SOCIAL MEDIA ADVERTISING AND MARKET PERFORMANCE OF REAL ESTATE COMPANIES IN NAIROBI

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DECLARATION

I **Susan Njoki** do hereby declare that this paper is my original research and has never been submitted for a degree in any other institution.

Signature………………. Date……………………….

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D61/75439/2014

This research paper has been submitted for examination with my approval as the university supervisor:

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DEDICATION

I dedicate this work to my three beautiful daughters, Jasmine, Joanna and Jolene. Girls, reach for the stars.

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ABSTRACT

Companies in every industry have realized the undeniable role played by social media in realizing their advertising goals. Social media has the potential to help organisations maintain competitive market performance by improving their brand equity, increasing brand awareness, affecting increased sales and overall improving profitability, for the benefit of all shareholders. Spek et al. (2015) define market performance as the ability of markets to adapt to external influences. This means that companies must strive to achieve their set results regardless of the external environment. The real estate industry in Kenya has been on a steady growth for the last two decades, owing to its attractiveness to investors, and the favourable policies governing the indistry. In Nairobi, there are about one hundred companies dealing in the sale, letting, management, development and construction of real estate companies. The retail real estate market has especially seen a marked improvement in the last decade, caused by an expanded middle class population and the political stability realized especially after the 2008 post-election violence. This study sought to establish the relationship between social media advertising and the market performance of real estate companies in Nairobi. A census model was employed, owing to the ease of access to the whole population, which rendered sampling unnecessary. Data collection was done through carefully crafted questionnaires and interviews with industry experts. The data was analysed using computer software and regression analysis was carried out to determine the relationship between social media advertising and market performance of real estate companies in Nairobi, using the pearson regression model. The study found that there is a significant correlation between social media advertising and market performance, and the analysis revealed a positive correlation of 0.276. This means that whenever real estate companies increased social media advertising by 1%, market performance improved by 0.276. The study concluded that there is a positive relationship between social media advertising and market performance of real estate companies in Nairobi. One of the recommendations of the study is that companies in Nairobi should use social media advertising to improve their market performance. In addition, they should allocate substantial budgets towards this, hire experts trained in the social media field and use

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Companies use social media to broadcast their marketing messages, so as to reach existing and potential clients. Market performance is the measurement of a company's operational policies in fiscal terms, often expressed in profits and losses over a specified period of time. The use of social media has a bearing on market performance by lowering cost of entry into the market, increasing Return on Investment and overall improving a firm's fiscal performance (Martin, 2010). Marketing departments are increasingly required to prove value of marketing activities and how they contribute to the bottom line financial performance. In the recent past, more research has been carried out that focuses on the conceptual relationship between social media advertising and market performance (Morgan, 2011).

The study was guided by two theories; The Social Media Advertising Model (SMAM) and The Interactive Advertisin Model (IAM). The SMAM examines costumer attitudes and behaviour towards social media advertising, by determining whether social media users' emerging needs are addressed by advertisiong on the internet. It also explores how responses and attitudes towards social media advertising are influenced by external factors like peer influence. The IAM model is an examination of the interaction between social media users and internet advertising. It majorly focuses in the factors that affect social media advertising, be they structural, functional or information processing factors. It postulates that both internet advertisers and users influence social media advertising, with advertisers determining the structure of ads while users determine the information processing and functional aspects.

Market performance refers to the ability of markets to adapt to external influences (Spek, Zanden, & Leeuwen, 2015). Market performance has also been defiened as the behaviour of an asset in a market place. In an industry, market performance can be adapted to mean the ability of a company to operate profitably given external factors in that industry. In the Kenyan real estate industry, the main factors influencing the market performance of properties are consumer income, credit costs, demographics, availability and cost of credit, advertising, legislation, price, advertising and consumer lifestyles (Okumu, 2017).

The last decade has seen a massive growth in the real estate industry in East Africa. In the past five years alone, the GDP growth for East African countries has consistently been at an average of five percent and projections indicate that this trend is likely to persist (Chief Economist Complex, 2013). In Kenya, the real estate industry covers a wide geographical scope. There is also variety in types of real estate, and the income generated thereof. Concerning the target market, there are stratifications from low income earners to middle and high income earners (Okumu, 2017). Kenya has real estate that has different geographical characteristics, including highlands ideal for farming activities, arid and semi-arid areas containing mineral reserves and coastal land. Some of the types of property include office space, industrial real estate, retail shops and residential properties mainly found in urban centers, towns and cities. The industry has grown constantly in the last ten years, probably as a response to the exponential growth of the middle class with the ability to service loans and mortgages and still have considerable disposable income. This upcoming middle class demands and requires superior housing, including the design and finishing, located in safe neighborhoods. This class has the advantage of having the ability to pay relatively high prices for their choices. Another factor that contributes to the growth is the reduction of commercial banks' lending rates in recent times, which makes it attractive to get financing for investment in real estate projects (Muiruri, 2016).

In Nairobi for instance, the industry is supported by the fact that Nairobi is a transport, financial and investment center in the East African Community countries. As such, a large number of NGOS and multinational companies prefer Nairobi as an operational base or as African Head Quarters. The Kenyan SME sector has also grown, leading to high demand of office space, which further makes Nairobi an attraction to investors and developers (China Daily, 2010). Advertising of real estate companies and properties takes different forms. Marketing professionals in real estate firms have different media channels at their disposal, through which they broadcast marketing and branding messages. These include traditional media and social media. This study seeks to establish the relationship between traditional and social media advertising and the market performance of real estate companies in Nairobi, Kenya.

1.1.1. The Concept of Social Media

Social media refers to content available on the internet and accessible through digital devices (Kotler & Armstrong, 2012). It majorly features interactive audiences, where information is made public on the internet (Evans, 2012). Social media uses mobile and web-based technologies to convert communication into dialogue. According to (Kaplan, 2015), social media enables the creation and exchange of user generated content, shared on the internet through blogs, social networking sites, content communities and virtual games. Companies use traditional and socialmedia in marketing their products to reach bigger markets.

Social media is characterized by creative participation and interactive user feedback. Marketing and branding of real estate companies and products through social media channels has gained a lot of traction in the recent years, for the ability to highly segment and target audiences for messages. The ability of social media to transmit adverts and information through conversations and connections is also attractive to real estate marketing professionals. Another reason most real estate companies use is its interactive rather than passive consumers (Carter, 2014). However, the use thereof demands high demographic understanding and profiling for relevance of messaging.

1.1.2. The Concept of Market Performance

Market performance is the measurement of a firm's operational policies expressed in terms of profits and losses over a specific period of time. Market performance results from strategy, market positioning, quality of services and innovation (Roylance, 2012). To maximize performance and wealth, companies must offer superior products with minimum production costs improved customer satisfaction and operational processes and ultimately larger profits. In addition, companies should ensure effective competitiveness in the market, determined by the interrelationships between clients, employees, shareholders and stakeholders (Hitt, Ireland, & Hoskisson, 2016). There are many reasons why firms measure performance: it gives a futuristic outlook of a firm's ability to make profits, it provides an analysis of the extent to which a company has achieved set goals and provides a guide for the employee incentive system (Epstein & Manzoni, 2008).

Market performance indicators include profitability, liquidity aspects and return on investment. Companies are constantly striving to improve their performance in highly dynamic markets, in order to sustainably grow profits. One of the indicators of market performance is sales growth (Carton & Hofer, 2008). Carton *et al* found that a growth in sales results in higher profit margins and consequent return to investors, making the company overall attractive to new customers and investors. Kotler 2003 developed a market performance measurement index that includes new customers, one time customers, return customers, word of mouth advocates, and brand perception compared to competitor brands. Revenue growth is also an important market performance indicator, since it reflects the market share and position of a company (Epstein & Manzoni, 2008). Marketing professionals have made notable strides in relating marketing efforts to business results, although there are still challenges faced in the assessment and tracking of the degree of success of media advertising campaigns against the marketing budgets.

1.1.3. The Concept of Media Use in Advertising

The 21st century brought with it rapid transformation in advertising as digital technology drove more advertisements (Management Association, Information Resources, 2012). Successful advertising has a bearing on brand awareness and sales volume, ultimately improving market performance. For advertising to be effective, it has to be inspirational, expressive and innovative. The main objective of advertising is to communicate with potential markets and persuade them to purchase goods or services. Advertising should ideally perform three functions namely persuade consumers to buy products, promote the name of a company and boost confidence in the use of a particular brand (Harris, Seldon, & Snowdon, 2014).

All advertising is mass mediated in nature, which means that they are carried by media to which masses of the population have access (Stevenson, 2002). While most companies still advertise on traditional media like newspapers, magazines, radio and television, many others place their ads on digital media such as the internet and email. By virtue of being mass mediated, advertisements inadvertently become part of the consumers media use, for example one cannot choose to buy a newspaper in which there are no adverts, or to watch advert free television (Rodgers & Thorson, 2012). Thus, different consumers interact with advertisements in various ways. Some choose to actively avoid them, for example flipping channels during television commercials, or actively seek out advertisements for example paying close attention to the advert pages of a newspaper (Harris, Seldon, & Snowdon, 2014).

1.1.4 Real Estate Industry in Kenya

The real estate market is one of the most dynamic and vibrant markets in Kenya, attracting investors in residential, commercial, office space and undeveloped land properties. This is due to the high demand created by the growing middle class (Chief Economist Complex, 2013). According to the Kenya bureau of statistics, the industry grew by 12% between 2012 and 2015, while in the same period contributing an average of 7.5% to the country's GDP (Kenya National Bureau of Statistics, 2016). In 2016, the industry contributed 8.8% to the GDP compared to 7.2 in 2015. In January 2018, the World Bank projected a growth rate of 5.8% (World Bank Org, 2018), further increasing investor confidence. In 2017, the building and construction sector grew by 8.6% compared to 9.8% in 2016 (Cytonn Investment, 2018). The Agenda-4 Presidential Affordable Homes Programme is expected to vigorously spur growth in the industry (The Presidency, 2018). In addition, as the country regains political stability, and with increased rural-urban migration, improved spending ability and maturing state of the market, the real estate industry will continue to be a major contributor to Kenya's economy.

