

#### UNIVERSITY OF KWAZULU-NATAL

# CONSUMERS' PERCEPTION OF ONLINE MARKETING: A CASE OF UNIVERSITY OF KWAZULU NATAL WESTVILLE CAMPUS STUDENTS

 $\mathbf{BY}$ 

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A Thesis/Dissertation submitted in partial/ fulfillment of the requirements for the degree of Masters of Commerce Coursework in Management

College of Law & Management Studies, School of Management, IT & Governance

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**YEAR:2018** 

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UNIVERSITY OF KWAZULU-NATAL WESTVILLE CAMPUS STUDENTS

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# **ACKNOWLEDGMENT**

First and foremost I would like to thank God almighty for granting me this opportunity because if it wasn't for him I do not think I would have made this far. I would like to thank my mother DZ Ndlovu aka Mam Zandy and my sister S S Majola for putting up with me during this time and for always believing in me, and for that I will be forever grateful.

Furthermore, I would like to acknowledge my supervisor for putting up with me, I know I was not the easiest student. Thank you Dr A Beharry for all your time and effort and for helping me reach my dream. I am honored to have worked with you and I hope God continues to bless you in all that you want to achieve.

Lastly but not least I would like to thank my family and friends for their support and contribution throughout the journey. Thank you making sure that I do not loose myself and my mind during this time and for that I will be forever grateful.

## **ABSTRACT**

Over the last decade, the Internet has assumed the role of being the most influencial platform for organisations to conduct their business. Likewise, the innovation of technological platform such as the web and social media platforms, has transformed the way in which markets communicate and interact. The increase in the use of the Internet among the youth, has also resulted in the increased reputation of online as a marketing platform. The youth, especially students, have embraced the Internet to a point that they have and use it as part of their daily activities and hence live actively through it. This has made them become market influencers and have also created new opportunities for organisations to market their products and services.

The growing use of the Internet presents a rich interactive stage for marketers to capitalize on, in order to become relevant, become industry leaders, and influence consumers' buying decisions. The understanding of consumers' perception of online marketing is thus believed to enable marketers to make use of the Internet as a means for persuading the marketing behaviour of consumers. This study therefore aimed at understanding consumers' perception of online marketing.

A quantitative methodology was used to collect and analyse data in order to achieve the objectives of the study. Questionnaires were distributed to a total of 150 students at the University of KwaZulu-Natal (Westville Campus) and analysis was carried out on the collected data using the Statistical Package for the Social Sciences (SPSS). The result obtained in this study revealed that consumer find it easy to interact with organisations through online marketing. Furthermore, the result of this study also revealed that consumers are slowly shying away from traditional marketing and that online marketing is in recent times becoming the largest form of marketing.

Keywords: Consumer perception, Online Marketing, Internet, Cost, Communication and Convenience.

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# LIST ABBREVIATIONS

Anova-Analysis Of Variance

Spps- Statistical Package For The Social Sciences

# **CHAPTER 1: INTRODUCTION**

#### 1.1 Introduction

The Internet has changed the way in which organisations market themselves and how consumers look for information when it comes to good and services. Consumers are continuing to adapt to new marketing strategy such as online marketing, involving the use of technology. Online marketing has opened new opportunities to consumers and created new business opportunities to organisations. Some of the rewards of online marketing is that it permits organisations to influence a bigger consumer base population, it makes it possible for customers to review products online, to choose and acquisitive products and services from industries all over the world (Al Kailani and Kumar, 2011). Online marketing has however, also posed a new marketing challenge such as information overload and the security of personal information of consumers engaging in online marketing. This study was conducted to understand, from the consumers' perspective, the effects of the benefits and challenges of online marketing on consumers' behaviour.

### 1.2 Background to the study

Online marketing emerged in the early 1990's but it was not very popular as not everyone had access to the Internet at that time, and it so happened that online marketing was also just emerging (Boyd and Ellison, 2007). It has however, since grown because of the wide spread and adoption of technology. Online marketing has now created opportunities that have resulted in considerable attrition of the consumers-base of traditional marketing (Kalakota and Robinson, 1999). Thakur and Srivastava (2015) went further to say that in today's market environment, marketers are now offering products exclusively through the Internet and with less physical presence.

It has become necessary and important for organisations to analyse the perception of their consumers with regards to online marketing. This is so because consumers are known to be influenced by the different products that are being marketed to them in an online environment (Moosmayer and Fuljahn, 2010). It therefore important for marketers to investigate the challenges that are associated with online marketing. Marketers need to find ways of keeping up with all the consumer demands which comes with being in an online business environment.

Online marketing gives business the ability of being able to sustain their competitiveness but also requires that organisations build trust with their consumers.

During the first revolution, business marketing was centered on manufacturing and the marketing that was done was done through newspapers, flyers etc. Limitations such as the slowdown in macro inventions experienced in the first revolution resulted in the emergence of the second industrial revolution, which influenced the establishment of a machine tool industry and the development and advancement in manufacturing. In the second industrial revolution, organisations still experienced problems, especially because of technological revolution. The problems experienced in the second revolution led to the third industrial revolution (Schwab, 2017). The third industrial revolution dealt with the digitization of manufacturing. Organisations experienced a pattern shift in the third industrial revolution which resulted in the fourth industrial revolution. The fourth industrial revolution offers the motivation for rapid reform such as digital, physical and biological technologies and without these reforms marketers would not have been able to ensure the benefits of new technologies are distributed widely, especially with regards to online marketing (Schwab, 2017).

Hanson and Kalyanam (2007) states that there are three benefits with the use online marketing. The first benefit is that technological tools and platforms that have been operating over the past years promises to continue for the foreseeable future. This gives assurance to the fact that online marketing will still exist for a very long time. The second benefit is that it offers the ability to create a digital environment where organisations and consumers can interact. This interaction is made possible by the flexibility and adaptability of simple computing. In addition it has significant properties that shape massages and marketing communications. The last benefit is that it gives the opportunity for convergence. This simply means that devices are becoming more digital and interlinked, and this allows for businesses to reach a greater number of people when doing marketing online (Hanson and Kalyanam, 2007).

### 1.3 Research problem

The perception of consumers is important when an organisation wants to gain access to the market, grow their market, increase sales and also add shareholder's value. Even though online marketing is developing and expanding, it does not guarantee that consumers will have a positive perception when it comes to the feasibility of online marketing. Consumer behavior regarding online marketing gives an indication as to what perception is received from

consumers and also gives businesses an overall consensus on consumer perception with regards to online marketing. According Vinerean, Cetina, Dumitrescu and Tichindelea (2013) the failure rate of most organization when it comes to online marketing is quite high.

Darley, Blankson and Luethge (2010) found that organisations sometimes confuse Internet users and online consumers. Just because someone is an Internet user does not mean they are a consumer. With the increase in fraudulent activities consumers have valid concerns around security when required to make financial transactions online, this makes it challenging for organisations to encourage consumers to make online purchases. Despite this, the literature shows that consumers are still inclined and show enormous interest in online marketing. This study therefore seeks to understand consumer's perception of online marketing. The objectives of the study are stated below.

## 1.4 Research Objectives

- To understand consumers' perception with regards to the convenience of online marketing
- To investigate consumers' perception on the effectiveness of online platform as a communication channel for business marketing
- To determine consumers' perception about the cost effectiveness of online marketing

### 1.5 Research questions

- What is the perception of consumers about the convenience of online marketing?
- What is the perception of consumers with regards to online platform as an effective communication channel for business marketing?
- What is the perception of consumers about the cost effectiveness of online marketing?

#### 1.6 Research design

A case study research design was used in this study. Case study method is selected because of its efficiency in providing a better understanding and giving rise to an opportunity to expand on a body of knowledge (Lewis, 2015). The researcher also chose a case study design because

it helps to understand certain characteristics of the phenomenon in which the study is being conducted.

There are two research approaches available, they are quantitative and qualitative approaches. This study however, used the quantitative approach. A quantitative approach was used in this study because dimension are reliable, valid and generalisable (Sekaran and Bougie, 2016).

The study was conducted at the University of KwaZulu-Natal (Westville Campus). The campus had approximately 6400 students registered under the Collage of Law and Management in 2017. According to De Morgan (1970), for a population of 6400, the sample size of 361 should be considered. However, in this study, of this sample size, a total of 150 students participated, which is 42% of the sample size. This response rate is considered sufficient because, according to Baruch and Holtom (2008), a benchmark of approximately 35 to 40 percent of the sample size is sufficient to achieve generalization. Similarly, according to Sekaran (2003), a response rate of 30% is acceptable for a survey.

#### 1.7 Theoretical model

The theoretical framework used in this study is the 4c's model. This model consist of consumers, cost, convenience and communication. This model was selected because it allows organisation to be able to understand consumers' perception when it comes to the convenience of buying a product or service. Also, convenience and communication are regarded as an important part of online marketing (Wang, Wang, and Yao, 2005). The model give organisations the opportunity to understand convenience and communication platform available to them, in order to interact with their consumers.



4c Model

Figure 1: 4C Model (Cleverism, 2015)

The researcher used the constructs in the model to attain the objectives of the study in the following ways:

- <u>Convenience</u>: this construct was used to explore the influence and the suitability that is provided to consumers by online marketing.
- <u>Communication</u>: this construct was used to explore the effectiveness of available communication channel in online marketing between the organization and the consumers.
- <u>Cost</u>: this construct takes into consideration, challenges of cost with regards to online marketing
- <u>Consumer</u> is the focal point of the study. However, the consumers considered in this study are students.

## 1.8 Significance of the study

In the area of business marketing, not so much of studies have examined the perception of consumers of online marketing, especially from students' perspective. Most of the previous studies have been conducted to present the advantages and disadvantages or the challenges of online business marketing. This study is of importance because it explores the perception of consumers about online marketing. The study also explores the role of technology and consumers behaviour towards business marketing.

### 1.9 Justification for the study

Not so much studies have tried to understand consumers' perception of online marketing from the context of a developing country. Most of the similar studies that have been conducted have been done in developed countries where online and Internet infrastructures has been well developed and implemented. The rationale behind this study is therefore to help organisations in emerging countries such as South Africa to comprehend the concept of online marketing. It is also to help organisation understand the perception of consumers about the practices and activities of online marketing. Consequently, helping them to understand how they can overcome the challenges that might arise from this phenomenon.

#### 1.10 Ethical Consideration

Ethical consent for this research was acquired from the University of KwaZulu-Natal Ethics Committee. Human dignity was upheld. The researcher got approval from participants beforehand and advised that participation to the study was optional. In order for participants to remain anonymous the researcher made sure that participants do not include their personal information and thus making it impossible to know the exact participants in the study. The researcher made sure that final result obtained from the respondents were not manipulated in anyway.

#### 1.11. Limitation to the study

This study has one potential limitation. There is an absence of previous research studies on consumer perception of online marketing, especially from students' perspective. To address this limitation, the researcher adopted studies and literature that have been done in the marketing sphere.

#### 1.12 Chapter breakdown

The dissertation consist of five chapters. The breakdown of each chapter is presented below:

Chapter 1 gives an overview on the study of consumers' perception of online marketing. It outlines the purpose of the study, research questions and objectives, limitations and ethical consideration of the study.

Chapter 2 provides a detailed examination of consumers' perception of online marketing and the gives a likely descriptions that have been accelerated to account for this phenomena.

