

Impact of Digital Marketing on Real Estate Customer Patronage in Federal Capital City (FCC) Abuja, Nigeria

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<p>Abstract: Internet, social media, mobile apps, and other digital communications technologies have become part of everyday life for billions of people around the world. It is therefore critical to examine the impact such phenomenon is having the basic essential need of Man (i.e., shelter) particularly in cosmopolitan cities. The study examined the impact of digital marketing on the real estate disposal and customer patronage in the Federal Capital City Abuja, Nigeria. The study adopted survey design. Data collected by the researchers for the study were presented using statistical tools required for data analysis. The Regression Analysis using ANOVA was adopted to analyze the variables of digital marketing on real estate customer patronage. The study reveals that there is a positive relationship between digital marketing and customer patronage. This is evidenced by coefficient value of 0.621. Statistically, the Sig. value of 0.021 is lower than the acceptable significance value of 0.05. Also the result reveals a positive impact of image management on customer patronage. This is evidenced by coefficient value of 0.591. Statistically, the Sig. value of 0.008 is lower than the acceptable significance value of 0.05. The study therefore concludes that digital marketing and image management are the key promoters of real estate customer patronage in federal capital city Abuja, Nigeria. It therefore recommends that digital creative ideas from employees across the organizations is advocated to be given the desired level of attention. This will encourage more digital marketing innovations within the organization that will enhance patronage. Also, business organization should continuously improve the effectiveness of their image management in order to accelerate their overall performance.</p>	<p style="text-align: center;">Research Paper</p> <p>*Corresponding Author: <i>Dr. Ikwuagwu, Henry Chinedu</i> Department of Banking and Finance, Michael Okpara University of Agriculture, Umudike</p> <p>How to cite this paper: Ikwuagwu, Henry Chinedu & Kabir Adeniyi Yagboyaju (2023). Impact of Digital Marketing on Real Estate Customer Patronage in Federal Capital City (FCC) Abuja, Nigeria. <i>Middle East Res J Econ Management</i>, 3(1): 13-18.</p> <p>Article History: Submit: 19.04.2023 Accepted: 26.05.2023 Published: 02.06.2023 </p>
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INTRODUCTION

Like most human endeavours, marketing continues to be quite dynamic particularly digital marketing (Appel *et al.* 2019). The development and widespread adoption of internet technologies have significantly altered how society connects in both daily and professional life. In the modern world, a large portion of business is conducted across digital networks that link individuals and businesses (Matidza *et al.* 2020). Therefore, digital marketing is the act of advertising products and services through digital distribution channels, sometimes referred to as e-WOM (electronic word of mouth), to communicate with customers in a timely, appropriate, and financially effective manner (Schutte & Chauke, 2022).

The increasing use of digital marketing and other social media has positively impacted consumer embrace of online shopping with the attendant increases in market share for eCommerce centric organisations (Dwivedi *et al.* 2021). Significant influence of technology on marketing and business performance was further exhibited during the COVID 19 pandemic when businesses that had digitally integrated were less impacted by the lockdown in comparison with businesses that had not fully digitally integrated or those not digitally integrated at all (Chetty *et al.* 2020).

It is easy to say that when it comes to marketing, there has been a paradigm shift from the use of print media and billboards to embracing all digital platforms (Levy & Gvili, 2015). This has further been made possible by the various interests and concerns of modern businesses and consumers about the collective

responsibility of everyone towards environmental sustainability. A sustainable business emphasis provides benefits like finding new goods and markets, utilising emerging technologies, encouraging innovation, boosting organisational efficiency, and motivating and retaining its workers (White *et al.* 2019). Now, it is possible to market goods like cars, clothes, and electronics in real-time through social media sites like Facebook, Twitter, YouTube, Instagram etc. giving sellers access to a larger consumer base and maximising value creation.

This article therefore considers the influence of digital marketing on the real estate business in the Federal Capital City Abuja as housing is more of a critical need of Man according to the Maslow's Hierarchy of Needs. The population of the Federal Capital Territory continues to increase since 2005; the influx of people from rural areas and other urban cities across Nigeria to the Federal Capital Territory was due to both economic and social pull factors, with about 55% of the population estimated to be residing within the FCC Abuja in 2021 (Bashir *et al.* 2022). The housing needs in the FCC Abuja require a fast turnaround process for the entire business cycle as the number of housing demand keeps growing and the market needs to be reached timely to make the delivery and off-take of the houses by the customer amazingly effective.

