

Exploring the perceived impact of using online and traditional marketing channels by marketing agencies for SMEs in South Africa

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DECLARATION

I, **Divan van Wyk**, declare that this study: “***Exploring the perceived impact of using online and traditional marketing channels by marketing agencies for SMEs in South Africa***”, is my own work apart from where sources have been acknowledged.

This study is for the degree Master of Business Administration, submitted to the Business School of the North-West University. It has not been submitted previously by me or any other person for a degree at any alternative institute.

DEDICATION AND ACKNOWLEDGEMENTS

First and foremost, I dedicate this dissertation and MBA to God, without whom this would never have been possible. I want to start by thanking my parents, Francois, and Junell, who have sacrificed so much for me to have reached this point.

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This has been an incredible journey.

“It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs, who comes short again and again, because there is no effort without error and shortcoming; but who does actually strive to do the deeds; who knows great enthusiasms, the great devotions; who spends himself in a worthy cause; who at the best knows in the end the triumph of high achievement, and who at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who neither know victory nor defeat.”

Theodore Roosevelt

ABSTRACT

In recent years, there has been a significant shift in marketing practices due to advancements in technology and changes in consumer behaviour. Pre-2020 marketing strategies have become outdated as digitalisation now dominates the narrative. This shift challenges marketing agencies to rethink their resource allocation strategies. Traditional marketing strategies sought to maximise profits through optimal resource distribution, but the advent of digital marketing introduces complexities: digital campaigns, while impactful, do not guarantee immediate sales, necessitating a new approach to resource allocation.

The dilemma faced by businesses is whether to invest solely in online marketing, which offers mixed results, or continue with traditional methods, which are becoming less effective. Small and medium-sized enterprises (SMEs), in particular, struggle with limited budgets and the need to navigate a more technologically comfortable customer base.

Proposing that a successful marketing approach for SMEs necessitates a refined understanding and integration of traditional and online channels, this study scrutinises the perceptions, benefits, and challenges associated with these marketing avenues. The motivation for this investigation stems from a recognised gap in knowledge regarding the effective amalgamation of diverse marketing strategies in the South African SME context.

Employing a qualitative methodology, the study analysed results from semi-structured interviews with marketing agencies used by SMEs and provides insights into their experiences and strategic approaches. The findings of this research reveal important themes, such as the role of integrated marketing strategies, the perceived impact of different marketing channels on campaign success, and the balance between traditional and digital approaches. The study highlights the importance of an omnichannel marketing strategy, underlining the need for South African SMEs to leverage both traditional and online channels for optimal impact.

This study enriches the existing body of knowledge by offering a refined perspective on marketing dynamics in the South African SME sector, while also putting forward

recommendations for future research in this evolving area. It provides a modern, post-pandemic perspective as the world moves further into the 4th industrial revolution.

Keywords: Digital Marketing, Traditional Marketing, SMEs, South Africa, Marketing Strategy, Online Marketing Channels, Integrated Marketing

LIST OF ABBREVIATIONS

AR	Artificial Reality
B2B	Business-to-Business
DSMM	Digital, Social Media, and Mobile
H2H	Human-to-Human
MMS	Multimedia Messaging Service
NSB Act	National Small Business Act
POPIA	Protection of Personal Information Act
QR Codes	Quick Response Code
ROMI	Return on Marketing Investment
S-DL	Service-Dominant Logic
SME	Small and Medium Enterprise
SMME	Small, Medium, and Micro enterprise
SMS	Short Message Service
VR	Virtual Reality

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CHAPTER 1 – OVERVIEW OF THE STUDY

1.1 Introduction

Marketing is a crucial success factor in any small business according to Bayazovna and Saidjonovich (2021:4) and Reynolds (2002:200). Smaller companies have several factors that influence the degree of success they can achieve with their marketing campaigns, such as budget and human resources, and the skills level of their workforce (Bayazovna & Saidjonovich, 2021:4-5). As the world changes and evolves, so do businesses' marketing frameworks and channels. However, smaller companies often struggle to keep up with the times. Many small businesses choose to make use of a third party or marketing agency to execute marketing campaigns on their behalf, as this approach allows the company to optimally spend their marketing budget on experts who know how to achieve the greatest return on marketing investment (ROMI) (Bayazovna & Saidjonovich, 2021:5). The term "return on marketing investment" (ROMI) is used in the same context as 'return on investment" (ROI) in this study. Marketing agencies that represent smaller businesses use a variety of traditional and online marketing strategies to drive campaigns for their clients. Companies have pre-conceived perceptions and prejudices regarding different marketing channels and their success. The marketing agencies who run these campaigns for smaller businesses have a much more accurate perceived impact on the effectiveness and return of different marketing channels for smaller companies in modern South Africa. (Bayazovna & Saidjonovich, 2021:5).

Traditional marketing is a broad term for all offline marketing methods and materials (Deepa, 2022:31-34). Traditional marketing channels are broadly described as methods that involve offline advertising. These methods are characterised as advertising and marketing campaigns on platforms such as television, radio, newspapers, magazines, direct mail, and trade shows (Bhayani & Vachhani, 2014:54). However, there is a strong case that advertising on podcasts and streaming services should be included under the umbrella of traditional marketing due to their similarity to radio and television, in the sense

that advertisements do not appear within the consumer's everyday browsing as is the case with digital advertising. Podcasts and streaming adverts follow the same on-demand model as radio and television (Moorman *et al.*, 2022). Traditional advertising spending has decreased by 1.4% over the 2010-2021 period, while marketing budgets have seen an increase of 7.8% during the same period (Moorman *et al.*, 2022). Since August of 2021, there has been, to the surprise of many, a massive uptake in spend on traditional advertising. By February 2022, researchers found that marketing spending had increased by 2.9%, and they predicted a further 11.7% rise in conventional advertising spending in the following 12 months (Moorman *et al.*, 2022). This leaves businesses and their marketing agencies at a crossroads, as digital marketing channels retain their effectiveness. At the same time, there is a definite industry shift towards more marketing expenditure on traditional advertising channels. Todor (2016:3) also warns that traditional marketing methods should not be overlooked even as consumers move towards greater consumption of digital materials.

Online advertising is broadly used interchangeably with digital marketing, internet advertising, and even smart advertising (Lee & Cho, 2020:336). This is mainly due to the vast scope of digital advertising. Digital marketing is a broad term for any targeted and interactive online content with measurable results (Todor, 2016:2). Current practices within SMME marketing strongly emphasise digital marketing. Generally, these channels include all forms of advertising on connected devices the consumer uses (Lee & Cho, 2020:336). These channels include, but are not limited to, social media marketing, online content marketing, influencer marketing, email campaigns, virtual reality (VR), augmented reality (AR) marketing, smart device marketing, and search engine marketing, to name but a few (Lee & Cho, 2020:336). Online advertising has a very different approach, strategy, and results when compared to traditional advertising methods (Morgan-Thomas & Veloutsou, 2013:21-27). While traditional media is consumed within defined blocks of time, consumers can be reached at any point and space through digital channels (Lee & Cho, 2020:333).

As part of a business' marketing mix, a focus is placed on one of the "7P's of marketing". When designing an advertising campaign, the marketer will highlight benefits relating to the price, people, process, physical environment, place, promotion, or product in an effort to convince the customer to buy its product or service (Altay *et al.*, 2022:129-140). In a study done by Altay *et al.* (2022:129-140) regarding how the so-called "7P's of marketing" is ranked by consumers in 2022, they found that elements such as "product quality" have risen from fourth most important, to second most important for post-pandemic consumers. The challenge arising for small businesses is that factors such as product quality are more effectively conveyed through outbound traditional marketing channels (Altay *et al.*, 2022:129-140) and that consumers have a greater trust index in conventional marketing channels than in online marketing channels (Swani *et al.*, 2021:137-158). This is mainly due to the consumer having a higher degree of trust in the platform the marketing is delivered on, such as their favourite radio show or newspaper.

There exists a need to conceptualise a practical way for businesses and their marketing agencies to allocate their marketing budget to achieve optimal marketing results. To address this, this study investigated the perceived marketing impact of traditional and online channels, used by marketing agencies for SME clients. It explored the successes and failures achieved by dividing marketing efforts between more traditional and digital marketing campaigns. The following section will delve into the background of the study and explain the context from which the study originates.

1.2 Background to the study

Over the years, multiple studies have proven that marketing books and textbooks have generally been written with big corporations in mind, not considering that smaller businesses need a completely different framework (Gilmore & Carson, 2018:30-31). Some academics have suggested that a standard marketing approach and paradigm can be applied to small and medium businesses with only a few adjustments. In contrast, others have called for a new and adjusted marketing approach (Reynolds, 2002:192). Small, Medium, and Micro Enterprises (SMMEs) generally have minimal resources

regarding in-house specialist marketing expertise (Gilmore & Carson, 2018:30-31). This limitation can be detrimental to both their online and traditional marketing efforts. Due to the lack of in-house marketing expertise, some SMMEs rely on external marketing agencies to generate, execute, and measure their marketing campaigns.

In a newer, more digital era, the internet has significantly impacted consumer behaviour and purchasing trends (Todor, 2016:3). Digital marketing has dominated the marketing ecosystem for the past decade (Moorman *et al.*, 2022:336). A lack of digital adoption, a limited online presence, or a lack of online marketing skills has made the pandemic especially damaging for small and medium enterprises (Bartik *et al.*, 2020:17656-17666).

The Covid-19 pandemic was an unexpected worldwide event caused by the deadly novel coronavirus (Dufare, 2020:93). The pandemic, during which people were required to stay at home, ranged from March 2020 to roughly December 2021 (Kerres & Buchner, 2022:315). The pandemic has forced more consumers to engage with e-commerce, which is promoted through online marketing, and experts believe that there is very little chance for these consumers to ultimately return solely to more traditional buying methods (Altay *et al.*, 2022:129-140).

For SMMEs, digital marketing has several advantages, the biggest being a much lower cost and greater ease of entry into the market (Dhlolakia *et al.*, 2004:241-263). Online marketing empowers SMMEs, giving these companies greater reach and efficiency regarding their marketing and operational goals (Dhlolakia *et al.*, 2004:241-263). There are warnings, however, that should online marketing campaigns be constructed poorly or launched using inappropriate tools, the marketing spend will ultimately be wasted (Veleva & Tsvetanova, 2020:1-3). Further disadvantages include the inability to build a personal relationship with consumers, a magnified damaged reputation should consumers start posting negative reviews, and an emphasis within small businesses on technical solutions instead of quality content (Veleva & Tsvetanova, 2020:1-3). Online marketing is also highly competitive compared to more traditional channels (Deepa, 2022:31-34). However, business efficiency creates the need for more control, while digital/social media is a

largely uncontrolled element that brings immense challenges for SMMEs (Gilmore & Carson, 2018:30-31).

When considering traditional marketing, the advantage is that, especially in the case of smaller businesses, it's much easier to reach a more mature audience (Deepa, 2022:31-34). Traditional marketing is more advantageous for companies where consumer buying behaviour is based on a solid relationship between the company and the consumer (Deepa, 2022:31-34). A clear disadvantage, however, is that traditional marketing channels are not always available and can be extremely costly compared to digital marketing when reaching the same amount of consumers (Paşcalău & Urziceanu, 2020:110-120).

One of the most important aspects of a marketing campaign is measuring its impact (Todor, 2016:377). In case studies done by Fu *et al* (2018:6-13), a clear indication was found that a lack of comparison of the different ROMI in various channels causes the marketing manager/project manager to be ineffective in their managerial tasks. As a measurement tool, ROMI cannot stand alone when measuring marketing campaigns, as it is too limited (Kehrer, 2013). To gauge the impact of a marketing campaign, one must also factor in the strategic intent of the marketing investment a company makes (Kehrer, 2013). For example, if the goal is to create brand awareness, ROMI would be an ineffectual measurement of effectiveness, as a brand recognition campaign does not aim to generate leads directly. Furthermore, metrics such as the number of leads generated, lead-to-customer rate, and customer acquisition cost must also be factored in when considering marketing impact in the two channels, according to Kehrer (2013), who supports the view that ROMI is not sufficient in its own to measure marketing impact and performance. The 2016 special issue of the Journal of Marketing stated that two gaps should be addressed when measuring and demonstrating marketing values, namely I) reliable performance metrics for both online and offline contexts and II) the ability to calculate the relationship between marketing spending and performance metrics (Kumar *et al.*, 2016:1-5).

The pragmatic problem is that most SMMEs and their marketing agencies do not possess the capability to numerically or quantitatively measure ROMI effectively (Gilmore & Carson, 2018:30). This, combined with the weaknesses of using ROMI as a standalone measurement tool, is the impetus for comparing the *perceived* marketing impact of online and traditional marketing channels, used by marketing agencies for small to medium-sized businesses in South Africa. The following section will delve into the problem statement of the study.

1.3 Problem statement

Due to a worldwide technological leap by consumers, business owners and marketers can no longer rely on policies that were relevant in the pre-2020 era. This is mainly due to the technological leaps made by consumers and the change in the marketing world as digitalisation has become prevalent. The Attention Economy has drastically shifted, quickly eradicating pre-2020 policies. As the world moves to online marketing methods, marketing agencies often need to decide where to spend their marketing budget and where they believe they will achieve a higher success rate and impact. Marketing agencies cannot opt for a 50/50 allocation of resources, as doing so would cause an ineffective campaign in a particular channel, given that marketing channels have different cost-to-customer ratios (Abedi, 2017:134). Traditional marketing has attempted to allocate marketing resources optimally to marketing activities that increase total profits (Riyad & Hatem 2013:35). With the rise of digital marketing. However, data acquisition through marketing campaigns does not directly lead to sales. Still, it has significant impacts later on in the sales process. It can, therefore, not be viewed under the same resource allocation model (Kovalchuk, 2021:7). Consequently, there is a need to evaluate and adjust expenditure and effort to determine the impact within each marketing channel based on the desired outcome.

Some businesses have wholly ceased using traditional marketing methods and have started spending their entire budget on online marketing. This approach has had mixed

results. More conservative business owners continue to adhere to older and more traditional marketing methods with very limited, or no impact. Todor (2016:51) argues that few guidelines explain how to split a marketing effort effectively between traditional avenues and digital channels. Traditional marketing campaigns are usually more expensive to create, whereas online marketing campaigns are generally cheaper. The trade-off is that digital campaigns have a much lower success rate and higher instances of lost leads than traditional marketing campaigns (Todor, 2016:51). Due to the limited marketing budget of small and medium businesses and a more technologically adept customer market, there is uncertainty among marketing agencies as to how their marketing efforts should be allocated between traditional and digital marketing methods to achieve the greatest return.