Chapter 3 studies consumers' perception market and offers observed proof on the effects perception in online marketing and positions out the approaches of the investigation employed.

Chapter 4 examines the results from the questionnaires and concludes consumers' perception on online marketing and the role perception plays and provides an explanation of the value and size of consumers' perception in online marketing.

Chapter 5 concludes the study, detailing implications for consumers' perception in general, in light of the outcome attained and, finally, offers recommendations for future studies.

# 1.13 Conclusion

This chapter presented a brief motivation of the study in understanding consumers' perception of online marketing. This chapter outlined the research questions and objectives of the study. The limitation and ethical consideration of the study were also outlined and addressed in the chapter.

## **CHAPTER 2: LITERATURE REVIEW**

#### 2.1 Introduction

Over the years, there has been an increase in the use of the internet and a significant growth in online marketing. Technology has thus become part of marketing culture. As highlighted in chapter one, the focus of this study is to provide an understanding of consumers' perception about online marketing. These two (i.e. consumers' perception and online marketing) have become subjects of interest to most researchers, owing to the discovery of consumer behaviour within the confinement of marketing. This chapter explores and presents, from the literature, these two concept of online marketing and consumer perception with particular attention to online marketing.

#### 2.2 Online marketing

According to Thomas (2011), online marketing in simple terms is the use of the world-wide web to market product and services. Thomas (2011) goes further to say that the Internet is regarded as a system of interconnecting systems that connect to a larger market. Similarly, Bailey (2011) defines online marketing as internet marketing and describes it as an opportunity to give the correct individuals the correct meaning with the right offer at an exact time. Furthermore, Swanepoel and Bothma (2008) defines online marketing as a set of activities and processes which occur online and that are used for creating, communicating, delivering and trading offerings that have value for consumers.

Hahn and Jihyun (2008) states that trust is one of the strongest influential factor when making a decision to participate in both offline and online marketing. However, when it move toward online environment, trust is constructed primarily in a person-to-web site style rather than person-to-person communication. The rapid development of online advertising disbursements is expected to put online advertising in advance of other traditional media, especially those who still advertises in newspapers and magazines. This is because, the internet has become a favored media for marketing and advertisements because of its ability to reach a worldwide consumer, however, some companies still prefer the traditional form of marketing and advertising (Barreto, 2013). Quick advances in technology which are systems based, and especially those associated to the Internet, are principal to fundamental changes in how

businesses interact with one another (business-to-business [B2B] marketing) and with consumers (Parasuraman and Zinkhan, 2002).

Business to business marketing strategy should be based on an assessment of the company, competitors and consumers. This gives rise to businesses having an opportunity to identify places where they are superior and which they can capitalize on, especially in the online marketing space. It is important for companies to understand business marketing from a perspective that can help in the defining processes, devolving and delivering value (Hutt and Speh, 2013).

Online business marketing has conveyed an innovative new ways of relating, contributing, collaborating and cooperating that includes user generation content and connecting with people through a many-to-many, rather than the traditional "one-to-many", communication method. This simply means that consumers can now in a way, share their thoughts, share their likes and dislike and thus become more involved (McCann and Barlow, 2015).

For organisations to gain a good marketable reputation, they need to capitalize on opportunities they perceive in the market. Koufais et. al. (2002), investigated the effectiveness of electronic marketing on consumer behavior and found that traditional marketing promotions are not always successful in electronic marketing environment. Although, consumers understood the convenience and control of online marketing some lack the knowledge of how to use online marketing and so, perceive online marketing to be unreal and unsafe.

The advances in technology has made some society change while some have stayed the same or failed to keep up with time. Barreto (2013) looked at online marketing in the recent years and noted that even though a lot of people understand and see the importance of online marketing there are still some who perceive it as still being fictitious. Consumers from the past and consumers from the recent time are not that different, however some recent consumers still believe that some of the things that are being advertised are some sort of false marketing.

In a study that was conducted by Shezi (htxt.africa, 2016), it was discovered that over 26.8 million users spend almost three hours a day on the internet, some on social media and some just browsing the internet. This study did not only look at South Africa but included 30 more countries. He went further to state that the growth in the amount of Internet users went up by +14%, growth in the number of social media users went up by +25%, growth in number of mobile connection grew by +9% and lastly, growth in number of mobile active users grew by

+20%. Another study conducted by Roy, Datta and Basu (2017) agreed with this findings and also emphasized the mass adoption of Internet by the world.

With the latest from Social Media Marketing Industry Statistics (2017) it is been indicated that more than 5700 marketers proclaimed to be putting more focus into social media marketing. This is because organizations have started to realize the importance of online marketing and all its benefits. This is also seen in the increase in purchasing power and company's worth in the market. With social media marketing giving consumers the opportunity to communicate with the social marketing representatives directly the number of users is still going to increase (Vinerean et. al. 2013).

Most companies have decided to put more effort and more money towards online marketing (Vinerean et. al. 2013). Online marketing platform has transformed how organizations market their business and has also made organizations become more aware of consumers' perception of marketing. With the endless possibilities of the internet, organizations can now reach a multitude numbers of consumers', marketers now have an opportunity to create a greater market presence than they would have done using traditional marketing. It is also very clear that when it comes to perception and online marketing it can be said that perception plays a significant role in the profitability of an organization (Chen, 2016).

# 2.3 Comparison of traditional versus online marketing

Shima and Varfan (2008) define traditional marketing as collective process that organization use in order to trade goods or services based on the needs and wants of the consumer, traditional marketing is achieved through the use of marketing mix. The difference between the traditional and online marketing is that fact that when dealing with traditional marketing the wants and needs of a consumer are investigated and are fulfilled using traditional marketing communication where as in online marking this is done using an online platform.

Shima and Varfan (2008) went on to say that marketing is a method of preparing and achieving the concept of pricing, promotion and distribution of concepts and even though traditional and online marketing platforms are different, the purpose of marketing is still the same.

Mirzaei et. al. (2012) sees the internet as a global medium that is giving organizations an opportunity to use it as a volunteering tool of marketing in order to gain consumers' interest. Online marketing is regarded as a trend that is used to attract consumers by using latest

technologies. Whereas, traditional marketing was about attracting consumers' in order to buy into their needs. The influence of marketing styles played a huge role when it comes to building relationship with consumers.

# 2.4 Comparison using the 4p's on traditional and online marketing

The first p of the 4p's deals with product. With traditional marketing consumers can see the actual product and feel how it feels against their skin in a case of clothing (Kotler and Armstrong, 2014). Whereas on the other hand with online marketing the consumer can only see the product on a digital platform and only have to accept that what they are seeing is what they will be getting and also have to believe that what is being advertised is the actual product that they are going to get (Shima and Varfan, 2008). This online marketing structure creates a situation when consumer perception is sometimes misunderstood by marketers and also a situation when consumer misunderstands what marketers are trying to do.

The second p deals with price. Price a big factor when it comes to marketing not only to the consumer but the company as well. This is because a lot of money goes towards marketing in a company (Shima and Varfan, 2008). It is also because it influences how fast or slow is product will be sold. Price helps organisations determine their organisational goals and also help in the formulation of strategies on how those goals may be achieved. Organizations must, however, remember not to overcharge their consumers' just because they want to achieve their goal and target faster (Kotler and Armstrong, 2014). Price mostly depends on demand and with the two type of marketing being completely different this means that with traditional marketing the demand can only be seen as time progresses and with online marketing the demand can be tracked while it is happening online.

The third p looks at promotion as a communication tool that organizations are exposed to and which can be used to transfer massages to consumers (Kotler and Armstrong 2014). In order for promotion to be effective, it must reach a consumer at a required time and the online marketing has an advantage over traditional in that sense. Another important factor of promotion is the stability of the massage that the marketer desires to communicate to its consumer. Shima and Varfan, (2008) point out that in traditional marketing the message is received in a limited time for example if the consumer sees something while they are shopping, once they live the store there are chances that they will not see that promotion again whereas with online marketing the consumer has the opportunity to go back to that promotion anytime

they wish to. The only advantage that traditional marketing has is that when it comes to promotion, traditional marketing employ a face to face approach between the organisations and the consumer whereas with online marketing face to face communication is limited and so organizations do not get proper feedback as they would in the case of traditional marketing.

The final p looks at place. This can be sometimes confused with one of the c in the 4c marketing model, which is convenience. When it comes to traditional marketing a place is everything important as it becomes the center of the marketing campaign (Shima and Varfan, 2008). Advertisers need to choose a place that will help them reach more consumers' and also make the organization more visible and noticeable. Also the choices on delivery channels and transport are part of it. Furthermore In traditional marketing, organizations have the opportunities to adorn the stores in order to create a precise atmosphere which can draw more customers. In terms of place, online marketing, can be reachable at any time, irrespective of trading hours that physical stores require (Lokken et. al. 2003).

# 2.5 Consumer perception

According to Armstrong and Kotler (2012), perception is defined as a method by which people handpicks, consolidate and deduce information to form a significant picture of something. A person can form different forms of perception of the same phenomenon because of the perceptual process which includes careful attention, careful distortion and careful retention. When it comes to selective attention, consumers' tend to have a tendency to screen out information that is not relevant to them and that they are exposed to. This now means that in order for the marketer to be noticeable they need to work harder to make sure that they create an impression. Selective distortion means that people have a tendency to interpret something in a way that will best suit them, and support what they already believe. Furthermore, people tend to keep in mind what supports their attitude and beliefs. Lastly, selective retention means that there is a high possibility that consumers' will remember the good marketing points by the brand and because of this marketers must work harder to get their marketing points across (Armstrong and Kotler, 2012).

On the other hand, Sam and Chatwin (2015) regard consumer perception as a mental orientation that describes how consumers make choices or what leads them to make those choices. This is so because decision making has become more complex for consumers than how it used to be. Furthermore the increase in the assortments of products and the richness of

material through organisation advertisement have extended adoptions for consumers and so marketers and advertisers should understand the importance of profiling consumer decision. In order to manage with the manifestation of e-commerce activities, it is necessary to reflect online consumers' decision-making styles that inspires their willingness to acquire products.

Some authors such as Keaveney and Parthasarathy (2001) describe consumer perception as a theory that holds when consumers are making purchasing decisions. This decision is often based on the different type of information sources that help consumers identify possible alternatives and from those alternatives make a decision. When it comes to online marketing, information sources can be categorized in various ways as it can be market-oriented versus third party. This is important for organisations to remember because consumer information shows that there are different preferences of type of information available to consumers.

Koufaris, Kambil, and LaBarbera (2002) state that consumer perception is important for businesses because when it comes to online marketing, consumers' use the web site as their information system and also regard it as a full representation of the store. McCann and Barlow (2015) considered the durability of information along with the richness of the content when it comes to consumer perception. Organisations believe that this is the determining factor during consumer participation. Online marketing offers companies the ability to permit, inspire and improve participation, discussion, cooperation and contact. Therefore, it is necessary to look at the interaction between consumer and store through the sieve of user-technology interaction. Given these changes, researchers need to combine the research torrents of evidence, systems, mindset and marketing to study and comprehend online consumer behaviour.