The research will specifically find out how effectively the digital marketing has been used to deliver goods and services to customers within the real estate sector of the Federal Capital City, Abuja. In addition, what forms of digital marketing platforms have been deployed by the various real estate operators in marketing their products and services? What challenges are being encountered by the real estate operators in implementing digital marketing? What strategies have the operators applied to advance their digital marketing plans? Equally, research hypotheses put in Null forms will be used to establish the relevance and significance of digital marketing to the real estate business in the Federal Capital City, Abuja. In essence, if the hypotheses are rejected it then implies that the alternate position of the hypotheses will be accepted and vice versa.

Obviously, the pressure applied on the readily accessible real estate properties within the FCC had affected the rental cost of most of the properties thereby

pushing them beyond the reach of the average dweller within the city, and this continue to have both economic and social implications for the society at large. Proximity of the Federal Capital City (i.e., the Abuja Municipal) also perform the sphere of influence to other Area Councils which further affects the cost of living within the Abuja Municipal which is barely affordable to average citizens (Bashir *et al.* 2021). It is therefore believed that a well implemented digital marketing system within the real estate sector of the city will greatly improve the accessibility of more affordable real estate properties for the FCC residents.

This research like some other studies experienced mealy availability of relevant articles particularly with regards to the city under focus. It is therefore justified that the outcome of the study will go along way to add to the body of knowledge as it concerns its area of interest.

LITERATURE REVIEW

Online marketers now have a distinct viewpoint on the importance of digital and social media marketing for their company. The amount of people using social media to find the goods and services they require has significantly increased (Ibrahim & Ganeshbabu, 2018). The dependency on digital marketing centres around its contemporary competitive edge, highly aided by great conventional capabilities in flexibility, efficiency, quality, and speed. It no gainsaying that the three key dimensions of competitive advantage of technology in the business environment can be summarized as cost efficiency or cost leadership, differentiation in products and services, and focusing on targets (Obeidat *et al.* 2021).

Using digital platforms to gain greater understanding of consumer expectations and preferences through customers online engagements with brands, organisations can then develop truly differentiated customer experiences that cultivate customer engagement behaviours (CEBs) and greater value as well as targeted well-being for them. As such, it is necessary for consumer research to continue to examine and understand the mechanisms by which digital and social media technology (D&SMT) can further unlock CEBs and improve consumer well-being (Dwivedi *et al.* 2021).

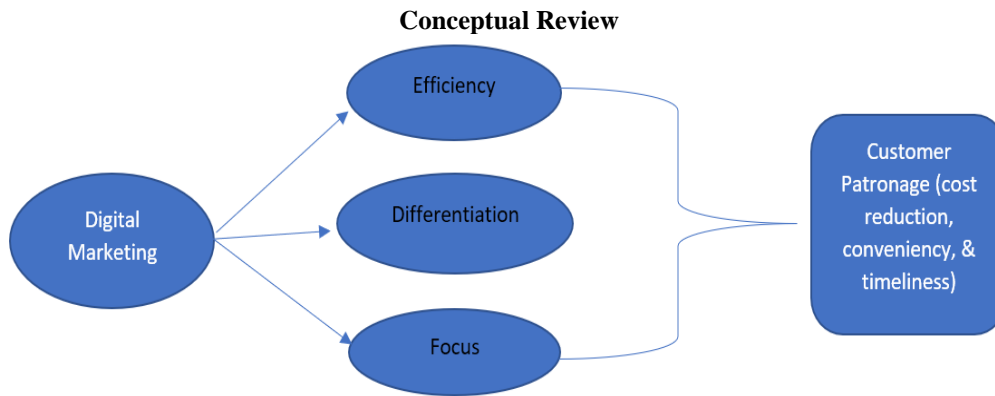


Figure 1: Conceptual Framework Source: Author Adaptation

The conceptual framework in Fig 1. clearly shows the value proposition of business technology of digital marketing which entails efficiency (i.e., time proficiency, cost reductions etc), distinctiveness of products and services, and delivering to the target markets, to manage customer relationships and achieve great value from customer patronage. There are some documented instances where digital marketing has improved the way of doing business in the real estate sector, as sourcing for property becomes much easier and faster, advertisement of ‘to let’ or for sale properties are done with much efficiency and wider coverage and communication between estate agents and clients are done much easier (Dabara *et al.* 2018).