Improved infrastructure is another factor that contributes to the continued growth of the real estate industry, for example the SGR, Thika Superhighway, various bypasses and the improvement of road networks in the rural areas. Further, the government policy of creating bodies like the Real

Estate Investment Trusts allows small scale investors to pool funds and invest in large scale developments, which greatly contributes to the growth of the industry. The National Construction Authority (NCA) regulates the construction industry by registering and controlling construction companies therefore ensuring quality standards in construction. Other bodies like the National Environmental Management Authority (NEMA), County Governments and local authorities set rules and guidelines that govern the industry (Africa Legal Network, 2015). All these make the industry attractive to local and international investors.

1.1.5 Real Estate Companies in Nairobi

In Nairobi, there are about one hundred real estate companies dealing in sales, management, development consultancy and investment of retail, industrial, residential and commercial properties. The companies offer investment opportunities in Nairobi and outskirts, segmented clearly to cater for different income classes. One of the more lucrative developments for investors has been malls and office space. Urbanization and a growing middle class with higher disposable income created a large demand for mall and mall-like developments in the real estate sector of Nairobi (Oxford Business Group, 2015), leading to Nairobi being identified as the leading retail destination in Africa. In 2016, two of the biggest retail companies in Kenya faced financial and management challenges, leading to the closure of major outlets. This in turn led a major reduction in walk in customers in malls in which they were the major tenants (Okumu, 2017). Mitigation efforts included leasing these vacant retail outlets to international retail companies.

The office space type of real estate developments in Nairobi recently faced a slow uptake rate, leading to an oversupply. The Broll Kenya report of 2017 found that Westlands and Upperhill areas were leading in oversupply with 29% and 24% of unoccupied office space respectively. The Nairobi Central Business District had an oversupply of 20% (Broll Kenya, 2017). Some of the biggest consumers of office space in Nairobi are satellite campuses affiliated to major universities, many of which were closed down between 2016 and 2017, leaving vacant spaces (Mulinge, M., & N., 2017). Another consumer, the NGOs sector, also closed down many offices following friction with the national government (Human Rights Watch, 2018). The national government, another major consumer of office space, drastically reduced demand for offices, owing to devolution, which drove demand upwards in counties around the country, effectively decresing demand in Nairobi (Kariuki, 2018).

In the residential type developments, the interest rates capping by the Central Bank if Kenya led to a decrease in mortgage uptake in the third quarter of 2017 (Muiruri M. 2018), while discouraging banks from lending out mortgages as there were other investments with high returns. However, according to Cytonn, Nairobi faced a deficit of 2 million housing units in 2017, projected to grow to 2.2million by 2020 (Cytonn Investment, 2017).This has generated a lot of interest from investors and developers from fields like retirement funds, Saccos and investment companies. To improve market performance, real estate companies market their products and services on traditional and social media. Market performance in the real estate sector can be measured using variables such as; revenue growth, sales growth, new customer enquiries and average size of transactions.

1.2 Research Problem

Companies use social media marketing for various reasons including; improve competitiveness, expand into new markets and strengthen their brand (Siegert, Forster, & Chan, 2015). To ensure maximum return on investments and grow profits, firms must seek to comprehend the relationship between social media advertising and market performance. Through this understanding, companies can successfully compete with other firms in the same industry, as well as surpass average industrial performance (Hitt, Ireland, & Hosskisson, 2008).

The real estate industry in Kenya is a vibrant and growing sector, which contributed 8.8% to the country GDP in 2016 (Kenya National Bureau of Statistics, 2017). This growth is fuelled by a growing middle class (Oxford Business Group, 2015), and a conducive business environment (Africa Legal Network, 2015). The population of Nairobi metropolis was 6.4 million in 2017, and is projected to grow to 7.1 million by 2020, facing a deficit of 2 million residential housing units (Cytonn Investment, 2017). This potential market has led to a growth in the number of real estate companies, providing retail, office, commercial and residential real estate developments and services.

Before the advent of the internet, real estate companies ran their adverts on TV, radio, billboards and print media (Moutinho, Bigné, & Manrai, 2014). Recently, there has been a shift in marketing spend from traditional media to new age media, and the trend is expected to continue. In Kenya, social media use has grown by 70% in the last five years, according to research by the Ihub (Angela, 2012). Additionally, the average consumer spends about 60% of their spare time on social media platforms, either for entertainment, communication, shopping, political discussions and information search. According to the Communications Authority of Kenya (2017), the number of internet users in Kenya was estimated at 37.7 million in 2017.

Locally, research indicates that there has been a shift towards social media advertising in the real estate industry, as of 2014, (Wairimu, 2014). Another study found that digital solutions like websites, email, mobile technology and social media, coupled with traditional advertising channels, all improve the market performance of real estate companies in Nairobi (Caroline, 2017). Research indicated that companies in the banking industry experienced an average increase of 3200 new customers between 2011 and 3013, as a result of using social media to market their products and services. This contributed a positive growth in market peformance (Njeri, 2013).

Current research has failed to quantify the value of social media advertising for products from the real estate industry, whereas the marketing professionals in the sector continually need to make decisions regarding the media channels through which to broadcast marketing and branding messages. There exist gaps in research pertaining to the market performance of these companies in relation to the social media channels through which they broadcast their marketing messages. Variables such as revenue growth, sales growth, new customer enquiries and average size of transactions have also not been explored. This research therefore focused on answering the question, 'What is the relationship between social media advertising and the market performance of real estate companies in Nairobi?'

1.3 Research Objective

The objective of the study was to determine the relationship between social media advertising and the market performance of real estate companies in Nairobi.

1.4 Value of the Study

The study will be of benefit to real estate marketers, businesses, media sales people and academicians. For real estate marketers, this research will guide them in the choice of social media suitable for marketing of specific products, for maximum market growth. The findings of this study will guide the marketing professionals in their marketing performance management, while enhancing maximization of marketing Return on Investment (ROI). The marketers will also gain insights into marketing budget prioritization.

For businesses, the study will be instrumental in guiding the decision making processes concerning budget allocation, as the findings will explore the extent to which social media affects change in market performance. They will therefore make more sound decisions regarding the percentages of overall expenses to allocate to social media advertising. The findings will also be important to local and foreign investors who seek to start real estate companies in Nairobi, by acting as an advertising guide.

The research will also be important to social media sales people to know target markets for each real estate product based on the findings. This will help them maximize on the value offered, as they will refine ad targeting for specific real estate properties.

Finally the results will be important to other academic researchers and scholars as the findings will contribute to extending the existing professional knowledge on real estate advertising and market performance. The findings will also be instrumental to academicians when they need secondary and primary data. They can also use the data from the research as empirical data on which to base their studies.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter is a dissection of the theoretical foundation of the study, a review of the real estate industry performance in Nairobi and a discussion of literature regarding marketing of real estate companies on traditional and social media. At the end of this section, a critique of the empirical literature is provided which identifies research gaps that the study seeks to address.

2.2 Theoretical Foundations

The study is guided by two theories; The Social Media Advertising Model (SMAM) and The Interactive Advertisin Model (IAM). The SMAM examines costumer attitudes and behaviour towards social media advertising, by determining whether social media user's emerging needs are addressed by advertisiong on the internet. It also explores how responses and attitudes towards social media advertising are influenced by external factors like peer influence. The IAM model is an examination of the interaction between social media users and internet advertising. It majorly focuses in the factors that affect social media advertising, be they structural, functional or information processing factors. It postulates that both internet advertisers and users influence social media advertising, with advertisers determining the structure of ads while users determining the information processing and functional aspects.

2.2.1 The Social Media Advertising Model (SMAM)

The Social Media Advertising Model was developed by (Ahmed & Raziq, 2018) as an amalgamation of two theories; the Theory of Reasoned Actions and the Uses and Gratification Theory. The SMAM explores consumer attitudes and behavioral intentions towards social media advertising, by looking at consumers' emerging needs as addressed by social media advertising, and their intentions and attitudes towards the advertising as affected by external factors like peer influence (Ahmed & Raziq, 2018).

The business environment continues to be changed and challenged by the evolution of technology (Harris & Leseane, 2014). Advertising has been no exception. As social networking sites grow in number and usage, the business world is becoming increasingly aware of the potential benefits that can be reaped from them. This constant growth further demands for firms to include social media advertising in their marketing strategy (Hajli & Nick, 2015). Firms are required to research and invest in online activities that attempt to reach those users who are moving away from traditional media. The SMAM also explores the formation of brand communities, which can be described as non-geographically bound communities made up of specific brand admirers (Hutchins & Tindall, 2015). Social media provides excellent platforms for such communities to not only exist but also thrive. As such, firms must establish profiles where consumers can opt to be associated with their brands, allowing them to share links to those brands on their personal pages. In brand communities, social communication is king, and marketers are always expected to publish product information, allowing consumers to provide opinions and give feedback, on a real time uninterrupted basis. The proponents of the SMAM therefore postulate that with the increased usage, social media networks can potentially provide undisputable benefits to corporate firms, making them an ideal platform for advertising (Ahmed & Raziq, 2018) .

2.2.2 The Interactive Advertising Model (IAM)

The Interactive Advertising Model was conceptualized as a basis of understanding the interaction between internet users and online advertisements (Rodgers & Thorson, 2010). The proponents of the IAM suggested that the interactive nature of the internet could be examined using three paradigms; the structural, information processing and functional frameworks. The model was so named because the scholars found internet advertising to have two distinct aspects. On one hand there were the advertiser-controlled aspects like the presentation of the interactive advert including the ad types, format and features which made up the structural framework of internet advertising.