As online business is becoming an essential part of everyday life, it has made it easier for business and consumers to communicate directly to each other about consumers' wants and needs and how businesses can meet those needs. When consumers feel that the business understands their needs and have the ability and capabilities to meet those needs, consumers' tend to make a choice to go with that business. This is best for them as it creates a win-win situation. Furthermore, there is some indication that brand trust may be definitely related to fulfilment and customer experience (McCann and Barlow, 2015).

### 2.6 Factors affecting consumer behaviour

Many things that can influence consumer behaviour but in this case the focus is on external factors which include social and culture challenges and internal sources which include personal

and psychological (Armstrong and Kotler, 2012). This is important because they help determine consumer perception towards something and also help marketers identify all the component that they cannot control.

According to Armstrong and Kotler (2012), external factors look at things that could possibly affect the consumers' behaviour. It focuses on culture. This is because culture has been defined as a set of basic values, perception, wants and behaviors learnt. Human behaviour is mostly learnt from, parents, culture background and beliefs and this becomes a factor when it comes to consumer perception, and also becomes one of the important factors that marketers should consider when reaching to the market. This is because failure to adjust to these factors by an organisation can result to ineffective marketing or embarrassing mistakes. For example, if marketers want to promote a certain brand they need to make sure that whatever is promoted is in line with the cultural preferences of individuals that will be exposed to that promotions. Sahin et. al. (2011) found that ssatisfaction leads to long-term relationships formed between consumers and organisations, and can also be seen as a strength of the consumer relationship with the business.

Another external factor of consumer behaviour is the sub group. Subgroup has been defined as a group of people that share values based on common life experience and situations (Sahin et. al. 2011). In order for marketers to grasp the true essence of what consumers' really want it is important for marketers to focus on the more mature market as they are more discipline then the rest. Lastly social factor also play a enormous role when it to come to the external factors this is because social factors have been defined as way in which consumers' are powerfully subjective in their selections by the people they network with, this is when word of mouth comes in. Word of mouth is important as it promote buzz marketing, this is because personal recommendations and trusted associations tend to me trust worthy than the marketer and so if the marketer can be able to accomplish this they can be able to control how they perceived by consumers (Armstrong and Kotler, 2012). Kachersky and Lerman, (2013) Found that most people view marketing as something that mainly serves business needs rather than consumers' needs and that even when online marketing is being considered it is seen as nuisance.

Darley et. al. (2010) also focus on external factors such as (1) individual modifications or features such as motives, values, lifestyle, and personality; (2) socio-cultural factors such as culture, social class, reference groups, and family; (3) situational and economic factors; and

(4) online atmospherics or environmental aspects (e.g. Web site quality, Web site interface, Web site satisfaction, and Web site experience)

When it comes to internal factors Armstrong and Kotler (2012) mention that this factors include personal and psychological influences. In order for personal influences to prevail, marketers need to be a point where whatever they characteristics that consumers' possess they can be able to match. Personal influences includes age and life-cycle phase, occupation, economic circumstances, routine, personality and self-concept. All of these are important because of the ability to look at the personal patterns which are expressed through activities, interest and opinions and all the things that lead a fairly consisted respond to one's environment. All of this is important because once a marketer understand all of these about their consumers' they can then select specific traits and attribute of a brand to help them present their promotion that will make consumers' relate and understand.

Another internal factor that plays a role when it comes to the understanding of consumer behaviour is consumers' psychology. This is the most important factor because it deals with the motive behind consumer decision and the real reason why consumers actually make the decisions that they make. This is where most marketers want to find themselves, because once they really grasp this, they can penetrate the consumer. Most organizations tend to lose out on consumers' because they fail to fully understand the motive that drive consumers' to make the decision that they make sometimes when it comes to their needs and wants. It was further shown in the literature that consumers' are driven by particular needs at a particular time and so it is important for organization to capitalize on that when the time is right. Most organizations have gone as far as employing full time psychologist to help them establish the real motive of consumers and how it impacts on consumers' perception (Armstrong and Kotler, 2012).

The last internal factor that plays a role when it comes to the understanding consumer behaviour is the psychology behind it all. This is the most important factor because it deals with the motive behind consumer decision, the real reason why consumers actually make the decisions that they actually make and this is where most marketers want to find themselves, because once they really grasp consumers' psychological way of thinking and decision making organisations have the capability of being unstoppable. Most organization tend to lose out on consumers' because they fail to fully understand the motive that drive consumers' to make the decision that they make sometimes. They further went to explain that consumers' are driven

by particular needs at a particular time and so it is important for organization to capitalize on that when the time is right. Most organization have gone as far as employing full time psychologist to help them establish the real motive of consumers and how this plays at role when it comes to consumer perception (Armstrong and Kotler, 2012).

Pires, Stanton and Rita, (2006) proposed that in order for consumers to be empowered it is derived from a greatly form of knowledge of the internet and other sources and the amount of power the consumer will have will depend in their ability recognize useful information for evaluating competing services and product that are being offered and the ability to satisfy consumer needs promptly.

Word of mouth is important as it promote buzz marketing, this is because personal recommendations and trusted associations tend to be trustworthy than the marketer and so if the marketers are able to accomplish this, they can control how they are perceived by consumers (Armstrong and Kotler, 2012). Kachersky and Lerman, (2013) found that most people view marketing as something that mainly serves business needs rather than consumers' needs and that even when online marketing is being considered it is seen as nuisance.

## 2.7 Consumer perception and online marketing

Online marketing has been in use for years but not all companies have grasped the importance of it and also how to use it effectively to their advantage. Most companies tend to invest most of their focus in making sure that online marketing becomes a success and in the process lose out on building relationships with consumers'. Confuse their focus and make it center on the organisation rather than on the consumers. Organisations should rather focus on investing most of their resources in making sure that there is sufficient use of correct online marketing platforms. Organisations should also focus on the potential of that platform as it plays a ritual role in making sure that the massage in translated and received the way it supposed to be (Yang and Jun, 2002). Sahin et. al. (2011) indicated that consumer perception is not based on an emotional experience but over time it can result in an emotional bond. Furthermore consumer delight does not appear after interaction or going online but when there is direct and indirect interaction with the marketer.

When consumer looks at an online advertisement the consumer looks for more than just the advert, consumers' need to connect and understand what the organization is trying to achieve and also be able to understand the message the organization is trying to send. But if the advert

is not what the consumer is looking for, the perception of that consumer is already altered which is not good for business because if one consumer does not perceive the advert the way it was supposed to be it can do a lot of damage not only the marketing campaign but to the brand as a whole. In order to capitalize on online marketing, marketers need to make sure that proper quality is being provided at all times (Yang and Jun, 2002).

Darley et. al. (2010) research took a closer look at the decision making method that consumers use on a daily basis. Having a perception towards something is linked with the decision making process. In order for consumer to have a perception towards online marketing consumers' need to have cognitive (i.e., beliefs), affective (i.e., attitudes), and conative (i.e., intentions) factors essential alternative assessment, and also the external or environmental influences on the decision process phases. Vinerean et. al. (2013) agrees that consumer socialization concept forecasts that communication between consumers have emotional impact on their cognitive, affective, and behavioral attitudes

This decision making strategies play an important role when it comes to organizations' understanding consumers better and also presents organizations a better opportunity when it comes to creating online marketing. Neher (2013) looked at consumers' perception when it comes to social media marketing and stated that online marketing is really about connecting with consumers using a digital platform. By making sure that consumers are not clustered with too much content, to a point where they start having a different perception about the organization. This often happen in online marketing and has proved to be one of the weakness that the industry is faced with when it comes to online marketing.

Neher (2013) continued and stated that organizations need to be very careful when it comes to online marketing. There are two categories that organizations can fall into when conducting online marketing. The first category is the signal category, which relates to the content and information that people are truly interested in. The second category is the noise category, this is the other information that shows up as newsfeeds. In order for organizations to break through the noise, they must create signal content. This, although, is another weakness that organizations face when it comes to online marketing.

In order to break through the clutter, organizations need to be more strategic so that they can create or find ways that will create content that people want and also capture consumer's perception when it comes to the brand. Furthermore, it is important for organization to deliver

a formula that appeals to people so that they can see and understand the potential of the company and also understand the massage that is delivered (Swanepoel and Bothma, 2013). Neher (2013) says that if consumer do not understand the content they might just end up associating the brand with the noise category, it is therefore vital to recognize the driving powers of consumers' loyalty, this is because robust loyalty can help organisation survive fierce competition (Chiou, 2003).

Vinerean et. al. (2013) state that online marketing through social media allows customers and prospects to communicate straight to brand representative or share information around the brand with their friends. Which is ultimately what every organization wants from their consumers.

Online marketing can affect customers' satisfaction and trustworthiness to a high extent. But if consumer have a better understanding the brand and what the brand is all about this tends to not be too difficult. With future technological improvement it is important that organization do not lose their true self in the process. Because, consumers not only consider present evaluations but past assessments of the supplier's presentation (e.g. service satisfaction, perceived value, overall satisfaction). Incorporation of future considerations of what the service will be through their online marketing is also considered. Therefore online marketing can be enhanced by incorporating the upcoming considerations relating to products or services (Chiou, 2003).

According to the study that was done in Hong Kong by Chan (2006) regarding the perception of consumers, it was discovered that personal traits play a big role when it came to perception. Most people who were brand conscious were affected by negative attitude such as arrogance, self-centeredness when it came to the brand and this led to the brand not being received well. But those with a positive attitude received a good commendation and the customers were willing to know more about the brand (Chan, 2006)

Chan (2006) went further to state that even though the study mostly focused on the youth it was a true reflection on consumer perception as they are the people who have the most influence when it comes to the brand and also they were more exposed to the internet as they spend more time on the Internet than an individual who works. Youth have the ability to influence others around them using the social media platforms that are available to them and also have the opportunity to influence people around them. Chan (2006) went further to say that markets and advertisers that target young people should be thoughtful of their personality

qualities as these can inspire the instrumental materialism of how to use branded goods to improve relationships between consumer and the organisation. In another study conducted by Smith (2012), it was found that young people are the biggest contributors when it comes to online marketing and the study found that young people spend more than half of their spending online making them a desirable target market. The study also indicated that young people looked to peers when determining the merit of a product and service.

#### 2.8 Cost versus online marketing

One of the objective of this study is to comprehend the perception of consumers about the cost effectiveness of online marketing. Cost effectiveness is important because in order for a consumer to really understand the effectiveness of online marketing consumers' must look at the cost effectiveness that online marketing will bring them. Online marketing needs to fulfil all the needs and requests of today's consumers (Hahn and Kim, 2008). Nguyen et. al. (2016) found that price setting could result in a reduction of tension around price fairness when it comes to online marketing.

Koufaris et. al. (2002) believes that in order to really understand the cost effectiveness of online marketing, organization should not only look at the consumer but also the computer user. This is important because it gives an indication of consumer behaviour and perception when it comes to the brand. It is also important because of the unlimited influence it has on decision making

Koufaris et. al. (2002) also investigated some individual and Web site factors that can affect the consumer's emotional and cognitive reactions when it comes to online marketing and the responses of a shopper and those of a computer user. The researcher found that consumers' were more interested in online marketing. On the other hand Hahn and Kim, 2008 strongly believes that consumers' trust is one of the key features that allows customers to adopt a multichannel retail approach. This is because the trust that consumer have on the organization, in the organization's ability to meet their needs in a cost effective manner is important.