Theoretical Review

The article based its theoretical framework on two relevant theories involving the use of business resources and processes influenced by technology to achieve organizational goals and targets. The two theories are Business Model Theory and Resource Based Theory.

Business Model Theory

Business Model Theory drew some of its basic principles from the works of Peter Drucker in the Harvard Business Review (1994) titled *Theory of the Business*. Around the turn of the millennium, the concept of a "business model" received a theoretical foundation. The phrase has, however, been in use for a while. Two interrelated driving forces served as the motivation for the theoretical advancements that explain the business model. One was the rise of technology-based businesses (such as Alphabet, Amazon, and Facebook), which produced and seized economic value at a scale and rate that was previously unheard of. The

second was the inability of current strategic management and entrepreneurial theory to describe and foresee such value creation (Costa Climent & Haftor, 2021). Therefore, a business model tends to describe the structure of the value chain, identify target market segments, express the value proposition, choose the suitable technology and features, and estimate cost and profit possibilities. In essence, a venture's value creation and appropriation processes are explained by its business models (Mishra & Zachary, 2014).

Resource Based Theory

Resource based Theory (RBT) was popularized by Jay Barney’s (1991) article titled *Firm Resources and Sustained Competitive Advantage* (Donnellan & Routledge, 2018). Although, the theory evolved from the earlier work of Edith Penrose (1951) titled *The Theory of the Growth of the Firm* (Assensoh-Kodua, 2019). In explaining how firm-based resources produce long-term competitive advantage and why certain organisations may consistently outperform others by becoming more competitive, the RBT is predicated on two fundamental tenets. The first reason is that each resource bundle that a company owns is unique. One of the pillars of RBT is the heterogeneity of resources and competencies among a population of enterprises, which distinguishes the comparative advantage of each firm. Second, the complexities of trading resources across firms may create persistence in differences in resources i.e., the assumption of resource immobility (Utami & Alamanos, 2022). Therefore, using technology as a unique resource in the real estate marketing plan will give competitive advantage to any firm.

Empirical Review

Table 1

S/ N	Author/ Year	Objectives	Scope	Independent Variable(s)	Dependent Variable	Theoretical Framework	Method of Analysis	Country / Sector	Findings
1.	Eshiett <i>et al.</i> (2022)	Examined impact of digital content marketing on	Ahmadu Bello University (Postgraduate)	Digital marketing content	Customer loyalty	B.E.S.T (Behavioral, Essential, Strategic, Targeted) Theory.	Pearson Correlation Coefficient technique	Nigeria/ Educational	The study revealed that the accomplishment of unambiguous

		customer loyalty, testing the hypotheses in the context of the Nigerian University.	School)						ous and dependabl e content by business concerns can increase the delight of organizati onal customers.
2.	Oluchi <i>et al.</i> (2022)	Assessed the influence of online marketing on real estate properties, testing the hypotheses in the Nigerian context.	Awka City	Digital Marketing	Real estate property sales.		Descriptive Statistical Analysis of percentage and mean analysis.	Nigeria/ Real Estate	The study's result confirms that online marketing of real estate properties is more advantageous than the offline (traditional) modes such as billboards, newspaper , radio and television.
3.	Obeidat <i>et al.</i> (2021)	Assessed the impact of e-marketing on competitive advantage in Pharmacy business, testing the hypotheses in the Jordanian context.	Irbid City.	Marketing Technology	Competitive advantage.		Statistical Package for Social Science (SPSS) / Standard Deviation Analysis	Jordan/ Healthcare	The study found out that E-Marketing has an effect on all the dimension s of the competitive advantage.
4.	Nwaogu & Christian (2021)	Assessed the effect of online marketing on real estate Disposal, testing the hypotheses in the Nigerian context.	Nigeria	Online Marketing	Real estate disposal		One-sample T-Test	Nigeria/ Real estate	The findings showed that real estate firms in Nigeria make use of online marketing in the disposal of real estate.
5.	Matidza <i>et al.</i> (2021)	Examined the use of digital marketing	Lilongwe City.	Digital marketing	Real estate agency services		Descriptive statistical analysis using percentage	Malawi/ Real estate.	The study establishe d that estate

		in estate agency industry, testing the hypotheses in the Malawian context.					analysis		agency companies in Malawi have adopted online use of digital marketing in selling their services.
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METHODOLOGY

