Examine the relationship between social media marketing and sales performance of online shopping mall in Port Harcourt.
2. Assess the relationship between email marketing and sales performance of online shopping mall in Port Harcourt.
3. Examine the relationship between search engine optimization and sales performance of online shopping mall in Port Harcourt.

Research Questions

The following research questions will be answered:

1. To what extent does social media marketing relate to sales performance of online shopping mall in Port Harcourt?
2. To what extent does email marketing relate to sales performance of online shopping mall in Port Harcourt?
3. To what extent does search engine optimization relate to sales performance of online shopping mall in Port Harcourt?

Research Hypotheses

H₀₁: Social media marketing has no significant relationship with sales performance of online shopping mall in Port Harcourt.

H₀₂: Email marketing has no significant relationship with sales performance of online shopping mall in Port Harcourt.

H₀₃: search engine optimization has no significant relationship with sales performance of online shopping mall in Port Harcourt.

Review of Related Literatures

Digital Marketing Strategy

It is worthy to note that the term “digital marketing” has evolved over the years from “the marketing of products and services through a digital channel” to using digital technologies to acquire customers and build preferences, promote brands, retain customers, and increase sales.

Following the American Marketing Association's (AMA) definition, digital marketing may be seen as activities, institutions, and processes facilitated by digital technologies for creating, communicating, and delivering value for customers and other stake-holders. Kannan

& Alice (2016) adopted a more inclusive perspective and defined digital marketing as “an adaptive, technology-enabled process by which firms collaborate with customers and partners to jointly create, communicate, deliver, and sustain value for all stakeholders”.

Digital marketing is founded on the pillars of immediacy, personalization, interaction, and relevance of the messages (Rowley, 2011). Digital marketing entails the advertising of products using computerized technologies to get hold of the target customers (Khan & Islam, 2017). It involves providing marketing services through cell phones, display advertising as well as any other digital medium in order to promote brand (Khan & Islam, 2017). Ngugi (2013) stated that digital marketing is the marketing practice which involves the use of internet and information technology to communicate, expand and change the way in which companies relate with their customers. The cost efficiency and interactivity of digital channels facilitate ongoing dialogue between the enterprise and the customers (Merisawo, 2008). Companies can now keep in touch with their valued customers regularly and increase the level of interactivity at a lower cost. Merisawo (2008) stated that digital channels such as internet, mobile phone, e-mail, and digital televisions facilitate company’s frequent and interactive communication with their customers which help to increase customer retention. Ngugi (2013) argued that keep regular contact and interaction with the customers will help the company to retain customers in a highly competitive industry. He further stated that when a company frequently communicate with its customers by providing additional information about their brand (i.e. in form of innovations and repurchase reminders), it will encourage customers to continuously patronize the products and remain loyal to the company’ offerings.

According to Gommans, Krishnan and Scheffold (2001) sharper marketing focus is required to build and maintain customer loyalty in digital marketplaces. Brand image and brand identity must be built through mass media online communications (Gommans et al., 2001) therefore marketers need to ensure that there is effective dialogue from the brand to the consumers (Wood, 2000). This means that brand equity plays an important role in how information is learned, retrieved, and communicated between consumers in online environments when making final purchase decisions (Chattopadhyay et al., 2010).

Social Media Marketing

The term Social Media can be defined as a social instrument for communication. Social media helps an organization to elevate its base of audience and clients in a major way. There are principles that apply in effective application of social media as a marketing platform which include the law of listening, the law of focus, the law of quality, the law of patience, the law of compounding and the law of influence among others (Palmer, 2007). One of the disadvantages of social media is that it is difficult to quantify the return on investment and the value of one channel over another (Mulki & Stock, 2003).

Social media marketing is a form of internet marketing that involves creating and sharing content on social media networks in order to achieve marketing and branding goals (Wordstream, 2017). It includes activities like posting text and image updates, videos, and other content that drive audience engagement, as well as paid social advertising. Saffko et al., (2009) stated that social media marketing is part of inbound marketing whereby companies send a message or information to the consumers and get feedback from the consumers. Social media marketing is used to manage a company’s brand image and interact with customers through social media platforms. It is an incredible route for the organization to keep customer loyal to their brand (Saffko et al., 2009). Mustafa (2011) posited that social media marketing enables customers to give feedback through company’s social media platform. He further stated that the presence of company and customer on social media platforms such as Facebook, twitter, Instagram, LinkedIn, and YouTube facilitate social media marketing as both parties can be able to use these platforms to communicate and interact regularly. Social media marketing is a powerful tool for businesses of all sizes to reach prospective customers. Assaad and Gomez (2013) noted that customers are already interacting with brands through social media, and if a company is not speaking directly to their target audience through social media platforms like Facebook, Twitter, Instagram, and Pinterest, the company is missing out. Great marketing on social media can bring remarkable success to a company (Felix, Rauschnabel & Hinsch, 2016).

