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## Boosting Nigeria's Gross Domestic Product with Digital Marketing

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### Abstract

The most transformative and impactful force in the global socioeconomic landscape including Nigeria is digital marketing. This study analysed the challenges, opportunities, and benefits of digital marketing in job creation in Nigeria. A descriptive survey research design was adopted. Secondary data which were collected from relevant ministries, departments, and agencies were used for the study. This study exposed the important components of digital marketing against the socioeconomic situation in the country. The study checked mobile usage, the present challenges, and opportunities for digital marketing with its impact in Nigeria. Through relevant digital campaigns, the relationship between digital marketing and job creation opportunities in Nigeria were analysed. The study confirmed that there is a great gap between the required job skills and available job skills; hence, the high rate of unemployment in the country. The study concluded that digital marketing is a good foundation for an improvement in job skills, and job employability through improved school curricula, teaching methods, and soft skills. Therefore, increased job skills will boost employment and productivity within and outside Nigeria, thereby boosting the Gross Domestic Product (GDP) in the short run and long run.

**Keywords:** Gross Domestic Product, Digital Marketing, Job Creation, Productivity, Nigeria.

### Introduction

Morley (2016) defines digital marketing as any marketing strategy that links producers and consumers by using digital channels such as Google advertising campaigns, affiliate marketing, social media posts, e-mail marketing, search engine optimisation (SEO), and digital influencer marketing to promote products and services. Digital

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marketing is relevant as marketing is the art of linking producers to consumers. Mathew-wall (2017) opines that digital marketing gives fertile opportunities for producers to present their offers to the target market for the right connection and relationship, brand identification, loyalty and mutual marketing benefits and successes.

Globally, the challenges of the current Russian-Ukrainian war and Israeli-Palestinian war are affecting economic growth and increasing inflation in developed and developing countries. In Nigeria, according to Omisakin (2023), the first half of 2023 was characterised by electoral tension which impacted on the private and other productive sectors. However, the non-oil sector remains the life-safer of the Nigerian economy, and the increase in prices due to the inflation rate has pushed an additional four million Nigerians into the poverty circle. Therefore, present policy recommendations are directed at reducing inflation and increasing sectoral productivity of agricultural and industrial growth. The central objective of this paper is to examine how digital marketing can boost Nigeria's GDP.

### **Overview of Digital Marketing**

The key components of digital marketing are search engine optimisation (SEO), online advertising, email marketing, social media marketing (SMM), content marketing, online reputation management, paid search marketing, mobile marketing, and video marketing. Coleman (2023) differentiates traditional marketing as a strategy that promotes products with traditional channels like billboards, magazines, newspapers, television, and radio to engage and persuade customers, but it is less productive, more costly, and geographically constrained. On the other hand, digital marketing is modern, more effective in reaching and engaging target audiences as personalised messages and adverts based on interests and behaviours are used to send personalised messages, with real-time effective monitoring that are less expensive to increase sales (Coleman, 2023).

### **Digital Marketing Landscape in Nigeria**

According to Ademola (2023), there is an increasing but connected population for digital marketing activities in Nigeria, because as of January 2022, Nigeria has Africa's largest social media target audience, of more than 109 million internet users. In December 2022, Nigeria had around 28 million Facebook users, equating to 12.7% of the population. This provides a potentially excellent medium for SMEs to relate with the target audiences. Again, there were more than 50 million mobile phone users in Nigerians in 2021, and they form a perfect medium for mobile advertising campaigns. Thus, online activities provide a conducive environment for digital

marketing, and the Federal government of Nigeria is positively supporting digital technology and SMEs through the National Digital Economy Policy and Strategy (NDEPS) and Digital Nigeria Initiative (DNI). These generally present great opportunities for SMEs and businesses to adopt digital marketing with its great and vast potentials. The current supportive government policy and the ever-increasing penetration of internet rates will make Nigeria to become Africa's most valuable online market now and, in the future, (Mathew-wall, 2017; Morley, 2016).

### **Challenges of Digital Marketing in Nigeria**

The internet infrastructure in Nigeria is inadequate. This reality hinders digital marketing activities and their capacity to deliver standard and valuable goods and services to consumers. Again, the slow adoption of e-marketing operations is due to lack of knowledge and expertise in digital marketing and digital technology. The channels of traditional marketing used by SMEs and businesses in Nigeria are advertising, radio, newspapers, and TV, which do not offer good, extensive customisation, and flexibility to the target market members. These make effective interactions, relationship building and customer loyalty challenging. Generally, SMEs and businesses can penetrate the Nigerian market successfully with adequate digital strategies coupled with better internet infrastructure (Morley, 2016).