This study compares the perceived impact of online and traditional channels by marketing agencies used by small and medium enterprises, while considering the trade-offs made when choosing a specific marketing channel. As previously indicated, only small and medium-sized enterprises will be considered, as micro-enterprises rarely have the resources to use marketing agencies and do not possess the ability to track marketing channel performance accurately. The marketing agencies that form part of this study is mainly medium-sized local-based agencies, that are geographically situated across South Africa. The following section will state and explore the different research objectives of the study.

1.4 Research objectives

1.4.1 Primary objective

The primary objective of this study was to explore the perceived impact of online and traditional marketing campaigns by marketing agencies, especially for small and medium businesses in South Africa.

1.4.2 Secondary objectives

To achieve the primary objective, the following secondary purposes were formulated:

- To determine the *perceived impact of online marketing channels* used by marketing agencies for small and medium-sized businesses.
- To determine the *perceived impact of traditional marketing channels* used by marketing agencies for small and medium-sized businesses.
- To determine critical areas contributing to the *perceived success and failure* of small and medium-sized businesses' marketing campaigns, in both online and traditional channels.

1.5 Research questions

1.5.1 Primary research questions

To address the primary objective, the following primary research questions will be explored:

- What is the perception regarding the impact of digital and traditional marketing campaigns used by marketing agencies for small and medium-sized businesses in South Africa?
- How does the perceived marketing impact compare between digital and traditional marketing campaigns, deployed by marketing agencies, for small and medium-sized businesses in South Africa?

1.5.2 Secondary research questions

To address the secondary objectives, the following secondary research questions will be explored:

- How do marketing agencies measure the impact of the different marketing channels for small and medium-sized businesses?

- What elements shape marketing agencies' perceptions of the different marketing channels for small and medium-sized businesses?

1.6 Definition of key terms

Digital Marketing refers to marketing a product or service using digital media or the internet (Mehralian, 2022:2-3). According to Mehralian (2022:2-3), businesses commonly use six types of digital marketing: websites, search engine optimisation, social media marketing, paid digital advertisements, e-mail marketing, and video marketing. It is, however, essential to note that as the world grows more and more digitally focused, the above channels are not a complete look at digital marketing.

Traditional Marketing includes all forms of marketing where the Internet is not involved (Cant & Wiid, 2016:65). Traditional marketing can fall into four broad categories, namely: print media, broadcast media, direct mail, and telemarketing (Cant & Wiid, 2016:65). Examples include radio adverts, billboards, expo's, and flyers (Cant & Wiid, 2016:65). It is important to note that there are a minority of instances where a marketing technique can technically fall into both traditional- and digital marketing, for example, when an advertisement is bought on a live-stream broadcast of a sports event on YouTube. These advertisements will typically be classified as traditional advertising as they more closely follow the broadcast, on-demand model of traditional advertising.

Return on Marketing Investment, or ROMI, refers to advantages gained by spending capital on marketing efforts (Seggie *et al.*, 2007:835). These advantages can come in the form of sales, brand equity, relational equity, or customer equity (Seggie *et al.*, 2007:835). Each marketing campaign's goal can differ, so it is essential to align the marketing campaign with the expected return. ROMI is generally measured through several different metrics, depending on the intent of the specific campaign. According to Seggie *et al.* (2007:839), metrics used to measure ROMI fall into four broad categories: ROMI can be measured by looking at economic value derived from the spend, brand equity gained or added, relational equity achieved, or a balanced scorecard that accounts for both tangible

and intangible gains (Seggie *et al.*, 2007:835). For this study, the researcher used the *perceived* ROMI. This effectively means, the data gathered will be qualitative and based on participants' perceptions, rather than quantitative numbers.

SMME denotes small, medium, and micro enterprises (Zulu, 2019:110). These organisations are categorised based on turnover generated and the number of people employed, as depicted in **Table 1** below.

Table 1: SMMEs definition according to the amended 2019 Small Business Act

Enterprise Size	Number of Employees	Annual Turnover (in Rands) upper band
Medium	Fewer than 250	R35 million to R220 million; Industry dependent
Small	Fewer than 50	R15 million to R80 million; Industry dependent
Micro	Fewer than 10	R5 million to R20 million; Industry dependent

Source: (Ndabeni-Abrahams, 2022:18)

Marketing Impact or marketing effectiveness is the ability of marketing efforts to achieve its intended goal (whether economic or strategic) through measurement by a set of financial- and non-financial indicators (Solcansky & Simberova, 2010:756). This blanket term combines ROMI and marketing campaigns' strategic goals to determine how effectively marketing efforts attained their intended outcomes.

A marketing agency refers to a service provider contracted by a business to provide marketing services (Carter, 2023). These are third parties that help a business to obtain its goal through generating and distributing marketing collateral and/or running a specified marketing campaign (Carter, 2023).

1.7 Introduction to the methodology

The research approach employed in this study was a qualitative inductive approach. This method involved a data-driven exploration of the research topic, focusing on generating insights and theories directly from the collected data. Rather than starting with predefined hypotheses or ideas, the research process began with open-ended data collection through interviews, observations, or content analysis. The gathered data were systematically analysed to identify emerging patterns, themes, and relationships, allowing for the development of grounded theories that emerged organically from the data. This approach facilitated a deep understanding of the research phenomenon. It provided valuable insights into the lived experiences and perspectives of the participants, making it a suitable methodology for exploring complex and multifaceted research questions. The following section explains the layout and structure of the chapters.

1.8 Chapter layout

The mini dissertation is structured as follows:

Chapter 1: Nature and scope of the study

Chapter 1 introduces the topic, provides a comprehensive background, and outlines the problem statement. It then details the research questions and objectives. The rationale for the study is presented, explaining its significance and potential benefits. The chapter sets boundaries and assumptions for the study, defines key constructs, offers a brief overview of the methodology, and concludes with a summary.

Chapter 2: A literature review of the perceived impact of marketing channels used by marketing agencies for SMEs in South Africa

This chapter contains a thorough literature review concerning the impact of marketing channels marketing agencies use for SMEs in South Africa. It discusses the relationship between these marketing channels and their effectiveness, employing a theoretical and conceptual framework. The chapter covers the key constructs' definitions, meanings, and

characteristics, including the role of these marketing channels and their benefits, the need for strategic planning, and their influence in the business landscape.

Chapter 3: Research design and methodology

In this chapter, the research design and methodology are meticulously described. It includes the research philosophy, population and sampling strategy, data collection methods, and data analysis techniques. The chapter also addresses the reliability of the measuring instruments and outlines the ethical considerations relevant to the study.

Chapter 4: Research findings

This chapter presents the results of the research. It reports on the statistical analyses of the data collected using appropriate methods and instruments. The findings are illustrated through tables and figures, including descriptive statistics, reliability analyses, and descriptive quotations and summaries.

Chapter 5: Discussion of findings, conclusions, and recommendations

The final chapter discusses and interprets the findings from Chapter 4. Based on these interpretations, it concludes and formulates recommendations. The chapter also reflects on how the results align with the initial research objectives and suggests areas for future research.

CHAPTER 2 – LITERATURE REVIEW

2.1 Introduction

This chapter contains a comprehensive literature review relating to the study objectives and various aspects of marketing channels, the perceived return on marketing investment, the impact of COVID-19, SME marketing, and the comparison between traditional and digital channels.

A literature review constitutes a thorough summary of earlier studies on a specific subject. The literature review presents, characterises, and impartially assesses the research that has been done. It may also include background information or context for the study.

The purpose of the literature review for this study was to:

- investigate the literature on the perceived effectiveness of traditional and digital marketing channels.
- review literature regarding marketing in a South African context.
- analyse and discuss relevant literature that adds to the understanding of the research questions.

The search used key terms from the study objectives with the abovementioned keywords. Academic articles were selected from various electronic databases, accredited academic journals, the NWU library and Google Scholar.

2.2 Evolution of marketing strategies

Marketing strategy has evolved significantly in the past fifty years, according to Lamberton and Stephen (2016:147). The idea has been frequently discussed and assessed since marketing was acknowledged as a unique discipline and domain. Over time, numerous definitions of marketing have been proposed as successive generations attempt to define the concept and its meaning for themselves. Marketing has evolved to meet new needs in the political, social, and nonprofit spheres, amongst others, according to Gamble *et al.*

(2011:229). Due to new media, technology, and techniques, more chances to redefine marketing have arisen in recent years. With terms such as marketing, sales, advertising, customer service, and interactions used interchangeably and modified by marketers or salespeople to fit their professional focus, these definitions frequently seem to weaken the purpose of marketing in some way (Gamble *et al.*, 2011:231). The primarily accepted and acknowledged definition of marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society (American Marketing Association, 2017).

When investigating marketing literature throughout the years, Achrol (1991:78) delves into the evolution of marketing organisations in the post-industrial period, stressing the necessity for adaptable and expert marketing structures to manage complex and dynamic customer environments. Moving forward, Rudd and Morgan (2003:161-164) describe the evolution of marketing as a recognised discipline. They believed that by 2003, marketing had moved from a descriptive field to one with a solid theoretical base, where businesses could rely on theories and strategies to shape their marketing efforts. By 2020, Kotler *et al.* (2021:5-20) believed that marketing departments are frequently perceived negatively, both within organisations and by the public, often associated with practices that are considered wasteful, trivial, or unethical. This has led to a growing recognition among businesses of the necessity for a shift towards a marketing paradigm that is more human-centric and prioritises stakeholders over shareholders. The emergence of "Firms of Endearment" has demonstrated that adopting such a stakeholder-focused approach can be compatible with maintaining profitability (Kotler *et al.*, 2021:5-22). "Firms of Endearment" refers to a term that describes companies that prioritise the interests and well-being of all their stakeholders, including customers, employees, suppliers, communities, and shareholders. This approach involves a holistic focus on creating value for shareholders and all parties involved in the company's operations. In the context of the quote from Kotler *et al.* (2021:5-22), the mention of "Firms of Endearment" highlights a critical insight: adopting a stakeholder-focused approach, where the interests of all stakeholders are considered and valued, can be compatible with and even conducive to, maintaining profitability. This challenges the traditional business notion that prioritising shareholder value above all else is the only route to financial success.

Moreover, there is a discernible trend where marketing's contribution is increasingly seen as predominantly communicative, diminishing its influential role in driving innovation. This factor has become ever more critical for commercial success. Consequently, there is a call for a substantial refresh not just in the practice of marketing but also in its theoretical underpinnings (Kotler *et al.*, 2021:5-22).

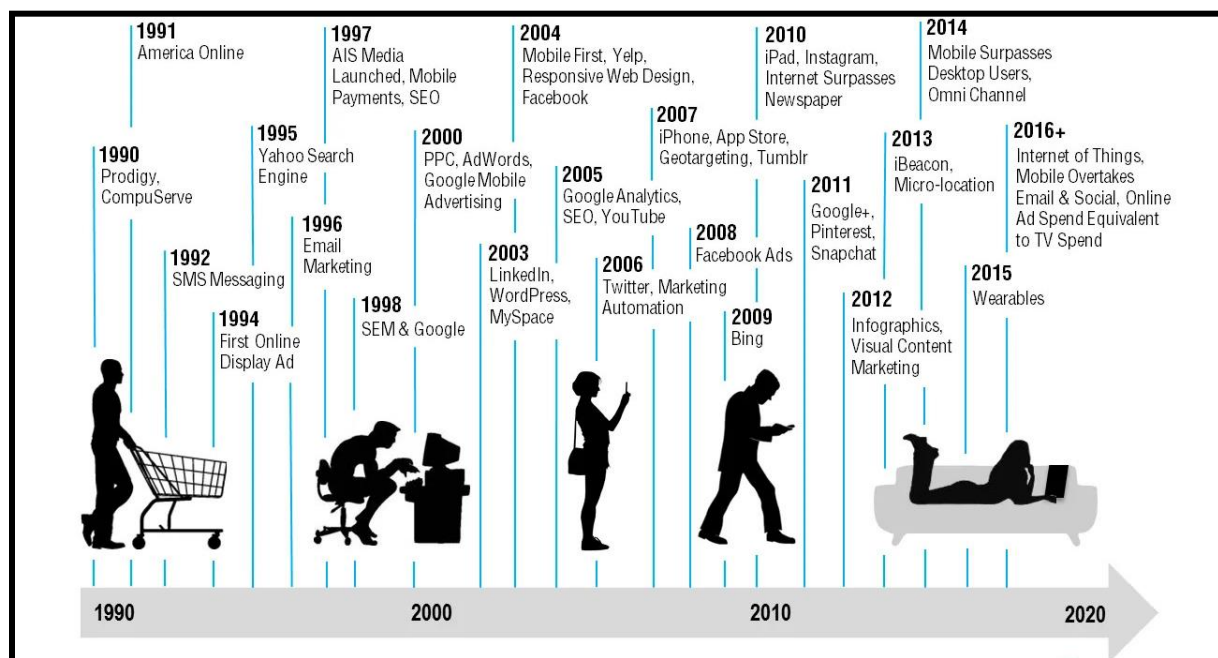
The rise of Service-Dominant Logic (S-DL) theory represents a significant juncture in the evolution of marketing theory, proposing an integrative framework that has the potential to serve as a comprehensive theoretical base for the discipline. Service-dominant logic marketing theory offers a fresh method for combining and expressing opposing viewpoints on market value creation and exchange. It is based on the notion that the foundation of all social and commercial exchange is service or the application of one's abilities to benefit another (Kotler *et al.*, 2021:5-22). Human-to-human (H2H) marketing is posited as a response to these shifts, aligning with both the major trends and the tools that are shaping contemporary marketing practice, as well as contributing to the ongoing development of a modern marketing theory (Kotler *et al.*, 2021:5-22).

2.3 Transition from traditional to digital marketing

Academics and marketing practitioners have seen a significant digital shift in the field since 2001, according to Lamberton and Stephen (2016:147). Furthermore, Sadikhu-Dushi *et al.* (2019:86) argue that traditional marketing methods are often unsuitable for SMEs, and they must find new ways to market themselves. Digital, social media, and mobile (DSMM) marketing has become increasingly popular, in tandem with technological advancements such as the development of social media platforms such as Facebook, the increasing uptake of smart mobile devices by consumers, and the penetration of home Internet and reasonably priced high-speed broadband connections across the globe (Lamberton & Stephen, 2016:147). Additionally, this kind of innovation has affected customer behaviour in many market environments. For instance, the widespread use of social media has altered how consumers engage with brands and share information, just as the quick rise in mobile adoption has created new opportunities for marketing

communications and targeting (Lamberton & Stephen, 2016:147). Lamichhane (2022:13) notes that digital marketing, encompassing email, mobile, social media, SEO, and SEM, profoundly influences consumer behaviour, with social media marketing emerging as the most significant variable in shaping how consumers interact with brands and make purchasing decisions. Acar and Puntoni (2016:5) highlight that digital technologies and consumer empowerment have fundamentally transformed marketing, shifting from passive recipients to active participants in communication strategies and altering the traditional dynamics of marketing campaigns and consumer engagement. Consequently, the ways in which businesses and consumers have adopted new technologies and, most intriguingly, the ways in which technology has enabled innovative market behaviours, interactions, and experiences are indicative of the "digital transformation of marketing" that has occurred since 2001 (Lamberton & Stephen, 2016:147).