### 2.9 Communication versus online marketing

Communication through social media, online interaction and other digital platform has been seen as an innovative formula of consumer socialization, and has impacted on consumer decision making and thus marketing line of attack (Kailaniand Kumar, 2011). Communication

among consumers touches their cognitive, affective, and behavioural attitudes (Vinerean et. al. 2013).

Vinerean et. al. (2013) looked at the benefits of the Internet as it gives rise to the world of possibilities because of the way it has changed how consumers and marketers communicate. They further went on to state the advantages of the Internet and the way information is communicated to consumers when doing online marketing. The first advantage is the fact that the Internet has the capability to inexpensively accumulate vast amounts of information at different virtual locations. This now means that organization no longer need to be confined to one place, they can be everywhere. Given the fact that communication release on both the organization and the consumer being involved in the process it is vital to include both views (Hede and Kellett, 2011). This is a good thing because it means communication can be easily done and information can be easily distributed. But the disadvantage of this is the fact that organizations may lose themselves in the process or even lose their consumers as they no longer relate to them on a physical term, but rather virtually.

Another advantage of the Internet and communication is the obtainability of powerful and inexpensive means of searching, organizing, and broadcasting information. In order for consumer to get information on the internet they need to search for it and in searching for information, they are faced with the task of finding something that is exactly what they are looking for and in the process try to also understand what being advertised, and this is when online marketing comes in (Vinerean et. al. 2013). Organizations need to make sure that when it comes to online marketing they need to communicate their marketing strategy in a way that when consumers search for it, they are able to follow the story that the organization is translating to them (Swanepoel and Bothma, 2013). Consumer perception is often a factor in this case, because if they do not understand the organization strategy, it will not be easy to search for information regarding the organisation or their products being advertised or marketed. According to Sam and Chatwin (2015), so often organizations struggle marketing strategy and some organisations even fail completely in this regard.

Communication creates interactivity and enables the provision of information on demand. With it, organizations are able to penetrate a bigger market faster than they would have using the Internet, and also, they are able to make sure that the relevant information is communicated in such a way that effective marketing is promoted. With consumers' having the opportunity to choose the material they want to be exposed to from among those being advertised,

communication become a vital force because it means organizations has a possibility to penetrate consumers' perception and influence their decisions. Furthermore, communication has the ability to serve as a transaction medium (Gurău, 2008). This is because the organization has an opportunity to communicate its marketing strategies to consumer and use this to translate the message they want to communicate to the consumer.

# 2.10 Convenience of online marketing

Thuy (2011) defines convenience as a judgment made by consumers, agreeing to their sense of control over the management, consumption and the adaptation of their time and energy in attaining their goals that are connected with access to and use services. The last step in the marketing approach is usually compared with place in the marketing mix even though this two are different. Place is usually linked with where the product can be found or sold. It is the physical place, which also influences the convenience of a consumer approach to marketing (Shima and Varfan, 2008). Convenience is important because it help marketers determine consumer behaviour and establish whether the consumer is prone traditional or online marketing, and to also see if a product is marketed, will consumers actually make the purchase or will they ignore it (Mirzaei et. al. 2012).

The general cost of a product is an influencer of consumers' perception of convenience. Hence, the goal of any organisation should be to make the product cost effective and meek enough for the customer to be able to afford the product without having to jump through hoops (blog.catmedia, 2016). Furthermore, the convenience of online marketing empowers consumers to manifest their choices during the supplier selection process. Thuy (2011) goes further to say that individuals differ in their time and place orientation and this include the degree to which they value time and place as a level of convenience.

#### 2.11 Conclusion

The growth of online marketing has indicated an increase in consumer perception. This has forces a lot of traditional marketers to consider online marketing because of the direction that the modern business is taking and the effect it has on consumer. Online marketing has shaped a whole host of exciting opportunities that modern technology has permitted marketers to take advantage of. Advances in technology has made it impossible for consumers' to overlook and avoid marketing advert when they come across them, this is unlike in the past when consumers' can simply ignore marketing adverts being shown on TV or in newspaper adverts. And also

online marketing has it made possible for consumers to share information and to even share commercials, which subsequently helps the organisation to get a sense of the perception of their existing and even potential customers.

# **CHAPTER 3: RESEARCH METHODOLOGY**

#### 3.1 Introduction

The preceding chapter presented the literature review on consumers' perception and also on online marketing. The chapter shows how consumer perception is an influencer of the adoption and success of online marketing. It also presented previous challenges that were encountered that led to consumers' having different perceptions. This chapter defines the methodology used to achieve the research questions and objectives and presents the fit of methodology to the study. This chapter also presented approaches and practices that were used to achieve the study's objective, which was to get a better understanding of consumers' perception of online marketing.

#### 3.2 Research Objectives

The objective of this study are:

- > To understand consumers' perception with regards to the convenience of online marketing
- > To investigate consumers' perception on the effectiveness of online platform as a communication channel for business marketing
- > To determine consumers' perception about the cost effectiveness of online marketing

These objectives were selected as they contributed towards the research questions of the study

# 3.3 Research Design

Sekaran and Bougie (2010) states that there are different types of research designs that are available to a researcher, and they include the descriptive, exploratory, hypothetical, or case study research structure or design. Exploratory research is usually conducted when there is insufficient information obtainable that relates to the phenomenon at hand. A descriptive research on the other hand is piloted only when there is a need to understand the characterizes of variables. A case study, however, is used to generate an in-depth understanding of a study.

A case study research strategy was used in this study. Case study method is selected because of its efficiency in providing a detailed, in-depth and better understanding of the phenomenon so as to give rise to the opportunity to expand on a body of knowledge (Lewis, 2015). Furthermore, the researcher chose a case study design because it tries to describe certain characteristics of the research being investigated. This study is aimed at exploring a detailed contextual analysis of consumer's perception of online marketing.

#### 3.4 Research Approach

They are three approaches that can be used when constructing a research and that can also help the researcher achieve their research objectives and answer all the research questions. These approaches are also considered as the three methods of data collection, and they are the qualitative, quantitative and mixed method research approach.

The qualitative approach can be used to achieve the research objectives and questions through interviews, observation, written documents and past information. Qualitative research assist researchers achieve an understanding of fundamental reasons, opinions, and motivations. Quantitative approach on the other hand, tends to focus more on words and image analysis to achieve the researcher their objective (Cooper and Schindler, 2006). It provides perceptions into the problem or helps to develop ideas or hypotheses. The mixed method uses both the qualitative and quantitative method (Anfara and Mertz 2014).

In this study, the quantitative research method is adopted. "Quantitative research methods emphasize objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques" (Bryman 2015, p.159). Quantitative approach is known for its ability to measure all controlled variables (Alasuutari, Brickman and Brannen, 2008). The benefits of quantitative research is that its dimension are reliable, valid, and generalizable.

Alasuutari et. al. (2008) says the main features of quantitative research include, measuring, generalizing and the control variables. This is because measurements can be reliable and valid, as it (i.e. measurement) is offen generated from a true source. The author also suggested that when results are not reliable and valid it means that they are inconsistent. Quantitative data are mostly collected through questions that are included in questionnaires, experiments and surveys (Bryman 2015).

Researchers are usually concerned with the fact that their findings may be generalized beyond the confines of the context in which their study is being conducted (Bryman 2015). Alasuutari et. al. (2008) agreed that generalization is particularly a conspicuous concern in the context of quantitative research and that the sample in a quantitative research is often drawn from a larger population in order to see if the findings from such population are findings of the entire population or simply unique to the specific sample that was selected.

## 3.5 Target population

Vogt, King and King (2004) define target population as the group of units or people with detailed features in which the investigator is interested in, with regards to the study being conducted. The target population for this study were registered students in 2017 from the University of KwaZulu-Natal, Westville Campus. The criteria for the selection of these population was that students must be from within the College of Law and Management studies. The reason for selecting only students from this college was the fact that online marketing was already being discussed in this discipline, mostly as part of the modules offered to these students. This understanding is drawn from the fact that they offer modules with contents that includes online marketing concepts and practices. The statistic gotten from the university's website showed that the target population contained approximately 6400 students registered in 2017 under the College of Law and Management.

## 3.6 Data and sample construction

The data collection approach for this study was put together by carefully bearing in mind the data sources, data instrument, and measurement questions. The literature review which comprised of journals, books, Internet sources, and newspaper articles, provided secondary data sources. The primary data collected in this study was done using a questionnaire. The said questionnaire included questions relating to the study questions and objectives which helped the researcher deduce the relevant conclusion and also produce findings and recommendation.

# 3.7 Sampling

Bryman (2015) defines a sample as a part of the population that is chosen for a study. It is a subset of the population and is usually selected using probability or non-probability methods. Probability sampling has been defined as a sample that randomly selects, such that each unit of the population has a chance of being selected. Whereas non-probability sampling is a sample

that has not been nominated using a random method. Hence, the researcher has a certain specification in mind for the participant that will participate in the study. This also means that for this sampling method, some unit will not be selected to participate in the study.

According to Sekaran and Bougie (2010) non-probability sampling consist of snowballing sampling, purposive sampling, convenient sampling and quota sampling.

- <u>Snowball sampling</u>: the researcher identifies a desired population, compiles their target population from population and ask for recommendations from the desired people.
- Purposive sampling: is also known as a judgment sampling method. This is when a
  researcher has a purpose in mind for their research and so examines the sample unit
  based on specific characteristics in mind, and from there a relevant sample is selected.
  Those selected are given the opportunity to answer questions so that the researcher can
  achieve the research purpose.
- <u>Convenient sampling</u>: is also known as an accidental or grab sampling. This sampling method often selects sample unit to participate in the study based on factors such as proximity and accessibility. This method is mostly convenient for the researcher.
- *Quota sampling*: means that unit are selected based on the proportionality of the target population.

Sekaran and Bougie (2010) went further to state that probability sampling includes simple random sample, systematic sample, stratified random sampling, and multi-stage cluster sampling

- <u>Simple random sampling</u>: is used when there is a large population and each unit in that population is assigned a number and then a set of general unit numbers are selected by the researcher and those who are selected are included in the study.
- <u>Systematic sampling</u>: is when all the component of the population are placed into a list and the component of the list is selected systematically, mythological or orderly.
- <u>Stratified random sampling</u>: is when the researcher splits the entire population into dissimilar subgroups and then randomly select units that will contribute in the study.

• <u>Multistage cluster sampling</u>: is mostly used when the researcher finds difficulty in compiling a list of a target population. The researcher splits the population into similar groups/clusters thus making the sampling more practical.

Based on the above definition, a non-probability sampling was selected for this study. The study used a convenience sampling method. The sample was chosen appropriately based on the fact that the author is also a student at the University of KwaZulu-Natal in the Collage of Law and Management.

According to Krejcie and Morgan (1970), a population size of 6400 requires a sample size of 361 to generate result. In this study a total of 150 responses was received. This respondents consisted of 60 respondents who were doing first year, 50 doing second year and 40 doing their third year.

#### 3.8 Construction of the Instrument

The researcher made sure that all the questions that were included in the questionnaire were well structured and did not overwhelm the respondent. Careful consideration was taken in order to make sure that participants who answered the questionnaire met the research study's criteria. Questions were asked in English and they took the form of radio boxes, selection lists, text boxes, and check boxes. The respondent ticked the relevant box that they felt answered the questions.