On the other hand, there were the consumer-controlled aspects; the functional and information processing perspectives. Internet users controlled the functional perspective of internet advertising by being the initiators of internet use, either for surfing, communicating, shopping or research (Janoschka, 2007). The user-intentions influenced the advertiser's ad structures. The motives also determined how they responded to online advertisements. The information processing view examined how users responded to online ads and how they affected their attitudes towards brands, either by clicking on links, liking the brands, remembering the ads and associated brands and so on (Y?lmaz & Recep, 2017).

Criticism has been raised concerning the IAM, sighting the fact that consumers' motives for accessing the internet could not be classified into just four categories. Scholars postulated that some users could find 'research' to be a 'fun activity', effectively changing the structural component of adverts (Mazurek & Tkacyzk, 2016). In addition, an information seeker could integrate shopping into his internet usage, if they came across a sale advert associated to the information they seek. Scholars consequently added the phenomenon of motive-switching to the IAM, which sought to explain the state of consumers having multiple purposes before undertaking an internet activity (Rodgers & Thorson, 2017).

2.3 The Real Estate Industry

Globally, the real estate industry accounts for the biggest percentage of total wealth and is estimated to have hit USD 217 trillion, which was an equivalent of 60 percent of total global assets (Yiu, 2017). The industry thrives because of several factors. First, competition in the industry is controlled, as new entrants need very high initial investments. It also takes long for a new developer to earn enough confidence of clients to compete for projects, providing further advantage to already existing companies. The real estate industry faces no substitute threats, while enjoying a vast number of raw material sources and suppliers (Zhang & Ren, 2006). Part of the stability can be attributed to the fact that retailers and mall developers are coming up with ways to improve competition against e-commerce, which raises the demand for retail space globally especially considering strengthened consumer power. E-commerce and third party logistics companies like freight and clearing companies also demand large ware house and distribution spaces including satellite locations in major towns, further contributing to the growth of the real estate industry (Asian Development Bank, 2018).

In Africa, the housing sector has been the leading stimulant of economic growth, owing to the fact that Africa is urbanizing at higher rates than any other region in the world. According to (Bah, Faye, & Geh, 2018), rural to urban migration averaged at 3.5% between 2000 and 2015. By 2050, it is forecast that over 50 percent of African population will live in urban areas. This urbanization has led to an exponential growth in the construction industry, which presents opportunities in growth of GDP, job creation and tax income (Spence, Annez, & Buckley, 2008). It is estimated that it would cost USD 2.08 trillion to eliminate the housing deficit in Africa, which would in turn create an output of USD 5.07 trillion while creating an average of 26 million full time jobs per year, for 10 years (Bah, Faye, & Geh, 2018). The real estate industry also affects the economy by strengthening the financial sector. Due to the nature of real estate financing which is secured by collateral, it makes lending less risky and more stable, strengthening the finance sector (Honohan & Beck, 2007).

Kenya is the largest economy in East Africa, and the real estate industry in the country is one of the 5 biggest contributors to the country's GDP. The industry is reported to have contributed more than 10 percent of the country's gross domestic product (GDP) in the year 2014, which increased from the 4.9% that was recorded in 2013 (Knight Frank, 2015). This growth in Kenya's real estate has been happening for approximately one decade now and has surpassed other contributors to the country's economy, such as agriculture. The real estate industry in Kenya is expected to grow further as banks and other financial institution capitalize on the growing interest and demand for land in the country especially within Nairobi and the areas surrounding it (Dyer and Blair, 2016).

The increased growth of sales and revenue from Kenya's real estate has also been noted by Hass Consult (2011), which argues that returns on property investment have increased over the past ten years. The company argues that this growth has been most prevalent in urban areas, such as Nairobi where real estate properties such as stand-alone houses increased in price up to 3.5 times how they sold ten years ago. Research indicates that there is a "continuing resilience of the housing market as a long term investment in Kenya, with strong demand holding prices firm throughout the economic slowdown," (Hass Consult, 2011). This increasing resilience is coupled with increasing prices of real estate products to make the industry one of the most desirable choices of investment in the country. The average size of a mortgage loan increased to KES 8.3 million in 2015 from KES 7.5 million in 2014 because of increased property prices (Muiruri 2016).

Among the factors that contributed to this growing popularity and purchase of real estate properties in Kenya are decreasing lending rates among commercial banks whereby the national lending rates have been reduced several times in the past decade (Broll Kenya, 2017). For instance, in 2014, the central bank of Kenya reduced the commercial banks' lending rates, and this enabled more people to borrow funds and invest in real estate. In September 2016, the Central Bank of Kenya cut its commercial bank rates to 10%, which means that borrowers can access money from banks while paying cheaper interests. The move to cut down the rates followed after President Kenyatta signed into law a bill that restricted commercial banks to an interest rate that is no than 4% above that of the CBK, which implies that commercial banks cannot charge more than 14% interest rate on loans and this is bound to increase the number of borrowers that approach banks for loans (Cytonn Investment, 2017).

2.4 Social Media Advertising and Market Performance

According to the Media Council of Kenya, audiences for traditional media have been on the decline, and businesses need to be adoptive to change by embrace technology. For businesses, technologies lead to reduced cost of operations, improved effeiciency and profitability (Kenya, 2016). Further, social media has been proven to bring together content communities in the real estate sector in Kenya. Real estate practitioners indicated that the various platforms enhance the management of customer relationships while greatly increasing interaction frequency (Caroline, 2017). Advances in technology have the potential to increase the proficiency of marketing real estate products because it increases chances of matching a buyer and a seller.

In 2008, two real estate agents, Benn Rosales and Lani-Anglin Rosales, aggressively used social media to market their properties, making them hit national headlines in the United States. The two had founded and launched an online magazine called *Agent Genius*, which dealt with real estate

(Lockett, 2008). With advances in technology, smart phones became common devices for most people around the world and with them came ‘apps’. Apps refer to technology programs that can be downloaded and used for various purposes; each app is designed to fulfill a specific task. Jones Lang LaSalle was among the first people to put out an app that was designed for real estate marketing, in 2011 (PR Newswire, 2011).

A study by Acharya, Albert, and Zimmerman (2010) explored the effect of a broker’s usage of email for marketing and found that expert real estate agents that have positive attitudes towards information technology are more likely to utilize email marketing. Zumpano, Johnson, and Anderson (2003) studied how a buyer’s usage of the Internet influences his or her search for real estate products and found that although using the Internet may not reduce the time used by a buyer to search, it does inspire buyers to carry out a more rigorous search. Benefield, Cain, and Johnson (2011) did a study on the effect of pictures uploaded in marketing sites on how long an item stays in the market as well as the selling price, which found that raising the amount of pictures rises both; this indicates that a tradeoff occurs when there is increased availability of information that is supplied to buyers.

On the other hand, a study by Benefield, Cain, and Gleason (2012) indicated that satellite imagery of a real estate property has little impact on selling price but that it does albeit marginally increase marketing time. The findings of the study by Benefield, Cain, and Gleason (2012) were supported by Ford, Rutherford, and Yavas (2005) who asserted that listing a real estate property on the Internet resulted in a 1.93 increase in price premium and 11% escalation in the time a property stays on market (Ford, Rutherford, & Yavas, 2005). Using technology to market real estate property has benefits for agents, buyers, and sellers. In a study by Benefield, Rutherford, and

Allen (2012), they stated that increasing virtual tours leads higher selling prices and reduces marketing time.

Market performance, according to Spek*et al*, refers to the ability of markets to adapt to external influences (Spek, Zanden, & Leeuwen, 2015). Market performance has also been defined as the behaviour of an asset in amarket place. In an industry, market performance can be adapted to mean the ability of a company to operate profitably given external factors in that industry. Market performance can be measured using financial, operational or customer indicators. Financial indicators refer to aspects like return on investments, return on assets, profit margins and return on (Berry and Waldfogel, 2009). These indicate a company's competitiveness in the market of operation.

Operational indicators are measured using the culture adopted by the company, effectiveness of the management team, Human resources policy, physical working conditions, and employees' development and inspiration. Market performance can also be measured using customer performance, which refers to the degree to which clients' needs are met, and to specific market expectations. Indicators include percentage of repeat customers, feedback ratings by customers and the frequency of customer complaints (Carton & Hofer, 2008).

2.5 Empirical Studies and Research Gaps

Research on social media and real estate advertising indicates that 70% of home owners had interacted with a Facebook advertisement, with 56% of these being potential home owners (Emily, 2016). A study published on the Baltic Journal of real estate further compounded these findings, by acknowledging that the internet has proved to be an effective tool in promoting real estate. Companies in this sector use social media as an information exchange medium, between themselves and their customers (Maira, 2015).

Locally, one study found that digital solutions like websites, email, mobile technology and social media all improve the market performance of real estate companies in Nairobi (Caroline, 2017). The research recommended that real estate companies in Nairobi should use an intergrated marketing mix, as various channels of advertisements compliment each other. Another study by Kihanya found that intergrated marketing initiatives improved market performance of companies in the insurance industry. Traditional outdoor media like billboards, painting on walls, and advertising on print media improved market performance by 18%, while online advertisements on websites and social media improved market performance by 25%. The same study found that advertising on electronic media improved market performance by 29% (Kihanya, 2013).

Research indicates that companies in the banking industry experienced an average increase of 3200 new customers between 200 and 3013, as a result of using social media to market their products and services. This resulted in a bigger loan portfolio and consequently a positive growth in revenue. The study also associated social media use to a decrease in customer acquisition costs, further improving market performance (Njeri, 2013).

Available research majorly focuses on the assessment of traditional media, making it difficult to compare the relationship between social media advertising and key performance indicators. The studies were carried out in different industries other than real estate. This research sought to bridge this gap, by examining the relationship between social media advertising and the market performance of real estate companies in Nairobi.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Introduction

This chapter describes the methodology that was be used in conducting the study. This includes; the research design, the model, the study area, the target population, sampling techniques and sample size, data type, data collection, data analysis as well as the data design.

3.2. Research Design

This was a descriptive study, concerned with finding out the relationship between social media advertising and the market performance of real estate companies in Nairobi. A descriptive study seeks to define or delineate a subject, mostly by crafting a contour of a set of problems, events, or people using data collection and tabulation of frequencies for research variables and/or their interaction (Cooper & Schindler, 2006).

