ANALYSING TECH MARKETING:

Hashtags, Influencers and Trending Topics,
The Trifecta of Marketing Tech to A Digital Generation

RED

RESEARCH & INTELLIGENCE

INTRODUCTION

Overview

Social media currently drives today's sustainable businesses. For increased awareness and consumer engagement, brands globally are leveraging on likes, conversations, follows, retweets and other markers of social relevance while building brand equity, positioning and improving corporate reputation.

Over the years, the massive increase in Nigeria's social media users has forced brands to build an online presence, with many leveraging on their preferred social media platforms such as Facebook, Instagram, Twitter, Snapchat, WhatsApp, etc. to execute brand campaigns, anticipate consumers' rapidly-changing behaviour, promote and build their brands, grow their market share and to reward consumer loyalty.

People do not buy things by chance, and even for technology brands that provide both functional and social value, consumers need products that will not disappoint, fail, or crash when they are needed. In summary, they need brands that have built an image of trustworthiness and integrity.

So how do you establish trust and excellent brand performance through communication on social media platforms? Do most consumers make their buying decisions based on such narratives? Is there a direct correlation between digital communication and sales, or does it achieve a different objective? Are there other avenues or platforms through which consumers prefer to be engaged?
While focusing on how phones are marketed on social media, this consumer research that will analyse how people buy phones, and the effectiveness of social media in driving consumers' buying decisions for technology products.

In addition to running contests, brands are also sharing updates, activities and pictures, promoting new products and services, and are constantly exploring new ways to attract attention and intention about their products. This has also given rise to influencer engagement – a marketing activity driven by active and popular persons or accounts on social media who have built niche followings – in order to amplify content, product launch, crisis management, events, brand image and drive sales.

THERE IS LARGE MARKET FOR BRANDS ON SOCIAL MEDIA IN NIGERIA

According to the 2019 Global State of Digital report, there are 98.39 million internet users in the country, a 4 million increase compared to last year. The report suggests 54 percent access the internet daily, while 12 percent (24 million) have active social media accounts. By 2023, the figure is projected to grow to 36.8 million.

Out of 24 million active social media users, WhatsApp dominates with 85 percent; Facebook, 72.33 percent; Twitter, 12.6 percent; Pinterest, 10.17 percent; Instagram, 2.61 percent; YouTube, 1.73 percent and LinkedIn, 0.22 percent. The report reflects that the average Nigerian spends 3 hours 17 minutes on social media, higher than the global average of 3 hours 14 minutes.

RESEARCH BACKGROUND

The massive expansion in social media use has transformed marketing communications in Nigeria, allowing brands to set the tone on their communication, partner with influencers in telling relatable and easily accessible information on brand use, or amplifying the benefits to accelerate buying decisions among consumers, while users can easily be updated on new trends in information technology. It has also allowed brands to organically collect and collate data on the habits of their consumers, big data that allows brands better anticipate their customer's needs.

People do not buy things by chance, and even for technology brands that provide both functional and social value, consumers need products that will not disappoint, fail, or crash when they are needed. In summary, they need brands that have built an image of trustworthiness and integrity. So how do you establish trust and excellent brand performance through communication on social media platforms? Do most consumers make their buying decisions based on such narratives? Is there a direct correlation between digital communication and sales, or does it achieve a different objective? Are there other avenues or platforms through which consumers prefer to be engaged? While focusing on how phones are marketed on social media, this consumer research that will analyse how people buy phones, and the effectiveness of social media in driving consumers' buying decisions for technology products.

With many brand (Infinix, Techno, Apple, Samsung) launching series of hashtag campaigns in Nigeria, data is expected to reflect if these efforts have been successful, or whether consumers buy based on brand reputation, word-of-mouth, personal research or other indicators.

OBJECTIVES AND AIMS

Customers tend to seek out knowledge about the brand products when buying a phone. They trust well-known brand names because branded products offer a bonafide of quality and are accountable to their customers. Most of the customers are loyal to specific brands. Customers have high awareness about known brands as opposed to an unknown brand.

SPECIFIC AIMS

1. To gain insights into the brand selection process
2. To collate data about how current social media marketing campaigns are received by consumers and gauge the success of these campaigns.
3. To identify the impact of brand name on consumer choices.