The study adopts a survey research design method. Highly structured questionnaire was adopted to collect primary data for the study. Data collected by the researchers were coded and analyzed using statistical tools. The study therefore employed survey study, which involved comprehensive and detailed act of obtaining data from the mapped area and exploring the relationship between the dependent and independent variables. The target population of the study is all the customers' real estate patronage within the federal capital city Abuja, Nigeria. Data collected by the researchers for the study were presented using statistical tools required for data analysis. The Regression Analysis using ANOVA was adopted to analyze the

variables of digital marketing on real estate customer patronage.

Result Presentation and Interpretation

This section focus on the presentation, analysis and interpretation of data gathered from the respondents. The essence of this aspect of the research work is to ensure that data obtained during the survey using the questionnaire were properly presented, analyzed and interpreted to facilitate the drawing of conclusion and making of the necessary recommendations. The result from the data generated are discussed below.

RESULT AND DISCUSSION

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.749 ^a	.561	.560	1.06386

a. Predictors: (Constant), Digital_Marketing, Image_Management

Table 3: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4.910	2	2.455	2.169	.119 ^b
	Residual	117.707	1263	1.132		
	Total	122.617	1265			

a. Dependent Variable: Customer_Patronage
b. Predictors: (Constant), Digital_Marketing, Image_Management

Table 4: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.322	.400		3.309	.001
	Digital_Marketing	.621	.197	.602	13.441	.021
	Image_Management	.591	.081	.518	8.543	.008

a. Dependent Variable: Customer_Patronage

The analysis result shown on table 2, 3 and 4 above presents the result of the impact of digital marketing on real estate customer patronage in federal capital city Abuja, Nigeria. The result of the regression estimate from table 2 above indicate that there is a positive relationship between digital marketing and customer patronage. This is evidenced by coefficient value of 0.621. Statistically, the Sig. value of 0.021 is lower than the acceptable significance value of 0.05.

This means that digital marketing is significantly related to customer patronage.

Also the result reveals a positive impact of image management on customer patronage. This is evidenced by coefficient value of 0.591. Statistically, the Sig. value of 0.008 is lower than the acceptable significance value of 0.05. This means that image management in significantly related to customer

patronage. Generally, the result suggest that a well-structure digital marketing and image management of a business entity has the potential to accelerate the overall performance of an organization.

DISCUSSION OF FINDINGS, CONCLUSION, AND RECOMMENDATION

The study assessed the impact of digital marketing on real estate customer patronage in federal capital city Abuja, Nigeria.

The result of the regression estimate from the study reveals that there is a positive relationship between digital marketing and customer patronage. This is evidenced by coefficient value of 0.621. Statistically, the Sig. value of 0.021 is lower than the acceptable significance value of 0.05. This means that digital platforms and related online marketing means promotes customer patronages vis-à-vis the organizational performance. Image management was also subjected to analysis test. The analysis revealed that image management under study impacted positively on customer patronage. The coefficient of image management is 0.591. This positive relationship was found to be significant with a value of 0.008 which is lower than 0.05 acceptable significance level. This means that administrative efforts to control and set the way stakeholders see the organization enhances performance.

Generally, the result suggest that efforts by the organization to strategically elevate the perception about the company impact meaningfully to better the performance of the organization. Consequent to the tough business environment created by world globalization and trade liberalization, business organizations must endeavour to critically and strategically position in the environment where it operates in order to continue as a going concern. Therefore it is important that the organization depends not only on the skills and abilities of a single individual but on the quality of interaction across the organization, including an exchange of knowledge and development of capabilities. Digitalization as part of business process have come to stay, hence must be given the desired attention it requires. The study therefore concludes that digital marketing and image management are the key promoters of real estate customer patronage in federal capital city Abuja, Nigeria.

Sequel to the findings and conclusions drawn, the following recommendations have been offered:

Digital creative ideas from employees across the organizations is advocated to be given the desired level of attention. This will encourage more digital marketing innovations within the organization that will enhance patronage. The study recommends that business organization continuously improve the effectiveness of their image management in order to accelerate their overall performance.

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