3.3 Target Population

The real estate industry in Kenya is a vibrant and robust, with Nairobi alone hosting around one hundred companies registered with the Estate Agents Board as shown in appendix I. This study targeted companies within Nairobi due to the ease of access, and wide exposure to social media marketing channels. Mugenda (2003) explains that the target population ought to have several discernible characteristics that the researcher purposes to use in generalizing the results of the research. In Nairobi, real estate companies are divided into housing, land, retail, office space, building and construction and management companies. The research will follow the census technique of targeting population, in which all the major real estate companies in Nairobi participated in the data collection.

3.4. Data Collection

Data collected from the study comprised of primary data gathered from the real estate marketing professionals through well-designed questionnaires, and face to face interviews with opinion leaders in the industry. The questionnaires were divided into two sections; one addressing the general information of the companies, while the second section gathered data on the variables adopted for the study. The questionnaires included structured questions which sought views, opinions, and attitudes from the respondents. The questions were designed to collect quantitative data. Consent was sought from the respondents before the administration of the questionnaires, and before any interview or discussion was held. Confidentiality was assured to the respondents and no unauthorized persons were allowed access to the data collected. The respondents had the freedom to ignore the items to which they did not wish to respond.

3.5. Data Analysis

The data collected in this research study was analyzed based on the guidance provided in the objectives of the study. The quantitative data collected was entered into MS Excel after cleaning, to facilitate statistical analysis. The researcher then edited and analyzed the findings using descriptive statistics such as frequency, percentages and mean score. The study results were presented using frequency tables and graphs. A regression analysis was carried out to establish the relationship between social media advertising and market performance of real estate companies in Nairobi. Lastly, relevant interpretations and discussions were drawn from the analyzed data to help the researcher come up with implementable recommendations.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1. Introduction

This chapter is a presentation of the findings of the study, whose objective was to establish the relationship between social media advertising and the market performance of real estate companies in Nairobi. It focuses on the data analysis, and the interpretation of the findings of the study.

4.2. Response Rate

The study sought to get responses from the 100 real estate companies operating within Nairobi County. However, the researcher was able to get 71 participants which translated to a 71% response rate. This was determined to have met the threshold for analysis as stipulated by experts.

4.3. Demographic Information

The research targeted marketing heads in the real estate organizations. These were found to carry titles such as head of marketing, marketing manager, director of marketing, and many others. In companies that did not have a dedicated marketing department, the CEOs and Managing Directors were found to have sufficient information to respond to the questionnaires. Confidentiality was assured to the respondents and no unauthorized persons were allowed access to the data collected.

4.3.1. Years in the Industry

The participants were found to have an average of 10.3 years in the real estate industry as shown in Table 4.1.

Table 4.1: Duration in the industry

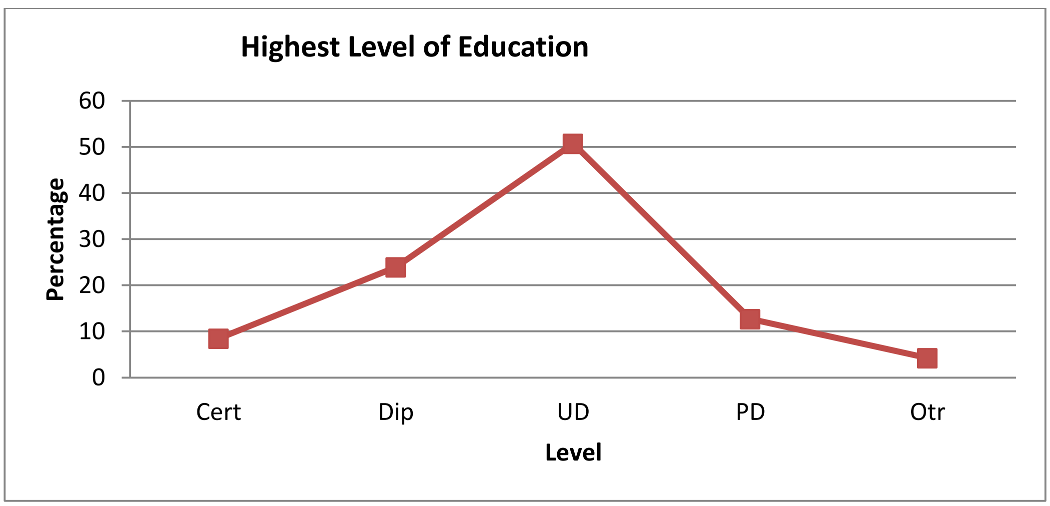
Years	Frequency	Percentage
0-5	13	18.3
6-10	27	38.0
11-15	17	23.9
16-20	12	16.9
21-25	2	2.8

This meant that every respondent had served enough time to enable them identify trends in social media marketing, thus making them ideal sources of data.

4.3.2. Level of Education

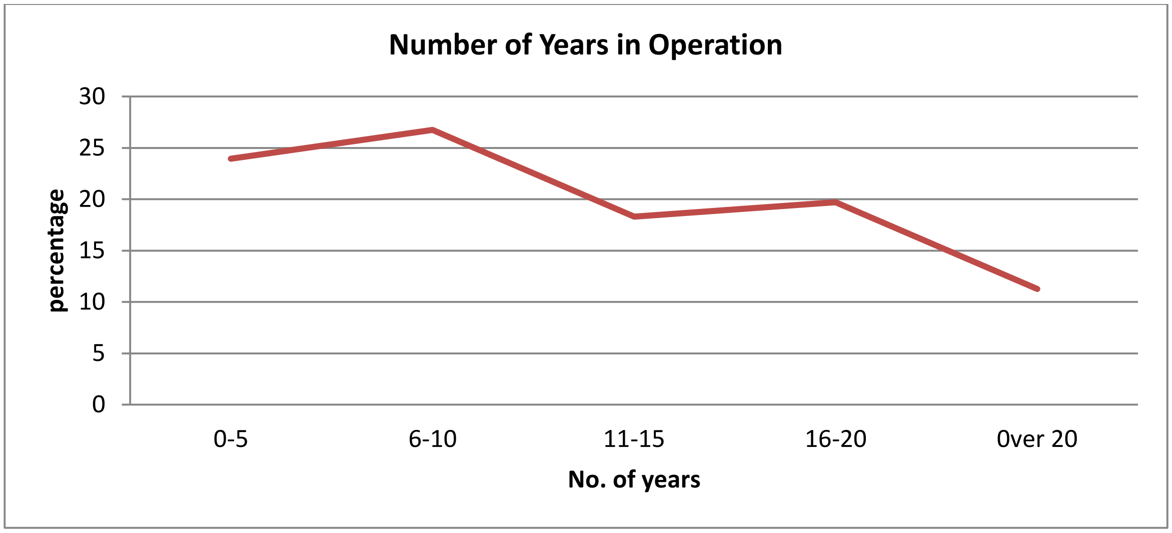
In addition, all the respondents had acquired a tertiary education as shown in Figure 4.1., and could adequately comprehend and respond to the questions.

Figure 4.1: Level of Education



Most of the companies were found to have been in operation for between 6 and 10 years as indicated in Figure 4.2., which was ample time to establish observable patterns in social media advertising.

Figure 4.2: Number of years in operation

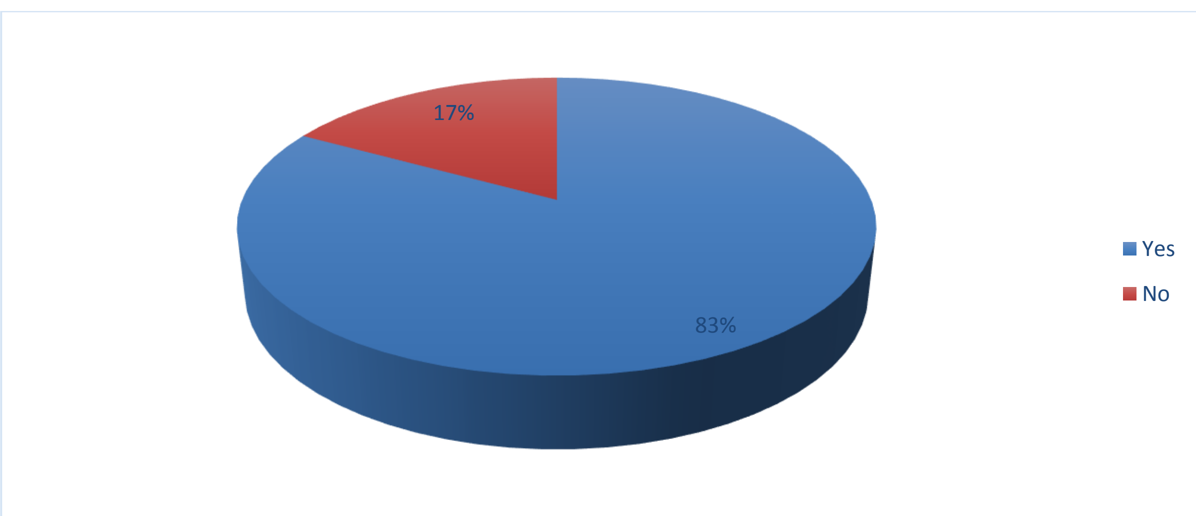


4.4. Social Media Advertisement

4.4.1. Presence of social media expert

83% of the companies said that they had a social media expert in employment while 17% responded in the negative, as shown in Figure 4.3. This meant that the companies that had social media experts in their staff had invested in personnel who were specifically dedicated to social media activities, including advertising.