Figure 1: Evolution of marketing along with innovations in technology



Source: (AIS Media, 2016)

The marketing landscape has radically transformed, evolving through various theoretical and practical development phases as seen in Figure 1. This evolution has been paralleled by the rise of S-DL, which offers a comprehensive framework for understanding value creation in a service-based economy, and Human-to-Human Marketing, which addresses the need for more personal and direct engagement in marketing practices. Concurrently, digital transformation has revolutionised the interface between consumers and brands, with digital, social media and mobile marketing becoming integral to the contemporary marketing mix. Collectively, these developments signify a dynamic and responsive marketing discipline that continues to evolve in alignment with technological advancements and societal shifts (Zinser & Brunswick, 2016:101).

2.3.1 Entrepreneurial Marketing for SME performance in digital and traditional channels

Entrepreneurial marketing (EM) is an approach that encapsulates the way SMEs could approach their marketing, as opposed to strategies and formulas used by larger organisations (Kraus *et al.*, 2010:30).

While there is no set definition for EM, it is generally described as an approach that goes beyond the bounds of marketing practices that are seen as standard in the industry but may not be suitable for the unique characteristics of smaller businesses (Sadikhu-Dushi *et al.*, 2019:90). It combines creativity, willingness to take calculated risks, and a forward-thinking attitude, all of which are essential for SMEs facing rapidly changing market conditions. This kind of marketing is especially relevant for SMEs that need flexible and customised marketing tactics (Sadikhu-Dushi *et al.*, 2019:86-99). **Error! Reference source not found.** below contains definitions and descriptions of Entrepreneurial Marketing (EM) throughout the literature.

Table 1: Different definitions of entrepreneurial marketing

Year	Definition	Source
2000	“EM is marketing carried out by entrepreneurs or owner-managers of entrepreneurial ventures.”	(Stokes, 2000:2)
2002	“Proactive identification and exploitation of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation.”	(Morris <i>et al.</i> , 2002:4)
2002	“Marketing of small firms growing through entrepreneurship”	(Bjerke & Hultman, 2002:15)
2006	“EM is the overlapping aspects between entrepreneurship and marketing; therefore, it is the behaviour shown by any individual and/or organisation that attempts to establish and promote market ideas while developing new ones to create value.”	(Bäckbrö & Nyström, 2006:13)
2009	“A particular type of marketing that is innovative, risky, proactive, focuses on opportunities and can be performed without resources currently controlled.”	(Kraus <i>et al.</i> , 2010:30)
2011	“EM is a spirit, an orientation as well as a process of passionately pursuing opportunities and launching and growing ventures that create perceived customer value through relationships by employing innovativeness, creativity, selling, market immersion, networking and flexibility.”	(Hills <i>et al.</i> , 2008:9)
2012	“EM is a set of processes of creating, communicating and delivering value, guided by effectual logic and used in a highly uncertain business environment.”	(Ionita, 2012:147)

Year	Definition	Source
2012	“The marketing processes of firms pursuing opportunities in uncertain market circumstances often under constrained resource conditions.”	(Becherer <i>et al.</i> , 2012:7)
2016	“EM is a combination of innovative, proactive, and risk-taking activities that create, communicate, and deliver value to and by customers, entrepreneurs, marketers, their partners, and society at large.”	(Whalen <i>et al.</i> , 2016:3)

Source: Own composition, derived from the literature

SMEs often require marketing that can quickly adapt to new opportunities and challenges, unlike larger companies that might rely on more fixed marketing methods. Entrepreneurial marketing acknowledges that SMEs are different and need a flexible marketing approach that addresses their particular needs (Sadikhu-Dushi *et al.*, 2019:86-99). For agencies working with SMEs, this means they should apply entrepreneurial marketing principles to provide services that stand out and directly address the unique demands of these businesses.

When it comes to the channels used for marketing, whether digital or traditional, entrepreneurial marketing can have a profound effect. Sadikhu-Dushi *et al.* (2019:86-99) argue, that entrepreneurial marketing can enhance the effectiveness of both digital and traditional channels. This enhancement comes from developing customised strategies for SMEs that can change as needed in their fast-paced business environments. Marketing agencies aiming to have a meaningful impact on SMEs should integrate entrepreneurial marketing into their practices. By doing so, they can create marketing campaigns that are inventive and flexible (Sadikhu-Dushi *et al.*, 2019:86-99).

2.4 Traditional marketing channels

The effectiveness of traditional marketing methods is changing, according to Geraghty and Conway (2016:5). As the world shifts towards a more digital era, the role and use cases of traditional marketing become more refined (Geraghty & Conway, 2016).

2.4.1 Effectiveness and advantages of traditional marketing for SMEs

Cant and Wiid (2016:64-70) extensively examined traditional marketing's role within South African SMEs, highlighting its continued relevance in an evolving market landscape. Despite the surge in digital marketing, traditional methods retain a stronghold due to their direct approach and tangible nature, often resulting in deeper customer connections. Cant and Wiid (2016:64-70) also emphasise the effectiveness of traditional marketing and suggest that traditional marketing remains a significant channel for SMEs to use. Its endurance is attributed to the ability of traditional marketing strategies to penetrate markets where digital footprints are not yet dominant and to appeal to demographic segments less attuned to digital channels.

2.4.2 Challenges facing traditional marketing

The challenges confronting traditional marketing in the current business environment are multifaceted, according to Cant and Wiid (2016:64-70). One of the primary obstacles is the progression of technology, which has shifted consumer expectations and behaviours. Traditional marketing channels often struggle to offer the same level of immediacy and personalisation that digital platforms provide. Traditional marketing also faces challenges in capturing customers' attention, as they are actively engaged on multiple social media platforms, necessitating a shift in marketing strategies to adapt to these digital environments (Taneja, 2021). Furthermore, Cant and Wiid (2016:64-70) expand on the difficulty of measuring the impact of traditional marketing methods with the same precision as digital analytics allow. This limitation hinders the ability to make data-driven decisions,

a critical component of modern marketing strategies. Pu (2022:160) notes that traditional marketing methods face hurdles in the digital era, as the marketing environment has undergone tremendous changes, pushing businesses to innovate their marketing strategies to remain effective and competitive. Additionally, the cost and reach of traditional marketing methods are increasingly under scrutiny, as businesses demand more cost-effective solutions with broader and more targeted reach capabilities. These challenges necessitate a strategic re-evaluation of traditional marketing roles and a potential integration with digital approaches to maintain relevance (Cant & Wiid, 2016).

2.5 Digital marketing channels

2.5.1 Emergence and growth of digital marketing

The world has shifted from analogue to digital, and marketing is no different. The use of digital marketing, social media marketing and search engine marketing is growing, along with the advancement of technology (Punnavanam & Jaseena, 2022:668). Due to its reliance on the internet, digital marketing has benefited the most from the rapid increase in internet users. Consumers' purchasing habits are evolving, and they are increasingly drawn to digital marketing over traditional marketing (Punnavanam & Jaseena, 2022:668).

The surge in digital marketing is closely linked to the internet's swift growth and mobile technology advancements. With the global population increasingly gaining internet access, companies are discovering innovative methods to engage with them. Digital marketing offers a cost-effective and efficient means to reach a broad audience, irrespective of geographical location (Kumari *et al.*, 2023:11464). It holds several benefits over traditional marketing approaches, such as tracking and measuring marketing efforts in real-time, targeting specific groups effectively, and interacting with customers immediately. This approach enables companies to tailor personal experiences for their customers, fostering brand loyalty through ongoing engagement and communication (Kumari *et al.*, 2023:11464).

However, digital marketing also brings its set of challenges. The rapid and ever-changing nature of the digital world demands that companies continuously evolve and remain current with emerging trends and technologies. Moreover, the vast amount of data produced by digital marketing activities can be daunting, complicating the process of deriving valuable insights (Punnavanam & Jaseena, 2022:668).

Digital marketing has become a pivotal element of the contemporary marketing mix, and companies that do not integrate digital marketing strategies stand to lose their competitive advantage. As technological advancements continue to influence the marketing sector, businesses must stay at the forefront and harness the benefits of digital marketing (Kumari *et al.*, 2023:11464).

2.5.2 Advantages of digital marketing for SMEs

The literature presents a compelling case for the role of digital marketing as a catalyst for growth and competitiveness among small and medium-sized enterprises (SMEs). Mogos (2015:246) emphasises the strategic importance of digital marketing, noting its capacity to give SMEs a deeper understanding of consumer preferences, which is crucial for tailoring offerings and enhancing overall business performance. This understanding, derived from data-driven insights, allows SMEs to meet and anticipate customer needs, leading to a more strategic allocation of resources and a sharper competitive edge (Mogos, 2015:246).

Febriyanto and Arisandi (2018:351) build on this premise by illustrating how digital marketing is a lever for SMEs to broaden their marketing reach. By harnessing digital channels, SMEs can elevate their brand awareness and penetrate previously inaccessible markets, due to the cost-prohibitive nature of traditional marketing. Furthermore, Febriyanto and Arisandi (2018:351) highlight the direct impact of digital marketing on sales volume, attributing this to the targeted and interactive nature of digital campaigns that engage consumers more effectively than traditional media.

Naldi *et al.* (2022:682-968) delve into the specific advantages of social media marketing for SMEs, a subset of digital marketing that has seen exponential growth. They argue that

social media platforms offer SMEs unprecedented access to large audiences at relatively low costs. Through these platforms, SMEs can engage in two-way conversations with consumers, fostering a sense of community and loyalty, which is often challenging to achieve through other channels.

The literature broadly advocates for digital marketing as a transformative tool for SMEs. Digital marketing can help SMEs scale their operations, increase sales, and create a more significant presence in the competitive market. The ability to engage with customers directly, the agility to respond to market trends, and the efficiency of cost-effective marketing strategies, are among the highlighted benefits digital marketing offers SMEs, enabling them to compete with much larger corporations in the global marketplace.

Despite these benefits, several critical factors influence SMEs' adoption of digital marketing, according to Maryani and Anzaludin (2021:520). Their research highlights technological readiness, organisational culture, and external environmental pressures as crucial determinants. Maryani and Anzaludin (2021:520) argue that for SMEs to adopt digital marketing successfully, they must navigate these factors, ensuring they have the necessary technological infrastructure, a culture that embraces change and innovation, and an awareness of the competitive and regulatory landscape.

2.5.3 Comparison between traditional and digital marketing

Table 2 compares the basic elements of both traditional and digital marketing to understand each marketing channel better.

Table 2: Comparison between the basic elements of traditional and digital marketing

Topic	Traditional Marketing	Digital Marketing
Examples	Examples of traditional marketing include posters, brochures, magazine advertisements, newspaper ads, radio, television, and telemarketing.	Examples of digital marketing include website ads, social media platforms, affiliate marketing, email marketing, and search engine optimisation.
Targeting	Targeting is generally more geographically based and, therefore, geographically constrained.	Digital platforms can target audiences based on various segmentation criteria, such as buying history, interests, and search history.
Ease of change	Adapting once a campaign is published is extremely difficult and/or costly.	Changes are easy and often free to make once a campaign has been published.
Costs	Costs relating to traditional channels are generally high and start at a set price.	Digital Marketing can be free when organic content (posts not promoted through paid channels) is used, and it is generally more cost-effective, with no minimum entry price.
Availability of metrics	There are limited metrics to measure the impact and feedback on the marketing campaign.	Digital channels offer a large amount of measurement metrics and data for marketers to work with.

Topic	Traditional Marketing	Digital Marketing
Time sensitiveness	Marketing is only effective in specific timeslots, and marketing consistently at all hours is impossible. For example – a Billboard is ineffective at 03h00 AM when cars are not travelling past its location.	Due to its nature, Digital Marketing is effective around the clock as it is only shown to a population when they actively engage with the specific channel.
Type of communication	Traditional marketing is based on one-way communication	Two-way communication is possible with digital marketing.
Ability to spread organically	Unless digitally presented or captured, there is no capacity for traditional marketing campaigns to go viral (be widespread by users of the platform it was posted on) or reach an audience more extensive than that of the selected channel.	While Traditional Marketing can be digitally spread to go viral, marketing on digital channels has a far higher chance to spread organically (shared by platform users without businesses paying for the distribution) amongst consumers.

Source: (Punnavanam & Jaseena, 2022:690)

2.6 Impact and effectiveness of marketing channels

2.6.1 Measuring return on marketing investment (ROMI)

Businesses find it challenging to determine their marketing initiatives' return on marketing investment (ROMI). They generally only pay attention to specific, observable results, such as the effect on sales and purchases. Researchers have attempted to quantify how to

measure the return on marketing investment, but there are still significant gaps in the theory and practice (Maryani & Anzaludin, 2021:510).

The literature regarding ROMI that has been the most cited and discussed is the work done by Seggie *et al.* (2007:835-841). The metrics proposed to measure ROMI fall into four broad categories, according to Seggie *et al.* (2007:835-841). These are i) looking at the economic value derived from the spend, ii) brand equity gained or added, iii) relational equity achieved, or iv) a balanced scorecard that accounts for tangible and intangible gains. These categories are detailed in **Error! Reference source not found.** below.

Table 3: Categories of ROMI measurement

Measurement Used	Explanation of category
Economic Value	This category examines the direct financial benefits that emerge from marketing investments. This is the most tangible aspect of ROMI, where a business calculates the increase in revenue directly attributable to marketing activities. Companies can determine the economic value generated from their spending by comparing the incremental gains in sales to the amount spent on marketing.
Brand Equity	Brand Equity is an intangible asset to a company. It measures a brand's power and value in the marketplace, which can be enhanced through effective marketing. Brand equity is built over time and can lead to customer loyalty, the ability to introduce premium pricing, and an overall stronger competitive position. It is a less direct measure than financial return but is equally essential for long-term business health and success.
Relational Equity	Relational Equity captures the value of a business' customer relationships because of marketing efforts. It is about the

Measurement Used	Explanation of category
	trust, affinity, and loyalty customers feel towards a brand, which can lead to repeat business and referrals. Relational equity is a testament to the effectiveness of a company's customer engagement and retention strategies.
Balanced Scorecard	The balanced scorecard approach offers a holistic view of ROMI by considering a blend of both tangible and intangible outcomes. This method acknowledges that not all benefits of marketing spend are immediately financial or quantifiable. By evaluating a broader set of metrics, including customer satisfaction, market share, employee engagement, and brand perception, businesses can gain a comprehensive understanding of the performance of their marketing investment.

