EFFECT OF SOCIAL MEDIA ON PERFORMANCE OF ADVERTISEMENT BUSINESS IN THE MAINSTREAM MEDIA IN KENYA: A SURVEY OF LEADING MEDIA GROUPS IN KENYA

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Abstract
The conventional advertisement has hitherto faced many fundamental challenges. It is costly to use conventional advertisement methods. There is also inaccessibility of certain conventional advertisement channels. The study evaluated the effect of social media on performance of advertisement business in the five leading media groups in Kenya namely Royal Media Services, Nation Media Group, Standard Media Group, Radio Africa, and Mediamax Services. It precisely examined the link between interactivity of social media and performance of advertisement business in the media houses. The study adopted descriptive research design. The target population constituted 427 employees working with the marketing departments of the five media houses. A sample of 82 respondents was derived using stratified random sampling method. A structured questionnaire was used to collect data. The data collected were analyzed with the aid of the Statistical Package for Social Sciences software. Both descriptive and inferential statistics were employed in the analysis. The study revealed that interactivity of social media was positively related to performance of advertisement business. It was concluded that interactivity was a very important aspect of social media relative to performance of advertisement business. The study recommended that media firms should strive to monitor the interactivity of the social media.

Keywords: Advertisement, interactivity, mainstream media, media houses, social media
INTRODUCTION

Social media is a phenomenon that continues to capture the imagination of the media players. Besides its numerous implications, social media have evolved the way conventional advertisement business is conducted. The following presents the conceptual and contextual profiles of social media, advertisement business and mainstream media.

Social media is posited to be a phenomenon that has transformed the interaction and communication of individual and entities across the world. Yet, it is argued that social media is not a new theme given that it has been evolving since the dawn of human interaction (Edosomwan, Prakasan, Kouame, Watson & Seymour, 2011). The authors observed that, recently, social media has influenced many facets of human communication, thereby affecting business. It is added that social networking has indeed turned into a daily practice in several users' lives. The evolution of social media brings to focus major social networking sites including Facebook, Twitter, YouTube, Instagram, MySpace, Skype, LunarStorm, CyWorld, and LinkedIn. According to Dewing (2012), social media has several definitive tenets. These attributes influence the way people interact online. Social media open up new ways for collaboration and discussion. There is persistence in social media in that much of the content posted on the social media could remain there permanently by default. There is also the aspect of replicability whereby the posted content could be copied and shared. There is also the characteristic of searchability where content can be found easily using online search tools. Social media is also accessible meaning that it can be used anywhere at any time as long as there is internet connectivity. In fact, it is reported that social media have enabled newspapers and broadcasters in the United Kingdom to gain traction around the world particularly in the United States (Newman, 2011).

It is postulated that advertising is a major tool of capitalist system particularly in the United States and contributes to one of the highest standards of living in the world (Haque et al., 2011). In fact, it is noted that advertising expenditures account to about 3% of a developed country’s gross national product. William, Lee & Haugtvedt (2004) stated that advertising is a powerful economic force. It is employed primarily by business entities to realize sales by informing the consumers about new or improved products (Tellis, 2005). It is also observed that advertisement can be employed to reduce overall selling costs.

According to Newman (2011), social media platform, Facebook has particularly evolved to a major competitor when it comes to online advertising. LinkedIn is also said to have pulled off a similar trick with professional data and recruitment, thus creating competition for advertisement business in another space hitherto owned by newspaper groups. In this respect, therefore, with many advertisers bent to target specific demographic groups, interests or
locations, publishers without that information could possibly see their own general advertising rates commoditized even further. Conventionally, mainstream media have reveled in their role as shapers of opinions and conversations, thus taking on ever greater influence as audiences and businesses have grown. All over the world, mainstream media content is the lifeblood of topical social media conversations. It thus provides the vast majority of news links that are shared (Newman, 2011). The author notes that social media are transforming the production, distribution and discovery of news and further disrupt the business models of mainstream media firms. The author further acknowledges that unlike other social media platforms such as Twitter, Facebook is the most important network for driving traffic and referrals to mainstream media organizations. The mainstream media is engaged in a wide array of services and through it, enterprises advertise their products and services to their target customers. The most recent trend of advertising is through the social media platforms.