Poor internet infrastructure refers to poor internet connectivity where companies do not have the latest technologies, communication tools and connection speed which make websites to take a longer time to load before customers can access goods and services. Therefore, digital marketing efforts will be hampered, and business organisations would miss potential customers online due to poor internet. So, there is a need to invest more in faster broadband networks and data services for efficient digital platform, so that organisations can deliver faster services and build stronger relationships. Inadequate internet infrastructure also hampers access to specific markets, due to unavailability of networks to access goods and services. Clearly, good internet infrastructure nationwide would improve customer accessibility, customer base, increased revenues, facilitate faster delivery, reduce costs of distribution, drive lower prices and offer better value for money (Coleman, 2023).

The slow adoption of e-marketing refers to the inadequate understanding of digital marketing channels' usage, resources, and skills for e-marketing successful campaigns. Inadequate internet infrastructure, cost of setting up online presence, and the inability to measure efforts of success or failure in digital channels, compared to the old traditional methods, have contributed to the slow adoption of e-marketing by businesses in Nigeria. Businesses need to invest more in seminars, conferences, workshops and online courses to learn how to maximise Return on Investment

through e-marketing activities. Businesses should take advantage of low-cost services offered by agencies who specialise in digital marketing campaigns to increase online brand visibility, improve customer relationship and customer relationship management for better knowledge into consumer behaviour for effective marketing campaigns (Ademola, 2023; Coleman, 2023).

### **Digital Marketing Opportunities in Nigeria**

There are far and wide chances and opportunities for Nigeria to leverage technology and data for improved customer engagement. This would lead to improved sales and revenue for businesses and corporate organisations. The effective management of social media will help businesses to focus on current and future consumers in Nigeria. Consumers who are not online can be contacted through traditional marketing methods like radio, television campaigns, direct mail, billboards, and print ads, with data and details gathered through other media bearing in mind that technological, socio-cultural and economic changes lead to changes in marketing. Digital marketing remains an influential instrument for businesses to communicate with present and future consumers on a global scale. The digital platform will improve goodwill, recognition and increased sales for businesses and organisations with the correct tools and strategy. However, inadequate digital infrastructure and technology in the manufacturing sector in Nigeria have created a slow adoption rate in the current digital trend (Basimakopoulou, 2022; Coleman, 2023).

Basimakopoulou (2022) avers that data-driven insights should be used more accurately to tailor messages for customer preferences by improving customers' needs and wants. This is because digital technologies have changed the way businesses market their goods and services as larger audiences can be reached with more meaningful messages for better customer satisfaction and improved sales in an increasingly competitive market.

### **Examples of Digital Marketing Campaigns in Nigeria**

Nigeria ranks among Africa's fastest-growing economies, and with the increasing penetration of technology in the country, there has been a significant shift towards the adoption of digital marketing campaigns. The examples of digital marketing campaigns by companies in Nigeria include:

1. **Access Bank:** Access Bank in 2018 captioned its campaign “W Community” to celebrate and empower successful women in their localities. Various tactics like influencer marketing, social media and email marketing were combined and used to reach present and potential customers. The bank also created a microsite where success stories of women making impact in identified localities were highlighted. The

campaign was successful and impressive with over 70,000 views and 37,000 social media engagements.

2. Guinness Brewery Guinness is a global brand of beer that launched its Nigerian digital marketing campaign in 2019. Captioned “Made of Black”, the campaign had the objective to showcase black excellence. The various tactics used include influencer marketing and social media to reach present and potential customers with the creation of a musical video which featured many popular Nigerian music stars. “Made of Black” generated over 10 million views on YouTube, and trended for many days on Twitter now X. The digital marketing campaign was a success and boosted the Guinness brand’s popularity, reputation, and sales in Nigeria.

3. Pepsodent: Pepsodent is a popular Nigerian toothpaste brand. It launched a digital campaign in 2017 captioned “Brush with Me.” The campaign’s objective was to inform and teach Nigerian children the importance of regular teeth brushing. The major tactics used include influencer marketing and social marketing to communicate with present and potential customers through popular Nigerian cartoon characters with games that would interest the children. The digital marketing campaign was successful as it generated over 1 million social media engagements and helped to expand the Nigerian market share of the brand.

4. Bet9ja: This is a leading online sports betting platform in Nigeria that launched a digital marketing campaign captioned “Bet9ja Big Brother Naija Prediction Game” in 2019, to engage its present and potential customers during the reality TV show called "Big Brother Naija". Other digital marketing campaign efforts include influencer marketing, email marketing, and the use of social media to communicate with customers, with a developed prediction game to predict the outcome of certain events during the show. This digital marketing campaign had over 2 million impressions on social media, and it greatly increased the customer base of the brand.