Figure 4.3: Presence of social media expert

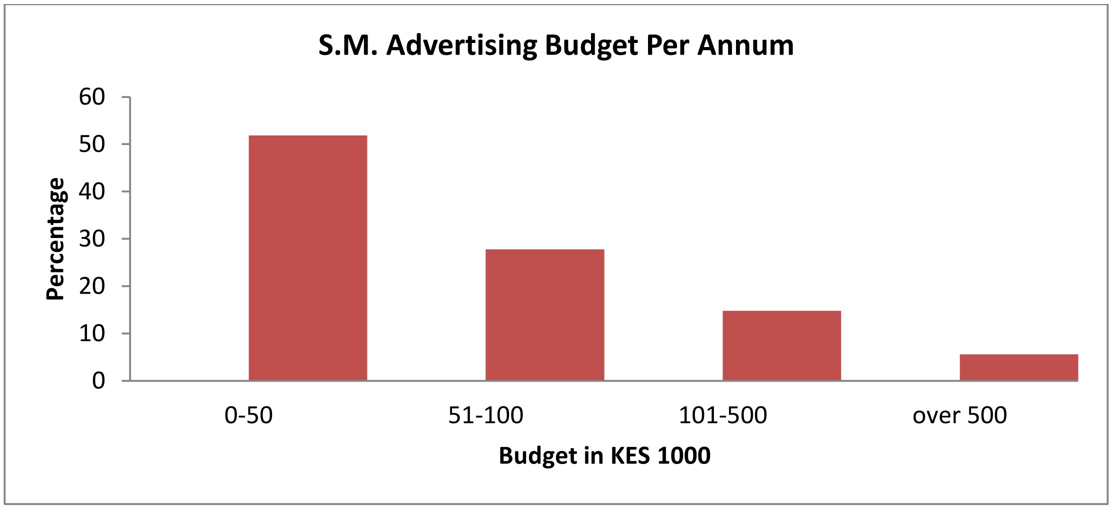


In an interview, the CEO of Harmar Ventures, a real estate company, said that having skilled social media experts in the team ensured that a company could optimize the opportunities currently offered by social media platforms to grow their business

4.4.2. Social Media Advertising Budget

In the same breath, 76% said that they had a dedicated social media advertising budget while 24% did not. Of the 76% who had a social media advertising budget, 51.8% had a budget below Ksh. 50,000, 27.7% a budget of between Ksh. 50,000 and 100,000, 14.8% a budget of between 100,000 and 500,000 KES while 5.5% had a budget of over 500,000 as shown in Figure 4.4. With a dedicated budget to social media advertising, the companies were found to have ample motivation to track the performance of their social media advertisements, hence provide accurate data ideal for the study.

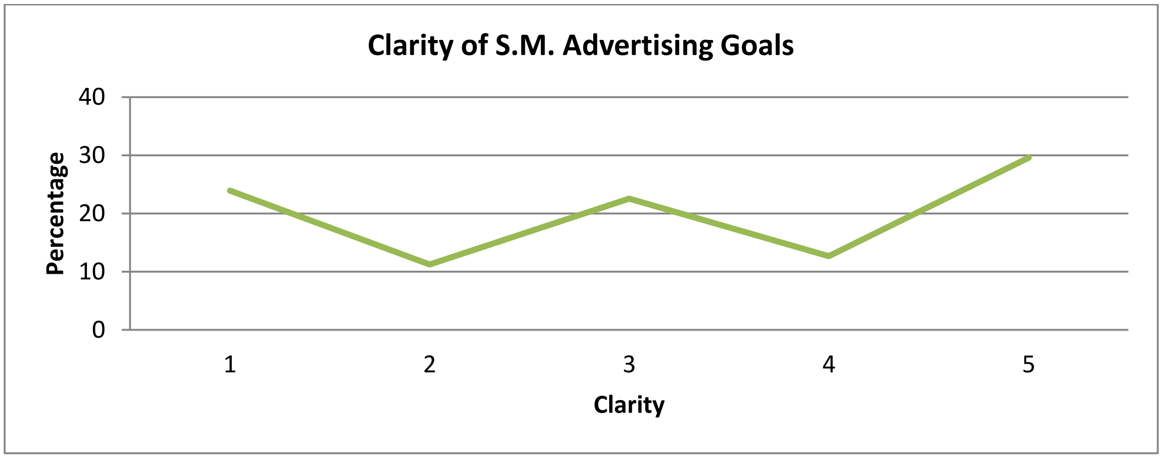
Figure 4.4: Social media advertising budget per annum



4.4.3. Clarity of Social Media Advertising Goals

When questioned about the clarity of their social media advertising goals, 29.5 % of the respondents said they had clear goals while 24% said they had no clear goals. The rest of the participants were distributed at different degrees of clarity as indicated by Figure 4.5 below. This meant that some companies had taken time to clarify the outcomes they wished to achieve by advertising on social media, while others had not. Having unclear goals makes it hard to determine the success or failure of an advertising campaign.

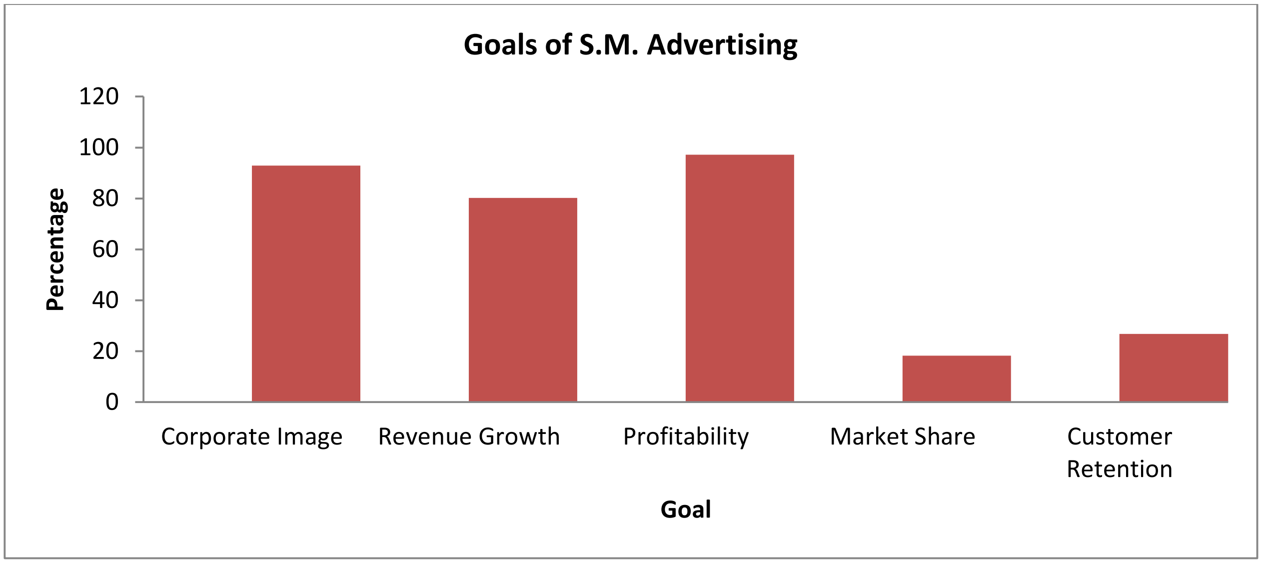
Figure 4.5: Clarity of Social Media Advertising Goals



4.4.4. Major Goals of Social Media Advertising

The participants were asked to select their major goals for social media advertising, whereby 92.9% indicated that they advertise on social media to enhance their corporate image, 80.2% to promote revenue growth, 97% for improved profitability and 18% as a way of increasing their market share. 26% of the respondents said they use social media advertising to ensure customer retention. Figure 4.5 represents this data. The data indicates that a big proportion of the companies are aware of the importance of a positive corporate image and are willing to invest resources in cultivating the same. Revenue growth is also a major goal of social media advertising according to the research participants. Profitability was also found to be a major motivation for the companies to advertise their products and services on social media.

Figure 4.5: Goals of Social Media Advertising



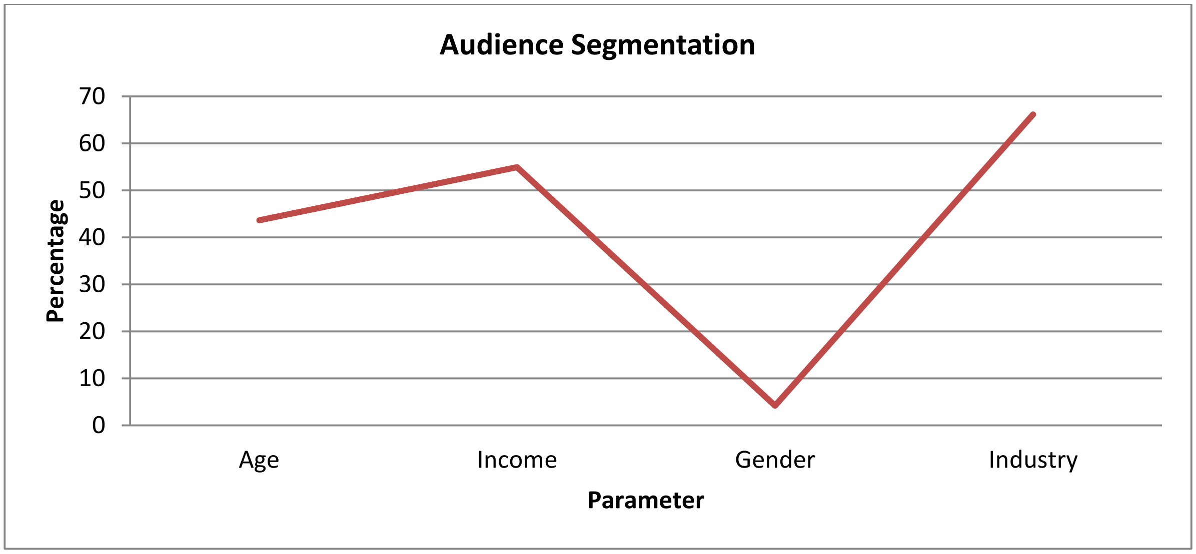
4.4.5. Audience Segmentation

The participants were asked to indicate the parameters they used for audience segmentation of their target audiences for social media advertising. 43.6% said they segmented audiences according to age, 55% according to income, 4% gender and 66% based on the industry in which their customers work. This means that industry was the biggest consideration for the companies when they were segmenting their audiences, followed by levels of income. Gender considerations are rarely done during market segmentation as figure 4.7. indicates.