Source: Own composition, derived from (Seggie *et al.*, 2007:835-841).

2.6.2 Challenges in measuring marketing impact for SMEs

According to Jovanov and Stojanovski (2012:131), academic literature has warned of the operational-, organisational-, market-, and managerial barriers impeding small businesses' marketing plans and activities. Among the traits that differentiate SMEs from large corporations in terms of shortcomings are, capitalisation, marketing awareness, and marketing technique. One primary reason for the high failure rate of small businesses is poor financial management and measurement concerning marketing. Numerous traditional management theories are inappropriate for use in small business settings, and research indicates that theoretically-based marketing practises are rarely, if ever, implemented in small business marketing practices, according to Mazzarol and Reboud (2020:19-28) and Jovanov and Stojanovski (2012:134).

Relating to the proposed ROMI measurement in **Error! Reference source not found.**, it is important to consider how these categories relate to SMEs' unique challenges. For instance, limited financial resources and marketing expertise may impact an SME's ability to accurately gauge economic value and brand equity. Similarly, the less developed marketing infrastructure in many SMEs might hinder the effective measurement of relational equity and the implementation of a comprehensive brand scorecard. These intersections highlight the need for tailored approaches in evaluating marketing impact within the SME context, acknowledging their distinct operational realities and resource constraints.

2.7 Marketing in the South African context

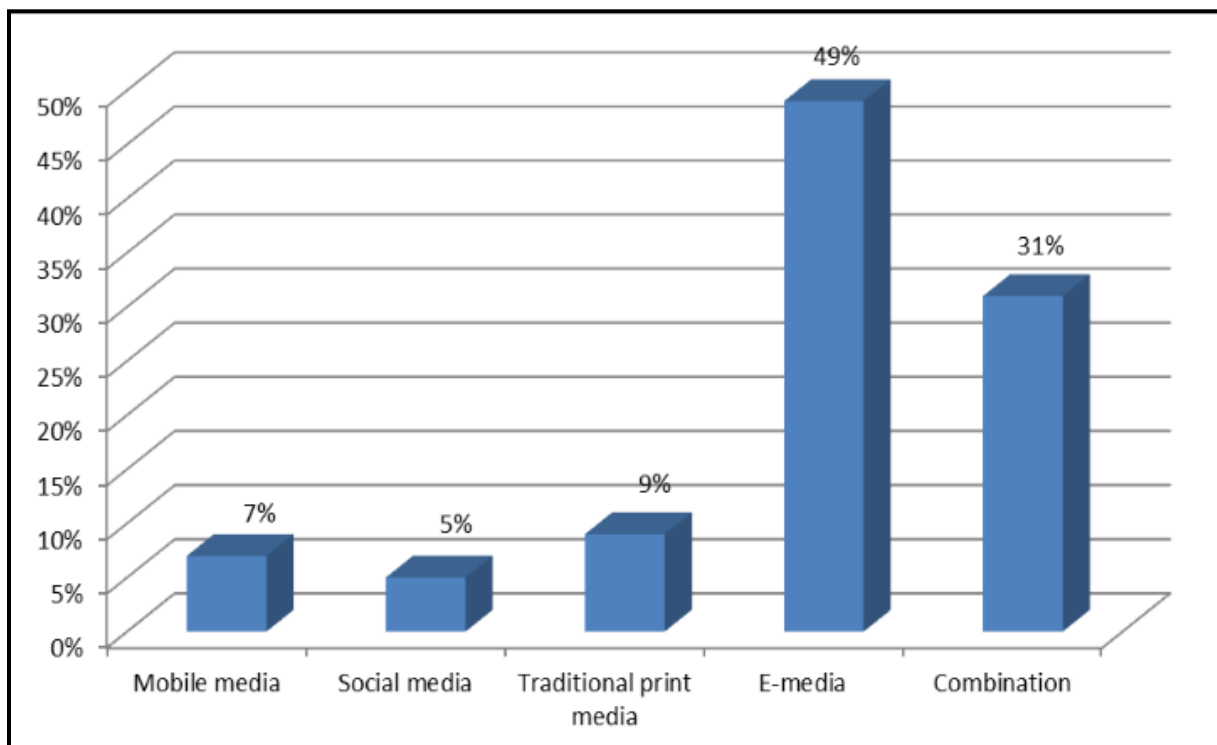
2.7.1 Overview of current practices in SME marketing

Whilst exploring the intricate landscape of marketing communication within SMEs, an important aspect is utilising various tools to engage with customers (Kallier, 2017:144). To address this, Kallier (2017:140-154) presented South African SME owners with a spectrum of fourteen distinct marketing communication tools, to discern the frequency of usage of these tools. It is important to note that in **Error! Reference source not found.**, the definitions differ slightly from those contained in this literature review. Kallier (2017:140) defined E-media as electronic media such as websites, emails and blogs used as marketing communication tools. The definition of mobile media in **Error! Reference source not found.** below is the promotional tool that uses mobile devices, such as mobile phones, tablets or other hand-held devices, to deliver marketing communication messages to consumers via Standard Message Service (SMS) or Multimedia Messaging Service (MMS), according to Kallier (2017:140).

As depicted in Figure 2, the results reveal current practices within this sector. Kallier's findings indicate a predominant reliance on business cards, websites, and email correspondence. Less frequented tools include MMS voice messages and blogs, which most respondents seldomly utilise. MMS messages are similar to text messages sent to

the mobile phones of potential customers but differ from SMS messages in that they include either an image or video. Blogs are traditionally website-based articles written about a specific topic. In marketing, blogs intrigue potential customers, or share important information about a product or service.

Figure 2: Use of different marketing communication media by SMEs



Source: (Kallier, 2017:148)

The findings show that half of South African SMEs predominantly rely on digital channels, but there is a substantial rise in SMEs that take an omnichannel approach. Twenty-one percent of SMEs only rely on mobile media, social media, or traditional print media exclusively, which highlights the need for these SMEs to rethink their marketing channel mix. It is, however, important to note that this data was only relevant to 2017 and that no similar, newer data could be found. This indicates that there is a gap in the literature, which supports the contribution of this study to the body of knowledge.

Evidently, there are both challenges and opportunities for South African SMEs, which is considered in the following section.

2.7.2 Challenges and opportunities for SMEs in South Africa

Kongolo (2010:2288) identified as early as 2010, that the main challenges affecting SMEs in South Africa include a lack of management skills, finance, and market access, emphasising the need for comprehensive support mechanisms for these enterprises. A primary challenge faced by South African SMEs is the high failure rate, with a striking 70% failing in their first year, resulting in South Africa being the country with one of the highest business failure rates globally (Scheers, 2018:27). Bick and Sidubi (2018), note that SMEs in South Africa face challenges in sustaining business operations and developing differentiation strategies in a competitive market, which are crucial for their survival and growth. This is significantly influenced by a lack of marketing skills among SME owners (Cant, 2012:1107). Critical issues identified by Scheers (2018:27) include inadequate knowledge of market competition, poor location choices, ineffective product marketing, and a lack of market understanding. These factors contribute to an inability to establish product demand and successfully market products and services. Another challenge is the SME owners' generalist approach, often lacking specialised marketing expertise. Scheers (2018:30) notes that SMEs' marketing efforts are frequently informal and disorganised, due to limited marketing knowledge. This is compounded by resource constraints, preventing SMEs from implementing conventional marketing models effectively.

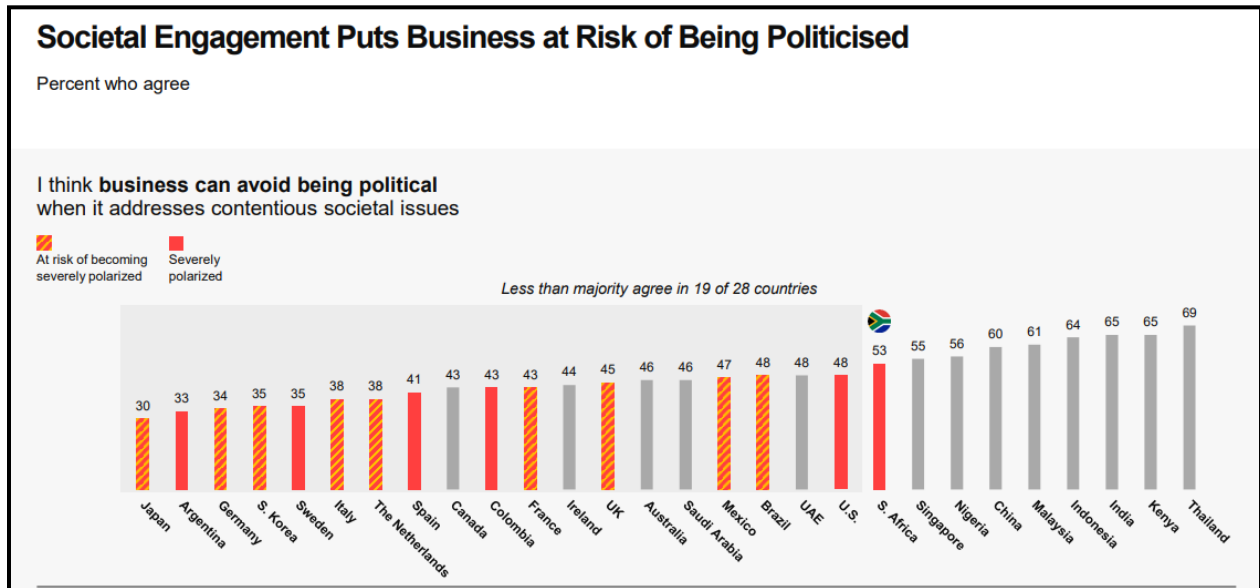
Despite these challenges, there are significant opportunities for SMEs in South Africa. The study by Scheers (2018:27) and (Fatoki, 2014:922), highlights the potential for SMEs to contribute notably to job creation, social stability, and economic welfare. By developing marketing skills through targeted training, SME owners can equip themselves to make better-informed decisions, navigate the market more effectively, and avoid common marketing pitfalls. The ability to adapt and respond quickly to market changes offers SMEs a unique advantage: their smaller size can be an asset in rapidly changing market conditions, allowing for more agile and innovative marketing strategies than larger corporations while adopting a targeted approach to reach their audience.

2.7.3 The South African audience

South African audiences are active and selective media users, whose behaviour is shaped by diverse social experiences and cultural identities (Gassner, 2011:120). Furthermore, South Africans generally display high levels of brand loyalty and brand engagement, as demonstrated in the study by Bisschoff and Els (2023:107). In contemporary brand marketing, the 2023 Edelman Trust Barometer Special Report offers pivotal insights to marketers, highlighting a paradigm shift in consumer-brand dynamics (Cooper, 2023). The report gives three cardinal mandates for brand trust-building in the current market landscape. Firstly, the report emphasises the growing influence of Generation Z (born between the mid 1990's and the early 2010's) on consumer behaviour, showing a notable shift in shopping patterns and brand expectations, particularly regarding environmental and diversity considerations (Cooper, 2023). Secondly, the report identifies the collapse of the traditional purchase funnel, advocating for a more interactive and engagement-centric model. This model argues that consumer loyalty and trust are fostered through continuous interaction and evaluation of a brand's competency, ethics, and relevance (Cooper, 2023). Lastly, the report shows the necessity for brands to resonate with consumers' vulnerabilities, particularly in enhancing their sense of safety and security. This approach requires a more discerning and thoughtful engagement with consumers, addressing their heightened scrutiny and environmental concerns (Cooper, 2023). These recommendations signal a significant departure from conventional marketing strategies, urging brands to adopt a more empathetic, responsive, and trust-centric approach in their consumer engagements.

Marketers are confronted with the attitude of their audience in every marketing campaign. Figures 3,4,5 and 6 below give insight into the modern South African audience's wants, needs, and desires.

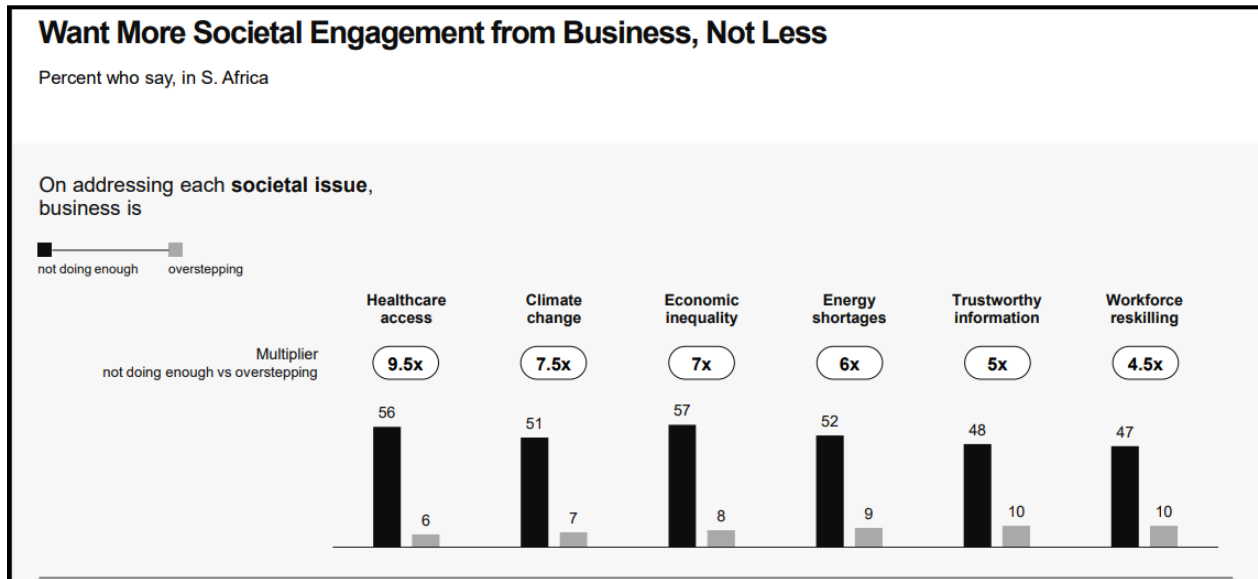
Figure 3: Percentage of South Africans who agree that businesses should avoid political statements in their messages and marketing



Source: (Edelman, 2023)

The data in Figure 3 holds particular significance for South African SMEs. As the graph indicates, South African respondents are evenly divided on the issue of businesses engaging with societal problems without becoming political. This division presents a unique challenge for marketing agencies within the country: to navigate a course that acknowledges social concerns, while avoiding the pitfalls of politicisation. For South African SMEs, the implications are that marketing strategies must be meticulously designed and executed. Agencies need to employ traditional channels to convey messages of social responsibility that resonate with the South African audience's values yet are carefully distanced from political connotations. This approach should aim to foster trust and community engagement, without alienating segments of the market.

