E-ADVERTISING AND DIGITAL HOME TECHNOLOGY IN NIGERIA: DECONSTRUCTING THE PRAXIS OF IMPECCABLE CHALLENGES.

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**ABSTRACT** 

E- Advertising has made life easier for people and has facilitated the pace and tempo of commerce as well, particularly in the developed economies of the world. In Nigeria, the potentials benefits of eadvertising are quite astounding. However the prevailing conditions for its operations in the country is equally challenging, and there is even some doubt the extent to which this form of advertising can succeed in the developing world. This paper set out to audit the socio-economic and techno-political factors that may hamper e-advertising in Nigeria. The paper also predicts that the adoption of the multimedia hub, symbolized in the Digital Home Technology, is one of the many development catalysts that can impact positively on the social lives of people in Nigeria.

Key words: E- advertising, Digital Home Technology, Challenges

1.0. INTRODUCTION:

About four decades ago, a Canadian scholar, Marshall McLuhan, saw today in his theory-" Technological Determinism". He believes technology will not only transform the world into global village, but will make people find extensions of their natural endowments technologically moderated. That predictive age now appears to have found a threshold of civilization with the raging wave of e-business discourses. Advertising, undoubtedly finds no better time than now to launch its own version of traditional versus non traditional divide. Although contentious issues seem not to trail the traditional conventional advertising practice as such, some issues are obviously rife in its emerging non conventional i.e. digital mode symbolized and popularized in e-advertising.

In lay terms, e-advertising, in the ordinary sense of the word is believed to be a business conducted using electronic wares. According to Baumoll, Stifel and Winter(2003), such a view of e-advertising

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paints a picture of glaring 'inconsistencies' (Wigan,1997) and 'variedness' that characterize terms within the ambience of e-family. The authors further stress that a view of e-advertising as 'business done electronically', fits into the broad ample of European Commission's definition, but excludes the narrow definitional perspective of Gartner Group(1999) which places e-advertising as a subset of e-business, i.e, as a 'dynamic set of technologies, applications and business processes that link corporations, consumers and communities.

Awad (2004:p3) however, finds convergence between the above stated extremes in his view of e-commerce as:

- Communication: ability to deliver products, services, information or payment via networks such as the internet, World Wide Web.
- Interface: involving various information and transactions /exchanges such as business to business advertising, business to consumer advertising, business to government advertising.
- Business Process: activities that directly support commerce electronically by means of network connections.
- Online: an electronic environment that makes it possible to buy and sell products, services, information on the internet.
- Structural: involving various media forms such as data, text, web pages, internet desktop video.
- Market: a worldwide network.

Based on Awad's position, e-advertising is understood in this paper as a mode of world wide business communication whereby transactions of goods and services are conducted between the seller and the buyer, through a digitally structure.

## 2.0. THEORETICAL UNDERPINNING.

The theoretical base of this paper was reached on the consideration that the premise that, e-advertising is technology driven, and, involves choices that would require multimodal informative inputs before decisions are taken. While the Technological Determinism theory was selected to accommodate the technological content of the paper's focus, the Diffusion of Innovation theory was adjudged adequate to suggest the range of choices and conditions necessary for the adoption of e-advertising facilitating technology.

In Technological Determinism theory, McLuhan believes that (Griffin, 2000,p292)

'... the primary channel of communication changes the way we perceive the world'. McLuhan further stresses that we shape our tools and the tools we shape, turns to shape us. To buttress his thesis, McLuhan attempts to settle the uneasiness of his followers by postulating four laws of the media. The laws point to the fact that all technologies: extend some human traits; obsolesces an established way of doing things; retrieves a long lost method or experience, and reverses into its opposites, if pushed far enough. McLuhan, in the company of his son, later apply the laws of media through the four cornered tetrad to indicate the effect of technologies as simultaneous, rather than sequential. The effects begin to radiate from a technology as soon as it is invented. This supports the thesis of this paper in the sense that the Digital Home Technology [DHT] has the potential of enhancing the prospects of e-advertising practice in Nigeria, in much the same way it can 'obsolesce' the difficulties associated with traditional forms of advertising, if the challenges discussed are approached and determined accordingly.

