

An Analysis of the Effect of Online Marketing on Real Estate Disposal in Nigerian Property Market

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Abstract:

The importance of online marketing to business operations in various industries specifically the real estate industry inspired the creation of websites and online platforms in Nigeria. The use of online marketing is changing the way information is released and how business is conducted in the real estate industry. The objectives were to determine which real estate firms in Nigeria make use of online marketing in the disposal of real estate and categories of online marketing platforms used by real estate firms in Nigeria. The scope of the study covers online marketing tools such as social media platforms and real estate portals in the area of real estate agency in Nigeria. The study population is real estate property disposal. Sample size is 186 while statistical tool used was One-sample T-Test. The result showed that real estate firms in Nigeria make use of online marketing in the disposal of real estate. The result confirms the acceptance of facebook, twitter, whatsapp and Instagram as categories of online marketing platforms used by the Real Estate firms in Nigeria. The implication is that most real estate investors use of online marketing in doing their businesses especially in the area of real estate disposal.

KEYWORDS: Online Marketing, Real Estate, Property Bulletin, Marketing Campaigns

1. INTRODUCTION

The disposal of real estate in the aspects of sales or letting is usually information-driven and where information is inadequate, real estate transaction could become unsuccessful as the players rely on information provided before engaging in private investigation or search during sale (Babatunde, 2016). The quest to increase real estate disposal gave rise to real estate promotion which has risen decades ago after the introduction of the internet.

Real estate practitioners or firms in Nigeria are still in the dark as to the contemporary innovations and relevance of online marketing on real estate disposal in global property marketing scheme. Parallel lack of emphasis on training and education to meet the demands of the new commercial environment is prevalent. There is a negligent attendance to the benefit of the function of online marketing on real estate disposal. The level of online marketing on real estate disposal awareness amongst real estate professionals in Nigeria is quite low (Kakulu, 2018). Also, a recent review of teaching curriculum amongst higher institutions offering estate management in Nigeria including Nigerian Universities Commission (NUC) minimum standards for environmental sciences reveal that although Information Communication Technology course on online marketing are provided for, it is in the form of general introduction on an awareness level. With the widespread use and dependence on online marketing globally, mere knowledge on an awareness level is not sustainable as professionals are unable to apply the skill in practice in meaningful way. In Nigeria today, we are all witnesses to the on-going revolution

in various industries and the change from the use of traditional practice methods less than a decade ago to digital/ online practice methods. The question to ask regarding real estate profession in Nigeria specifically in Enugu is how we have fared and what our current online marketing literacy level and utilization as a profession. Are we taking the lead in the built industry in the area of disposal or are we lagging behind in taking advantage of this laudable innovation.

Objectives of the Study

1. To determine which real estate firms in Nigeria make use of online marketing in the disposal of real estate.
2. To determine the categories of online marketing platforms that is used by real estate firms in Nigeria.

Scope of the Study

The scope of the study covers online marketing tools such as social media platforms which include Facebook, Instagram, LinkedIn, Twitter and Whatsapp, Emails, company websites and real estate portals in the area of real estate agency in Nigeria.

2. LITERATURE REVIEW

Curtest (2019) compared internet based marketing as well as traditional marketing and observed that online marketing is more economical and taster way to reach out to buyer directly, and an ideal way for real estate firms to do business through advertising locally or internationally. In traditional marketing, consumers can see and touch the real goods or real estate products but the domain of effect is low; on the other hand, using of online marketing will exceed the boundaries and introduce the real estate products to the demographic of internet users. Also, the internet would be cheaper, faster and convenient for marketing. Approximately, the advantages of online marketing are much more than advantages of tradition marketing.

Granitz and Green (2018) also compared both online marketing and traditional mode of marketing under cost, analysis of effective advertisement, brand presence, awareness, demographic targeting of customers, real-time results and monitoring and so on.

Oladineji (2019) stated that the traditional methods of real estate transaction such as billboard advertisement, hanging to-let signboards, use of newspapers. Property bulletin or magazine are more expensive and produce minimal result. On the other hand, the online mode of marketing real estate enables the real estate practitioners to reach a larger number of clients within a short time and with a small budget.

Kendal (2017) opined that with the use of traditional mode of marketing of real estate such as newspaper or magazine, it can be difficult to assess the direct sales impact for a real estate form. However, with online marketing everything can be tracked and illustrated in detailed graphs that illustrate traffic growth, leads and sales conversions from a specific search marketing campaigns.

Curtist (2019) observed that convenience is one of the major advantages of online marketing of real estate as most people find the use of internet more convenient than the traditional methods. Global reach or vast reach is another advantage as audiences or consumers can be reached easily using the internet advertisements. Online marketing enables the real estate practitioners to market real estate products globally.

Kendal (2017) viewed online marketing as the most cost effective mode of marketing as there is no requirement to set up physical structure infrastructure and thus leading to maximum audience at minimal cost

Gramtz (2018) opined that it is not possible to observe customer reaction and adjust search parameters in online marketing of real estate and as such real estate agent can cornice buyers to submit an offer and help them navigate through the negotiation process and convince a client to sign and close deals which are difficult when taking the online approach. The difficulties of experience in finding a property to dispose in real estate activities is as much an emotional decision as it is quantitative individuals have unique utility functions they any be able to figure out all components but may become vulnerable to irrational decisions in the heat of the moment. A skilled real estate agent carefully re-evaluates the search during their interactions through a series of clear cut questions, inert observations, and deducing to revealed preferences. The agent decides whether to make adjustments to the search, or in during their interactions and deducing to revealed preferences. The agent decides whether to make adjustments to the search, or in unfavourable cases, politely cease to work with the client.