5. Coca-Cola: This is a leading and popular beverage drink in Nigeria. Coca-Cola used digital campaigns extensively, with a strong presence on many social media platforms such as Instagram, Facebook, X (Twitter), YouTube, online advertising, and email marketing campaigns to engage present, and potential customers.

### **The Benefits of Digital Economy on Nigeria's GDP**

Nigeria's digital economy keeps expanding. Akingbolu (2022) highlights two promising emerging technologies that would change things in the world (Blockchain and Artificial Intelligence) and projected that in 2039, Blockchain technology will add around \$1.76 trillion to global GDP, and developing countries would add 4 per cent of GDP with the technology. Nigeria’s GDP today is higher than \$400 billion, which is higher than

the \$10 billion to be generated by Blockchain technology. It is also projected that Artificial Intelligence could add more than \$10 trillion to the global GDP by 2030, while Nigeria and other developing countries can increase the GDP by about 5.6 percent, which is over \$20 billion. These are noteworthy contributions and projections (Akingbolu, 2022).

Thus, digital marketing has become a ‘must’ for all Nigerian businesses. Gates (2013) submits that the internet is the town square for the global village of tomorrow. Iwundu (2021) stresses the importance of digital marketing to include the following:

1) With digital marketing, customers can be targeted for where they spend their time and money. Data Reportal (2021) confirms global social media users to be 4.33 billion, which is 55% of global population and social media users in Nigeria were approximately 28 million. An appropriate digital marketing plan could target, attract, and increase the target audience on the internet to improve brand awareness in a competitive market.

2) Sustainable growth can be achieved and productivity boosted with the right digital marketing plan that runs even when ‘netizens’ are sleeping.

3) Digital marketing creates a level playing ground as there is no small, medium, or large-scale business in digital marketing because what matters are marketing budget and digital marketing strategy. A big company with a poor marketing strategy will perform poorly, while a small company with a good digital strategy can have a better conversion experience.

4) Competition can be matched or overtaken by digital marketing by learning, doing, and building on what channels and tools are in the market.

5) Digital Marketing makes business easily accessible. With the whole world now a global village, the internet is the first place visited through search engines such as Google for cars, foods, products, and services. Thus, digital marketing makes business easily accessible.

6) Digital Marketing offers business limitless reach on any device. For example, Mr. Johnson from Ado-Ekiti can request a product and have it delivered to him in Abuja or New York.

7) Digital marketing helps with better customer interaction on social media platforms. It offers a chance to know the customers better and to understand what they want and how they want it.

8) Digital marketing is cost-effective for any business on a small budget for an extended period. So, with a small budget, products and brands with an affordable rate can reach more audience.

9) Better decision-making opportunities are available with analytics and data insights in digital marketing. These are great advantages over traditional marketing with informed decisions for improved conversions.

10) It is easier to scale and adapt the budget as several persons reach marketing costs, and possible outcomes can be estimated for instant or long-term results.

11) When the digital marketing channel is used, a high return on investment (ROI) is expected.

12) Digital marketing easily integrates with mobile technology because an average person in Nigeria has a smartphone. Mobile marketing and other forms of digital marketing through direct contact with the target audience on their phones become achievable and seamless.

13) Digital Marketing aligns with how the average person currently shops in Nigeria. According to Iwundu (2023), people spend more time online than watching TV and reading newspapers. So, it is hoped that most human activities may be online in the nearest future.

There are over 1 trillion online buyers and searches annually for goods and services globally. Therefore, a right digital marketing strategy in line with buyers' decision-making process will make goods and services more desirable and accessible.

Nigeria's National Information Technology Development Agency (NITDA) (2022) highlights that additional revenue from the digitalisation of businesses and enterprises would increase the nation's GDP by \$53 billion. Abdullahi (2022) quoted in Aduloju (2023) submits that statistical research in 2018 showed that digitally transformed enterprises added \$13.5 trillion to the global GDP, and projects that in 2023, \$53.3 trillion would be added which would be more than 50 percent of the global GDP. Therefore, if Nigeria can digitally transform its business landscape, 26 percent would be added to the GDP.

### **Digital Marketing and Job Creation**

The global labour market has been transformed with information technologies and online platforms that allow employees and non-employees to join and compete in the digital space for present and future digital employment opportunities such as

electronic freelancing, electronic outsourcing and IT start-ups. The global growth and development of internet marketplaces that enable the demand and supply of employment opportunities in the virtual world is increasing. Therefore, targeting rural population with digital marketing will liberate the potentials of the rural markets and create consumer bases for job creation and economic growth. By leveraging digital marketing mediums such as websites, social media, and mobile applications, businesses can reach a wider audience and generate employment opportunities in various sectors (Basimakopoulou, 2022; Coleman, 2023).