Email Marketing

E-mail marketing incorporates conveying customized messages to the target customers on time through electronic mail (Khan & Islam, 2017). Such messages or information can include newsletters, preferred customer promotions, sale notifications, new service announcements, event invitations, greeting and more (Constant Contact, 2008). Newsletters are the most common e-mail technique used by marketers to establish ongoing dialogue with customers because they provide a terrific mechanism for communicating a highly personalized blend of information, entertainment, and promotions (Merisawo & Raulas, 2004). Ngugi (2013) stated that e-mail communications can help an organization to lead and direct its prospects through the sale process by providing relevant information and direct the prospects to the company’s website for more details. For instance, an e-mail newsletter is more unique and suitable to accomplish the long-term goal of customer retention. Mariani (2015) argued that e-marketing makes it possible for companies to reach customers around the globe and provoke them to stick to the website. Many companies use e-mail to reach out to their customers or clients. The Retailer Customer Experience in Khan and Islam (2017) noted that companies such as Amazon and Flipkart usually deliver all sorts of e-mails to fulfil the requirements of the users. Lensmart, a US based company, also send email reminders to their customers when it expects them (customers) to be running out of supply of contact lenses (Merisawo, 2008). Merisawo reported that Lensmart uses database and purchase information to predict repurchase moment and produce the personalized email. With e-mail marketing the organization can pay-off these expensive investments, save time, marketing efforts and improve return on investment by improving profitable customer relationships (Constant Contact, 2008). In direct mail, there are expenses associated with materials, production, or postage. However, with e-mail marketing, these expenses are avoided and company easily and affordably communicate with their valued customers and build a long-term relationship with them. Merisawo and Raulas (2004) confirmed that the cost of sending a large number of e-mail messages are marginal compared to print mails.

Search Engine Optimization

Search Engine Optimization (SEO) is considered to be the most general type of digital marketing tools used to escalate the visibility of a website through search engines. A search engine is a complex software that enables a finder easily to access various websites and their pages

in other to find significant data or information (Levene, 2010). Search engine optimization (SEO) can be defined as a mechanism that allows the searcher to get the most appropriate results for his online search.

Search engine optimization (SEO) as a marketing strategy helps in enhancing a company's website presence. Companies try hard to attain higher rankings for their websites because when a site appears at the beginning of the search results list or top of the page and more frequently, the greater the likelihood that users will visit the site (Enge, Spencer, Stricchiola, & Fishkin, 2012). To achieve a higher ranking, SEO provides a variety of techniques, which include increasing links from other websites to company web pages, editing the content of the website, reorganizing the structure and organization of the company web- site, internal SEO, and keyword listings. (Shih, et al. 2013). According to Search Engine Land, SEO is the process of receiving traffic from search results based on search engines. One can elevate a website to rank higher for related searches (Safko, et.,al 2009), and these are used to make sure that the content grips the concentration of the market through online communities.

Sales Performance

Sales pass on as dealings, linking two parties where the buyer take delivery of goods (tangible or intangible), services and/or assets in exchange for money (Hutt & Speh, 2013). In all facets of business, all manufacturer/supplier have got to perk up sales performance, reduce selling cost, and assure their continued existence (Dean, 2015). Scrutinizing sales performance permit managers to make changes in order to optimize future sales (Farris et al., 2010).

Sales performance is a blend of sales effectiveness - the aptitude of a company's sales force to be successful at each point of the customer's buying process, and in due course bring in the business on the right conditions and in the accurate moment in time, surrounding and sales efficiency - the velocity at which each job in the sales route is performed (Farris et al., 2010; Treace, 2012; Rogers, 2014; Dean, 2015).

Cournoyer (2014) proposed guidelines to think about in optimizing sales performance: 1) Provide resources that commune company's message, construct an ordinary sales toolkit for associates to make certain that the whole lot enable them to transmit company's value proposition and speed up sales growth; 2) Modularize company packaging for each phase of the buying process.