The initial few questions dealt with demographics which was significant for analysis, and also encompassed questions such as age, race, and gender. The next few questions elicited from the four c's of marketing, they looked at communication, cost, convenience and lastly the consumers' themselves.

### 3.9 Distribution and Administration of the Instrument

A self-administered questionnaire was given to 150 students in the College of Law and Management who were still doing their undergraduate degree, 60 students were doing their first year, 50 students doing second year and 40 doing third year. However they were a few who participated who were doing their post graduate. This is was done in order to get a different perspective between clusters. The researcher was granted ethical clearance from the University of KwaZulu-Natal ethical committee to conduct the research on campus. The author went to

some of the classes and arranged with the lecture to distribute questionnaires to the students in their class so that they can participate in the study. Questionnaires were also distributed to students in the library.

# 3.10 Reliability and Validation

### 3.10.1 Reliability

According to Sekaran and Bougie (2010), in order to determine the reliability of the study, reliability test must be conducted using pretesting. Pretesting is good preparation that is conducted to pilot a study before administering its questionnaire. Pilot test important because it gives the researcher the reassurance that all the research instrument are all at full function before the study is carried out. Piloting a study is especially important because there is no one to interpret the questionnaires to the participant and once the questionnaire has been filled out and given back, it will be difficult to clear up any confusion that might occur (Sekaran and Bougie 2010).

Careful consideration was given to warrant the questionnaire did not digress from the stated study objectives. The questionnaire was pretested by staff of the University of Kwa-Zulu Natal to warrant:

- That all questions are answerable.
- That the respondent understand the question that is being asked.
- That questions were not bias.
- The grammar used in the questionnaire was appropriate and correct.
- The questioning method was appropriate.
- The questions answered the study objectives.
- To make sure that the respondents can complete the questionnaire without having assistance.

### **3.10.2 Validity**

According to McBuney and White (2007) validity can be regarded as action taken in proving the accuracy of an experiment so as to confirm that it was performed in the manner that achieve

the set out objectives for which the experiment was intended. Validity needs to be done in order to determine the measures of the constructs and see if they really measure the concept that is being investigated. Validity emanates in the categories of: measurement validity, internal validity, external validity, and ecological validity.

Measurement validity deals with the accurate correspondent to the real world based on probability. Riley and Rosanske (1996) went further to state that validity can be internal or external. The external validation looks to see if findings can be generated from the target population whereas the internal validation looks at measuring the research instrument themselves. Ecological validity is used to capture the daily life conditions, opinion, value and attitude of respondent. In order to get a good prognosis of the study, it is important for the researcher to focus on both the external and the internal validation. The survey results were compared with other studies which are similar to the research study and existing survey to ensure validation. In this study validity was used to determine accurate correspondents of those who participated in the study against the real world. The researcher focused on both internal and external validity in order to generate reliable result for the study.

## 3.11 Analysis of the Data

The whole practice of data analysis is to bring about the primary objective of the research, which is to understand consumers' perception of online marketing.

Data was analyzed using the statistic package for social science (SPSS). The use of SPSS allowed for the creation of graphs, and frequency that was used to provide a description of the outcome of the study. To further emphasize on the outcome of the research correlation analysis and cross tabulations were used in the data collection. These aided the researcher to better understand and answer all research objectives and questions. Additionally, the correlation of the analysis was used to understand the research topic better. Hair, Bush and Ortinau (2006) explained some of the analysis concepts as presented below:

<u>Frequency distributions</u>: this indicates the overall score of how many times each raw response to a question has been selected by participants.

<u>Cross tabulation</u>: this concurrently looks at two or more variables in a study and counts the number of respondents who selected two or more questions simultaneously.

<u>Multiple Regression</u>: regressions studies the relationship of dependent variable and independent variable by evaluating coefficients.

<u>Chi-Square statistic</u>: is the consistent measure of two different variables distributed allowing for statical analysis.

<u>Factor Analysis</u>: is a summarised set of information confined in a large sample into a smaller subset of sample called factors.

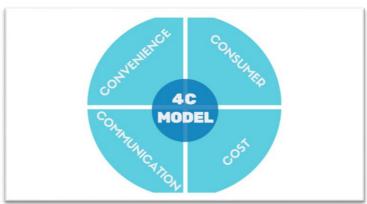
<u>Cluster analysis</u>: Is a mutually dependent method whose main impartial is to categorise items into relatively similar groups centred on the agreed variables measured.

### 3.12 Data Entry

Data entry is a process where data is entered into computer for analysis and where statics can be deduced from. Data entry includes tasks with the direct input of the coded data into specified software packages (in the case of this study, SPSS) that allow the researcher to manipulate and transform raw data into useful data that can be used to provide findings with regards to the objectives of the study, and to also provide relevant conclusions (Hair, Bush andOrtinau, 2016).

### 3.13 Conceptual model

A 4c conceptual model was used in this study in order position the direction of the study and to determine concept that will be used in the study.



### 4c Model

(Cleverism, 2015)

Figure 2: 4C Model

#### 1st construct: Consumer

Consumers' are people who purchase good and and services for their own personal use (Broadbent, 2013). In order for consumers' to make that final choice there is usually perception behind that final choice. Douglas, (2013) defines perception as a principle of an individual choice and elementary choices that influence a judgment of choice. This study investigated consumers' understanding and perception of online marketing.

#### 2nd construct: Cost

A better understanding of consumer behavior help achieve the desired effect of marketing strategies and activities (Vinerean et. al. 2013). When it comes to cost it is important to have strategies that will help create value in the market space. The cost benefit should not only be for the organisation but should be for the consumers as well, because they are important contributors towards the growth of any organisation. This study investigated cost as a factor towards consumers' adoption of online marketing. In doing so, the also study tried to understand, from organizational point of view, the effects of cost on online marketing.

# 3<sup>rd</sup> construct: Convenience

The benefit of online marketing is the convenience that comes with it. With the changes in technology, consumers can now participate in online marketing without having to leave the comfort of their house or even get out of bed. This study investigated consumers' perception of the convenience of online marketing.

# 4th construct: Communication

Communication is very important when it comes to online marketing. This is because it forms part of the organisations strategic plan. It facilitates a two-way information sharing between the organisation and the consumer. It also allows organizations and consumers to control the presentation of information (Sahin, Zehir, and Kitapçı, 2011). This study investigated consumers' perception on the effectiveness of online platform as a communication channel for business marketing.

### 3.14 Conclusion

This chapter discusses the research method that was used to obtain and analyse data in this study. Careful consideration was taken, so that the research objectives can be achieved. Pretesting was conducted to test the reliability of the questionnaire and to make sure that the questions are not offensive. And also, to make sure that when the questionnaire is being administered, respondent are not assisted by anyone and hence are able to complete the questions independently. The next chapter presents the data analysis and results obtained from the analysis.

## **CHAPTER 4: EMPIRICAL FINDINGS**

#### 4.1 Introduction

The previous chapters, that is chapters 2 and 3, outlined the literature and the methodology, respectively, used to conduct this research. This chapter focuses on the data analysis and explanation. Data analysis is a method involving data inspecting and cleaning, and data converting and modelling. Its goal is to highlight valuable information, propose conclusions, and support decision making. The quantitative method of statistical analysis was used in analyzing the data collected in this study. This chapter reports the outcomes of the statistical data analysis and offers an explanation of the findings with reference to the literature (Hair et. al. 2006).

## 4.2 Total number of participants

The study had a total number of 150 respondents, however 4 of the responses were found to be void as some of the questionnaires were not filled in correctly and some were incomplete. Hence, a total of 146 responses were analyzed. According to (Dillman, 2011), once over 98% of the responses gotten through the data collection instrument is valid and not void, the responses becomes sufficient to achieve the objectives of study.

#### 4.3 Handling Missing Data

Before embarking on data analysis it is essential to determine the sum of responses received and also determine if there are any missing data set that forms part of the study, so that a reliable number of the study can be analyzed. Also, so that the result received from the analysis are a true reflection on the participants (Alki, 2010). Field (2013) states that missing data is usually because of the following reasons:

- The respondents failed to answer the questionnaire fully and considered some part of the questionnaire to be private or unanswerable.
- The respondent did not understand the structure of the questionnaire
- Incorrect capturing of data into the software

At the commencement of the analysis process, missing data were discovered. Von (2004) advised that when dataset has missing information the validity of the parameter depends on what causes the data to be missing. Scheffer (2002) stated that there are three ways to deal with missing data and these include the delectation, meaning that questionnaire with outstanding information will be completely thrown out. The second method is a single imputation, which mean finding a different approach of dealing with missing data by replacing it with available cases. The last method is the multiple imputation, which means analyzing and pooling data to fill empty spaces in the research. During the analysis stage the researcher used 999 code in all blank cells for the unanswered questions, while capturing data into SPSS. According to Field (2013), should missing data be below 10% then that missing data should be replaced with a mean approach which is in line with a single imputation method. Hence, in this study, the single imputation method was adopted.

# 4.4 Reliability of the Questionnaire

Quantitative research requires that the data collecting instrument be reliable and consistence. To determine the degree of reliability and consistence of the respondents, Cronbach alpha test was conducted. Cronbach alpha provides a size of the core consistency of a check of scale, and is communicated as number between 0 and 1 (Tavakol and Dennick, 2011). Similarly, the reliability test values as noted by Sekaran and Bougie (2016) should be at range between 0 and 1. Sekaran and Bougie (2016) further suggest that there is a greater internal consistency of the questionnaire which present reliable response. The use of Cronbach alpha assisted the researcher to determine if the questionnaire used to collect the data was reliable and free from errors.

The items in the questionnaire used in this study were run through a reliability test in SPSS and a Cronbach alpha of 0.730 was obtained (Table 4-1). A Cronbach alpha of such value according to (Nunnally, Bernstein and Berge, 1967), means the items and responses in the questionnaire were found to be consistent and reliable.

Table 4 - 1: Reliability Test

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items
.730	.729

### 4.5 Demographics: Age and Gender

### 4.5.1 Age

Table 4.2 shows that out of the 146 participants in the study,4 (3%) of the respondents belong to the 18 and below age group, (93%) respondents belonged to the 18-24 age group, 6 respondents were between the ages 25-30 and one respondent was between the 31 and older age group. The result is aligned with the result obtain by Smith (2012) which indicate that Millennials have a definite preference for certain forms of online marketing as a result of their inclination knowledge towards technology and social media.

Table 4 - 2: Age groups for internet usage

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 18	4	2.7	2.7	2.7
	18-24	135	90.0	92.5	95.2
	25-30	6	4.0	4.1	99.3
	31 and older	1	.7	.7	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

#### **4.5.2** Gender

Table 4.3 shows that out of the 146 respondents (54 %) were male and (46 %) were female, thereby indicating that the study had more representatives who were male than female. Similarly, in the study conducted by Bae and Lee (2011), it was stated that gender gap exist in the use of the Internet and female were perceived as high risk and thus avoided using online resources. Moosmayer and Fuljahn (2013) found that the variances in gender with regards to online marketing are not physically rooted but are founded more on differences in socially attributed gender roles. Women and men vary in their value, attitude, and role behaviors. The author's result also showed that more male participated in online marketing then females.