Ogunfuwa (2020) opines that digital marketing can provide gainful employment for many unemployed Nigerians. He quoted the founder, Digital Marketing Structural Institute, Tobi Asehinde, who said that by 2030, the firm would have trained one million people with two million jobs created as digital marketing skills would be the only means by which Nigerian youths could be gainfully employed. This really has the potentials to grow the economy through start-ups and huge employment opportunities. Digital marketing skills would mitigate the level of unemployment in the country, and fight insecurity by creating jobs for the youths due to the daily increase of internet users. The prevalence of digital platforms has increased demand for digital marketing services, with business people outsourcing website development, online advertising, and social media management to people with relevant digital marketing skills.

Nigeria's digital sector is projected to create 3 million jobs by 2027 (Jobberman, 2023). Though there are key trends shaping the growth of the digital sector, Nigeria's labour market is underprepared for the attendant digital disruption because skill gaps are the major cause of unemployment. Nigeria's labour market has many jobseekers but few jobs. According to the National Bureau of Statistics (2023), the country's unemployment rate stands at 33.3%, while Jobberman (2023) indicates that opportunities in the nation's digital economy holds the potential to create jobs and reduce the rate of unemployment, if the country can invest in digital and soft skills. Invariably, Nigeria is in the best position to reap the benefits of the digital economy because of its size as the biggest digital market and the leading destination for investment in Africa. From available projections, Nigeria's digital sector could add \$88 billion and 3 million jobs to the economy by 2027 (Kamalu, 2021; Basimakopoulou, 2022).

The five key trends that grow Nigeria's digital sector include the fact that its youths are moving to urban areas with improved opportunities for self-employment and new technologies that boosts consumer expenditure. According to Iwundu (2023), Nigeria's increasing mobile penetration is the highest in Africa at 61% penetration rate, with internet subscribers at 126 million in 2020. This growth has increased payment

services, smartphone penetration, and e-commerce market which favours sub-sectors such as fintech, e-commerce, and healthtech.

Developments in machine learning, artificial intelligence, machine learning, and manufacturing technology is assisting individuals and companies access new means and opportunities for productivity. The World Economic Forum (2023) avers that 46% of work activities in Nigeria are susceptible to automation and 95% digital literacy would be achieved in Nigeria by 2030. So, the youths with necessary skills would get decent jobs, while transforming Nigeria into a digital economy.

The National Bureau of Statistics (NBS) (2023) declared unemployment rate in Nigeria to be 55.7 percent and youth unemployment rate to be 63.1 percent. As of 2018, only 450,000 new jobs were created, and around 5 million people joined the labour force in Nigeria. The World Economic Forum (2023) opines that the Fourth Industrial Revolution may lead to 75 million job losses in 2025. Nevertheless, the revolution may also create 133 million jobs, with a job balance of 58 million. But Nigeria may not be seriously prepared for the revolution as indices of inadequacy such as the education system show little or no development of soft and technical skills, the type that job seekers require for employability. This is because Nigeria's education quality is low because 13 million children are out of school, and 63% of women are either unemployed or underemployed. Moreover, there is great gap between skills needed in the industry, and the skills possessed by the unemployed, which is openly expressed in the mismatch between skills needed in the digital sector and the skills that jobseekers possess. The COVID-19 epidemic experience highlighted and expanded the demand for data analysis skills, cybersecurity, digital strategy, and email marketing (Kamalu, 2021; Basimakopoulou, 2022; Coleman, 2023).

However, despite the increasing competence in soft skills, many youths are unconscious of the relevance of soft skills in the job market and workplace as employers have shifted their emphasis to practical tests over certifications as the basis for recruitment. According to a soft skills baseline assessment by Jobberman (2023), all the 27,289 jobseekers surveyed had total average of 49%, which is an indication that jobseekers are averagely weak regarding soft skills measurement.

## Conclusion

Concerning an understanding of the gap and the proffering of solutions, Balogun (2020) opines that teaching methodology and school curricula are outdated in Nigeria in the face of extant realities. This significant gap leaves graduates without the relevant tools that the labour market requires. Many graduates pass out of Nigerian institutions without relevant digital tools such as the ability to send emails, applying Microsoft tools

or effectively using a computer. Another factor to blame for the gap is poverty or low economic power as youths need to acquire smartphones, laptops and data as the essential tools and requirements to grow their digital skills. Therefore, educational institutions will need to include modules of soft skills into the school curriculum. When soft skills are part of the education curriculum, it makes them easily accessible to everyone in school. Digital marketing is a powerful tool for creating employment, especially for the teeming unemployed but educated people, the not-so-educated citizens of Nigeria, and to lay a good foundation for boosting Nigeria's GDP.

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