There are many media groups in Kenya but there are five that top the charts. The leading media houses in their respective order include Royal Media Services (RMS), Nation Media Group (NMG), Standard Media Group (SMG), Radio Africa, and Mediamax Services. Royal Media Services tops the list and commands the television network in Kenya through Citizen TV the recently launched Inooro TV. Indeed Citizen TV commands more than 50% of the viewership in Kenya. Besides, the television stations, the media group commands the vernacular radio stations in Kenya. The media house owns about 15 radio stations. The five media houses also have digital platforms.

Statement of the Problem

The conventional advertisement has so far faced many fundamental challenges. It is costly to use such advertisement channels as print and electronic media, banners, and billboards amongst other conventional advertisement methods. There is also inaccessibility of certain conventional advertisement channels such as print media and billboards due to cost implication of buying newspapers and the fact that many billboards are a reserve of urban areas. Indeed, a report by SMG (2015) indicated that there has been an ineffective manually operated system in the firm which necessitated the transition of the same to automated and integrated system. Given that advertisement business drives the revenue or enterprises, when the information being disseminated fails to reach many people in a cost-effective way, then the firm in question is likely to record losses. The fact that leading media houses have digitized their advertisement content by using various social media platforms is a factor to reckon with. This comes against the backdrop of declining digital divide in Kenya. It was reported that in 2013, 50.3% of Kenyans did not have access to the Internet; according to Communications Authority of Kenya (CAK,
2013) a figure which declined to 42.3% by 2014 (Janti, 2015). This implies that adoption of social media has also been on the rise in Kenya. Regardless of the foregoing acknowledgement, there is lack of empirical evidence to demonstrate the implication of social media on the performance of advertisement business. For instance, empirical study by Jagongo and Kinyua (2013) focused on social media and entrepreneurship growth in Kenya. The study revealed that social networking allows businesses to again access to resources otherwise not available to them. However, the study did not determine the link between interactivity of the social media and advertisement business. The foregoing empirical research gaps further persuaded this study to be carried out.

**General Objective**

Study intend to determine the effect of social media on performance of advertisement business in the leading media groups in Kenya. More specifically, to examine how interactivity of social media affects performance of advertisement business in the leading media groups in Kenya.

**Research Hypotheses**

$H_0$: There is no significant relationship between interactivity of social media and advertisement business in the leading media groups in Kenya.

**THEORETICAL FRAMEWORK**

The knowledge persuasion model is reviewed and discussed in context of social media and advertisement business.

**Persuasion Knowledge Model**

The persuasion knowledge model (PKM) was developed in 1994 by Friestad and Wright (1994). It is a uniquely marketing-focused model. It is asserted that, though the model could likely be applied to persuasion in other contexts, its focus is primarily on the interaction between marketers and consumers. The model is employ to demonstrate how the knowledge of marketers’ persuasion tactics influences consumers’ responses to such tactics. It states that, over time, consumers develop knowledge of markers’ persuasion tactics and as such become better able to adapt and respond to such attempts so as to realize their own personal goals (Campbell & Kirmani, 2008).

The persuasion process is broken into two primary elements which are target and agent. The target is the intended recipient of the persuasion attempt (the consumer) whereas the agent is whomever the target identifies as the creator of the persuasion attempt (the marketer). The
The persuasion process comprises of the message of the agent which is influenced by the agent’s knowledge of the topic, target, and the effectiveness and applicability of various persuasion tactics, and also the target’s perception of the agent’s persuasion strategy (Friestad & Wright, 1994).