Table 4 - 3: Gender groups for internet usage

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	79	52.7	54.1	54.1
	Female	67	44.7	45.9	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

# 4.6 Access and time spend on the internet

#### 4.6.1 Internet Access

Out of the 146 respondents who participated in the survey, (1%) said they do not have access and (99%) had access. A similar study conducted by Cummins, Peltier, Schibrowsky and Nill (2014) indicated that Internet is one of the medium in which consumers interact. It can be regarded as a multi-channel platform. This platform feature of the internet explains its reason for a large number of users.

## 4.6.2 Time spent on the internet

In Table 4.4 the respondents were asked to indicate the time they usually spend on the Internet, out of the 146 respondents (1%) spent less than 30 minute, (13%) spent 30 minute – 1 hour, (44%) spent 1-5 hours and (42%) spent 5 hours and more. Most of the respondents responded with 1-5 hours spent on the Internet. Laconi, Tricard and Chabrol (2015) suggests that the number of hours spent by consumers on online marketing can be a cause of a negative notion by consumers, and this can subsequently have a negative impact to the marketer.

Table 4 - 4: Time spent on the internet

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 30 minutes	2	1.3	1.4	1.4
	30 minutes- 1 hour	19	12.7	13.0	14.4
	1 - 5 hours	64	42.7	43.8	58.2
	5 hours and more	61	40.7	41.8	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

### 4.7 internet activities related to online marketing and online marketing awareness

# 4.7.1 Internet activities related to online marketing

Out of the 146 respondents who participated in the survey (28%) used the internet for social media, (2 %) used the internet for shopping, (23%) used the internet for research, (8%) used the internet for working, (25%) used the internet for just browsing and (15%) used the internet for multiple activities. In a study conducted by Smith (2016) over 56% of young people spend their time talking about products and services that are available online. This could be a cause as to why the highest number of respondents came from the use of the internet for social media. Table 4.5 shows that a great number of respondents spend between 1 to 5hours on the Internet per day.

*Table 4 - 5: Consumer Internet activities* 

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Social media	41	27.3	28.1	28.1
	Shopping	3	2.0	2.1	30.1
	Research	34	22.7	23.3	53.4
	Working	11	7.3	7.5	61.0
	Just browsing	35	23.3	24.0	84.9
	multiple activities	22	14.7	15.1	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

### 4.7.2 Online marketing awareness

The questions regarding online marketing awareness in the questionnaire were a simple "Yes" or "No" answer type question. Out if the 146 respondent who participated, (19%) said no and (81%) said yes with regards to the awareness of online marketing. Awareness involves assisting consumer choose what they want, when they want it and on their own terms. Additionally, awareness depends on market knowledge, consumers' capability to hunt and collect relevant information and consumers' ability to take advantage of other value proposition (Pires at. el. 2006). Table 4.6 shows that more than 81% of the participants of the study do not have awareness when it comes to online marketing.

*Table 4 - 6: Awareness and online marketing* 

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	28	18.7	19.2	19.2
	Yes	118	78.7	80.8	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

## 4.8 Media platforms and media preferences

### 4.8.1 Media platforms preference

The respondents were asked about the media platform in which they were exposed to the most.

### 4.8.2 Media preferences

Table 4.7 shows that a large percentage of respondents (42 %) indicated that they preferred social media as their form of online marketing. While the second largest percentage of respondents came from direct website (21%). The researcher went further and gave the respondents the opportunity to choose more than one preference and this option provided the third largest response (i.e. Social media, direct websites etc) from the respondents at (14%) and lastly 12.3% belonged to direct mail as a preferred media platform. The study also investigated if pop-up advertisement had any effects on consumers' perception of online marketing but it proved to be the lowest at 11% indicating that consumers are not influenced by pop-up advertising when it comes to online marketing. This result is supported by Mabry (2008) who specified that consumers utilized social media mainly for awareness, understanding and research as it provides them with truthful, apparent and up to date information. Hoffman and Novak (2012) suggests that one of the main reasons why social media is popular is the fact that people can share information and perception from anywhere in the world. According to Jurgens (2013), online networking empowers people to associate easily and maintain connection regardless of their location.

*Table 4 - 7: Media platform preference and online marketing* 

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	social media	61	40.7	41.8	41.8
	Pop-up advertisements	16	10.7	11.0	52.7
	Direct Websites	30	20.0	20.5	73.3
	Direct Email	18	12.0	12.3	85.6
	Other	21	14.0	14.4	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

## 4.9 Findings with respect to the Research Objectives

The respondents were asked to indicate their responses on a 5-point Likert scale, (table 4-8) to questions relating to their convenience, communication, cost effectiveness, performance and the Internet.

Table 4 - 8: Consumer perception scale

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
5	4	3	2	1

# **4.9.1** Objective1: To understand consumers' perception with regards to the convenience of online marketing

Table 4.9 reveals the overall perception of the participants and their overall response. (0.7%) respondents responded that they strongly disagreed to online marketing convenience, (12%) disagreed with the convenience of online marketing, (45%) were neutral when it came to the convenience of online marketing, (38%) agree that online marketing provides convenience to the consumer and lastly (5%) strongly agreed that online marketing is a convenience form of marketing. With regards to marketing, Jiang, Yang and Jun, (2013) classifies convenience as a grouping of products, which relates to low risk or low involvement. Jiang et. al. (2013) went further to say that convenience revealed two features which are of crucial importance in delivering convenient service to customers. These include time-saving and effort minimization. In the study that was led by Jiang et. al. (2013) it was stated that consumer perceptions of convenience are negatively subjective by their perceptions of the cognitive, physical, and

emotional effort associated with the shopping effort. Also that the greater the time costs connected with a service, the lower the degree of consumers' perceived service convenience.

*Table 4 - 9: Consumer Perception on Convenience and Online marketing* 

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	1	.7	.7	.7
	Disagree	18	12.0	12.3	13.0
	Neutral	65	43.3	44.5	57.5
	Agree	55	36.7	37.7	95.2
	Strongly Agree	7	4.7	4.8	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

# 4.9.2 Objective2: To investigate consumers' perception on online marketing as an effective form of communication

Table 4.10 reveals that (0.7%) participant responded to strongly disagreed which indicates that they do not see online marketing as effective communication tool of marketing, (11%) of the responded disagreed with the effectiveness of communication in online marketing, (40%) were neutral when it came to online marketing as an effective communication channel. (45%) agree that online marketing provides operational communication to the consumer and lastly (3%) strongly agree with the online marketing and its being a reliable source of communication. Looking at the stats, it can be deduced that most of the respondents were between being neutral and being in agreement with the questions. Hede and Kellett, (2011) found that marketing communication is effective in raising awareness Robinson (2017), however, questions the online communication privacy management assisting in making sure that a reliable workable ethics is established so as to ensure that consumers enjoy the full benefits of online marketing and communication. In addition, Bampo et. al. (2008) stated that instead of only focusing on one form of communication organisations can also use viral marketing to encourage communication by passing on promotional messages through the Internet.

Table 4 - 10: Perception on Communication and Online marketing

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	1	.7	.7	.7
	Disagree	16	10.7	11.0	11.6
	Neutral	58	38.7	39.7	51.4
	Agree	66	44.0	45.2	96.6
	Strongly Agree	5	3.3	3.4	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

# 4.9.3 Objective3: To determine consumers' perception about the cost effectiveness of online marketing

Table 4.11 reveals that out of the 146 respondents, (10%) disagreed that online marketing is cost effective, (44%) were neutral and, (40%) agree that online marketing is cost effective. furthermore (6%) strongly agree with the cost effectiveness of online marketing. Looking at the stats it can be deduced that most of the responses were between being neutral and being in agreement with the questions. Nguyen et. al. 2016 stated that given the increase of price transparency which comes from the ability of consumers to share information online, online marketing could be assumed to be cost effective.

Table 4 - 11: Consumer Perception on Cost Effectiveness and Online marketing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	15	10.0	10.3	10.3
	Neutral	64	42.7	43.8	54.1
	Agree	59	39.3	40.4	94.5
	Strongly Agree	8	5.3	5.5	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

## 4.10 User experience

Table 4.12 reflects each respondent opinion with regards to online marketing. (0.07%) respondent responded that they are very dissatisfied with online marketing experience, (15%) reported that they were dissatisfied with online marketing experience, (45%) responded to be neutral when it comes to their experience with online marketing, (36%) responded that they are satisfied with the what they have experienced with regards to online marketing and (3%) responded that they were very satisfied with the experience they received and that they were exposed too when it came to online marketing. Word-of-mouth is growing immensely of the use of the Internet as a marketing platform and this is as a result of user's experience. Consumer have an opportunity to share their experiences with other consumers. However, one of the thing that most online marketers lack is the in-depth understanding of how consumers' interaction and experience affect their online decisions (Zhou and Duan, 2016).

Table 4 - 12: Crosstabs between User experience and online marketing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Dissatisfied	1	.7	.7	.7
	Dissatisfied	22	14.7	15.1	15.8
	Neutral	65	43.3	44.5	60.3
	Satisfied	53	35.3	36.3	96.6
	Very Satisfied	5	3.3	3.4	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

### 4.11 Performance of online marketing

Table 4.13 reflects on the overall consumer perception of online marketing at its performance with regards to the consumers' interaction and delivery of services. (0.07%) respondent responded that online marketing had poor performance, (16%) reported online marketing performance to be fair, (39%) reported online marketing performance to have been average, (34%) responded to online marketing performance as being good and lastly (4%) responded to online marketing performance as being excellent.

The Internet has become one of the most popular medium of interaction between individuals to a point that consumers can differentiate between performance that is exceptional and

performance which is not. Roy, Datta and Basu (2017) suggests that with the growing number of Internet users, performance seem to be the most important that sets marketers apart. Being able to offer consumer something that is not of the norm or ordinary is one of the main factors that help make sure that marketers are not forgotten or ignored. Bampo *et al* (2008) stated that one of the guaranteed ways of making sure that online marketing performance is always at a very satisfactory level is through viral marketing.

*Table 4 - 13: Performance and Online marketing.* 

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	poor	1	.7	.7	.7
	Fair	24	16.0	16.4	17.1
	Average	57	38.0	39.0	56.2
	Good	58	38.7	39.7	95.9
	Excellent	6	4.0	4.1	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

# 4.12 Online marketing reaction

Tables 4.14 reflects respondents' reaction when it comes to online marketing. Consumers were given an opportunity to state their response. (21%) responded that they watch what is being shown using online marketing, (58%) responded that they ignore everything and anything that has to do with online marketing, (12%) indicated that they watch but as soon as they see that is online marketing they then stop and do something else and they lose interest, and lastly, (9%) indicated that they do not pay attention, this simple mean that they are not effected by online marketing and it is not a factor to them.

Table 4 - 14: Consumer reaction to online marketing

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Watch	30	20.0	20.5	20.5
	Ignore	85	56.7	58.2	78.8
	Watch and stop along the way	18	12.0	12.3	91.1
	Do not pay attention	13	8.7	8.9	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

### 4.14 Correlation Analysis

Bryman and Bell (2015) stated that investigating the statistical significance of the correlation analysis is calculated using a random sampling method from samples which are randomly selected. This is so as to provide a clear understanding of whether there is a possibility that the coefficient will be found in the population from which the sample is selected.