An interview, a senior real estate market expert at The Standard revealed that market segmentation was a crucial in targeting specific audiences for impact optimization.

> "It is important for real estate companies to determine with accurate precision, who exactly they intend to reach with various messaging. This ensures that the desired outcomes are met optimally, and the advertising can have the maximum return on investment," he said.

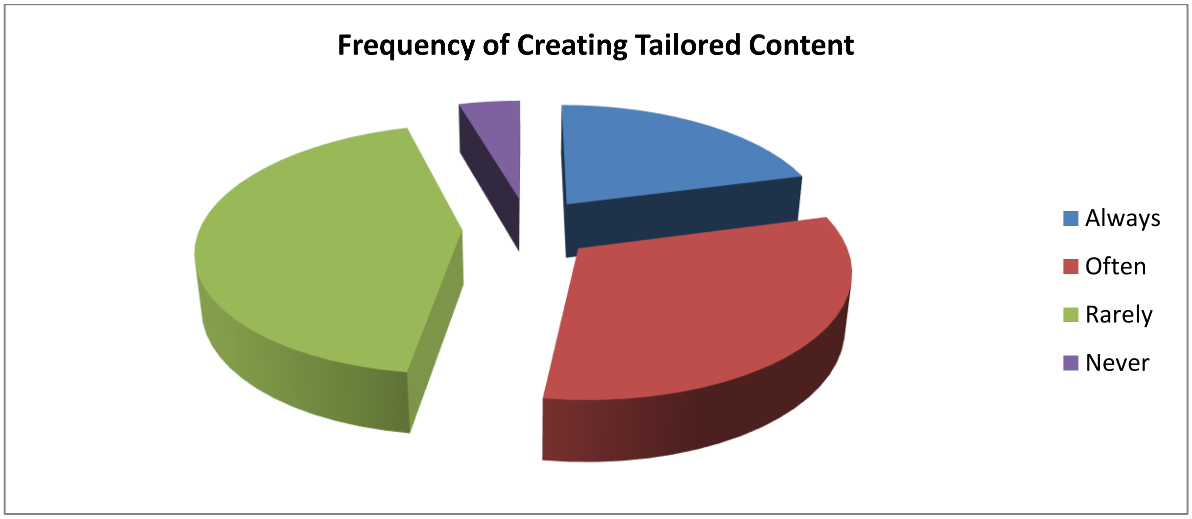
Figure 4.6: Audience Segmentation



4.4.6. Frequency of Tailoring Content

When asked about the frequency with which the companies tailored social media advertising content, 20% of the companies indicated that they always tailor content, 29% said they often do, 41% said they tailor content rarely and 4% said they never tailor content specifically for social media advertising. This indicated that tailoring of social media messaging is not very common, as the highest percentage of participants indicated that they rarely do.

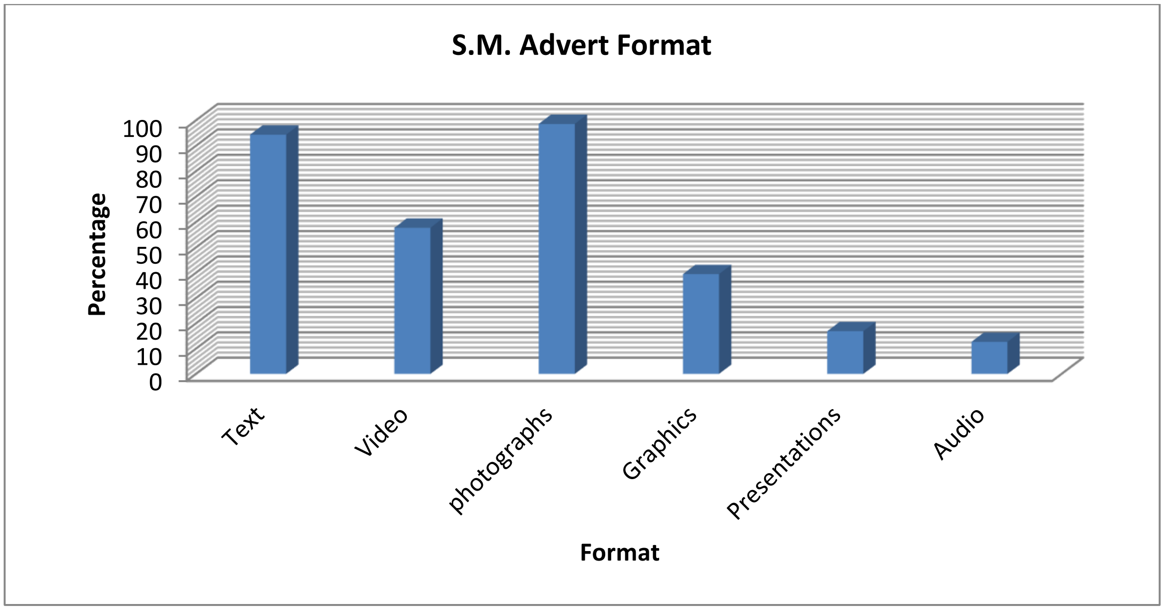
Figure 4.7: Frequency of tailored content



4.4.7. Format of Social Media Advertisements

The professionals were also asked to indicate the format of messaging they used for social media advertising. 94% of them said they use text messaging, 58% use video in their ads, 98% photography, 39% graphics, 17% presentations and 12 % use audio ads as shown in figure 4.8 below. The results indicated a popularity of using photography in social media advertising, which can be attributed to the ease of taking pictures and the wide array of gadgets with which photographs can be take. Videos were also found to be widely used, although the frequency of use was much lower than photography. Audio messaging were found to be the least used format of social media ads, which could be because most social media platforms are optimized for visual content.

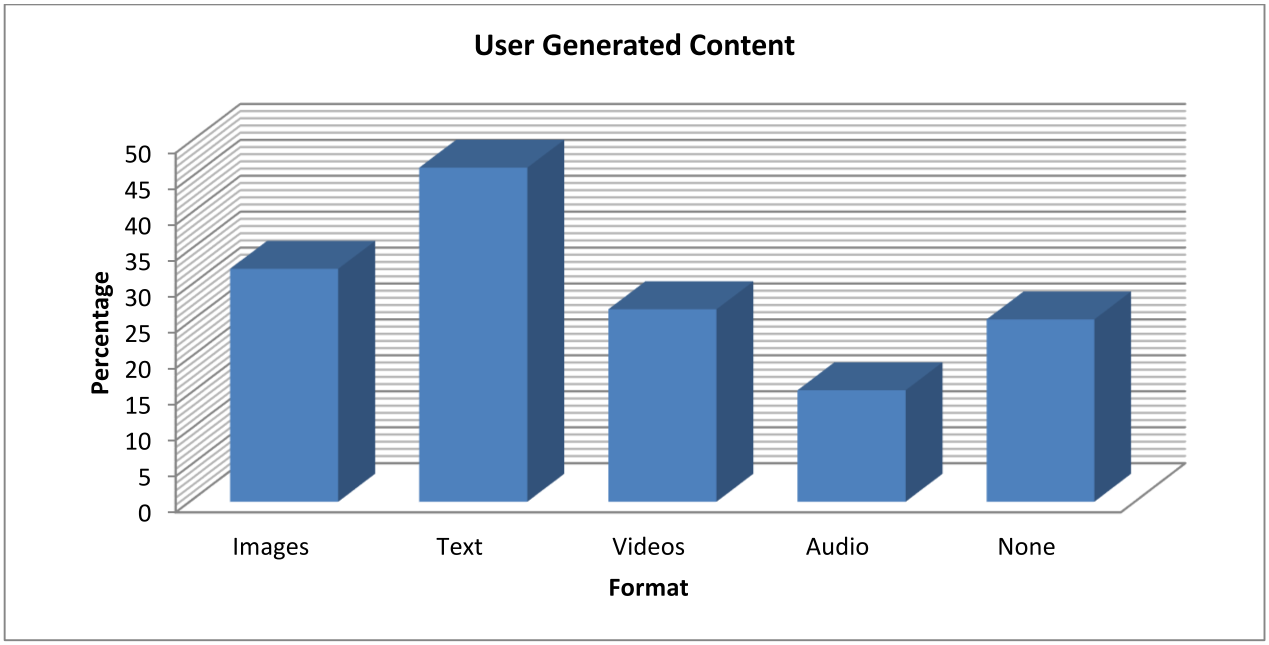
Figure 4.8: Social Media adverts' format



4.4.8. User Generated Content Format

In addition to the format of advertising messaging, the participants were asked to indicate the user generated content they incorporated in their social media advertising. 32% said they incorporate user generated images, 46% incorporated user generated text messaging, 26% videos and 15% audio messaging. A surprising 25% indicated they do not incorporate user generated content in their social media advertising at all, as Figure 4.10. shows.

Figure 4.9: User Generated Content



The results indicated that text messages were the most widely user generated content incorporated into social media advertising, followed by images. This may be because the two forms of content are free to produce and do not require resource allocation or expertise to produce.

The results were compounded the CEO of Kamuthi Housing Coop Ltd, in an interview when he said that it is important for real estate companies to incorporate user generated content.