For the Diffusion of Innovation theory, which is the brainchild of Rogers (1995), the key idea lies in the explanation that innovations rarely get accepted wholesomely, once they are brought to public knowledge. The possibility of acceptance usually depends on the conditions an innovation (ideas, products etc) gets to fulfill in its passage through the four key stages of the diffusion process, namely: knowledge, persuasion, decision and confirmation (Mcqual, 2006). An understanding of the factors and structures, cogent to the proper management of the process is crucial to the rate, and speed of adoption. The Digital Home Technology[DHT] is not an exception in this context.

## 3.0. LITERATURE REVIEW

This aspect of the paper is designed to highlight the insights into the primary concerns bordering on the relative benefits and threats of e-advertising to the society. E-advertising has enormous benefits to the society as a whole, and these include: providing expansive latitude of choice to consumers, compared to traditional advertising platforms; providing vast selection or carting of choice products; and quick comparisons of available range of products for sales; saving time and efforts of physically hopping from one shop to another; getting to discover of scarce products, which time and effort may have prevented a consumer from continuing the search, and; providing employment opportunities in delivery business. That e- advertising has all of these benefits, does not in any way absolve it from many of the dissatisfactions that result from its adoption and practice.

The array of dissatisfaction stem from the concern that e-advertising hardly ever provides the kind of experience or feeling consumers often appreciate in traditional non - digital markets. For instance, shopping for a product with a rough surface like the sand paper, through e-advertising cannot produce the same feeling of roughness a consumers may have in a non digital market. What e-advertising could readily provide is an extension of the perceived formed of roughness made possible through the sense of sight instead of the basic and primary sense of touch.

Another major area of concern centers on the magnitude of fraud on structured network. Beside the plausible cases of invasion of privacy, on the net itself, there are other dimensions of fraud associated with, but not necessarily on the internet. An example could be when transactions on a wrist watch is completed on the net, and the delivery personnel disappear with the item in transit.

In all of these, one can actually lay claim to the fact that these benefits and dissatisfactions of e

– advertising are conspicuously experience in the developed societies. The developing
countries/nations, craving for the practice of full blown e-advertising practice appear to have more
challenges to face.

One of such monumental challenges is linked to the attitude of consumers towards electronic marketing. Tsang, Chun Ho and Liang (2004), in a study to determine the attitude of consumers towards mobile phone advertising, found that the results were negatively skewed. Similarly, Sheug, Leung and Chow (2006), working on consumers attitudes towards internet advertising, found that cross — cultural influence exist in people's attitudes towards internet advertising. But in a more specific sense, the researcher identified (a) economic, (b) regulatory and (c) personnel variables as significant contributory factors to the positive effects of peoples attitude towards the internet. However, the authors noted that, societies with strong cultural/traditional values, for example, Hong Kong,had a slow progressive shift towards a positive change. And, the change may, to some extent, depend on intense e-marketing usage matched with stronger competitive position (Benroider, 2008).

Another great worry about e-advertising practice bothers on the transfer of technology. Feran and Salim (2006), while acknowledging the inexclusiveness of digital divide, particularly between the developed and developing societies, wonder if the transfer does not imply the exportation of (and importation) of bad (unethical) practices associated with the transfer. The authors allude to the fact that industrialized nations develop, in tandem, superstructures (regulatory framework that govern industrial infrastructures like electricity, communications/telephony networks, transportation) etc. For the less industrialized societies, spasms of functional infrastructures laced with inefficiency superstructures exist, in most cases, to support experimental (agrarian, petroleum) resources. Jenson (2002).

The fragility of the system (infra and superstructure) which do not exist to the exclusion of the internet, presents more challenges or fears that threaten the pragmatic plan of relationship between information and action. In other words, the relationship between the kind of information used in

transaction and the ability of such transactions to products tangible evidence in terms of product, or means of exchange for product. E.g.ATM transactions. (EI - Adly, 2003), absolutely depends on the efficiency of the supra and super structures.

All of these mega challenges facing e-advertising, and indeed e - business operations underscores the deconstruction process that provides the basis of this paper. At the center of that deconstruction process is the Digital Home Technology.