RESEARCH METHODOLOGY

POPULATION AND STUDY SAMPLE

One thousand and twenty-three (1,023) respondents participated in our research survey, focusing on consumers 18 years and above. 83 percent of the participants are residents in Lagos, with others covering Oyo, Kano, FCT Abuja and Enugu and Osun state.

The age split between participants were 18 - 25 years (61.07%); 26 - 35 years (26.42%); 36 – 40 years (8.15%); 41 - 50 years (2.78%); 51 - 60 years (2.68%).

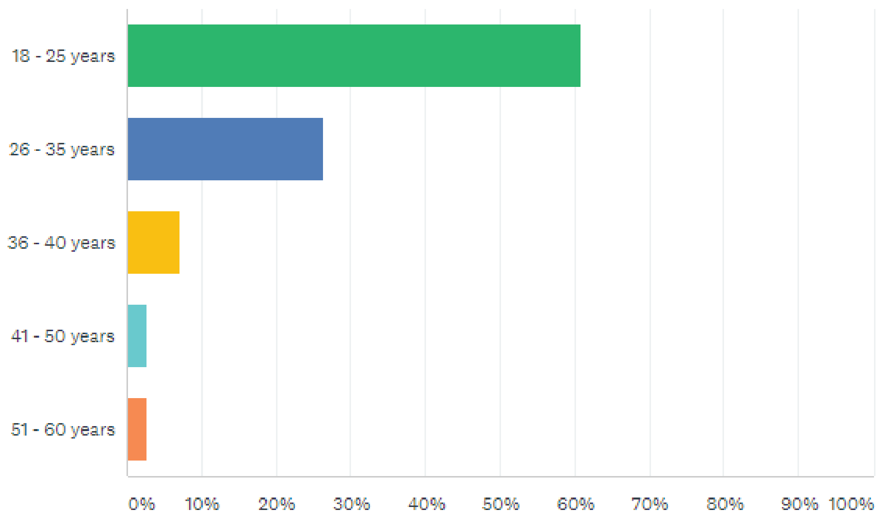
DATA COLLECTION

To gain insights on our survey sample, we invited them to respond to an online survey. We received data from 1,007 participants. Three focus group discussions were also held with two age groups, with respondents in Group 1, 18 – 26; Group 2, 30 – 45) with the intent to further assess buying decisions, including their major interests when intending to buy a phone.

CONSUMER INSIGHT (SURVEY)

Age

Answered: 1,007   Skipped: 0

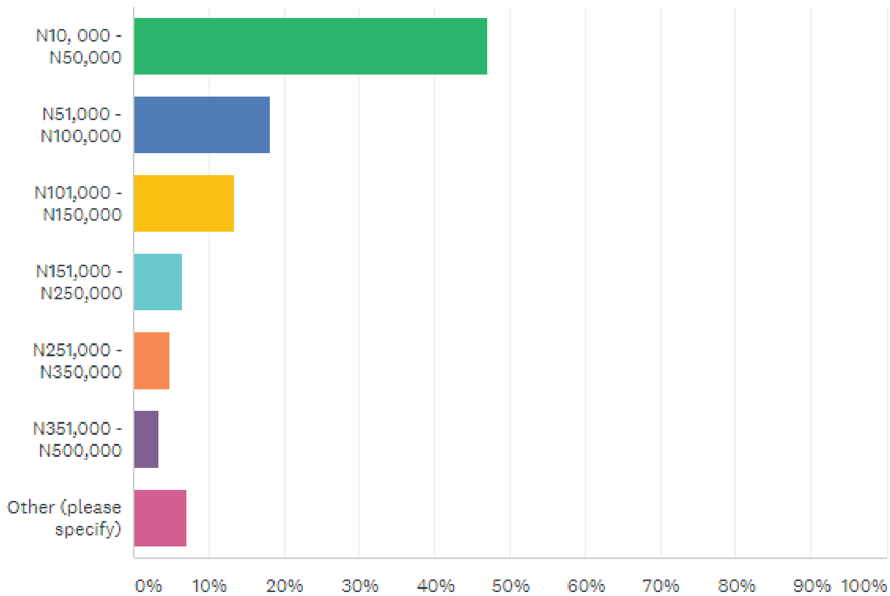


ANSWER CHOICES	RESPONSES	
18 - 25 years	60.97%	614
26 - 35 years	26.42%	266
36 - 40 years	7.15%	72
41 - 50 years	2.78%	28
51 - 60 years	2.68%	27
Total Respondents: 1,007		