There are two factors that determine the coefficient (Bryman and Bell, 2015). They are Pearson's r and Spearman's rho. Bryman and Bell, 2015 described Pearson's r as a technique that investigates between the intervals and rational variables. The most important thing to remember here is that the coefficient of correlation lies between (-1) and (+1). On the other hand, Spearman's rho is planned for use for pairs of variables but it flexible to be used for one variable and any perimeters of intervals and ratios. When calculating coefficient, the result can either be positive or negative. However, the coefficient of correlation can be either be strong when it is above 0.70 or weak when it is below 0.50 and when it is 0 this means that there is no correlation (Bryman and Bell, 2015). It is important to take to consideration that if the result are generated between an ordinal and interval ratio then this means that Pearson's r cannot be used for both variable. In order to overcome any limitation that the study might incur a Spearman's rho is used to better examine and interpret the study.

### 4.15 Correlation analysis

Table 4.15 looks at the correlation between the constructs used in this study and variables that played a role. The result that were generated revealed that there is no correlation between cost and performance this means that cost does not play a significant role when it comes

performance. This is in line with a study by Todor, (2016), where it was shown that online marketing has a lower cost than other form of marketing. A lower cost is, however, bound to draw a lot of traffic and this can affect the performance of the online marketing website.

The study also shows that there is no correlation between cost and user experience. This is similar to a study found by Adiwijaya, (2016), when it comes to user experience, cost is not a main factor and this is because online users base their experience on the performance, security, trustworthiness of the website they are interacting with. Additionally, user experience can be solely dependent on the perception that consumers have on the experience.

The result also shows that there is no correlation between cost and awareness. This is in line with the study conducted by Kim Hahn and Kim (2009), where they found that online awareness is based on the ability of the marketer to make their products or services visible to the consumer. Online marketer can reach a consumer at anytime and anywhere with no cost involved. Online marketing can be done though many channels but can still be done without the marketer assuming any cost to create awareness. Lastly awareness should not be based on any cost but on the merit on the marketer.

Table 4.15 shows that there is no correlation between convenience and performance. This means that online marketing is offered at the online users convenience and the consumer has the option of using what is being offered to them or not, and this tends to affect the consumers' overall perception. Moreover, online marketing offers unlimited content and the ability to be updated at anytime and anywhere giving the marketer the opportunity to structure their online marketing according to the accessibility of the consumer (Todor, 2016).

Considering convenience against user experience the result indicate that there is no correlation between them. This is in contradiction with the study by Vinerean et. al. (2013), which found that online marketing makes it possible for consumers and organisations to interact whenever they want or need to, and in the process could build sustainable relationships that are viable in the long run.

However the result also revealed that there is a strong positive correlation between convenience and awareness. This is in line with a study a conducted by Adiwijaya (2016), where it was found that the convenience of online marketing creates awareness around its users and possible users that might be gained by the marketer. The ability to have easy access to something creates

awareness and allows marketers to reach a bigger market and whiles creating more value and trust between users and the marketer.

The study also proves that there is no correlation between communication and user experience. This means that in order to have a clear understanding of consumer experience organisations need to assess the degree to which they meet their consumers' expectations. However, there is a possibility of dissatisfaction from consumers, and this might impact the consumers' perception of the organisation and this might consequently affect the performance of the organisation in the market place (Kachersky and Lerman, 2013).

The result also showed that there is a weak correlation between communication and performance. However, the study by Hede and Kellett (2012), found that the way a marketer translate the message to the user is very important as that has a huge effect on the user experience and the performance of the company. Furthermore, when considering the interest of the users, the first priority of the organisation is to make sure that communication is done accordingly and that it allows the company to even reach a larger number of users.

Lastly the result from Table 4.15 revealed that there is a weak correlation between communication and awareness. This might be because of the marketing approach used when creating consumer awareness and marketing communications. This is similar with the study by Hede and Kellett (2012), which found that word-of-mouth plays a big role when it comes to creating awareness and this gives rise to an even bigger market as most consumers relay on what they have heard before trusting the organization.

Table 4 - 15: Correlation Coefficient between variables

Online marketing			
Cost	Performance	Awareness	User Experience
Correlation	0.059	0.000	0.000
Convenience	Performance	Awareness	User Experience
Correlation	0.000	0.85	0.03
Communication	Performance	Awareness	User Experience
Correlation	0.253	0.253	0.03

# **4.16 Summary**

This chapter delivered an analysis of the result obtained from the study. The result presented from the research were in line with the research objectives of this study. The finding together with previous research relating to the study were used in interpreting the statistical result from the analysis of data. The research result shows that the challenges facing consumers today, include the cost involved in online marketing, the convenience of the use of the Internet and the awareness and communication relating to online marketing. The result also shows that the performance and awareness of online marketing plays a big role when it came to consumer perception.

## **CHAPTER5: RECOMMONDATION AND CONCLUSION**

#### 5.1 Introduction

The preceding chapter presented the result obtained in the study in connection to the research objectives. This chapter presents the conclusion to the dissertation. The chapter also presents the recommendations of the study and possible future research that could be conducted to further understand the concept and challenges faced by consumers with regards to online marketing.

### 5.2 Summary of the study

Chapter 1 presented how online marketing was introduced and the impact it has on consumers. The growth and development of the internet, and its relationship to online marketing was also highlighted in the chapter. Furthermore, the chapter presented the research objectives and problems that the study investigated. The research questions that were derived from these objectives were also presented in the chapter. Similarly, the research method used in the study was briefly introduced in the chapter. Lastly, a brief overview of the dissertation and the limitations of the study were presented in the chapter.

Chapter 2 presented, through the review of literature, a view of the surrounding concepts of online marketing and traditional marketing. The chapter also distinguished the difference between the two concepts. The studies on comparability between online marketing and traditional marketing showed that there are differences as well as equivalences between the two. In cases where differences were observed, studies showed that there are factors such as accessibility, platforms used and communication amongst other things that may influence these differences. The chapter also presented studies that have been conducted to determine the validity and reliability of online marketing.

Chapter 3 presented the research methodology that was used in this study. This study adopted a quantitative approach. Data was collected using questionnaires, and the sample was 150 students. A simple random method of selection was used in the study. The chapter also presented the conceptual model that was used in this study. The application of the model and the relationship between the model and the objectives of the study were also presented in the chapter.

Chapter 4 presented the data analysis process that was conducted in the study. The chapter discussed how the reliability test to test the reliability of the questionnaire was conducted. It also discussed how missing data was handled. Furthermore, the chapter presented the results obtained from the study and also aligned them to the objectives of the study. The implications of the results with reference to the literature was also presented in the chapter.

Chapter 5 presents the conclusion to the study. This chapter also presented the recommendations of the study.

## 5.3 Addressing the research objectives

To address the research problem, a number of relevant research objectives were identified. It is important to assess whether the research findings are in line with the research objectives.

The researcher evaluated the overall response of the respondents in relation to the objective of the study, which are (i.e. the objectives):

- To understand consumers' perception with regards to the convenience of online marketing
- To investigate consumers' perception on the effectiveness of online platform as a communication channel for business marketing
- To determine consumers' perception about the cost effectiveness of online marketing

Respondents' data were assessed in order to answer the study's research questions and objectives. Hence, the research questions, drawn from the research objectives, were used to understand the overall perception of consumers with regards to online marketing. The result presented indicated that respondents are aware of what online marketing is and they understand what it entails. The result also indicated that as much as the respondents were aware of what online marketing is, most of them stated that they mostly ignore pop-ups that are related to online marketing. Most of them also indicated that they are reluctant to participate in online marketing as they do not really understand the concept. However, when asked if they preferred online marketing to print media, most selected online media marketing. This presented a contradictory opinion of some of the respondents as they had also indicated that they ignore pop-ups that are related to online marketing.

The conclusion derived from the findings of the study with regards to the respective objectives of the study are presented below:

# **5.3.1** Objective 1: To understand consumers' perception with regards to the convenience of online marketing

This study revealed that consumers that are youth are increasingly turning away from traditional marketing and actively seeking out online marketing platforms. With the increase in the number of online presence from the youth, online marketing has now also become a big part of organisational strategic growth.

The increase in the use of technology and the accessibility of the internet amongst this study's respondents gave the impression that online marketing is very popular amongst today's consumers. The online presence and activities of the youth is largely supported by innovative technologies which makes accessing social media platforms effortless, convenient and cheap. Even though accessibility seems to be the overall consensus of respondents with regards to online marketing, it indicated that marketing done online should be accessible to consumers. Today, marketers are required to reconsider their marketing strategies and integrate online presence in their marketing and communications options, as this could help to influence the behaviour of consumers. If marketers, however, decide not to have online marketing presence, it is recommended that they understand how the online marketing platform function and utilize the understanding for their researching competences.

# 5.3.2 Objective 2: To investigate consumers' perception on the effectiveness of online platform as a communication channel for business marketing

Factor analysis was conducted to better understand the effectiveness of communication when it comes to online marketing. From the analysis, it was found that online marketing is considered as an effective communication platform Thus, indicating that consumers, generally, do infact consider online marketing as an effective form of communication channel. Findings of the study did, however, show that online marketing can influence the availability of product information to consumers and can also influence consumer decision towards the organisation.

# **5.3.3** Objective 3: To determine consumers' perception about the cost effectiveness of online marketing

The outcome of this study shows that respondents felt indifferent with regards to the cost effectiveness of online marketing. However, in the study of Martín and Camarero, (2009), it was stated that online consumers' satisfaction could depend on the extent to which the

consumer perceives risks and costs in the online marketing environment. Even though the perception of risks and costs is not identical for all consumers. Contrary to the opinion of Martín and Camarero, (2009), Nguyen et. al. (2016) stated that consumers sometimes engage in online marketing so as to better understand knowledge and perceptions of marketing strategies such as dynamic pricing practice, for paying and non-paying consumers, and not to understand costing.

#### **5.4 Future Research**

After the review of literature and based on the findings of this study, the following are recommended as important concepts to be considered for future research.

- The research concentrated on students at the Westville campus of University of
  KwaZulu-Natal and more precisely, in the college of law and management studies.
  Future research should be done to cover and represent sample from a diverse group of
  student that may include, different departments/disciplines, colleges or even
  universities.
- Technology and the internet continues to develop every day and it stretches to new
  capacity at all times. Future research should be conducted to understand the challenges
  of new internet and technology related developments and features and how they can
  influence the users about the use of online marketing as a preferred means on
  marketing.
- Future research should be done to understand the impact of social trends (e.g. social media platforms) on the perception of consumers on the adoption of online marketing as a preferred means of marketing.

### **5.5** Limitation of the study

The study had two major limitations. The first being the sample size and the second the type of questionnaire that was administered. The study was conducted using samples from only the college of law and management studies at the University of Kwa-Zulu Natal, Westville campus. Hence, the sample size was limited. The questionnaire used in the study does not include an open ended section. Hence, limiting the type of responses provided by the participants. If the participants wanted to provide reasons for their choices they could not as the questionnaire was not an open-ended questionnaire. To overcome these challenges, this study reviewed extensively, studies that have been done in the area of online marketing, and

from these studies, drew relevant conclusions that were useful in this study. The criteria for selecting the studies that were reviewed was that they have a diverse sample size and also implemented different data collection types.

#### 5.6 Recommendations

The findings of this study and the review of the literature shows that some aspects relating to online marketing still need to be explored. These aspects include:

- The study should be done across a wider range of students (i.e. including multiple disciplines or colleges) on campus in order to get a broader perspective and understanding of students' opinion of online marketing.
- Online marketing is taking over the marketing worldwide, other studies should look at
  how companies are using relevant media platforms to making sure that they are up to
  date with what is currently happening in the marketing environment while making sure
  that they stay true to the brand.

