

INVESTIGATING THE EFFECT OF VARIOUS ADVERTISING MEDIA USED AS PROMOTIONAL TOOL TO MEET THE PROFITABILITY AND SUSTAINABILITY OF SMALL AND MEDIUM ENTERPRISES IN WELKOM

Ву

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Submitted in fulfilment of the requirements in respect of the

Master's Degree Management Sciences in Marketing Management

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DECLARATION

I, Madibogo Archibald Modikeng, hereby declare that the dissertation entitled:

Investigating the effect of various advertising media used as a promotional tool to meet the profitability and sustainability of Small and Medium Enterprises in Welkom is my own work, all the sources quoted have been acknowledged by means of references, and that, this dissertation was never previously submitted to any university for degree purposes.

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Madibogo Archibald Modikeng	Date	
Padikina	31 July 2018	



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Lastly, I thank the community of Bedelia suburbs and owners or managers of SMEs who participated in the study. Their participation this study enabled me to complete this study, hence, my acknowledgement of their cooperation.



DEDICATION

This study is dedicated to my late mother Nomacala Sonti Modikeng (may her soul gain perpetual sweet repose) who have implanted in me the love of education and humanity, kindness above all respect for others. I also dedicate this study to Modikeng's clan.



ABSTRACT

Advertising is any paid form of non-personal communication about a business, its product or service to a target audience, through a mass medium carried out by an identified sponsor. This promotional tool is used by Small and Medium Enterprises (SMEs) to create awareness about businesses products, services or existence, as well as to communicate with potential consumers. Thus, this dissertation explores the involvement and participation of managers or owners of SMEs with regards to their role in advertising their products and services in order to boost their profit and sustaining their businesses. The dissertation specifically focuses on the effectiveness of various advertising media used as a promotional tool to boost profitability and sustainability of SMEs. It also evaluates whether the money spend on advertising by businesses is profitable and sustainable. Therefore, the main objective of this study is to determine the effectiveness of various advertising media, such as broadcast, print, outdoor and internet media, on profitability and sustainability of SME's in Welkom.

A mixed methods design which included the use of a questionnaire and semi structured interviews were utilized in this study. Ten respondents from SMEs and two hundred consumer respondents were interviewed in this study. The quantitative part of this study investigated the effect of various advertising media on decision making of consumers regarding products or services. The significant relationship between age, gender and decision making were also examined. The qualitative part of the study investigated the role of advertising with regards to profitability and sustainability within SMEs.

The findings indicate that most SMEs managers and owners do not know whether advertising boosts the business' profit or not. The implications of these findings are that SMEs have been spending money on advertising media which are not feasible for return on investment. In addition, managers and owners of SMEs do not have a clear understanding of the reasons for and importance of advertising their products or services. Therefore, the researcher recommends that managers and owners of SMEs



should consider hiring third year marketing students or marketers to develop marketing plans for their businesses.

The study observes that there are continuous changes and a rise in advertising expenditure which are witnessed every year, while businesses are unaware of the advertising media that influences consumers to purchase their products or services. In conclusion managers and owners of SMEs should be encouraged to examine the effectiveness of various advertising media on their consumers.



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CHAPTER 1

GENERAL INFORMATION AND BACKGROUND

1.1 INTRODUCTION

Belch and Belch (2012) define marketing as a two-way exchange of value between a marketer and a consumer by providing the right product or service to the right target market, in the right state of need and by using the right vehicle for interaction and purchase. Marketing, which is a process by which a product or service is introduced and promoted to potential consumers, plays significant role towards the success of every business (Koekemoer, 2014b). Most aspects of any business depend on successful marketing with the overall marketing umbrella covering product, price, place and promotion. A business may offer the best products or services in a particular industry and yet if it lacks marketing the potential consumers would never know about the business. Thus, without marketing, sales may crash and businesses may have to close (Kaser, 2014).

Marketing consists of many tools with advertising being one of the familiar primary activities and often most used by marketers to reach consumers. Advertising is a buzz word that has an impact on a customer's mind because its exposure is much broader as compared to other promotional tools (Katke, 2007 & Miletsky, 2010). In addition, advertising is part of the marketing mix known as the 4 p's and these are product, price, place and promotion. As a result, as part of the promotional plan, advertising serves as the basic tool to increase businesses' sales, creating general business and product awareness in the minds of potential consumers, and to stimulate a dialogue that will ideally lead to the success of purchases and complete engagement.

Latif, Saleem and Abideen (2011) note that the primary mission of a business is to reach prospective consumers and influence them through various advertising media to purchase products or services. Tellis (2004) argues that advertising is an investment to the future survival and success of a business because it increases profit, longevity and sustainability of business. Thus, businesses spend money on



advertising in order to keep individual consumers interested in their products or services (Belch & Belch, 2012). This also means that businesses need to know which advertising media has an impact on consumers. As a result, Murthy and Bhojhanna (2010) made the observation that, businesses invest more on advertisements and want to know if their spending in advertising produces results. However, businesses' spending on advertisements does not address the form of advertising media that provide income to their businesses. Hence, the effectiveness of various advertising media on the return on investment cannot be guaranteed (Murthy & Bhojhanna, 2010).

It should be underscored that target sales by businesses and the effectiveness of advertising media are varied with regards to consumers purchasing decisions. Armstrong (2010) points out that each media has its own set of consumers, costs and advantages. Its effectiveness is also rated differently in accordance with its usage and the needs and priority of the business. Based on the aforesaid, businesses and especially SME's, need to choose the correct media to broadcast their advertisements and align the advertisements with the needs and objectives of the enterprises (Stadtler & Kilger, 2008). This implies that an investigation on various advertising media becomes imperative in order to ensure that the message is delivered through a correct communication channel and reaches the prospective consumers (Kotler & Armstrong, 2004, Katke, 2007, and Belch & Belch, 2012).

This study analyses the effectiveness of various advertising media and the extent to which they can assist SMEs to accomplish their objectives of sustaining the business. The various advertising media need to be examined in an effort to assist SMEs to maximise their reach and public acceptance. Therefore, it is imperative to understand the way consumers respond to various advertising media and determine the effectiveness of advertising on consumers' responsiveness towards advertisements.



1.2 PARALLEL STUDY

Moussavou (2008) conducted a similar study on effective advertising and was used as guideline in this study. The purpose of Moussavou's study was to design an Advertising Balance Scorecard (ABSC), which involves the adaption of the managerial Balance Scorecard (BSC) in the advertising field. The ABSC was developed to identify a balanced pattern between the perspectives leading to effectiveness of various media advertising. Ultimately, the study observes that measuring advertising effectiveness has become an increasingly critical issue due to the substantial sums of money invested in the advertising industry. Moussavou (2008) also notes that the complexity of advertising effectiveness measurement indicates that advertising effectiveness can be achieved by focusing on fewer perspectives.

The study, however has its shortcomings and offers gaps for further studies. First, the sales or financial aspect were not examined and thus, can be considered for further studies in this field. If the audience like and agree on the effectiveness of a commercial, the typical behaviour is to buy and to be loyal depending on the objective the advertiser tries to achieve. However, the gap here is that advertising likeability does not insure a sales increase. As a result, Moussavou (2008) study recommends that investigations should include a sales measurement aspect to the model to make it more holistic. Hence, this study, drawing on the afore-mentioned gap, sought to investigate the effectiveness of various advertising media on SME's investment. The researcher did not find other comparative studies related to effectiveness of various advertising media.

1.3 THEORETICAL FRAMEWORK

In general, theory reflects a phenomenon that is embedded within previous scientific studies that links with a research design to make a meaning. A theory can also provide real framework in assisting and evaluating research findings (Grant & Osanloo, 2014). The theoretical framework of this study is based on the interpretivist paradigm which specifies that social world cannot be understood by applying



research principles adopted from the natural sciences only (De Vos, Strydom, Fouchè & Delport, 2011).

This study is ideal for an interpretivist research that ensures a critical participatory action research as it is collaborative and involves subjects. The theoretical framework for this study is tied up to the elements of the conceptual framework as illustrated in the figure 1.1 on page 6 (see paragraph 1.4). The framework symbolises the effect of communication on advertising and consumer responsiveness (Laswell and Bryson, 1948 & Chitode, 2010).

The communication theory is applied in this study to demonstrate various forces that are more likely to be applied to persuade choices made by consumers towards advertisements (Holmes, 2005; Chitode, 2010). Furthermore Tellis (2004) suggests that the theory provides an instant communication framework and suggests how its effectiveness on the relationship between suppliers, consumers and business partners (external communication) can be examined. The basic logic behind the theory outlines the communication effect on consumers purchasing decisions. Chitode (2010) emphasise that the mass communication theory involves the use of print and outdoor or electronic media, such as newspapers, billboards, magazines, film, radio or television, to communicate with a huge population of people located at various places and often scattered all over the country or world.

The theory of advertising effectiveness lies in the context of persuasion and reinforcement mechanism in order to influence consumers to make a choice of one brand over other (Sheth, 1976; Belanche, Flavián and Pérez-Rueda, 2014). Although, there are many advertising media theories, such as the mass communication theory and theory of advertising effectiveness, the communication theory was found to be more appropriate for this study because of its efficiency and effectiveness in allowing various advertising media to convince consumers to purchase.

Armstrong (2010) notes that a communication process designed in the form of advertising aims to persuade consumers to purchase products or services from advertisers. Arens, Schaefer and Weigol (2009) argue further that, advertising is a



one-way channel of communication as such, the consumers do not have the opportunity to ask questions regarding forms of visual or audio presentation expressed via the four-advertising media, broadcast media, the print media, out of home advertising media and internet advertising media. Thus, this study's exploration of the effect of business spending on various advertising media will generate consumer views on the extent of advertising media effectiveness.

According to Belch and Belch (2012), advertising is any paid form of non-personal communication about an organisation, product, service, or idea by an identified sponsor. Wells, Burnett, and Moriarty (1995), who claim that advertising is a non-personal form of mass communication, define advertising as non-personal communication from an identified sponsor using mass media to persuade or influence an audience. Belch and Belch (2012) suggest that advertising is the best-known promotional tool since it is persuasive. Thus, advertising is a very important tool for businesses whose products and services aiming to satisfy mass consumer markets.

While the effect of advertising on consumers rests on communication theory (Tellis, 2004), the effectiveness of advertising is a complex phenomenon. The effectiveness depends fundamentally on the human response to communication and how it is linked to consumers and advertising. This link involves attention, processing, recall and response to appeal. This leads to one potential drawback that arises from what Arens *et al.* (2009) noted as advertising's nature as a one-way communication. This prompted the study to investigate the effectiveness of various advertising media in encouraging consumers to purchase products or services. The outcome of the study will assist SME's and large businesses to choose the most suitable and effective form of advertising media to advertise their brand.

There are indications that advertising expenditure is increasing both locally and internationally. South Africa's total expenditure on advertising media in 2013 was nearly R34.4 billion (Mokgata, 2013), which is a significant increase from the 2012 total expenditure of R32.1 billion (Hawkes, 2012). In addition, promotional expenditures in international markets grew from \$465.5 billion in 2012 to nearly \$518



billion in 2013 (Barton, 2012; Solomo, 2013). The implication is that a proper form of advertising is necessary to reduce excessive spending.

The position of SMEs is of great interest here. Mahembe (2011) notes that South African SME's suffer from poor management skills and this leads to a high rate of business failure. The reality is that the sustainability of SME's in South Africa is low in comparison to those from other countries in the world. Therefore, the focus of this study is to investigate the SME's spending on advertising and its sustainability towards boosting the economy and the resultant reduction of poverty and unemployment.

O'Sullivan and Abela (2007) report that the ability to measure the external and internal advertising performance causes a significant impact on businesses' performance, profitability, stock return and marketing's stature within the business. Brooks and Simkin (2011) indicate that, the inherent complexity in quantifying the effectiveness of advertising has often become a barrier in developing paradigm for advertising measurement. Hence, many advertising media businesses find it difficult to invest more on advertising.

1.4 CONCEPTUAL FRAMEWORK

The purpose of the conceptual framework is to set the stage for the presentation of the research question and to drive the investigation being reported (Cohen & Crabtree, 2006). Figure 1.1 depicts the conceptual framework for the proposed study.

Figure 1.1 depicts various advertising media as central to the proposed study.

The researcher is aware that marketing is a process that introduces and promotes a product or service to potential consumers using tools such as advertising. In addition, the researcher investigates which, amongst the four types of advertising media, broadcast, print, outdoor and online, is more effective in ensuring the profitability and sustainability of SMEs within the Welkom area.



Figure 1.1: Conceptual framework for the proposed study

Advertising media -		User's		Results/outcome
compare and contrast		perception		
 Broadcast (TV, Radio) Print (Newspaper, Magazine, Flyer, Pamphlet) Outdoor (Billboards, Posters, Transit) Social Media (YouTube, Twitter, Facebook, Flicker. Online (Internet) 		Effective media choice	→	 Profitability, and Sustainability

1.5 PROBLEM STATEMENT

Problem statement is a description of the existing difficulty which needs to be addressed. In this section, the problem background and the problem of the study are discussed.

1.5.1 Problem background

Most townships are populated by permanently closed or shut down SMEs. These closures adversely impact on the local economies and end up exacerbating the levels of poverty and crime. By understanding the actual target market and employing advertising strategies to appeal to that market, can improve the profitability and sustainability of these businesses. Any business can only succeed if the product or service it provides is well known by potential buyers. Businesses should use marketing strategies to create product or service awareness unless the business is known in the community and has readily available communication with consumers. The use of marketing to promote a product, service and business provides the entity with a chance of being discovered by prospective consumers. Therefore, marketing makes potential consumers aware of a particular business'



offering and assist in the creation of the opportunities that will enable the business to progress and succeed.

Businesses invest a lot of money in the advertising sector. Mokgata (2013) notes that R34.4 billion was spent on advertising in South Africa during the fiscal year starting from 2012 to 2013. In addition, Lives (2017) states that the top 50 businesses spend R43.6 billion during the 2016 fiscal year. The intended spending on advertising is to boost the profile of a business, generate trading and facilitate the flow of income. However, businesses might not know which advertising media is effective and can produce good returns. The usual forms of advertising, broadcasting, print media, outdoor and internet media, have individual or joint potential to guarantee the profitability and sustainability of a business. This study investigated the effectiveness of various advertising media on the profitability and sustainability of SMEs investment in Welkom.

Businesses should therefore regularly revisit and select an advertising media that has an impact on consumers at lower costs. This assists SMEs to increase their consumer base, sustainability and economic principle. SMEs should also embrace the changing media technology, which, until now poses a threat to traditional methods of advertising.

1.5.2 The problem

The research problem identified from the above-mentioned section is to investigate the effectiveness of various advertising media used as a promotional tool to boost the profitability and sustainability of SMEs on consumers in Welkom. Businesses are not sure of the advertising media that can yield good return on the money spent. Eventually, SME's resources are misallocated erroneously and this could lead to the business collapsing.



1.6 OBJECTIVES

Research objectives provide amicable solutions to the research problem. The main and secondary objectives of the research which responds to the research problem are outlined below.

1.6.1 Main objective

The main objective of this study is to determine the effectiveness of various advertising media on the profitability and sustainability of SME's in Welkom.

1.6.2 Secondary objectives

- To establish the influence of broadcast, print, outdoor, flyers, pamphlets, transit, online and social media on the buying decision of consumers in Welkom.
- > To determine the advertising media that can be used to effectively promote a product; and
- To establish the cost-effective advertising media in the promotion of a product.
- To make recommendations on the advertising media that can contribute to the profitability and sustainability of SME's

In the next section, clarity is provided regarding the research methodology that will be employed in this study.

1.7 RESEARCH PARADIGM AND METHODOLOGY

A paradigm is a theory which guides the way research is done, while methodology is a process of collecting information and data for the research study. Research paradigm and methodology are discussed underneath.

1.7.1 Research paradigm

A research paradigm is a logical strategy that researchers use in developing accurate facts about the study (De Vos, Strydom, Fouchè & Delport, 2011). Tustin,



Ligthelm, Martins and Van Wyk (2005) add that a research design is a plan that needs to be followed in order to realise the research objectives or hypotheses. It represents the master plan that specifies the methods and procedures for collecting and analysing the required information.

A quantitative and qualitative research method, also known as triangulation (Mixed Method Research), is used to collect relevant data for analysis. The reason to combine both methods is that they complement each other and are known to be more reliable when triangulated (Epistemology and ontology Mixed Method Research). It also provides a better and balanced investigation of research problems in context. Lastly, is to overcome the limitations of a single research design method.

The significance of using the epistemological and ontological mixed methods is to understand and find the truth about the nature of the SME's need of profitability and sustainability, with regards to various advertising media and spending by businesses, not forgetting to compare the effectiveness of various advertising media. This study will use the phenomenological design to collect qualitative data and descriptive method to collect quantitative data.

Phenomenology is an approach that concentrates on the study of consciousness and the objects of direct experience. On the other hand, descriptive research method collects accurate information without changing the environment (Ngulube, 2015). On the other hand, descriptive method is designed to depict the participants on a study in an accurate way by using tools such as survey, observation and case study (Leedy & Ormrod, 2010). Therefore, quantitative and qualitative research methods are discussed underneath.

1.7.2 Quantitative research

According to Gall, Gall and Borg (2010:560) quantitative research is defined as an "inquiry that is grounded in the assumption that features of the social environment constituted an objective reality that is relatively constant across time and settings; the dominant methodology for inquiry involves collecting numerical data on the observable behaviour of samples and subjecting these data to statistical analysis."



Numerical and statistical methods such as Microsoft excel Spreadsheet using chi square and Cronbach's Alpha will be applied in the study. This method will be used to collect data in a form of questionnaires from consumers, reason being that the population of consumers is too large, and it also needs to be sampled. Quantitative results will assist to supplement the qualitative results and thus achieving triangulation of results.

1.7.3 Qualitative research

Qualitative research involves the collection, analysis and interpretation of data that cannot be meaningfully quantified (Wiid & Diggens, 2009). However, the employment of the Mixed Method Research (MMR) in this study makes it possible to quantify qualitative data (Sandelowski, 2000). The researcher uses qualitative method to collect data in from interviews with owners and managers of SME's in Welkom. Interviews are used to detect and find the truth about the return on the money being spent on advertising. This approach signifies the importance of critical participative action research as part of the qualitative-interpretative paradigm.

1.7.4 Population

Population is a term that sets boundaries on the study units. It refers to individuals in the universe who possess specific characteristics (De Vos *et al.*, 2011). According to Tustin *et al.* (2005), population entails a group from which the sample will be drawn. It includes all the people or establishments whose opinion, behaviour, preferences and attitudes will yield information that assists in answering the research questions. For this research, the target population consists of the SME's operating in various sectors, such as retail, in city of Welkom within Free State province in South Africa. The population also consists of consumers living in the city of Welkom.



1.7.5 Sample and sampling procedure

The studying of a specific sample enables the researcher to generalise the study results to the population from which the units were selected (Trochim, 2005). According to Stewart, Shamdasani and Rook (2007), a sample frame consists of a list of people (household & institutions) that the researcher thinks represent the larger population of interest.

This study's sample is drawn from SMEs that are registered with the Lejweleputswa Chamber of Commerce. The collection of qualitative data from the SMEs involves the use of simple random sampling in the selection of the sample for interviews from the existing management or owners of approximately ten (10) SMEs within city of Welkom.

In addition, a convenience sampling technique that falls within the non-probability sampling method is used to select not less than 200 participants from Bedelia, a suburb in city of Welkom, in order to collect quantitative data from consumers. A two hundred (200) sample size was projected as manageable in terms of time and costs. This also because the suburb consists of lower and middle-class consumers and as such they are exposed to various advertising media.

Researcher decided to sample 200 participants because the larger sample size provides more accurate mean value, it identify outliers that could skew the data in a smaller margin error. Furthermore, the researcher distributed 10 questionnaires for pretesting in order to detect errors in wording and how long to administer the questionnaire. The researcher collected both interviews and questionnaire data from respondents.



1.7.6 Data collection

Since the researcher uses both qualitative and quantitative methods also known as mixed method in this study, it is important to outline the technique that used to collect data for analysis. Data collection is about applying a specific measuring instrument (De Vos *et al.*, 2011).

1.7.6.1 Data collection questionnaire

The researcher used a four-gradient structured Likert scale questionnaire to collect relevant data from 200 consumers. A semi-structured questionnaire consisting of a seventy-seven (77) self-developed questionnaire statements is employed to gather quantitative data. Researcher selected respondents through observation which was based on gender, race, age, income level, and education level around the streets and shopping complex in Bedelia suburbs. The researcher read a consent letter to the respondent and told the respondents has a right to withdraw at any time from participating on a study. The consumers were asked to answer questionnaire statements based on various advertising media and its effect on their buying decision of products and services.

1.7.6.2 Data collection interviews

Unstructured interviews were constructed in order to gather qualitative data from top level management or owners of SMEs. The study chose to conduct face-to-face interviews in order to collect qualitative data from managers or owners of SMEs in a conducive and favourable atmosphere where the respondents will be relaxed and free from interruptions. Researcher selected SMEs using newspapers, yellow book, and travelling around central business district around city of Welkom. The researcher read a consent letter to the respondent and told the respondents has a right to withdraw at any time from participating on a study. The researcher, with the permission of the interviewees, used a voice recorder to capture the conversation after which the transcription follows (see Annexure F).



1.7.7 Validity and Reliability

The study pays attention to key issues of credibility and these are the validity and reliability of the research instrument. According to De Vos *et al.*, (2011), validity is about the degree to which a measurement tool can measure what it is designed to measure. In addition, reliability is where an instrument is reliable enough to measure a thing over periods and yield comparable results (De Vos *et al.*, 2011).

Finally, the researcher also circulated the content and structure of the questionnaire and interview questions to solicit validity and reliability from staff within the Department of Business Management who possess expertise in research. The services of the statistician of the Central University of Technology, (CUT) are also used to determine the questionnaire and interview questions link with the objectives of the study. Data analysis were logically constructed by statistician. Results from questionnaires and interviews answered the research questions, therefore, the statistical findings truly represent the phenomenon being claimed to measure. Furthermore, researcher used Cronbach's Alpha values test reliability of the study. This means questionnaire and interview questions are valid and reliable.

1.7.8 Data analysis

An interpretive approach enabled a qualitative method to be used to gather data from SME's. Data collected from interview is transcribed, analysed and categorised in various themes by the researcher (Miles, Hurberman & Saldaña 2014). Furthermore, the interactive approach to collecting data is used to identify patterns and data that is suitable for communications (Babbie, 2011; Leedy & Ormrod, 2010).

The quantitative data analysis involved the use of charts and other bar charts to illustrate graphical representation of data to be analysed. For the inferential statistics, the study applied the statistical Microsoft excel Spreadsheet using chi square and Cronbach's Alpha values for relationship correlations (Zimkund & Babin; 2010; Salkind, 2009).



1.8 ETHICAL CONSIDERATIONS

Ethics are the moral principles and values that govern the way an individual or a group conducts its activities. Ethics apply to all situations in which there can be actual or potential harm of any kind, whether economic, physical, or mental, to an individual or a group (Churchill, Brown & Sunter, 2010). As a result, various values were considered. The researcher informed the respondents of their rights and the reasons of partaking in this study. The researcher also agreed to comply with the code of Marketing Research Standards and the calendar of Central University of Technology.

The other ethical issues include informing respondents that their participation is voluntary, and that they can withdraw at any time from participating on the study. Should there be any flaws, disclosures of confidentiality or biasness, the respondents may or have a right to launch a complaint to Central University of Technology.

1.9 LIMITATIONS

Irrespective of the objectives of a research study, problems beyond the control of a researcher can sometimes cause the study to be limited with regards to issues such as time and the sample size. Such limitations should be reported if a research report is to be treated as objective, accurate and truthful (Leedy & Ormrod, 2010).

The limitations for this study therefore could involve the failure by some of the businesses, due to the business policies, difficulty to reveal their financial budget and problems faced with advertising budget. In addition, some of the consumers may not return their questionnaires on time or some of the questionnaires may be incorrectly answered (spoiled questionnaires).

1.10 CONCLUSION

The expenditure from advertising in various media is continuously increasing every year within businesses. Therefore, the significance of investigating the effect of various advertising media used as a promotional tool to boost the profitability and sustainability of SMEs remains relevant with regards to the development and advancement of



business growth. The researcher used both the qualitative and quantitative methods to collect data from consumers and managers or owners of SMEs. The research and Central University of Technology ethics were practiced on both consumers and owners or managers of SMEs by the researcher.

The next chapter, Chapter 2 focuses on a literature study of advertising as a promotional tool. It discussed the promotional tools, sales-promotion, direct marketing, advertising, personal selling, online marketing, publicity and public relations, in detail. Chapter 3 reviews the literature about advertising media. The chapter also focuses on effectiveness of various advertising media, advantages, disadvantages and expenditure and ratings. Chapter 4 presents the researcher's discussion on research methods, designs, and data collection methods used in the study. Chapter 5 focuses on data presentation, discussions and analysis of the study. Chapter 6 outlines the conclusions and recommendations of the study.



CHAPTER 2 ADVERTISING MEDIA AS A PROMOTIONAL TOOL

2.1 INTRODUCTION

Marketing is an essential communication tool, because it addresses the needs of individuals and institutions (Cant, Strydom, Jooste & du Plessis, 2007). It is directed at the target-market for purposes of increasing the demand for products or services, and to control it so that the demand and supply will correlate in effective engagement (Saxena, 2009). Therefore, in the same context that Cant *et al.*, (2007) describe marketing, Saxena (2009) indicates that marketing can be used as a communication tool to control the relationship between demand and supply of the products or services.

Chandrasekar (2010) notes that marketing is a process of planning and an execution of the conception, price, promotion and distribution of ideas, goods and services to a create need, desire or demand which satisfies consumers' needs and SMEs' objectives. This suggests that marketing, as a process, can be used to arouse the desires or demands of current and potential consumers.

Therefore, promotion as one of the marketing-mix tools (product, price, place and promotion), plays a fundamental role in the dissemination of information which serves to persuade or remind the target-market about a product or service, as well as the price and place of an identified sponsor (Boone & Kurtz, 2015). Hyunjoo and Kwon (2009) is of the view that promotional tools (sales-promotion, direct marketing, advertising, personal selling, online marketing, publicity and public relations) lead to increases in a business's sales and profits and develops the trends that strengthen a business's brand and image. As a result, promotion as one of the marketing mix tools, plays a pivotal role in communicating or sending the message to consumers and in the process, guarantee the profitability and sustainability of SMEs.

Understanding a customer's reaction to the application of promotional tools, which may result in a business's sustainability, is very important towards achieving increased sales and supporting other components of the marketing-mix. The reality that elements within promotional tools are deeply interrelated means that components of promotion



can serve as a contributing factor to the arousal of a customer's need to purchase (Banerjee, 2009). The promotion tools here, as noted by Boone and Kurtz (2015), include elements such as sales-promotion, personal selling, direct marketing, online marketing, publicity, public relations and advertising. Nevertheless, promotion, as one of the marketing-mix elements (product, price, promotion and place) can also be used to communicate with prospective and current consumers to stimulate desire or the need to purchase a product or service (Armstrong, Adams, Denize & Kotler, 2015). Finally, as noted by Boone and Kurtz (2015) and Amstrong *et al.*, (2015), promotional tools need to relate or complement each other in order to achieve the desired results of SMEs.

The aim of promotion is to ensure that targeted consumers are informed and familiar with a business's products or services (Shimp & Andrews, 2014). The aforesaid statement justifies the observation that advertising is one of the promotional tools used by SMEs to boost their image, longevity, sustainability and profitability. Hence, the investigation of the effect of various advertising media, used as promotional tools to meet the profitability and sustainability needs of Small-Medium Enterprises (SMEs) is imperative.

2.2 THE RELATIONSHIP BETWEEN MARKETING COMMUNICATION, INTEGRATED MARKETING COMMUNICATION (IMC) AND SMEs

This section will be focusing on the relevancy of relationship between Marketing communication and SMEs. Furthermore, relationship between IMC and SMEs will also be discussed.

2.2.1 The relationship between Marketing Communication and SMEs

Communication plays a significant role in marketing that seeks to pass on information about a business's products or services to consumers and potential investors (Ang, Brandt & Denison, 2014). Belch and Belch (2012) note that the role of communication includes all messages, such as the running and managing of a business, and conducting the formal affairs of a voluntary organisation, which SMEs send and receive for official purposes. The success of any business depends on efficient and effective



communication with targeted consumers (Ang *et al.*, 2014). This could mean that for SMEs to be profitable, marketing communication is needed as it enables consumers to know about the business's products or services and why they purchase products or services.

A business's success is ensured by the entity's constant communication with its target-market or consumers (Koekemoer, 2014b). The target-market (consumers) ceases to be aware of the business and its products or services, in the event that the business misleads, fail to communicate, or incorrectly communicate with its consumers. This may in turn lead to lack of profitability and sustainability within the business, which will eventually cause it to shut down. The process of interaction between the SMEs and its consumers is referred to as marketing communication (Belch & Belch, 2012).

Marketing communication takes place among SMEs, in market places, within businesses and among various groups of employees, and between owners and employees, buyers and sellers, service providers and consumers, sales persons and prospects as well as the media (Brennan, Cunning & McDowell, 2014). Therefore, there should be an existing and constant relationship between marketing communication and SMEs.

SMEs must create awareness and provide information about products or services they offer. Du Plessis, Van Heerden, and Cook (2010) note that marketing communication offers a clear explanation about the SMEs' information, objectives and products or services to the consumers. Therefore, the relationship between marketing communication and SMEs can boost and add value or utility in the sustainability and profitability of the SMEs.

Marketing communication indeed has an impact on the SMEs profitability and sustainability. A well-executed communication can promote the rapid growth and development of SMEs (Ang *et al.*, 2014). Otherwise, it will portray the business in a poor light and may adversely affect the profitability and sustainability of the business (Koekemoer, 2014b).

In addition, promotional tools are used to interact with consumers. The interaction is at the heart of any SME, and their main purpose is to effect change which will influence



action (Dahlen, Lange, & Smith, 2010). Therefore, the use of promotional tools can improve the sustainability and profitability of the SMEs. The main problem experienced by most SMEs relates to their failure to maintaining an effective and efficient communication process with its consumers (Dainton & Zelley, 2011).

This management problem generally results in poor communication caused by the use of ineffective advertising media. Mistakes often arise from the reality that consumers may not be interested in the advertising media that would have been selected by the management of a business. This leads to consumers misinterpreting the message which has been sent (Dahlen, et al., 2010). In addition, Clow and Baack (2012) note that the basic problem experienced with marketing communication is that the meaning of a message as perceived by the customer may not be what the business would have intended to send. It must be realised that the business and the consumers are two separate individuals, each with their own limitations. Hence, various events and mistakes may occur and these can distort the message that passes between the individuals and the business.

Having briefly discussed the relationship between marketing communication and SMEs, the study focuses on the marketing communication channel in the next subsection.

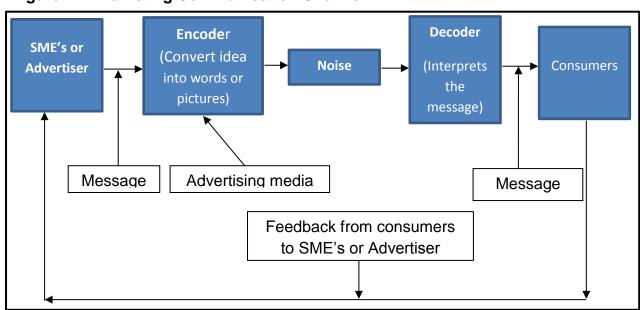


Figure: 2.1 Marketing Communication Channel

Source: Belch and Belch (2012)



Figure 2.1 above illustrates the marketing communication channel between SMEs and consumers. According to Boone and Kurtz (2015) marketing communication exists in a situation where there is an SME (sender/transmitter) that wants to pass information about its product or service to a consumer or investor (receiver) using various advertising media. The consumers partly or wholly understand the message or information about the product or service passed on to them and then respond to the message or gives feedback in the form of a sale or purchase. The purchasing of a product provides the SMEs with feedback which often tells the SMEs that the consumer received information and wanted to try or buy a product. All this takes place in an environment characterised by noise, also referred as disturbance, from the messages being sent by competitors (Belch & Belch, 2012).

Clow and Baack (2012) note that interference, interruptions, and noise (competition) can distort the marketing messages sent by SMEs. Factors such as poor reception, poor print quality, problems with a server, or a low battery, can also interfere with a consumer's reception of a message or information about SMEs products or services. The aforesaid components are essential for communication within the business to be successful and to achieve its objective. Therefore, the need for effective and efficient marketing communication within SMEs is imperative (Cenere, Gill, Lawson & Lewis, 2015).

Adair (2009) suggests that the following methods should be considered in order for SMEs to communicate effectively and efficiently: they must use standard terminology when communicating information to consumers; request to talk to consumers and provide clarification when needed by consumers; ensure that SMEs statements are direct and unambiguous; inform the appropriate consumers when the mission or the plans of the SMEs change; communicate all information needed by those consumers or teams external to the business; use nonverbal communication appropriately; and use proper order when communicating information to consumers. Therefore, marketing communication needs support such as integration of promotional elements in order to be successful.

On the next section relationship between Integrated Marketing Communication and SMEs is discussed.



2.2.2 The relationship between Integrated Marketing Communication and SMEs

Integrated Marketing Communication (IMC) plays a pivotal role in coordinating the SMEs promotional tools, reaching the target-market and stimulating consumers to purchase the product or service being marketed (Hutt & Speh, 2010). The IMC concept is intended to integrate different promotional tools to build relationships and generate added value with consumers so that SMEs can be profitable and sustainable (Ang *et al.*, 2014).

However, as Belch and Belch (2012: 4), who draw on the American Association of Advertising Agencies, state: "IMC is a concept of marketing communications planning that recognises the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines- for example, general advertising, personal selling, direct response, shopper marketing and sales-promotion, public relations and alternative tools and combines communications impact."

Hence, IMC plays a comprehensive role in facilitating the various business sector's and promotional activities work towards meeting the targeted consumers' demands, encourage purchases and ultimately achieve in increasing profitability for the businesses.

IMC plays an integral part within the SMEs' operations and survival. Du Plessis *et al.*, (2010) notes that IMC coordinates promotional tools in order to effectively inform, remind, and persuade targeted consumers and thus can enhance the profitability and sustainability of SMEs. The IMCs' roles are thus significant here. Therefore, SMEs managers' task is to integrate promotional tools in a way that seeks to achieve SMEs' objective. In addition, managers of SMEs must balance the strengths and weaknesses of each promotional tool to produce an effective IMC campaign.

Promotional tools are also significant and used differently in the SME's marketing activities. According to Shimp and Andrews (2014) most SMEs use various promotional tools separately rather than as a conglomerate of tools which will translate to the production of better results. Clow and Baack (2012) posit that promotional tools (sales-promotion, advertising, personal selling, publicity, public relations, direct



marketing, word-of-mouth and interactive / online marketing) are used separately by small and large SMEs due to their different objectives. Therefore, most SMEs hire outside specialists or agencies to assist them in promoting their products or services without integration of promotional tools taking place during planning (Koekemoer, 2014a). As a result, Ang *et al.*, (2014) postulates that IMC is a strategy worth pursuing, because applying various advertising media in conjunction with one another can produce greater results than if the promotional tools were to be used separately and in an unsystematic way. Furthermore, there is a synergistic effect created when using multiple, well-coordinated promotional tools that can improve SMEs when communicating with target market.

Belch and Belch (2012) argued that there is no way to determine the most advantageous promotional tools, as there are many factors that can and will impact on the effectiveness of the tools. Likewise, Koekemoer (2014b) supports the argument that integration has failed in the marketing world because the SMEs or marketer orders products and services from different suppliers which use different promotional tools to communicate with their consumers. SMEs therefore experience difficulties when trying to integrate promotional tools and as noted by Koekemoer (2014b), the situation gets worse when the consumers' needs and perceptions get included.

In addition, most of the SMEs think IMC is only for large SMEs, because they have huge marketing budgets and yet the reverse is true (Tsikirayi, Muchenje & Katsidzira, 2012). Gabrielle and Balboni (2010) support the notion, after a comprehensive review of available literature that, the theory in relation to IMC is not relevant nor is it related to SMEs.

Accordingly, there are limited studies conducted in relation to the relevancy, importance and meaning of IMC in the context of SMEs and the marketing management of SMEs. However, it has been widely observed that SMEs do not implement nor emphasise the proper planning of IMC for their SMEs (Tsikirayi, Muchenje & Katsidzira, 2012).

The integration of promotional tools within SMEs remains fundamental in informing consumers about the product or service offered (Chitty, Barker, Valos & Shimp, 2011; Turcotte, 2013; Shimp & Andrews, 2014). The application of separate promotional



tools, which are mainly sales-orientated, implies that building long-term relationships with consumers is not a priority issue. This exposes the failure of SMEs to make use of the promotional tools and the benefits of an IMC programme. This shows that SMEs do not consider the significance of planning their promotional tools in order to make an impact on their consumers (Chitty *et al.*, 2011; Turcotte, 2013; Shimp & Andrews, 2014).

An investigation into the effect of various advertising media on consumers can assist SMEs to understand the market within which they will be operating (Hutt & Speh, 2010). Belch and Belch (2012) note that it is imperative for SMEs to understand the target-market for which their product or service is intended. Such attempts locate SMEs in a better position to select or integrate promotional tools that are effective, allow budgets to be restructured to move away from under-performing advertising media, and focus instead on effective advertising media that produces better results (Chitty *et al.*, 2011).

Integrated Marketing Communication (IMC) also plays a significant role in the SME's push and pull marketing strategies. Koekemoer (2014a) states that IMC is highly dependent on the business's overall marketing strategy. That is, it depends on whether SMEs choose the push or the pull strategy to create sales. The push strategy involves personal selling, sales-promotion, and direct marketing, whilst the pull strategy involves advertising, online media, publicity, public relations and word-of-mouth.

Finally, Shimp and Andrews (2014) reported that the use of the regression modelling and sales trajectories assists the researchers to determine whether the integration of both broadcast and print advertisements produced a positive synergistic effect. In addition, Hutt and Speh (2010) note that advertising, online media and sales-promotion tools must be integrated and that this integration will produce a comprehensive program of advertising media to achieve desired results.

Integration is imperative in communicating with potential consumers, therefore, elements of promotional tools which needs to be integrated are discussed in the next section.



2.3 PROMOTIONAL TOOLS

According to Boone and Kurtz (2015) promotional tools are the various marketing communication tools that are used by SMEs to convey information or messages about a product or service to target-markets or consumers. By using promotional tools SMEs can directly and indirectly communicate with potential consumers, groups or other SMEs with the aim to inform and persuade them to purchase the products or services in question (Mortimer, 2008).

Closely related to promotion tools is the act of promotion. Belch and Belch (2012) define promotion as the combination of a business' originated efforts to plan channels of information and persuasion to sell goods and services or promote an idea. Thus, Lamb, Hair and McDaniel (2012) suggest that promotion is used to communicate with potential consumers to inform, persuade, or remind them about products or services offered by a business.

Furthermore, promotion can accomplish various marketing objectives, such as stimulating sales-force enthusiasm, invigorating sales for a mature brand, facilitating the introduction of new products, increasing on- and off-shelf merchandising space, encouraging repeat purchases, and reinforcing advertising (Shimp, 2010, Shimp & Andrews 2014). There, however, is a challenge regarding the use of promotional tools. Engeseth (2009) argues that using promotional tools entails challenges in the area of selecting the right advertising media to suit a business at a given time and using it correctly to achieve a good return on investment.

Studies have also shown that sales-promotion, advertising and personal selling act as influential factors in the increase of sales since they improve consumers' awareness and persuade them to try the products (Banerjee, 2009; Hyunjoo *et al.*, 2009; Wang, Sun, Lei, & Toncar, 2009; Storbacka, Ryals, Davies, & Nenonen, 2009; Moghareh, & Haghighi, 2009). Nonetheless, direct marketing has no meaningful influence on the increase of sales from the perspective of individuals who form part of the target-market (Storbacka *et al.*, 2009).