Q2

Salary Range

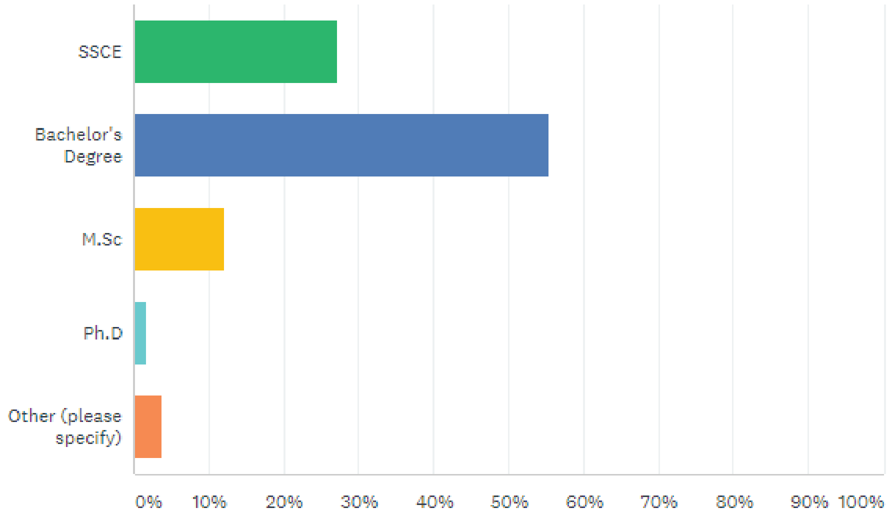
Answered: 971   Skipped: 36



ANSWER CHOICES		RESPONSES	
N10, 000 - N50,000		47.06%	457
N51,000 - N100,000		18.13%	176
N101,000 - N150,000		13.39%	130
N151,000 - N250,000		6.49%	63
N251,000 - N350,000		4.84%	47
N351,000 - N500,000		3.40%	33
Other (please specify)	Responses	7.11%	69
Total Respondents: 971			

Education

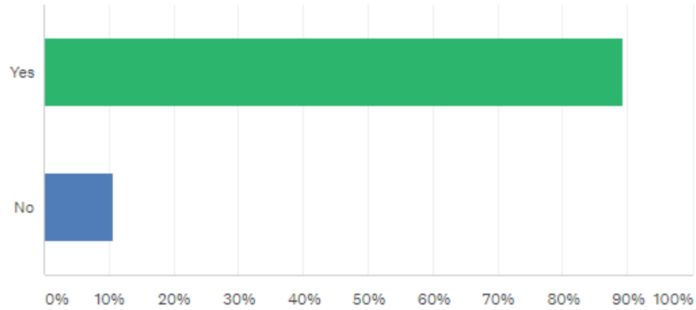
Answered: 998 Skipped: 9



ANSWER CHOICES		RESPONSES	
SSCE		27.15%	271
Bachelor's Degree		55.41%	553
M.Sc		12.12%	121
Ph.D		1.60%	16
Other (please specify)	Responses	3.81%	38
Total Respondents: 998			

Are you active on social media - Facebook, Twitter, Instagram, Snapchat, etc

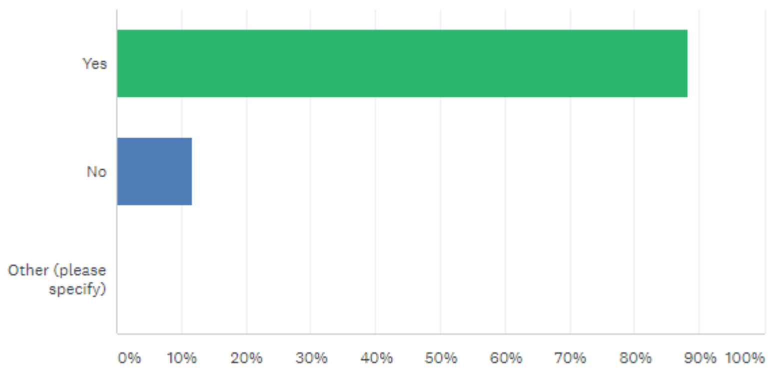
Answered: 1,005   Skipped: 2



ANSWER CHOICES	RESPONSES	
Yes	89.35%	898
No	10.65%	107
TOTAL		**1,005**

Have you ever seen any/series of communication materials (ads/images, testimonials, hashtags, etc.) by a phone or a retail brand on social media?