The persuasion knowledge model asserts that consumers use persuasion knowledge to evaluate marketers’ persuasion behaviour on two crucial fronts; that is, perceived effectiveness and perceived appropriateness. Consumers are said to judge persuasion behaviour to be effective when it seems to have produced psychological effects that strongly influence purchase decisions. Consumers deem persuasion behaviour appropriate to the extent it appears to be ethical or normatively acceptable, particularly, with regard to consumers’ relationship expectations. It is exemplified that if a marketer’s persuasion attempts are perceived as disrespective or unexpectedly careless, it is likely to lead to a negative consumer evaluation, potentially damaging brand equity and the reputation of the firm at large (Shrum, Liu, Nespoli & Lowrey, 2012). Thus, the persuasion knowledge model can be explained in the context of media houses where such firms can use the social media platforms to persuade targeted consumers to purchase the products and services being marketed. The model can enable marketers to understand what the targeted customers really wanted before posting relevant advertisements online.

**Empirical Review**

The review of empirical studies on interactivity of social media and advertisement business is covered in this section.

**Interactivity of Social Media**

It is acknowledged that modern social media has enhanced interactivity through connectivity and linking users with contents (Mayfield, 2008). Indeed, Abidi, Cheah and Curran (2005) noted that a social web paradigm is helpful in tacit knowledge sharing through interactive and collaborative technologies, for instance networking and online discussion forums where knowledge can be shared, critiqued and validated. In a paper prepared on social media and tacit knowledge sharing, it is noted that social media provides avenues where experts and practitioners can share tacit knowledge and best practices, engage in formal discussions, informal networking and provide space for ideas and ideals (Panahi, Watson & Partridge, 2012). A study by Chi (2012) explores the influence of user motivation to engage in online networking on responses to social media marketing in Taiwan. In the study, it is noted that social networking enables users to express, establish and maintain social connections with others.
while articulating their own. The study established that interactive digital advertising and virtual brand advertising provide interactivity and entertaining as well as customer understanding and insight.

In a study conducted on the impact of social media on consumers, it was established that social media provides new opportunities for consumers to engage in social interaction over the internet, through online forums, communities ratings, reviews and recommendations, and also generate content and networking with others (Hajli, 2013). With the development in the social interactions, it was further reported that social commerce has been created where consumers generate content and influence others, and therefore providing value for both business and consumers. Lu and Hsiao (2010) re-affirm that online communities and social networking sites provide an effective way for social interactions and sharing information. Moreover, Fue, Li and Wenyu (2009) in their study on social factors in user perception and responses to advertising in online social networking communities established that social networking sites take centre stage in electronic commerce where consumers make social connections and also participate in cyberspace.

In Nigeria, Eke, Omekwu and Odoh (2014) examined the use of social networking sites among university students. It was ascertained that social networking sites were mainly used for interactivity in regards to online studies, discussions on national issues and entertainment. Kalyango and Adu-Kumi (2013) established the impact of social media on political mobilization in East and West Africa. In the study, it was noted that social media networks has enabled civic engagement as they generate virtual discourse among leaders, friends and groups with similar aspirations and common interests. Further it was noted that social networks were used to learn about sociopolitical environments, engage leaders and policy makers collectively to discuss communal obstacles, ideological politics and rally for political activism to make authorities involved respond to needs affecting citizens. Chisenga and Chande-Mallya (2012) established that social media was used in professional and social networking by library and informational professional in Eastern, Central and Southern Africa. However, professional networking was only used marginally. The authors recommended that social media be integrated into professional networking for its effective use among the information professionals.

The theme of social media and entrepreneurship growth in Kenya was examined (Jagongo & Kinyua, 2013). The study focused on establishing the effect of social media on the growth of SMEs in Nairobi region. In the study, it was noted that social networking allows businesses to again access to resources otherwise not available to them, increase customer and supplier contacts and promote partnerships. The study ascertained that social media allowed business entities to communicate speedily and cheaply with customers. Njeri (2014) on
the other hand established the effect of social media interactions on financial performance of commercial banks in Kenya. The author established that commercial banks used social media platforms such as face book where interaction between customers and banks were effected including real-time customer feedback, development of new products and marketing and sales.

