Chapter 12
Small Social Enterprises and Online Advertising: Overview of Constraints in Some Selected Cities in Nigeria

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ABSTRACT
This chapter provides an overview of constraints of online advertising amongst small social enterprises in selected capital cities in Nigeria. The E-VALUE model and social bricolage theory provide theoretical background for developing a conceptual model of electronic social value (E-SOVAL). A survey of 120 social bricoleurs ascertained constrains and value creation opportunities of advertising on Facebook and Google AdWords. Descriptive statistics reveal important infrastructural, institutional, environmental, and experiential online advertising constraints. At significance level (p < 0.05), the t-statistic coefficients independently indicate a strong positive relationship between client relationship, visibility, and internet experience. The chapter recommends that for small social enterprises to create E-SOVAL in innovative ways there is the need to overcome identified constraints.

INTRODUCTION
In the past two decades, online advertising has brought extensive changes to the way commercial as well as social enterprises advertise their products, services or causes. Within this period, observation shows that social enterprises and online advertising have become two separate socio-technological phenomena that have demonstrated exponential growth rates. Austin, Stevenson and Wei-Skillern (2006) reveal that social enterprises represent one of the fastest growing sectors in the United States of America (USA). For several socio-economic reasons, the exponential growth of social enterprises appear to reflect realities in many developed and developing countries (Defourny and Nyssens 2008; Mair and Marti, 2006). On the other hand, as at 2013, the Internet overtook newspapers and radio to become the second largest advertising medium, only after television (ZenithOptimedia, 2013, cited in Johnson, 2013). Thus, Strat-DOI: 10.4018/978-1-5225-6298-6.ch012
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ford (2013) points to the potentials of combing the power of social enterprises and online advertising, when he declares that one of the most positive developments of the 21st century is the global growth of social enterprises, accelerated by the global spread of social media.

As far as online advertising is concerned, Facebook and Google AdWords have become market leaders (Efrati 2012). This makes these two platforms of interest to the chapter. While the subject of using the Internet to create value has generated significant research interest, many studies from developing countries have covered general ICT or e-commerce usage of small and medium sized enterprises (e.g., Apulu and Latham, 2009; Goldstuck, 2012), online advertising trends on Facebook and Google among small businesses (Epepe, 2015). None appears to have focused on small social enterprises’ advertising efforts on Facebook and Google, making this an important but under-researched area. Moreover, although social entrepreneurship research have increased in the past two decades, many scholars agree that prior studies have been conceptual papers, case studies and success stories, thereby lacking empirical bases for generalisation (Lepoutre, Justo and Terjesen 2013; Sharir and Lerner, 2006; Short, Moss, and Lumpkin, 2009). In view of the existing knowledge gap, the aim of the chapter is to use a survey to provide an overview of constraints of online advertising, while highlighting the value creating opportunities online advertising offers small social enterprises in selected cities in Nigeria. Findings should advance knowledge and stimulate potential areas for future theory building and theory testing in this area of research. The specific objectives are to:

**Research Objectives**

1. Explore the demographics of small social enterprise operators in selected capital cities in Nigeria;
2. Ascertain the duration of internet usage of small social entrepreneurs;
3. Identify the range of advertising spending on Facebook and Google AdWords by small social;
4. Establish a relationship between online advertising and social value creation (visibility and improved client relationship among the small social enterprises);
5. Identify institutional constraints of online advertising among small social enterprises;
6. Find out infrastructural constraints of online advertising among the small social enterprise;
7. Ascertain environmental constraints of online advertising among the small social enterprise;
8. Identify experiential constraints of online advertising among the small social enterprise.

**Research Hypotheses**

$H_0_1$: Internet experience of staff of small social enterprises does not have a relationship with online advertising usage.

$H_0_2$: There is no relationship between online advertising usage and visibility of small social enterprises.

$H_0_3$: Online advertising will not improve relationship between clients and small social enterprise.

**BACKGROUND**

There is lack of a common conceptualisation of the term ‘social enterprise’ or social entrepreneurship (Mair and Marti 2006, p. 36). As a derivative of two separate words, social entrepreneurship scholars have tried to define the concept based on their interpretation of the words (Mair and Marti 2006; Krishna,
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