Finally, as noted by Arens, Schaefer and Weigol (2009), promotional tools consist of sales-promotion, personal selling, direct marketing, online marketing, publicity, public



relations, advertising and word-of-mouth and these concepts are briefly explained as follows:

2.3.1 Sales-promotion

Sales-promotion basically represents all marketing activities other than personal selling, advertising, and public relations (Lamb *et al.*, 2012). Sales-promotions are used to encourage purchasing and sales. They are a useful method for achieving a rapid increase in sales and they include elements such as coupons, product samples, point-of-purchase displays, price-reduction offers, container-premiums, trade shows, refund-offers, game-shows and contests (Mehra, 2009). Therefore, it can be stated that the objective of sales-promotion is to increase sales, inform potential consumers about new products, and to create a positive image for the business within the target-market.

Sales-promotions are common within SMEs. The SMEs use sales-promotion to stimulate customers' demands and needs, and ultimately achieve a positive reaction from that customer with regards to product being offered (Mullin, 2010). This method brings a sense of fun and added value and enhances the offer to consumers. These short-term incentives encourage the sale of a product or service to the consumers, distributors and SMEs with the primary objective of creating instant sales (Trehan & Trehan, 2011). Nevertheless, sales promotions are an expensive exercise as a budget allocation for product-samples is needed and this may lead to the business making a reduced profit (Arens *et al.*, 2009). In addition, aggressive sales-promotions can lead competitors into a price war, which leads to low profits for the businesses concerned.

It is clear that the purpose of sales-promotion is to influence consumers to purchase a product within a brief period. Therefore, an investigation of the effectiveness of sales-promotion is imperative. The elements within a sales-promotion can thus be investigated prior to, and after, consumers' purchasing of a product (Koekemoer, 2014a).



2.3.2 Personal selling

According to Boone and Kurtz, (2015), personal selling is the most effective form of promotion because it allows a business' approach in selling products or services to be modified to what consumers want or need. The different types of personnel involved here include field-sales-people, retail-sales-people and door-to-door- or in-home-sales-people (Moriarty, Mitchell, Wells, Crawford, Brennan, & Spence-Stone, 2015). Generating a sale is extremely important for a business, but the process involves a lot of work and skill to convince a consumer to make a purchase. Nonetheless, personal selling generates direct contact with prospects and consumers (Mullin, 2010). As a result, there is need for effective and efficient communication from the business towards consumers in order to listen to their needs, promote product and business benefits on an individual basis, answer any questions, resolve any problems and immediately get the consumers' feedback before closing a sale (Boone & Kurtz, 2015).

Personal selling has its challenges and disadvantages. Trehan and Trehan (2011) argue that personal selling is time consuming and is therefore one of the most expensive forms of promotion. Ferrell and Hartline (2010) mentions that reaching one consumer through personal selling costs considerably more than advertising. Shimps and Andrews (2014) also note that there are sellers who rely on deception, false promises, trickery, and misrepresentation to close a sale or to sell products that do not work or do not exist. This has often resulted in sales-people being misunderstood and mistrusted by consumers, which contributes to the stereotype that sales-people are persistent, often unethical, smooth-talkers who influence consumers into buying things that they do not need (Van Heerden & Drotsky, 2011).

Nevertheless, personal selling has its positives. It can build long-term relationships with consumers, as it is flexible and is a form of one-on-one communication (Van Heerden & Drotsky, 2011). The effectiveness of personal selling is enhanced when it is accompanied by various forms of advertising media. Hence, the need to investigate the effectiveness of personal selling on consumers (Sirgy, 2014). In addition, Ferrell and Hartline (2010) maintains that personal selling has a significant impact on consumers and achieves immediate feedback that allows SMEs to improve communication where sales-people are lacking. This could assist in determining the consumers' needs.



2.3.3 Direct marketing

Direct marketing is a promotional tool that focuses on a targeted selection of prospects and consumers rather than to a mass audience (Sivesan, 2013). Direct marketing uses printed media and online media. Its goals are to generate sales or leads for sales-representatives to pursue, which will in turn generate consumers who will fulfil a business's objectives (Thomas, 2007). With regards to SMEs, direct marketing facilitates the SMEs to engage in one-way communication with their consumers about product or service announcements, special promotions, bulletins, customer inquiries and order confirmations (Boone & Kurtz, 2015). According to Thomas and Housden (2012), direct marketing only targets consumers who find the business's message relevant, and then communicates solely with them. This eliminates spending on ineffective forms of advertising media.

Sacristan (2012) argues that the major challenge of direct marketing is that it is time consuming as it requires research based on individual consumers, addresses them by names and ensures that the message they receive is relevant and helpful. Therefore, gathering, analysing and using information about individual consumers can lead to positive sales-trends (Thomas & Housden, 2012).

Finally, it should be noted that there are currently some innovations taking place with direct marketing and these have the potential of improving the viability of SMEs. The newest form of direct marketing is online marketing, which is conducted through corporate web-pages that provide consumers with information about products, where they can be purchased and how much they cost, along with the option to purchase directly online (Chitty *et al.*, 2011). The online's potential as a tool for direct marketing comes from its ability to enhance and not replace, the relationship between SMEs and consumers (Dahlen, Lange & Smith, 2010).

2.3.4 Online marketing

The online is a worldwide network facilitating the exchange of information and communication through a series of interconnected computers (Swanepoel & Bothma, 2013). Online marketing and advertising are growing continuously every year (Miletsky, 2010). Online marketing includes many aspects such as search-engine



optimisation, pay-per-click, paid-inclusion, directory submission, linking-campaigns, online press-releases, website copywriting, website-design strategies, online promotions, reciprocal linking, email marketing, online yellow pages, banner advertisements, email campaigns, newsletters and ezines (Swanepoel & Bothma (2013).

It can facilitate immediate feedback to a consumer's queries, concerns and doubts. The online even allows consumers to make immediate purchases at a location and time which suits the customer. As a result, online marketing is interactive in nature and convenient to the consumers (Swanepoel & Bothma, 2013).

Some large and small SMEs have created their websites that provide information about the products or services available at any time when needed by prospective consumers (Trehan & Trehan, 2011). According to Swanepoel and Bothma (2013) a website is one of the most popular ways to promote a business using the online. It provides millions of potential consumers who are unfamiliar with SMEs and might not venture a visit without having more information with a way of gathering information about a business and its products and services all in the comfort of the customers' own home. It is also a way to provide some basic information about a business that might otherwise be time-consuming to distribute (Armstrong *et al.*, 2015).

El-Gohary (2010) states that most SMEs have noticed the effectiveness of the online and other electronic marketing tools, which play a significant role in marketing, regardless of the business' size or type. Furthermore, many SMEs use online marketing due to its benefits such as being time-saving, cost-effective, ease of access to a massive global audience, and ability to provide product or service information 24 hours a day and 7 days a week (Miletsky, 2010).

2.3.5 Social Media

Social media encourages online communication and networking with consumers in a way that creates trust between SMEs and the population involved (Hana, Al-Deen & Hendricks, 2012). According to Neti (2011), social media allows consumers or clients to share their content, opinions and views as well as encourages interaction and community-building. It is also about communicating with one's consumers in a more



conversational way (Zarrelle, 2010). Finally, some of the popular social media sites are: Facebook, YouTube, Twitter, LinkedIn, WhatsApp, MySpace, Digg, StumbleUpon, Delicious, Scribd and Flickr (Swanepoel and Bothma, 2013). The use of the social media sites as part of a business's marketing strategy has, thus increased significantly over the past few years (Hana *et al.*, 2012).

Blanchard (2011) states that the increase of social media budgets, when there is lack of supporting materials to confirm the effectiveness of the social media platform, tends to raise concerns among the business's executives. Vaynerchuk (2011) supports the notion that most of business managers also question the relevance of social media marketing as part of the SMEs set of promotional tools, as well as its relation to the other marketing platforms such as public relations, sales and advertising.

The use of social media within various SMEs has resulted in positive results in such businesses. Blanchard (2011) notes that there are findings which illustrate that more SMEs are now actively involved in social media sites, which also highlights the emergence of such sites as a new promotional tool. The success of social media as a growing trend, where social network such as Facebook has more than 1.57 billion mobile daily active users (Aslam, 2018), has allowed SMEs to penetrate this new domain and take advantage of the marketing opportunities for their products (Farroq, Jan & Karachi, 2012).

2.3.6 Publicity

Publicity is a specific kind of public relations tool which is worth mentioning. It involves placing non-paid, positive and interesting information about a business, its consumers and associated persons of interest in the media in the form of a press release (Ferrell & Hartline, 2010). Publicity is used by public relations agencies to communicate with current and potential consumers about the product or service of a business. This means that publicity brings newsworthy information to the public by reinvesting (community outreach or ploughing back) in the community. For example, a publicity campaign could encourage businesses to donate computers to schools, to hospitals, or to a worthy cause (Armstrong *et al.*, 2015).



The effectiveness of publicity is very difficult to determine. Grunig (2008) argues that since publicity is free, publicity tracking does not provide an empirically based measure of its effectiveness on consumers. The preparation of news releases, staging of specials events, and persuasion of media personnel to broadcast or print publicity messages costs money. As a result, SMEs are indirectly paying for publicity and it should therefore not be regarded as a free promotional tool (Lamb, Hair & McDaniel: 2012). In addition, SMEs do not have control over what others may say on various advertising media (Grunig, 2008).

Publicity, nevertheless, has the potential to impact positively on SMEs' relations with their consumers. Shimps and Andrews (2014) note that the significance of publicity is that it creates a vibrant and positive impression with the media because SMEs tend to respond quickly to bad publicity. SMEs may, therefore, choose from various media such as press releases, press conferences in the form of product release statement, executive statement releases, and featured articles (Kaser & Oelkers, 2016). In addition, SMEs can generate publicity by sponsoring celebrities with products, which enables the business' products to be seen by a target population with the hope of stimulating awareness and product trial amongst the celebrity's fans (Ferrell and Hartline, 2010). Thus, the positive impression about the SMEs created by the publicity leads to the construction of a long relationship and, therefore, trust with consumers.

2.3.7 Public Relations (PR)

According to Ferrell and Hartline (2010) PR is any activity planned to create a favorable image of a business and its products, services as well as policies. This can lead to an increase in sales based on the business' perceived reputation and good relations with its consumers. PR focuses on the business rather than individual brands or products offered by the business (Shimp & Andrews, 2014). In the same way that advertising aims to create relationships between brands and desirable attributes, PR can create a positive impression by creating a positive image of the whole marketing department of a business (Kaser & Oelkers, 2016).

PR is however a costly and complex process. Arens, et al., (2009) state that public relations are expensive since the business should prepare a message that will be sent



to other stakeholders. As a result, any mistakes from sales-persons who would have been delegated to engage in PR results in the SMEs losing consumers, respect and profits. In some cases, SMEs might find that consumers have already made their decision and views based on the product or service being offered (Butterick, 2011). In addition, Heath (2013) notes that it is difficult to manage PR since it contains diverse constituencies to whom multifaceted SMEs must be accountable.

Nevertheless, the impact of public relations activities within diverse constituencies can allow a business to influence a target-market's perception of specific products or services offered by that business (Amstrong *et al.*, 2015). PR can keep consumers informed by releasing news about the business' current economic state as well as any new developments with regards to the business's products or services, distribution channels, facilities, operations, partners, revenues and earnings, employees, and events (Percy & Rosenbaum-Elliot, 2012). In addition, a positive relationship can be maintained with one or more stakeholders (target-market) and this relationship can boost the profitability and sustainability of SMEs (Ferrell and Hartline, 2010). Therefore, PR should not be viewed as a back-up marketing tool to be used only during crises; rather, SMEs should have a continuing PR program to promote goodwill with their consumers.

2.3.8 Word-of-mouth (WOM)

According to Trusov, Bucklin and Pauwels (2009) word-of-mouth (WOM) involves the spread of information via conversations between consumers. Bughin, Doogan and Vetvek (2010) maintain that word-of-mouth is a person to person communication process which occurs between a receiver and a communicator whom the receiver observes as representative in terms of a business's brand, product or service. Nonetheless, these consumers who would be possessing information about business' products or services, initiate discussions with other consumers and respond either positively or negatively with regards to the marketing information of the business.

WOM plays a significant role in businesses such as SMEs. It has been well recognised by SMEs for its ability to influence and attract new consumers, as well as to retain existing consumers (Lam, Lee and Mizerski, 2009). As a result, business's overall



marketing strategy should focus on measures aimed at promoting positive word-of-mouth opinions and eliminating negative factors that may lead to consumers not purchasing products or services (Bughin *et al.*, 2010).

Yet, as Saxena (2009) argues, most SMEs do not provide room for customer complaints, consultation nor feedback. Thus, while the practice of arousing WOM has exponentially grown, the process of quantifying the effectiveness of WOM in a business remains difficult (Trusov *et al.*, 2009).

Communication between a business and consumers is essential. Keller and Fay (2012) note that 75% of all customer conversations about business brands occur face to face, 15% over the phone, and about 10% online. Lamb, Hair and McDaniels (2012) suggest that a business' maintenance of an open online and offline honest communication with consumers provides it with a golden opportunity to crush negative word-of-mouth opinions. Hence, as Trusov *et al.*, (2009) conclude, WOM is an important communication tool for SMEs seeking to acquire new consumers and it has potential to effect larger and longer-lasting effects than traditional marketing activities (broadcast, print and outdoor advertising).

2.3.9 Advertising

According to Hutt and Speh (2010) advertising is the promotion of a business' products or services that is carried out to induce the sale of products or services. It is also practiced to build or strengthen a brand identity and communicate product changes based on features, advantages and benefits to the consumers. Advertising is an essential component of the corporate world and therefore SMEs continuously allocate a considerable amount of capital towards their advertising budget (Kaser & Oelkers, 2016).

There are a number of criticisms that are levelled against advertising. The major criticism is that advertising is often intrusive, deceptive, exploits children and demeans or corrupts culture (Mullin & Cummins, 2008). The other criticism arises from its characteristic quality as a method of mass promotion whose single message can reach many people (Murthy & Bhojanna, 2007). This mass promotion approach presents problems, since the audience to an advertising message may not be within the



marketer's target-market, and thus, the message is wasted and the act contributes to the inefficient use of promotional funds.

There are other issues to consider about advertising. Koekemoer (2014a) notes that advertising has been considered a one-way form of marketing communication. This is because the message receiver (i.e., target-market) is not able to respond to the message being sent by a business. For example, they are unable to seek more information or purchase the product directly through the advertisement.

In addition, the value of advertising to different business is never the same, Shimps and Andrews (2014) suggest that some SMEs allocate very little to their advertising budget but their products are still popular, whereas other SMEs invest enormous amounts in heavy advertising budgets but they do not receive desirable returns on their investment on the product been advertised. Hence, the need for an investigation of the effectiveness of various advertising media used as promotional tools to meet the profitability and sustainability goals of SMEs (Hutt & Speh, 2010).

Chandrasekhar (2010) and Fourie (2008) conclude that the effectiveness of advertising can assist SMEs in being made aware of their product life cycle stage, whether the product is performing well on the market, and whether the advertising budget should be increased or decreased based on the results received from the investigation of the effectiveness of various advertising media. In order for IMC to be effective all promotional elements need advertising.

Advertising as a promotional tool will be discussed in the next section.

2.4 ADVERTISING AS A PROMOTIONAL TOOL

2.4.1 Concept advertising

Usually, the bone of contention regarding advertising is the attraction of potential consumers who respond positively to a business' offering of its products or services. However, there are many definitions of advertising available (Brennan, Cunning, & McDowell, 2014). The scholars, Semenik, Allen, O'Guinand and Kaufmann (2012:11) define advertising as "a paid, mass-mediated attempt to persuade". While Patterson



(2013) states that advertising notifies, entertains, persuades, dissuades and helps to enhance the perception of added value regarding the offer of a business's product or service.

Belch and Belch (2012) provide a broader sense of advertising by outlining the four features evident of and part of advertising, which are: (1) A verbal and or visual message (2) A sponsor who is identified (3) Delivery through one or more media (4) Payment by the sponsor to the media carrying the message. Thus, a consideration of the points (1-4) shows that, advertising consists of various media involved in presenting to the customer a non-personal, sponsor-identified, paid-for message about a product or business.

Nevertheless, for this study, the researcher decided to focus on Koekemoer's (2014a: 62) definition of advertising as "any paid form of mass presentation of ideas, products and services by an advertiser, addressed to select target audiences with the objective of creating awareness, information, reminding, influencing, and persuading them to buy the product or service or to be favourably inclined towards these ideas, products and services". This definition shows that advertising is characterised as:

- A paid form: a deliberate and sponsored message disseminated through various advertising media for which payment is made (Arens et al., 2009);
- A low-cost mass communication: a form of communication which enables SMEs to disseminate a message to a larger number of current and potential consumers at the lowest possible cost (Hutt & Speh, 2010);
- Concerned with ideas, goods and services: such as tangible and intangible goods or services offered by institutions such as Banks, Agencies, Retail, Construction and Universities (Arens et al., 2009);
- Involves a known advertiser: consumers will most likely be familiar with the business that is sending the message or information to them (Hutt & Speh, 2010);
- Aimed at a selected target audience: the message or information is orchestrated to address, influence and persuade the needs of or to add value to specific targeted consumers (Koekemoer, 2014a); and



Has a stated objective: this varies from one advertisement to another but is
ultimately intended to persuade or influence the target consumers to buy or to be
favourably inclined towards the product or service (Koekemoer, 2014b).

2.4.2 Purpose and functions of advertising

Advertising serves a number of functions and purposes. Belch and Belch (2004) state that advertising is best known as a promotional tool since it is persuasive and serves as a very important tool for SMEs whose products and services aim to satisfy mass-customer needs. Brennan, Canning and McDowell (2014) state that SMEs are in no position to deny the significance of advertising within their operations, as it is imperative that they reach their potential consumers in order to build a loyal customer-base associated with their brand and retain consumers who can bring profit for the business and thus sustain it.

Advertising indeed plays a significant role in today's highly competitive world. The view of Armstrong *et al.*, (2015) is that advertising contributes towards brand-building through effective communication and is basically a service that helps to form the basis of sending a message to potential and current consumers. Hence, advertising is one of the aspects of mass communication which communicates with millions of consumers (Terkan, 2014). It is, nevertheless, a paid form of non-personal communication with target consumers through mass media such as, television, radio, newspapers and online platforms, especially the social media (Koekemoer, 2014b).

Advertising plays a significant role in achieving the profitability and sustainability of SMEs. Trehan and Trehan, (2010) note that SMEs can use advertising to boost their sales by enticing current and potential consumers whose purchases of goods and services assist these SMEs with regards to their profitability and sustainability. In addition, O'Guinn, Allen, Semenik, and Scheinbaum (2015), maintain that advertising creates a platform for the SMEs to communicate with their consumers, build their brand, increase their visibility and develop relationships with consumers. Thus, advertising plays a vital role in promoting a business's goods and services by persuading the target audience to purchase a product or service.



The communicative aspect of advertising should be underscored here. A product or service is advertised to create awareness in the minds of current and potential consumers. Shimps and Andrews (2014) note that advertising is a means of informing as well as influencing the public to buy products or services through visual or oral messages. Trehan and Trehan (2010) maintain that the main function of advertising is to boost SMEs profit by reminding and informing prospective consumers about the business's product or service.

A business, however, must link advertising with research, although the two are different. The primary aim of advertising is to sell an idea, goods or services, whereas the goal of research is to measure the impact of advertising on the sales of that idea, goods or services (O'Guinn, Allen, Semenik, and Scheinbaum, 2015). Hence research is not confined to testing creativity. Instead, advertising research is the application of marketing research aimed at the measurement of advertising effectiveness which, in turn, improves advertising efficiency (Mullin & Cummins, 2008).

Jugenheimer, Kelley and Monroe (2014), Mehra (2009) and Poonia (2010) posit that the purpose of advertising is to assist SMEs in arranging an effective advertising plan, ordered from most direct to most indirect towards consumers. This can be done for the following reasons:

- To prompt action: the direct action of the advertising is designed to motivate consumers to act towards a product being advertised. Advertisers use various advertising media such as, broadcast, print-media and outdoor advertising to persuade consumers to purchase their product or service.
- To encourage a search for information: it is difficult to assume that consumers
 will make a purchase based on the advertisement they have seen or heard.
 Therefore, consumers will need more information about the product features,
 advantages and benefits before they can make a purchase decision.
- To relate a product to needs: a business' product must relate to customer needs. Advertisements should outline the needs and demands of consumers, so that some consumers can relate to the products and make a purchase.
- To encourage recall of the past product satisfaction and prompt a repurchase: advertisements of this nature are created specifically to remind the



customer about the satisfaction they received from previous purchases and to entice those consumers to make repurchases.

- To modify attitudes: one of the more challenging objectives faced by advertisers is on how to modify a customer's attitude towards a product. Modifying the attitude of a customer is only necessary when a business has lost its consumers to competitors or has developed a bad reputation. Hence, a business must modify its attitude to recapture its lost consumers after a loss of consumers for various reasons.
- To reinforce attitude: SMEs seek to reinforce the attitude that consumers already have towards a product. This means that a business must constantly maintain or even improve the standard of its product and its attitude towards consumers. Market leaders often use this technique to uphold their market share and sales volume (Mehra 2009, Poonia, 2010 & Jugenheimer, Kelley & Monroe 2014).

2.4.3 Effectiveness of advertising

Koekemoer (2014a) notes that most SMEs concentrate on exposure, ratings and statistics of the effectiveness of advertising, while not knowing the number, percentage and return on investment or profit from consumers who have purchased the products. The existence of ratings does not necessarily mean that the advertising media has influenced consumers and convinced them to purchase a product or service.

Jugenheimer *et al.*, (2014) noted that consumers who purchase a business' products or services are not a percentage or a number that has been reached, but are rather individual consumers and must be engaged with to get their responses and give feedback concerning the effectiveness of various advertising media. Therefore, consumers should be asked to provide feedback on the effect of various advertising media which persuade them to make a purchase (Koekemoer, 2014a).

Fourie (2008) notes that since consumers are exposed to various advertising media so often; most SMEs assume that they know about advertising media and understand their effectiveness in clinching a sale. The inability of measures to differentiate between the success of an advertisement's short-term and long-term effects results in



a waste of advertising expenditure (Mehra, 2009; Poonia, 2010). O'Sullivian and Abela (2007) report that the ability to measure the external advertising performance, profitability, stock return and marketing stature within a business' communication strategy can boost the profitability and sustainability of that business.

Kundu (2009) presents the Eechambadi view that the analogy of a capital budgeting process is to capture the effectiveness of advertisement spending on sales and profitability. He suggests that a business can spend as much as it wants on advertising, if the profitability matches or exceeds the advertising expenditure, because this will guarantee the sustainability of the business. Thus, the absolute size of the advertising budget does not matter because the profitability resulting from that budget is what portrays a true reflection of advertising effectiveness (Belch & Belch, 2012).

Ang *et al.*, (2014) notes that the results of a direct marketing approach in advertising have a well-defined target audience. Consequently, SMEs that recognise this have reported that direct mail and the tools of direct marketing achieved a more effective purchase-response from consumers and this can be measured more accurately than general advertising (Belch & Belch, 2012).

Finally, advertising SMEs have long claimed that advertising is not necessarily what makes a sale and so they have responded by transferring their money to areas where sales can be achieved (Fourie, 2008). The relationship between an advertising budget and a business' profitability is rarely known, hence, an investigation into the effect of various advertising media on consumers remains a vital issue (Kundu, 2009). It is important to check advertising expenditure by business in order to assist SMEs. In the next section advertising campaign by SMEs will be discussed.

2.5 ADVERTISING CAMPAIGN BY SMEs

Advertising campaigns are a powerful, meaningful and inspirational message about great products and services that perform according to a customer's expectations and needs that are delivered in a way that touches a business's target-market (Greenwald, 2014). The campaigns have to be effective, for as Fourie (2008) notes, a very important part of an advertising campaign is its effectiveness on consumers. As a result, an advertising campaign might be persuasive by informing or providing



consumers with information that will fulfil their desired needs and enable them to make enlightened decisions about a product or service (Ang *et al.*, 2014).

An advertising campaign is a complex creative process which combines a strategic marketing plan with a creative idea that can be used and continuously recognised across diverse advertising media (Blakeman, 2011). A simple, step-by-step approach to an advertising campaign that focuses on one tool at a time can analyse the creative process needed to design a successful advertising media campaign. Thus, researching on the effectiveness of advertising media provides information that can be useful to the SMEs for both strategic development and the design of campaigns (Blakeman, 2011).

As the media landscape changes, the amount of money spent by SMEs on advertising campaigns will also change, along with the application of various advertising media by SMEs (Berman, Battino, Shipnuck, & Neus, 2007). Blakeman (2011) notes that it is difficult to identify what makes one campaign unsuccessful and another extremely successful when all the factors are equal. A good campaign is not structured supremely around a budget, but rather around an innovative idea. Thus, while a large budget does offer broader creative options to choose from, a clever idea which is correctly targeted will reach the target no matter what the size of the budget may be (Moeran, 2013).

The expenditure of advertising is not the same within businesses. Koekemoer's (2014a: 43) view, drawn from Wanamaker is significant here: "I have lost fifty per cent of advertising expenditure and I don't know which half". The statement clearly shows that SMEs spend huge amounts of money on various advertising media yet they are in most cases unaware of the effective promotional tools which will boost their profitability and sustainability (Percy & Rosenbaum-Elliott, 2012). Nevertheless, the amount that a business spends on its total advertising effort is not easy to determine (Kelley & Jugenheimer, 2014); hence advertising expenditure will vary from one media or market situation to another.

According to the Oxford Business Group (2008) the advertising industry in South Africa increased its expenditure by 17% in 2006 to reach a record R20.1 billion. Thus, a



decision must be made as to which media should be used basing on the buying motives of the target audience, cost versus budget and the various advertising media. Nevill (2012) notes that there are big companies that have increased ad-spend enormously. Unilever, for example, increased their spending from R892 million in 2010 to R1, 290 billion in 2011, which is an enormous 45% increase in ad-spend. In addition, South African Breweries (SAB) increased their spending from R547 million in 2010 to R816 million in 2011 – a 49% increase. Furthermore, companies that spent the most money on advertisements (ads) in 2012 were Pick n' Pay at R551.48 million, followed by Checkers at R360.31 million and Shoprite at R304.16 million (Nevill, 2012). The total estimated ad-spend in 2012 was R33.8 billion. Thus, the South African industry has been witnessing a huge increase in financial investment to the advertising sector.

It should also be noted that there has also been an increase in local and international state spending on advertising. According to the Rand Daily Mail (2015), the South African government spent over R10 million on advertising in the last fiscal year. Internationally, Belch and Belch (2012) note that the total 2010 advertising and non-advertising communication expenditure in the United States was estimated to be around \$670 billion with \$177 billion being spent on advertising media, customer and trade sales-promotion accounting for \$280 billion and, leaving \$150 billion going to direct-mail and just over \$30 billion spent on other forms of promotional tools.

It is also interesting to note that online advertising is booming. Jain, Haley, Voola, Wickam and Osborne (2011) state that, while online advertising totalled only about \$5 billion in 2002, this figure has grown to nearly \$26 billion in 2010. In addition. advertising expenditure outside the United States has increased from \$55 billion in 1980, to an estimated \$270 billion in 2010 (Belch and Belch 2012). Nonetheless, the afore-noted increases in visibility and massive provision for advertising budgets by businesses still witness the failure of advertising campaigns. The failure can be attributed to the employment of faulty research techniques; use of messages that may be too complicated for the consumers' comprehension, or messages may not be strong enough or direct enough to get the target-market's attention, interest and desires (Blakeman, 2011).



Huber and Arceneaux (2007), state that very few studies which analyse the effectiveness of actual advertising campaigns can prove that advertisements persuade consumers to change their minds and make a purchase. SMEs receive little outcome or reliable feedback on their advertising campaigns. This suggests that about half of all advertisements truly work or have a positive effect which leads a consumer to purchase (Thomas, 2007). Kelley and Jugenheimer (2014) claim that the amount of money spent on advertising is excessive and that those funds would be better used on other promotional tools that will reduce the amount spent on advertising. In addition, the total amount of money spent by SMEs on advertising is enormous when compared to what is spent on products and services by consumers. Hence, it is important that the effectiveness of various advertising media be carefully evaluated in order to maintain an effective advertising program, (Fourie, 2008).

Ironically, Thomas (2007), has indicated that few SMEs have an actual advertising budget, as persistence, and procedural experience is needed for a successful allocation of funds towards an advertising budget. Therefore, the proper implementation of promotional tools can be best utilised in a collection of many advertising campaigns, which will allow results to be seen over a lengthy period, rather than in the evaluation of a single advertisement. However, the implementation of promotional tools does not provide a business with information as to why the advertising campaign has worked or failed as SMEs do not always know if it is the message, media weight, or various media in use that makes the advertising campaign effective or not.

There are various strategies that can be used to achieve and effective advertising campaign. Greenwald (2014) notes that an effective advertising campaign must: be memorable; stand for values above and beyond the product or service itself; communicate how the product or service fits into the consumer's needs or how it works to make them superior, more productive, happier and more satisfied; resonate with consumers by being authentic and delivering a personally meaningful message, even if the brand has a huge target audience; and it should be inextricably linked to the brand, so that the advertisement will not be attributed to a competitor. An effective advertising campaign then assists a brand to avoid being commoditized and allows



that brand to compete with other brands only on price. A perfect advertising campaign also increases trustworthiness and goodwill and can encourage the purchase of more items within the brand-offering (Greenwald, 2014). Belch and Belch (2012) also note that popular advertising campaigns can entice a customer's attention and can generate sales. These popular campaigns can also in the long-run convert into successful IMC programs.

Finally, SMEs must determine how many consumers are targeted and where these consumers are (Brennan, Cunning & McDowell, 2014). This selection process involves: the method used to send an effective advertising message economically to the targeted consumers; the length of the campaign period; and the amount of money which the business can afford to spend that will make the advertising effort profitable. Therefore, it is important to discuss the various advertising such as broadcast, print, outdoor and digital interactive media. Various advertising media and its effectiveness. will be briefly discussed on the next section.

2.6 ADVERTISING MEDIA

Belch and Belch (2012) note that advertising media is a form of communication which SMEs use to persuade consumers to purchase their products. The different forms of advertising media which are available to SMEs fall within one of the following categories: broadcast, print, out-of-home and interactive media. A variety of support-advertising media such as direct marketing, promotional-products advertising and instore point of purchase options play a pivotal role within marketing (Belch & Belch, 2012).

2.6.1 Various forms of advertising media

The most exquisite or brilliant and original advertising ideas will be wasted, if they are not presented using the right media, in the right place and at the right time, and to the right consumers (Brennan *et al.*, 2014; Greenwald, 2014). Currently, traditional media (magazines, newspapers, and television) compete with electronic media such as the online, social media, and mobile phones; user-generated content such as blogs and



YouTube; and out-of-home advertising such as billboards, transit- and movable-promotions (Swanepoel & Bothma, 2013).

As a result, the selection of the most appropriate form of media is important towards the achievement of the advertising-objectives and return on investment expected by SMEs (Hutt & Speh, 2010). In addition, managers of SMEs must compare the strengths and weaknesses of each form of media so that they can develop a proper communication strategy that best suits their business's objective (Belch and Belch, 2012).

This discussion on the role of advertising media within SMEs is followed by the next subsection, which focuses on the various media channels.

Manager of SMEs

Print media Broadcast media Out-of-home media Digital Interactive media

Magazines Television Outdoor advertising Online advertising
Newspapers Radio Transit advertising Social media
Direct mail Online marketing

Figure 2.2 Media channels

Source: Ferrell and Hartline (2014)

According to Ferrell and Hartline (2014), every media plan requires specific forms of media in order for it to be selected. There are numerous forms of advertising media that are available for SMEs to advertise their products or services. These advertising media include:

- **Print advertising media** –newspapers, magazines and journals.
- Broadcast advertising media radio and television.



- Outdoor or Mural advertising media posters, advertising boards, sandwich boards, electric display, vehicular, sticker, and sky writing.
- Digital Interactive media emails, websites, digital video discs (DVDs), mobile phones, social media and digital music players.

Managers of SMEs have the duty and responsibility to ensure that the various forms of advertising media are correctly implemented within the SMEs marketing strategy. The managers also need to coordinate the advertising programs and allocate budgets for the various advertising media (Ferrell & Hartline, 2014). The illustration above depicts the SMEs managers' options of various advertising media that SMEs can use to communicate with its potential or current consumers.

Nevertheless, one of the main factors that SME's managers must determine is whether a specific advertising media provides a good return on investment, given a product's characteristics and target-market. The major question remains: do the advertisements pay off for SMEs in terms of sales? Many advertising professionals, however, believe that many advertisements do not. Ultimately, advertising may consist of brand awareness; stimulate loyalty; create a favourable attitude toward a product; or have a public relations-type effect on consumers (Hutt & Speh, 2010).

The various forms of advertising media are discussed below:

2.6.1.1 Print media

Print media, also known as publication, is based on printed letters and words, typed letters, and circulars (Nwabueze, Ezebuenyi & Ezeoke, 2012). Print media has grown, since its inception, to include newspapers, magazines, journals, handbills, brochures, posters, outdoor posters, and direct mail advertising (Arens *et al.*, 2009). It is also lightweight, portable, disposable publications printed on paper and circulated as physical copies in the form of books, magazines and newsletters, to name but a few. They hold informative and entertaining content that is both interesting and stimulates the desires of prospective consumers. They are published once-off, or they could be published daily, weekly, biweekly, monthly, bimonthly or quarterly (Patil, 2011). Therefore, an effective print media can provide comprehensive and valid information



about the business's products or services and reach the target-customer in terms of different demographics and psychographics (Hutt & Speh, 2010).

Print, which appeals only to the sense of sight, faces competition from other media. Belch and Belch (2012) highlight that the competitors of print media include electronic, broadcast and online media. Today, many books, newspapers, magazines and newsletters publish digital, electronic editions of their print media on the online. Krishna (2014) notes that readership of newspapers has declined, especially in the 15-25-year age-group, and this happens to be a big threat to the future of print media.

Patil (2011) concludes that each media has its own existence, role and effectiveness on consumers. Therefore, print media is easily accessible and widely read. SMEs can afford it since it is cheaper and more readily available, especially in rural areas, than other forms of media. Nwabueze *et al.*, (2012) support the statement that the lower cover-prices of print media advertisements has resulted in a readership increase that is met by a corresponding increase in profitability. This shows that print media has a major market share in communities which will assist the sustainability and image of SMEs.

2.6.1.2 Broadcast media

Broadcast advertising is a very popular medium that consists of several branches such as television, motion pictures, radio or the online (Koekemoer, 2014b). Broadcast media influences public opinion with regards to the purchasing of a product or service and this leads consumers to have confidence in the product or service (Asodike & Udoh, 2014). Big businesses that have huge advertising budgets use broadcast media to disseminate information about new and current products or services to mass consumers. Patil (2011) notes that this form of advertising media provides current or live news, political actions and economic growth within the country and in that way, assist with regards to the SMEs' sustainability and profitability.

Saxena (2009) argues that broadcasting media is a very expensive form of advertising and requires specialised skills to create advertisements for the SMEs. The enormous amount outlaid by big businesses on advertising is spent largely on television and radio advertising, whereas SMEs cannot under normal circumstances afford to pay the



astronomical rates charged by broadcast media providers (Nevill, 2012). In addition, broadcast media is facing competition from new technological developments taking place globally, such as online advertising, which have witnessed most consumers shifting towards this new form of media (OECD, 2013).

The nature of broadcast media is to persuade and influence passive consumers with verbal information which is spoken and can therefore, have an impact on those consumers who are not interested in the advertisement's message (Fourie, 2008). Similarly, quality graphics produced by television can convey information in an interesting and effective manner which addresses the needs and interests of consumers. Hence, a high-quality picture and live presentation can elevate the level of confidence as events would be reported accurately and objectively without message distortion (Asodike & Udoh, 2014).

2.6.1.3 Outdoor media

Outdoor media, also known as Out-Of-Home advertising, is the display of advertisements outdoors in the form of posters, painted signs, field signs, handbills, neon-light signs, stickers, air balloons, hoardings, billboards, transit advertisements and posters on sandwich-boards carried by individuals (Koekemoer, 2014a). It is also known as mural advertising, as posters containing a picture are often placed on large walls, printed directly onto a wall or a large photograph is attached directly to a wall (Belch & Belch, 2012).

In addition, small play-cards or posters placed outside or inside the carriages of trams, delivery-vans, buses, and railway cars, also fall under out-of-home media. A new form of advertising, i.e., offering balloons and kites to consumers is also starting to emerge. Finally, sky-writing, where an acrobatic airplane writes letters in the sky with smoke also forms part of outdoor advertising (Koekemoer, 2014b).

Gulmez, Karaca, and Kitapci (2010) note that the purpose of outdoor advertising, as a mass communication tool, is to convey the desired message to targeted consumers in an effective and lasting way. Hence, the attractiveness of outdoor advertisements



increases through the implementation of technology, through which it attracts the attention of many consumers.

Outdoor advertising faces various challenges. Koekemoer (2014a) notes that the biggest challenge is environmental clutter and provincial, as well as local government by-laws, high production costs, and a much less targeted approach as an entire population group sees the message instead of just the desired target-market. Mann, McClung and Kemerer (2014) note that messages are short and address a large population, yet there is a limited selectivity and SMEs only receive limited exposure. Finally, consumers pass advertisement sites quickly and become too distracted to read properly, thus the message might not be seen or not have the desired impact on consumers (Moriarty, Mitchell, Wells, Crawford, Brennan & Spence-Stone, 2015).

The effectiveness of advertising depends on its position within the area being targeted (AMASA, 2011). SMEs should locate outdoor advertisements in an area where they can be seen by many prospective consumers who are able to give the advertisements ample attention. The goods and services suited for such advertising are those which the masses can buy, such as food products, soaps, medicines, shoes, clothes and other domestic necessities (Mann *et al.*, 2014). Nonetheless, most outdoor advertisements are placed or posted in one location Schultz, Barnes, Schultz & Azzaro (2009) emphasize. Hence, this strategic location of advertisements can support local SMEs who want to provide direction to their stores or facilities (Schultz, *et al.*,2009).

Finally, outdoor advertising must serve a purpose. Gulmez *et al.*, (2010) indicate that effective outdoor advertisements create ideas, which are effective at informing and persuading consumers; are sensitive to the environment; and can be viewed positively by prospective consumers. This, therefore, Wells, (1997) suggests that outdoor advertisements are particularly effective if they are visible to consumers with higher education and income levels.

2.6.1.4 Digital Interactive Media

Koekemoer (2014b) notes that digital interactive media are channels of communication with which an audience can actively and immediately participate. With a computer keyboard, a mouse and touch screen, consumers can now view and order products



online directly from the business. Technology now provides consumers with the personal computer, cell phone, the Online and the World Wide Web, fibre optics, satellite communications, high-definition television, digital music players, DVDs, and the software to make these appliances simple for virtually anybody to use (Arens, *et al.*, 2009).

Dahnil, Marzuki, Langgat, and Fabeil (2014) argue that many SMEs have a problem with the implementation or adoption of modern technology and as a result digital interactive media cannot boost the business's profitability and sustainability to the desired levels. The availability of digital interactive media means that anyone can copy or download information and present it as his/her own. However, limited equipment, false impressions and misunderstandings mean that technology would have a harmful effect on SMEs (Patil, 2011).

According to Dahnil *et al.*, (2014) digital interactive media decreases distribution costs through a reduction of overhead costs such as inventory, retail space and personnel, while still bringing in the conversations, attitudes, emotions and engagement that consumers want. Furthermore, while SMEs are experiencing obstacles in the adoption of technology, implementing digital interactive media within an SME might create both new opportunities and changes within the marketing strategies and nature of its business.

Miletsky (2010), reports that online advertising offers a variety of advantages for SMEs, as well as offer extra value for consumers. As technology continues to improve, the effect of online advertising will increase and it will become easier to measure return on investment, since consumers can easily access information and purchase products online (Swanepoel & Bothma, 2013).

Shankar and Carpenter (2012) note that other media include direct mail, handbills, calendars, diaries and cinema advertising. Therefore, these diverse media can play an important and supporting role in the major media such as print and broadcast media. Which will boost sustainability and profitability of SMEs.