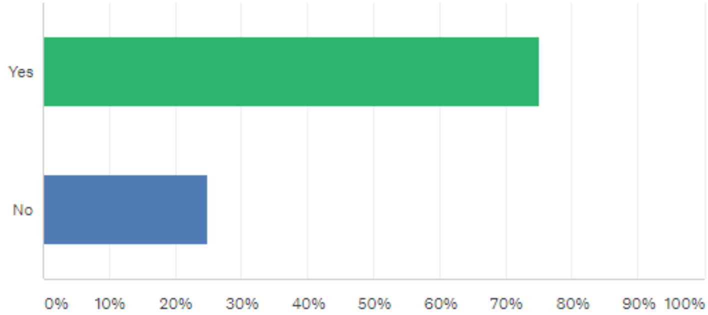
Answered: 1,005   Skipped: 2



ANSWER CHOICES		RESPONSES	
Yes		88.36%	888
No		11.74%	118
Other (please specify)	Responses	0.00%	0
Total Respondents: 1,005			

Have you ever witnessed any campaign for a phone brand driven by paid influencers on social media?

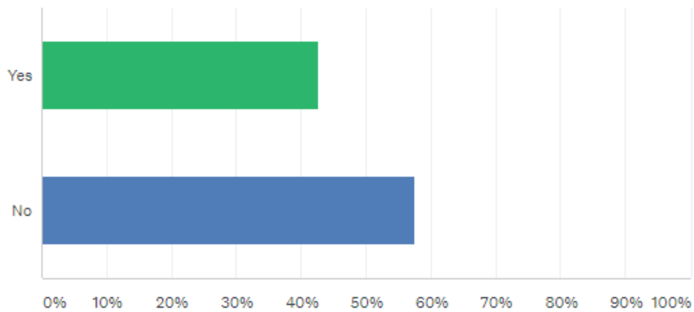
Answered: 1,003 Skipped: 4



ANSWER CHOICES	RESPONSES	
Yes	75.17%	754
No	24.83%	249
Total Respondents: 1,003		

Have you ever been influenced or persuaded to actually buy a phone due to a campaign on social media - Twitter, Instagram, Facebook, Snapchat?

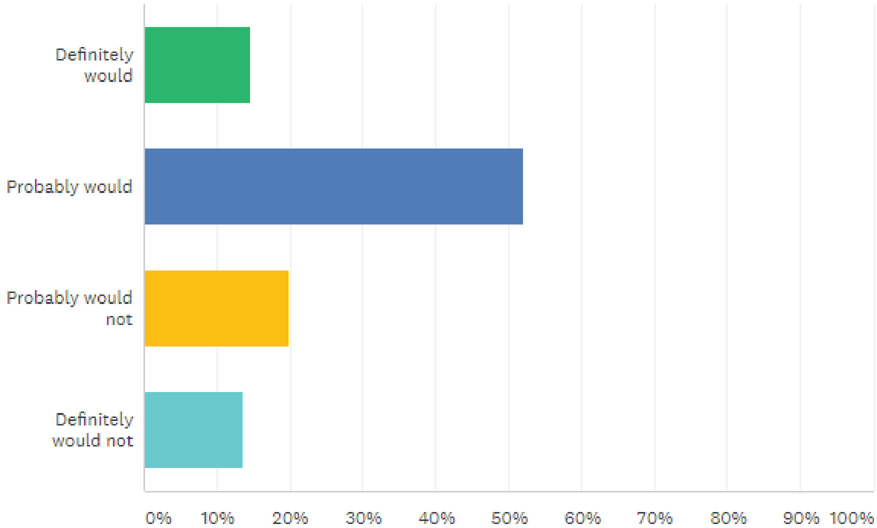
Answered: 998 Skipped: 9



ANSWER CHOICES	RESPONSES	
Yes	42.69%	426
No	57.52%	574
Total Respondents: 998		

Can you be persuaded to buy a phone due to a sponsored campaign or a trending brand hashtag on social media - Twitter, Instagram, Facebook, Snapchat?