**Performance of Advertisement Business**

It is acknowledged that companies continue to invest in advertising since it is necessary to persuade the consumers to purchase the product by influencing the attitude and perception (Armitage & Coner, 2001). Hasque, Rahman, Sayyed et al (2011) assessed the impact of advertisement towards Malaysia consumers. They focused on fast food restaurants in Malaysia. In the study, it was acknowledged that advertisement is key in introducing and promoting products and services. Zhang, Kardes and Cronley (2002) are of the opinion that effective advertising depends on the criteria used by advertisers such as entertainment and likeability advertising. Indeed, Reid and Bojanic (2009) noted that advertisers reap attractive returns because of their creativity in advertising. Haque, Al-Mahmud, Tarofder and Ismail (2006) noted that internet advertising is an important e-communication strategy used by firm. As a result it is noted that there have been an upsurge in internet shopping where companies capitalize on (Schumann & Thorston, 2007).

In another study, it was established that with the rising use of social media, the potential of the web, and mobile technology, traditional advertising has been dwindling in use in Swedish advertising industry (Takemura, 2012). As such, the author established that the advertising agencies in Sweden had to change to incorporate the demand of rising technology use in new creative ways through reorganizing and developing new skills. Further, it was noted that advertisers needed to earn a communication space in the digital field through having consumers spread brands’ messages within their social network. Hosrky, Michael and Silk (2008) established that most large US advertisers relied on independent agencies for advertising services but others operated in-house advertising based on production and transaction costs. Herbert (2002) noted that advertising agencies ought to channel advertising to the target customers in order to achieve the intended objective.

The theme of social media awareness and use in the context of advertising was put into perspective (Onyinye, Terna & Ogedi, 2013). The study focused on face book among residents of Port Harcourt in Nigeria. In the study, it was noted that advertising industry has strived to follow the customers even by developing new forms of advertising that relate to the consumers in the virtual world. The study found that social media was used as an advertising channel despite the inherent its challenges. However, it was noted that consumers patronized products
and services advertised on social media based on referrals from trusted sources such as friends and that the need for such products necessitated their patronage. The study recommended that social media users ought to take advantage of the social networking sites to advertise to exploit marketing opportunities.

In Kenya, Stanley (2011) investigated the role of social media as a marketing tool for tourism industry. The study aimed at examining how tourism companies integrated social media into marketing with a special focus on Kenya Safaris and Tours. It was found that the use of social media in advertising Kenya Safaris and Tours boosted awareness and generated tourism destination to various safari visitors. It was also observed that social media marketing in advertising can be a possible remedy to improve Kenya tourism industry only if the industry employed a wider advertising communication and promotion to achieve its marketing goals. In the study, it was also noted that the review and rating sites usually rely on advertising to generate revenue and therefore offer opportunities for businesses either directly or through advertising and affiliate networks. As such businesses with review and rating sites can get valuable information to further reinforce their businesses.

Conceptual Framework

Figure 1: conceptual framework

![Conceptual Framework Diagram](image)

The conceptual framework shows one independent variable and one dependent variable. Interactivity of social media comprises the independent variable. Performance of advertisement business is the dependent variable. The framework holds that the independent variable influences performance of advertisement business in the leading media groups. This assumption guided the study with the view of establishing how true the statement was, and if so, to which extent does interactivity of social media influence performance of advertisement business.
METHODOLOGY

Research Design
A research design explains the roadmap that studies follow. The study adopted descriptive research design. This is founded on the fact that the study focused on the views of the employees attached to the marketing departments of the leading media groups on social media and advertisement business. More so, the study addressed the what?, kind of questions (Kothari, 2004). For instance, the study examined, “what is the effect of social media on performance of advertisement business in the mainstream media in Kenya?”

Target Population
The members of a target population share the same characteristics. In this respect, therefore, employees working with the marketing departments of the five leading media groups in Kenya (Royal Media Services, Nation Media Group, Standard Group, Radio Africa, and Mediamax Services) specifically at the firms’ head offices based in Nairobi will constitute the target population. There are a total of 427 employees attached to the aforementioned departments of the stated media houses.