2.6.2 Effectiveness of advertising media

Effective advertising media can make the prospective customer enter a shop and buy a product or service, hence, advertising is the power to attract or persuade new consumers and remind existing consumers about the products or services offered by a business (Koekemoer, 2014a). The relationship between advertising and integrated marketing communication can assist SMEs to maintain consumers and refresh their memory with regards to the advantages and benefits of the products or services on offer (Trehan & Trehan, 2011).

Reddi (2009) notes that there are basic techniques which can be used when SMEs need effective advertising media and marketing communication. These technique are as follows: SMEs must provide information to their consumers by requesting and providing clarification when needed; SMEs must communicate all information which is needed by consumers or the target-market; SMEs must inform the appropriate consumers when the mission of the business or its plans have changed; SMEs must ensure that all information or statements about the business's product, price and place are direct and unambiguous; and SMEs must use non-verbal communication appropriately when communicating with consumers. Lastly, SMEs must inform consumers about their location or change of address.

Hutt and Speh (2010) support the notion that for advertising media to be effective it is vital for SMEs to be aware of how advertising messages are received by consumers, and to find the effect of advertising messages on consumers. Conversely, in view of Kelley and Jugenheimer (2015) academics and professionals have, over a lengthy period and with limited results, tried to come up with theories and models that can show how consumers respond to the advertising they are being exposed to.

The SMEs' understanding of the reality that effective advertising media influences consumers to purchase can compel them to meet all requirements of customer needs (Javed & Zeb, 2011). Berman *et al.*, (2007) report that although it is often difficult to measure the direct impact which an advertisement has had on actual sales or the contacts which have arisen from various advertising media, an evaluation must be conducted to determine the effective use of business advertising funds.



In the view of Fourie (2008), advertising effectiveness is achieved through engagement with target-consumers who know exactly which advertising media has an impact on them. Furthermore, the best way to measure response to an advertisement is to ask consumers, "Where did you hear about us?" not forgetting to relate the question by referring to various advertising media used as a promotional tool.

2.7 CONCLUSION

In this chapter, marketing communication, integrated marketing communication and various advertising media were discussed. The theory of the effectiveness of advertising and communication was also considered, and it was noted that the theory is embedded within the literature to understand both dependent (advertising) and independent (SMEs) variables in detail.

The literature review carried out in this chapter also showed that the selection of a given advertising media is influenced by numerous factors such as products or services, target-markets, messages conveyed by SMEs, the budget and competitor's advertising strategies. Advertising can integrate with other promotional tools in stimulating the desired value of products or services. However, promotional tools are inadequately used; hence, most SMEs are not implementing an advertising plan correctly and effectively. There is limited literature that focuses on the relevancy of IMC with regards to SMEs and the effectiveness of various advertising media used as a promotional tool to meet the sustainability and profitability needs of SMEs.

However, the literature review revealed that the effectiveness of advertising media depends on the response of a target-market or consumers, i.e., whether the advertisement has had an influence or impact which causes consumers to purchase a product or service.

Therefore, it is imperative for SMEs to know the advantages, disadvantages and how other business spend on various advertising media. The next chapter evaluates the various advertising media that are available in business.



CHAPTER 3 THE ADVERTISING MEDIA

3.1 INTRODUCTION

Advertising media is non-personal communication from an identified sponsor that uses a general category of available communication systems to persuade a customer to make a purchase. It is also a means to inform as well as to influence potential consumers, via visual or auditory messages, to buy products or services (Belch & Belch, 2012). Several forms of advertising media exist and these include broadcast, print, outdoor and Internet media (Belch & Belch, 2012). These various forms of advertising media provide SMEs with ample choices to choose from and make the business profitable and sustainable from an advertising perspective (Beloff & Pandya, 2010).

The researcher uses the term "advertisement" (ad) interchangeably with the term "advertising" when discussing certain advertising media, as this term (advertisement) is deeply rooted within advertising. Having said this, O'Guinn, Allen and Semenik (2009: 12) define an advertisement as: "[a] specific message that someone or some organisation has placed to pursue an audience". Some of the most common advertising media used today to advertise products or services are: television (T.V), radio, Internet web pages, newspapers, magazines, bill-boards, social-media and mobile platforms (Arens, Schaefer & Weigol, 2009).

It should, however, be underscored that advertising media options are perennially evolving owing to the advent of technologies such as video on demand, the Internet, computer games, cell phones, handheld video playback devices and the Global Positioning Systems (GPS). With regards to economic developments within SMEs and changing social trends, the advertising industry have resulted in rapid growth in the last decade (Beloff & Pandya, 2010). Therefore, the most imperative responsibility of SMEs is to realise that choosing a profitable advertising media is an ongoing process and not a short-term action that is only undertaken when money is needed (Koekemoer, 2014a).



Arens *et al.* (2009), note that there is need to be aware of the effectiveness of advertising media, as well as the role of said media within and advertising business. It is also imperative to take note of the importance of current media trends. In addition, there are a variety of advertising media available that SMEs can choose from and utilize to communicate or send messages to potential consumers (Koekemoer, 2014a). As a result, SMEs should come up with progressive and effective advertising media that will sustain and make them more profitable.

A consideration of the most effective advertising media is important. SMEs can consider perceived ratings from readers, viewers and/or listeners, and weigh this against the costs associated with various advertising media in order to identify the most effective form of advertising media which they can use in their business (Belch & Belch, 2012). The researcher focuses on an evaluation of various forms of advertising media to which consumers, primarily residing in the Welkom area, are exposed to.

This chapter, however, is based on a review of the various advertising media used by SMEs and larger SMEs. Some of the forms of advertising media, reviewed here, are new to the marketplace while others have been around for some time. The reason to discuss advertising media is to outline the advantages, disadvantages and ratings of tools used by businesses. This will assist SMEs in making the right choice when choosing effective advertising media.

In the next section broadcast media is discussed which consist of television and radio advertising.

3.2 BROADCAST MEDIA

3.2.1 Television advertising

Televisions (TV) are extremely well suited for advertising as they are able to easily communicate or send messages and inform current and potential consumers about products or services offered by various SMEs (Belch & Belch, 2012). TV advertising incorporates moving visual images and sound to stimulate the desires of current and potential consumers. Sometimes, the purpose is only to leave an impression, set a



mood, or to make consumers aware of products or services. Oftentimes TV advertising involves the telling of stories about SMEs history, future or progress (Koekemoer, 2014b). Most SMEs believe that the best television advertisements should work just as effectively with the sound turned off. Therefore, the best TV advertising tells its story visually so that consumers will relate to what they can see (Clow & Baack, 2012). Hone (2011), suggests that TV advertising can get a business's products moving off the shelf, but should not be attempted without the proper knowledge of the effectiveness that such advertising is expected to have. Having an award-winning TV advert running is an effective way to build a brand image. This is because the built brand image will lead to a positive growth of profitability in the business. However, if an advert is aired on the wrong channels and in the wrong time-slots, it simply ends up being a waste of the SME's money.

3.2.1.1 Benefits of television advertising

There are various benefits which can be derived from TV advertising. Shimp and Andrews (2014) note that television advertising can reach a broad market or lot of consumers and this can assist or give SMEs the opportunity to grow or boost their brands, market and image. TV advertising results in a profitable and sustainable SMEs and this ultimately leads to more employment and a healthier economy in the country. Hence, the result is a win-win situation for all (Koekemoer, 2014b).

TV advertising can also provide high intrusion value as well as creative and high-quality advertising opportunities (Belch & Belch, 2012). TV advertising's use of catchy tunes, slogans, motion sequences and even celebrities demonstrating and endorsing products, makes an impression on consumers as it appeals to both their eyes and ears. Hence, TV advertising can stimulate both illiterate and deaf consumers as it becomes easy for them to understand a message presented by way of a demonstration (Latif & Abideen, 2011).

Finally, TV services offer a huge advantage to marketing. The services have an extensive coverage and a wide reach compared to other media (Belch & Belch, 2012). Television also offers a low cost per contact to subscribers and the possibility of achieving a broad segmentation by targeting specific programs within various channels



and service provider packages such as the South African Broadcast Corporation (SABC), DSTV, ETV and M-Net. TV services brings quality and easy accessibility to advertising (Koekemoer, 2014a).

3.2.1.2 Weaknesses of television advertising

According to O'Guinn, Allen and Semenik (2009), the weakness of television advertising is that modern-day subscribers tend to switch channels during television advertisements because of repetition, which is called clutter. Kaser (2013) supports the notion that the effectiveness of TV advertising is steadily declining because almost every business is trying to communicate their message through television advertising. As a result, there is a low recall of television advertisements due to clutter (Belch & Belch, 2012).

Excessive costs per advertisement are another drawback for SMEs. The huge costs make it more difficult for SMEs to make use of television advertising. Television airtime in the USA is expensive. The average cost of producing a 30 second television advertisement in the USA is around \$358,000 with average production fees amounting to about \$236,000, and other costs including the director's fees (\$23,000), editing and finishing of the advert (\$45,000), and creative/labour fees and music fees (\$34,000) (Clow & Baack, 2012). These high costs make it difficult for SMEs to use TV advertising.

3.2.1.3 Television advertising expenditure and ratings

There has been a steady increase in TV advertising over the years. Koekemoer (2014a) notes that TV advertising expenditure grew by 330% between 2002 and 2012. By 2006, television advertising expenditure had increased by about \$72 billion and accounted for more than 25% of all advertising expenditure in the USA (Arens *et al.*, 2009). According to Hansen (2014), television advertising expenditure in South Africa has increased by 11% in 2012 to a total of R17.9 billion. In addition, Claassenon (2016) notes that R19.2 billion was spent on TV advertising in 2014, with the expenditure steadily increasing to R22.5 billion in 2015 and stood at R9 billion by May in 2016. Neville (2012) in a consideration of company expenditure increases notes that Unilever



advertising expenditure increased by 45% every year, with their 2011 advertising expenditure topping R1.290 billion, of which 57% was spent on television advertising.

TV expenditure, according to a rate-card figure, is used to calculate the value that advertisers place on high-reach media, as part of determining the advertising ratings on various television channels. A rate-card figure is a detailed document provided by the SABC which outlines the organisation's advertising rates. This can be used to assist the SMEs in understanding the effectiveness of the advertising media, as well as the difference in cost compared to other advertising media such as print, Internet and outdoor advertising (Belch & Belch, 2012; Taplin, 2013; Hendricks and Mims, 2015).

Hone (2012), notes that television rates vary depending on the programmes and timeslots in which the advert airs. SMEs wanting to convey their message to the desired target market need to take this into consideration. The rates are as follows:

- A thirty second advert on SABC 1 ranges from R2 500 excluding Value Added Tax (VAT) in the early morning to R85 000 excluding VAT during evening primetime.
- A thirty second advert on SABC 2 ranges from R8 000 excluding VAT in the early morning to R142 000 excluding VAT during evening prime-time.
- A thirty second advert on SABC 3 ranges from R2 000 excluding VAT in the early morning to R71 000 excluding VAT during evening prime-time.
- A thirty second advert on ETV ranges from R7 000 excluding VAT in the early morning to R54 000 excluding VAT during evening prime-time.
- A thirty second advert on DSTV ranges from R3 000 excluding VAT in the early morning to R24 000 excluding VAT during evening prime-time.
- A thirty second advert on M-Net ranges from R4 000 excluding VAT in the early morning to R59 000 excluding VAT during evening prime-time.

Hansen (2014), who concurs with Hone's (2011) analysis of TV rates and expenditure, presents the 10 most expensive TV advertising programmes in South Africa, as reflected in Table 3.1.



Table 3.1: Television advertising prices

Day	Date	Channel	Plan title	Rate card
				cost
Monday	2014/09/22	SABC1	Generations	R230 000
Monday	2014/09/22	SABC1	Mfolozi Street	R 160 000
Tuesday	2014/09/23	SABC1	Soul City	R 160 000
Wednesday	2014/09/24	SABC1	Sticks and	R 160 000
			Stones	
Thursday	2014/09/25	SABC1	Ihawu	R 160 000
Friday	2014/09/26	SABC1	Shreds and	R 160 000
			dreams	
Saturday	2014/09/27	Supersport 1	Rugby	R 150 000
			Championshi	
			p: 2014	
Wednesday	2014/09/24	SABC2	7De Laan	R 120 000
Wednesday	2014/09/24	SABC2	Muvhango	R 95 000
Saturday	2014/09/27	Supersport 1	Absa Currie	R 95 000
			Cup	

Source: Hansen (2014)

The researcher did not find any relevant table that shows the cost of different TV stations and prices change within short periods of time thus owners or managers of SMEs have to check the latest prices. The above table depicts the cost of various television advertising plans, as well as the forecasting and the channel chosen by SMEs to send messages about their products or services through television advertising. The costliest prime-time slot is that of SABC1 during Generations, with an estimated cost of R230 000. The least cost slots on the table are those of SABC2 during Muvhango, and Supersport 1 during the Currie Cup, both with an estimated cost of R95 000 (Hansen, 2014).

However, TV advertising relies on repetitive brand mentioning, or dialogue which is dependent upon narratives (Belch & Belch, 2012). This means that SMEs must double



their expenditure if they want to attract the attention of prospective consumers. Rapid cuts and sparse dialogue seem to be the most affordable method of putting together a television advertisement, but this will probably change in the future (Murthy & Bhojann, 2010). In the final analysis, the expenses incurred in TV advertising can be reduced through the use of cost-reduction strategies.

Hartigh (2015) observes that even though it is expensive for SMEs to use television advertising, it is still achievable if a business shows determination and puts in a real effort to manage its budget. Lynch (2015) supports the statement that national television advertising is out of an SMEs price range, but suggests that SMEs can still advertise on local stations and on cable television services which are generally more affordable and more convenient. Every television channel reaches some sort of audience daily, so SMEs can choose from different schedules which include cartoons, celebrity shows, talk-shows, sports, news, movies, reality and prime-time programs.

3.2.2 Radio advertising

Radio advertising is a mobile platform which allows listeners to engage and debate about SMEs' products or services almost anywhere (Koekemoer, 2014a). Arens *et al.* (2009), note that radio advertising is a one-on-one and mobile medium that people tend to listen to alone. Radio advertising can assist SMEs in generating more traffic, more sales and increased profits (Belch & Belch, 2012). As a result, there are a few fundamental reasons for SMEs to consider before making use of radio advertising and these are: radio reaches consumers at relevant times and can entertain them when they are driving, riding along, walking, sitting at home or even working (Johansen, 2010). These qualities of radio make it a particularly strong method of reaching consumers who commute by cars, taxis or busses as almost half of radio listening takes place in a vehicle (Koekemoer, 2014a).

Hence, SMEs should try to effectively use radio advertising. This is because, a well-organised radio advertisement arouses the interests and needs of listeners by creating influential and evocative imagery which is easily visualised and often repeated so that consumers can recall the message later (Kaser, 2013).



3.2.2.1 The benefits of radio advertising

The benefits of radio advertising lie in the fact that in the morning and afternoon, people going to or coming from work or school may want to hear the news, music, or interesting chatter and possibly be amused by entertaining advertisements (Belch & Belch, 2012). Thus, SMEs can use radio advertising to solicit consumers or persuade them to purchase their products or services.

Radio advertisements can be produced locally and inexpensively (Clow & Baack, 2009). The medium of radio itself, has a high segmentation potential and SMEs can advertise on radio stations locally or across the country (Koekemoer, 2014b). In addition, the advertisements can be flexible and may be regularly changed or modified within a brief period to fit local conditions and changing times since radio advertisements are generally inexpensive. Radio advertising also has the lowest level of avoidance because listeners rarely switch between stations, making this medium non-evasive (Lane, King & Reichert, 2010).

Kaser (2013) notes that listeners often feel personally connected to radio personalities. By listening to the radio, listeners tend to relate to the presenter's opinions and what he or she says about a business's products or services. This is especially evident when a listener has a conversation with the radio presenter. Koekemoer (2014a) also maintains that consumers listen to radio at any time they want to, on their cell phones, in their cars, and on the Internet. As a result, radio advertising can create opportunities and these can be enhanced by the use of music and other catchy sounds (Belch & Belch, 2012).

3.2.2.2 Weaknesses of radio advertising

Radio advertising has a number of disadvantages. The major weakness with radio advertising lies with the short exposure time of an advertisement and the fact that consumers pay little attention to advertisements (Lane *et al.*, 2010). It is often used as a secondary medium, which means that it is a medium that a consumer is exposed to while doing something else, such as working, reading, cooking or driving. Radio listeners can easily switch channels if they are not interested in listening to advertisements, which means that there are unstable audiences within the radio



advertising sector (Sawers, 2013). The attention of listeners can also be interrupted easily, and the radio commercial can lose some of its effect. Finally, radio advertising clutter also has a negative effect on consumers and can increase the likelihood of changing radio stations (Johansen, 2010).

3.2.2.3 Radio advertising expenditure and ratings

Expenditure on radio advertising grew by 363% between 2002 and 2012 (Koekemoer, 2014b). The availability of radio on cell phones and computers has played a significant role in increasing listener ratings. The advertisements covered major radio stations such as Lesedi FM, 5FM and Radio 2000, which are popular throughout the country and Setsoto FM, Koepel Stereo, Kovsie FM, CUT FM, Lentswe Radio, Mosupatsela FM, Motheo FM, Mozolo FM, Naledi FM, Overvaal Stereo, Qwaqwa Radio, Radio Maluti, Radio Panorama, Radio Rosestad and The Rock FM only accessible within the Free State province (Koekemoer, 2014b; South African Advertising Research Foundation, 2016).

SMEs should be strategic in their advertising in order to cut expenditure and reach their target market. Hone (2012) points out that SMEs do not have to advertise on the radio during morning or afternoon drive times because it is expensive. Instead, SMEs may have products or services which are aimed at housewives who listen to the radio during the day whilst their husbands are at work, hence, SMEs could advertise during such times and at much cheaper rates.

Thus, SMEs might have to choose whether to pay R3 420 per 30 seconds during the 12h00-16h00 time slot on 5FM or R1 728 per 30 seconds on Highveld Stereo's 19h00-22h00 time slot (Hone, 2012). In addition, Hone (2012) notes that SMEs should consider factors such as that a thirty second radio advertisement aired on the 06h00-09h00 prime-time slot on 94.7 Highveld Stereo would cost R15 863, while the cost to air the same advert on other stations would cost significantly less with charges for 5FM at R7 860, Jacaranda 94.2FM at R11 220 and Metro FM at R8 490.

According to a report in the Mail & Guardian (2014) advertising expenditure has increased to R182.1 million, of which about R206.1 million is spent on radio advertising.



Mnisi (2013) also notes that radio advertising rate-cards display a list of advertisements sizes and discounts that a station should offer and that this is made public knowledge. This information can be a useful determinant for SMEs to place an advertisement within the parameters that are suitable.

In the next section Print media which is consist of newspaper and magazines will be discussed. Furthermore, benefits, weaknesses and expenditure of the abovementioned advertising media will also be discussed.

3.3 PRINT MEDIA

3.3.1 Newspaper advertising

Newspaper advertisements provide information about a business's products or services to the public via a medium which is purchased or distributed free of charge (Koekemoer, 2014a). Lane et al., (2011), note that newspapers have historically been the primary medium for information dispersion and advertising. In addition, Belch and Belch (2012) note that newspapers are still the primary advertising media in terms of both ad-revenue and the sheer number of advertisers. There are national Sunday newspapers (for example, the *Sunday Times* and *Rapport*), regional Sunday newspapers, daily newspapers which are in regional circulation, as well as country and suburban newspapers which are available in various locations (Koekemoer, 2014b).

Most newspapers also have websites which their readers and/or advertisers can also access. The immediacy of newspapers is replaced by electronic media formats. Lane et al., (2011) also note that there have been structural changes within the newspaper industry and that the attraction of the digital platform-performance continues to increase. Nevertheless, Lane et al., (2011) argue further that newspaper advertisements remain an imperative, albeit mostly for local SMEs. Hence, the daily printed newspaper has advantages over Internet-based media platforms and these include convenience and portability.

Based on the aforesaid statement, there is no doubt that the effectiveness of newspaper advertising is questionable, especially since sales volumes are continuously declining (Lane et al., 2011). However, Belch and Belch (2012), argue



that newspapers are useful in reaching upscale households and opinion leaders, especially adults aged 35 and older.

3.3.1.1 Benefits of newspaper advertising

Newspaper advertising offers several benefits to large and national corporations as well as the SMEs (Lane *et al.*, 2011). Belch and Belch (2012), note that the benefit of newspaper advertising is that it offers immediacy, wide coverage and easy information dispersion. Nonetheless, advertisements compete not only with advertisements of competing products, but with editorials, news articles and other contents in the newspaper (Koekemoer, 2014a).

Newspapers, particularly the local ones, are often used by SMEs to advertise their products or services (Lane *et al.*, 2011). They can also provide illustrations and explanations which build a business's image. Newspaper advertising has a high-frequency platform, and is adaptable and easy to change. Newspaper advertising is also considerably cheaper than most other forms of advertising media and is geographically selective (Belch & Belch, 2012). Therefore, newspapers offer SMEs many creative options including preprint inserts and the opportunity to distribute product samples.

3.3.1.2 Weaknesses of newspaper advertising

One weakness of newspapers is that they tend to be printed on low-quality paper and have a relatively short lifespan (Belch & Belch, 2012). Newspapers contain the advertisements of various competitors and thus newspaper advertising can increase competition. Therefore, big businesses buy more advertising space to prevent competitors from using the same space to advertise, however, as Clow and Baack (2009) note, there is little chance of SMEs ever being able to dominate the market.

Newspaper advertising also has a high and low retail clutter and attracts a low level of attention. There have been declines in circulation and some newspapers suffer from quality and reputation problems (Lane *et al.*, 2010; Solomon, Marshall, & Stuart, 2009). The increased usage and access of the World Wide Web via smart-phones and other mobile devices has also become a threat to traditional newspapers (Lane *et al.*, 2010).



3.3.1.3 Newspaper advertising expenditure and ratings

Nevill (2012) points out that although there has been a decline in the circulation of newspapers, there was a 6.43% increase of money spent in print advertising. Neville (2012) presents Business live report that local print news was "feeling the pressure" after statistics from the Audit Bureau of Circulation (ABC) confirmed an overall decline in newspaper advertising for the second quarter of 2011-2012. Daily and weekly newspaper circulation and sales for major commercial newspapers declined by 3.2% from 3.8 million physical copies to 3.68 million physical copies during the first three months of 2012 (Nevill, 2012).

The South African Presidency (2013), noted that advertising expenditure through the Government Communication Information System (GCIS) was R20 006 080 in 2010/11 and R55 791 902 for 2011/12 and R59 285 664 in the 2013 fiscal year. This expenditure was distributed among a group of newspapers. Mokgata (2013), notes that overall, South African daily newspaper circulation fell by 2.7% quarterly and 8.4% annually, while weekly newspaper circulation fell by 2.2% quarterly and 7.7% annually, and weekend newspaper circulation fell by 3.4% quarterly and 12.5% annually.

Belch and Belch (2012) note that digital revenues in the USA have played a significant role in sustaining business for the newspaper industry as online newspapers have generated about \$3 billion in advertising revenue. The digital newspaper audience in the USA has grown by more than 60% since 2005 (Lane *et al.*, 2010). In addition, Koekemoer (2014b), states that research by the newspaper industry has shown that newspaper advertising is perceived by the public to be more believable, more reliable and more trustworthy when compared to other major forms of advertising media.

Ornico and The media Online (2013) concludes that newspaper advertising revenues have shown a growth of 4.0% and 6.0% respectively, and that the advertising income from print media constitutes most of the total advertising revenue. The observed newspaper advertising growth can be attributed to local, and free newspapers which build a strong connection between consumers and brands. Print advertising is also driven by niche newspaper covering topics such as home improvement, which tend to be an appropriate platform for luxury goods advertisers.



3.3.2 Magazine advertising

Magazine advertising appeals to every specific consumer interest, occupation and lifestyle, and to thousands of businesses (Belch & Belch, 2012). Magazine advertising is specialised in that it reaches specific target audiences and excels in building consumer loyalty. Magazine advertisements are also designed to assist in building brand loyalty among readers (PricewaterhouseCoopers, 2013).

Lane *et al.*, (2011) point out that advertising in digital magazines offers SMEs the opportunity for personalisation, targeted advertising and interaction with potential consumers. To this end, the digital magazines were launched, but so far, they have attained minimal sales. In addition, magazines were among the earliest media to use the Internet as part of their overall marketing strategy and selling plans, and they remain heavily invested in online endeavours (Koekemoer, 2012b).

Lane *et al.*, (2011), argue that the challenge currently facing magazine publishers is that they need to find a way to make their online magazine platforms more profitable as both magazines and advertisers cannot currently benefit. Furthermore, Koekemoer (2014b) notes that consumers/readers are not likely to buy magazines that focus mainly on advertisements. The sales of digital edition magazines have thus been low compared to those of printed magazines (PricewaterhouseCoopers, 2013).

Nevertheless, SMEs make use of certain magazines which are designed to appeal to a consumer's needs and desires in terms of demographics, lifestyle, activities, interests or fascinations (Lane *et al.*, 2011). Magazines are also important in that they are a major source of news, information and entertainment for millions of prime prospects and consumers.

3.3.2.1 Benefits of using magazine advertising

According to Clow and Baack (2012), the benefit of using magazine advertising is that it can provide SMEs with an opportunity to reach a narrowly targeted audience that is otherwise hard to reach. It also provides excellent quality visuals to boost brand awareness and the ability to deliver a memorable message to a niche audience. Most



magazines offer some form of regional and/or demographic-specific editions to advertisers so that advertisers can disseminate information among consumers easily. Belch and Belch (2012), note that magazines are convenient as they have a long lifespan and can reach several readers.

Aside from general article publications, there are specific magazines relating to matters such as business, farming and books. This is an excellent reference tool as it allows leading publications within various industries to offer advertisers an opportunity to deliver their advertising message appropriately. Advertising in publications can be useful when SMEs want to introduce new products or services to their target markets. In addition, SMEs can opt for smaller, quarter- or half-page advertising space to save money, but such advertisements often get lost in the clutter of a large magazine with lots of advertisements.

3.3.2.2 Weaknesses of using magazine advertising

There are a number of limitations associated with advertising in magazines. Lane *et al.* (2011), state that a major weakness of magazine advertising is limited flexibility due to a lengthy lead-time. Many advertisers have little chance of dominating within the magazine advertising world, since it is usually focused on a very specific target market. Magazine advertising is not geographically selective and it can take a long time to convey the message, which means that consumers might find that the information is outdated.

The other limitations are that magazines are among the most expensive advertising media per prospect and advertising clutter is a concern of many advertisers in this field. Magazines also allow many advertisers to publish advertisements all at once, which leads to tough competition among SMEs (Clow & Baack, 2012).

A lack of immediacy within the message tends to be created due to long advertising timeframes inherent to magazine advertising (Belch & Belch, 2012). This lengthy lead-time can reduce flexibility and the ability of advertisers to react quickly to changing market conditions. Finally, the Internet also poses a threat to some advertisers (Koekemoer, 2012a).



3.3.2.3 Magazine advertising expenditure and ratings

Neville (2012), notes that the past few years have been difficult for the magazine industry with many publications experiencing reductions in revenue as businesses cut back on advertising expenditure. Lane *et al.* (2010) also states, in support of the above point that, magazine advertising revenues declined by 7% in 2009, while circulation revenue increased by 8% and a further 24% in 2010.

Lane et al., (2011), present the results of a study done by the South African Audience Research Foundation (SAARF) during December 2012 All Media and Products Study (AMPS). This readership summary suggests that over 16.4 million people in South Africa had read during 2012. In another magazines observation. PricewaterhouseCoopers (2013), advertising spending is increasing irrespective of the decline in readership, with R31.1 billion being spent on magazine advertising in 2012. In 2008, roughly 20.1% of the USA's measured advertising expenditure was on all forms of magazine advertising and in all manner of magazines, including consumer magazines, business magazines, Sunday and local magazines (Lane et al., 2011).

PricewaterhouseCoopers (2013) state that magazine advertising in South Africa is likely to be worth an estimated R10.7 billion in 2017, which is an increase from R3.1 billion in 2012. This is an annual increase rate of 6.9%. Expenditure on magazine advertising as a percentage of total advertising expenditure was 40% in 2012, which is a sharp decline compared to the 52% seen in 2008. Advertising expenditure on digital editions was R31 million in 2012 and is expected to increase to an estimated R236 million in 2017, an annual increase of 50.4% over the forecast period (PricewaterhouseCoopers, 2013).

PricewaterhouseCoopers (2013), maintains that by 2017, magazine will fall to 38% in circulation, as advertising expenditure increases. However, expenditure on magazine advertising will increase from R3.1 billion in 2012 to approximately R4.2 billion in 2017. This is an annual increase of 6.1% over the forecast period. In the next section flyers advertising will be discussed. Furthermore, benefits, weaknesses and expenditure of the abovementioned advertising media will also be discussed



3.3.3 Flyer advertising

Flyer advertising consists of a single page of information about a business, a sale or a special promotion that is being offered (Koekemoer, 2014a). Lino, Dos Santos, Dos Santos, Matsumoto, Cardoso, Yamamoto and Isabella (2013), note that a flyer advertisement is also commonly known as a circular, handbill or leaflet, which is used heavily by various large and small businesses.

Flyer advertising is popular. In the first instance, flyers are simple, cost effective and easy to print and hand out. Flyer advertisements can also be dropped into post boxes, handed out to consumers outside stores or in the street, inserted into magazines and newspapers, and can be handed out at traffic intersections (Gazquez-Abad, Martinez-Lopez and Mondejar-Jimenez, 2010).

According to Amasaka (2018), flyers have been effective marketing tools ever since the printing press was invented and it is believed that this is not going to change any time soon. Flyer advertising is the perfect marketing tool for all businesses. Flyer advertising is used by SMEs to promote new products, announce new outlets and advertise discount deals (Turner, 2012). Thus, a flyer provides enough advertising space, while also giving SMEs the opportunity to connect with their prospects on a personal level.

Turner (2012), states that the purpose of flyer advertising is to get the prospective consumers to take a desired action. Lino, *et al.* (2013), supports this idea, and adds that SMEs use flyer advertising to remind consumers of the need to purchase. Medeiros, Silveira and Costa-Silveira (2009) state that the objective of using flyer advertising is to persuade consumers and to influence them to purchase products or services, because consumers need to be always encouraged. In fact, Lino, *et al.* (2013), argues that SMEs often use flyers to provide information about price reductions and sales or to promote brands without necessarily reducing the price. This compels consumers to visit the business, even without the prospect of discount.

Hence, flyers are a means of communication with one of the fastest response times and they can stimulate and appeal to the needs of consumers with a specific offer that is being made by a business (Miranda & Konya, 2007). They are also a quick and



straightforward way to reach consumers without trying towards the electronic mass media (Gazquez-Abad, Martinez-Lopez and Mondejar-Jimenez, 2010). Nevertheless, with the variety of promotional tools currently available, flyer advertising has its distinct advantages and disadvantages which SMEs need to be aware of in order to make sure that they make effective and profitable marketing decisions.

3.3.3.1 Benefits of using flyer advertising

Flyer advertising has a number of benefits. The most distinct benefit of using flyer advertising is that they are relatively cheap when compared to other advertising media (Lino, *et al.*, 2011). The only costs associated with flyers are the printing costs, which, depending on the paper and colour used, can be very affordable. Flyers are also very flexible and can be used to promote various different events, specials, openings and promotions. They are also target driven and can be handed out at specific places where a business's target audience and market will be expected to be (Gazquez-Abad, *et al.*, 2010).

Lino *et al.* (2011), note that SMEs can design the advertising message and decide to disseminate the information among current and potential consumers. A great way to maximize the impact of flyer advertising and to get consumers to read a business's flyers is to offer a gift or special service if people bring the flyer back to the business. Thus, businesses can design and be able to keep track of how successful their flyers would have been.

Chaabane, Sabri and Parguel (2010) note that flyers are a profitable form of advertising investment. They contribute to the growth of traffic within the business and increase the likelihood of positive purchasing behaviour. Lino *et al.* (2013), present data analysis which underscore the influence of flyers at the time of purchase through the field research results that 8.4% of the consumers who received or picked up flyers in supermarkets used the flyers during their shopping and bought a larger number of products in comparison to those who did not receive flyers.



3.3.3.2 Weaknesses of using flyer advertising

Flyer advertising has its weaknesses. It can look cheap and create a negative image of the business. If the message is not accurate, professional and straight to the point, or contains spelling mistakes, has a poor design or is of inferior quality, it can make the business look cheap, and this will discourage consumers from supporting the business (Chaabane *et, al.*, 2010).

Furthermore, flyer advertising can lose its impact because SMEs and scam artists also use it to advertise their false products or services (Miranda & Konya, 2007). This means that most consumers have stopped giving much attention to flyers and just throw them in the trash. Belch and Belch (2012) note that there is high retail clutter and a low level of attention paid to flyer advertising, and excessive littering by consumers who are not interested in reading flyers.

Hence, the business needs to come up with a different concept in respect of the shape, design, colour, and theme of their flyers in order to ensure that a business's flyers are noticed, capture the attention of consumers and entice them to read the flyers instead of discarding them (Miranda & Konya, 2007). Flyer advertising can be very effective if SMEs use the right design elements and catchy phrases, and if the right target market receives them it is easy for them to respond. But in most cases, many flyers are largely unsuccessful, and SMEs tend to end up wasting time and money (Chaabane *et al.*, 2010). In the next section pamphlet advertising will be discussed.

3.3.4 Pamphlet advertising

Pamphlet advertising is the use of a printed piece of marketing material that informs consumers about various aspects of a business that include a business's new developments, products and/or services. A pamphlet includes a threefold layout with page inserts or it can be presented in booklet format (Kokemuller, 2010). This tool is especially important and useful for small businesses (Chaabane *et al.*, 2010), with brochures being one of the several print options SMEs can make use of as part of a business or product promotion.



According to Dayton (2016), pamphlet advertising is an effective medium of communicating with a consumer to promote a business or service. A pamphlet is an exceptional promotional tool for businesses, organisations and initiatives which require complex explanations of products or services, as it directly involves the consumer. Pamphlets are best used when a business's goal is to educate the public, or a certain target market which matches the business's goals and objectives (Chaabane *et al.*, 2010).

According to Walsall (2014), SMEs use pamphlets to get their message into the hands of current and potential consumers via means such as postal delivery and inserts in magazines and newspapers. As a result, Dayton (2016), states that SMEs must ensure that they distribute pamphlets in large numbers, to ensure that the advertisement of products and services reaches the targeted masses. Moreover, an effectively designed pamphlet, on which the business puts in the required marketing efforts, assists consumers in the comparison of prices and availability of stock in various selected stores.

3.3.4.1 Benefits of using pamphlet advertising

An important benefit of pamphlet advertising is that it offers a relatively low cost of production when compared with other marketing options which add value to small businesses (Belch & Belch, 2012). In addition, pamphlet advertising can provide SMEs with public exposure and add value to their special services or products. In this way, the business will be able to keep track of the effectiveness of their pamphlet advertising strategy by monitoring the purchasing trends of consumers.

3.3.4.2 Weaknesses of pamphlet advertising

Consumers are usually in a hurry to get to work and they generally do not have the time to read pamphlets. Pamphlets are often printed on low-quality paper and have a short lifespan. While pamphlets often reach a general audience here in South Africa, there are various competitors, including large businesses, such as Pick `n Pay, Vodacom, Shoprite and Checkers, which also place pamphlets into newspapers and post-boxes. Therefore, there is little chance of dominating the market, as there is high



retail clutter and low levels of attention being paid in pamphlet advertising (Lane *et al.*, 2011).

3.3.4.3 Pamphlet advertising ratings

According to the Australian Catalogue Association (2013), post-box distributions reach over 18.3 million Australians each week, with over 70% of consumers keeping catalogues for over a month. Therefore, pamphlet advertising is a good promotional tool as it can draw attention to, and focus on, a business and what it offers. The Australian Catalogue Association (2013), reports that 72% of residents surveyed find pamphlets easier to refer to later on, while 48% of the residents find them informative and 42% pointed out that they were easier to understand than other promotional tools. This makes pamphlet advertising significant in informing the public about a business and what that business has to offer (Walsall, 2014).

In the next section, outdoor advertising will be discussed.

3.4 OUTDOOR ADVERTISING

Outdoor advertising is a medium which reaches potential consumers outside their homes. Billboards, posters, transit and aerial advertising all form part of outdoor advertising with outdoor advertisements appearing in many locations, including buildings, subway tunnels and sport stadiums (Lane *et al.*, 2011). In addition, outdoor advertising makes use of scientifically identified structures to effectively deliver an advertising message to target markets. Scientifically identified structures are advertising media opportunities, such as electronic billboards, which deliver a business's message to markets around the world (Arens *et al.*, 2009). Outdoor advertising is certainly one of the most pervasive forms of communication media particularly if the business is in an urban or suburban area (Belch & Belch, 2012).

Outdoor advertising is tailored to local markets and it can be valuable to any business that wants to reach consumers in a location, neighbourhood, or metropolitan area (O'Guinn *et al.*, 2011). In addition, digital outdoor advertising displays allow SMEs to rotate their messages on a board at various times during the day (Belch & Belch, 2012). Google and Microsoft have also developed digital technology that makes billboards a more targeted medium (Lane *et al.*, 2011).



Belch and Belch (2012), note that the major reason for the continued success of outdoor advertising is in its ability to use technology and remain innovative. It becomes effective when used with narrowly defined marketing objectives which take advantage of the strengths of the medium used. Outdoor advertising plays a vital role in boosting the print media industry economically, since many SMEs print large, medium and small posters for use on billboards. SMEs pay large sums of money to the printing industry to advertise their products or services (Lane *et al.*, 2011). As a result, media executives predict that the future of the outdoor advertising industry will continue to be one of consistent growth (Koekemoer, 2014b).

Hence, the significance of outdoor advertising lies in the reality that it offers SMEs the opportunity to create or build brand awareness and to maintain brand identity for established products (Lane *et al.*, 2011). SMEs can make use of outdoor advertising to introduce and promote brands to prospective consumers at a relatively low cost when compared to other forms of advertising media. In addition, SMEs use outdoor advertising for different purposes, such as to introduce a new product or to announce a change in package design, and even to inform consumers about new developments within the business (Clow & Baack, 2012).

3.4.1 Benefits of outdoor advertising

Koekemoer (2014a), maintains that the major benefit of outdoor advertising is that it extends and reinforces more detailed advertising messages which appear in other forms of advertising media. Lane *et al.*, (2011) also state that outdoor advertising is easy to access and allows a message to be displayed for an extended period (days, weeks or even months). Outdoor advertising has a high reach which can expose a business to consumers with diverse demographics. Messages can be delivered nationally, regionally or locally in locations that satisfy the marketers. Finally, messages are short and straight to the point (Belch & Belch, 2012).

There are further benefits that are derived from outdoor advertising. It offers the lowest cost-per-exposure of any advertising media as it targets consumers through activities such as reaching shoppers on their way to the store, business people on their way to



work or their homes, travellers on their way to the airport, all the while influencing consumers to make a purchase (Clown & Baack, 2012).

The use of colour and electronic exposure enables outdoor advertisements to capture the attention of an audience immediately and provide reminder messages which can influence consumers to visit certain retail outlets such as fast food restaurants, fuel stations or quick-shops (Belch & Belch, 2012). Outdoor advertisements also serve as a point-of-purchase reminder to consumers in the shopping and buying process. Outdoor advertising offers a localized approach for national advertising campaigns and creates continuity for a brand and its advertising messages. It can enhance direct-response offers by providing a business's website address and/or telephone number (Lane *et al.*, 2011).

3.4.2 Weaknesses of outdoor advertising

Belch and Belch (2012), note that there are weaknesses with regards to outdoor advertisements, such as the fact that consumers in a car pass quickly and cannot see or read the advertised message. O'Guinn *et al.* (2011), notes that audience demographics are difficult to measure because it is difficult to physically inspect each outdoor poster panel. People are likely to get tired of seeing the same advertisement every day. In addition, outdoor advertising has suffered some image-related problems owing to poor reproduction of messages on billboards and posters (Lane *et al.*, 2011). Finally, there is also environmental clutter and provincial- and local-government bylaws that challenge of outdoor advertising (Koekemoer, 2014b).