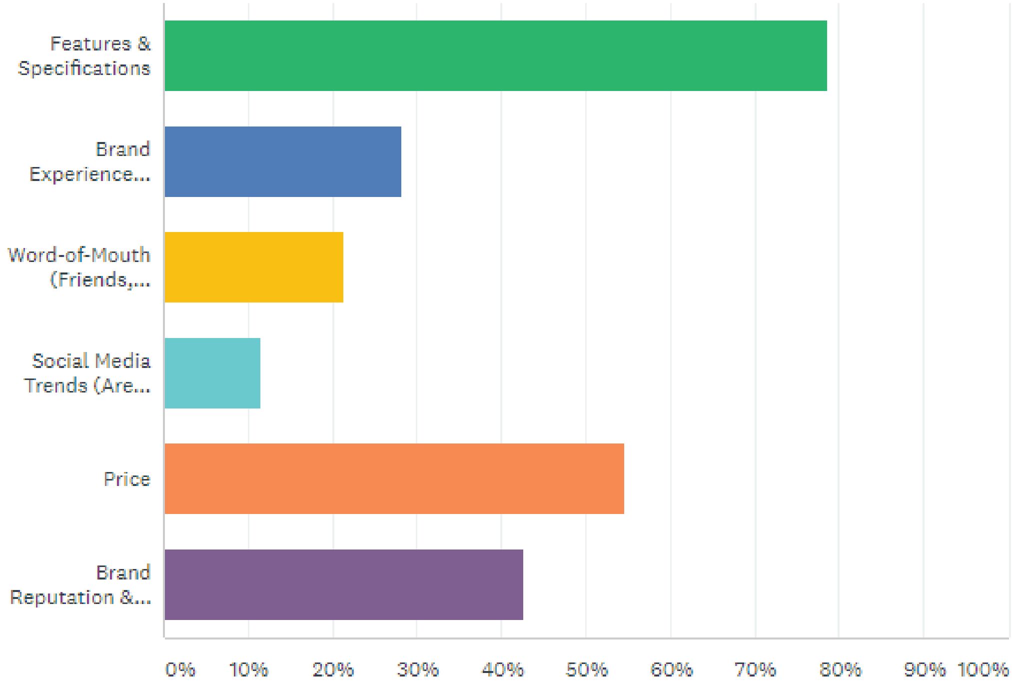
Answered: 1,000   Skipped: 7



ANSWER CHOICES	RESPONSES	
Definitely would	14.60%	146
Probably would	52.10%	521
Probably would not	19.80%	198
Definitely would not	13.70%	137
Total Respondents: 1,000		

What are your top 3 priorities when buying a phone?

Answered: 1,007   Skipped: 0



ANSWER CHOICES	RESPONSES	
Features & Specifications	78.75%	793
Brand Experience (Emotional Connection to the brand)	28.20%	284
Word-of-Mouth (Friends, Family, Colleague)	21.25%	214
Social Media Trends (Are consumers talking about the phone on social media?)	11.52%	116
Price	54.62%	550
Brand Reputation & Legacy	42.60%	429
Total Respondents: 1,007		

RESPONDENTS / GROUP ANALYSIS: AGE 18 – 25 YEARS

Out of 1,007 respondents that participated in the survey, 614 persons were between 18 – 25 years old, represent 62.9% of the sample populations. 62.9% of this demographic had an average income of between N1000 to N50,000 per month. A significant smaller 18. 1 percent earns between N51,000 and N100,000, while 13.4 percent earns between N101,000 - N150,000. Mobile brands like Transssion (who own Infinix and Tecno) were motivated to enter the Nigerian market to serve this demographic of young people with small incomes who desire to still enjoy the smart phone experience. But the increasing influence of higher earner in this demographic has also influenced high profile brands like Apple to circumvent 3rd party retailers and build an official presence in the country.

More than half of our sample population (55.4 percent) are Bachelor's Degree holders; 27.2 percent are SSCE holders; 12.12 percent are Master's degree holders while 3.8 are uneducated. The National Youth Service corps, a compulsory programme for bachelor's degree holders exposes many in this demographic to other lifestyles than their own, and influences how many in lower demographics value brand name. A negligible percentage of this demographic is functionally illiterate, and as such cannot truly utilize the functionality of a smart phone. Phone brands aware of this problem and capitalize on a single feature (camera quality and versatility) to incentivize them to purchase smart phones anyway.