Sampling Frame
An exhaustive list of all members of the accessible population is referred to as the sampling frame. It is from this list that the sample is derived. In the context of the present study, therefore, the 427 employees attached to the marketing departments of the five leading media groups’ head offices in Nairobi constituted the sampling frame as outlined in Table 1.

<table>
<thead>
<tr>
<th>Department</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royal Media Services</td>
<td>129</td>
</tr>
<tr>
<td>Nation Media Group</td>
<td>106</td>
</tr>
<tr>
<td>Standard Media Group</td>
<td>101</td>
</tr>
<tr>
<td>Radio Africa</td>
<td>39</td>
</tr>
<tr>
<td>Mediamax Services</td>
<td>52</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>427</strong></td>
</tr>
</tbody>
</table>

Determination of Sample Size
According to Kothari (2008), when the size of the target population is relatively large (N ≥ 100), sampling is necessitated. The study used Nassiuma’s (2008) formula to determine the size of the sample as shown.
\[ n = \frac{NC^2}{C^2 + (N-1)e^2} \]

Where

- \( n \) = Sample size
- \( N \) = population size
- \( C \) = Coefficient of variation (21% ≤ C ≤ 30%)
- \( e \) = Error rate (2% ≤ e ≤ 5%)

Substituting the values in the equation:

\[
\begin{align*}
 n &= \frac{427(0.3)^2}{0.3^2 + (427-1)0.03^2} \\
 &\approx 81.18 \\
 n &= 82 \text{ respondents}
\end{align*}
\]

Therefore, the sample size constituted 82 respondents.

**Sampling Technique**

The study adopted stratified random sampling method to obtain respondents from the target population. Each of the 5 leading media houses, that is, RM, NMG, SMG, Radio Africa and Mediamax Services constituted the strata. Respondents selected from each media house were proportionate to the number of employees attached to respective marketing departments. This method according to Kothari (2004) ensured that all targeted media houses were proportionately represented in the study.

**Research Instrument**

A structured questionnaire was used to collect data from the respondents across the five leading media houses’ head offices. A questionnaire was deemed suitable for data collection since it is argued that it is the appropriate instrument for data collection when respondents are relatively many and are also literate enough to answer the questions therein as it was the case with the present study. The foregoing justified the choice of the questionnaire for data collection in the current study. The instrument was structured in such a way that it enabled collection of data on respondents’ and company profile and also data on study variables. The questionnaire contained close-ended questions only.

**Pilot Testing**

A pilot study was carried out in the Nakuru Branches of the five media groups. The employees attached to the marketing department of these branches participated in the pilot study. The
essence of pilot testing the instrument was to ensure that it was valid and reliable enough for data collection.

Validity Testing
The study determined the validity of the research questionnaire by consulting with the assigned university’s supervisor on the content validity of the instrument. The instrument was agreed to be valid only after the supervisor’s opinion on the questionnaire’s content was factored in.

Reliability Testing

Table 2: Reliability Results

<table>
<thead>
<tr>
<th>Constructs</th>
<th>No of tests</th>
<th>Alpha Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interactivity of Social Media</td>
<td>7</td>
<td>0.810</td>
</tr>
<tr>
<td>Advertisement Business Performance</td>
<td>6</td>
<td>0.793</td>
</tr>
</tbody>
</table>

As indicated in Table 2, the two study variables (interactivity of social media and advertisement business performance) returned alpha values greater than the reliability threshold of alpha coefficient equal to or greater than 0.7. Therefore, the instrument was found to be reliable.

Data Collection Procedure
Data were collected from the respondents after getting consents of the university and management of the five targeted media houses. Prior to data collection, the researcher paid courtesy call on the head offices of the said media groups to familiarize with on-goings of the firms. The questionnaires were issued to the respondents through heads of marketing departments. The researcher collected the filled questionnaires after five working days.