According to Lane *et al.* (2011), outdoor advertising has been attacked in many communities and labelled as visual pollution. It also faces additional legal restrictions in selected jurisdictions in some areas such as Alaska, Hawaii, and Vermont. Some local governments have banned the medium altogether.

3.4.3 Outdoor advertising expenditure and ratings

Despite the potential challenges, outdoor advertising expenditure continues to increase and is ranked as the fifth largest advertising media platform worldwide (O'Guinn et al., 2009). Despite the revenue growth, outdoor advertising remains one



of the least researched forms of mass media. Lane *et al.*, (2011) state that outdoor advertising comprises a small but growing portion of total advertising revenues and yet it is likely to continue to grow in the next decade.

Du Plessis, Van Heerden and Cook (2010), note that South Africa has approximately 19 million commuters, of which 4,1 million are in Gauteng. This huge number of commuters travelling daily between townships and cities or towns makes outdoor advertising a potentially cost-effective form of advertising media.

Finally, the growth of outdoor advertising has led to an increase in the use of non-traditional advertising media platforms, including bus shelters and kiosks. Other media platforms such as arenas and stadiums, airports and transit stations such as those for buses, taxis, subways and trolleys are also made use of (Belch and Belch, 2012). In the next section transit advertising will be discussed.

3.4.4 Transit advertising

Transit advertising appears as interior and/or exterior displays on mass-transit vehicles and in terminal and station platforms (Belch & Belch, 2012). Transit advertising is valuable when a business wishes to target workers who travel regularly to work as it provides an excellent means for repetitive message exposure, even to consumers who are not working, such as pensioners and the disabled.

Thus, transit advertisements can reach many individuals in a cost-efficient manner in metropolitan areas (Koekemoer, 2014a). An example of cost-effectiveness of transit advertising is articulated by Belch and Belch (2012) through the scenario of a business that uses this medium deciding to buy advertising space on trains, bus lines and taxi ranks which serve as hubs for a consistent throng of people belonging to the demographic segment being targeted.

This type of demographic targeting, i.e., matching certain transport service with the target audience, derives more value from a limited advertising budget. Transit advertisements can also be appealing to local merchants, because their messages may reach passengers as they travel to a store or shop. It also works for building or maintaining brand awareness (Du Plessis *et al.*, 2010).



Nonetheless, Belch and Belch (2012) state that transit advertisements can easily go unnoticed in the hustle and bustle of daily life. People travelling to and from work via a mass-transit system are one of the most difficult audiences to engage with when trying to convey a brand message. As a result, messages may not be able to break through to hurried commuters, or those commuters may be listening to or reading other advertising media (Clow & Baack, 2012). Therefore, in the next section billboards and posters will be discussed.

3.4.5 Billboards and posters

Effective billboards and posters reach viewers with a message that speaks to a need or desire that is immediately relevant to that viewer (Koekemoer, 2014a). For instance, fast food restaurants and fuel stations use billboards and posters along highways and freeways to inform travellers how to detour onto a specific store that offers what they want (O'Guinn, et al., 2011). However, there have been advances within the outdoor advertising industry, which now offer consumers a dynamic medium with previously unimagined possibilities unlike in the past where the medium was largely static in nature. For example; billboards now make use of digital and wireless technology. Wi-Fi and Internet media have now found their way to billboards (Koekemoer, 2014a).

Various weaknesses are realised from the use of billboards. Belch and Belch (2012), argue that billboards and poster advertising include long and complex messages which make no real sense. Thomas (2015) and Medhora (2017) suggest that the billboard and poster copy should be limited to no more than six words. Additionally, the effectiveness of billboards can vary dramatically depending on their location. This leads to concerns over the various locations and the need to assess locations, hence, SMEs may need to send individuals to a specific site to determine if the location is desirable. The Institute of Outdoor Advertising has described billboards as expensive and a form of visual pollution (O'Guinn *et al.*, 2011).

3.4.5.1 Billboard / poster expenditure and ratings

O'Guinn et al., (2009), note that the USA's total expenditure on outdoor advertising has been increasing annually. Outdoor advertising expenditure in the USA amounted



to \$68.3 billion in 2011, with \$20.5 billion spent on digital outdoor advertising. In addition, global spending on outdoor advertising has exceeded \$230 billion, with \$69.7 billion spent on digital outdoor advertising. Globally, outdoor advertising has accounted for 25.3% of advertising expenditure in 2011 (Shimp & Andrews, 2014). The expenditure above depicts that global and local business invest on billboards and poster advertisements.

Koekemoer (2014b), states that minibus-taxi advertising is dominant in South Africa as outdoor advertising with 77% of passengers exposed to this type of advertising every week. Billboards, street-pole advertisements and suburban signs, which are placed second, are seen by 72.7% of pedestrians and passengers each week (Koekemoer, 2014b). Statistics of the South African Audience Research Foundation (2012 - 2013) further shows that billboard advertising usage has increased by 7%, from 57.9% in December 2011 to 64.9% in December 2012. In the same survey, trashcan-advert expenditure by SMEs has increased by 5.2% from 51.7% in December 2011 to 56.9% in December 2012. Subways and building-wrap-advert expenditure has increased by 3.5% and street pole advert expenditure has increased by 7%. The above statistics shows there are various outdoor advertising that are effective on consumers and SMEs can choose from them in order to increase their profits.

Du Plessis *et al.* (2010), combines the audience measurement for outdoor advertising in South Africa and evaluates these advertising media platforms for large urban areas, small urban areas and rural areas. The ratings on the effectiveness on consumers are as follows: 85% of billboards are used for advertising purposes and installations by SMEs, 79% of minibus-taxis are used for advertising, 74% of trucks, 59% of dustbins, 56% of bus shelters, 54% of busses, 53% of trailers, and 19% of trains in large urban areas. Furthermore, 61% of billboards are used for advertising and installations by SMEs, 52% of minibus-taxis are used for advertising, 55% of trucks, 26% of dustbins, 23% of bus shelters, 30% of busses, 30% of trailers, and 7% of trains in small urban and rural areas. The statistics show the usage and installation of outdoor advertisements by SMEs, which in turn gives an indication of the effectiveness of outdoor advertising in South Africa. Therefore, these results can assist SMEs in choosing the medium that would be most effective for them.



Nevertheless, Lane *et al.*, (2011) observe that traditional billboards are still the primary source of the outdoor advertising industry's revenues; they constitute 66% of the industry's total income, and are followed by alternative advertising with 16% (this includes handouts, supermarket video displays and yellow-pages media), transit advertising with 11% and street furniture advertising with 7%. In the next section, online advertising will be discussed.

3.5 ONLINE ADVERTISING

Online advertising is the usage of a global marketing network of computers which communicate with one another using certain procedures and with common roles for linking and sharing information about a business's products or services (Arens *et al.*, 2009).

Online media maybe used for independent communication by SMEs. Such online media facilitated communication includes sending electronic messages, displaying product or service information on a website, and multi-communication where SMEs actively share information across various forms of advertising media, social websites, news groups, and blogs (Swanepoel and Bothma, 2013). Finally, online advertising consists of e-mails, banners, sponsorships, pop-ups, pop-unders, interstitials, push technologies, links, contextual ads and reach media (Swanepoel and Bothma, 2013).

3.5.1 Benefits of online advertising

A major benefit of online advertising is the ability to target customer groups with minimum wastage (Belch & Belch, 2012). Thus, a message that is clear, unambiguous and contains high-quality images can be designed to appeal to the needs and wants of current and potential consumers. An integrated online advertising can also use web display or banner ads to highlight themes and images from television or print campaigns (O'Guinn *et al.*, 2011).

SMEs with limited budgets can use online advertising as it enables them to gain exposure with potential consumers. Swanepoel and Bothma (2013) note that online advertising can reach a global audience in an interactive way that allows a business' brands to interact and connect with consumers. Online advertising can also create



awareness among consumers, irrespective of their geographical location or the time of day. If a customer wants to conduct research on the products or services offered by a business, he/she can do so from anywhere at any time. SMEs can even start a conversation, which can lead to sales (Mersey, Malthouse, & Calder, 2010).

Online advertising is also generally more cost-effective and assists SMEs in the management of their marketing. In most cases, it is only necessary to pay for an Internet advertisement when a customer responds to the advertisement, either by opening a dialogue box, clicking on the advertisement or purchasing a product or service (Stone, 2007 & Tapp, 2010). This lowers the costs. Online advertising also allows SMEs to track how consumers interact with their brands and this helps them to identify the interests and needs of current and potential consumers.

3.5.2 Weaknesses of online advertising

According to Belch and Belch (2012), one of the major disadvantages of online advertising is the lack of reliability. There are cases where bogus SMEs and scam artists advertise falsely on the Internet. In addition, downloading information about a business from the Internet can sometimes be time consuming. The Internet can also infringe on the privacy of users with irritating content such as clutter, e-mail spam, popups and pop-unders (Swanepoel & Bothma, 2013).

3.5.3 Online advertising expenditure and ratings

The use of online advertising has risen massively in the past decades. O'Guinn, Allen, Semenik and Scheinbaum (2015), present an announcement by Johnson and Johnson which states that traditional media gave way to digital media, Internet advertising and blogs, with \$250 million being spent on such forms of advertising. Lane *et al.* (2011), estimate that in 2009, almost 74% of the population of the USA, or more than 227 million citizens, made use of the Internet. Mass media advertising expenditure in the USA, which includes expenditure on online advertising which, is between \$300 billion and \$400 billion (O'Guinn *et al.*, 2009).

The online advertising industry has been growing at a rate of about 10% per year and this has been a challenge to traditional media. Arens *et al.*, (2009), present statistics



from the United States of America, which illustrates the spread of online advertising revenue. This has been presented according to the form of online advertising. Search engine results dominate, with 35% of online advertising taking place here, while online classifieds make up 33% of total online advertising, banners and buttons 21%, sponsorships 10%, rich media 8%, slotting fees 3%, e-mail advertisements 3%, interstitial advertisements 2%, and referrals making up the rest (Arens *et al.*, 2009). In addition, O'Guinn, Allen, Semenik and Scheinbaum (2015), note that expenditure for advertising online and via pop-ups, opt-in media, e-mail advertisements, bannerads, paid searches and other miscellaneous forms of online advertising, exceeds \$20 billion, which is less than 10% of global expenditure in the traditional advertising media.

There has also been growth in the use of online advertising in South Africa. According to Du Plessis, Van Heerden and Cook (2010), online advertising in South Africa achieved its highest rate of growth between 2001 and 2008, where it grew 12.5% to R4.5 million. South Africa is ranked fourth on the list of total online advertising exposure, with 4.5 million online users in 2008, which is a penetration rate of 10%, based on an estimated population of 43.8 million South Africans (Du Plessis, *et al.*, 2012). Shippey (2013), notes that South African SMEs spend about 2% of their advertising budget on online advertising.

The South African online user population has also been improving in the past few years. Goldstuck (2013) notes that at the end of 2011, South Africa had about 8.5 million online users, which represents a 25% increase over the 2010 figure of 6.8 million users. The increase is attributed to the explosion of the smart-phone market. This growth, in turn, increased online penetration in South Africa to about 17%. However, South Africa still trails behind the largest online-user bases in Africa: Nigeria with 45 million users and 29% penetration, Egypt's with 21.6 million users and 26% penetration, Morocco with 15.6 million users and 49% penetration, and Kenya with 10.4 million users and 25% penetration (Goldstuck, 2013).

There has also been a phenomenal growth in global expenditure on online advertising. Arens *et al.*, (2009), note that online advertising expenditure in the USA grew to a record \$16.9 billion in 2006 and was expected to reach about \$20 billion in 2007. O'Guinn *et al.*, (2009) also note that advertising expenditure on online platforms, in the



USA, was estimated at \$12 billion in 2005 and is estimated to increase to over \$36 billion by 2011.

Locally, the sum of advertising expenditure on online retail advertising in South Africa exceeded R2 billion in 2010, having increased by 30% since 2009. This growth rate was maintained in 2011, with another 30% increase to R2.636 billion (Goldstuck, 2013). In 2009, the online advertising market was estimated to be worth about R419 million. The growth forecast for the next 2 years was 35%, indicating an estimated revenue of R760 million in 2011 (Goldstuck, 2013). In the next section website advertising will be discussed.

3.6 WEBSITE ADVERTISING

The growth of website advertising will continue owing to the sustained development of three facets of technology: interactive technology, wireless technology, and broadband technology. These advances in technology have compelled big businesses to continue investing in these means of reaching and sending messages to target consumers (O'Guinn *et al.*, 2015). In fact, a survey by Goldstuck's (2013) outlined that in 2012, 410 000 SMEs in South Africa had websites. This means that 63% of active formal SMEs have websites. Research shows that SMEs with a website are likely to be more profitable than those without: of these 27% are highly profitable, while only 11% of SMEs without a website claim to be highly profitable (Goldstuck, 2013). Only 5% of those with a website operate at a loss (Goldstuck, 2013).

Lane *et al.*, (2011), notes that the spread of major online advertising expenditure in 2010 is as follows: search-engine marketing 61%, general online advertising 29%, email marketing 5%, social-media marketing 3%, and mobile marketing 2%.

Koekemoer (2014b) notes that website advertising will boost a business's profitability for two reasons. The first reason is that an increase in the awareness of the business improves the significance in the lives of potential consumers, as well as other businesses and government sectors which are interested in building relationships with the business and to which the products or services from the business are supplied. The second reason is the rapid growth in the number of website users, which is



constantly stimulated by the explosion in the smart-phone market. The growth in smart-phone usages arises in a situation, where the total number of computers currently in use in South Africa is about 9.5 million, most of which are operated by businesses. This low level of broadband penetration represents a major barrier for access to online services by small businesses (Koekemoer, 2014b). Nonetheless, about two thirds of currently active SMEs have an established presence online, which has been critical to their survival and growth (Beloff & Pandya, 2010).

Finally, 79% of SMEs which make use of website advertising report that they are profitable, with 30% reporting that they are highly profitable (Koekemoer, 2014a). The argument from those without websites is that there are not enough people online to justify a web presence. However, the reality is that the market is reaching a point where a business's website is the glue that holds all its marketing efforts and activities together (Beloff & Pandya, 2010). In the next section, social media advertising will be discussed.

3.7 SOCIAL MEDIA ADVERTISING

Social media advertising is an online platform where a business creates and shares information about its products or services electronically (Koekemoer, 2014b). Social media is a network of relationships created by a group of individuals with a common interest. The social media sites include, YouTube, Flicker, Facebook, Twitter and Pinterest (Swanepoel & Bothma, 2013). Such sites allow SMEs to form a public or semi-public profile within an interconnected system (Trusov, Bucklin, & Pauwels, 2009).

Swanepoel and Bothma (2013) confirm that SMEs use social media to develop a profile which provides consumers, who are also members of the site, with an opportunity to post comments and private messages, share photographs and videos, and use messaging or instant messaging technology to communicate over a business's products or services. This is done by interacting and socializing with consumers who utilise the social media site. Shimp and Andrews (2014), note that the use of social media advertising offers a business flexibility in terms of marketing and advertising



planning, and has the ability to quickly modify advertisements and postings when needed.

3.7.1 Benefits of social media advertising

O'Guinn et al., (2015) notes that the use of social media advertising offers individual SMEs the opportunity to increase human capital and knowledge, and to be updated and informed about the interests of consumers. Some social media sites have a high reach in terms of current and potential consumers (Kaplan & Haenlein, 2010). As a result, SMEs use customer-generated content and the social media in the pursuit of effective communication.

SMEs can receive feedback immediately, and can instantly inform their consumers when a new brand or product has been introduced to the market. Pricing, availability, location and news about promotions can all be obtained from social media sites (Belch & Belch, 2012). Social media advertising also provides audience measurement statistics through their intrinsic panels. These are statistics such as monthly brand impressions and overall exposure of the advertisement. Thus, uploading an advert to a social media site is generally a more cost-effective advertising option when compared to other more traditional advertising methods (Trusov *et al.*, 2009).

3.7.2 Weaknesses of social media advertising

Social media advertising has some weaknesses. These include the violation of the privacy of others; for example, Facebook allows users to tag friends in photos and events, even if those friends do not agree; and Twitter allows greater censorship of tweets in some countries than users desire (Shimps & Andrews, 2014). In addition, SMEs are worried that employees will experience a drop-in productivity or even undergo social media addiction, burnout or fatigue, while social media accounts are sometimes hacked and there have been instances of fraud reported in the past, and SMEs have to deal with negative or viral comments (Beloff & Pandya, 2010).



3.7.3 Social media advertising expenditure and ratings

According to Beloff and Pandya (2010), advertising expenditure on social networks increased by R3.49 billion in 2013. The top three social media sites; Facebook, Twitter and LinkedIn, collectively received more than 2.5 billion visits globally in 2009 (Jantsch, 2010).

Furthermore, the findings of a research on e-marketing as noted by Kaser (2013) shows that the estimated Facebook's global advertising revenue will increase to \$7 billion in 2015, thus making Facebook the largest seller of online advertising space. South Africa is ranked fourth globally, based on monthly page views of 34.5 billion in 2008. South Africa has 603 960 Facebook users, of which, 63% are female and 37% are male (Du Plessis, Van Heerden & Cook, 2012).

SMEs are more interested in establishing brand recognition through the social media sites. For example, Facebook currently has over 1 billion active users and R42.7 billion in revenue and thus making it imperative for SMEs to use it. In fact, Facebook advertising is predicted to stay strong and continue to be the leading social networking site around the world (Shimp & Andrews, 2014). Brands with the most fans on Facebook include Starbucks with 3.7 million fans, Coca-Cola with 3.6 million fans and Nutella with 3.2 million fans (Lane, *et al.*, 2011). This shows that millions of consumers use social media and business can easily communicate with its consumers effectively.

The user populations and revenue levels of other social media is of note here too. Revenue from Twitter is estimated to be R1.4 billion in 2009, with over 500 million global users and 50 million check-ins every day. In addition, Jantsch (2010) notes that Twitter has grown by more than 600% globally in 2009, which equates to over 70 million new users, a figure which grows at a rate of 120 000 per day. The South African (SA) blogosphere hosted an aggregate of 1.9 million pages in 2009 (Du Plessis *et al.*, 2010). Jantsch (2010), reports that expenditure on blogs has reached R133 million, and that, on average, around 900,000 blog posts are created every 24 hours.

Furthermore, YouTube is estimated to have streamed more than 75 billion videos to around 375 million visitors during 2009 and Flicker, the online photo sharing site, hosts



more than 3.6 billion user images. Delicious, the online bookmarking service, has more than 5 million users and more than 150 million unique bookmarked URL's (Jantsch, 2010).

The impact and effectiveness of social media use has generally been difficult to determine. Shimp and Andrews (2014), note that many online businesses, from a survey of 1 000, tended to struggle with measuring the Return on Investment (ROI) of their social media advertising efforts. In the survey, 41% of the SMEs reported that they do not have an accurate ROI measurement for any money spent.

3.8 CONCLUSION

Lives (2017) concludes that the total advertisements spending in South Africa is as follows, in 2015 the advertising spending amount to R 19 784 527 752 and in 2016 the total amount is R21 218 058 413. This is 7.2% increase on advertising spending in South Africa. In addition, Bratt (2018) supports the notion that top ten advertisers in South Africa have spent R 27 545 413 991 during 2017. The above shows that businesses are continuously increasing their spending while not knowing whether it returns their investment or not.

There are many ways for SMEs to disseminate their marketing messages to current and potential consumers. The question, however, remains: how often are consumers exposed to the message that would have been sent? Advertising media includes several various categories such as, alternative advertising media, non-measured advertising media, and non-traditional advertising media. The aforesaid terms describe a vast variety of channels which can be used by SMEs to deliver their advertising messages and to promote their products or services in order to boost their sustainability and profitability. The effectiveness of various forms of advertising media was compared based on the usage, advantages, disadvantages and expenditure by SMEs.

SMEs often struggle with deciding whether to use traditional mass media, such as broadcast, print- or outdoor-media, which have a wide and reputable reach, or to use new highly targeted media like online advertising and social media. Therefore, the choice between the two mediums should be based on which one is likely to achieve



the right persuasive impact on consumers to convince them to make a purchase. The importance of choosing the most effective medium is not based on the technology itself, but rather on the need to focus on the brand, its image and on a persuasive, integrated presentation of the brand to consumers.

Flyers, website, pamphlets and transit advertising were also considered in the chapter. However, existing research and theories which concern these forms of advertising is limited and does not contain the required information. There is limited information concerning expenditure by businesses on these forms of advertising and statistics on their effectiveness is just as limited. The researcher has used some outdated information and expenditure statistics because current information in this regard is lacking.

There are many forms of advertising media to choose from, but it will be impossible to investigate all of them, due to the time and financial constraints of the research. Instead the researcher has decided to focus on the forms of advertising media that are popularly known by the public residing in the Welkom area.

Hence, the relevance of investigating the effect of various forms of advertising media which are used as a promotional tool to meet the sustainability and profitability of SMEs.

In the next chapter, clarity is provided regarding the research methodology that will be employed in this study.



CHAPTER 4 RESEARCH METHODOLOGY

4.1 INTRODUCTION

This chapter outlines the research procedure and methods used to gather data for this study. The researcher also considers the different methods of the research paradigm and data collection, and then chooses the best method to compile and complete the main study in the context of determining the effectiveness of various advertising media upon consumers in Welkom.

The mixed method (quantitative and qualitative) was used in the study. It should be noted that data was collected by means of specific questions in the questionnaire. Two hundred (200) self-administered questionnaires were completed by consumers in the suburbs of Bedelia within Welkom. The questions were drafted for personal interviews and were conducted with ten SME managers or owners within the city of Welkom. The questions received particular attention and technical issues, such as validity and reliability were tested. The pre-test questionnaires conducted prior to the main research allowed the research conducted in the main study to be more holistic, while various advertising media gaps within the SMEs have already been discussed. This allowed and assisted the researcher to adopt the correct research method for the study.

Qualitative and quantitative research methods also known as mixed method was used in this study. The researcher decided to make use of the convenient sampling method to ascertain the consumer's response based on the effectiveness of various advertising media. Simple random sampling was therefore carried out among three consumer groups, based on age. The groups are as follows: 17 to 35 years (youth or young consumers), 36 to 50 years (mature consumers) and 50 plus (+) (old or experienced) consumers. The age-based sampling method was used to determine the preferences of particular consumer group with regard to advertising media that makes it easier for SMEs to know their target market better. This leads to a better management of the advertising budget and to the profitability and sustainability of SMEs. The researcher



also used simple random sampling to collect data from managers or owners of SMEs. A more detailed outline of the research methodology used in the study follows.

4.2 RESEARCH PARADIGM

The main objective of this research is to determine the effectiveness of various advertising media on the profitability and sustainability of small and medium enterprises (SME) in Welkom. The research paradigm of this study consists of both a qualitative and quantitative research approach. Both approaches were effective within the study and produced better results for SMEs with regards to consumers buying decision on products being advertised. Similarly, the organised procedures of this research were followed and data was collected and analysed as discussed in more detail in chapter 5.

Research is always about discovering something new in the hope of improving the lives of people in the world. A research paradigm is a major tenet of any research and it is a structure for performing a marketing research project (Arnold, Price & Zinkhan, 2004). However, Scotland (2012) defines a research paradigm as the planned knowledge of a specific development connected with a phenomenon in a specific period. It is a theoretical framework that guides the direction of the study process. In addition, a research paradigm provides the guidelines of the structure and parameters of tools that the researcher can utilise in striving to find the anticipated solution. Therefore, a research paradigm results in the nature of knowledge (ontology) and the means of generating it (epistemology).

The paradigm's philosophical perspective is a main issue for researchers and it is imperative to clarify the research method (Rubin & Barbie, 2010). It also plays a pivotal role in comprehending the research design, its performance and in the assessment of the quality of the research. It can be regarded as "the basic belief system or worldview that guides the investigator, not only in choices of method but in an ontologically and epistemologically fundamental way" (Guba & Lincholn, 1995:105).

Ontology is the reality that a researcher examines, while epistemology is the relationship between that reality and the researcher, and methodology is the last element of the paradigm, which refers to the technique used by the researcher to



explore the reality (Guba & Lincholn, 2005). However, gathering, recording and the analysis of data regarding a problem constitutes the research method (Du Plessis & Rousseau, 2003). The discussion of descriptive research paradigm and empirical study will follow.

4.2.1 Descriptive research paradigm

This type of research uses a set of scientific methods and procedures to collect raw data and create data structures that describe the existing characteristics of a defined target population or market structure (Pierson & Thomas, 2010). Descriptive studies generally allow decision makers to draw inferences about their consumers, target markets or environmental factors.

The researcher was not interested in finding the cause-and-effects in relationships (Royse, 2011), as a result, a descriptive research design chosen for this study. The method was used to classify the problems or opportunities that were found and to make recommendations about the results that were obtained. However, a researcher's selection of the descriptive research method must be between a variety of methods, such as a case study, survey research, an experiment, a secondary data study or simulation (McMillian & Schumacher, 2010).

From the abovementioned descriptive research method, researcher selected survey method which consists of observations, personal interviews, telephone, focus group, and online survey. The researcher used interview survey in order to find the truth about expenditure on advertising.

4.2.2 Empirical study

Empirical study can result from an experiment. Anon (2011b) described empirical study on webpage answers.encyclopedia.com as: "Empirical study means applying scientific methods to the study of communication; as in the study of behaviour change resulting from exposure to a communication campaign."



4.2.2.1 Dependent and independent variable

A dependent variable is a criterion or variable to be predicted or explained (Zikmund, 2003). Based on the effect of the various advertising media used as a promotional tool to meet the profitability and sustainability of SMEs, it implies that consumers are regarded as independent variables and SMEs as dependent variables. SMEs depend on the consumers to remain profitable and sustainable. It is for this reason that Leedy and Ormrod (2010) have clarified independent variable as a variable which is supposed not to be affected or changed by other variables.

There are two methodological paradigms of data collection that are normally used in research. Both methods are briefly explained below:

4.2.2.2 Qualitative study

Du Plessis and Rousseau (2003) have stated that qualitative research is elastic and receives information in an indirect way from respondents. More precisely, qualitative research is the same as an interview in which questions are asked face-to-face (Peter and Donnelly, 2009). Whereas, Salkind, (2009:209) describes: "Qualitative research, in the simplest term, is a social or behavioural science research that explores the processes that underlie human behaviour using exploratory techniques such as interviews, survey, etc."

Qualitative research has various characteristics. Patton (2014) outlines these characteristics as:

- Conditions: Naturalistic inquiry to study real world situations as they unfold naturally.
- Purpose: Understanding seek to understand consumer interpretations.
- **Instrumentation:** Human the human or person is the primary collection instrument.
- **Data:** Subject data are perceptions of the consumer in the environment.
- Results: Valid the focus is on the design procedure to gain factual, authentic, and quality data.



In this study, personal interviews were conducted to gather qualitative data from selected SME managers or owners. The respondents answered the questions asked, therefore, information received was factual, authentic and quality (see annexure: H).

4.2.2.3 Quantitative study

A quantitative study is referred to as a collection of data that involves larger and more representative respondent samples and the numerical calculation of results. Peter and Donnelly (2009) note that quantitative research methods are like interviews in which questions are asked face-to-face with the respondent. The researcher here, focuses more on a quantitative research method than the qualitative research method. Thus, this researcher planned to perform interviews on SME owners or managers and made use of a consumer questionnaire, which is part of the primary research format. The collected quantitative data constituted the study's primary data, which as noted by Zikmund (2003), was collected for use in a specific research project, in this case an evaluation of the effectiveness of various advertising media upon consumers in the Free State Province's town of Welkom.

Quantitative research is also known as descriptive research (Solomon *et al.*, 2009). Descriptive research searches for a more orderly insight into the dilemma using an enormous number of observations, case-studies and survey in order to narrate the foundation of the research. Arguably, "Quantitative research is tools that are systematic and structured, and aim at obtaining information from respondents in a direct, open manner." (Du Plessis and Rousseau, 2003:23).

The table 4.1 compares quantitative and qualitative research. It draws on Leedy and Ormrod's (2010) explanation that qualitative and quantitative are parallel to each other.



Table: 4.1 Comparisons between qualitative and quantitative research

Main reasons	Qualitative	Quantitative	
Purpose of the	-To describe and explain	-To explain and predict	
research	-To explore and interpret	-To confirm and validate	
	-To build theory	-To test theory	
Nature of the	-Universal	-Focused	
research	-Unknown variables	-Known variable	
process	-Flexible guidelines	-Established Guidelines	
	-Emergent methods	-Pre-determent methods	
	-Context-bound	-Somewhat context-free	
	-Personal view	-Detached view	
Data	-Textual and or image-based data	-Numerical data	
arrangement	-Informative, small sample	-Representative large	
	-Loosely structured or non-	sample	
	standardised observations and	-Standardised instruments	
	interviews		
Analysed data	-Search for themes and categories	-Statistical analysis	
	-Acknowledgement that analysis is	-Stress on objectivity	
	subjective and potentially biased	-Deductive reasoning	
	-Inductive reasoning		
Communicated	-Words	-Numbers	
findings	-Narratives with individual quotes	-Statistical aggregated data	
	-Personal voice, literary style	-Formal voice scientific style	

Source: Leedy and Ormrod (2010)

The above table shows that quantitative data is based more on numerical information, which is statistically orientated, while qualitative data focuses on textual facts or opinions and is more informative with regards to a smaller sample that includes reasoning. The researcher applied the qualitative method to collect data from managers or owners of SMEs. The researcher used data collected from Lejweleputswa Chamber of Commerce Free State, local newspapers around Welkom, google and yellow page book in order to find the SMEs. Researcher made phone calls to set up



appointments for interviews with owners or managers of SMEs. Researcher also travelled around Central Business District of Welkom looking for SMEs.

The quantitative method was used to collect data from consumers. On the other hand, qualitative method was used to extract data from SME managers or owners about the business's profitability and sustainability with regards to various advertising media.

The research methods were also used to detect the effect of various advertising media employed by the SMEs on consumers to purchase product or service. Researcher travelled around the suburbs of Bedelia asking consumers to participate on the study. Researcher used Bedelia shopping complex to ask respondents to fill in the questionnaires. Thus, the researcher decided to make use of a combination of qualitative and quantitative research methods in order to produce better results. The rationale behind this decision is indeed confirmed by Bryson, Atwal and Hultén (2013) in the observation that qualitative and quantitative research are best thought of as complementary and should therefore be combined in many kinds of research.

Then it is important to discuss people who will be participating in the study and method of collecting information. Population, sampling methods, data collections, reliability and validity, data analysis and ethical considerations will be discussed in the next section

4.3 POPULATION

A population is a group of people that are alike and share the same characteristics that the researcher is interested in (De Vos *et al.*, 2011). It is also viewed by De Vos *et al.*, (2010) as the totality of a targeted group. While, Babbie (2011) defines it as, "the theoretical specified aggregation of study elements." However, a population in research can be considered as the group that are used in the study and can refer to a certain person that falls into a specific characteristic used in the study.

In this study, SMEs are the dependent variables, whose profitability and sustainability is based on consumers. Majority of mines in Welkom were closed, this leads to some of the SMEs depending on mines had to shut down. Thus, the population of this study was drawn from SMEs within the city of Welkom in Lejweleputswa District. In addition, the sample, which is a specific segment within a population (Creswell, 2012.),



consisted of SMEs within city of Welkom. Consumers in Welkom were also part of the population.

4.4 SAMPLING METHODS

Cottrell, and McKenzie (2011) noted that sampling methods are either probability or non-probability based. Leedy and Ormrod (2010) describe probability sampling as the population which has a known non-zero chance of being selected. De Vos *et al.*, (2010) describe the probability sampling method as focusing on a sample that can be fixed and is known for selection. Thus, probability sampling includes:

- **Simple random sampling** all respondents have an equal chance to be chosen in the study.
- **Systematic sampling** is a random sampling method that requires selecting samples based on a system of intervals in a numbered population.
- **Stratified sampling** divides a population into subgroups, which is based on members that share the same attributes or characteristics.
- **Cluster sampling** a sample area is chosen, and respondents are also chosen within the chosen sample area.

However, non-probability respondents are not likely to be selected to participate in the study. Samples are selected on the subjective judgement of the researcher, rather than random selection (Leedy & Ormrod, 2010). The downside of the non-probability sampling method is that an unknown proportion of the entire population does not get sampled. Dane (2011) and Fouchè (2011) describe the non-probability sampling methods as follows:

- Convenience sampling respondents are easily accessible to the researcher.
- Quota sampling the sample is first segmented into specific groups and then samples are gathered.
- Judgement sampling the researcher selects units to be sampled on the basis
 of their own knowledge and professional judgement.
- **Snowball sampling** a limited population exists, and a researcher asks the initial subject in the study who also refer or recommends potential participants that meets the criteria of the research.



• **Consecutive sampling** - it includes all subjects that are available, which makes the sample a better representation of the entire population.

A review of the aforementioned sampling methods enabled the researcher to gain a more precise idea of what to look for and what to use as the correct method for the study.

Ultimately, the researcher decided that the study required an inclusion of both an internal (managers or owners) and external (consumers) environment of the SMEs. Hence, the simple random sampling method was chosen to ensure that the information needed from the SMEs was covered. However, the convenient sample method was also chosen to ensure that consumers' responses on the effect of the various advertising media used as a promotional tool were also covered.

The researcher compiled a list of the total population of SMEs within Welkom. The researcher made use of Google and "The Yellow Pages". The researcher also requested the list of SMEs within Welkom from the Lejweleputswa Chamber of Commerce. Finally, the researcher physically drove through the streets of the industrial area and central business district (CBD) of Welkom, looking for SMEs that can participate on the study.

The completion of the population list was followed by the researcher's contacting of each of the businesses on the population list. The researcher clearly explained the reasons for the interview to the managers and owners of SMEs and the requested that the owners and managers take part in the study. SMEs that were not part of the study were eliminated. The SMEs that were not eliminated were split into two groups, namely small enterprises, which consisted of not more than 50 employees with an annual turnover of R19 million, and medium enterprises, which consisted of not more than 200 employees and with an annual turnover of not more than R39 million (National Small Business Act, 102:1996).

According to Leedy and Ornmrod (2010) simple random sampling is a subset of the statistical population in which each member of the subset has an equal probability of being chosen. This means that any SME within Welkom had an opportunity to be chosen for this study. The researcher used the combination of simple random sampling



and convenient sampling. Both sampling methods were used to ensure that a broad knowledge regarding the effect of the various advertising media would be gained. The researcher divided the sample into small and medium enterprises. The simple random sampling method allows the researcher an opportunity to differentiate between small and medium companies, since every business had an equal chance of being selected. Therefore, small and medium enterprises were detected and selected for interview.

The researcher intended to have a sample of 10 SMEs from the population. Due to the shutdown of SMEs, some SMEs were eliminated from the study and as such the researcher decided to replace those companies with existing ones in order to retain the effectiveness of the study. The researcher also guaranteed that any business which closed before the full empirical study has been undertaken would not be included in the study. Therefore, the eliminated sample business was replaced to close the gap.

Convenient sampling was used to collect data from consumers in Bedelia, within Welkom. The reason to collect data from consumers is to know which advertising media is effective on their buying decision. Therefore, two hundred (200) questionnaires were distributed in the households of consumers. Before the questionnaires were given to respondents, the researcher explained the purpose of the study, read the consent letter to the respondent and asked them to sign the consent letters. Then, the researcher provided a questionnaire to the respondent.

4.5 DATA COLLECTION METHOD

Data collection is a procedure of collecting and evaluating information on targeted variables in an established systematic fashion, which then enables the researcher to answer relevant questions and assess the results (De Vos *et al.*, 2010). Several data collection methods, such as observations, interviews, questionnaires, action research, focus groups, and document reviews, could have been used to gather data for this research. The purpose of using face to face interviews and questionnaires was to collect data. During the qualitative research, the interviewer aimed to establish the reality - whether advertising boosts the profitability and sustainability of SMEs in Welkom.



An appointment was scheduled by the researcher to enquire from owners and managers of SMEs whether they were willing to participate in this research. The researcher ensured that the managers and/or owners were willing to participate voluntarily in this research. Then the researcher asked for permission from owners or managers to make use of a tape recorder during face-to-face interviews. All respondents agreed that the voice recorder may be used during face-to-face interviews. The research interviewed the managers and owners of SMEs and confidentiality was maintained throughout the interviews (See: Annexure A & C).

Furthermore, a quantitative data collection method was used by the researcher to detect the effect of various advertising media on consumers. The researcher then made sure that the consumers were willing to participate in this research. All consumers agreed to participate. The researcher issued consumers with questionnaires. The researcher was available to the respondents to provide clarity through questions that consumers may have had. All respondents had a choice to complete the questionnaire and confidentiality was maintained throughout the research (See: Annexure B & D).

4.5.1 Data collection questionnaire

Leedy and Ormrond (2010) define a questionnaire as a written set of questions that are given to respondents in the collection of facts or opinions regarding a problem. A set of questions was drafted by the researcher to obtain statistics on the useful and personal information of the individual respondents. The questionnaires were separated into age groups to ensure that all the areas concerning the effectiveness of the various advertising media on consumers were covered. The researcher noted that it is imperative to rate the effect of various advertising media by distributing questionnaires based on ages from 17 to 35 years (youth or young consumers), 36 to 50 years (matured consumers) and 50 plus (+) old or experienced consumers. The reason for these categories was, to understand which group (age and gender) prefers which advertising media to purchase a product.

The researcher drafted four (4) point likert scale questionnaire that consisted of 77 question statements (see Annexure B). The researcher ensured that the 200



questionnaires were distributed to the consumers within the Bedelia suburb in Welkom. The distributed questionnaires were closed-ended in order to encourage consumers to be frank about the effect of the advertising media when used as a promotional tool by SMEs. The researcher read the consent form to consumers and told the consumers that they can withdraw from participating in a study if they feel uncomfortable with questions asked. After explanations, researcher gave respondents questionnaires and asked them to fill it and waited for clarity seeking question based on the questionnaire.

4.5.2 Data collection interviews

De Vos *et al.*, (2010), refer to an interview as a verbal conversation between two people with the objective of collecting relevant information for research. McMillan and Schumacher (2010) also points out that interviews are particularly useful for getting the story behind a participant's experiences. Firstly, the researcher read the consent form to managers or owners of SMEs and told them that they can withdraw from participating in a study if they feel uncomfortable with questions asked. After explanations, the researcher collected data from interviews with managers and owners using voice recordings. The researcher then transcribed the data received from the interviews (see: Annexure A).

4.6 RELIABILITY AND VALIDITY

Validity and reliability are two desirable qualities of any measurement procedure or instrument. The reliability and validity of data depends on whether the data is usable. If it is usable it provides a true reflection of occurrence under study. Therefore, it must be reliable. Patton (2014) and Wallen, Fraenkel and Hyun (2012) note that an instrument is only an instrument if it is able to measure and can be used accurately. They also said that the validation process must be done appropriately.

The reason for having multiple tools for testing arises from the reality that no testing tool is perfectly legitimate and as such testing must be done repeatedly to gain assurance. Wallen *et al.*, (2012), mentioned that evidence should ensure the accuracy of the tool. Thus, various methods to validate the reliability of the results are essential.



4.6.1 Reliability

Reliability according to Drost (2011) is the extent to which an experiment, test, or any measuring procedure yields the same results on repeated trials. Therefore, the tendency towards consistency in repeated measurement is its reliability. In other words, reliability is the repetition of findings. Drost (2011) also notes that the reliability coefficient is the connection between two or more variables.

There are five general types of reliability tests that calculate reliability in a unique way (Trochim 2006). They are as follows:

- Inter-Rate or Inter-Observer Reliability Used to assess the degree to which different assessors/observers give consistent estimates of the same phenomenon.
- Test-Retest Reliability Used to assess the consistency of a measure from one time to another.
- Internal Consistency Reliability Used to assess the consistency of results across items within a test.
- Parallel Form Reliability Used to assess the consistency of the results of two
 tests constructed in the same way from the same content domain.
- Cronbach's alpha A mathematical equivalent to the average of all possible split-half estimates.