3. METHODOLOGY

The research approaches adopted for this study were both qualitative and quantitative techniques. To cover the study area effectively, a field survey were conducted with structured questionnaires for the major study population and anchored with semi-structured interviews for the secondary population and other relevant secondary data. The sample size of 186 was determined using Taro Yamani formula. Hence, 186 questionnaires were administered to Estate Surveyors and Valuers Firms, individual Estate Surveyors and Valuers and Real Estate Developers Association of Nigeria. However, 159 questionnaires were properly filled and returned for collation represents 85.5% response rate. This response rate was considered enough by the researcher. One–sample T–Test research tool was used for the study.

4. RESULTS AND DISCUSSION

This section deals with the analysis of questionnaires collected and presented in the following:

Table 1: Analysis of the Distribution and Return of Questionnaires.

Categories of respondents	Questionnaires distributed	Number returned / retrieved	Number not returned or improperly filled	% of questionnaires returned /retrieved	Percentage not returned or improperly filled	Total
Estate Surveyors and Valuers Firms	40	32	8	17.2%	4.3%	21.5%
Estate Surveyors and Valuers	106	92	14	49.5%	7.5%	57%

REDAN	40	35	5	18.8%	2.7%	21.5%
Total	186	159	27	85.5%	14.5%	100%

Source: Field Survey, (2021).

Table 1 shows that a total of 186 questionnaire were distributed of which 159 questionnaires were properly returned representing 32 Estate Surveyors and Valuers Firms, 92 Estate Surveyors and Valuers and 35 Real Estate Developers Association of Nigeria. While a total of 27 questionnaires were not returned. The returned questionnaire represents 85.5% and the unreturned represents 14.5%. Moreover, the returned questionnaire of 85.5% appears sufficient to do justice to the study.

In order to investigate the type of residential properties respondents occupy and the most predominant in the study area, questionnaires were administered to the respondents. The result from the questionnaires collected is presented in the tables below:

Table 2: One-Sample Statistics to test whether real estate firms in Nigeria make use of online marketing in the disposal of real estate.

	N	Mean	Std. Deviation	Std. Error Mean
Whether real estate firms in Nigeria make use of online marketing in the disposal of real estate.	5	2.0300	0.15600	.165142

Source: Researcher’s Statistical Computations, 2021

The mean of the responses of the respondents on whether real estate firms in Nigeria make use of online marketing in the disposal of real estate is 2.0300 as can be seen in table 2;

Table 3: One-Sample Test to identify whether real estate firms in Nigeria make use of online marketing in the disposal of real estate.

	Test Value = 3.0				
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference
Whether real estate firms in Enugu make use of online marketing in the disposal of real estate.	2.5101	25	.000	.059764	0.7669

Source: Researcher’s Statistical Computations, 2021

From the Table 3, the calculated ‘t’ test value (2.51) is greater than ‘t’ test table value (0.76), we therefore reject H₀ and uphold H₁ which states whether real estate firms in Nigeria make use of online marketing in the disposal of real estate and also shows how real estate firms in Nigeria make use of online marketing in the disposal of real estate.

Table 4: Response on the categories of online marketing platforms that are used by the Real Estate firms in Nigeria.

Marketing platforms	(SA)	(A)	(U)	(D)	(SD)	N	FX	\bar{x}	Ranking	Remark
	X ₁	X ₂	X ₃	X ₄	X ₅					
Facebook	87	36	20	11	5	159	666	4.19	1 st	Accept
Whatsapp	70	36	29	14	10	159	619	3.89	3 rd	Accept
Twitter	82	31	24	17	5	159	645	4.06	2 nd	Accept
Skype	7	24	26	30	72	159	341	2.14	6 th	Reject
Instagram	69	37	24	20	9	159	614	3.86	4 th	Accept
Youtube	34	26	16	33	50	159	438	2.75	5 th	Reject
Total	349	190	139	125	151			3.48		

In the data presented in Table 4 showing the mean mark calculated from the response of the respondents on ranking of the categories of online marketing platforms that are used by the Real Estate firms in Nigeria, Facebook was rated highest with a weighted mean score of 4.19, followed by twitter, whatsapp and Instagram while skype on the other hand was the least rated by the respondents having a weighted mean score of 2.14 followed by youtube. This result confirms the acceptance of facebook, twitter, whatsapp and Instagram as the categories of online marketing platforms that are used by the Real Estate firms in Nigeria.

5. Summary of Findings, Implication and Conclusion

The result showed that real estate firms in Nigeria make use of online marketing in the disposal of real estate. The result also confirms the acceptance of facebook, twitter, whatsapp and Instagram as the categories of online marketing platforms that are used by the Real Estate firms in Nigeria. The implication is that most real estate investors make use of online marketing in doing their businesses especially in the area of real estate disposal.

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