Data Analysis Approach
Both descriptive and inferential statistics were employed using SPSS 21. As part of inferential statistics, the Pearson’s Product Moment Correlation (PPMC) and linear regression function were used. The following regression model was used:

\[ Y = \beta_0 + \beta_1 X_1 + \varepsilon \]

Where:
- \( Y \) = Performance of Advertisement Business
- \( \beta_0 \) = Constant
- \( X_1 \) = Interactivity of Social Media
- \( \varepsilon \) = Error Term
- \( \beta_1 \) = Régression coefficient of independent variable
EMPIRICAL FINDINGS

Response Rate
The study issued a total of 82 questionnaires to the sampled respondents. Out of the total questionnaires issued, 63 were appropriately filled and collected. This represented 76.83% response rate which was considered sufficient for the study.

Descriptive Findings

Interactivity of Social Media
The opinions of the respondents concerning social media interactivity were assessed. The findings are illustrated in Table 3.

<table>
<thead>
<tr>
<th></th>
<th>n</th>
<th>Min</th>
<th>Max</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social media enables networking with many people</td>
<td>63</td>
<td>4</td>
<td>5</td>
<td>4.89</td>
<td>.317</td>
</tr>
<tr>
<td>Users of social media can get connected to our social platforms</td>
<td>63</td>
<td>3</td>
<td>5</td>
<td>4.56</td>
<td>.532</td>
</tr>
<tr>
<td>Our firm is reliable and links on its social media</td>
<td>63</td>
<td>3</td>
<td>5</td>
<td>4.52</td>
<td>.564</td>
</tr>
<tr>
<td>There is a lot of information sharing through online discussions on our social media platforms</td>
<td>63</td>
<td>3</td>
<td>5</td>
<td>4.48</td>
<td>.618</td>
</tr>
<tr>
<td>Ideas are shared online by our customers and our firm</td>
<td>63</td>
<td>1</td>
<td>5</td>
<td>4.16</td>
<td>.700</td>
</tr>
<tr>
<td>Our firm has an interactive digital advertising</td>
<td>63</td>
<td>3</td>
<td>5</td>
<td>4.48</td>
<td>.535</td>
</tr>
<tr>
<td>Digital advertising provides customer understanding and insight</td>
<td>63</td>
<td>3</td>
<td>5</td>
<td>4.30</td>
<td>.528</td>
</tr>
</tbody>
</table>

Respondents strongly agreed (mean ≈ 5.00; std dev < 1.000) that social media enabled networking with many people; users of social media get connected to firm’s social platforms; and that the firm was reliable and linked on its social media. It was further agreed (mean ≈ 4.00; std < 1.000) that there was a lot of information sharing through online discussions on the social media platforms of the leading media houses and that ideas were shared online by customers and the firm. Respondents were also in agreement (mean ≈ 4.00; std dev < 1.000) that the firm had an interactive digital advertising which provided customers understanding and insight.

Performance of Advertisement Business
Moreover, the views of the respondents regarding performance of advertisement business in the leading media houses in Kenya were analyzed. Table 4 outlines the responses of the respondents concerning the foregoing variable.
Table 4: Descriptive Statistics for Advertisement Business

<table>
<thead>
<tr>
<th>Description</th>
<th>n</th>
<th>Min</th>
<th>Max</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Then main source of revenue for our firm is advertisement</td>
<td>63</td>
<td>3</td>
<td>5</td>
<td>4.87</td>
<td>.421</td>
</tr>
<tr>
<td>Social media advertisements are very dynamic</td>
<td>63</td>
<td>4</td>
<td>5</td>
<td>4.65</td>
<td>.481</td>
</tr>
<tr>
<td>Social media advertisements have enhanced our market share</td>
<td>63</td>
<td>3</td>
<td>5</td>
<td>4.40</td>
<td>.525</td>
</tr>
<tr>
<td>Advertisements on social media platforms are very effective</td>
<td>63</td>
<td>2</td>
<td>5</td>
<td>4.29</td>
<td>.792</td>
</tr>
<tr>
<td>It is much cheaper to place advertisements on social media platforms than in both print and electronic media</td>
<td>63</td>
<td>3</td>
<td>5</td>
<td>4.76</td>
<td>.465</td>
</tr>
<tr>
<td>More advertisement businesses are recorded on social media platforms than our firm’s official website</td>
<td>63</td>
<td>2</td>
<td>5</td>
<td>4.06</td>
<td>.948</td>
</tr>
</tbody>
</table>