The reliability of this study was determined using the Cronbach Alpha to determine the p values. The researcher assessed the consistency of results across the responses of consumers on various advertising media used as a promotional tool by SMEs and results were consistent.

4.6.2 Validity

According to Trochim (2006) the population that is under study should be viewed as a construct and sample of that population. The author indicates further that construct validity is the estimated deduction that your construct reflects about your population.



There are two aspects of validity, the internal and external, which are briefly explained as follows:

Internal validity: the instruments or procedures used in research to measure what they were supposed to measure. Leedy and Ormrod (2010) state that internal validity can further be divided into four divisions, namely:

- **Controlled laboratory study** research in laboratory.
- Double-blind experiment where two or more different interventions are compared.
- Unobtrusive measures respondents observed without knowing.
- **Triangulation** numerous data is collected to support a theory.

External validity: the results can be generalised beyond the immediate study. Leedy and Ormrod (2010) state that external validity can be divided into:

- Representative sample researcher uses samples to generalise the entire area.
- Replication in a different context –when two different researchers reach the same conclusion from two different contexts.

This information allowed the researcher to make an unbiased decision in choosing a quantitative or qualitative data approach. For this research, the researcher made use of a pilot study to test the validity of the construction. The outcome of both reliability and validity are triangulated. Beitmayer (2010:4) describes triangulation as a means "to research the process aimed to serve two main aims, conformation and completeness." Murray (2010) states that triangulation improves an investigation by making use of the validity in the research. Ultimately, triangulation is the cross-validation of data received to ensure that the research is a true reflection of the problem that needs to be solved.

Hence, the researcher used triangulation to check out the consistencies of the findings generated from qualitative and quantitative data collection methods. The study's data



from the managers and/or owners of SMEs and consumers were checked and compared with regards to consistency and complementary of results.

4.6.3 Trustworthiness

Trustworthiness is demonstration that the evidence for the results reported is sound and when the argument made is based on the results is strong (Creswell, 2012). Leedy and Ormrod (2010) note that there are competing claims as to what constitute a good quality research in social sciences. According to Creswell (2012) validity and reliability used to be regarded as a measure of quality for this type of research but also indicate that these two terms seem not to enjoy popularity anymore in terms of defining good and quality research.

In qualitative studies validity is enhanced through triangulation and triangulation is aimed to check answers not so as to gain further information in order to produce on answers (Barbie & Mouton, 2004). Qualitative researchers use various strategies such as writing extensive notes, member checking, peer reviewing, reasoned consensus, and audit trial to enhance validity (Creswell, 2012). This study focussed on writing extensive notes during the interviews and member (participant) checking. The categorical framework of the research design and the research methods of this study showed the plan that was followed to achieve the main aim specified in this study. The research design and methods were opulently described in order to enhance credibility.

This study has attempted to strictly create trustworthiness so that the results can be credible. Justification, writing extensive notes, openness and description of methodologies of data collection and analysis were used for this purpose. Openness was a basic principle in this study. Firstly, through openness the researcher created a free and relaxing environment with participants. Researcher asked participants questions opening questions such as, how was your day? Did you enjoy your weekend? etc. before they can answer the questions. The purpose was to soften any hostilities that could have cropped during the interview process. When the participants have developed trust with the interviewer they also give reliable and valid information.



The research techniques are presented in detail in chapter one. The purpose is to show convincingly how the study unfolded and to indicate that results and conclusions reached are trustworthiness and in line with practice in qualitative research.

This refers to the process of verifying with the participants certain aspects of phenomenon that is under investigation. In this study probing during the initial interviews was used to clarify and verify information as supplied by participants. Participants were checked to ensure that if the researcher has misinterpreted some of the information during the data analysis it could be rectified and then the correct version of events merged in the data.

4.7 DATA ANALYSIS

Anon (2011a) describes data analysis as a process of systematically applying and/or logical techniques to describe and illustrate, summarise, and recap, and evaluate data. Data from both interviews and questionnaires was captured and analysed according to their form: whether numerical or words. Qualitative data was coded using verbatim transcription developed in frequency counts. The frequency tables in each category were determined, the qualitative data was systematically searched from the discussions of those strategies with higher frequencies in each category. Quantitative data was analysed using descriptive statistics such as frequency, percentages, bar and pie charts.

The procedure for analysing and interpreting the study's qualitative data conformed to the phases of data analysis suggested by Miles *et al.*, (2000), cited in Wellington (2000). Therefore, data derived from the study's qualitative method was collected, summarised, coded and sorted into manageable themes, patterns, trends and relationships. The final stage of the data analysis process involved interpreting and giving meaning based on the response of participants (see annexure: table in chapter 5).



The researcher followed the following process in the analysis of qualitative and quantitative data:

- Data collection and management data collected using the voice recordings
 of the owners and managers of SMEs within Welkom. The researcher also used
 questionnaires to collect responses from consumers. The data was controlled in
 such a manner that it was not difficult for the researcher to retrieve any of the
 collected data. The researcher separated the data of small and medium
 enterprises. Conversely, consumers' data was also separated based on age.
- Organising and preparing data statisticians assisted the researcher to transcribe the data which was collected during the interviews on word document.
 Data from questionnaires was organised based on age and then it was prepared and coded.
- Coding and describing data the researcher created themes from an observation of the evident patterns, relationships and differences. He explored the findings of the data which was collected during the interviews. The researcher linked the outcomes of the aforesaid tools and related them to the theory of the study to construct meaningful codes and describe data. The researcher also coded the questionnaires on spreadsheets and the statisticians described the data.
- Conceptualisation the coded and described data from both interviews and
 questionnaires was interpreted on the basis of the conceptualised data. Themes
 were also created from the interview responses so that a conceptual frame work
 could easily be structured.
- Connecting and interrelating data data was connected in relation to the study. Both data results were compared separately and interrelated based on qualitative and quantitative method.
- Interpretation and providing meaning the connected and interrelated data was, with the assistance of a statistician, interpreted in order to provide meaning from the themes detected through the questions which were asked during the interviews.



Results of the research can be displayed in various forms of data presentation as mentioned by (Creswell, 2012., & Bryman, 2012):

- Pie Charts
- Bar Charts
- Frequency distribution tables
- Cross tabulation Chi-square

There are two types of data analysis, namely inferential data analysis and descriptive data analysis (Mouton, 2001). In this study, frequency distribution tables, cross tabulation Chi-square, bar graphs and or pie graphs were used as part of the descriptive data analysis. De Vaus (2014) postulates that cross tabulation is one of many ways to show whether two or more variables are linked to each other. It can provide a great deal of detail about a relationship between the dependent and independent variables. For this study, a dependent variable was cross-tabled with specific independent variables to obtain significant relationships.

In addition, the Chi square (x²) distribution, which is a mathematical distribution that is used directly or indirectly in many tests of significance, was calculated. Chi-squares are common non-parametric procedures needed when the data is in a nominal form (McMillan & Schumacher, 2010). In the same context, chi-square calculations could mean a frequently employed statistic for a 2 x 2 contingency table depicted as X². As a statistic test, it measures the difference between two variables and addresses the notion of statistical significance itself, based on the principle of probability (Cohen, Manion & Morrison, 2002). Kolobe (2012) shows that a large Chi-square value indicates a bigger distance while a small Chi-square value indicates a smaller distance between the independent and dependent variables.

Therefore, the larger the distance between variables, the less the relationship between them and the smaller the distance, the greater the relationship.



This situation is illustrated below as follows:

$$\begin{array}{ccc} & & & \underline{(O-E)^2} \\ X^2 & = & \sum & E \end{array}$$

Where: X² Chi-square

 Σ : Sum

= : Equals

(O – E) Observed minus expected squared

On the same note, Cohen *et al.*, (2002:364) provide an example of the Chi-square distribution as indicated in the table below.

Table 4.2 degree of freedom and level of significance

Degree of freedom	Level of significance
	0.001:
	0.01
	0.05

The table above indicates that the chance of obtaining the measured association because of sampling error are 1/1000, 1/100 and 5/100 respectively (John, Loewenstein & Prelec, 2012). The presentation of chi-square calculations in this study was done according to the par value of 0.01 and 0,05 level of significance as the highest point significance level (Bridges & Smith, 2007).

A frequency analysis was conducted on demographic data, data on advertising in general, and data on various advertising media. A cross tabulation analysis was conducted for each yes/no question concerning reading and watching advertising media. A Chi-square test for independence or association or relationship between gender and decision making to buy was also conducted as well as age and decision making to purchase. The interpretation of the results from the research were highlighted and presented in different forms of graphs and charts. Both data from interviews and questionnaires did not include inconsistencies. Therefore, the research is valid and reliable.



In addition, data from the questionnaires was captured electronically by the researcher in Microsoft Excel. The statistician assisted the researcher with the data cleaning, coding and capturing. An analysis was done by the researcher using SPSS (Statistical package for social sciences). Descriptive statistics, namely frequencies and percentages, were calculated for categorical data. Analytical statistics, namely the Chi-Square test, were used to compare percentages between age, gender and decision making (groups).

However, the Microsoft excel was used to compare percentages within groups. A significance level of 0.05 was used to indicate the level of relationship between consumers age, gender and purchasing decision. The 0.05 level of significance is equal to a 95% calculated relationship. This also indicates that there is a meaningful relationship between consumers influence on buying decisions and SMEs product or service. This allowed the researcher to compare the outcome of the research and to determine the trend between age, gender and decision making on the advertising used by SMEs.

4.8 ETHICAL CONSIDERATIONS

Leedy and Ormrod (2010) point out that there are five ethical concerns to be considered when conducting a survey research. The concerns deal with voluntary participation, ensure that there is no harm to respondents, guarantee anonymity and confidentiality, identify the purpose of the study, and focus on analysis and reporting.

Researchers must make sure from the onset that participation is completely voluntary. Bryman (2012) notes further that voluntary participation sometimes causes conflict with the need to have a high response rate. Conversely, low return rates can introduce a bias response. In addition, a consent letter requesting the participation of selected SMEs and the questionnaires were given to consumers (see Annexure: C and D).

The willing SMEs were involved in the study with the assurance that their responses would remain confidential. The aim of the study was made clear - to determine the effectiveness of various advertising media on the profitability and sustainability of SME's in Welkom. Information from both SMEs and consumers is of vital importance. Participants had to be willing and not under any pressure to participate as suggested



by (Leedy and Ormrod, 2010). All questions that were asked were user friendly to avoid any problems as seen in Annexure A and B. The participating SMEs gave demographic details before the interview started (see Annexure: A).

4.9 CONCLUSION

The methodology that was applied was reliable and effective, thus ensuring that all retail companies (SMEs) had an equal chance of being selected. The majority of the selected respondents were interested and eager to participate in the research. The simple random sampling method that was chosen by the researcher allowed all companies to have an equal chance to be selected, even though some companies might have been in the business for a few years and still in a growth stage of the business life cycle. This process also assisted the researcher to determine whether a business used advertising correctly and which advertising media influenced consumers to purchase a product or service.

Chapter five (5) focuses on the data presentation and analysis of the data.



CHAPTER 5 DATA PRESENTATION, DISCUSSIONS AND ANALYSIS

5.1 INTRODUCTION

This chapter focuses on the data analysis relating to the study. It provides data analysis and findings on the effect of various advertising media used as a promotional tool to meet the profitability and sustainability of SMEs in Welkom. The SPSS software used to perform the statistical procedure was chosen in line with the type of data that was captured, categorised and interpreted.

5.2 VALIDITY AND RELIABILITY OF THE STUDY

In order for research study to be legitimate it must be free of distortion and biasness. Therefore, validity and reliability are two concepts that are imperative in defining and measuring biasness and distortion.

5.2.1 Validity of the study

The researcher has used a questionnaire on consumers which was subjected to a validity test. Validity is factual or logical in producing quality results in everything being tested (Leedy and Ormrod, 2010). Kolobe (2012) points out that a researcher should be able to demonstrate that concepts can be identified, observed or measured in the way they would have been planned. This means that the operationalisation of concepts related to the study has to be a true reflection of the occurrence being observed or under study.

A pilot study was conducted with five (5) consumers residing in the Bedelia area in Welkom. The questionnaire had 77 questionnaire statements that focussed on the effect of various advertising media on consumers. The questionnaire and interview questions were analysed by the researcher with the assistance of a statistician from the Central University of Technology, Free State and this resulted in the identification of measures of validity, reliability and data analysis.



5.2.2 Reliability of the study

According to Leddy and Ormrod (2010), reliability is when a measuring instrument yields a certain constant result when the entity measured has not changed. Reliability comprises the accuracy of the researchers' study methods and techniques, and indicates the level it can be enhanced. Furthermore, reliability may also be described as the ration of the variance of the actual score to the observed score (Kolobe, 2012). Thus, the questions formulated were first discussed with the statistician several times to ensure reliability. This is because questionnaires and interview questions should be accurate and constructed in a way which responds to the objectives of the study. For the study, the researcher conducted a pilot study, and an internal consistency reliability, which were measured through the Cronbach's Alpha as indicated in the table 5.1.

Table 5.1 Reliability Analysis: Cronbach's Alpha

Reliability Statistics							
Cronbach's	Cronbach's Alpha Based	on					
Alpha	Standardised Items		N of Items				
0.861	0.865		55				

Cronbach's Alpha tests are used to determine the reliability of variables (Cronbach, 1951 & Bentler, 2009). In general, a score of more than 0.7 is usually acceptable. An elevated level of alpha means the variables are highly correlated. Conversely, a low value (0.6) of alpha may mean that the variables do not correlate.

Therefore, table 5.1 above presents a Cronbach's Alpha coefficient of 0.861 which is greater than 0.7, and there is a high internal consistence of 86.1% in the questionnaire regarding questions on the four point Likert Scale. This shows that the questionnaire is reliable. Note that a Cronbach's Alpha greater than 0.7 implies a high internal consistence (De Vellis, 2003).



5.3 CONSUMER DEMOGRAPHICS

This section focuses on the interpretation, discussions and analysis of demographic data of the consumer respondents. Thereafter, figures are provided for the individual demographics of the consumer respondent's data to illustrate them in detail.

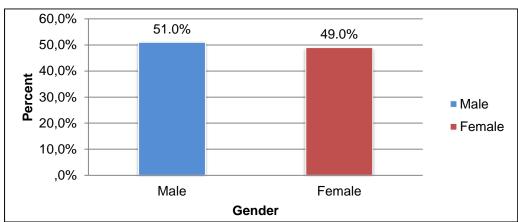


Figure 5.1: Gender of consumers

Figure 5.1 above indicates that 51.0% (102) male and 49.0% (98) female consumers participated in the study. Therefore, the percentage shows that 200 respondents participated in this study, which is equal to 100%.

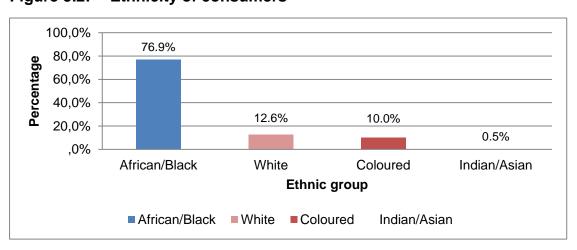


Figure 5.2: Ethnicity of consumers

Figure 5.2 above shows that 76.9% (153) are African or Black consumers, 12.6% (25) were White consumers, 10.0% (21) were Coloured and 0.5% (1) were Indians or Asians. Thus, the above confirms that all the populations groups in South Africa were represented in the study, which makes it balanced.



Figure 5.3: Age groups of consumers

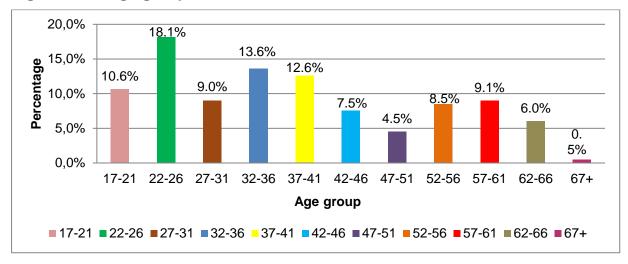


Figure 5.3 above provides a classification of the consumers age. The figure shows that, 18.1% (36) of the consumers fall between 22 and 26 years, followed by 13.6% (27) of the consumers belonging to the 32 to 36 years age range, 12.6% (27) between 37 and 41 years, 10.6% (21) between 17 and 21 years, 9.1% (18) between 57 and 61, 9.0% are between 27 and 31 years, and 8.5% (17) fell in the 52 to 56 years range. In addition, there were 7.5% (15) consumers between 42 and 46 years, 6.0% (12) between the age of 62 and 66 years. Furthermore 4.5% (9) between 47 and 51 years, and 0.5% (1) were consumers aged 67 and above.

Figure 5.4: Employment status of consumers

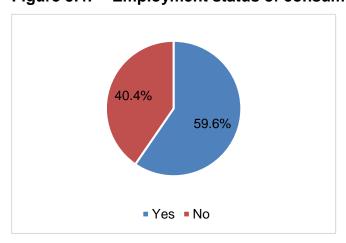


Figure 5.4 above shows that, 59.6% (115) of the consumers were employed while 40.4% of the consumers were unemployed.



30,0% 28.4% 24.0% 25,0% 18.6% 20,0% 15,0% 10,0% 20,0% 12.6% 11.5% 3.8% 5,0% 1.1% ,0% Income level R1000-R5000 ■ R5001-R10 000 ■R10 001-R15 000 ■R 15 001-R 20 000 R20001-R25000 R25001-R30000 ■R30 000 +

Figure 5.5: Income levels of consumers

Figure 5.5 above illustrates that 18.6% (34) of the consumers earn between R1000 to R5000, 28.4% (52) of the consumers earn R5001 to R10 000, and 24.0% (44) earn R10 001 to 15 000. In addition, 12.6% (23) of the consumers earn salaries ranging from R20 001 to R25 000, 11.5% (21) earn from R15 001 to R20 000, and 3.8% (7) of the consumers earn an amount ranging from R25 001 to R30 000. Lastly, 1.1% (2) of the interviewed consumers earn R30 000 or more. The above results show that majority of consumers earn between R5 001 and R15 000.



Figure 5.6: Education levels of consumers

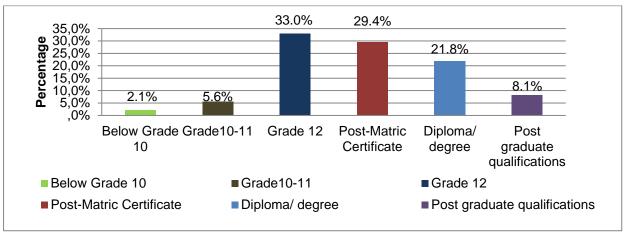
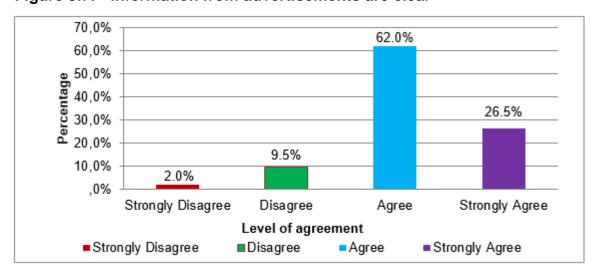


Figure 5.6 above indicates the consumers' level of education. It shows that 33.0% (65) of the consumers completed grade 12, while 29.4% (58) hold a post-matric certificate, 21.8% (43) have completed a diploma or degree, and 8.1% (16) of the consumers completed post graduate studies. It should also be noted that, 5.6% (11) of interviewed consumers have completed grade 10 and 11, and the level of education of 2.1% (4) of the consumers is below grade 10. Conversely, three (3) respondents did not answer this question. The above statistics indicate that the majority 62.4% of respondents were Grade 12 and post-matric certificate.

5.4 THE EFFECT OF ADVERTISEMENTS ON CONSUMERS

This subsection presents the results from an analysis of the effects of advertisements on individual consumers.

Figure 5.7: Information from advertisements are clear





The above Figure 5.7 illustrates that most respondents, who constituted 62.0% (124) of the interviews, agree that information from advertisements are clear, while 26.5% (53) of respondents strongly agree that advertisements are clear, and 9.5% (19) disagree. In addition, a minority of the respondents amounting to 2% (4) of the interviewees pointed out that they strongly disagree with the statement. This implies that information from advertisements are clear to consumers.

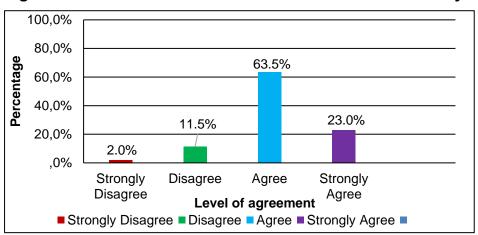


Figure 5.8: Influence of advertisements on consumers' buying decisions

Figure 5.8 indicates that most consumers, who constitute 63.5% (127), agree that advertisements influence their buying decisions, while 23.0% (46) strongly agree with the statement. Conversely, 11.5% (23) disagree that advertisements influence their buying decision, while 2.0% (4) strongly disagree with the statement. This therefore implies that most respondents are of the view that advertising influences consumers' buying decisions.



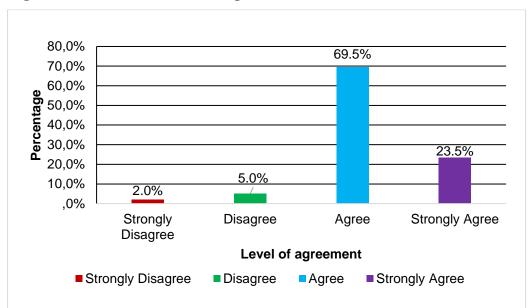


Figure 5.9: Advertisements grab consumers' attention

Figure 5.9 shows that 69.5 % (139) of the consumers agree that advertisements attract their attention, followed by 23.5% (47) of the consumers who strongly agree that advertisements attract their attention. A further 5.0% (10) of the consumers noted that they disagree and 2.0% (4) of consumers strongly disagree with the supposition that advertisements attract their attention.

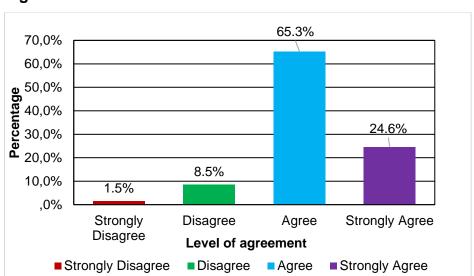


Figure 5.10: Advertisements are informative

Figure 5.10 demonstrates that 65.3% (130) of the consumers agree that advertisements are informative and 24.6% (49) strongly agree that advertisements are informative. However, 8.5% (17) of the consumers disagree and 1.5% (3) of the



consumers strongly disagree with the view that advertisements are informative. On the other hand, one (0.5%) respondent did not answer the question.

45.9% 50,0% 38.8% 40,0% 30,0% 20,0% 6.1% Percentage 9.0% 10,0% ,0% Disagree Strongly Strongly Agree Disagree Agree Level of agreement ■ Strongly Disagree ■ Disagree ■ Agree ■ Strongly Agree

Figure 5.11: Advertisements are irritating

The above Figure 5.11 illustrates that most consumers 45.9% (91) agree that advertisements are irritating, while 38.8% (77) of consumers disagree. However, 9.0% (18) of the consumers stated that they strongly agree with the view that advertisements are irritating, while 6.1% (12) of the consumers strongly disagree that advertisements are irritating. Conversely, two (1%) respondents did not answer the question.

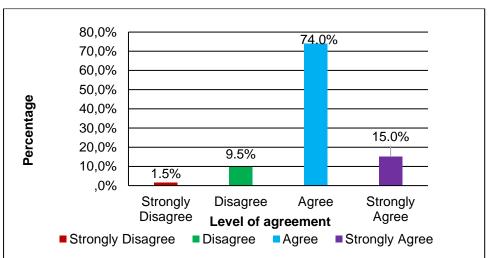


Figure 5.12: Advertisements are entertaining

Figure 5.12 shows that most consumers, which constitute 74.0% (148) of the interviewed consumers, agree that advertisements are entertaining, and 15.0% (30) of consumers strongly agree. However, 9.5% (19) of the consumers disagree and 1.5% (3) strongly disagree with the view that advertisements are entertaining.



80,0% 73.5% 70,0% 60,0% Percentage 50,0% 40,0% 30,0% 15.0% 20,0% 8.5% 10,0% 3.0% ,0% Strongly Strongly Agree Disagree Agree Disagree Level of agreement ■ Strongly Disagree ■ Disagree ■ Agree ■ Strongly Agree

Figure 5.13: Consumers enjoying advertisements

Figure 5.13 above illustrates that most consumers 73.5% (73.5) agree with the view that they enjoy advertisements while 15.0% (30) strongly agree. However, a minority, which constitutes 8.5% (17) of the consumers, disagrees and 3.0% (6) strongly disagree with the view that consumers enjoy advertisements.

Table 5.2: Advertisements influence on buying decisions on the basis of `gender

		Gender						
		Male	Male		Female			
		Count	Row N %	Count	Row N %	Count	Row N %	
Advertisement	Strongly	3	75.0%	1	25.0%	4	100.0%	
s influence my	Disagree							
buying	Disagree	10	43.5%	13	56.5%	23	100.0%	
decisions	Agree	72	56.7%	55	43.3%	127	100.0%	
	Strongly Agree	17	37.0%	29	63.0%	46	100.0%	

It can be observed from table 5.2 that:

 More male respondents, with (75%) strongly disagreeing and (56.7%) agreeing with the view that advertising influences buying decision, while a mere (25%) of female respondents strongly disagree and (43.3%) agree.



 More female respondents agree (56.5%) and strongly agree (63%) in comparison to male respondents who disagree (43.5%) and strongly disagree (37%) that advertising influence buying decision.

Table 5.3: Chi-Square test of advertisements influence on buying decisions on the basis of gender

		Consumer
		classification
		by gender?
Advertisements	Chi-square	6.720
influence my buying	Df	3
decisions	p-value	0.081

A non-parametric chi-squared test was conducted to test for the significant relationship between buying decision as influenced by advertising and gender at 5% level of significance. Table 5.3 above indicates that there is no significant relationship between the influence of advertising on buying decision and gender at p-value greater than 0.05, Chi-square (3) =6.720, p-value=0.081. Thus, in this sample gender does not differ significantly with regards to opinions on the influence of advertising on buying decision and the consumer gender thereof.

Table 5.4: Advertisements influence on buying decisions on the basis of age

		Consum	Consumer classification by age						
			Matured						
			consumers (37-		Old consumers				
		Youth (1	7-36)	36) 51)		(52+)		Total	
			Row N Row N			Row N		Row N	
		Count	%	Count	%	Count	%	Count	%
Advertisement	Strongly	3	75.0%	1	25.0%	0	0%	4	100.0%
s influence my	Disagree								
buying	Disagree	11	50.0%	7	31.8%	4	18.2%	22	100.0%
decisions	Agree	69	54.3%	29	22.8%	29	22.8%	127	100.0%
	Strongly	19	41.3%	12	26.1%	15	32.6%	46	100.0%
	Agree								

The following cross tabulation results are observed from table 5.4:



- Of the 4 respondents who strongly disagree that advertising influence their buying decision, the majority 75% (3) are the youth.
- Of the 22 respondents who disagree with the view that advertising influences their buying decision, the majority 50% (11) are the youth.
- Of the 127 respondents who agree that advertising influences their buying decision, the majority 54% (69) are the youth.
- Of the 46 respondents who strongly agree that that advertising influences their buying decision, the majority 41.3% (19) are the youth.
- One respondent did not respond to the question.

Regarding age, advertising influences buying decision of youth consumers, this means that SMEs have to focus on youth consumers when selling their products or services.

Table 5.5: Chi-Square test of advertisements influence on buying decisions on the basis of age

		Consumer classification by
		age
Advertisements influence my buying decisions	Chi-	4.985
	square	4.500
	Df	6
baying acolololis	p-value	0.546

A non-parametric chi-squared test was conducted to test the meaningful relationship between buying decision as influenced by advertising in general and age at 5% level of significance. The results presented in table 5.5 above show that there is no meaningful relationship between the influence of advertising on buying decision and age at p-value greater than 0.05, Chi-square (6) =4.985, p-value=0. 546. Thus, age in the sample is not significantly related to the opinion on influence of advertisements on buying decision.

5.5 THE EFFECT OF SPECIFIC ADVERTISING MEDIA ON CONSUMERS

This section discusses the results from an analysis of the data regarding the effect of various advertising media on consumers.



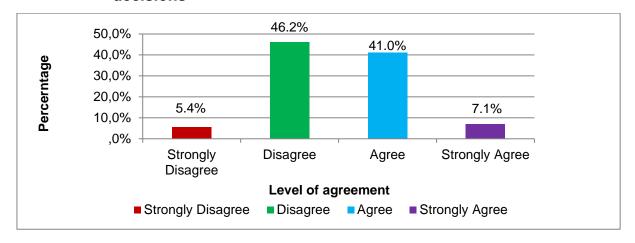
5.5.1 TV advertisements

Table 5.6: Frequency distribution of consumers watching TV advertisements (N=199)

			Column N
		Count	%
	Yes	183	91.96%
Watch TV	No	16	8.04%
advertisements?	Total	199	100.00%

According to table 5.6 most consumers 92% (183) indicate that they watch TV advertisements, while 8% (16) pointed out that they do not. The above results illustrate that consumers watch TV advertisements, however, one (1) respondent did not respond to the question asked.

Figure 5.14: The influence of TV advertisements on consumers' buying decisions



The above Figure 5.14 clarifies that most respondents constituting 46.2% (84) disagree that advertisements influence their buying decisions, while a smaller number of them 41.2% (75) agree with the statement. In addition, 7.1% (13) strongly agree that TV advertisements influence their buying decisions, while 5.4% (10) strongly disagree with the statement. On the other hand, eighteen (4%) did not answer the question. This indicates that the majority of respondents are not influenced by TV advertisement to buy a product or service.



Table 5.7: TV advertisement influence on buying decisions on the basis of gender

		Male	Male		Female		
			Row N		Row N		
		Count	%	Count	%	Count	Row N %
TV advertisements	Strongly	4	40.0%	6	60.0%	10	100.0%
influence my buying	Disagree						
decision	Disagree	47	56.0%	37	44.0%	84	100.0%
	Agree	36	48.0%	39	52.0%	75	100.0%
	Strongly	7	53.8%	6	46.2%	13	100.0%
	Agree						

The observations from Table 5.7 above are that:

- More female respondents strongly disagree (60%) and agree (52%) in contrast to male respondents who strongly disagree (40%) and agree (48%) that TV advertisements influence their buying decisions.
- More male respondents disagree (56%) and strongly agree (53.8%) compared to female respondents who disagree (44%) and strongly agree (46.2%) that TV advertisements influence their buying decisions.
- Eighteen (18) respondents did not answer the question.

Table 5.8: Chi-Square test of TV advertisements influence on buying decisions on the basis of gender

		Consumer classification by gender?
TV advertisements influence my buying decision.	Chi-square	1.591
	Df	3
	p-value	0.661

A non-parametric chi-squared test was conducted to test the meaningful relationship between buying decision as influenced by TV advertisement and gender at 5% level of significance. The results presented in Table 5.8 show that there is no meaningful relationship between the influence of TV advertisements on the buying decision and gender at p-value greater than 0.05, Chi-square (3) =1.591, p-value=0.661. Thus, in this sample gender does not differ significantly regarding the opinion on the influence TV advertisements on the buying decision.



Table 5.9: TV advertisement influence on buying decisions on the basis of age

	, ,								
			Cons	umer cla	assificatio	n by ag	е		
		Youth	(17-36)	Mature	d	Old	Old		
				consum	ners (37-	consur	ners		
				51)		(52+)			
		Count	Row N	Count	Row N	Count	Row N	Count	Row N
			%		%		%		%
TV advertisements	Strongly	3	30.0%	4	40.0%	3	30.0%	10	100.0%
influence my buying	Disagree								
decision	Disagree	35	42.2%	24	28.9%	24	28.9%	83	100.0%
	Agree	51	68.0%	8	10.7%	16	21.3%	75	100.0%
	Strongly	8	61.5%	3	23.1%	2	15.4%	13	100.0%
	Agree								
	Total	97	53.6%	39	21.5%	45	24.9%	181	100.0%

The following observations can be noted from Table 5.9:

- Of the 10 respondents who strongly disagree that TV advertising influences their buying decision, the majority 40 % (4) are the matured consumers.
- Of the 83 respondents who disagree that that advertising influences their buying decision, the majority 42.2% (35) are the youth.
- Of the 75 respondents who agree that that advertising influences their buying decision, the majority 68% (51) are the youth.
- Of 13 the respondents who strongly agree that that advertising influences their buying decision, the majority 61.5% (8) are the youth.
- Nineteen respondents did not answer the question.

Therefore, these observations suggest that the youth are most influenced by TV advertisements with regard to buying decisions as compared to the rest of the age groups.



Table 5.10: Chi-Square test of TV advertisements influence on buying decisions on the basis of age

		Consumer classification
		by age
TV	Chi-	15.425
advertisements	square	13.423
influence my	Df	6
buying decision	p-value	0.017

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decisions as influenced by TV advertising and age at 5% level of significance. It is evident from Table 5.10 above that there is a meaningful relationship between the influence of TV advertising on buying decision and age at p-value less than 0.05, Chi-square (6) =15.425, p-value=0.017. Thus, in this sample age groups differ significantly in their opinion on the influence of TV advertising on buying decision.

5.5.2 Radio advertisements

Table 5.11: Frequency distribution of consumers listening to radio `advertisements (N=200)

		Count	Column N %
Do you listen to radio	Yes	145	72.50%
advertisements?	No	55	27.50%
	Total	200	100.00%

According to table 5.11 most consumers who constitute 72.5% (145) stated that they listen to radio advertisements, while a lesser number amounting to 27.5% (55) pointed out that they do not listen to radio advertisements. This means that the majority of respondents listen to radio advertisements.



46.5% 50,0% 36.8% 40.0% 30.0% Percentage 20,0% 11.1% 5.6% 10.0% .0% Disagree Strongly Strongly Agree Agree Disagree Level of agreement ■Strongly Disagree Strongly Agree Disagree Agree

Figure 5.15: Radio advertisements influence consumers buying decisions

Figure 5.15 above illustrates that the majority of consumers, which constitute 46.5% (67), disagree with the notion that radio advertisements influence their buying decisions. A further 36.8% (53) of the consumers agree that radio advertisements influence their buying decisions. However, 11.1% (16) of the consumers strongly disagree that radio advertisements influence their buying behaviour with 5.6% (8) of the consumers strongly agreeing. Conversely, 56 respondents did not answer the question.

Table 5.12: Radio advertisements influence on buying decisions on the basis of gender

		What is	your gende	r?	?				
		Male		Female)	Total			
		Count	Row N %	Count	Row N %	Count	Row N %		
Radio advertisements	Strongly	13	81.3%	3	18.7%	16	100.0%		
influence my buying	Disagree								
decisions	Disagree	33	49.3%	34	50.7%	67	100.0%		
	Agree	23	43.4%	30	56.6%	53	100.0%		
	Strongly	1	12.5%	7	87.5%	8	100.0%		
	Agree								

The flowing observations can be made from the Table 5.12:

 More males (81.3%) strongly disagree than females (18.7%) who strongly disagree to the view that radio advertisement influence their buying decisions.



- More females (50.7%) disagree, while (56.6%) agree and (87.5%) strongly agree in comparison to males where (49.3%) disagree, (43.4%) agree and (12.5%) strongly agree to the view that radio advertisement influence buying decisions, respectively.
- Fifty-six (56) respondents did not answer the question.

Table 5.13: Chi-Square test of radio advertisements influence on buying decisions versus gender

		Consumers'
		classification
		by gender?
Radio advertisements	Chi-square	11.587
influence my buying	Df	3
decisions	p-value	0.009

A non-parametric chi-squared test was conducted to test the meaningful relationship between buying decision after being influenced by radio advertisements and on the basis of gender at 5% level of significance. It is evident in Table 5.13 that there is a meaningful relationship between the influence of radio advertisements on buying decisions and gender at p-value less than 0.05, [Chi-square (3) =11.587, p-value=0.009]. Thus, in this sample, gender does differ significantly with regards the opinion on the influence radio advertisement in making buying decisions.



Table 5.14: Radio advertisements influence on buying decisions on the basis of age

		Consumer classification by age									
		Youth (17-		Matured consumers (37-51)		Old consumers (52+)		Total			
		Count	Row N %		Row N %	%	Count		Row N %	Count	Row N %
Radio advertisements	Strongly Disagree	2	12.5%	8	50.0%		6		37.5%	16	100.0%
influence my buying decisions	Disagree	24	36.4%	23	34.8%		19		28.8%	66	100.0%
	Agree	30	56.6%	6	11.3%		17		32.1%	53	100.0%
	Strongly Agree	2	25.0%	4	50.0%		2		25.0%	8	100.0%
	Total	58	40.6%	41	28.7%		44		30.8%	143	100.0%

The following observations are made from the results in Table 5.14:

- Of the 16 respondents who strongly disagree that radio advertisements influence their buying decisions, the majority 50.0% (8) are matured consumers.
- Of the 66 respondents who disagree that radio advertisements influence their buying decisions, the majority 36.4% (24) are the youth.
- Of the 53 respondents who agree that radio advertisements influence their buying decisions, the majority 56.6% (30) are the youth.
- Of the 8 respondents who strongly agree that that advertising influence their buying decisions, the majority 50.0% (4) are the youth.
- Fifty-seven respondents did not answer the question.



Table 5.15: Chi-Square test of radio advertisements influence on buying decisions on the basis of age

		Consumer classification by
		age
Radio advertisements	Chi-square	17.921
influence my buying	Df	6
decisions	p-value	0.006

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decision as influenced by radio advertisements and age at 5% level of significance. The results presented in Table 5.15 above show that there is a meaningful relationship between the influence of radio advertisement on buying decision and age at p-value less than 0.05, Chi-square (6) =17.921, p-value=0.006. Thus, in the sample age is significantly related to the opinion on influence of radio advertisements on buying decisions.

5.5.3 Newspaper advertisements

Table 5.16: Frequency distribution of consumers reading newspaper advertisements (N=200)

		Count	Column N %
Do you read newspaper	Yes	159	79.5%
advertisements?	No	41	20.5%
	Total	200	100.0%

Table 5.16 shows that 79.5% (159) of the consumers agree that they read newspaper advertisements while 20.5% (41) do not read newspapers advertisements. Therefore, the above depicts that a majority of the respondents read newspaper advertisements.



Table 5.17: Newspaper advertisements influence consumers' buying decisions (N=159)

Newspaper advertisements influence my buying decisions										
Strongly Disagree A				Agree		Strongly Agree		Total		
Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	
5	3.14%	39	24.53%	88	55.35%	27	16.98%	159	100.00%	

Table 5.17 illustrates that 55.3% (88) of the consumers, which constitute the majority, agree that newspaper advertisements influence their buying decisions, while 24.5% (39) disagree with the view that newspaper advertisements influence my buying decisions. Therefore, 16.9% (27) of the consumers strongly agree while 3.1% (5) of the consumers strongly disagree that newspaper advertisements influence their buying decision. Forty-one respondents did not answer the question. The majority of consumers (72.33%) responded positively to the question.

Table 5.18: Newspaper advertisements influence buying decisions on the basis of gender

		Gender							
		Male		Female)	Total			
			Row N		Row N		Row N		
		Count	%	Count	%	Count	%		
Newspaper	Strongly	5	100.0%	0	0.0%	5	100.0%		
advertisements influence	Disagree								
my buying decisions	Disagree	20	51.3%	19	48.7%	39	100.0%		
	Agree	46	52.3%	42	47.7%	88	100.0%		
	Strongly	8	29.6%	19	70.4%	27	100.0%		
	Agree								

From table 5.18 the following is observed:

 Only males (100%) strongly disagree with the view that newspaper advertisements influence their buying decisions.



- More males (51.3%) than females (48.7%) disagree that newspaper advertisements influence buying decisions.
- More males (52.3%) than females (47.7%) agree that newspaper advertisements influence buying decisions.
- More females (70.4%) than males (29.6%) strongly agree that newspaper advertisements influence buying decision.
- Forty-one respondents did not answer the question.