Figure 4: Percentage of South Africans who want more business engagement on specific social issues

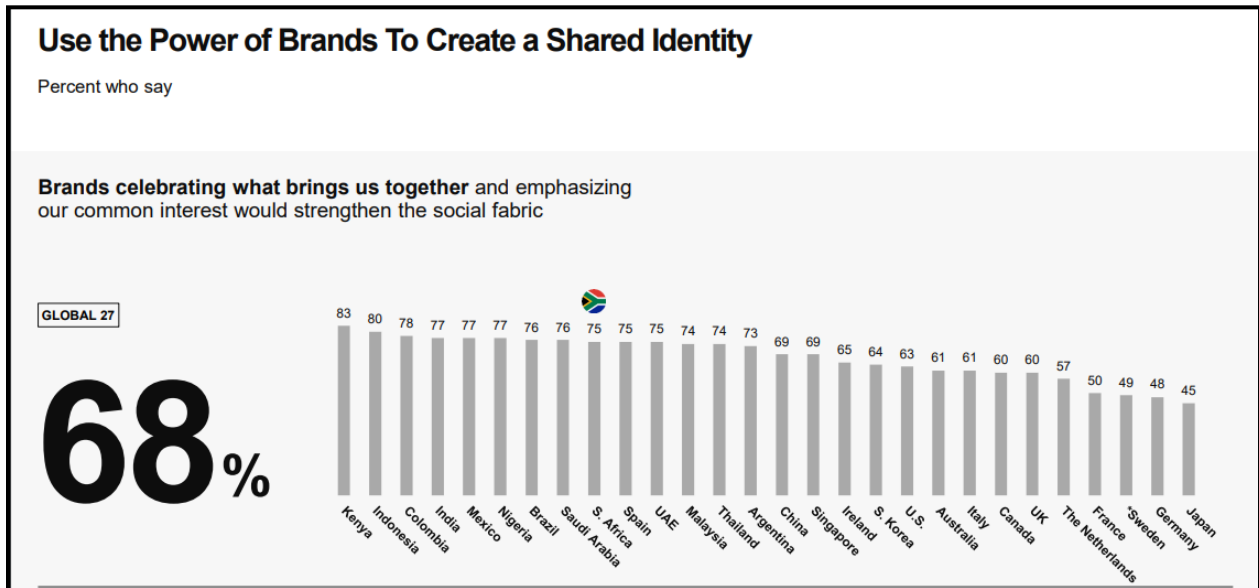


Source: (Edelman, 2023)

The data in Figure 4 illustrates a clear demand for increased societal engagement from businesses in South Africa. Most respondents feel that businesses are not doing enough to address key societal issues, with healthcare access, climate change, and economic inequality being the areas where companies are seen as lacking.

For South African SMEs, this represents both a challenge and an opportunity. The challenge lies in understanding and integrating societal concerns into their business practices and marketing strategies without being perceived as insincere, or opportunistic. The opportunity is to position themselves as proactive and concerned corporate citizens, thus building consumer trust and loyalty.

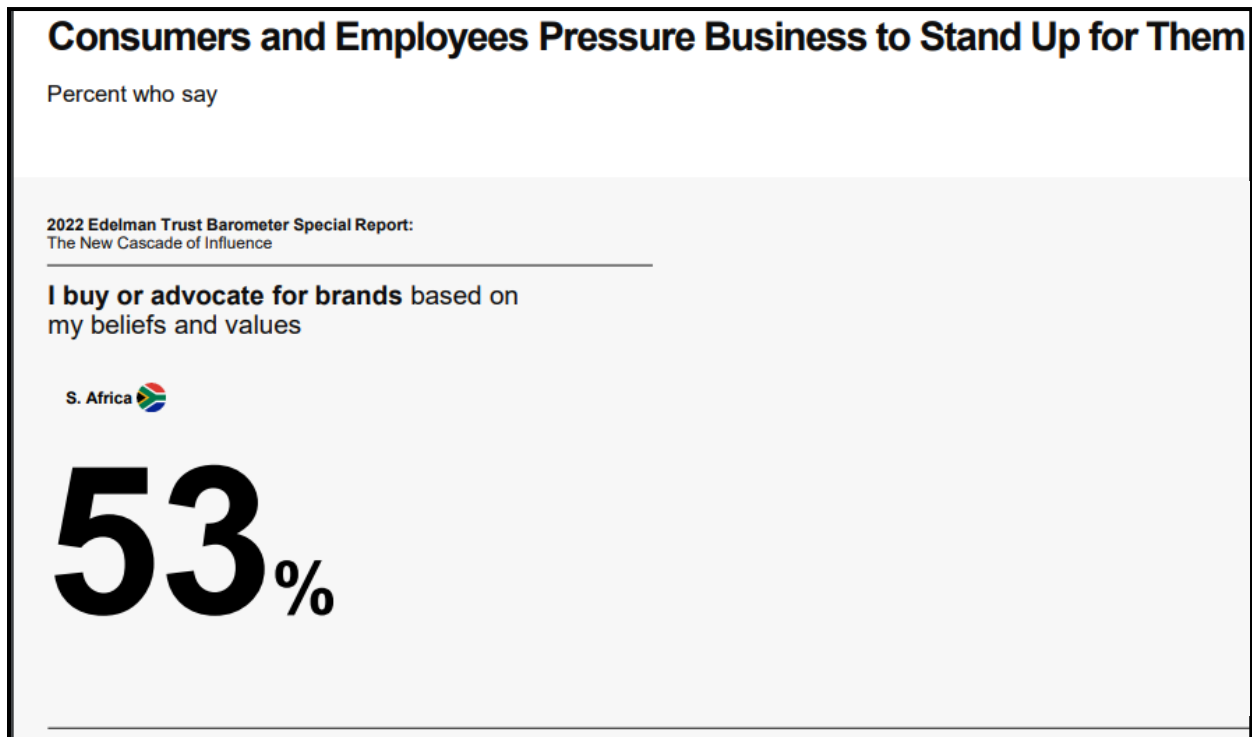
Figure 5: Percentage of South Africans who believe brands could strengthen social cohesion



Source: (Edelman, 2023)

Figure 5 indicates a significant majority of respondents globally, and specifically in South Africa, believe that brands have the power to unify by celebrating commonalities and reinforcing social cohesion. For South Africa, where 75% of respondents echo this sentiment, there is a valuable takeaway for SMEs in positioning their brand identity. This sentiment signals a pivotal role for brands in fostering a sense of shared identity and purpose, which can be particularly resonant in South Africa, given its diverse cultural landscape. Marketing agencies have an opportunity to steer SMEs towards campaigns that highlight unity, shared values, and collective goals.

Figure 6: The percentage of South Africans supporting a brand that aligns with their beliefs and values



Source: (Edelman, 2023)

Figure 6 reveals that over half of South African consumers (53%) choose or advocate for brands that align with their personal values and beliefs. This is a notable insight for SMEs when considering the impact of consumer and employee expectations on their business operations and marketing approaches.

In a South African context, this statistic underlines the importance for SMEs to articulate their values through their branding efforts and embody these values in their business practices. It suggests that consumers are increasingly making purchasing decisions based on a brand's social stance and ethical considerations, which can no longer be seen as separate from the brand's core offering. These values are illustrated by the SME's marketing efforts.

2.8 Consumer behaviour and trust in marketing channels

2.8.1 Consumer trust in traditional marketing channels

Traditional marketing channels such as television, radio, billboards, and print media have long been the backbone of advertising strategies (Korenkova *et al.*, 2020:9996). Despite the rise of digital platforms, these channels continue to play a significant role in influencing consumer behaviour. Danaher and Rossiter (2011:6-42) compared traditional and new media channels in terms of perceived intrusiveness, reliability, trustworthiness, convenience, and entertainment value, finding that traditional channels often score higher in trustworthiness and reliability, which is essential for achieving engagement and persuasion, in both consumer and business markets. The following channels are what make up the traditional marketing sphere:

- **Television and Radio:** Television remains a potent tool for advertising, with a broad reach and a substantial impact on consumer trust. Despite concerns about oversaturation, television advertising is still effective in capturing attention and influencing purchasing decisions. Surprisingly, radio is often considered a secondary medium which positively influences consumers, as it integrates seamlessly into daily

routines, providing a platform for sustained engagement with audiences (Korenkova *et al.*, 2020:9996).

- **Print Media and Billboards:** Print media continues to be perceived as a credible source of information. The tangibility and permanence of print media lend a sense of reliability that can translate into consumer trust. Billboards and outdoor advertisements also maintain their relevance. Their omnipresence in public spaces ensures continued exposure, reinforcing brand recall and belief (Korenkova *et al.*, 2020:9996).
- **Leaflets and Direct Mail:** Leaflets, particularly those promoting clothing, footwear, food, and cosmetics, are still an effective way to reach consumers. The study by Korenkova and associates indicates that these forms of advertising are not perceived as overwhelmingly intrusive, suggesting a level of acceptance and trust from consumers (Korenkova *et al.*, 2020:9996).

2.8.2 The role of trust in traditional channels

Hung *et al.* (2019:1-23) argued that physical stores' social presence and service quality promote consumer loyalty, particularly trust and reliability. They further suggested that traditional marketing channels' tangible and physical presence contribute to building consumer trust. The following factors support consumer trust in traditional marketing channels (Korenkova *et al.*, 2020:9996):

- **Familiarity and Consistency:** Traditional channels benefit from long-standing familiarity. Consumers are used to these forms of advertising, which often bring a sense of consistency and reliability.
- **Tangibility and Physical Presence:** The physical nature of traditional advertising mediums, such as print media and billboards, provides a tangible connection with the brand, reinforcing trust.
- **Selective Exposure:** Unlike digital platforms, where ads can be perceived as intrusive, traditional channels often allow consumers to engage with advertising selectively, leading to a more positive perception.

2.8.3 Consumer trust in digital marketing channels

Digital marketing channels, including social media, email, online advertising, and influencer marketing, represent a shift in how brands engage with consumers (Korenkova *et al.*, 2020:9996). Although the trust index is rising, consumers have a lower level of trust in more contemporary marketing channels.

- **Social Media and Email Marketing:** Social media platforms have become a constant presence in consumers' lives, offering a direct and personalised way for brands to engage with their audience (Korenkova *et al.*, 2020:9996). This is confirmed by Khoa and Huynh (2023:175), who emphasise that social media marketing significantly enhances consumer loyalty and trust in online businesses, indicating the growing importance of social media as a trusted digital marketing channel. The study by Korenkova *et al.* (2020:9996) emphasises an increasing trust in social media advertising, primarily due to its interactive nature and the ability to tailor content to specific user interests. With its direct and personal approach, email marketing also garners significant trust, mainly when it provides value and relevance to the consumer.
- **Online Advertising:** Online advertisements, including banners and search engine advertisements, are a double-edged sword: while they offer targeted reach, their pervasive nature can sometimes lead to consumer irritation, which affects trust (Korenkova *et al.*, 2020:9996). However, they can effectively build brand awareness and trust, when executed with relevance and discretion.
- **Influencer Marketing:** Influencer marketing has emerged as a powerful tool in the digital age. Influencer marketing is a strategy where businesses collaborate with individuals with a large and engaged following on social media, to promote products, services, or campaigns. The study by Korenkova *et al.* (2020:9996) highlights its growing impact, with consumers often placing trust in influencers they perceive as authentic and relatable. This trust is further enhanced when influencers align well with the brand's values and messaging.

2.8.4 Building trust in digital channels

Baskaran *et al.* (2021:69) identified awareness, personalisation, and electronic word-of-mouth as critical factors in enhancing consumer-perceived trustworthiness in digital advertising, highlighting the role of these elements in building trust in online advertising. Key factors influencing consumer trust in digital channels include (Korenkova *et al.*, 2020:9996) :

- **Personalisation and Relevance:** Digital channels allow for a high degree of personalisation, making advertisements more relevant and engaging to individual consumers. This relevance is crucial in building trust.
- **Authenticity and Transparency:** In the digital space, authenticity and transparency are extremely important. Consumers tend to trust brands that are honest, clear about their intentions, and consistent in their online presence.
- **Interactive and Engaging Content:** The interactive nature of digital channels, particularly social media, fosters two-way communication that can significantly enhance trust. Engaging content that encourages consumer participation can deepen the relationship between the brand and its audience

Marketing agencies and SMEs not only have to consider the trade-offs and consumer trust of using traditional versus digital marketing channels, they also have to allocate their resources carefully, which includes the budget they allocate to marketing efforts.

2.9 Marketing budget allocation

2.9.1 Analysis of trends in marketing expenditure

By 2023, there have been three main trends regarding how marketers have shifted their budgets according to Mojenta (2023). These are:

- **Allocating money towards events and activations:** With the rise of digital events, marketers have been spending more and more financial resources on physical interactions with their customers
- **Remarketing:** Remarketing is the process of targeting the same population repeatedly (Mojenta, 2023). Multiple studies have emerged that show leads are more likely to convert into sales once consumers have seen numerous targeted advertisements.
- **Investing in analytics and reporting:** By 2023, marketers have shifted towards investing in better analytics and reporting tools (Mojenta, 2023). This correlates with the global shifts towards more data-centric decision-making.

Furthermore, in a study by Thanh Thuy and Klymova (2022:16) on the shifts in marketing budget allocation, the researchers found that historically, Apple and Samsung allocated a substantial portion of their budgets to traditional advertising channels. However, there has been a notable shift towards more diversified and digital-centric marketing strategies in recent years. The growth in advertising costs from traditional to digital channels, indicates the broader changes in consumer behaviour and media consumption patterns. Apple and Samsung have adapted their marketing strategies to align with these changes, investing more in digital platforms offering targeted and measurable marketing capabilities (Thanh Thuy & Klymova, 2022:16).

Understanding these trends is crucial for marketers and businesses to develop effective budget allocation strategies, with the move towards digital channels suggesting a need for more dynamic and interactive marketing approaches, prioritising consumer engagement and experience (Thanh Thuy & Klymova, 2022:16).