It was strongly admitted (mean ≈ 5.00; std dev < 1.000) that the main source of revenue for media houses was advertisement and that social media advertisements were very dynamic. It was also strongly agreed (mean = 4.76; std dev = 0.465) that it was much cheaper to place advertisements on social media platforms than in both print and electronic media. Respondents further admitted (mean = 4.00 std dev < 1.000) that more advertisement businesses were recorded on social media platforms than the media firm’s official website and that social media advertisements were not only effective but also enhanced market share of the media houses.

Inferential Findings

This section shows the results emanating from inferential analysis and related interpretations. The section outlines the relationship between interactivity of social media and performance of advertisement business. It further shows the effect of the aforesaid independent variable on performance of advertisement business.

Relationship between Interactivity of Social Media and Advertisement Business Performance

The study investigated the existing relationship and the strength of the nexus between interactivity of social media and advertisement business. Table 5 illustrates the findings.

Table 5: Relationship between Interactivity of Social Media and Advertisement Business

<table>
<thead>
<tr>
<th>Interactivity of Social Media</th>
<th>Advertisement Business Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>.369**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.003</td>
</tr>
<tr>
<td>n</td>
<td>63</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
The findings indicated that there exists a positive and significant relationship between interactivity of social media and performance of advertisement business \( (r = 0.369; p < 0.01) \). This illustrated that the more interactive the social media was the better the performance of the advertisement business. It can therefore be argued that since social media embraced by the leading media houses enabled networking, information sharing, better user connectivity and interactive digital advertising, advertisement business through the channel was enhanced. Interactivity of social media was therefore core to enhancing performance of advertisement business of the leading media houses in Kenya.

**Effect of Social Media on Advertisement Business Performance**

This section outlines the effect of social media as reflected by social media interactivity on the performance of advertisement business amongst the leading media houses in Kenya. The results of linear regression analysis are as shown in Tables 6, 7 and 8.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R²</th>
<th>Adjusted R²</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.369(^a)</td>
<td>.136</td>
<td>.122</td>
<td>.27331</td>
</tr>
</tbody>
</table>

\( a. \) Predictors: (Constant), Interactivity of Social Media

As shown in Table 6, the correlation between social media as exemplified by interactivity of social media and performance of advertisement business was positive and moderately strong \( (R = 0.369) \). On the other hand the results of coefficient of determination \( (R² = 0.122) \) indicated that 12.2% of performance of advertisement business in media firms could be explained by social media’s element of interactivity. The results meant that a significantly large proportion of advertisement business performance was as a result of other factors besides the social media interactivity.

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>.719</td>
<td>1</td>
<td>.719</td>
<td>9.629</td>
<td>.003(^a)</td>
</tr>
<tr>
<td>Residual</td>
<td>4.557</td>
<td>61</td>
<td>.075</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>5.276</td>
<td>62</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\( a. \) Predictors: (Constant), Interactivity of social media

\( b. \) Dependent Variable: Advertisement Business Performance
The results shown in Table 7 indicate that the effect of social media as captured by its interactivity on performance of advertisement business was significant \( (F = 9.629; p < 0.05) \). This meant that social media or the element characterizing it (interactivity of social media) could not be ignored in as far as performance of advertisement business was concerned.