Table 5.19: Chi-Square test of newspaper advertisements influence on buying decisions on the basis of gender

		Classification of
		consumers by
		gender
Newspaper	Chi-square	9.683
advertisements	Df	3
influence my buying	p-value	0.021
decisions		

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decision as influenced by newspaper advertisement and gender at 5% level of significance. Table 5.19 shows that there is a meaningful relationship between the influence of newspaper advertisement on buying decision and gender at p-value less than 0.05, [Chi-square (3) =9.683, p-value=0.021]. Thus, in this sample gender does differ significantly with regard the opinion on the influence newspaper advertisements on buying decisions.



Table 5.20: Newspaper advertisements influence buying decisions versus age

		Consumer classification by age							
						Old			
				Mature	ed consumers	consu	mers		
		Youth	(17-36)	(37-51)	(52+)		Total	
			Row N				Row		Row N
		Count	%	Count	Row N %	Count	N %	Count	%
Newspaper	Strongly	1	20.0%	3	60.0%	1	20.0%	5	100.0%
advertisements	Disagree								
	Disagree	15	39.5%	16	42.1%	7	18.4%	38	100.0%
decisions	Agree	40	45.5%	21	23.9%	27	30.7%	88	100.0%
	Strongly	13	48.1%	4	14.8%	10	37.0%	27	100.0%
	Agree								
	Total	69	43.7%	44	27.8%	45	28.5%	158	100.0%

The following observations are made from the cross-tabulation results presented in Table 5.20:

- Of the 5 respondents who strongly disagree that newspaper advertisements influence their buying decisions, the majority 60.0% (3) are matured consumers.
- Of the 38 respondents who disagree that newspaper advertisements influence their buying decisions, the majority 42.1% (16) are matured consumers.
- Of the 88 respondents who agree that newspaper advertisements influence their buying decisions, the majority 45.5% (40) are youthful consumers.
- Of the 27 respondents who strongly agree that that advertising influence their buying decisions, the majority 48.1% (13) are youthful consumers.
- Forty-two respondents did not answer the question.



Table 5.21: Chi-Square test of newspaper advertisements influence on buying decisions on the basis of age

		Consumer classification
		by age
Newspaper	Chi-square	10.081
advertisements	Df	6
influence my buying	p-value	0.121
decisions		

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decision as influenced by newspaper advertisements and age at 5% level of significance. From the table 5.21 above there is no meaningful relationship between the influence of newspaper advertisement on buying decision and age at p-value greater than 0.05, Chi-square (6) =10.081, p-value=0. 121. Thus in the sample age is not significantly related to the opinion on influence of newspaper advertisements on buying decision.

5.5.4 Magazine advertisements

Table 5.22: Frequency distribution of consumers reading magazine advertisements (N=200)

						Column N
					Count	%
Do	you	read	magazine	Yes	100	50.00%
adve	rtiseme	ents?		No	100	50.00%
				Total	200	100.00%

Table 5.22 depicts that 50.0% (100) of consumers agreed that they read magazine advertisements while 50.0% (100) of consumers pointed out that they do not read magazine advertisements. This means that half of the participants do read advertisements in magazines and the other half does not read advertisements in magazines.



Table 5.23: Magazine advertisements influence consumers buying decisions (N=100)

	Magazines advertisements influence my buying decisions.									
Strongly	rongly Disagree Disagree Agree Strongly Agree Total						otal			
Count	Row N %	Count	Row N %							
7	7.00%	36	36.00%	49	49.00%	8	8.00%	100	100.00%	

Table 5.23 illustrates that 49.0% (49) of consumers agree with the view that magazine advertisements influence their buying decisions while 36.00% (36) of the consumers disagree. In addition, 8.0% (8) of the consumers strongly agree that magazine advertisements influence their buying decisions while 7.0% (7) of consumers strongly disagree. One hundred (100) respondents did not answer the question. The majority of consumers (57%) responded positively to the question.

Table 5.24: Magazine advertisements influence on buying decisions on the basis of gender

		Male		Female		Total	
			Row N		Row N		Row N
		Count	%	Count	%	Count	%
Magazine	Strongly	0	0.0%	0	0.0%	0	0.0%
advertisements	Disagree						
influence	Disagree	4	50.0%	4	50.0%	8	100.0
consumers buying							%
decisions	Agree	25	43.9%	32	56.1%	57	100.0
							%
	Strongly	14	40.0%	21	60.0%	35	100.0
	Agree						%

The observations from Table 5.24 are that:

• Male respondents (50%) and female respondents (50%) equally disagree with the assertion that magazine advertisements influence buying decisions.



- More females agree (56.1%) and strongly agree (60%) than males who agree (43.9%) and strongly agree (40%) that magazine advertisements influence buying decisions.
- One hundred (100) respondents did not answer the question.

Table 5.25: Chi-Square test of magazine advertisements influence on buying decisions on the basis of gender

		Classification of
		consumers by
		gender?
Magazine	Chi-square	0.306
advertisements	Df	2
influence consumers'	p-value	0.858
buying decisions		

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decisions as influenced by magazine advertisement and gender at 5% level of significance. The results presented in Table 5.25 show that there is no meaningful relationship between the influence of magazine advertisement on buying decisions and gender at p-value greater than 0.05, [Chi-square (2) =0.306, p-value=0.858]. Thus, in this sample gender does not differ significantly with regards to the opinion on the influence magazine advertisement on buying decisions.



Table 5.26: Magazines advertisements influence buying decisions on the basis of age

			Consumer classification by age						
				Matured		Old			
				consun	ners	consun	ners		
		Youth (17-36)	(37-51)	(37-51) (52-		(52+)		
			Row		Row		Row		Row N
		Count	N %	Count	N %	Count	N %	Count	%
Magazines	Strongly	0	0.0%	5	71.4%	2	28.6%	7	100.0%
advertisements	Disagree								
influence my buying	Disagree	17	48.6%	11	31.4%	7	20.0%	35	100.0%
decisions	Agree	29	59.2%	9	18.4%	11	22.4%	49	100.0%
	Strongly	6	75.0%	1	12.5%	1	12.5%	8	100.0%
	Agree								
	Total	52	52.5%	26	26.3%	21	21.2%	99	100.0%

The following observations are made from Table 5.26:

- Of the 7 respondents who strongly disagree that magazine advertisements influence their buying decisions, the majority 71.4% (5) are matured consumers.
- Of the 35 respondents who disagree that magazine advertisements influence their buying decisions, the majority, 48.6% (17) are youthful consumers.
- Of the 49 respondents who agree that magazine advertisements influence their buying decision the majority, 59.2% (29) are the youthful consumers.
- Of the 8 respondents who strongly agree that that advertising influences their buying decisions, the majority 75.0% (6) are the youthful consumers.
- One hundred and one (101) respondents did not answer the question.



Table 5.27: Chi-Square tests of magazines advertisements influence on buying decisions on the basis of age

			Consumer classification by
			age
Magazines		Chi-square	13.021
advertisements		Df	6
influence my	buying	p-value	0.043
decisions			

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decisions as influenced by magazine advertisements and age at 5% level of significance. Table 5.27 above indicates that there is a meaningful relationship between the influence of magazine advertisement on buying decisions and age at p-value less than 0.05, Chi-square (6) =13.021, p-value=0. 043. Thus, in the sample age is a significantly related to the opinion on the influence of magazine advertisements on buying decision.

5.5.5 Outdoor advertisements

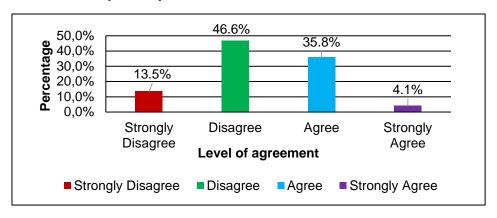
Table 5.28: Frequency distribution of consumers reading or watching outdoor advertisements (N=200)

		Count	Column N %
Do you read or	Yes	149	74.50%
watch outdoor	No	51	25.50%
advertisements?	Total	200	100.00%

Table 5.28 shows that 74.5% (149) of the consumers read or watch outdoor advertisements while 25.5% (51) do not read nor watch outdoor advertisements. This means that most consumers in this study do read and watch outdoor advertisements.



Figure 5.16: Outdoor advertisements influence consumers buying decisions (N=148)



The above Figure 5.16 depicts that 46.6% (69) of the consumers disagree with the view that outdoor advertisements influences their buying decisions while 35.8% (53) of the consumers agree. In addition, 13.5% (20) of the consumers strongly disagree while 4.1% (6) of the consumers strongly agree that outdoor advertisements influence their buying decisions. Fifty-two (52) respondents did not answer the question. Therefore, majority of the consumers (60.1%) responded negatively to the question.

Table 5.29: Outdoor advertisements influence buying decisions on the basis of gender

				Ge	ender		
		Male		Female)	Total	
		Count	Row N	Count	Row N	Count	Row N
Outdoor advertisements	Strongly	15	75.0%	5	25.0%	20	100.0%
influence my buying	Disagree						
decisions	Disagree	37	53.6%	32	46.4%	69	100.0%
	Agree	29	54.7%	24	45.3%	53	100.0%
	Strongly	2	33.3%	4	66.7%	6	100.0%
	Agree						

The observations noted from Table 5.29 are that:

 More male respondents (75%) than female respondents (25%) strongly disagree with the view that outdoor advertisements influence buying decisions.



- More male respondents (53.6%) disagree and agree (54.7%) than female respondents who disagree (46.4%) and agree (45.3%) that outdoor advertisements influence their buying decisions.
- More female respondents (66.7%) than male respondents (33.3%) strongly disagree that outdoor advertisements influence their buying decisions.
- Fifty-two (52) respondents did not answer the question.

Table 5.30: Chi-Square test of outdoor advertisements influence on buying decisions on the basis of gender

		Classification of
		consumers by
		gender
Outdoor advertisements	Chi-square	4.376
influence my buying	Df	3
decisions	p-value	0.224

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decisions as influenced by outdoor advertisement and gender at 5% level of significance. The results in Table 5.30 show that there is no meaningful relationship between the influence of outdoor advertisements on buying decisions and gender at p-value greater than 0.05, Chi-square (3) =4.376, p-value=0.224. Thus, in this sample gender does not differ significantly regards to the opinion on the influence of outdoor advertisements on buying decisions.



Table 5.31: Outdoor advertisements influence buying decisions on the basis of age

		Consu	mer class	ification	by age				
					Matured				
					consumers (37-		sumers		
		Youth	(17-36)	51)		(52+)		Total	
		Coun	Row N	Coun	Row N		Row		Row N
		t	%	t	%	Count	N %	Count	%
Outdoor	Strongly	7	35.0%	6	30.0%	7	35.0%	20	100.0%
advertisements	Disagree								
influence my	Disagree	34	50.0%	15	22.1%	19	27.9%	68	100.0%
buying	Agree	27	50.9%	12	22.6%	14	26.4%	53	100.0%
decisions	Strongly	4	66.7%	2	33.3%	0	.0%	6	100.0%
	Agree								
	Total	72	49.0%	35	23.8%	40	27.2%	147	100.0%

The following observations arise from the cross-tabulation results in Table 5.31:

- Of the 20 respondents who strongly disagree that outdoor advertisements influence their buying decision, the majority 35.0% (7) are youthful and old consumers.
- Of the 68 respondents who disagree that outdoor advertisements influence their buying decision, the majority 50% (34) are youthful consumers.
- Of the 53 respondents who agree that outdoor advertisements influence their buying decisions, the majority 50.9% (27) are youthful consumers.
- Of the 6 respondents who strongly agree that that advertising influences their buying decisions, the majority 66.7% (4) are the youthful consumers.
- Fifty-three (53) respondents did not answer the question.

Table 5.32: Chi-Square test of outdoor advertisements influence on buying decisions on the basis of age

		Consumer classification by age
Outdoor advertisements influence	Chi-square	4.010
my buying decisions	df	6
	p-value	0.675

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decision as influenced by outdoor advertisements and age



at 5% level of significance. It is evident from Table 5.32 above that there is no meaningful relationship between the influence of outdoor advertisements on buying decisions and age at p-value greater than 0.05, Chi-square (6) =4.010, p-value=0. 675. Thus, in the sample, age is not significantly related to the opinions on the influence of outdoor advertisements on buying decision.

5.5.6 Transit advertisements

Table 5.33: Frequency distribution of consumers reading transit advertisements (N=199)

		Count	Column N %
	Yes	122	61.31%
Do you read transit advertisements?	No	77	38.69%
	Total	199	100.00%

According to Table 5.33 above, 61.3% (122) of the consumers agree that they read transit advertisements while 38.7% (77) said that they do not read transit advertisements. One respondent did not answer the question. This means that a majority of the consumers in this study read the transit advertisements.

Table 5.34: Transit advertisements influence consumers buying decisions (N=122)

Transit advertisements influence my buying decisions									
Strong	-	Disagree Agree		Strongl	y Agree	Total			
Count	Row N	Count	Row N	Count	Row N	Count	Row N	Count	Row N %
22	18.03%	65	53.28%	32	26.23%	3	2.46%	122	100.00%

According to table 5.34 above, 53.2% (65) and the majority of consumers disagree with the view that transit advertisements influence their buying decisions and 26.2% (32) of consumers agree. A further 18.0% (22) of the consumers strongly disagree that transit advertisements influence their buying decisions, while 2.4% (3) said they strongly agree. Eighty-eight (88) of the respondents did not answer the question.



Table 5.35: Transit advertisements influence buying decision on the basis of gender

		Gender							
		Male		Fer	male	Т	otal		
Transit advertisements Strongly		Count 12	Row N % 54.5%	Count 10	Row N % 45.5%	Count 22	Row N % 100.0%		
influence my buying	Strongly Disagree	12	54.576	10	45.5%	22	100.0 %		
decisions.	Disagree	36	55.4%	29	44.6%	65	100.0%		
	Agree	15	46.9%	17	53.1%	32	100.0%		
	Strongly Agree	1	33.3%	2	66.7%	3	100.0%		

The observations from Table 5.35 are that:

- More male respondents (12) strongly disagree and agree (15) compared to female respondents who strongly disagree (10) and agree (17) that transit advertisements influence their buying decisions.
- More female respondents (29) disagree and strongly agree (2) in contrast to male respondents who disagree (36) and strongly agree (1) that transit advertisements influence buying decisions.
- Seventy-eight (78) respondents did not answer the question.

Table 5.36: Chi-Square test of transit advertisements influence on buying decisions on the basis of gender

		Classification of
		consumers by
		gender
Transit advertisements	Chi-square	1.102
influence my buying	Df	3
decisions	p-value	0.777

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decision as influenced by transit advertisement and gender at 5% level of significance. Table 5.35 shows that there is no meaningful relationship between the influence of transit advertisement on buying decisions and gender at p-value greater than 0.05, [Chi-square (3) =1.102, p-value=0.777]. Thus, in this sample gender does not differ significantly in the opinion on the influence of transit advertisements on buying decisions.



Table 5.37: Transit advertisements influence buying decisions on the basis of age

		Consur	Consumer classification by age						
			Matured						
					ners	Old cor	nsumers		
		Youth (17-36)	(37-51)		(52+)		Total	
			Row		Row N		Row N		Row N
		Count	N %	Count	%	Count	%	Count	%
Transit	Strongly	5	22.7%	6	27.3%	11	50.0%	22	100.0%
advertisements	Disagree								
influence my	Disagree	31	48.4%	19	29.7%	14	21.9%	64	100.0%
buying	Agree	19	59.4%	4	12.5%	9	28.1%	32	100.0%
decisions	Strongly	2	66.7%	1	33.3%	0	0.0%	3	100.0%
	Agree								
	Total	57	47.1%	30	24.8%	34	28.1%	121	100.0%

The observations from the cross-tabulation results presented in table 5.37 are:

- Of the 22 respondents who strongly disagree that transit advertisements influence their buying decisions, the majority 50.0% (7) are old consumers.
- Of the 64 respondents who disagree that transit advertisements influence their buying decisions, the majority 48.4% (31) are youthful consumers.
- Of the 32 respondents who agree that transit advertisements influence their buying decisions, the majority 59.4% (19) are youthful consumers.
- Of the 3 respondents who strongly agree that that advertising influences their buying decisions, the majority 66.7% (2) are youthful consumers.
- Seventy-nine (79) respondents did not answer the question.



Table 5.38: Chi-Square test of transit advertisements influence on buying decisions on the basis of age

		Consumer classification by
		age
Transit advertisements	Chi-square	12.258
influence my buying	Df	6
decisions	p-value	0.56

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decisions as influenced by transit advertisements and age at 5% level of significance. The results presented in Table 5.38 above show that there is no meaningful relationship between the influence of transit advertisement on buying decisions and age at p-value greater than 0.05, Chi-square (6) =12.258, p-value=0.56. Thus, in the sample, age is not significantly related to the influence of transit advertisements on buying decisions.

5.5.7 Flyers advertisements

Table 5.39: Frequency distribution of consumers reading flyers advertisements (N=196)

		Count	Column N %
Do you read flyers advertisements?	Yes	154	78.57%
	No	42	21.43%
	Total	196	100.00%

Table 5.39 above shows that 78.6% (154) of the consumers read flyer advertisements while 21.4% (42) do not read flyer advertisements. On the other hand, four (4) consumers did not answer the question. This means that the majority of consumers in this study read flyer advertisements.



Table 5.40: Flyers advertisements influence consumers buying decisions (N=142)

	Flyers advertisements influence my buying decisions								
Strongly Disagree Disagree		Agree		Strongly Agree		Total			
Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %	Count	Row N %
7	4.93%	24	16.90%	86	60.56%	25	17.61%	142	100.00%

Table 5.40 above, depicts that 60.5% (86) of the consumers agree that flyer advertisements influence their buying decisions, while 17.6% (25) of the consumers pointed out that they strongly agree. Conversely, 16.9% (24) of the consumers disagree with the view that advertisements influence their buying decisions while 4.9% (7) stated that they strongly disagree. Conversely, fifty-eight consumers did not answer the question. The majority of respondents (78.1%) positively answered the question.

Table 5.41: Flyer advertisements influence buying decisions on the basis gender

				Gender					
				Male		Female)	Total	
					Row		Row		Row N
				Count	N %	Count	N %	Count	%
Flyer	adverti	sements	Strongly	4	57.1%	3	42.9%	7	100.0%
influence	my	buying	Disagree						
decisions			Disagree	9	37.5%	15	62.5%	24	100.0%
			Agree	49	56.3%	38	43.7%	87	100.0%
			Strongly Agree	10	38.5%	16	61.5%	26	100.0%

The following is observed from Table 5.41:

 More male respondents strongly disagree (57.1%) and agree (56.3%) than to female respondents who strongly disagree (42.9%) and agree (43.7 %) that flyer advertisements influence buying decisions.



- More female respondents disagree (62.5%) and strongly agree (61.5%) in contrast to male respondents who disagree (37.5%) and strongly agree (38.5%) that flyer advertisements influence buying decisions.
- On the other hand, fifty-six (56) respondents did not answer the question.

Table 5.42: Chi-Square test of flyer advertisements influence on buying decisions on the basis of gender

		Classification	of
		consumers by gender	
Flyers advertisements influence my	Chi-square	4.418	
buying decisions	Df	3	
	p-value	0.220	

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decisions as influenced by flyer advertisements and gender at 5% level of significance. Table 5.42 shows that there is no meaningful relationship between the influence of flyer advertisements on buying decision and gender at p-value greater than 0.05, [Chi-square (3) =4.418, p-value=0.220]. Thus, in this sample, gender does not differ significantly in the opinion on the influence flyer advertisements on buying decision.

Table 5.43: Flyer advertisements influence on buying decision on the basis of age

			Consumer classification by age						
				Matured					
				consumers					
		Youth (17-36)		(37-51)	Old cons	sumers (5	52+)	Total	
			Row N		Row N		Row		Row N
		Count	%	Count	%	Count	N %	Count	%
Flyers	Strongly	6	85.7%	1	14.3%	0	0.0%	7	100.0%
advertisements	Disagree								
influence my	Disagree	17	70.8%	3	12.5%	4	16.7%	24	100.0%
buying decisions	Agree	26	30.2%	31	36.0%	29	33.7%	86	100.0%
	Strongly	8	30.8%	7	26.9%	11	42.3%	26	100.0%
	Agree								
	Total	57	39.9%	42	29.4%	44	30.8%	143	100.0%

The results from the cross-tabulation in Table 5.43 lead to the following observations:



- Of the 7 respondents who strongly disagree that flyers advertisements influence their buying decisions, the majority 85.7 % (6) are old consumers.
- Of the 24 respondents who disagree that flyer advertisements influence their buying decisions, the majority 70.8% (17) are youthful consumers.
- Of the 86 respondents who agree that flyer advertisements influence their buying decisions, the majority 36% (19) are the mature consumers.
- Of the 26 respondents who strongly agree that flyer advertising influences their buying decisions, the majority 42.3% (11) are old consumers.
- On the other hand, fifty-seven respondents did not answer this question.

Table 5.44: Chi-Square test of flyer advertisements influence on buying decisions on the basis of age

	Consumer classification by age	
Flyers advertisements	Chi-square	21.307
influence my buying	Df	6
decisions	Sig.	0.002

A non-parametric chi-squared test was conducted to test for the meaningful relationship between buying decision as influenced by flyer advertisements and age at 5% level of significance. There is a meaningful relationship in Table 5.44 above between the influence of flyer advertisements on buying decisions and age at p-value less than 0.05, Chi-square (6) =21.307, p-value=0.002. Thus, in the sample, age is significantly related to the opinion on influence of flyer advertisements on buying decisions.

5.5.8 Online advertisements

Table 5.45: Frequency distribution of consumers reading/watching online advertisements (N=198)

		Count	Column N %
Do you read or watch online advertisements?	Yes	114	57.58%
	No	84	42.42%
Total		198	100%

Table 5.45 indicates that 57.6% (114) of the consumers agree that they read or watch online advertisements, while 42.4% (84) said they do not read or watch online



advertisements. Therefore, the majority of consumers who participated in this study read and watch online advertisements. Table 5.27 shows that out of 200 respondents that participated on the study, two (2) consumers did not answer the question.

Table 5.46: Online advertisements influence consumers buying decisions (N=114)

Online	Online advertisements influence my buying decisions							
Strongly Disagree Disagree Agree Strongly Agree Total								
Count	Row N %	Count	Row N %	N % Count Row N % Count Row N % Count Row N				Row N %
0 0.00% 12 10.62% 73 64.60% 28 24.78% 113 100.00%								

According to table 5.46 above, 64.6% (73) of the consumers agree that online advertisements influence their buying decisions while 24.7% (28) of the consumers strongly agree. A further 10.6% (12) of the consumers disagree that online advertising influences consumers' buying decisions. Lastly 0.0% (0) of the consumers strongly disagree that their buying decisions are not influenced by online advertisements followed. However, table 5.28 shows that out of 114 consumers who said yes, they read online advertisements, one (1) consumer did not answer the question.

Table 5.47: Online advertisements influence on buying decisions versus gender

				Gender			
		Male		Female		Total	
			Row N		Row N		Row N
		Count	%	Count	%	Count	%
Online advertisements	Strongly	0	0.0%	0	0.0%	0	.0%
influence my buying	Disagree						
decisions	Disagree	8	66.7%	4	33.3%	12	100.0%
	Agree	42	56.8%	32	43.2%	74	100.0%
	Strongly	13	46.4%	15	53.6%	28	100.0%
	Agree						

The following observations are made from the results presented in Table 5.47:



- More male respondents disagree (66.7%) and agree (56.8%) compared to female respondents who disagree (33.3%) and agree (43.2 %) that online advertisements influence buying decisions.
- More female respondents strongly agree (53.6%) in contrast to male respondents who strongly agree (46.4%) that online advertisements influence buying decisions.
- Conversely, eighty-six respondents did not answer the question.

Table 5.48: Chi-Square test of online advertisements influence on buying decisions on the basis of gender

		Classification of
		consumers by
		gender
Online advertisements	Chi-square	1.582
influence my buying	Df	2
decisions.	p-value	0.453

A non-parametric chi-squared test was conducted to test the meaningful relationship between buying decision as influenced by online advertisements and gender at 5% level of significance. Table 5.48 shows that there is no meaningful relationship between the influence of online advertisements on buying decision and gender at p-value greater than 0.05, [Chi-square (2) =1.582, p-value=0.453]. Thus, in this sample, gender does not differ significantly with regard to the influence online advertisements on buying decisions.



Table 5.49: Online advertisements influence on buying decisions on the basis of age

		Consumer	Consumer classification by age						
				Matured	l				
				consum	ers (37-	Old co	nsumers		
		Youth (17-3	66)	51)		(52+)		Total	
			Row N		Row N		Row N		Row N
		Count	%	Count	%	Count	%	Count	%
Online	Strongly	0	0%	0	0%	0	0%	0	.0%
advertisements	Disagree								
influence my	Disagree	9	81.8%	1	9.1%	1	9.1%	11	100.0%
buying	Agree	33	44.6%	25	33.8%	16	21.6%	74	100.0%
decisions	Strongly	14	50.0%	9	32.1%	5	17.9%	28	100.0%
	Agree								
	Total	56	49.6%	35	31.0%	22	19.5%	113	100.0%

The following observations are made from a cross-tabulation of the results in Table 5.49:

- Of the 11 respondents who disagree that online advertisements influence their buying decisions, the majority 81.8% (9) are youthful consumers.
- Of the 74 respondents who agree that online advertisements influence their buying decisions, the majority 44.6% (33) are youthful consumers.
- Of the 28 respondents who strongly agree that online advertising influences their buying decisions, the majority 50.0% (14) are youthful consumers.
- On the other hand, eighty-seven consumers did not respond to the question.

Table 5.50: Chi-Square test of online advertisements influence on buying decisions on the basis of age

	Consumer classification by age	
Online advertisements influence	Chi-square	5.403
my buying decisions	Df	4
	p-value	0.248

A non-parametric chi-squared test was conducted to test the meaningful relationship between buying decision as influenced by online advertisements and age at 5% level of significance. As presented in Table 5.50, there is no meaningful relationship between the influence of online advertisements on buying decisions and age at p-value



greater than 0.05, Chi-square (4) =5.403, p-value=0.248. Thus, in the sample age, there is not significantly related opinion on the influence of online advertisements on buying decisions.

5.5.9 Social media advertisements

Table 5.51: Frequency distribution of whether consumers read or watch social media advertisements (N=199)

		Count	Column N %
Do you read or watch social media	Yes	137	68.84%
advertisements?	No	62	31.16%
	Total	199	100.00%

Table 5.51 above illustrates that 100% (199) of the consumers responded to the question. In addition, 68.8% (137) of the consumers confirmed that they read and watch social media advertisements, while 31.1% (62) consumers said they did not. One (1) consumer did not respond to the question.

Table 5.52: Social media advertisements influence on consumers' buying decisions (N=136)

Social media advertisements influence my buying decisions										
Strongly Disagree Disagree Agree Strongly Agree							Total			
Count	Count Row N % Count Row N Count Row N Count % Count % Count %						Count	Row %	N	
5	3.68%	24	24 17.65% 76 55.88% 31 22.79%						100.00)%

According to the above Table 5.52, 55.8% (76) of the consumers, and hence the majority, agree that social media advertisements influence their buying decisions, while 22.7% (31) of the consumers strongly agree. In addition, 17.6% (24) of the consumers disagree with the view that social media advertisements influence their buying decisions, while 3.6% (5) of the consumers strongly disagree. Sixty-four (64) consumers did not respond to the question.



Table 5.53: Social media advertisements influence on buying decisions on the basis of gender

		Gender					
		Male		Female		Total	
Capial madia	Ctrongly	Count	Row N %	Count	Row N %	Count	Row N %
Social media advertisements	Strongly Disagree	3	60.0%	2	40.0%	5	100.0%
influence my	Disagree	13	54.2%	11	45.8%	24	100.0%
buying decisions	Agree	41	53.9%	35	46.1%	76	100.0%
	Strongly Agree	16	51.6%	15	48.4%	31	100.0%

It can be observed from Table 5.53 that:

- More male respondents (60%) strongly disagree, (54.2%) disagree, (53.9%) agree and (51.6%) strongly agree than (40%) of female respondents who strongly disagree, (45.8%) disagree, (46.1%) agree and (48.4%) strongly agree that social media advertisements influence buying decisions respectively.
- Sixty-four respondents did not answer this question.

Table 5.54: Chi-Square test of social media advertisements influence on buying decisions on the basis of gender

Classification of consumers by gender						
Social media ad	dvertisements	Chi-square	0.138			
influence m	ny buying	Df	3			
decisions		p-value	0.987			

A non-parametric chi-squared test was conducted to test for the significant relationship between buying decisions as influenced by social media advertisements and gender at 5% level of significance. The results in Table 5.54 show that there is no significant relationship between the influence of social media advertisements on buying decisions and gender at p-value greater than 0.05, [Chi-square (3) =0.138, p-value=0.987]. Thus, in this sample, gender does not differ significantly regarding opinion on the influence social media advertisements on buying decisions.



Table 5.55: Social media advertisements influence on buying decisions on the basis of age

		Consumer classification by age							
				Mature	d	Old			
				consun	ners	consun	ners		
		Youth (17-36)	(37-51)		(52+)		Total	
			Row N		Row		Row		Row N
		Count	%	Count	N %	Count	N %	Count	%
Social media	Strongly	5	100.0%	0	.0%	0	.0%	5	100.0%
advertisements	Disagree								
influence my	Disagree	16	69.6%	3	13.0%	4	17.4%	23	100.0%
buying	Agree	39	51.3%	25	32.9%	12	15.8%	76	100.0%
decisions	Strongly	17	54.8%	8	25.8%	6	19.4%	31	100.0%
	Agree								
	Total	77	57.0%	36	26.7%	22	16.3%	135	100.0%

The observations from a cross-tabulation of the results presented in Table 5.55 are as follows:

- Of the 5 respondents who strongly disagree that social media advertisements influence their buying decisions, the majority 100% (5) are youthful consumers.
- Of the 23 respondents who disagree that social media advertisements influence their buying decisions, the majority 69.6% (16) are youthful consumers.
- Of the 76 respondents who agree that social media advertisements influence their buying decisions, the majority 51.3% (39) are youthful consumers.
- Of the 31 respondents who strongly agree that social media advertising influences their buying decisions, the majority 54.8% (17) are youthful consumers.
- On the other hand, sixty-five consumers did not answer the question.



Table 5.56: Chi-Square test of social media advertisements influence on buying decisions on the basis of age

Consumer classification by age		
Social media	Chi-square	7.783
advertisements	Df	6
influence my buying	p-value	0.254
decisions		

A non-parametric chi-squared test was conducted to test the meaningful relationship between buying decisions as influenced by social media advertisements and age at 5% level of significance. It is evident from the above Table 5.56 that there is no meaningful relationship between the influence of social media advertisement on buying decisions and age at p-value greater than 0.05, Chi-square (4) =7.783, p-value=0.254. Thus, in the sample, age is not significantly related to the opinion on the influence of social media advertisements on buying decisions.

5.6 QUALITATIVE DATA ANALYSIS OF THE OWNERS/MANAGERS OF SMEs

The aim of this section is to analyse and report the data that was gathered by means of interviews with the owners/managers of the SMEs. The interviews were recorded with the permission of the interviewees and a process of transcription of the data was followed. The researcher followed the following steps in the analysis of the data.

The researcher first read through the transcription and identified the main themes or tendencies. Themes and tendencies were written down and each was awarded a name and phrases as indicated below.

Matrix tables were tabulated to facilitate the analysis and interpretation of the data and thus the results are reported.



5.6.1 SME's demographics

Table 5.57: Frequency distribution of SMEs years in existence

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Number of years in existence:	10	0	52	13.20	16.592

The above Table 5.57 depicts that the maximum number of years in existence is 52 and the minimum is 0. The average number of years a business' existence is 13.20.

Table 5.58: Frequency distribution of number of employees within SMEs

		Count	Column N %
	0-50	9	90.0%
employees:	51-200	1	10.0%
	Total	10	100.0%

Table 5.58 above illustrates that nine SMEs employed 0 to 50 workers and one SME employed 51 to 200 workers.

Table 5.59: Frequency distribution of turnover per year within SMEs

		Count	Column N %
Turnover in a year:	R1-R19million	6	85.7%
	R 20 – 39 million	1	14.3%
	Total	7	100.0%

Table 5.59 above shows that six SMEs made a turnover ranging between R1 million and R19 million per year while one SME's turnover is between R20 and 39 million per year. Nonetheless, three SMEs did not disclose their turnover per year.



5.6.2 The use and importance of advertising within SMEs

Table 5.60: Advertising of products and services by SMEs

Do you advertise your products		
or services?		
Yes	9	
No	1	
Total	10	

Table 5.60 shows that nine (9) SMEs advertise their products or services, while one SME does not advertise its products or services.

Table 5.61: Reasons why SMEs advertise their products and services

	Count	Column
Reasons		N %
Consumers could know the products	6	60%
or services		
Getting more consumers	2	20%
Increase sales	1	10%
Do not advertise	1	10%
Total	10	100%

The themes that were constructed are: business /product awareness, inform consumers, consumer attraction.

The interpretation from Table 5.61 is that, six SMEs which constitute 60% use advertising so that consumers could know their products, two (20%) of the SMEs focus on getting more consumers to the store, one (10%) SME seeks to increase sales, and one (10%) SME does not advertise.



Table 5.62: Importance of advertising to SMEs

Do you think it is important to advertise your		
products or services?		
Yes	10	
No	0	
Total	10	

The above Table 5.62 illustrates that 100% of companies noted the importance of advertising their products or services.

Table 5.63: Reasons why advertising is important

	Count	Column
Reasons		N %
Reach target market	4	40%
Know, aware and remember products	3	30%
or services		
Inform consumers	1	10%
Business growth	1	10%
Total	9	90%

The themes that were constructed here are: product knowledge and growth, reaching target market, increase sales.

The results presented in Table 5.63 show that, four SMEs which constitute 40% of the population reach their target market, three (30%) SMEs want their consumers to know or be aware and remember their products, one SME (10%) seeks to inform its consumers, while one business which constitutes 10% of the study population focuses on advertising to achieve the growth of the business. One SME did not answer the question.



Table 5.64: Contribution of advertising to the profitability of SMEs

Does advertising	g contribute to the	
profitability of your business?		
Yes	4	
No	6	
Total	10	

Table 5.64 above shows that 40% of the SMEs pointed out that advertising contributes to profitability; while 60% though that advertising does not contribute to profitability.

Table 5.65: Reasons why advertising contributes or does not contribute to the profitability of the business

	Count	Column
Reasons		N %
Do not know and difficult to say	6	60%
Advertising boosts sales	3	30%
For future purpose	1	10
Total	10	100%

The themes that were established are: Not sure of advertising media, and difficult to say and advertising contributes.

Table 5.65 illustrates that, 60% of the respondents, which consist of six companies, stated that they do not know which advertising media contributes to the profitability of their businesses. A further 30% and three companies pointed out that advertising contributes to the profitability of the companies while one business confirmed that they advertised for future purposes.

Table 5.66: Advertising contributes to the sustainability of SMEs

Does advertising contribute to the sustainability		
of your business?		
Yes	4	
No	6	
Total	10	

Table 5.66 illustrates that 40% of the SMEs were of the view that advertising contributes to sustainability, while 60% thought advertising does not contribute to their sustainability.



Table 5.67: Reasons why advertising contributes or does not contribute to the sustainability of the business

	Count	Column N %
Reasons		
Companies do not know and not sure	6	60%
Profit is made through advertising	4	40%
Total	10	100%

The themes established here are: Not sure, bring consumers to the business, and makes profit.

The above table 5.67 illustrates that, 60% which constitute six companies, pointed out that they are not sure or did not know if advertising supports the sustainability of their businesses, while four (40%) companies confirmed that it does help.

Table 5.68: Advertising helps SMEs to reach their objectives

Objectives	Count	Column N %
Companies visibility	8	80%
Increasing sales	9	90%
Short-term relationship	7	70%
Long-term relationship	9	90%
Others: partially helps	1	10%

The themes that were created here are: increase sales, SME's visibility, short-term relationship with consumers, and long-term relationship with consumers.

Table 5.68 illustrates that, eight (80%) SMEs stated that they use advertising for visibility, nine (90%) SMEs for increasing sales, seven (70%) for short term relationships, nine (90%) SMEs for long-term relationships and one (10%) SMEs which represents others pointed out that it partially helps in the abovementioned objectives. This indicates that a majority of the SMEs use advertising to increase sales, build long term relationships and ensure their visibility.



Table 5.69: Reasons why SMEs do not use TV advertising

	Count	Column N
Reasons		%
It is a waste of money	1	10%
It is expensive	9	90%
Total	10	100%

The themes that were established are: waste of money and expensive.

Table 5.69 indicates that 90% (9) of the SMEs stated that television is expensive, while one (10%) SME was of the view that advertising amounts to a waste of money. Therefore, SMEs do not use TV advertising because it is expensive.

Table 5.70: Reasons why SMEs use or do not use radio advertising

	Count	Column N %
Reasons		
Informing consumers	4	40%
Too expensive	3	30%
To reach target market	1	10%
For visibility	1	10%
Did not answer the question	1	10%
Total	10	100%

The themes that were stablished here are: inform consumers and too expensive

Table 5.70 above shows that four SMEs, which constitute of 40% of the study population, stated that they are interested in informing their consumers, three (30%) SMEs said that it is expensive; one (10%) SME considered it as a means to reach their target market, for one (10%) it is to be visible to consumers, while one (10%) SME did not answer the question. This therefore, indicates that SMEs are interested in informing their target market.



Table 5.71: Reasons why SMEs use or do not use newspaper advertising

Reasons	Count	Column N
		%
To reach target market	4	40%
To inform consumers	4	40%
Visibility	1	10%
Waste of money	1	10%
Total	10	100%

The themes that were established here are: reach target market and inform consumers

Table 5.71 demonstrates that 40%, which represent four SMEs, use radio advertising to reach their target market, four (40%) SMEs to inform their consumers, one (10%) SME for visibility, while a further one company and (10%) of the study population thought that advertising amounts to a waste of money. It is evident that the majority of SMEs use newspaper advertising because they want to reach and inform their target market.

Table 5.72: Reasons why SMEs use or do not use magazine advertisements

	Count	Column
Reasons		N %
Waste of money	3	30%
It is not effective	2	20%
To reach target market	2	20%
Visibility	1	10%
Awareness	1	10%
Never used it before	1	10%
Total	10	100%

The themes that were established here are: Waste of money, not effective and to the reach target market.

Table 5.72 above shows that, three SMEs which constitute 30% of the study population noted that magazine advertising is a waste of money, two (20%) SMEs said it is not effective, two (20%) SMEs pointed out that they use it in order to reach their target market, one (10%) SMEs uses it for visibility, one (10%) SME for awareness, while one (10%) SME stated that it has never used magazine advertising before but may use it



in future. As a result, the majority of SMEs do not use magazines advertising because it is a waste of money.

Table 5.73: Reasons why SMEs use or do not use outdoor advertising

	Count	Column
Reasons		N %
Visibility	3	30%
Getting attention	2	20%
Irrelevant to the business	2	20%
Inform consumers	1	10%
Waste of money	1	10%
One did not answer the question	1	10%
Total	10	100%

The themes that were constructed here are: visibility, getting attention, and irrelevant to business.

Table 5.73 shows that, three SMEs which represent 30% of the respondents confirmed that they use outdoor advertising for visibility, two (20%) SMEs use it to get attention, while two (20%) SMEs are of the view that outdoor advertising is irrelevant to their business and one SME (10%) considered it is a waste of money. A further one SME (10%) pointed out that it uses outdoor advertising to inform consumers, while another one (10%) SME has not yet considered it. The aforesaid points to the conclusion that a majority of SMEs use outdoor advertising for visibility.

Table 5.74: Reasons why SMEs use or do not use transit advertising

Reasons	Count	Column N
		%
It is irrelevant to business	4	40%
Inform consumers	2	20%
Not yet considered transit advertising	2	20%
Awareness	1	10%
Waste of money	1	10%
Total	10	100%

The themes that were established are: irrelevant to business, inform consumers and not yet considered.