Recent studies have provided insights into the allocation of marketing budgets by SMEs between digital and traditional channels in recent times. A study by Asi *et al.* (2022:51) highlights the budget shift from traditional to digital marketing, showing its significance for SMEs, particularly after the Covid-19 pandemic. This transition suggests an increasing inclination of SMEs towards digital channels, due to their wider reach and cost-effectiveness. Wibowo (2022:2253) discusses the imperative for SMEs to adapt to the digital market era, especially as the Covid-19 pandemic adversely affected traditional

business models. This adaptation possibly resulted in a greater allocation of marketing budgets to digital platforms. Additionally, Ayu Krishna *et al.* (2021:296) emphasised the importance of empowering SMEs through digital marketing during the pandemic. This empowerment indicates a strategic shift in marketing budget allocation towards digital channels to ensure business survival and growth.

These studies indicate that the trend of allocating a higher portion of marketing budgets to digital channels became more pronounced in recent years, particularly in response to the challenges posed by the Covid-19 pandemic and the evolving digital landscape.

2.10 The impact of COVID-19 on marketing

The COVID-19 pandemic was an unexpected worldwide event caused by the deadly novel coronavirus (Dufare, 2020:93). The pandemic, in which people were required to stay at home, ranged from March 2020 to roughly December 2021 (Kerres & Buchner, 2022:315). The onset of the COVID-19 pandemic catalysed a paradigm shift in marketing philosophies and consumer behaviour, a phenomenon extensively documented by scholars such as Kamel (2021:36), He and Harris (2020:176), and Sayyida *et al.* (2021). This unprecedented global event disrupted traditional marketing strategies and significantly influenced consumer preferences and behaviours, necessitating a comprehensive reassessment of marketing ideologies. Buraczyńska *et al.* (2022:11821) observed that the COVID-19 pandemic led consumers to pay more attention to prices, shop online more frequently, and purchase more significant amounts of locally produced and organic products, reflecting a shift in consumer priorities and purchasing habits. Di Crosta *et al.* (2021:1-23) also found that the pandemic-induced anxiety and COVID-19-related fear affected consumer behaviour, particularly influencing purchases of necessities. In contrast, depression affected non-necessities, highlighting the psychological impact of the pandemic on consumer decisions. The aforementioned impact and shift in consumer decision-making necessitated SMEs having to rethink their marketing strategies.

2.10.1 Redefining marketing ideologies and strategies

In their respective studies, Kamel (2021:36) and He and Harris (2020:176) discuss a substantial shift in marketing ideologies from traditional, competition-focused strategies towards a more societal-centric approach. This shift is underpinned by the realisation that marketing must transcend mere transactional exchanges and contribute to broader societal well-being. Simultaneously, Sayyida *et al.* (2021) observed a notable transition in consumer behaviour towards digital platforms, signifying the increasing importance of online channels. This digital shift has prompted marketers to redefine their strategies, focusing more on building digital engagement and less on traditional marketing practices.

In keeping with this shift, the COVID-19 pandemic has also led to a critical examination of long-established marketing principles. Traditional metrics, including customer lifetime value and brand equity, are being reconsidered to better align with the evolving consumer landscape, marked by increased online engagement and changing purchasing patterns Sayyida *et al.* (2021). Concepts, such as customer loyalty and retention, have been re-evaluated in light of pandemic-induced constraints. Yazdanparast and Alhenawi (2022:806) note, that although most of the limitations have been lifted, they have had permanent effects on consumer behaviour.

2.10.2 Evolution of consumer behaviour

The study by Sayyida *et al.* (2021) highlights a significant increase in online shopping and trends where consumers research products extensively online, before buying them in physical stores. This trend indicates a broader shift, as noted by He and Harris (2020:176), where the focus has moved from long-term brand loyalty and value assessments to immediate needs and constrained choices.

The increased dependence on digital platforms has altered purchasing behaviours and influenced how consumers interact with brands. Consumers seek more personalised, engaging online experiences, driving marketers to innovate in digital storytelling, customer engagement, and virtual customer service. This evolution necessitates a

strategic pivot in marketing, emphasising the need to address not just overt product features, but also the underlying and often unarticulated customer needs and preferences (He & Harris, 2020:176-180)

2.10.3 Digital shift in exchange and communication

The enforced social distancing and lockdowns due to the COVID-19 pandemic significantly accelerated the shift from physical- to digital interactions in marketing. As Sayyida *et al.* (2021) highlighted, this digital transformation redefined the nature of consumer engagement and the foundational concepts of marketing exchange. The increased prevalence of online shopping signifies a change in the dynamics of consumer interaction.

Digital platforms have become the primary medium for marketing communications, necessitating marketers' rapid adaptation of strategies. The emphasis has shifted from traditional advertising and in-person experiences to digital content, online community building, and virtual customer service (He & Harris, 2020:176-180). This shift has implications for how value is communicated and perceived by consumers. It demonstrates the importance of digital literacy and agility among marketers, navigating the complexities of online consumer engagement and maintaining brand relevance in a predominantly digital marketplace (He & Harris, 2020:176-180).

Additionally, the COVID-19 pandemic spurred innovation in digital marketing technologies, including the use of artificial intelligence, virtual reality, and augmented reality to create immersive and interactive customer experiences (Kamel, 2021:36). These technologies have opened new avenues for marketers to engage consumers, providing personalised and engaging content that resonates with altered consumer priorities and behaviours in the pandemic era (Kamel, 2021:36).

It is evident that the marketing landscape has undergone significant transformation, particularly with the advent of digital technologies. This evolution necessitates a strategic rethink for SMEs, who now face both challenges and opportunities in navigating this new landscape. The integration of traditional and digital marketing strategies emerges as a

key theme, offering a pathway for SMEs to effectively engage with their target audience. The COVID-19 pandemic has further catalysed this shift, increasing the urgency for SMEs to adapt and innovate. As such, this chapter set a foundation for understanding the dynamic relationship between marketing evolution, technological advancements, and the strategic adaptation required for SME success

CHAPTER 3 - RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction to the research design

This study collected data through a qualitative lens, using interviews with marketing agencies in a semi-structured format. According to Saunders *et al.* (2012:374), a semi-structured interview consists of specific themes with some key questions but focuses more on the participant's responses. In terms of content, formulation, sequence, and answers, semi-structured interviews are typically not entirely pre-structured, but are also not completely open. Because of this, semi-structured interviews are prepared in advance, by creating a list of subjects and questions to be asked at various points throughout the interview. This method is chosen to ensure data integrity by not leading the participants' answers due to the questioning of respondents being too structured. For this study, the researcher prepared a list of themes based on the research objectives while highlighting key questions. The researcher focused on leaving the general line of questioning as open-ended as possible, to ensure that respondents' perspectives were captured without bias.

3.2 Research paradigm

A research paradigm can be defined as examining a phenomenon in which certain understandings can be gained and conclusions can be drawn (Saunders *et al.*, 2012:144). This study followed a paradigm based on *Interpretivism* and *Constructivism*. The interpretivist paradigm adopts an implicit viewpoint, and interpretivists typically have ideographic, voluntarist, anti-positivist, and nominalist tendencies. They adhere to constructivism, a philosophy that emphasises the power of the individual to create meaning. The functionalist paradigm's ontological tenet that organisations conceptually coexist side by side is contested by interpretivists. They do so by considering how human needs are met, how people view their surroundings, and how people interpret their surroundings uniquely. Fundamentally, interpretivists aim to comprehend social phenomena through the perspectives of various social participants. This paradigm

acknowledges multiple realities or interpretations for a given occurrence and builds knowledge through interaction with other players in the environment.

3.3 Research approach

Research is approached from an inductive or deductive point of view based on the researcher's reasoning (Saunders *et al.*, 2012:144). Deductive reasoning is when the research conclusion is reached logically from a set of assumptions that are all met (Saunders *et al.*, 2012:163). Inductive reasoning acknowledges a gap between the conclusion and the assertions, forming conclusions based on observations (Saunders *et al.*, 2012:163). Qualitative research usually commences with an inductive approach, meaning the research design is used to develop a richer theoretical perspective than what exists in the literature (Saunders *et al.*, 2012:173). The Qualitative research in this study followed a more interpretive design as the researcher needed to make sense of the subjective meanings expressed about the subject being studied (Saunders *et al.*, 2012:163). Qualitative research can also use an abductive approach, where inductive inferences are developed, and deductive ones are tested throughout the research (Saunders *et al.*, 2012:173). Qualitative research allows the researcher to obtain a depth of data gathered from a complex and multi-faceted phenomenon (du Plooy-Cilliers *et al.*, 2014:173). Qualitative research is especially effective due to its ability to capture subjective experiences (du Plooy-Cilliers *et al.*, 2014:173), which ties in with the research focus on “perceived impact”.

This study was exploratory within a specified theme. Data was used to produce results without confirming or debunking any theoretical framework as a starting point. The data is used to develop a theory that can explain the patterns, or lack thereof, in the data.

Due to the nature of this study, the research strategy is a narrative inquiry approach, which uses semi-structured interviews with participants that are guided and facilitated to capture primary data for the study. As this study aimed to compare perceptions, capturing the participants' complete account of their experiences is essential. The study can capture

perceptions and the meaning a participant places on specific events (Saunders *et al.*, 2012:188). Since this study used more than one participant, it can compare, triangulate, or contrast the perceptions provided by utilising this strategy. (Saunders *et al.*, 2012:188). Using this method, the researcher gave narration powers to the participants while becoming more of a facilitator and listener (Saunders *et al.*, 2012:188). Narrative inquiry is an excellent strategy when narrative interviews are conducted with a population to compare how perceptions and narratives are constructed around a specific object or event (Saunders *et al.*, 2012:188).

Qualitative data was interpreted to achieve the primary objective of understanding the participants' perception of the return on investment in specific marketing channels. A theory of pattern and understanding was constructed to create the observation narrative (Saunders *et al.*, 2012:188).

3.4 Literature study

To gather knowledge and insights about the topic, the study started with a review of the literature to gain an understanding of the effectiveness of traditional and digital marketing strategies used by marketing agencies for small and medium-sized businesses. The literature study also aimed to explore the rapid digitisation of the marketing world, the effectiveness of traditional marketing in modern society, and the trade-offs made when businesses select one marketing channel over another. Literature was identified using various academic journals and library databases. Literature was only excluded based on the validity of the journal according to international research standards and the publication timeframe. Literature was reviewed based on the most recent publication date, credibility, and citations.

To understand the statements and observations in the research in their relevant context, it is helpful to draw conclusions and information from the body of existing literature (Flick, 2009:49). It was determined, through a review of the theoretical literature, what is already understood about the marketing strategies used by marketing agencies for small and

medium-sized businesses, the theories and concepts employed, any disagreements or controversies, and what has not yet been studied (Flick, 2009:49).

3.5 Population and sampling

3.5.1 Target population

A target population is the complete set of relevant cases from which a sample can be selected (Saunders *et al.*, 2012:260). The target population for this study consisted of existing marketing agencies that service small and medium-sized businesses based in South Africa, focusing on the agencies' founders, account managers, or marketing managers. The data was collected during a three-month period between mid-July and October 2023.

3.5.2 Sample method

A sample is defined as a subgroup selected from the population and serves to represent the entirety of the population for the purposes of the study (Salkind,2010:1109). When selecting a sample, it should be done so that the sample reflects the population meaningfully and rationally (Saunders *et al.*, 2012:260). In the case of sampling, there can be probability and non-probability sampling. Probability sampling implies that anyone in the study population has a possibility of being selected for the sample, and this possibility is usually known and equal for all cases (Saunders *et al.*, 2012:260). Non-probability sampling entails that the likelihood of a case being selected from the population is not known, and it is, therefore, impossible to make statistical inferences about the characteristics of the population (Saunders *et al.*, 2012:260).

This study used a single cross-sectional non-probability sampling technique, given the sheer size of the population. To obtain the sample, the following methods were employed:

- Engaging with the researcher's network.
- Snowball sampling.
- Engaging with business networks.

Demographic indicators such as age, ethnicity, educational levels, and business location were considered to prevent convenience sampling. The study employed a snowballing technique, which relies on voluntary participation, while participants are encouraged to recommend other participants with similar characteristics to participate in the study (Saunders *et al.*, 2012:284). This technique bases sample selection on the accessibility and availability of the respondent to the researcher. It was specifically chosen because business networks are a compelling way to access the larger population. The study is heterogeneous, which entails using the researchers' judgement to select participants with diverse characteristics from the population to provide maximum variation in the collected data (Saunders *et al.*, 2012:287). This is done to ensure that the population chosen is reflected accurately and to highlight and validly compare any trends that may emerge from such a large population. This technique and sampling method were also selected due to time constraints and the difficulty regarding access to the population, due to the Protection of Personal Information Act (POPIA) in South Africa.

POPIA is a law that provides for the lawful processing of personal information in South Africa and sets out the roles and responsibilities of all parties involved in the processing of personal information (Adams *et al.*, 2021:2). The POPIA has several requirements that can impose challenges on the sampling method and access to the population. POPIA requires that consent be given before the researcher engages with a potential participant in the study (Adams *et al.*, 2021:2). There are also various regulatory requirements concerning how the data is stored and secured, and the participants' ability to withdraw or amend their data at any time, that may create research challenges (Adams *et al.*, 2021:2).

The population is widespread across the country and ranges from smaller marketing agencies to large-scale agencies that serve small to medium businesses. Three main methods were employed to reach the population.

- Method 1: The researcher started by working through his network of connections to gain access to population samples.
- Method 2: The researcher used existing structures such as local business chambers and small business bureaus, to reach the population and form a sample frame.
- Method 3: The researcher relied on participants in the study to refer him to other potential participants. This is commonly referred to as the snowball method.

Demographic indicators such as age, ethnicity, educational levels, and business location, were considered to prevent convenience sampling.

3.5.3 Inclusion and exclusion criteria

Inclusion and exclusion criteria are specific attributes that either validate or expel participants from participating in a research study (Saunders *et al.*, 2012:291). The inclusion criteria for this study were:

- Businesses of any size whose primary function is to provide marketing and public relations services to other businesses.
- The participant must be either the owner, chief marketing officer, or an account/marketing manager at the agency.
- Marketing agencies that serve small or medium-sized businesses as clients.
- Marketing agencies that are active and generate revenue at the time of data collection.
- Marketing agencies that actively market small and medium-sized businesses' products/services, using online and traditional marketing channels.
- Marketing agencies that are legally owned and operated within the borders of the Republic of South Africa.
- Businesses offering marketing services to small and medium-sized entities for at least five years to ensure that perceptions regarding marketing impact have been developed.

Exclusion criteria for this study includes:

- Any agency that does not service businesses that fall within the legal definition of a small or medium-sized enterprise or those that fall within the branches of government.
- Any network marketing or affiliate marketing business where revenue is based solely on sales commission for another company's products/services.