Methodology

A descriptive survey design was suitable in this work because it was able to support the use of questionnaires as well as provide answers to the sort of questions it sought to answer. The population of this study consist of customers of online shopping malls in Port Harcourt. Due to the fact that the population of the study was infinite, the researcher adopted the Krejcie and Morgan Sampling Size determination formula, the accessible population which is Three Thousand, Seven Hundred and Thirty One (3,731) were placed on the sample size table which produced a sample size of Two Hundred and Fifty (250). Based on this knowledge, Two Hundred and Fifty (250) became our sample size in this study. Furthermore, to avoid any form of bias, cluster sampling technique were also introduced for fair and equal allocation and distribution of respondents. Pearson Product Moment Correlation Coefficient was used to test if the independent variables are associated with the dependent variables.

Data Analysis

Testing of Hypotheses

Hypothesis One: Social media marketing has no significant relationship with sales performance of online shopping mall in Port Harcourt.

Table 1: Summary of statistics on the relationship between social media marketing and sales performance of online shopping malls in Port Harcourt.

		Correlations	
		Social Media Marketing	Sales Performance
Social Media Marketing	Pearson Correlation	1	.416**
	Sig. (2-tailed)		.000
	N	250	250
Sales Performance	Pearson Correlation	.416**	1
	Sig. (2-tailed)	.000	
	N	250	240

** . Correlation is significant at the 0.01 level (2-tailed).

The result from Table 1 shows the summary of statistic on the relationship between social media marketing and sales performance of online shopping malls in Port Harcourt. It shows that social media marketing has significant relationship with sales performance of online shopping malls in Port Harcourt. The R-value of 0.416 shows a moderately strong relationship between social media marketing and sales performance ($r= 0.416$, $p=.000$). The null hypothesis one was therefore rejected at .05 level of significance.

Hypothesis Two: Email marketing has no significant relationship with sales performance of online shopping mall in Port Harcourt.

Table 2: Summary of statistics on the relationship between email marketing and sales performance of online shopping mall Port Harcourt.

		Correlations	
		Email Marketing	Sales Performance
Email Marketing	Pearson Correlation	1	.268**
	Sig. (2-tailed)		.000
	N	250	250
Sales Performance	Pearson Correlation	.268**	1
	Sig. (2-tailed)	.000	
	N	250	250

** . Correlation is significant at the 0.01 level (2-tailed).

The result from Table 2 shows the summary of statistic on the relationship between email marketing and sales performance of online shopping malls in Port Harcourt. It shows that email marketing has significant relationship with sales performance of online shopping malls in Port Harcourt. The R-value of 0.416 shows a moderately strong relationship between email marketing and sales performance ($r=0.416$, $p=.000$). The null hypothesis two was therefore rejected at .05 level of significance.

Hypothesis Three: Search engine optimization has no significant relationship with sales performance of online shopping mall in Port Harcourt.

Table 3: Summary of statistics on the relationship between search engine optimization and sales performance of online shopping mall in Port Harcourt.

		Correlations	
		Search Engine Optimization	Sales Performance
Search Engine Optimization	Pearson Correlation	1	.362**
	Sig. (2-tailed)		.000
	N	250	250
Sales Performance	Pearson Correlation	.362**	1
	Sig. (2-tailed)	.000	
	N	250	250

** . Correlation is significant at the 0.01 level (2-tailed).

The result from Table 3 shows the summary of statistic on the relationship between search engine optimization and sales performance of online shopping mall in Port Harcourt. It shows that search engine optimization has significant relationship with sales performance of online shopping mall. The R-value of 0.362 shows a weak relationship between search engine optimization and sales performance but significant ($r=0.362$, $p=.000$). The null hypothesis three was therefore rejected at .05 level of significance.

Conclusion

The existing strategies of marketing appear to have move beyond the survival level of online shopping malls Consequently, there is a changing trend through trending alternative as represented by digital marketing. Wider network provision for increased awareness is part of the often mentioned benefit of digital marketing options. In Nigeria however, there is dearth of empirical finding on the role digital marketing options could play in sales improvement of deposit money banks.

Recommendation

Based on the findings the following recommendations are made:

1. Online shopping malls in Port Harcourt should incorporate digital marketing experience in their products and service offerings in order to create innovative customer experience which will help boost their market performance.
2. Online shopping malls should endeavour to use email as a component for an effective reach of target audience or groups and to build a brand. In this digital era, marketers are not the custodian of brands but the people who are connected across the digital platforms.

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