Table 8: Regression Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>2.838</td>
<td>.538</td>
</tr>
<tr>
<td>Interactivity of Social Media</td>
<td>.372</td>
<td>.120</td>
</tr>
<tr>
<td>a. Dependent Variable: Advertisement Business Performance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following regression model had been used in multiple regression analysis.

\[
Y = \beta_0 + \beta_1 X_1 + \varepsilon
\]

Where \( \beta_0 \) and \( \beta_1 \) are respective beta values or coefficients, \( Y \) and \( X_1 \) represent performance of advertisement business and interactivity of social media respectively, and \( \varepsilon \) represents error term. Therefore,

\[
Y = 2.838 + 0.372 X_1 + 0.086X_2
\]

The results indicate that a unit change of advertisement business performance was as a result of 0.372 unit change of interactivity of social media and a constant of 2.838. From the findings, it is clear that, interactivity of social media had a great effect on performance of advertisement business. The foregoing effect was further established to be significant \( (t = 5.272; p < 0.05) \). Moreover, the null hypothesis earlier stated was rejected given that interactivity of social media was found to be statistically significant to the performance of advertisement business \( (t = 3.103; p < 0.05) \).

**Summary**

It was strongly agreed that the firm was reliable and linked on its social media which not only enabled networking with many people but also enabled users to get connected with the firm’s social platforms. It was also agreed that there was a lot of information sharing through online discussions on the social media platforms of the leading media houses and that ideas were shared online by customers and the firm. Respondents further agreed that the firm had an interactive digital advertising which provided customers understanding and insight. The
relationship between interactivity of social media and advertisement business was positive and statistically significant at 0.01 significant level ($r = 0.369; p < 0.01$).

Respondents strongly admitted that the main source of revenue for the firm was advertisement and that social media advertisements were very dynamic. It was further strongly agreed that it was much cheaper to place advertisements on social media platforms than in both print and electronic media. Respondents also admitted that more advertisement businesses were recorded on social media platforms than the firm’s official website and that social media advertisements were not only effective but also enhanced market share of the firm. It was discovered that social media had a significant effect on performance of advertisement business. However, individually, interactivity, real-time marketing, and trend focus of social media did not have a significant effect on the advertisement business performance.

**CONCLUSIONS**

The study concluded that interactivity of social media was crucially important in enhancing advertisement business of the leading media houses in Kenya through interactive digital advertising. It was also inferred that social media enabled networking, users connectivity and information sharing by users and the firm which further enhanced advertisement business by providing a platform under which many people could be reached.

The results concurred with Njeri’s (2014) study that had observed that commercial banks used social media platforms such as face book where interaction between customers and banks were effected.

**RECOMMENDATIONS**

The study recommends that media houses should strive to monitor the interactivity of the social media in order to keep the conversation going relative to advertisements placed on the social media platforms of media houses. This would enable the media practitioners monitor the customers’ and prospective customers’ feedback regarding various products being advertised. It is also important for media houses to ensure that they have a digital platform in place which is highly interactive. This is likely to enable marketers to reach out to as many current and prospective customers as possible and also get feedback real-time or almost real-time. The media houses are also advised to take advantage of quick feedback from customers by processing or addressing the customers’ needs promptly. This is bound to enable them to have a cutting edge over other firms that often use conventional marketing strategies.
LIMITATIONS

The study faced a couple of challenges. It was quite challenging to access all the targeted persons due to the fact that the scope of the study was relatively large given that the focus was on the five leading media houses in Kenya. This challenge was countered by carrying out the study at the head offices of these media groups. More so, the instrument might have been limiting in as far as how the respondents would have wanted to answer the questions was concerned. This posed a potential risk of missing out on important data from the respondents. In addressing this concern, it was ensured that the research instrument was as objective as possible in collecting data that tallied with all the study variables. Unwillingness of some respondents to participate in the study was another observed challenge. This limitation was overcome through explaining to the prospective respondents that the data collected was going to be handled confidentially and the identity of the respondents was not to be disclosed at any given point in time. They were also assured that the study was purely academic.

SUGGESTIONS FOR FURTHER STUDIES

The study suggested areas to be further investigated concerning social media in Kenya. The themes include the influence of real-time marketing on performance of advertisement business in other sectors in Kenya such as finance and manufacturing amongst others; analysis of the challenges facing digital advertising in media houses in Kenya; the role of social media on market share of media houses in Kenya.

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