Table 5.74 above depicts that four (40%) of the respondent SMEs thought that it is irrelevant to use transit advertising, two (20%) SMEs use it to inform their consumers, one (10%) SME uses it for visibility and a further one (10%) SME uses it for awareness. However, two (20%) SMEs pointed out that they have not yet considered transit advertising and another one (10%) SME was of the view that it is a waste of money. The conclusion here is that a majority of SMEs considered transit advertising as irrelevant to their business.

Table 5.75: Reasons why SMEs use or do not use flyer advertising

	Count	Column
Reasons		N %
To inform consumers	5	50%
Waste of money	2	20%
Getting attention	1	10%
Cheaper than other advertising media	1	10%
One business did not answer the	1	10%
question		
Total	10	100%

The themes that were established are: inform consumers, and waste of money.

Table 5.75 above shows that five SMEs, which constitute 50% of the respondents, stated that they use flyer advertising to inform consumers, one (10%) SME to get the attention of consumers, one (10%) SME uses advertising for visibility, and one (10%) SME also uses it because it is cheaper than other advertising media. However, two (20%) SMEs thought that flyer advertising is a waste of money, while one business did not answer the question. Therefore, the above observations show that the majority of companies use outdoor advertising to inform their consumers.



Table 5.76: Reasons SMEs use or do not use online advertising

	Count	Column
Reasons		N %
Did not answer the question	4	40%
For easy accessibility to	3	30%
business's products or services		
Inform consumers	1	10%
To reach target market	1	10%
Waste of money	1	10%
Total	10	100%

The theme that was established here is: easy access.

Table 5.76 above illustrates that four SMEs which constitute 40% of the respondents did not answer the question, three (30%) SMEs pointed out that they use it because of the easy accessibility of information regarding their products and services, one (10%) SME noted that they use it is to inform consumers, one (10%) SME for reaching their target market, while (10%) SME was of the view that it is a waste of money. This indicated that the majority of SMEs are still discussing whether they should use online advertising or not.

Table 5.77: Reasons why SMEs use and do not use social media advertising

	Count	Column
Reasons		N %
Visibility and informing consumers	3	30%
Reach target market	2	20%
For easy accessibility to the business' products or services	1	10%
Waste of money	1	10%
Two companies did not answer the question	2	20%
Total	10	100%

The themes that were established are: visibility and informing consumers, and reach target market.

Table 5.77 above illustrates that, three (3) SMEs which constitute of 30% of the respondents here use social media advertising to inform and for visibility, two (20%) 161



SMEs use it to reach their target market, and one (10%) SME stated that it facilitates an easy access of their business' products. However, one (10%) SME disclosed that it did not use social media advertising, while another one (10%) SME viewed it is a waste of money and two companies constituting 20% of the SMEs did not answer the question. The major observation here is that most SMEs use the social media to inform and for visibility.

5.7 CONCLUSION

Chapter five discussed and presented the results and findings from both the quantitative and qualitative data analysis. The results of the qualitative analysis were presented narratively, and the established themes used to analyse the responses of the participants in the interviews. Furthermore, statistical techniques, both descriptive and inferential, were applied to present and analyse the quantitative data, while figures and tables assisted in determining whether data supported or failed to support the main objective of the study.

The literature study has shown that there are advertising media which are not effective to consumers but are expensive. The empirical study also confirmed that the effect of various advertising media on consumers varies. In addition, managers and owners of SMEs do not know the advertising media that boost their business' profitability and sustainability.

The next chapter focuses on the conclusions and recommendations.



CHAPTER 6 CONCLUSIONS AND RECOMENDATIONS

6.1 INTRODUCTION

This chapter discusses the results presented in chapter 5, draws conclusions and makes recommendations for future research as well as contribute to the body of knowledge on sustainability and profitability of SMEs. The responses of SMEs managers or owners with regards improving sustainability and profitability of the business were imperative in formulating the recommendations.

This chapter also outlines a brief over-view of the study and reports on literature study and empirical survey included in questionnaires and interviews. Also considered here, is the main objective of the study, to investigate the effectiveness of various advertising media on the profitability and sustainability of SME's in Welkom.

6.2 OVERVIEW OF THE STUDY

The research problem of this study was businesses are not sure of the advertising media that can yield good return on the money spent. Eventually, SME's resources are misallocated erroneously and this could lead to the business collapsing. An investigation was undertaken with the aim of getting the effect of various advertising media on the profitability and sustainability of SMEs (see paragraph 1.6.1). This chapter, therefore, attempts to summarise and interpret the SMEs' expenditure on advertising and the effect of various advertising media on consumers.

6.3 AIM AND OBJECTIVES OF THE STUDY

The aim of the study (see paragraph 1.6.1) was to investigate the effectiveness of various advertising media on the profitability and sustainability of SME's in Welkom. The secondary objectives of the research are: to establish the influence of broadcast, print, outdoor and internet media on the buying decision of consumers in Welkom; to determine whether the advertising media can be used to promote a product; and to establish the cost-effectiveness of advertising media in the promotion of a product.



6.4 SUMMARY OF THE FINDINGS OF THE STUDY

The findings of the study are based on a review and evaluation of the literature, questionnaire survey and interviews as provided underneath.

6.4.1 Conclusions from the literature study

The literature review in chapter 2 revealed that previous researchers observed that in order for a business to be successful it must communicate with its consumers effectively and efficiently. If the business misinforms, fails to communicate, or incorrectly communicates with its consumers, then the consumers awareness of the business' products or services decrease and this in turn may lead to lack of profitability and sustainability within the business, which will eventually cause it to shut down (see paragraph 2.2.1).

A review of dissertations, thesis, online articles and other literature shows that the theory of Integrated Marketing Communication (IMC) and effectiveness of various advertising media is not relevant nor is it related to SMEs. There are limited studies conducted in relation to the relevancy, importance and meaning of IMC, and effectiveness of various advertising media in the context of SMEs and the marketing management of SMEs. In addition, SME managers and owners do not implement, nor do they emphasise the proper planning of IMC and marketing for their SMEs (see paragraph 2.2.2).

SMEs concentrate on exposure, ratings and statistics of the effectiveness of advertising and yet they remain unaware of what influences consumers to make purchases. This leads to a poor return on investment regarding investments into the advertisement of products or services (see paragraph 2.4.3). As a result, the amount of money spent by SMEs on advertising would better be used on other promotional tools which influences the buying decisions of consumers (see paragraph 2.5).

Academics and professionals have, over a lengthy period, tried to come up with theories and models that can explain how consumers respond to the advertising they are being exposed to. These theories have not yet achieved accurate results (see



paragraph 2.6.2). This suggests that more research is still needed with regards to consumer response to advertising.

Flyers, pamphlets and transit advertising were also discussed. It was noted that the existing research, effectiveness of advertising, spending and ratings which concern these forms of advertising is limited and does not contain the required or relevant information (see paragraph 3.3.3, 3.3.4 & 3.4.4). This suggests that theory regarding flyers, pamphlets and transit advertising is limited. The measurement of external advertising performance with regards to consumers' reaction towards purchasing decision making can boost SMEs profitability and sustainability. This can also indicate whether the advertising media chosen by business is effective or not (see paragraph 2.4.3).

It was also noted that there is need to conduct valid research based on the effectiveness of advertising media provides information. This will assist SMEs for both strategic development and the designing of campaigns (see paragraph 2.5).

An advertising campaign should focus on the needs of the target market. It must talk to the target market and address their problems. This results in a correctly targeted and efficiently targeted market no matter what the size of the budget may be (see paragraph 2.5). In addition, advertising effectiveness is achieved through engagement with target-consumers who know exactly which advertising media has an impact on them (see paragraph 2.6.2).

Cost effectiveness of advertising

The researcher drew from the literature on the effectiveness of various advertising and found that SMEs and other big businesses spend erroneous amounts in advertising their products or services (see paragraph 3.2.1.3, 3.2.2.3, 3.3.1.3, 3.3.2.3, 3.4.3, 3.4.5.1, 3.5.3, 3.7.3, & 3.8). The aforesaid paragraphs conclude that the advertising budget increases every year. Thus, businesses spend a lot of money on advertising their products or services or in informing consumers. Therefore, SMEs should produce profitable and sustainable results without spending lot of money on advertisements. This can be achieved by sending the message to the relevant consumers with correct



advertising media that will return SMEs investment. SMEs must indeed gauge the advertising media that they are using in order to know the advertising media that influences the buying decision of consumers.

The next subsection focuses on findings from the empirical study.

6.4.2 Conclusions from the empirical study

The following section focuses on the findings derived from the questionnaire survey, which were presented in frequency distribution, cross tabulation and chi-square statistical test. It also considers the responses of owners and managers of SMEs with regards to the effectiveness of various advertising media used as a promotional tool to boost the sustainability and profitability of their SMEs. The majority of owners and managers have a perception or think that advertising media sustains and boosts their business' profit, however, they do not know which advertising media returns the money spent on advertising their products or services. This leads to SMEs spending money on various advertising media without knowing exactly which advertising media influences consumers to purchase a product or service (see paragraph 2.6.2).

6.4.2.1 Conclusions with reference to the consumers:

(a) Demographics

Consumers gender

The numerical difference between male and female participation in the study shows that 102 male and 98 female consumers participated (see figure 5.1). This indicates that there is a fair distribution between males and females in the study, and that can contribute to the validity of the study.

Ethnicity of consumers

Black or African consumers participated more than any other ethnic group in the study (see figure 5.2).



Consumer age

There was a fair distribution of consumers' age in the study. The researcher chose the youth, matured, and old consumers to participate in the study. Therefore, the majority of consumers were between the ages of 22 and 26, thus indicating that the majority of consumers who participated in this study are youth consumers (see figure 5.3).

• Consumer employment

The majority of consumers were employed (see figure 5.4). The indication is that SMEs should mainly concentrate on consumers who are employed because they have an income and can afford to buy products that are advertised by SMEs.

Consumers' level of income

The majority of consumers that participate in the study earn between R5 001 and R10 000 (see figure 5.5).

Consumers' level of education

Grade 12 consumers participated more in the study than consumers with other educational levels.

(b) General responses of consumers regarding advertising

Information from advertisements are clear

The information that consumers get from advertisements is clear. This underscore that SMEs should give information that is not ambiguous nor misleading. The message should be short and straight to the point (see figure 5.7). The implication of the above is that advertisements of SMEs will be effective and efficient and at the same time boost SMEs profitability and sustainability.

Influence of advertisements on consumers' buying decisions



Advertisements influence the buying decisions of consumers. This confirms that the majority of consumers are influenced by advertisements to purchase a product or service (see figure 5.8). In addition, the implication is that SMEs should advertise, since the majority of consumers use advertising to purchase the products or services, and that this will increase the profits and make the SMEs sustainable.

Advertisements grab consumers' attention

The majority of consumers said that advertisements attract consumers' attention. As a result, advertisement should be eye catching in order to make consumers notice and remember the products and services easily (see figure 5.9). The above suggests SMEs should grab the attention of consumers in order to communicate effectively as this leads to the consumers' purchasing of SMEs' products or services.

Advertisements are informative

Advertisements are informative to consumers. This shows that the majority of consumers receive the information that they need from advertisements (see figure 5.10). The implication thereof is that clear information from the SMEs will not mislead consumers and thus lead to increased sales.

Advertisements are irritating

The majority of consumers pointed out that advertisements irritate them (see figure 5.11). This indicate that consumers do not want to be irritated by the advertisements.

Advertisements are entertaining

Most consumers noted that advertisements are entertaining (see figure 5.12). Therefore, SMEs should focus on creating advertisements that are entertaining



in order to attract more consumers and in that way, it can contribute to the improvement of SMEs' profits and sustainability.

Consumer enjoy advertisements
 Most consumers agree with the view that they enjoy advertisements (see table

• Advertisements influence on buying decisions on the basis of gender

5.13). This means consumers do enjoy advertisements.

Female consumers are influenced by advertisements. This underscore that females are more interested in advertisements than male consumers (see table 5.2).

 Chi-Square test of advertisements influence on buying decisions on the basis of gender

A test for the meaningful relationship between buying decision as influenced by advertising and gender was done. The test concludes that there is no meaningful relationship between the influence of advertising on buying decision and gender. Therefore, advertising does not influence the buying decisions with regards to consumer gender (see table 5.3).

Advertisements influence on buying decisions on the basis of age

The majority of the consumers are youth. This means that SMEs should concentrate on youth because advertisements influence the buying decision of youth consumers (see table 5.4).

 Chi-Square test of advertisements' influence on buying decisions on the basis of age

A test was conducted to determine the meaningful relationship between buying decision as influenced by advertising in general and age. The results showed that there is no meaningful relationship between the influence of advertising on buying decision and age. Therefore, age does not influence consumers' buying



decision. SMEs must not consider the age of consumers when advertising their products or services (see table 5.5).

- (c) The influence of various advertising media on consumers
- (i) Television advertisements
- The influence of television advertisements on consumers' buying decision.

The majority of consumers disagree that TV advertisements influence their buying decisions (see figure 5.14). This indicates that consumers watch television advertisements for enjoyment rather than serving the SMEs purpose which is to convert advertisements or message into sales. Therefore, SMEs should consider using other advertising media when they want to communicate with consumers.

TV advertisement influence on buying decisions on the basis of gender

The majority of female consumers strongly disagree with the view that TV advertisements influence them to purchase a product or service (see table 5.7). This indicates that TV advertising does not influence the buying decisions of female consumers. Therefore, male consumers answered in majority on the question.

The observations in chapter 5 indicate that youth consumers are the most influenced by advertising with regards to making buying decisions as compared to the rest of the age groups under study. The findings show that most respondents disagree that advertisements influence their buying decisions. However, TV advertising influences the buying decision of youth consumers (see table 5.9).

The implications of the above with regards to age conclusions are that the promotional tool, television advertising, does influence the buying decision of youthful consumers. But however TV advertising is not effective on majority of



consumers buying decisions. Therefore, SMEs should focus on other advertising media in order to promote best their products and increase sales.

 Chi-Square test of TV advertisements influence on buying decisions on the basis of gender

The test was conducted to check for the meaningful relationship between buying decision as influenced by TV advertisement and gender. There is no meaningful relationship between the influence of TV advertisement on buying decision and gender (see table 5.8). This means SMEs should advertise their products or services for both male and female consumers.

(ii) Radio advertisement

Radio advertisements influence consumers buying decisions

The conclusion reached here is that radio advertisements do not influence the buying decisions of consumers. Most consumers are passive listeners and do not concentrate on advertisements (see figure 5.15).

Radio advertisements influence on buying decisions on the basis of gender

The majority of female (34) consumers strongly disagree with the view that radio influences them to purchase a product or service (see table 5.12). The implication of the statement is that gender play a significant role regarding the purchasing decision of consumers. This concludes that majority of females' consumers are not influenced by radio advertisements.

 Chi-Square test of radio advertisements influence on buying decisions on the basis of gender

There is a meaningful relationship between the influence of radio advertisement and buying decision and gender (see table 5.13). The implication of the aforesaid statement is that SMEs must concentrate on gender when advertising their products or services.



Radio advertisements influence on buying decisions on the basis of age.

The majority of youth consumers (30) are influenced by radio advertisements. However, matured (23) and old (19) consumers who participated in the study disagree that radio advertising influence them to purchase products or services (see table 5.14).

 Chi-Square test on radio advertisements' influence on buying decisions on the basis of age

There is a meaningful relationship between the influence of radio advertisement and buying decision and age (see table 5.15). This indicates that age of consumers plays a vital role in their buying decisions. Therefore, SMEs should focus on age during their planning of advertisements. In addition, SMEs should target mainly youth consumers.

The findings indicate that the majority of consumers disagree that radio advertisements influence their buying decisions, while a smaller number of consumers agree with the statement. The implications of these findings are that radio advertising used as a promotional tool cannot fully influence the buying decision of consumers.

(iii) Newspaper advertisement

Newspaper advertisements influence consumers buying decisions.

Most consumers agree that newspaper advertisements influence their buying decision (see table 5.17). Therefore, SMEs should consider using newspaper advertising to communicate with their consumers. In addition, the researcher found, during data collection that, consumers receive weekly delivered newspapers for free at their homes. This means that a minority of consumers purchase daily newspapers.



 Newspaper advertisements' influence on buying decisions on the basis of gender.

The majority of male consumers agree with the supposition that newspaper adverting influences their buying decisions, while female consumers also agree that their buying decisions are influenced by newspaper advertising (see table 5.18).

 Chi-Square test of newspaper advertisements' influence on buying decisions on the basis of gender

There is a meaningful relationship between the influence of newspaper advertisements and buying decision and gender (see table 5.19). This indicates that newspaper advertising influences the decisions of both males and females. Therefore, SMEs should advertise their products or services concentrating on both male and female consumers.

Newspaper advertisements influence buying decisions versus age

The youth consumers' buying decisions are influenced by newspaper advertisements. This indicates that youth consumers are more interested and influenced by newspaper advertising to purchase products or services. Thus, newspaper advertising is effective on youth buying decision. In addition, old consumers are also influenced by newspaper advertising to purchase products or services (see table 5.20). The implication of the above is that majority of youth consumers responded positively on the question.

 Chi-Square test of newspaper advertisements influence on buying decisions on the basis of age

There is no meaningful relationship between the influence of newspaper advertisements, buying decisions and the age of consumers (see table 5.21). This indicates that the age of consumers does not influence their buying decisions. Therefore, SMEs should not focus on age when advertising their products in newspapers.



The conclusion from the findings is that most consumers agree that newspaper advertisements influence their buying decisions. However, a smaller number of consumers strongly disagrees with the statement. The implications of these findings are that newspaper advertising, as a promotional tool, can influence the buying decisions of consumers. In addition, the researcher detected, during data collection that, consumers do not buy newspapers, but rather receive free deliveries of weekly newspapers e.g. Vista (see Annexure E).

(iv) Magazines advertisement

Magazine advertisements influence consumers' buying decisions

The total number of participant consumers who read magazine advertisements is 100 out of 200 (see table 5.23). Therefore, half (50) of the consumers agreed that magazines influence their buying decisions (see table 5.23). A consideration of the number of consumers who answered this question leads to the conclusion that the majority of consumers are not influenced by magazine advertisements to buy products. This implies that SMEs should not use magazine advertisements.

Magazine advertisements influence on buying decisions on the basis of gender

The majority of female consumers strongly agree that magazine advertising influences their buying decisions (see table 5.24). This suggests that the buying decisions of female consumers are influenced more by magazine advertisements. Hence, the conclusion that SMEs should focus on female consumers when advertising their products and services in magazines.

 Chi-Square test of magazine advertisements influence on buying decisions on the basis of gender

There is no meaningful relationship between the influence of magazine advertisements, buying decision and the gender of consumers (see table 5.25). This shows that magazine advertisements do not influence the buying decisions of consumers. Therefore, SMEs should not concentrate on gender when advertising their products or services in magazines.



Magazine advertisements influence buying decisions versus age

The majority of youth consumers agree that magazine advertising influences their buying decisions. However, mature consumers strongly disagree (see table 5.26). This indicates that magazine advertising influences the buying decisions of youth consumers. As a result, SMEs should concentrate on youth when using magazine advertising.

 Chi-Square tests of magazine advertisements influence on buying decisions on the basis of age

There is a meaningful relationship between the influence of magazine advertisements, buying decisions and the age of the consumers (see table 5.27). This implies that magazine advertisements have an influence on the consumers' age, particularly the reality that consumers' age differ and thus, magazines' advertisements influence consumers on the basis of their age. The latter statement suggests that SMEs must concentrate on the age of consumers when advertising their products and services in magazines.

Out of 200 participants only 100 answered the question (see table 5.22). Therefore 50% of consumers participated in the study and the results are based on half of the sample, which do not present a true reflection of consumers' decisions on the purchasing a products or services owing to the influence of magazine advertisements. The implications of these findings are that magazine advertising, as a promotional tool, cannot influence the buying decision of consumers.

(v) Outdoor advertisements

• The influence of outdoor advertisements on consumers' buying decisions

Most consumers in this study disagree with the view that their buying decisions are influenced by outdoor advertisements. Therefore, SMEs should consider using other advertising media in order to increase their sales (see figure 5.16).



Outdoor advertisements influence on buying decisions on the basis of gender

The majority of male consumers disagree with the assertion that outdoor advertising influences them to purchase products. In addition, the majority of female consumers strongly disagree that outdoor advertisements influence their purchasing decisions (see table 5.29). The indication from both observations is that outdoor advertising does not influence the buying decisions of both male and female consumers. Therefore, SMEs must focus on other advertising media.

 Chi-Square test of the influence of outdoor advertisements on buying decisions on the basis of gender

According to the test, there is no meaningful relationship between the influence of outdoor advertisements, buying decisions and the gender of consumers (see table 5.30). As such, both male and female customers are not influenced by outdoor advertisements. Therefore, SMEs do not have to concentrate on gender when advertising outdoors.

Outdoor advertisements influence on buying decisions on the basis of age

Youthful consumers, who represent the majority here, disagree with the view that outdoor advertisements influence their buying decisions. This indicates that youth are not interested in nor are they influenced by outdoor advertising to purchase products or services (see table 5.31).

 Chi-Square test of outdoor advertisements' influence on buying decisions on the basis of age

There is no meaningful relationship between the influence of outdoor advertisements, buying decisions and the age of consumers (see table 5.32). This suggests that outdoor advertisements do not influence the consumers' buying of products or services on the basis of their age. Therefore, SMEs do not have to concentrate on consumers' age when advertising their products or services.



The findings conclude that most consumers disagree that outdoor advertisements influence their buying decisions, while a smaller number of consumers strongly agree with the statement. The implications of these findings are that outdoor advertising, as a promotional tool, is not effective in influencing the buying decision of consumers. Furthermore, researcher found out during data collection that consumers who drive found it difficult to watch or read advertisements while driving (see paragraph 3.4.2).

(vi) Transit advertisements

The influence of transit advertisements on consumers' buying decisions

The Majority of consumers disagree that transit advertising influences their buying decisions (see table 5.34). This implies that transit advertising is not effective in influencing the purchasing decisions of consumers. Therefore, SMEs should focus on other advertising media to boost their profits and remain sustainable.

Transit advertisements influence on buying decisions on the basis of gender

Most males (36) consumers disagree that transit advertisements influence their buying decision, while females (27) also disagree (see table 5.35). This suggest that SMEs transit advertising that appeals do not influence the purchasing decision with regards to gender.

 Chi-Square test of transit advertisements influence on buying decisions on the basis of gender

The Chi-Square test concludes that there is no meaningful relationship between the influence of transit advertisements, buying decisions and the gender of consumers (see table 5.36). This indicates that the consumers' gender has no relationship with the impact of transit advertisements on buying decisions. Therefore, SMEs must not concentrate on gender when advertising on transit.



- Transit advertisements influence on buying decisions on the basis of age The majority of consumers who disagree with the view that transit advertisements influence their buying decisions are the youth (see table 5.37). This suggests that transit advertising is not effective on youth consumers. The implication of the above is that SMEs will be wasting money if their target market is youth when using transit advertising.
- Chi-Square test of transit advertisements' influence on buying decisions on the basis of age

The test shows that there is no meaningful relationship between the influence of transit advertisements, buying decisions and the age of consumers (see table 5.38). The use of age, as a criterion in the choice of transit advertisements is not important. Therefore, SMEs do not have to concentrate on age when using transit advertisements.

The findings show that most consumers disagree that transit advertisements influence their buying decisions, while a smaller number of consumers strongly agree with the statement. The implications of these findings are that transit advertising, as a promotional tool, does not influences the buying decisions of consumers. Therefore, SMEs should not use transit advertising to reach their target market, since it is not effective on the buying decisions of consumers.

(vii) Flyer advertisements

The influence of flyer advertisements on the consumers' buying decisions

Most consumers who participated in this study agree that flyer advertisements influence their buying decisions (see table 5.40). This suggests that flyer advertisements are effective in shaping the consumers' buying decisions. Therefore, SME should use flyer advertisements to increase their sales and have better profits and strengthen their sustainability.



Flyer advertisements influence on buying decisions on the basis of gender

Most female consumers agree and strongly agree that flyer advertising influences their buying decisions (see table 5.41). This indicates that SMEs must focus on female consumers when using flyer advertisements, as this boosts sales and profit.

 Chi-Square test of flyer advertisements' influence on buying decisions on the basis of gender

According to the Chi-Square test, there is no meaningful relationship between the influence of flyer advertisement on buying decision and the gender of consumers (see table 5.42). Gender does not play an important role in the use of flyer advertisements. Therefore, SMEs must concentrate on both males and females when advertising products or services.

Flyer advertisements' influence on buying decisions on the basis of age

The buying decisions of matured consumers are influenced by flyer advertising (see table 5.43). This implies that flyer advertising is effective on matured customers, hence, SMEs' flyer advertising should focus on matured customers. This focus will assist SMEs to effectively and efficiently achieve their purpose of advertising.

 Chi-Square test of flyer advertisements' influence on the buying decisions on the basis of age

According to the test, there is a meaningful relationship between the influence of flyer advertisements, buying decisions and the age of consumers (see table 5.44).

This means that the age of consumers is an important criterion in the use of flyer advertisements. Therefore, SMEs must consider consumers' age when advertising their products or services.



The findings conclude that most consumers agree that flyer advertisements influence their buying decision, while a smaller number of consumers strongly disagree with the statement. The implications of these findings are that flyers advertising influences the buying decision of consumers. On the other hand, through observation during data collection from consumers, the researcher detected that consumers do not want to read flyers because they are busy or in a hurry to errands. They also take flyers and throw them in a bin without reading them. Regarding the empirical research there is limited information on effectiveness of flyer advertisements and spending on it (advertisements) within South Africa (see paragraph 3.3.4 & 3.8).

(viii) Online advertisement

• The influence of online advertisements on the consumer's buying decisions

The majority of consumers agree that online advertising influences their buying decisions (see table 5.46). Therefore, SMEs should use online advertising to increase profits and to remain sustainable.

Online advertisements influence on buying decisions versus gender

Both male and female consumers agree that online advertisements influence their buying decisions (see table 5.47). This indicate that online advertising is effective with regards to consumers buying decisions. Therefore, SMEs should consider using online advertising to increase sales and remain sustainable.

 Chi-Square test of online advertisements influence on decisions made on the basis of gender

The Chi-Square test results show that there is no meaningful relationship between the influence of online advertisements, buying decisions and gender (see table 5.48). This means that online advertisements' impact is not determined by the gender of the consumers. Therefore, SMEs should not consider gender when advertising their products or services.



Online advertisements' influence on buying decisions on the basis of age

The majority of youth consumers agree that online advertising influences their buying decisions. Therefore, SMEs' which use online advertising should focus mainly on the youth (see table 5.49).

 Chi-Square test of online advertisements' influence on buying decisions on the basis of age.

The Chi-Square Test confirms that there is no meaningful relationship between the influence of online advertisements, buying decisions and the age of consumers (see table 5.50). This means that consumers' age is not a very important criterion when using online advertisements. Therefore, SMEs should not consider age when using online advertising.

The findings underline that most respondents agree that online advertisements influence their buying decisions, while a smaller number of consumers disagree with the statement. The implications of these findings are that online advertising, as a promotional tool, influences the buying decision of consumers. The researcher found out from consumers, during data collection that, matured and old consumers do not trust online advertisements and majority of these consumers do not know how to use internet. Therefore, consumers prefer traditional advertisements. SMEs should consider using traditional advertisements when advertising their products or services to older consumers.

(ix) Social media advertisements

• The influence of social media advertisements on consumers' buying decisions

The majority of consumers who participated in this study agree that social media advertisements influence their buying decisions (see table 5.52). This indicates that social media advertisements are effective in determining the buying decisions of consumers. Therefore, SMEs should use social media to communicate with their target market. This will assist SMEs to minimise their spending on advertisements, since social media is effective.



 Social media advertisements' influence on buying decisions on the basis of gender

The majority of male consumers agree that social media influences their buying decisions (see table 5.53). This indicates that social media advertising is effective on male consumers. Therefore, SMEs' social media advertising should focus mainly on male consumers.

 Chi-Square test of social media advertisements influence on buying decisions on the basis of gender

The test confirms that there is no meaningful relationship between the influence of social media advertisements, buying decisions and the gender of consumers (see table 5.54). This indicates that the gender of a consumer is not an important criterion in the use of social media advertising. Therefore, SMEs should not consider gender when advertising their products or services on online.

Social media advertisements influence on buying decisions on the basis of age

The majority of consumers who agree that social media advertisements influence their buying decisions are youth (see table 5.55). This indicates that social media advertisements are effective on youth consumers, hence, SMEs must concentrate on youth when advertising their products or services on social media. This youth-focused advertising will assist SMEs in reducing the advertising budget. Since, they will be focusing on the correct target market that will respond to their advertisements.

Chi-Square test of social media advertisements influence on buying decisions versus age

The test shows that there is no meaningful relationship between the influence of social media advertisement, buying decisions and the age of consumers (see table 5.56). This indicates that social media advertisements do not influence the consumers according to their age. However, the above statement specifically outlined youth consumers are influenced by social media advertising, but the



overall average of consumer age is not really important. Therefore, SMEs should consider focusing on youth consumers when advertising on social advertising media.

The findings underline that most consumers agree that social media advertisements influence their buying decisions, while a smaller number of consumers disagree with the statement (see table 5.52). The implications of these findings are that social media advertising, as a promotional tool, influences the buying decisions of consumers. However, during the survey, the researcher found out that matured or old consumers do not know how to use social media.

6.4.2.2 Conclusions with reference to the owners /managers of the SMEs

(a) SMEs demographics

SME's years in existence

Some of the SMEs have been in existence for extended periods while others have been for brief period (see table 5.57). The study concludes that SMEs' number of years of existence does not determine whether they are sustainable or not.

Number of employees within SMEs

The majority of SMEs employed between 1 and 50 employees (see table 5.58). This indicates that SMEs play a significant role in combating unemployment in Welkom. Growth and sustainability within SMEs is needed so that more jobs can be created.

Turnover of SME's

The turnover of most SMEs is over million rand. The amount indicates that SMEs are financially stable and sustainable (see table 5.59).



(b) Advertising of products or services

The majority of SMEs use advertising to communicate with their consumers (see table 5.60). This indicates that SMEs advertise their products or services, nevertheless, the SMEs should know which advertising media influences the consumers' buying decisions.

(i) Reasons why SMEs advertise their products

The majority of SMEs use advertising in order to inform consumers about their products or services (see table 5.61). This implies that SMEs use advertising to inform rather than increasing sales or making profit. Thus, consumers will only know the products or services and not purchase them. This leads to a decrease in sales and will eventually force SMEs to shut down. Furthermore, some SMEs managers and owners do not understand the reasons why they advertise. Hence, managers and owners of SMEs should know the reasons why they advertise their products.

(ii) Importance of advertising to SMEs

The majority of SMEs agreed that it is important to advertise (see table 5.62). This indicates that managers and owners of SMEs are aware of the significance of advertising their products or services. Therefore, managers and owners of SMEs must always remember the importance of advertising their products or services.

(iii) Reasons why advertising is important

The majority of SMEs use advertising to reach their target market, let consumers know about their products or services, and to make consumers aware and remember their products or services (see table 5.63). This implies that SMEs advertise their products or services to inform and for exposure to potential consumers. Reasons for SMEs to use advertising are as follows: to motivate consumers to act towards a product being advertised. To encourage a search for more information. To relate the needs of consumers. To encourage recall of the



past product satisfaction and prompt a repurchase. To modify attitudes and reinforce attitude (see paragraph 2.4.1).

The contribution of advertising to the profitability and sustainability of SMEs

The findings indicate that most SMEs managers and owners do not know whether advertising boosts the business' profit or not. The implications of these findings are that SMEs have been spending money on advertising media which are not effective or returning their investment (see table 5.64 and 5.65). In addition, the majority of owners or managers do not have a marketing plan and advertising budget; are unaware of whether advertising increases return on investment or not; do not understand the significance of short or long-term plan on return on investment and building good relations with consumers; with some owners and managers failing to understand the difference between advertising and marketing. Therefore, managers and owners of SMEs should draft marketing plans and make surveys on consumers regarding their products or services.

 Reasons why advertising contributes or not to the profitability and sustainability of the business

The majority of managers and owners of SMEs does not know whether advertising contributes to profitability and sustainability (see table 5.65 & 5.67). This indicates that managers and owners of SMEs do not have knowledge on the contribution of advertising to the profitability and sustainability of their businesses. The implication is that SMEs will continue spending money on advertising media which does not effectively influence the buying decision of consumers. This will lead to revenue losses and the shutdown of SMEs. Therefore, managers and owners of SMEs should consult with people that have extensive knowledge on the advertising and marketing of their products or services.

(vi) Objectives of using various advertising media

The findings show that the majority of SMEs use advertising to increase sales, build long term relationships and for visibility (see table 5.68). The implication of the above is that the problem of profitability and sustainability within SMEs is not



being solved. In addition, during the interview researcher identified that most of managers and owners of SMEs answered the question without understanding the outlined objectives, which are as follows: sales, visibility, and the short and long-term relationship with consumers. This indicates that managers and owners do not have much knowledge about advertising.

- (vii) Reasons why SMEs uses various advertising media and reasons why they don't use various advertising media:
- Television advertising the findings shows that majority of SMEs do not use
 TV advertising because it is too expensive (see table 5.69).
- Radio advertising the findings indicates that SMEs use radio advertising in order to inform their consumers about their products or services (see table 5.70).
- Newspaper advertising the findings demonstrates that SMEs use newspaper advertising in order to reach their target market and to inform their consumers (see table 5.71).
- Magazines advertising the findings illustrates that using magazine advertising by SMEs is a waste of money (see table 5.72).
- Outdoor advertising the findings shows that SMEs use outdoor advertising for visibility (see table 5.73).
- Transit advertising the findings indicates that transit advertising is irrelevant for their businesses (see table 5.74).
- **Flyers advertising** the finding illustrates that SMEs uses flyer advertising to inform their consumers about their products or services (see table 5.75).
- Online advertising the finding shows that majority of SMEs did not respond to the question (see table 5.76).
- Social media advertising the findings commends that SMEs uses social media advertising to be easily accessible and to inform consumers about the products or services (see table 5.77).



6.5 RECOMMENDATIONS

The main objective of this study was to determine the effectiveness of various advertising media on the profitability and sustainability of SME's. The recommendations for this study are derived mainly from the literature and empirical study, which comprised of both qualitative and quantitative approaches. The formulated recommendations draw on the responses of consumers on various advertising media.

6.5.1 Effectiveness of advertising media on consumers

Consumer demographic

The majority of this study's participants are youth consumers. Therefore, the researcher recommends that SMEs should concentrate on youth consumers and work at building long term relationships, trust and loyalty with them. SMEs should also advertise their products at institutions of higher learning (tertiary institutions) because many tertiary institutions consist of youth consumers. The researcher noticed, from observations that, a majority of students are passionate about trying new things and excited about new challenges and freedom and have access to credit, hence the recommendation that SMEs must focus on youth consumers.

Some consumers, referred the researcher during survey (data collection of questionnaires), to their work places. Therefore, the researcher recommends that SMEs visit consumers at their working places as consumers will feel important after being consulted at work. In addition, the visits will build consumers' confidence and convert them into making buying decisions. Nevertheless, the SMEs consultants must be brief in outlining the reason of the visit to the consumers and underscore the significance of purchasing products or services from them.



• Broadcast media – effectiveness of TV and radio advertisements

Television advertisements are expensive, and some SMEs cannot always afford to use it. Therefore, the researcher recommend that SMEs should focus on advertising media that are cheaper and effective. This can be achieved by placing mini questionnaires on various advertising media at the counter or suitable place that ask consumers to tick their preferred effective advertising media which influences their buying decisions.

Most SMEs pointed out that radio advertising is expensive. In addition, radio advertisements do not influence consumers' buying decisions. Therefore, the researcher recommends that SMEs should focus on local radio stations since their prices are reasonable. It is advisable that SMEs not advertise on prime times because it is expensive. Finally, SMEs should also consult managers of radio stations for advice on how to make effective radio advertisements that are cost-effective.

• Print media – effectiveness of newspaper advertisements

Most of the advertisements placed in newspapers by SMEs included detailed information needed by consumers. However, the majority of advertisements are not visible enough. Therefore, the researcher recommends that SMEs should hire professional graphic designers to design their advertisements. This will assist SMEs to have an advantage over their competitors, especially those who use the same mediocre or repeat advertisements year after year. The consumers and other SMEs are most likely to recognise and remember professionally designed advertisements.

A further recommendation is for SMEs to have a quarter page, which is refers to 1/4th of the newspaper page rather than a small ones or information provided on classifications. The researcher recommends a quarter page advertisement that will be using the SMEs' logo, motto and catchy slogan, visible eye-catching colours, and a picture showing products or services provided, which would be of interest to prospective consumers.

The placement of a unique advertisement which involves fewer photographs and reduces clutter would speak for itself and the attractiveness would mostly definitely be



there. It would be advisable to place advertisements on the same page every time the SME advertises. This would cause the SME's product, image, and name to be more familiar and recognisable in consumers' memory.

Effectiveness of outdoor advertising

The researcher recommends that SMEs should use visible billboards and posters in order to grab the attention of consumers. This can be achieved by writing short clear message, visible colours, one or two graphic or logo and bigger formats that can be seen from a distance. Billboards and posters should be placed in busy streets and where there is a lot of public traffic. This strategic design and location of billboards and posters will make the consumers to become more familiar with SME's advertisements and more interested in purchasing.

Effectiveness of flyer advertisements

Most SMEs use flyer advertisements only during sales. Flyers can be used to inform consumers about new developments within the business, such as introducing new products. Flyers are used for promotion; therefore, the information contained in them is intended to bring some impact on the buying decision of consumers towards products or services being promoted.

The researcher recommends the use of A5 size pages with headings that are printed in large fond, eye catching colours and catchy slogans. The products or services on offer and the intended message to consumers must be briefly outlined. SMEs should also hire graphic designers to produce the flyer advertisements.

The SMEs' distribution of flyers should involve an interaction with consumers that seeks to emphasise the Features, Benefits and Advantage (FAB) of products on offer. This method overcomes the likely consumers' rejection when offered flyers. SMEs must also train their workers on how to handle and overcome objections from consumers.

Flyer advertising is a cost-effective advertising media which SMEs can use to promote their products or services. Therefore, the researcher recommends that SMEs use



electronic flyers that can be easily disseminated to potential consumers via Short Message Service (SMS), Multimedia Messaging Service (MMS), social media and the internet.

Lastly, SMEs should also consider distributing flyers to consumer's houses as the context affords consumers with time to read what the SMEs offers.

Effectiveness of online advertisements

The majority of consumers agreed that online advertisements influence their buying behaviour. Yet, the researcher found out that the majority of SMEs do not update their websites while others do not have websites at all. This makes customers doubt the credibility and trustworthiness of the business, which leads to a loss of consumers. It is imperative for SMEs to have websites as more people are becoming computer literate and using the internet more to search for products.

The researcher recommends that SMEs should update their websites and update SME's newsletter. The websites must provide detailed information about what the business provides and the product line as well as have an inquiry box. SMEs should also train or employ sales persons responsible with handling the queries about products or services.

Finally, SMEs should also consider online purchases. This is because it is easy to place an online order and it saves time for long queues during sales. Consumers should also be advised to pay online.

Effectiveness of social media advertisements

Most of the SMEs do not use social media advertisements. However, the majority of consumers noted that social media advertisements influences their buying decisions. Therefore, the researcher recommends that SMEs consider using social media advertising since the majority of consumers use it. SMEs should also employ or train the sales persons responsible with responding to queries and ordering of products or services.



Sales persons should also be trained to handle difficult consumers or consumers that are not enquiring about the product or service of the business. SMEs should also take time of response in consideration; consumers do not like to be kept waiting for long time.

6.5.2 Recommendations with reference to the data received from the managers/owners of the SMEs

Importance, objectives and reasons for using advertising by SMEs

Managers and owners of SMEs do not have a clear understanding of the reasons why and importance of advertising their products or services. Therefore, the researcher recommends that managers and owners of SMEs consider hiring third year marketing students or marketing consultants to create marketing plans for their businesses. This is because marketing consultants and marketing students are aware of the significance and reasons why advertising is important in terms of profitability of SMEs.