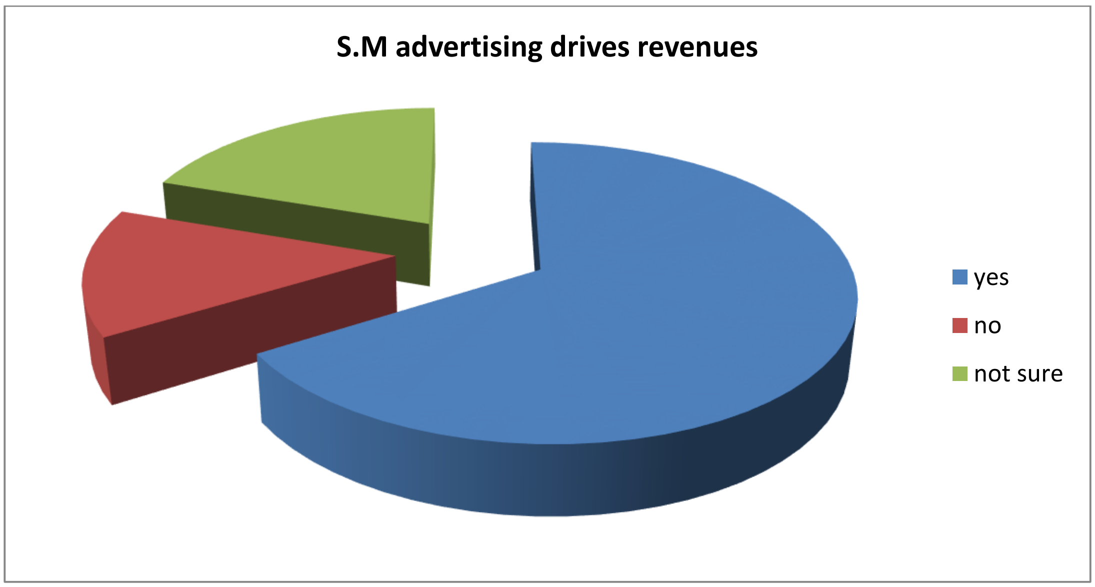
> "Real estate companies should realize that user generated content can act as testimonials from end users, which would help inspire confidence in potential clients thereby expanding the client base," he said.

4.5. Market Performance

4.5.1. Social Media Advertising and Revenue

When the researcher sought to know whether the social media advertising efforts employed by the participants contributes in driving the revenue of their companies, 66% said that it does, while 14% said it doesn't. 20% of the respondents were not sure whether advertising on social media drives revenue growth or not.

Figure 4.10: Social Media advertising and revenues



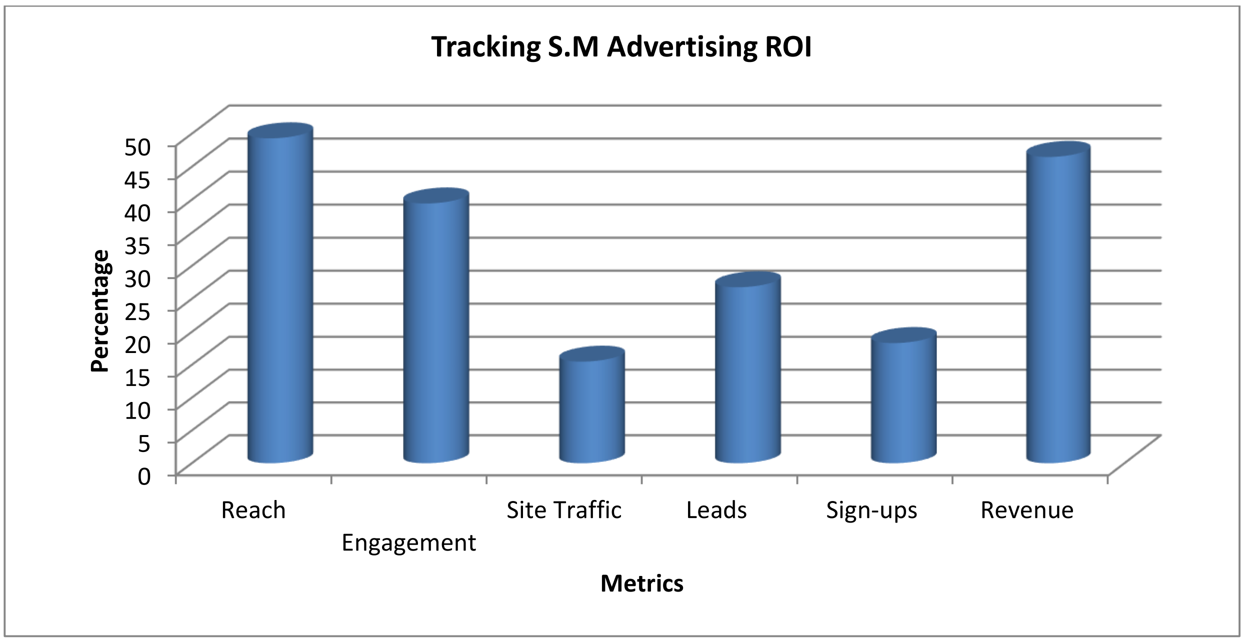
This means that the majority of the companies participating in the research agreed that advertising their products and services on social media had a bearing on their revenues, while 20% could not say whether it does or not. This could be because the companies have never committed to quantifying the impact of advertising on social media in monetary terms.

In an interview, Stima Investments marketing manager said that advertising properties on social media definitely had a positive effect on a company's revenues.

4.5.2. Measuring Advertising ROI

Once they advertise on social media, the participants were asked to tick the metrics they used to determine whether they achieved a social media marketing ROI. The options were ad reach which had a 49% affirmation, audience engagement with 39%, site traffic with 15%, leads generation which had 27% and revenue which was selected by 46% of the participants as indicated by Figure 4.12.

Figure 4.11: Tracking Social Media Advertising ROI

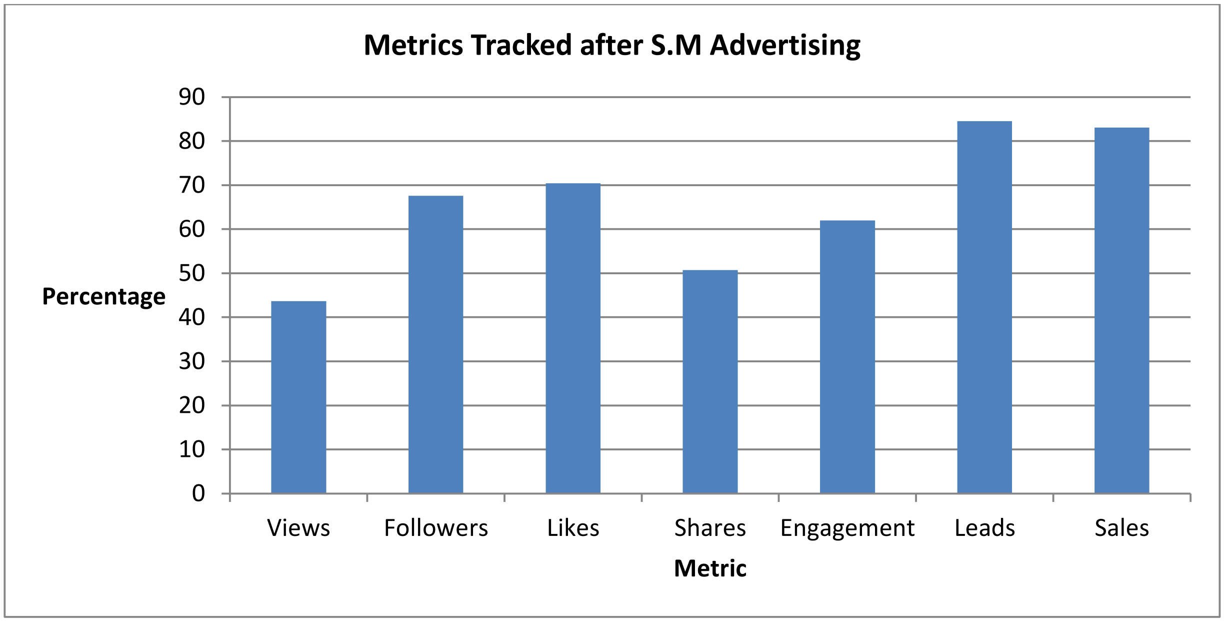


From the data, the professionals indicated that ad reach was the most frequently metric used to determine ROI, followed by revenue. Site traffic was found not to be considered by most of them as a means to quantify ROI.

4.5.3. Determining Social Media Advertising Success

The respondents were then asked to indicate the metrics they tracked to measure success after every social media advertising effort. 43.6% of them said they tracked ads views, 67% new followers, 70% tracked 'likes', 51% looked at how many 'shares' the ads got, 62% engagement with their audiences, 84% leads generated and 83% sales emanating from the ads as Figure 4.13 indicates.

Figure 12: Metrics to measure success of advertising



This data indicates that leads generated and sales closed after social media advertising efforts are the clearest indicators of success of the exercise, according to the respondents. The ads views and shares are the least tracked metrics to measure success.

4.6. Relationship between Social Media Advertising and Market Performance

The table below shows a bivariate Pearson moment correlation analysis. The correlation between social media advertising and market performance r(71)=.276, p=.020, which is a weak positive correlation.

Table 4.2: Correlations

		Social Media Advertising	Market Performance
Social Media Advertising	Pearson Correlation	1	.276*
	Sig. (2-tailed)		.020
	N	71	71

*. Correlation is significant at the 0.05 level (2-tailed).

Table 4.3:Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.276[a]	.076	.063	1.281

a. Predictors: (Constant), Social Media Advertising

The model summary indicates that the adjusted R-square is 0.076, i.e. 7.6%. This implies that social media advertising explains 7.6% of the variation in market performance. This means that whenever there is a shift in market performance of real estate companies in Nairobi, 7.6% of the change can be attributed to social media advertising.

Table 4.4:ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.369	1	9.369	5.705	.020[b]
	Residual	113.314	69	1.642		
	Total	122.683	70			

a. Dependent Variable: Market performance

b. Predictors: (Constant), Social Media Advertising

The ANOVAa gives the sum of squares and tests the overall significance of the regression model (F-test). From the table, the relationship predicted under the regression model is statistically significant at $p \leq 0.005$. This means that there is a significant correlation between social media advertising and the market performance of real estate companies in Nairobi.