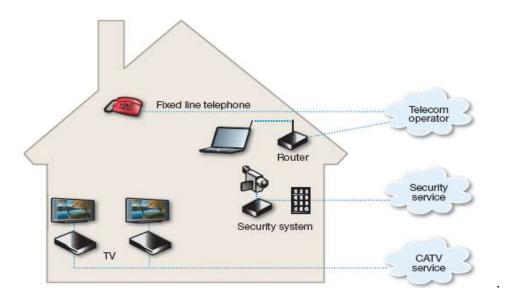


Fig 1. The Digital Home Outlook

Digital home refers to a residence with devices that are connected through a computer network. It is a network of consumer electronics (CE), mobile, and computer devices that cooperate transparently and simplify usability in the home. It allows for the automatic or semi-automatic control of lighting, climate doors and windows, and security, surveillance systems and control of home entertainment systems. All computing, electrical and electronic devices, including and home appliances are expected to conform to the same standard system in a Digital Home so that everything can be controlled by a computer. The Digital Home Technology helps consumers to produce, customize and share rich multimedia content with one another in even a peer-to-peer mode.

#### 4.0. CHALLENGES

## **SOCIAL: -**

- 1) Among the indices for measuring development, the World Bank index appears to be the most widely acceptable. The index, under what is known as Human Development Index (HDP), a nation's average achievements is measured in terms of educational attainment, adjusted real income and life expectancy.
- 2) **EDUCATION:** A consideration of the level of educational development of Nigeria in relation to E business is significantly minimal. And this can be attributed to the relative low quality of resources, training and performance of graduates from Nigeria's poorly funded, and inefficiently managed educational institutions. Tied to e-business generally and e-advertising in particular, this situation leaves many potential users of advertising resources in a digital limbo. Especially, as many Nigerians would lack the basic knowledge of the operational mechanics of the technologies that facilitate and drive e advertising. There is, for instance, more to mobile phone usage than make calls. The setback brought about by low the level of educational attainment appear visible in the number of people who can construct, let alone understand SMS messages that have advertising value. Even when one can suggest translation of such messages into the local languages (vernacular, or even their variants) as alternative remedy that many Nigerians can read or write in their local languages as much as they do speak or use their local languages remains uncertain.

As part of a social system, the culture of a people has immense impact on the development index of a group. Rooted in the way of life of the people, culture, within the context of this discourse is interpreted in terms of attitude of people towards technology as whole. If the attitude of the people is positive towards technology, people would readily embrace such technology:

	RADIO	TV	MOBILE	FIXED	PERSONAL	INTERNET
			PHONE	PHONE	COMPUTER	
Urban	54.0%	15.4%	29.9%	0.2%	0.4%	0.1%
Rural	42.6%	19.1%	36.8%	0.5%	0.8%	0.2%
National	36.2%	21.9%	40.8%	0.2%	0.6%	0.4%

Table 1 Percentage distribution of types of ICT(NBSA,2008)

The attitude of people towards the use of ICT for business in Nigeria is low. Table 1, shows the distribution of household infrastructure in Nigeria (NBSA – 2008). Personal computers and mobile phones which are central to the smooth running of e-advertising are significantly low. While there is significant increase in the number of mobile phones, ownership of personal computer is almost non – existent. The implication of all these is that the attitude of the people towards the use of multimedia technology will be low and probably wrongly tilted. That is to say, people with such technologies may use them to keep contacts with other people only or use them to boost their individual social or economic standing, instead of using them for business or commercial purposes.

# 3) ECONOMIC CHALLENGE

The economic challenges of electronic advertising in Nigeria can be discussed at three levels of (1) The producer (2) Advertising professional and (3) The consumer. The economic effects at these three levels are, nonetheless, tied to the Gross National Product of Nigeria. Going by world Banks Index, the economy of Nigeria is among the fastest growing economies Of the world.

This economic index has far reaching, and unfortunately, adverse implications on the resource allocation and management of the principal participants in advertising business. To the *Producers* or Advertisers, the launch of a web hub to market goods that can only be accessed by an insignificant percentage of market share, negatively impacts on the profit margin of the company. To avoid such experiencing mistakes, advertisers in Nigeria would prefer to stay with the conventional non digital advertising mode to remain in business.

To the advertiser, there appears to be much to lose proposing, advising, or recommending to clients, intensive electronic advertising programme, through the internet, to an almost nonexistent or non viable consumer targets. Successive adherence to such e-advertising recommendations, depending on the type of product and the type of users, without a proper mix of the conventional non electronic advertising approach could signal the advertising practitioners oblivious plummeting.

To the consumer, adverse economy produces scarce resources, even low and almost valueless income. In this kind of situation, consumers would readily choose to allocate resources to goods that can satisfy basic needs than goods mostly likely valued as wants. There is no doubt that, the consumer public in Nigeria still considers the acquisition and access to e-advertising resources and consumable infrastructure as luxury, and so exclusively reserved for the privileged few.