3.5.4 Sample size

The idea of sample size is very ambiguous regarding non-probability sampling (Saunders *et al.*, 2012:283). The sample size highly depends on the research questions and whether sufficient data had been recorded to meet the research objectives, especially for qualitative research using an interview-type method (Saunders *et al.*, 2012:283). Most research textbooks recommend continuing to collect data until data saturation is reached, meaning additional data provides no new insights or contributions (Saunders *et al.*, 2012:283).

(Saunders *et al.*, 2012:283) recommends, a population size between 5 and 25 for semi-structured and in-depth interviews. The researcher estimated he would reach data saturation between 8 and 10 interviews. Data saturation occurred at nine interviews. Due to the population scale for the study, the researcher interviewed ten participants, dividing them equally based on their heterogeneous characteristics such as the size of the agency, geographic location, and client industry. At this point, the researcher felt that data saturation had occurred, with no new insights to be gained from additional interviews.

3.6 Data collection

The researcher developed a list of themes and questions based on the literature review. The researcher then conducted individual interviews with participants in person, or via Microsoft Teams or Zoom. The participants were informed via email of the study and sent Annexure C and Annexure B beforehand. The interviews were semi-structured and qualitative. The researcher adhered to all the minimum requirements in the POPI Act

when contacting, interviewing, and storing the participants' data. Where the snowballing method was used, participants were only approached once they had given their full consent to the person sharing their details with the researcher. The researcher ensured that all personal information of participants was safely stored and used for lawful and legitimate research purposes only (POPIA,2020).

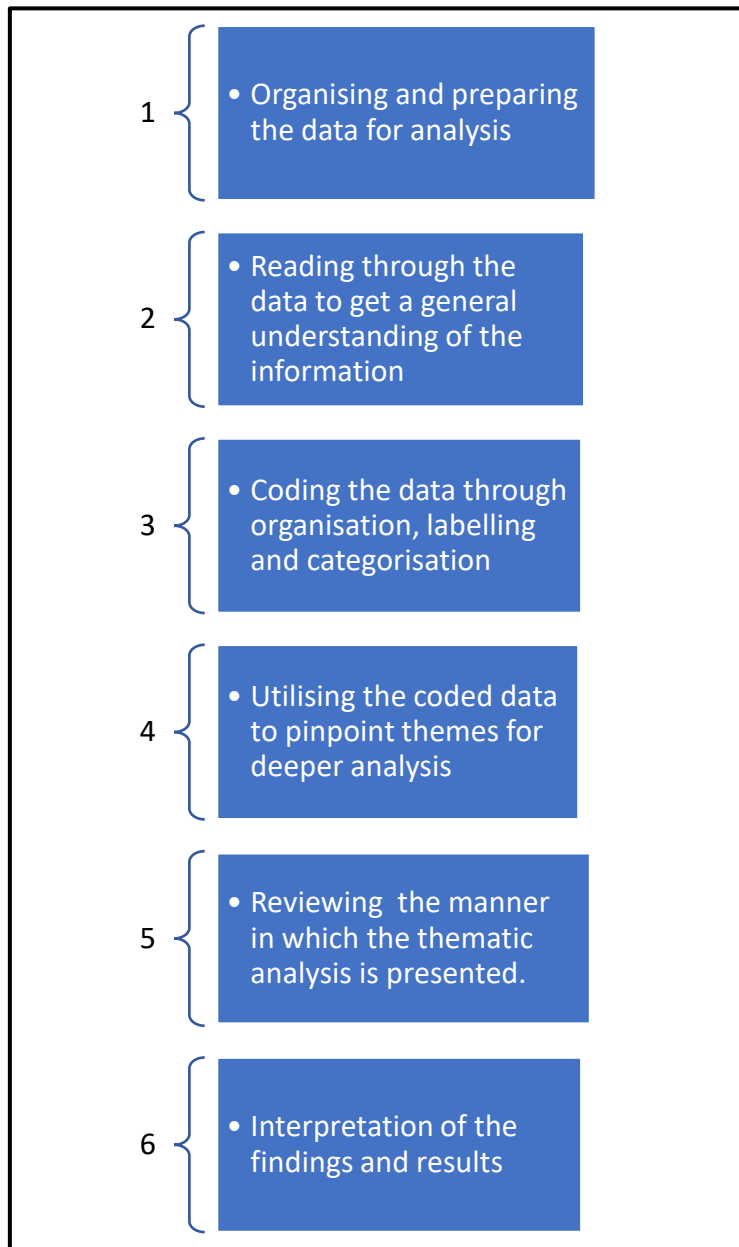
Participants were contacted via email or telephonically, once they had consented. The interviews were scheduled via email around a date, time, method (online/in-person), and location that was convenient for them. Participants were informed of the study's research goals and aim, ensuring that they understood that their responses would be treated as confidential (Please see Annexure C). The interviews were recorded using Microsoft Teams and transcribed to text using Open AI's Whisper software. The files were stored on a secure personal server that only the researcher had access to. Participants were informed of their right to withdraw their participation from the study while also being informed of their rights, as set out by the POPIA.

3.7 Data analysis

Data analysis is the process of methodically searching and organising the interview transcripts and field notes, according to Boeije (2010:76). This helps the researcher comprehend the material and allows the researcher to share what has been learned with others. The researcher first segments data into manageable chunks to sort and sift research materials for types, classes, sequences, processes, or patterns. To generate a theoretical understanding of the social phenomenon being studied in terms of the research question, categories related to one another are grouped during the reassembling phase (Boeije, 2010:76). The interviews were transcribed to text by the researcher and coded using thematic analysis. A thematic analysis uses qualitative data to identify themes associated with the original research question (Saunders *et al.*, 2012:588). The study used software designed for research, namely ATLAS.ti™, to code and thematically analyse the data according to the guidelines by Linneberg and Korsgaard (2019:12-15). A constant comparative method was used to compare

interviews with each other as well as with the literature (Stander, 2015:15). While analysing the data, the researcher followed the six steps of qualitative data analysis as set out by Creswell and Guetterman (2018:276). According to Creswell and Guetterman (2018:200-276), the six steps are depicted in Figure 7 below.

Figure 7: The six steps of qualitative data analysis



Source: (Creswell & Guetterman, 2018:276)

Initially, the researcher **organised and arranged** all the transcriptions systematically according to date and in folders with the relevant audio recordings. The researcher then read through every transcript to gain an initial understanding and **familiarity** with the content. The **coding** process was then initiated, and the researcher systematically tagged and categorised elements to identify patterns in the data. The researcher was then able to identify and isolate significant **themes** from the coded data, which was then used to develop the narrative of the findings. These themes were then critically **reviewed** to ensure clarity and coherence in the way the thematic analysis was presented. Finally, the researcher was able to **interpret** the findings and draw meaningful conclusions.

3.8 Trustworthiness of the data

According to Saunders (2012:438), “accurate/trustworthy” is the most essential characteristic of information. Bryman *et al.* (2015:44-45) divide trustworthiness into four criteria:

- **Credibility** is ensuring that there is confidence that the results are accurate, credible, and believable.
- **Transferability** refers to the degree to which the results can be applied to other contexts or settings.
- **Dependability** ensures that the study's findings are repeatable, should the research be replicated.
- **Confirmability** pertains to how other researchers can confirm the results.

This study aimed to present credible information that is interpreted and conveyed correctly and accurately. The study is dependable as the research process was logical, traceable, and documented (Bryman *et al.*, 2014:45). The data in this study has a high level of confirmability, and the study aimed to avoid convenience sampling, by using geographic and demographic markers.

3.9 Ethical considerations

There are several ethical considerations in all studies where humans are involved. According to (Marshall & Rossman, 2011:210), ethical considerations regarding qualitative research do not only involve ensuring that there is informed consent and participant anonymity. It also entails anticipating any challenges that may occur. Conducting ethical research means that the researcher must continually evaluate and adapt their behaviour to ensure the ethicality and validity of their research. Before commencing with research, the researcher obtained full ethical clearance from the university (Ethics number: NWU-00672-23-A4).

All ethical standard of academic research was adhered to with the following application of ethical guidelines for qualitative research:

- Participants voluntarily participated in this study and were provided with complete information to decide to participate autonomously. This ensured that **respect and autonomy** are maintained throughout the research process.
- The researcher uses non-probability sampling paired with the snowball technique to identify participants so that participants will be chosen fairly and equally. This ensures that the research is fair in terms of **justice and distributive justice**.
- The researcher took all reasonable steps to ensure **beneficence** and avoid **nonmaleficence** throughout the research.
- Before starting the research, a **risk/benefit analysis** was concluded, and the benefits of the research far outweighed any potential risks as there was no clear harm or damage that could be done when conducting this research.
- The researcher obtained **permission** to contact any potential participant and obtained **informed consent** before any research was conducted.
- The primary ethical consideration for this study was the **privacy and confidentiality** of the research participants. The researcher did not name or identify any company or persons that participated in this study and presented the research findings so that they are not traceable to a specific participant or their employer.

- Proper **data management** will ensure that recordings and transcriptions are kept in the researcher's highly secured cloud storage.
- The research was **disseminated** through the proper channels of the North-West University, such as uploading it to the repository, but with no breach of confidentiality and anonymity of research participants.
- There was no apparent **conflict of interest** in conducting this research. despite the researcher relying on their professional network to start the snowball sampling process, there were no conflicts of interested as the researcher, nor the participants benefited unethically from this study.
- This study has been **monitored** by a university-appointed study leader and adhered to the ethical rules and guidelines set out by the North-West University.

The following chapter delves into the findings of the research conducted, based on the structure set out in Chapter 3.

CHAPTER 4: RESEARCH FINDINGS

4.1 Introduction

This chapter reports on the findings of the semi-structured interviews conducted with marketing agencies to measure the perceived impact of online and traditional marketing channels, used for small and medium businesses in South Africa. The focus is on understanding the nuances of these two diverse channels and how marketing agencies choose between them to serve their SME clients best.

This section aims to gather rich qualitative data related to the research objective of understanding the perceived effectiveness and impact of traditional, versus digital marketing campaigns for SMEs in South Africa. The questions in the interview protocol explore the responsibilities of the participants in their respective agencies, regarding marketing campaigns and strategies. Further, the interview seeks to uncover measures used to determine the success of these campaigns, their desired impacts, and the actual outcomes. Participants also shared their views on the contributing factors to the success or failure of campaigns and offered insights into the trade-offs made when selecting one channel over another.

The sample consisted of ten professionals from the population of marketing agencies used by SMEs. Semi-structured interviews were conducted to gather qualitative data regarding the research questions. The qualitative data from the semi-structured interviews was coded and analysed using the ATLAS.ti™ software package. The codes were generated by using both inductive and deductive reasoning. Based on the literature review, deductive codes were generated and assigned in the first round of analyses. During a second round of analyses, inductive codes were added, based on theories and concepts formed using the answers provided by participants. Code groups were created using insights from the literature review and themes and sub-themes that emerged during the coding process.

The participants were labelled using the method below:

Interview Identification - PX:

This code served as a general template for labelling responses from a participant. The “X” is a placeholder for the participant number. For example:

- P1: Participant #1
- P8: Participant #8

This coding system allowed for easy referencing to specific participants and their interviews.

4.2 Word cloud

The data in Figure 8 below is a word cloud, depicting the most common words and phrases from the interview transcripts. The word cloud sheds insight into participants' most common terms, when answering the interview questions.

According to Heimerl *et al.* (2014:1883), incorporating a word cloud into this dissertation serves as a visual representation of the key themes and terms frequently emerging in the literature and data pertaining to the impact of marketing channels on SMEs in South Africa. The prominence of certain words in the cloud not only highlights their frequency in the sources, but also shows their significance in the context of this study (McNaught & Lam, 2010:630). This visual tool aids in quickly identifying the most salient concepts and terms that are central to the research topic, thus providing a look into the thematic landscape (Heimerl *et al.*, 2014:1883). However, while the word cloud offers an intuitive and engaging way to discern prevalent themes, it is essential to recognise its limitations. It lacks the depth and nuance provided by a detailed textual analysis (Hua, 2012). Therefore, the value of this word cloud lies in its ability to provide an immediate visual summary of key themes, acting as a gateway to deeper, more nuanced discussions later in this chapter. It serves as a complementary tool, guiding the reader's attention to the most prominent concepts that are subsequently explored in greater detail throughout the dissertation (Heimerl *et al.*, 2014:1883).

4.3 Demographic information

Table 4 below, provides a look into the demographic indicators of the study sample surveyed.

Table 4: Participants and their demographic information

Participant Number	Title	Years of Experience
P1	Marketing Manager	5 Years
P2	Account Manager	4 Years
P3	Marketing Strategist Lead	5 Years
P4	Chief Marketing Officer	10 Years
P5	Account and Project Manager	6 Years
P6	Account Manager	4 Years
P7	Account Manager	4 Years
P8	Agency Owner	15 Years
P9	Agency Owner	17 Years
P10	Agency Owner	14 Years

Source: Own composition

Table 4 clearly indicates that, not only was the inclusion criteria as set out in Chapter 3 met, but that participants had a wealth of industry experience. This experience positioned them well to give relevant and valuable answers to the questions that were posed regarding their use of digital and traditional marketing channels.

4.4 Thematic analysis

Thematic Analysis is a popular qualitative research technique which entails finding, examining, and summarising patterns (themes) in data. It offers a versatile and practical research tool. It delivers an in-depth and comprehensive data account (Nowell *et al.*, 2017:2). The themes and sub-themes were developed following the Nowell *et al.* (2017:4) model of phases, as depicted in Table 5 below.

Table 5: Phases of thematic analysis

Phases	Description
Phase 1: Familiarising yourself with the data	This phase involves deeply immersing oneself in the data to understand its depth and breadth. Researchers engage actively with the data, searching for meanings and patterns. This includes reading through the entire dataset at least once before coding to identify possible patterns and becoming familiar with all aspects of the data.
Phase 2: Generating the codes	In this phase, researchers start generating initial codes from the data, which involves reflection and interaction with the data. This coding process simplifies and focuses on specific data characteristics, identifying important text sections and attaching labels to them. Researchers work systematically through the entire dataset, noting exciting aspects that might form themes.