#### 5.7 Conclusion

The continuous development of the Internet, the everyday development of technology and the forever changing consumer perception breeds new prospects and perspective to modern business marketing. Internet is growing more popular each day and more and more organization are taking advantage of this growth. As shown in this study, consumers' perception describes consumer behavior towards online marketing. Online marketing has produced unending opportunities and possibilities for marketers as it has transformed the way in which the Internet is leveraged for conducting business. Some of the opportunities and possibilities that it has produced include, how marketers communicate, interact and conduct business with consumers through online platforms, how marketers position their products and brands 'online' and how marketers influence and encourage the behaviour of consumers through online platforms. Even though all of these are positive the future of online marketing is unknown and is only dependent the marketers' ability to engage, interact and converse with consumers' online.

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## APPENDIX A: ETHICAL CLEARANCE



8 December 2017

Miss NSS Mlambo 215082056 School of Management, IT and Governance Westville Campus

Dear Miss Mlambo

Protocol reference number: HSS/2129/017M

Project title: Consumers' perception on online marketing: A case of University of KwaZulu-Natal

Full Approval – Expedited Application in response to your application received 1 November 2017, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol has been granted FULL APPROVAL.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment /modification prior to its implementation. In case you have further queries, please quote the above reference number.

PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

Dr Shenuka Singh (Chair)

Humanities & Social Sciences Research Ethics Committee

/pm

cc Supervisor: Dr A Beharry-Ramraj

cc Academic Leader Research: Professor Brian McArthur

cc. School Administrator: Ms Angela Pearce

Humanities & Social Sciences Research Ethics Committee Dr Shenuke Singh (Chair)

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#### APPENDIX B: INFORMATION CONSENT FORM

# UKZN HUMANITIES AND SOCIAL SCIENCES RESEARCH ETHICS COMMITTEE (HSSREC)

Information Sheet and Consent to Participate in Research

Date: 11 December 2018

Greetings,

My name is Nkosenomusa Sthembiso Snethemba Mlambo from University of KwaZulu-Natal: Westville campus from College of Law & Management Studies, School of Management, IT & Governance (name, department/institution and various contact numbers and email addresses)

You are being invited to consider participating in a study that involves research that aims to understand consumers' perception with regards to online marketing. The aim and purpose of this research is to (describe in lay terms). The study is expected to include 150 participants in the law and management faculty in the University of KwaZulu-Natal Westville Campus (how many participants in total, how many in each arm, how many other sites, and where). It will involve the following procedures (describe). The duration of your participation if you choose to participate and remain in the study is expected to be less than 20 minute for each participants (provide). The study is self-funded by (provide details if relevant).

The study may involve the following risks and/or discomforts (describe). We hope that the study will create the following benefits consumers' understand their perception when it comes to online marketing and also benefit online marketers understand consumers' better and the psychology behind it all (describe if relevant; otherwise state that the study will provide no direct benefits to participants. Describe the scientific/other benefits hoped for from the study) to be able to give clarity on the topic and also benefit the industry as a whole. The researchers' adheres to human dignity and to also make sure that whatever the research does is done with the consent of the participant. The researcher must disclose in full any appropriate alternative procedures and treatment etc. that may serve as possible alternate options to study participation.

If the research could potentially involve risk, explain in full if compensation exists for this risk, what medical and/or psychosocial interventions are available as treatment, and where additional information can be obtained.

This study has been ethically reviewed and approved by the UKZN Humanities and Social Sciences Research Ethics Committee (approval number HSS/2129/017M\_\_\_\_\_).

In the event of any problems or concerns/questions you may contact the researcher at (provide contact details) or the UKZN Humanities & Social Sciences Research Ethics Committee, contact details as follows:

## Mrs Mariette Snyman

Humanities and Social Science Ethics (HSSREC) Research Office, Govan Mbeki Building, Westville Campus, Private Bag X54001, DURBAN 4000

Tel: 031 260 8350 <u>Snymanm@ukzn.ac.za</u> **Researcher**: Name (Telephone number)

**Supervisor**: Name (Office Telephone number)

Your participation in the study is voluntary and by participating, you are granting the researcher permission to use your responses. You may refuse to participate or withdraw from the study at any time with no negative consequence. There will be no monetary gain from participating in the study. Your anonymity will be maintained by the researcher and the School of Management, I.T. & Governance and your responses will not be used for any purposes outside of this study.

All data, both electronic and hard copy, will be securely stored during the study and archived for 5 years. After this time, all data will be destroyed.

If you have any questions or concerns about participating in the study, please contact me or my research supervisor at the numbers listed above.

Sincerely		
N SS Mlambo		
(Researcher name and signature)		

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#### **CONSENT TO PARTICIPATE**

I (Name) have been informed about the study entitled (provide details) by (provide name of researcher/fieldworker).

I understand the purpose and procedures of the study (add these again if appropriate).

I have been given an opportunity to ask questions about the study and have had answers to my satisfaction.

I declare that my participation in this study is entirely voluntary and that I may withdraw at any time without affecting any of the benefits that I usually am entitled to.

I have been informed about any available compensation or medical treatment if injury occurs to me as a result of study-related procedures.

If I have any further questions/concerns or queries related to the study I understand that I may contact the researcher at (provide details).

If I have any questions or concerns about my rights as a study participant, or if I am concerned about an aspect of the study or the researchers then I may contact:

**Mrs Mariette Snyman** 

Humanities and Social Science Ethics (HSSREC) Research Office, Govan Mbeki Building, Westville Campus, Private Bag X54001, DURBAN 4000

Tel: 031 260 8350 <u>Snymanm@ukzn.ac.za</u> Researcher: Name (Telephone number)

**Supervisor: Name (Office Telephone number)** 

Additional consent, where applicable

Signature of Participant	Date
Signature of Witness (Where applicable)	Date
Signature of Translator (Where applicable)	Date

## **APPENDIX C: QUESTIONNARE**

#### Section A

Thank you for taking the time to answer the questionnaire. We value your comments and suggestions to help us understand your needs and thoughts on online marketing. Please spare a few minutes to fill out this questionnaire. All information collected will be kept in strict confidence for statistical purpose only.

Please tick the appropriate answer in the box where applicable

1. Gender

Male	Female

2. Age (The age range/scale should be equal)

Younger than 18	18-25	25-30	30 and Older
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3. Level of education

Formal (high school)	Tertiary (degree)	Post-degree

4. Currently employed

Yes	No

5. Working period (just to see whether they spend time looking for work or doing their day to day job)

Ī	0-1 year	1-3 years	More than 3 years
	•	_	•

6. Do you have access to the Internet

Yes	No

7. How much time do you spend on the Internet per day

Less than 30 minute	30 minute-1 hour	1-5 hours	5 hours and more

8. Whic	ch of the	following	activiti	ies do you	perform	when on t	he Intern	iet	
Social m	iedia	shopping	Res	search	Working	g Ju	ıst brows	sing	
9. What	t media p	latform a	re you e	exposed to	О				
Social m	nedia	Internet	P	rofessiona	l worksite	2			
10. What	t marketi	ng mode/	media d	lo you pref	fer				
Online n	nedia	Print	media						
11. Are y	ou awar	e of what	online	marketing	is?				
Yes	No	)							
12. which	h media j	platform l	nas exp	osed you to	o online r	marketing			
Social M	Iedia	Email		Websites	3	Print Me	edia		
13. What	t sort of c	online ma	rketing	do you pre	efer?				
Social media   Pop up advertisements   Direct website   Direct email									
14. When	n marketi	ing ads po	p up w	hile you o	nline, wh	at do you	normally	do?	
Watch/lowhat is i		Ignore	W	Vatch and s	stop along	g the way	Don't 1	pay attent	cion
15. Using the scale of 1-10, how would you rate the online-marketing advert influences o your purchasing decision									
1	2	3	4	5	6	7	8	9	10
16. Do you think there is a difference between online and print media marketing?									
Yes	No	)							
17. Whic	ch of the	following	market	ting mode/	media wo	ould you p	orefer?		
Online		Print							
	- 1		<u>'</u>						

18. Does the automated pop ups influence how you respond to online marketing?

Yes	No

## **Section B**

Using the rating scale that follows, would you say the following aspects are important when making an online marketing decision. (Tick only one box per line)

1	Strongly disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly agree

## Convenience

	1	2	3	4	5
Would you say that online marketing has a faster approach than					
traditional marketing?					
Given choice of online marketing platforms, would you say online					
marketing is more convenient than other traditional marketing media?					
Would you say you have control of what is being advertised to you					
when it comes to online marketing?					
Would you say you have control of what is being advertised to you?					
Does online marketing provide greater prestige than print media?					
Would you say online marketing has helped you save time?					
Would you say online marketing at a greater advantage than traditional					
marketing (print) when it comes to being convenient?					
Would you describe online marketing as a secure form of marketing					
versus traditional marketing (print)?					

# Communication

	1	2	3	4	5
With online marketing, would you say the intended message					
communicated by organisations is easily understood?					
Would you say or do you find online marketing more interactive?					
Would you say online marketing offers you customer satisfaction?					
Would you say you satisfied as customer to use online marketing for					
your purchase, complains or other feedback?					
Does online marketing provide you with a good communication tool					
versus traditional marketing (print)?					
Would you say that online marketing allows for effective					
communication?					
Would you say that online marketing gives a clear understanding what					
is being communicate to you?					

# COST

	1	2	3	4	5
Would you say online marketing platform is cost effective versus other traditional marketing (magazine, flyers)?					
Are you satisfied with the cost differential between traditional marketing and online marketing?					
Are you satisfied with the advertising platform that online marketing offers to you?					
Are you satisfied with the quality of online marketing?					
Are you satisfied with the cost incurred when using online marketing?					

## **SECTION C**

In your opinion, to what extent do you consider the importance of the satisfaction level when it comes to using online marketing and the accessibility of online marketing? (Tick only one box per line)

1	Very satisfied
2	Satisfied
3	Neutral
4	Dissatisfied
5	Very dissatisfied

	1	2	3	4	5
Based on your experience how would you rate your online marketing experience?					
How would you rate the unlimited possibilities that come with online marketing?					
Does online marketing portray the relevant values of the organisation?					
How would you rate the online marketing's ability to provide you with relevant information regarding what is being advertised?					
How would you rate your experience when it comes to the use of online marketing?					

# **SECTION D**

In your opinion, to what extent do you consider the importance of the following aspects when using your appropriate online marketing? (Tick only one box per line)

1	Excellent
2	Good
3	Average
4	Fair
5	Poor

	1	2	3	4	5
How would yourate the accuracy of online marketing when it comes to					
advertising?					
How you would rate the performance of online marketing and its ability					
portray the correct marketing tool compare to traditional marketing?					
Would you make recommendation on what is being marketed on online					
marketing to other users?					
According to your (Experience) how do would you rate the quality of					
online marketing compare to other traditional marketing platform					
(magazine, flyers)?					
How wouldrate the delivery performance of online marketing?					
How would you rate the online marketing experience?					
Would you say online marketing is convenience to you and your needs?					
How would you rate the ability of online marketing when it comes to					
delivering to product specification and detail?					