Table 5.4:Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.494	.374		6.668	.000
	Social Media Advertising	.279	.117	.276	2.388	.020

a. Dependent Variable: Market Performance

The table above shows the regression coefficient of the predictor (also independent) variable in the model. The t column shows the tests significance of the independent variable in the model. The linear regression is fitted as follows:

Model Specification

$Y (7.6\%) = 2.494+0.276X_1$

Where;

Y= Market Performance

X_1 = Social Media Advertising

From the above regression model, when the independent variable (social media advertising) is zero, market performance is 2.494. A one percent increase in social media advertising increases the companies' market performance by 0.276. This shows a positive relationship between social media advertising and market performance.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Introduction

This chapter summarises the findings of the research, presents the conclusions and fronts some recommendations made, based on the results.

5.2. Summary of the Findings

The study established that there is a positive correlation between social media advertising and the market performance of real estate companies in Kenya. The study found that a majority of the real estate companies in Nairobi employ social media experts to perform duties related to social media management, which encompasses advertisement. In addition, a lot of companies have a dedicated budget set aside for social media advertisement purposes. A majority of the respondents indicated that they had a social media advertising budget that was below KES 50,000. Only 5.5% of the companies allocated KES 500,000 and above, to social media advertising.

The study found that a big percentage of the companies had no clear social media advertising goals, while those who did indicated profitability and corporate image as their main goals.
The study found that of the companies that employed audience segmentation in their social media advertisement, gender was the least frequently parameter used to segment target audiences while industry was the biggest determinant of segmentation.

A big percentage of the participant companies indicated that they rarely tailored content for social media advertisement. In addition, photographs and text messaging were found to be the most widely used formats for social media advertisement, while images and text were the most likely user generated content to be incorporated in social media advertisement.

On Market performance, a majority of the participants affirmed that social media advertisement does drive company revenues, which was one of the metrics most considered to measure social media advertising ROI. Leads and sales were found to be the biggest indicators of success after social media advertising efforts.

5.3. Conclusion of the study

This study sought to establish the relationship between social media advertisement and the market performance of real estate companies in Nairobi. Based on the findings and the data analysis, the study concludes that there is a positive correlation between advertising on social media and market performance. The results indicate that social media advertising impacts market performance at the rate of 7.6%, which means that companies that use social media advertising are likely to have a 7.6% better market performance than those who do not. In addition, the study found that the higher the use of social media advertising, the better the market performance. From the findings, increasing social media advertising efforts by only 1% improves market performance by 0.276%. It follows that a 10% increase in social media advertising would increase performance by 2.76%, a 20% increase would effect a 5.52% improvement in market performance and so on.

Based on the findings, the study concludes that some real estate companies do not allocate any budget to social media advertising, and therefore miss the opportunity to improve their market performance. The study also concludes that some companies rarely, if ever, tailor their content to optimize it for social media advertisement. This could be denying them opportunities to reach their target audiences with the correct messaging, therefore denying them a chance to improve their market performance.

This study further concludes that social media advertising has a strong bearing on revenues of real estate companies in Nairobi. It also concludes that revenues generated and sales made are strong indicators of social media advertising ROI, while leads and sales are strong metrics to measure success of social media advertising activities.

5.4. Recommendations

For professional practice, this study recommends that real estate companies retain personnel with social media expertise, for ease of implementing social media advertising campaigns. This will facilitate tracking of budgetary allocations to determine ROI, and inform future budgeting exercises. The study also recommends the allocation of a substantive budget towards social media advertising, as the activities have a strong influence on market performance. In the same breath, the study recommends that professionals in the advertising industry of real estate companies invest in learning tracking techniques, to be able to establish success of social media advertising activities and measure degrees of ROI.

At the academic level, this study recommends that the findings be used as empirical data, but to be adopted with caution given that the findings only concern real estate companies in Nairobi and no other parts of the country. They should also exercise caution while applying the findings to companies in other industries, other than the real estate company.

5.5. Suggestions for Further Research

The study was based on real estate companies within the Nairobi region. It is therefore suggested that other scholars can focus on social media advertising and the market performance of real estate companies in other regions of the country. The researcher holds the opinion that further research could determine whether the findings maintain any consistency with findings from companies in other industries in the country.

Organisations in Kenya operate uniquely due to the specific business environment in the country. Studies involving real estate companies elsewhere in the world would contribute both to the academic data currently available and to real estate companies seeking to extend operations in other parts of the world.

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APPENDICES

APPENDIX 1: REALESTATE COMPANIES IN NAIROBI

Villa Care

Knight Frank

Hass Consult Ltd

Lloyd Masika Ltd

Azizi Realtors Ltd

Suraya Property Group

Dinara Developers

Homescope Properties Ltd

Ryden International Ltd

Axis Real Estate

Capital Shelter Real Estate

Safaricom Investments

Stima Investments

K.A.A Investment

Gakuyo Real Estate

Metropolitan Investments

Renton Real Estate

Dunhill Consulting Ltd

CitiscapeValuers& Estate Agents Ltd

Pam Golding Properties

Fortress Real Estate Marketing

Crystal Valuers

Splendor Properties

Danco Ltd

Gimco Ltd

Real Max Ltd

Ark Consultants

Masterways Properties Ltd

Kingspark Limited

Regent Management Ltd

Cytonn Real Estate Ltd

Dinara Developers

Frank Management Consultants

Madison Properties Limited

Vitara Properties Ltd

Kisima Real Estate Ltd

Synergy Real Estate Ltd

Point Properties Ltd

Dyer and Blair Company Ltd

Real Management Services Ltd

Landbank Real Estate Ltd

Arkbridge Properties Limited

Daykio Plantations Ltd

Optiven Ltd

Kingspark Ltd

Cretum Properties Ltd

Angaza Real Estate Ltd

Diamond Properties Ltd

Canaan Properties Ltd

Land Layby Kenya

Denko Properties

Jacent Properties Ltd

Kenya ValuersAnd Estate Agents

Renton Real Estate

Real Property Nairobi

King’s Real Estate

Feltop Properties

Ahadi Real Estate

P.R.C Ltd

Migaa Golf Estate

Sunland Real Estate

Buy Rent Kenya

Silverstone Properties

Penta Kenya

Dream Homes Kenya

Fanaka Real Estate Ltd

Trident Estates

Blumac Ltd

Property Reality Ltd

Goldmark Real Estates Ltd

Sohar Properties

Touchstone Properties Ltd

Build Afrique Consulting Group

New Level Investment Ltd

Fahari Realtors

Developing Afrika

APPENDIX II: QUESTIONNAIRE

SOCIAL MEDIA AND MARKET PERFORMANCE OF REAL ESTATE COMPANIES IN NAIROBI

This questionnaire is designed to collect information on the relationship between social media and the market performance of real estate companies in Nairobi. The information obtained will be treated in strict confidence and be used for academic purposes only. This questionnaire is to be completed by officials in charge of marketing functions.

SECTION I: GENERAL INFORMATION

1. Name of respondent
2. Years in real estate industry
3. Designation
4. Gender of the respondent

   Male ( ) Female ( )
5. Highest Education Level Attained
   a. Certificate ( )
   b. Diploma ( )
   c. Undergraduate degree ( )
   d. Postgraduate degree ( )
   e. Other ( )
6. Number of years company has been in operation
   a. 0-5 ( )

b. 6-10 ( )

c. 11-15 ( )

d. 16-20 ( )

e. Over 20 ( )

SECTION II: SOCIAL MEDIA ADVERTISING

7. Does your company have employees who were specifically hired for their social media expertise?

Yes ( ) No ( )

8. Does your company have a dedicated social media advertising budget?

Yes ( ) No ( )

9. If yes, how much is it per annum?

a) 0-50,000 ( )

b) 51,000-100,000 ( )

c) 101,000-500,000 ( )

d) Over 500,000 ( )

10. On a scale of 1-5, rate the clarity of your social media advertising goals. (1 being not clear at all and 5 being very clear)

a) 1 b) 2 c) 3 d) 4 e) 5

11. Choose the most prominent goal from the ones listed below

a) Corporate image ( )

b) Revenue growth ( )

c) Profitability ( )

d) Market share ( )

e) Customer loyalty and retention ( )

12. How do you segment your social media advertising target audiences?

a) By age ( )

b) By income ( )

c) By gender ( )

d) By industry ( )

13. How often do you create tailored content for your social media advertising initiatives?

a) Always ( )

b) Often ( )

c) Rarely ( )

d) Never ( )

14. Which of the following formats do you use in your social media advertising?

a) Text ( )

b) Video ( )

c) Photographs ( )

d) Graphics ( )

e) Presentations ( )

f) Audio ( )

15. Which of the following user generated content do you integrate into your social media ads?

a) Images ( )

b) Text ( )

c) Videos ( )

d) Audio ( )

e) None ( )

16. How often does your company advertise on social media in a week?

	2x	4x	6x	8x	10x	>10x
Facebook						
LinkedIn						
Twitter						
Instagram						
YouTube						

SECTION III: MARKET PERFORMANCE

17. Does your social media advertising drive revenues?

Yes ( ) No ( )

18. On a scale of 1-5, (1 being never and 5 being always), how would you rate the degree to which your social media advertising supports the purchase process?

a) 1 b) 2 c) 3 d) 4 e) 5

19. How do you track your social media marketing ROI?

a) Reach ( )

b) Audience engagement ( )

c) Site traffic ( )

d) Leads generated ( )

e) Sign-ups and conversions ( )

f) Revenue generated ( )

20. Which metrics do you track after social media advertising efforts? (Tick all that apply)

a) Views ( )

b) Followers ( )

c) Likes ( )

d) Shares ( )

e) Engagement (comments) ( )

f) Qualified leads ( )

g) Incremental sales attributable to the ads ( )

21. To what extent has advertising on social media grown the following variables in your company?

Revenue:	negative growth ( )	0-10% ( )	11-20% ( )	21-30% ( )	30%>
Sales:	negative growth ( )	0-10% ( )	11-20% ( )	21-30% ( )	30%>
Transactions:	negative growth ( )	0-10% ( )	11-20% ( )	21-30% ( )	30%>

………………..Thank you…………………