ANSWER CHOICES	RESPONSES	
Definitely would	14.60%	146
Probably would	52.10%	521
Probably would not	19.80%	198
Definitely would not	13.70%	137
Total Respondents: 1,000		

The education percentages closely mirror access to and use of social media. 75.2 percent of the respondents in this demographic explained that they have an active social media presence, the widest margin in any of the groups interviewed. However, only 42.3 percent of the sample population have previously bought a mobile because they were convinced of its value by a social media campaign.

In addition, 52.1% of the sample population express that they probably would buy a phone through such campaigns, while 13.7 emphasised that they "definitely would not". When asked about their top priorities when buying a phone, the age group selected Features & Specifications (78.75%); Price (54.62%); and Brand Reputation & Legacy (42.60%).

Campaigns of this nature have grown more sophisticated as these platforms evolve to capitalize on revenue from advertising and social media management. Videos are longer, there is promoted content and some platforms like Instagram have added options that allow customers shop directly from the application. Twitter, the primary home of media campaigns has cracked down Tweetdeck groups who manipulate trends and hashtags, and mass promote content and campaigns for private businesses, and have offered a 'Twitter for Business' option for brands on its platform. All this translates to verified accounts with more credibility, intrusive native advertising and more consumer trust in advertising mobile phone brands. It is harder now to stay ignorant of mobile phone brands, the specifications of their products, and their pricing.

RESPONDENTS / GROUP ANALYSIS: AGE 26 – 35 YEARS

This segment closely mirrors the age band below them in age, education but differs vastly in social mobility. About 29.8 percent of this segment earns an income that ranges from N51,000 to N100,000 a month, near double the worrying 18.1% who earn similar incomes in the 16 – 25 age band. Only 1/3 of this demographic earns between 24.8 percent earning between N10,000 - N50,000. 4.96 percent earns between N351,000 - N500,000, an income band that is non-existent in the 19 – 25 age band. This specific group, while small has an outsize impact on mobile phone sales and is usually targeted by high end mobile phone brands.

Consumers who have completed education up to university (68.05 percent) are six times as many all the other demographics including SSCE holders and Master's Degree holders who tie at 13.91 percent each. These higher education metrics mirror social media use with 89.47% of the respondents reporting they actively use social media. This access hasn't translated to trust or interest in social media campaigns.

Even with increased financial mobility and education, respondents in this age band still prefer traditional means when shopping for mobile phones.

While 78.57% of respondents have been exposed to communication materials from social media mobile phone campaigns, more than half (60.38%) of respondents, say they have never been influenced to buy a phone by a social media campaign. A promising 48.1% suggest they "probably would" buy a phone through such campaigns, compared to the 27.44% who emphasized that they "probably would not". Only 12.78% of respondents remain adamant about that social media campaigns have no influence on their present and future buying habits.

ANSWER CHOICES	RESPONSES	
Features & Specifications	77.44%	206
Brand Experience (Emotional Connection to the brand)	30.45%	81
Word-of-Mouth (Friends, Family, Colleague)	20.68%	55
Social Media Trends (Are consumers talking about the phone on social media?)	10.90%	29
Price	55.26%	147
Brand Reputation & Legacy	45.49%	121
Total Respondents: 266		

The data suggests that social mobility might not influence trust in social media campaigns, it does skew priorities when buying phones. Features and specifications become the premier indicator of phone buying preferences with 77.44%, dwarfing price and brand reputation and social media which are in the 10th percentile.

A few possible reasons come to mind. Higher functioning phones are less likely to malfunction within its first year of use, eventually saving consumers from repairs and replacements. Many in this demographic are in jobs that require technological integration at the mobile phone level, so higher performing phones are more useful to them. There is less social pressure to conform so brand names carry less value to functionality.

This is reflected in the marketing of flagship smart phones like the Apple brand which often relies on complex technical demonstrations of phone capacities in sleek infographic videos to inform audience expectations. Lower end smart phones focus on a single feature and promote that, using personal storytelling and brand name to push product on consumers.

Appendices

Appendix 1: Questionnaire