Effectiveness of various advertising media on profitability and sustainability

The findings drawn from the previous chapter 5 were that the majority of SMEs are not aware of whether advertising contributes to sustainability or profitability of their business. This leads to SMEs using various advertising media with the hope that the use of advertising media leads to increases in profits that automatically sustains their business. Although several of advertising media are available to advertise the products or service of SMEs, it was found out that many owners or managers are of the view that their SMEs are well known, therefore consumers will know through word of mouth advertising about the intentions of the business. This research does not contribute to such an opinion – the reality is that a product or service is available in a business and a market exists which needs to be catered for. Therefore, consumers must know about what the business offer, when, where, and how is it offered, what the features are, and the advantages and benefits of the products.

The researcher also recommends that business representatives, cashiers or workers must always inform consumers about new products. Here, they must focus on features, advantages and benefits that address the needs of the consumers. They



should also make a consumer feel at home when they are in their stores by greeting them and telling them that they should enjoy shopping, and cashiers should thank consumers for shopping.

Furthermore, the researcher recommends that owners or managers draft mini questionnaires based on various advertising used to boost profitability and sustainability of the SMEs and place them at the counter or a suitable place to complete a questionnaire. Sales consultants or cashiers can ask some consumers, while purchasing, to complete a questionnaire that will be in a ticking format choosing the media of their choice that leads them to makes purchases in the business. After getting the results or feedback from questionnaires, managers or owners must draft integrated marketing communication (IMC) that will address the needs or wants of the consumers.

Such questionnaires could include the request for consumers' contact number or email address and thus the business could keep a consumer informed about issues such as their products, and new arrivals. Furthermore, SMEs can hold promotions monthly, culminating from advertising and efforts just before the month end. The researcher recommends that owners or managers should put together a package regarding their product/s which differ/s from other SMEs. As part of the package, the SME might include different add-ons to their after service, such as grocery or stationery give away and offers of points for consumers that purchase regularly as well as that of discounts. Sales consultants or cashiers should always be friendly to consumers and ask them how they knew about their products, while assisting them. After assisting a consumer, the sales persons or cashiers note the advertising media a consumer had preferred and put it in a box. This will assist managers or owners to know which advertising media is preferred by their consumers.

Many SMEs only use displays and poster advertising to market their products. They tend not to use the same strategies that big businesses do but with little contributions – display their products or advertise their products during big sports games or matches, or other sponsored functions such as local school league games or competition. This will build short and long-term relationships with consumers and that in return will support their business.



The researcher recommends that SMEs set the desired goals on their entire marketing budget and advertising campaigns. This assists the SMEs to reduce the spending on various advertising media and instil financial discipline in the business. In doing so SMEs can gain more power over their advertising budgets. The continuous use of a Return-On-Investment (ROI) calculation can improve the SMEs advertisements campaigns, test innovative ways to raise ROI, and spending money on the advertising campaigns that produce better returns on profit.

The researcher recommends that SMEs should use the model of ROI below to gauge their profits.

Return-On-Investment formula (Kew & Watson, 2013).

$$\frac{Gross\ profit-advertising\ investment}{advertising\ investment} = results$$

The above formula uses the gross profit for units sold in the advertising campaigns and the advertising investment for the campaign. Gross profit is revenue (business income) minus the cost (advertising expenses) to produce advertisement while advertising investment is the money being budgeted or spend to make campaigns successful. Therefore, SMEs will have to check the money which is associated with making and selling the products or services which would have been made.

Gross profit minus advertising investment divide by advertising investment will show the SMEs whether the campaign was a success or not. Therefore, SMEs will be in a better position to take the right decision on whether they should use the chosen advertising media or change it.

The researcher recommends that managers and owners of SMEs participate in short courses of marketing or advertising. This will enable the managers and owners to understand the difference between marketing and advertising. This will also assist them in having more knowledge regarding objectives of advertising and budgeting. They can also attend free business workshops provided by Sector Enterprise Development Agency (SEDA).



During qualitative data collection researcher detected that some of the SMEs have changed their location or physical address and phone numbers or contact details. Therefore, the researcher recommends that SMEs owners or managers should inform their consumers before and after changing the location about their new location. They can disseminate information via free SMSs from internet or leave a poster with new location at the old store or store that they are no longer using.

The summaries of findings from literature, empirical and interview study indicates that there is a need for further study on the effect of various advertising media used as a promotional tool to boost the profitability and sustainability of SMEs. Therefore, the next subsection of this study focuses on suggestions for further research.

6.6 SUGGESTIONS FOR FURTHER RESEARCH

The following suggestions are made for further research on the needs of SMEs with regards to profitability and sustainability:

- Research on the actual Return-On-Investment (ROI) with regards to various advertising media within SMEs.
- Investigate the effect of traditional, online and social media on consumers separately.
- Investigate how best advertising can sustain and increase sales in SMEs.
- Research regarding the theory of effectiveness of advertising on consumers.

6.7 PROBLEMS EXPERIENCED DURING EMPIRICAL STUDY

The following problems were experienced during the research process:

- Some of the questionnaires were spoiled and had to be reprinted.
- The financial costs of conducting the empirical study became a burden to the researcher.
- Trying to secure appointments with owners and managers of SMEs for the interviews was difficult and discouraging.



6.8 CONCLUSION

This study sought to establish the effectiveness of various advertising media used as promotional tools to boost profitability and the sustainability of SMEs. The researcher pursued the following objectives:

- Determining the effectiveness of various advertising media on profitability and sustainability of SME's in Welkom.
- Establishing the effectiveness of broadcast, print, outdoor and internet media on consumers in Welkom.
- Determining the advertising media that can best promote a product; and
- Establishing the most cost-effective advertising media in the promotion of a product.

Relevant literature was accessed to unpack the foundations and evolutions of effectiveness of various advertising media and theory underpinnings of effectiveness of advertising. The mixed method approached was used for the collection and analysis of qualitative and quantitative data. The test sample conducted in the Thabong Township produced the same answers as those received in the official research study. This proved that the research study was conducted with honesty and integrity, and thereby ensured its validity and reliability.



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ANNEXURE A: INTERVIEW QUESTIONS FOR MANAGERS/OWNERS OF SMEs

Section A: Demograp	hics				
Name of the company:					
Physical address:					
Telephone Numbers:					
Owner or Manager of t	he company:				
Number of years in exi	stence:				
Number of employees:					
0 – 50 51 - 2	00				
Turnover in a year:	R 20 – 39 mi	illion	7		
ICT - 19 IIIIIIOIT					
Section B: Interview	questions				
Question 1: Do you a	dvertise your	products	or services	?	
	YES		NO		
					•
If Yes, why do you adv	ertise your pr	oducts or	services?		



If No, why don't you adv	vertise your	products o	or services?			
Interpretations: The purpose SMEs understand the different advertising new while some see it as a second se	need of aceds, some short term b	dvertising view advertising of the view advertises further the view advertise and view advertises further the view advertises further the view advertise and view advertises further the view advertise further the view advertises further the view advertise further the view advertises further the view advertise further the view advertises further the view advertise further the view advertises further the view advertise further the view advertises further the view advertises fu	in their bus rtising as a nction for th	iness. long ter e return	Every business m business fun on investment.	s has
Question 2: Do you thin	YES	ortant to ad	vertise your	product	ts or services?	
If yes, please state your	reasons					
If no, please state your	reasons					



Interpretations: The above question was asked to understand, the significance of advertising and its purpose within the companies been interviewed.

Question 3 Does advertising contribute to the profitability of your business?

		YES		NO		
		1	1	I.	1	1
If yes, hov	w does advert	sing contrib	oute to the	profitabil	ity of your	business?
·		_				
					_	
lf no, why	don't advertis	ing contribu	ute to the p	orofitabilit	y of your b	usiness?

Interpretations: The said question was asked to understand company's behaviour on how they see advertising as a function of business.

The purpose of the above questions was as follows: • To understand, how businesses take advertising as a function of business. • Do they understand the value of long term advertising in the business? Or they would just go for the increased ROI. • How much importance business gives to providing information to consumers and building relations with them?

Question 4: Does advertising support the sustainability of your business?

YES	NO	



If yes, how does advertising	support the sustainability of your business?
If no, why don't advertising s	support the sustainability of your business?

Interpretations: The purpose of the above question was to understand, whether the business understands the value target specific advertising in the business. The purpose of the above question was to understand: • Do they have a target driven advertising program or not. • If the businesses are target specific, in that case, do they pay same attention to the mass audience.



Question 5: Does advertising helps you to reach the following objectives in your business?

Sales		
Visibility		
Short-term		
relationship		
with customers		
Long-term		
relationship		
with customers		
Other		
-	-	n was asked to understand, which particular by the advertising media of their choice.
Question 6: Indicate advertising media.		asons why you use or don't use the following
TV advertising:		
Reasons why you	use TV advertisino	j :



Reasons why you don't use TV advertising:
Radio advertising:
Reasons why you use radio advertising:
Reasons why you don't use radio advertising:
Newspaper advertising:
Reasons why you use newspaper advertising:
Reasons why you don't use newspaper advertising:



Magazine advertising:
Reasons why you use magazine advertising:
Reasons why you don't use magazine advertising:
Outdoor advertising:
Reasons why you use outdoor advertising:
Reasons why you don't use outdoor advertising:
Transit advertising:
Reasons why you use transit advertising:



Reasons why you don't use transit advertising:
Flyer advertising:
Reasons why you use flyer advertising:
Reasons why you don't use advertising:
Online advertising:
Reasons why you use online advertising:
Reasons why you don't use advertising:



Social media advertising:
Reasons why you use social media advertising:
Reasons why you don't use social advertising media:
Do you have any questions which you would like to ask me about my research Sir/Madam?
Thank you so much for giving off your valuable time. I have found your information very helpful and informative, and I also appreciate your willingness to share it with me.
Good bye.
Researchers' details-
Postal Address: 3211 Molai Street, PO Thabong, Welkom, 9463
Telephone: 083 5686 478
E-mail Address: mamodikeng@gmail.com



ANNEXURE B: QUESTIONNAIRE FOR THE CONSUMERS

Section A: Demographics

Please use a cross (x) to indicate your particulars:

1. What is your gender?

Male	
Female	

2. Ethnic group

African/Black	White	Coloured	Indian/Asian	

3. What is your age?

17-21	22-26	27-31	32-36	37-41	42-46	47-51	
52-56	57-61	62-66	67+				

4. Are you currently employed?

YES	NO

5. Monthly income level

R 1000 – or less	R1000 – R 5000	R5001-R10 000	R10 001–R15 000	
R 15 001-R 20 000	R20001-R25000	R25001-R30000	R30 000 +	



6. Please indicate your highest educational qualification

Below	Grade10-11	Grade 12	Post-Matric	Diploma/	Post
Grade 10			Certificate	degree	graduate qualifications

Section B: The effect of advertising media on the consumers

In the shaded areas below indicate the degree to which you agree or disagree with the statement. Please respond by making a cross (**X**) over the number in the appropriate shade block.

Advertising in general

7. The information I get from advertisements are clear.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

8. Advertisements influence my buying decisions.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

9. Advertisements attract my attention.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

10. Advertisements are informative.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	



1	isements are irı	ritating
1	isements are iri	ritatir

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

12. Advertisements are entertaining.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

13. I enjoy advertisements.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

Television (TV) advertising

14. Do you watch TV advertisements?

Yes	No	

If yes go to number 15 - 20.

If no go to number 21.

15. How frequently do you watch TV advertisements?

Daily	1	Weekly	2	Monthly	3	Quarterly	4	Other	5
								specify	

16. TV advertisements grab my attention.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	



17. I like to watch TV advertisements while watching TV.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

18. TV advertisements provide the information I need about the product or service.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

19. I trust TV advertisements.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

20. TV advertisements influence my buying decision.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

Radio advertising

21. Do you listen to radio advertisements?

Yes	No	

If yes go to number 22 – 27.

If no go to number 28.

22. How frequently do you listen to radio advertisements?

Daily	1	Weekly	2	Monthly	3	Quarterly	4	Other	5
								specify	



23. Radio	adv	ertisements g	rab	my attention.					
Strongly	1	Disagree	2	Agree	3	Strongly	4		
Disagree						Agree			
24. I like to) list	ten to radio ad	dver	tisements wh	ile lis	stening to th	ne radio.		
Strongly	1	Disagree	2	Agree	3	Strongly	4		
Disagree				3.23		Agree			
Diougioo									
	 adv	ertisements p	rovid	l de the informa	ation		ut the pro	oduct or s	serv
25. Radio		_		ı		I need abo		oduct or s	serv
<u> </u>	adv	ertisements p Disagree	rovio	de the informa	ation		ut the pro	oduct or s	serv
25. Radio		_		ı		I need abo		oduct or s	serv
25. Radio a Strongly Disagree	1	Disagree	2	Agree		I need abo		oduct or s	serv
25. Radio a Strongly Disagree	1	_	2	Agree		I need abo		oduct or s	serv
25. Radio a Strongly Disagree	1	Disagree	2	Agree		I need abo		oduct or s	serv
25. Radio a Strongly Disagree 26. I trust i	1 radio	Disagree o advertiseme	2 ents.	Agree	3	I need abo Strongly Agree	4	oduct or s	serv
Strongly Disagree 26. I trust i	1 radio	Disagree o advertiseme	2 ents.	Agree	3	I need abo Strongly Agree Strongly	4	oduct or s	serv
Strongly Disagree Strongly Strongly Disagree	1 radio	Disagree o advertiseme	2 ents.	Agree	3	I need abo Strongly Agree Strongly Agree	4	oduct or s	serv
25. Radio a Strongly Disagree 26. I trust i Strongly Disagree	1 1 1	Disagree o advertiseme Disagree ertisements in	2 2 2 nflue	Agree Agree	3 ang de	I need abo Strongly Agree Strongly Agree	4	oduct or s	serv
25. Radio a Strongly Disagree 26. I trust i Strongly Disagree	1 radio	Disagree o advertiseme Disagree	2 ents.	Agree	3	I need abo Strongly Agree Strongly Agree	4	oduct or s	serv



Newspaper advertising

28. Do you read newspaper advertisements?

Yes		No	
-----	--	----	--

If yes go to number 29 - 34.

If no go to number 35.

Disagree

29. How frequently do you read newspaper advertisements?

Daily	1 \	weekly	2	Monthly	3	Quarterly	4	Other specify	5
30. Newsp	раре	er advertisem	ents	grab my atte	ntic	n.			
Strongly	1	Disagree	2	Agree	3	Strongly	4		

Agree

31. I like to read newspaper advertisements while reading a newspaper.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

32. Newspaper advertisements provide the information I need about the product or service.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	



33.	I trust	newspaper	advertisements
-----	---------	-----------	----------------

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

34. Newspaper advertisements influence my buying decisions.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

Magazines advertising

35. Do you read magazine advertisements?

Yes	No	

If yes go to number 36 - 41.

If no go to number 42.

36. How frequently do you read magazines advertisements?

Daily	1	Weekly	2	Monthly	3	Quarterly	4	Other	5
								specify	

37. Magazine advertisements grab my attention.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	



38.	I like to	read i	magazine	advertisem	ents while	reading	magazines.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

39. Magazines advertisements provide the information I need about the product or service.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

40. I trust magazine advertisements.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

41. Magazines advertisements influence my buying decisions.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

Outdoor advertising (Billboards, posters, sky writing, etc.)

42. Do you read or watch outdoor advertisements?

Yes	No	

If yes go to number 43 - 47.

If no go to number 48.

43. Outdoor advertisements grab my attention.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	



44. I like to read outdoor advertisements.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

45. Outdoor advertisements provide the information I need about the product or service.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

46. I trust outdoor advertisements.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

47. Outdoor advertisements influence my buying decisions.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

Transit advertising (car, bus, train or aeroplane ads, and bus stop, subways ads)

48. Do you read transit advertisements?

Yes	No	

If yes go to number 49 - 53.

If no go to number 54.



	49.	Transit advertisements	grab m	y attention
--	-----	------------------------	--------	-------------

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

50. I like to read transit advertising.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

51. Transit advertisements provide the information I need about the product or service.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

52. I trust transit advertisements.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

53. Transit advertisements influence my buying decisions.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

Flyers advertising

54. Do you read flyers advertisements?

Yes		No	
-----	--	----	--

If yes go to number 55 - 59.

If no go to number 60.



Flyers advertisements grab my attent	ntior	attentioi	y atte	my	grab	rs advertisements	55.
--	-------	-----------	--------	----	------	-------------------	-----

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

56. I like to read flyers advertisement.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

57. Flyers advertisements provide the information I need about the product or service.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

58. I trust flyers advertisements.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

59. Flyers advertisements influence my buying decisions.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

Online advertising (websites, emails, pop-ups and pop-unders, horizontal and vertical banners etc.)

60. Do you read or watch online advertisements?

Yes	No	

If yes go to number 61 - 68.

If no go to number 69.



How frequently do you read online advertisement	31.	How frequentl	y do you re	ead online a	dvertisements?
---	-----	---------------	-------------	--------------	----------------

Daily	1	Weekly	2	Quarterly	3	Monthly	4	Other	5
								specify	
62. How fi	requ	uently do you	ı wa	tch online adv	verti	sements?			
Daily	1	Weekly	2	Quarterly	3	Monthly	4	Other	5
								specify	
63. Online	ad	vertisements	ara	b my attentio	n.				
				_				_	
Strongly	1	Disagree	2	Agree	3		4		
Disagree						Agree			
64. I like t	o re	ad online ad	verti	isements whil	le us	sing the intern	et.		
Strongly	1	Disagree	2	Agree	3	Strongly	4		
Disagree						Agree			
GE Llikov	voto	hina onlina a	, dv o	erticomonto w	hilo	using the inte	rnot		
os. i like v	valC	anng omme a	auve	rtisements w	ıııe	using the inte	Het		
Strongly	1	Disagree	2	Agree	3	Strongly	4		
Disagree						Agree			



66. Online	adv	ertisements p	rovi	de the informa	atior	I need about	the	product	or	servi	æ.
Strongly	1	Disagree	2	Agree	3	Strongly	4				
Disagree						Agree					
								ı			
67. I trust of	onlir	ne advertisem	ents	S.							
Strongly	1	Disagree	2	Agree	3	Strongly	4				
Disagree						Agree					
								1			
68. Online	adv	/ertisements i	nflue	ence my buyir	ng d	ecisions.					
Strongly	1	Disagree	2	Agree	3	Strongly	4				
Disagree						Agree					
						·		•			
Social med	dia a	advertising (F	-ace	ebook, twitte	r, wl	natsapp, yout	ub	e, to-go	, m	xit et	с.)
69. Do you	ı rea	ad or watch so	ocial	media adver	tiser	ments?					
								Yes		No	
If yes, go to	nu	mber 70					ļ				
If no, don't	con	nplete the rest	t of t	the questionn	aire						

Daily 1 Weekly 2 Quarterly 3 Monthly 4 Other specify 5

70. How frequently do you read social media advertisements?



71	How frequently	, do v	vou watch	social media	advertisem	ents?
<i>,</i>	I IOW ITEQUELITY	y uo y	you wateri	Social Illeula	auvertiserii	CHO:

Daily	1	Weekly	2	Quarterly	3	Monthly	4	Other	5
								specify	
70 Casia	l			-4	.44	₩ 			
72. Socia	ı me	edia advertise	emei	nts grab my a	itten	tion.			
Strongly	1	Disagree	2	Agree	3	Strongly	4		
Disagree						Agree			
								_	

73. I like to read social media advertisements while chatting on social media.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

74. I like watching social media advertisements while chatting on social media.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

75. Social media advertisements provide the information I need about the product or service.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

76. I trust social media advertisements.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	



77. Social media advertisements influence my buying decisions.

Strongly	1	Disagree	2	Agree	3	Strongly	4
Disagree						Agree	

End of questionnaire.

Thank you for participating in this study.

Name and surname of the researcher: Madibogo Archibald Modikeng

Postal address: 3211 Molai Street

Thabong Welkom 9463

Telephone: 083 5686 478

E-mail: mamodikeng@gmail.com



FACULTY OF MANAGEMENT SCIENCES Department of Business Management

ANNEXURE: C

Dear Respondent

In order to meet the requirements for the Masters Degree in Management Sciences (Marketing Management) at the Central University of Technology, Free State, I am currently conducting a survey on the effect of various advertising media used as a promotion tool to meet the sustainability and profitability of Small and Medium enterprises in Welkom.

The purpose of this interview is to determine which advertising media are used by SMEs and does the use of advertising contribute to the sustainability and profitability of SMEs.

Your participation in this research project is completely voluntary. You may refuse to take part or refuse to answer any questions that you don't want to answer during the interview. If you agree to participate in this project, please answer the questions that will be put to you during the interview to the best of your ability. It will take about 15 minutes of your time.

I would like to assure you that your responses will be treated confidentially. No individual respondent and business will be identified to any other person or organisation. The information obtained will only be used as a contribution to my research. The results of the research will be made available to you.

If you have any questions about the research, you are welcome to contact me at 0835686478 or mamodikeng@gmail.com or contact Mr. Roux (who is my supervisor for the research) at 051 5073225 or proux@cut.ac.za.

Your co-operation and assistance is much appreciated.

Yours sincerely

MR M.A. MODIKENG (Researcher)



FACULTY OF MANAGEMENT SCIENCES Department of Business Management

ANNEXURE: D

Dear Respondent

In order to meet the requirements for the Masters Degree in Management Sciences (Marketing Management) at the Central University of Technology, Free State, I am currently conducting a survey on the effect of various advertising media used as a promotion tool to meet the sustainability and profitability of Small and Medium enterprises in Welkom.

The purpose of the questionnaire is to determine the effect of various advertising media on consumers.

Your participation in this research project is completely voluntary. You may refuse to take part or leave blank space to any questions that you don't want to answer. If you agree to participate in this project, please answer the questions on the questionnaire to the best of your ability. It will take about 15 minutes of your time. Please return the questionnaire as soon as possible.

I would like to assure you that your responses will be treated confidentially. No individual respondent will be identified to any other person or organisation. The information obtained will only be used as a contribution to my research.

If you have any questions about the research, you are welcome to contact me at 0835686478 or mamodikeng@gmail.com or contact Mr. Roux (who is my supervisor for the research) at 051 5073225 or proux@cut.ac.za.

Your co-operation and assistance is much appreciated.

Yours sincerely

MR M.A. MODIKENG (Researcher)



ANNEXURE: E





ANNEXURE: F

Data transcription from respondents during interviews of Owners / managers of SMEs

Question 1

Do you advertise your products or services? If Yes, why do you advertise your products or services? If No, why don't you advertise your products or services?

Respondent A: -So that the product could get out there. So that the customers can know where the cheaper products are, so that they can come here to get the product seen and customers come to the store.

Respondent B: Yes, we believe that there is people that wants to know what products we have according to Which prices and compare us to other butcheries, like pick n' pay and normal stores. We have to advertise to stay in the market and all our competitors are doing it. It is a good medium but that is not always a best medium.

Respondent C: Yes, I do. To basically broaden our customer market. To get word out to further regions that you exist. Basically to amp up your customers. To make them more aware.

Respondent D: We don't, we do corporate business and with corporate business we register in major companies and government institutions which don't really need advertising.

Respondent E: So that the people can know about the products and services we render. As we are the boutique have exclusive we offering products that are not easily accessible.

Respondent F: Yes, we do advertise. We want customers to know about our products and price range that we having in our store. Advertising is one of the things that make our business grow big.

Respondent G: Yes, is to get more customers in store. We are a small company and we have to grow by advertising. We will get more people in.



Respondent H: Yes, we do advertise. If you don't advertise the sales won't increase. Sale without money there is nothing.

Respondent I: Yes, there is never enough customers in business. I talk to them every day. Any/or whoever that comes I tell them about the products I offer. Then ask the customer on how do we work and the customer is happy and how can I assist him/her.

Respondent J: YES, I DO IT – people must know the store and the products we are selling.

QUESTIION 2

Do you think it is important to advertise your products or services? If yes, please state your reasons. If no, please state your reasons.

Respondent A: Yes, it is very important otherwise customers won't have any idea of products and services we provide.

Respondent B: Yes, I do. Like I said if the customer sees your name, in his mind and when he things of meat, he things about your adverts. We believe we must get into the head, that is one way to do it in advertising.

Respondent C: Yes, it is very important because of the fact that I have run into customers, walk in first time and they are shocked they hear crazy plastics they think you just sell plastics. They see differences of items.

Respondent D: It is important to advertise your products mainly what we do is if we advertise our basically sent e-mail to our clients for advertisements. If it dependent in me, I would have advertised in the media as well this actual depends on my head office.

Respondent E: Yes, because products that we have in store are from Turkey. We would ensure that people around and surrounding areas they know that we do have different kinds and different made. As a Boutique, we not only selling to set specific population, I would say religion. We got customers come in store that prefer certain type of material.



Respondent F: Yes, it is important to advertise our products to inform our customers about what we have, about the sales quality of our shoes.

Respondent G: Yes, most of the people know the existence of a store, so we have to advertise either in news that is where papers can reach most of customers

Respondent H: Yes, there at the strip there is lots of cars, lots of people, there is a lots of movement. I do ETHOS this is local is my target market. I will never advertise in the SOWETAN, that is why I advertise in the VOICE. I advertise local. Reason is money, sales. You can have a vision but if your vision doesn't make money that is what is going to be a distant vision. You have to sell that's it.

Respondent I: IT is important since I have said business has never had enough customers, by advertising customers can talk with one another and it bring growth on the business.

Respondent J: Yes very much. Competition is very tough, if you don't advertise you don't make business, simple as that.

QUESTION 3

Does advertising contribute to the profitability of your business? If yes, how does advertising contribute to the profitability of your business? If no, why don't advertising contribute to the profitability of your business?

Respondent A: In the long run it does, because it helps bring customers, which increase profit. So, yes it does. we not sure which advertising bring money to our store. But, it depends on different factors are, what are your client are? And are you going to grab attention because that what basically whatever tells it is, in saying I have a product and with a certain price it is more cheap or it is cheaper than other places therefore you must come to my store. In terms of that is trying to steal customers, which will increase your profit and increase sales.

Respondent B: It is very difficult to say that advertising boost our profit, we believe it does. But we also believe that through the year's people know us. So everybody lives in Welkom knows Fredelia Meat. We have existed for 52 years, but what we saw is in the Newspaper is not working, so good but the pamphlets we are now doing it. We put



a guys at the circle we dress them with our clothes, and soon as they recognise that it is Fredelia meat they call them to take our pamphlets. We saw lot of them bringing pamphlets back here. It does something to our turnover as well.

Respondent C: That depends, for example our head office has recently about 2 months ago adverting on citizen newspaper. I have noticed that Citizen newspaper doesn't impact on my business at all.

Because, my knowledge tells me that people in Welkom don't buy Citizen news-paper for advertisement purpose. It's more Jo-burg newspaper. If I advertise on Vista it makes a huge impact on the business because Vista is for free, it reaches a much bigger target than the Citizen. Citizen you have to literally walk into a shop and buy it. And vista you get it delivered into your house.

It reaches target such as Virginia, Heinemann, Odendaalsrus, and Welkom, so if you reach your target. So if you have to compare in terms of Citizen Slowly you will reach your target or say you reach break-even, but with Vista it is ideal to advertise local newspaper and you do see a comeback big time, you make profit out of that advertising.

Respondent D: I'm going to be 50/50 yes and no. we have tried in the past advertising but the thing is we didn't get any little response to what we spent on advertising that is also my head office doesn't want to advertise any longer. We don't do walk ins clients. We only do corporate customers.

Respondent E: Yes, because of what we sell is way different compare to other stores and in the case that we advertise on time and plan sale in time people do budget, so they would come to store to buy products that we have.

Respondent F: Yes, it does. Because lot of people don't know about our store we have been in the business for too long. So it helps, because lot of people, like to check magazines and helps our profitability, since they read on newspapers, it has boost our business and sales and to reach our target. But we not sure which advertising media is increasing our profit.



Respondent G: Most definitely, actually advertising is more long-term thing. People will know maybe; say we advertise this month they won't come this month but they will know about the store. So it is more to make lot of people know about the existence of the store.

Respondent H: Yes, Sales. If it doesn't, something is wrong. Awareness to ask people what they do in your store but they get there they need to experience it, if you as a boss you must make sure you provide good service. To advertise your products, it is better to use word of mouth, with technology age we have to be on the book we have to be in the mainstream. But we not sure which advertising brings money to our business.

Respondent I: Yes, if you advertise money gets in abundantly that means you going to purchase needed products and you can keep customer happy.

Respondent J: Sometimes yes, sometimes no. advertising means you have to cut prices to make business, if you don't cut prices you don't make business at all.

QUESTION 4

Does advertising support the sustainability of your business? If yes, how does advertising support the sustainability of your business? If no, why don't advertising support the sustainability of your business?

Respondent A: Yes, it does, by increasing sales and making sure turnover carries on.

Respondent B: Yes, we sure it does, the answer is the same as above. Since profitability and sustainability complement one another.

Respondent C: I'd say 50/50 due to the fact that this is a franchise, Crazy plastic is a franchise so that already sustains it. They only way a franchise can close down is poor management, it been missed run.

The advertising plays a huge role in sustaining a business because the less you advertise the less people know your business in future.



Respondent D: No, it is difficult to say that one profitability – sustainability, I won't say that because due to us doing only corporate clients, we depend on the corporate clients and I won't say that advertising for us is such big medium for setting business in.

Respondent E: Yes, from what we started with we weighted the stock that we caught, the stock that we bought in store and turnover we made. In this case our brand is known and the money that is coming to the store we can actually say we are making profit in terms of advertising.

Respondent F: Yes, it does. Because ever since we have advertised on magazines and newspapers and social media people have been coming here and we believe it sustains the business.

Respondent G: Yes, very much customer will come to the store saying they saw this in the newspaper do we still have in store. It does bring customer.

Respondent H: As a project Yes, as on-going NO. when you spend your money on budget you must achieve your goal. Advertising on the strip works for me not for the company.

Respondent I: Yes, the is growth without advertising on one will know you.

Respondent J: Yes, people get used to advertising, if you don't advertise they don't come to you.

QUESTION 5

Does advertising help you to reach the following objectives in your business? Sales, Visibility, Short-term relationship with customers, Long-term relationship with customers, or Other. If other, please specify the objectives.

Respondent A: Yes, it does, it improves sales and it improves visibility of our items. So that customers can actually know what items are and it improves relations with different customers. We can have sales and relations for items and creates interest. It also builds long-term relations that will bring customers back and keep up to date.

Respondent B: Yes, all the four points you have mentioned



Respondent C: Build sales definitely, it picks up your sales. It boosts your turn over, that's a fact. Because when we do promotions at the end of the day you might be boosting sales but your GP stats in sales.

Because if you don't do promotions you drop your sales. You drop your selling price. With regards to visibility it definitely helps because the business become more visible that is a fact.

Like know you go to Allenridge ask people about crazy plastic they know that, not because I travel with a car, it because advertisement on newspaper, its local.

In terms of short-term relationship with customers, customers can build big long term and short-term relationship. I can give you a beautiful example, I stay in Virginia and work in Welkom but know I got about 3 catering companies with huge market promotions. They come to me and since my first promotion with them I have now getting contact with them. So promotion even get posted in newspaper, they already know about, they are aware because I have informed them at least a week ahead. So that I don't run out of stock, so they told me already, if you got promotion keeps me 100 a side for customers. So it basically helped a lot in gaining long-term relationships with customers especially companies. I get a very good relationship with my customers

Others, it is also broader my horizon with regards to realizing that through my promotions I have to pick up my socks, by initiating a delivery system in my store. Whereby I buy myself a sprinter (combi) or bakkie to deliver for making life easier for my customers as well. So through advertising you gain a lot but you also learn a lot.

Respondent D: For me at this stage with my sponsorship and that visibility is a major thing for us, by advertising and we normally do that through our sponsorships, be visible also contains relationship and as well as sales.

Respondent E: In terms of sales visibility, short and long term yes it does.

Respondent F: All the above, because it helps us to make sales, and now people know about our store and products we sell. We have built short and long term relationship. Advertising helps a lot.

Respondent G: Yes, bringing sale and visibility and long-term relationship.



Respondent H: Partially helps in all above mentioned. But it is not the main thing all rely on vision if your vision is not making money. You not in business.

Respondent I: All above

Respondent J: Sales and relationship, short + long if there is no relationship they lose trust in you.

QUESTION 6

A. Television advertising

Respondent A: We do use it TV advertising but it is with a major company. We therefore have already paid certain amount for advertising, we going to do national promotion that will get national interest.

Respondent B: it's too expensive.

Respondent C: it is too expensive, the key thing is when it comes to TV ad for separate business in Welkom stand alone, it won't affect that much and secondary we are franchise, it won't help us.

Respondent D: We don't advertise because company or the head office is saying it is a waste of money.

Respondent E: No, too expensive.

Respondent F: We don't use TV our company is small.

Respondent G: it is too expensive.

Respondent H: No, it is too costly.

Respondent I: No, too expensive.

Respondent J: too expensive.

B. Radio advertising

Respondent A: same as above



Respondent B: Yes, we did it, we advertised with Ofm and also feedback that we get wasn't what we expecting and it was also overpriced. We are recently launched a local radio station which is almost three times cheaper than Ofm and I'm sure we going to give it a go and see how it goes. This is a radio station not like Ofm that is so big and with over price.

Newspaper- Yes, we do in the local newspaper, there is big market from Vista. We have tried and we are not sure if it is worth paying for the advertising in the newspaper. Because the advertising is going to be on the local radio station is the same price of newspaper. And we think we will be reaching more people through that radio station because that newspaper is more white market and our black market is bigger than white market.

Respondent C: yes, it something that is still in the pipeline at the moment. we do it with Ofm but focusing on local radio station.

Respondent D: We don't advertise because company or the head office is saying it is a waste of money.

Respondent E: it is still in the pipeline.

Respondent F: No, it is expensive.

Respondent G: company is still planning to advertise on radio.

Respondent H: No, people don't listen to too much radio. This is internet based generation.

Respondent I: No. I can't afford it

Respondent J: yes, because there are lot of listeners.

C. Newspaper advertising

Respondent A: we do local a more specific specials for local community.

Respondent B: Yes, we do in the local newspaper, there is big market from Vista. We have tried and we are not sure if it is worth paying for the advertising in the newspaper. Because the advertising is going to be on the local radio station is the same price of



newspaper. And we think we will be reaching more people through that radio station because that newspaper is more white market and our black market is bigger than white market.

Respondent C: Yes, I definitely do, but locally because National newspapers do not benefit us that much.

Respondent D: We don't advertise because company or the head office is saying it is a waste of money.

Respondent E: We normally use them during sales and it increases sales.

Respondent F: Yes, we do advertise everyone can afford, even tried to advertise on Vista and others.

Respondent G: Yes, we use vista and express to reach more people in the market.

Respondent H: Yes, it reaches my target market.

Respondent I: Yes, local ones they are effective.

Respondent J: Yes - to inform customers.

D. Magazine advertising

Respondent A: No, - it is not something we can look up to. We do most of our adverts within the company, don't see much impact on magazines advertising.

Respondent B: No. we don't use it, because what we realised is people buy magazine they are more interested in pictures and there is a local magazine here call Ethos.

Respondent C: Yes, we use local magazine Ethos, but it doesn't benefit us in long-term because it is a magazine that comes once a week and it is like I said something you have to buy. So you don't know your advertising doesn't reach variety of people where as if someone buy the chances of them allowing another to read magazine and they have just paid R40 is a one in a million. We tried it and it doesn't benefit us. It is not like newspaper.

Respondent D: We don't advertise because company or the head office is saying it is a waste of money.



Respondent E: We haven't been featured in Ethos magazine that is popular and we planning to advertise.

Respondent F: Yes, we do advertise on Drum and true love as well as Move. For visibility.

Respondent G: Never used it. Maybe in the future but company will prefer our own magazines.

Respondent H: Yes, I use local ETHOS and VOICE. I can reach my target market.

Respondent I: No, too expensive.

Respondent J: Not yet. People have to pay for magazine, newspaper is for free.

E. Outdoor advertising

Respondent A: Yes, it is important to note where the passion is, and also get customer attention and it is about the signage's and interaction.

Respondent B: Billboards- we have electronic billboard. We got on circle, that is one of the thing we want to be even more visible. Where everybody thinks of meat, they must think of Fredelia meat.

Respondent C: We have started now because it is good thing to have, we have got like, power house signage around Welkom on the entrances, recently we been on verge to sign a contract with rugby stadium to put a board there. Also signing contract with them that especially currie cup coming to Welkom for our store to sponsor man of match prices. So you can actually add as 20% with TV, because once you give one TV but it is not advertising but it is there. And Where ever I go people see the shop they ask questions and give business card so I hand out. I do my individual advertisement.

Respondent D: We don't advertise because company or the head office is saying it is a waste of money.

Respondent E: We only have a posters and planning to do mall exhibition, to make customer aware of our store.



Respondent F: No, we haven't thought about it.

Respondent G: No, we never used that, we haven't decided on it.

Respondent H: Yes - to get mainstream traffic. It is for visibility and increase sales.

Respondent I: Yes - they stay for a very long ti me and lot of people can see the message easier.

Respondent J: Yes, sometimes to inform.

F. Transit advertising

Respondent A: No, we haven't thought about it.

Respondent B: Yes, we do it on our cars, to be visible.

Respondent C: It is regarded to head office basically we don't specify certain amount but when it comes, to warehouse every time they do know the trucks. That is not advertising, advertising it makes people aware that crazy plastics does exist.

Respondent D: We don't advertise because company or the head office is saying it is a waste of money.

Respondent E: No, we don't have. It is irrelevant.

Respondent F: No, it is irrelevant to our target market.

Respondent G: No, it is not focused on our customers.

Respondent H: Ye, for visibility.

Respondent I: No- cars move fast and people don't read, driving message do is not effective.

Respondent J: Not, not yet maybe in the future.

G. Flyers advertising

Respondent A: Yes, we make use of that on specials, because it gets us opportunity to lay down all the products on the paper and customer can go through it. Not like TV ads.



Respondent B: Yes, to get attention form customers.

Respondent C: We definitely do it, every time I have a promo I print about 200 to 300 flyers distribute 100 in Virginia I distribute them in main store and my benefit is also taxi drivers by doing relation with people I gain a way of advertising. Reason is visibility as possible, people become aware of promos that leads to increasing sales.

Respondent D: We don't advertise because company or the head office is saying it is a waste of money.

Respondent E: We distribute during sale time; we also concentrate on word of mouth it is popular. And if one passes the store you will never know that can be a possible customer.

Respondent F: yes, we do, they are less than other media of advertising.

Respondent G: When we have certain products we want promote we put that on flyers and we give out to our customers, so that they can see our prices.

Respondent H: Yes, very good if delivered properly, during rice increase or decrease.

Respondent I: No people don't read customers just look it and trough it away, it is a waste of money on flyers.

Respondent J: Yes, inform the customers.

H. Online advertising

Respondent A: No, we haven't gone through that.

Respondent B: We don't, but still discussing it, whether we want to do it website or not.

Respondent C: We have a website but is a national web not for individual store.

Respondent D: We don't advertise because company or the head office is saying it is a waste of money.

Respondent E: We do have our website. To inform clients about our store.



Respondent F: Yes, we do advertise. People to pay or buy on-line for people who are busy to come to the store.

Respondent G: No, we haven't thought about it.

Respondent H: Yes, is for long term relationship and access easily.

Respondent I: Yes, is to reach target youth.

Respondent J: No, not yet still in the pipeline.

I. Social media advertising

Respondent A: we haven't considered that too.

Respondent B: Yes, we got page on Facebook. We decided not to go to the internet because there is more people using Facebook and will find us there than to Google and search us.

Respondent C: Also the same but when we advertise it specify the store.

Respondent D: We don't advertise because company or the head office is saying it is a waste of money.

Respondent E: We do have and utilise Facebook. To inform and visibility.

Respondent F: Yes, we do on FB, tweeter everyone has social media. It is for sales and new arrivals.

Respondent G: Yes, FB for visibility, sometimes there is a lot of staff that is happening like we had once thing whereby you design your own thing you go on-line-it builds long term relationship.

Respondent H: Yes, FB for visibility, sometimes there is a lot of staff that is happening like we had once thing whereby you design your own thing you go on-line- it builds long term relationship.

Respondent I: Yes - FB and WhatsApp to attract customers to the store.

Respondent J: No, still in the pipeline.