## 4) TECHNOLOGICAL CHALLENGE

The challenge of technology is multi faceted. It covers the development or acquisition of structures critical to the functioning of a digital hub.

Generally, these structures cover: industry(advertising) technological development, research capacity, funding and viability, energy use and cost, associated and dependent technologies, replacement technology and solutions, consumers buying mechanisms and their accompanying technologies, innovation, potential, technology access, licensing and patents. In specific terms, and within the context of this discourse, these structures are mainly located within the ambience of (1) Bandwidth (2) Standardization (3) Energy/power supply (4) Sustainable maintenance culture.

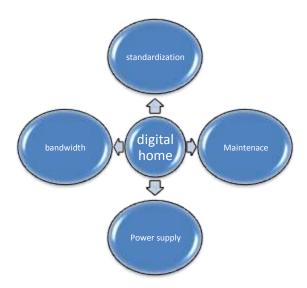


Fig 2. Aspects of Technological Challenges of DHT

The **bandwidth** challenge comes into focus because the operating network in a developing nations of the world was not originally built for multimedia applications, collaborations and interactivity. Thus, the digitally rich media, with formats of audio, animation, graphics, motion picture cannot be effectively and efficiency operated to produce desired results. If and when such systems are cloned to perform tasks they were not originally designed for, the results are usually unimpressive. The average estimated band width for multimedia applications is put at 65 mbps for the digital home. Each signal or stream requires full access to its required bandwidth at all times. Service operators therefore require 75 mbps of bandwidth within the home network if minimal latencies and losses are to be avoided.

**Standardization** is essential for the smooth operation of a multifaceted multi-provider infrastructure as the digital home network. Standardization ensures that the different phases of the digital hub operate

efficiently, serving specific service networks within the diverse market structure. In a way, standardization removes the kinds of phenomenon experienced by consumers within the Digital Network Alliance (DLNA) and the Universal Plug and Play Forum (UPnP) Forum). These services allow electronic devices consumers to share contents devoid of configuration process, especially, as services of the many proprietary solutions are incompatible with similar service offerings from other operators (Strategic Analysis). The figure below shows the parties to standardization.

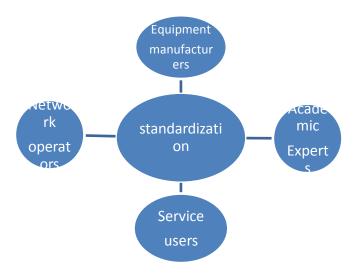


Fig 3. Parties to standardization

**Energy/Power Supply**: The efficient functioning of the power sector has a fundamental bearing on economic development and poverty reduction. Without adequate power supply, basic services (such as piped water supply, lighting, and storage facilities for perishable goods and life-saving drugs), industrial and non-industrial operations, and access to information, communications, and digital connectivity are likely to be adversely affected. Without access to electricity, urban and even rural areas are unlikely to maximize income – generating activities that are essential to reducing poverty.

In many developing countries, creating the necessary framework to provide the basic energy needs of the population is a primary social responsibility of the state. And this responsibility has been put aside in Nigeria. For the digital home to operate effectively and efficiently there must be an extensive, affordable, reliable and available power supply.

A good and consistent maintenance culture is necessary for the efficient operations of a digital hub. Since the digital home is a combination of different technologies on a single platform, the services of qualified skilled technical personnel is a desiratum. Thus, it is not only a question of producing the technology or having access to it, but also a possibility of maintaining the technology for optimal result.

# **POLITICAL CHALLENGES**

The political challenge of electronic achieving is enormous. The concerns here cover issues of ecological and environmental regulation, corporate and consumer taxation regulation, trade restrictions and tariffs, consumer protection, competitive regulation, home market lobby and stability of the polity. In all of these, the stability of the political set up is critical to the administration of the supra and super digital structure.

# **5.0. CONCLUSION**

In conclusion, one would readily agree that advertising is a necessary feature of a nation's economy. And that e-advertising, much more like other technologically mediated aspects of life, is thinning or shrinking the extensions of human activity. For a developing nation such as Nigeria, unlocking the code into the life-made-easy world of e-advertising requires concerted effort and commitment of stake holders of the State, in adhering to the audited socio-economic, techno-political challenges treated in this paper. The spot experimentation of the DHT, no doubt, provides a pseudo platform for testing the efficiency of viability of e-advertising regime in developing state as Nigeria.

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