Phases	Description
Phase 3: Searching for themes	This phase begins after initial coding, sorting, and collating all relevant coded data extracts into themes. Themes, which bring meaning and identity to recurrent experiences, are identified by combining components or fragments of ideas or experiences. Researchers must determine whether they are conducting an inductive or deductive thematic analysis, as it will inform how themes are theorised.
Phase 4: Reviewing Themes	Once a set of themes has been devised, they must be refined. Researchers review the coded data extracts for each theme to consider whether they form a coherent pattern and whether the themes accurately reflect the meanings in the data set. Inadequacies in initial coding and themes are addressed, and themes may be modified, combined, or separated.
Phase 5: Defining and naming themes	Researchers determine what aspect of the data each theme captures and write a detailed analysis, identifying the story each theme tells. Themes are named in a way that gives the reader an immediate sense of the theme. Researchers also consider how each theme fits into the

Phases	Description
	overall story of the data set of the research questions.
Phase 6: Producing the report	The final phase involves the actual writing of the report, providing a concise, coherent, logical, non-repetitive, and exciting account of the data across themes. This phase includes embedding extracts of raw data within the analytic narrative, illustrating the complex story of the data. Researchers also interweave literature with their findings, adding depth to their analysis and constructing a credible report.

Source: (Nowell *et al.*, 2017:4-11)

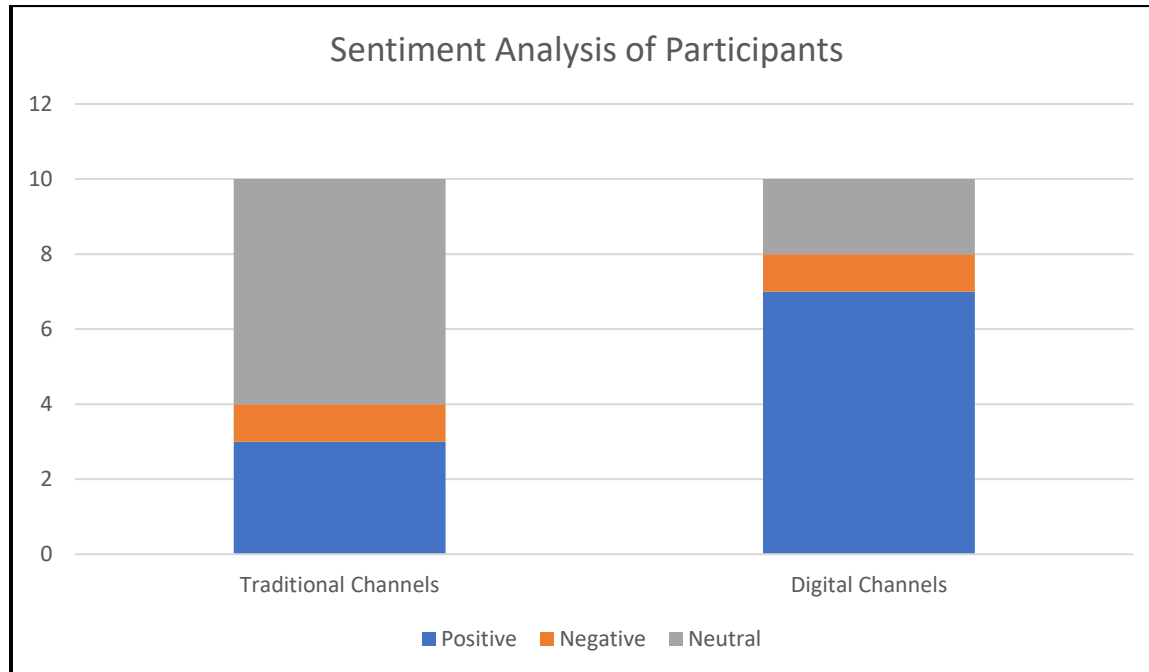
4.5 Sentiment analysis

Sentiment analysis, often called opinion mining, seeks to determine the subjective opinion behind a series of words. When applied to qualitative data, such as the qualitative interviews in this study, a sentiment analysis classifies the underlying sentiment as positive, negative, or neutral (Liu & Zhang, 2012:415). This provides valuable insights into how participants feel about the effectiveness and impact of traditional and online channels, used by marketing agencies for SMEs in South Africa.

The sentiment analysis was done by summarising all participants' responses and assigning either a positive, negative, or neutral sentiment to their answers, according to the two main marketing channels. The results are captured in Figure 9 below. From the general sentiment analysis, it is clear that although participants do not necessarily have

a predominant favourite marketing channel, digital media has a tremendous positive sentiment over traditional marketing channels.

Figure 9: Sentiment analysis of participants



Source: Own composition

The preference for digital channels may stem from their cost-effectiveness and broader reach, as suggested by Ducange *et al.* (2019:71-84), which reflects a positive sentiment towards digital channels. The mixed sentiments towards traditional channels could be due to challenges in measuring the direct impact of such channels on sales and brand reputation as indicated by Benedetto and Tedeschi (2016:341-377), but within the context of traditional marketing methods still having a noticeable and effective impact on the audience. The hesitation or negative sentiment towards digital channels may also relate to the lack of knowledge and slow adoption of digital marketing tools by SMEs, as found by Taiminen and Karjaluoto (2015:633-651), reflecting a gap in utilising the full potential of digital marketing.

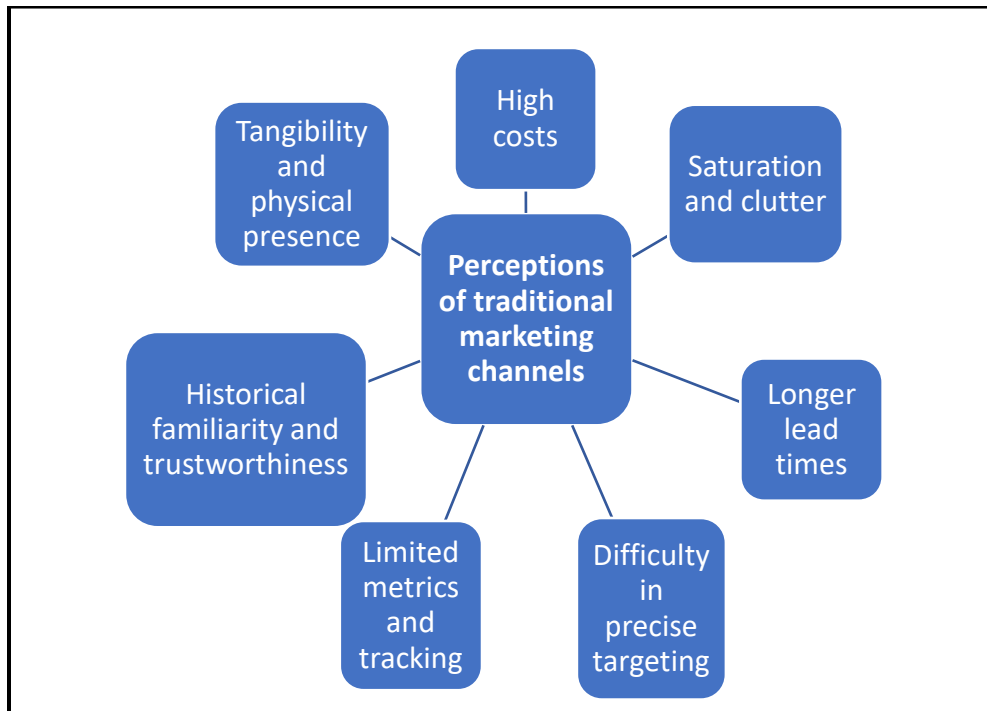
The sentiment analysis suggest that while digital marketing is gaining preference due to its analytics capabilities, reach, and cost-effectiveness, traditional marketing channels still play a significant role, albeit with mixed perceptions regarding their impact and measurement.

A thematic analysis of the data, derived from the interviews, are presented herewith:

4.6 Theme 1: Perceptions of traditional marketing channels

This theme and it's subthemes, as shown in Figure 9, examines participants' views and experiences with traditional marketing mediums such as print, radio, and television. It explores these channels' perceived strengths and limitations, highlighting their tangible nature, trustworthiness, broad audience reach, cost concerns, limited measurability, and changing consumer habits.

Figure 10: Theme 1 and the relevant subthemes



Source: Own composition

Traditional marketing channels have been an integral part of the advertising and promotion landscape for decades. The impact and reach of traditional marketing channels in South Africa, particularly for SMEs, have varied significantly (Cant & Wiid, 2016:66). The interviews showed that while the digital age has brought about a paradigm shift in marketing strategies, traditional channels have not lost their essence. Traditional channels are still relevant in specific contexts and can even be preferred by some marketers and audiences.

One of the biggest strengths of traditional marketing is its reach. In areas where digital penetration remains low, traditional methods such as radio, TV, and print offer an invaluable way to market to an otherwise unreachable audience. In such geographical areas, digital adoption has been low or lower-income audiences that do not have regular and consistent internet access. This sentiment is echoed by several participants, who highlight the power of these channels, especially in reaching specific demographics. For

instance, older people who might not be as digitally active can still be effectively engaged through radio broadcasts or print media. This broad reach ensures that campaigns can touch the lives of countless individuals, irrespective of their digital connectivity or prowess.

Beyond reach, there is a tangible and tactile nature to traditional marketing that digital methods often cannot replicate. A well-designed print advertisement, for example, captures attention and offers a physicality that can make the engagement more memorable. Billboards, magazines, and pamphlets provide a sensory experience, combining visuals with touch, which can leave a lasting impression.

However, the landscape of traditional marketing is not without its challenges. One of the most significant concerns raised by the participants revolves around the measurement of impact. Conventional methods fail to provide concrete metrics in an age where every click, view, and share can be quantified digitally. How many individuals viewed a billboard, read a print ad, or listened to a radio advertisement, remains largely speculative. This lack of tangible metrics complicates the decision-making process for SMEs, especially when they are weighing the benefits against the substantial costs of traditional advertising. Television advertisements, for instance, come with significant costs, making them a considerable investment for smaller businesses.

The broad reach of traditional marketing, while a strength, can also be a double-edged sword. The inability to tailor campaigns for specific demographics means the message can sometimes miss the mark, leading to wasted resources and opportunities. The following demonstrates the interviewees' sentiments on traditional marketing:

"Radio and TV still have a massive reach, especially in areas where digital penetration is low." - P1

"There's something about a well-designed print ad that sticks with you." – P5

"It's hard to gauge how many people saw our billboard or read our magazine ad." – P7

"TV ads can be expensive, and without a direct way to measure impact, it becomes a gamble." – P8

4.6.1 Advantages of traditional marketing

a) Reach among specific demographics: Traditional channels have an unparalleled reach among certain demographics. Participant (P1) emphasised the importance of radio advertising, particularly in rural areas where digital penetration is still low. After a targeted radio campaign, the interviewee shared a case study of a local business that saw a significant rise in customers visiting their store. The sentiment was echoed by Participant P3, who mentioned that for certain age groups and in specific regions, traditional channels such as local newspapers or community radio stations are not just preferred, but trusted. This trust, built over years of consistent delivery, is something that digital media still needs to achieve. The following quotes demonstrate the interviewees' sentiments:

"Radio advertising is still very relevant in some of the rural areas where internet might not be as prevalent." – P1

"Local newspapers still hold a lot of sway in certain communities. People trust what they read there." – P3

b) Tangibility and physical presence: The tactile nature of specific traditional marketing tools offers a unique advantage. Participant P5 discussed a campaign where the agency distributed brochures at a community event. The response was overwhelming, and the participant echoed that a well-designed, tangible advertisement stood out in an age of digital overload. It was not just about the information, but the experience of holding, reading, and sharing that piece of paper:

"We had a client for whom we did a flyer campaign, and it was surprising how much response they got. People still like to hold something tangible." – P5.

c) Historical familiarity and trustworthiness: There is a nostalgia factor associated with traditional channels. Participant P7 reminisced about iconic TV advertisements from the past, pointing out that they are still remembered and talked about. They believed that

this historical connection, the shared memories associated with certain ads or jingles, adds a layer of trustworthiness to the medium. This sentiment of trust was a recurring theme amongst all participants, with P10 mentioning that for many in the older age bracket, an advertisement in a reputed newspaper, or a spot in the evening news holds more credibility than a pop-up on a website:

"Remember those iconic ads from the 90s? People still talk about them. That's the power of traditional channels." – P10

"For many older folks, seeing a product on TV or reading about it in a reputed newspaper gives it credibility." – P9

4.6.3 Limitations and challenges of traditional marketing

a) Limited metrics and tracking: Today's data-driven world demands metrics, analytics, and measurable ROI (Järvinen, 2016:19). This is where traditional marketing often falls short. Participant P2 discussed their challenges when trying to convince their SME clients about the efficacy of a billboard or a print ad. Without concrete numbers to back up the claims, the conversation becomes about beliefs and perceptions, making it a challenging dialogue between the agency and the client:

"It's hard sometimes to show the direct ROI of a billboard or a radio spot. With digital, you have numbers. With traditional, it's often about belief." – P2

This limited tracking ability also inhibits the marketers' ability to gauge whether the campaign is successful. P6 emphasised:

"With traditional, you often rely on post-campaign surveys or market research to gauge effectiveness. It's less direct than seeing click-through rates or engagement metrics."

Traditional marketing campaigns are typically planned and executed well in advance, making them less adaptable to real-time changes. P3 noted the rigidity of such movements, mentioning:

"Once you've committed to a billboard or print ad, it's out there. There's no tweaking based on immediate feedback, unlike digital platforms."

This inherent rigidity can sometimes lead to missed opportunities, especially if market dynamics shift after publishing a creative piece. An example cited is Nandos, the popular flame-grilled chicken restaurant in South Africa, with their clever advertisement creative, that relies on releasing something immediately after it has happened, as with their marketing during the Rugby World Cup in 2023.

b) Higher costs in specific contexts: Budgets are a primary concern for SMEs. Participant P4 discussed the challenges they face when allocating funds for marketing. While they understand the importance of a diversified marketing strategy, the costs associated with specific traditional channels are often a barrier. Renting a prime spot for a billboard in a busy area or securing a prime-time TV slot can stretch their budgets, leading them to explore other options:

"We wanted to do a TV spot for one of our SME clients, but the costs were too much. Digital gave us more flexibility in that regard." – P4.

Given the tangible nature of these mediums – print materials, billboard rentals, TV, and radio slots – the expenses can be significantly higher than digital campaigns. P7 provided insight into this, stating:

"The cost per reach with traditional methods, especially if you're targeting a smaller demographic, is usually substantially higher than digital."

c) Saturation and clutter: The sheer volume of advertisements on traditional channels can be both a boon and a bane. Participant P6 talked about the challenges of making an impact when the audience is bombarded with ads. They discussed a campaign where they had to think out of the box, using guerrilla marketing tactics, to ensure their message stood out amidst the clutter:

"The challenge with newspapers is the sheer volume of ads. Unless you're on the front page, you're just one among many." – P6.

d) Difficulty in precise targeting: While traditional marketing can achieve broad reach, its ability to target niche segments is limited. P2 reflected on this, saying:

"It's a bit of a scattergun approach with traditional methods. You're broadcasting to a wide audience, hoping your target demographic gets the message."

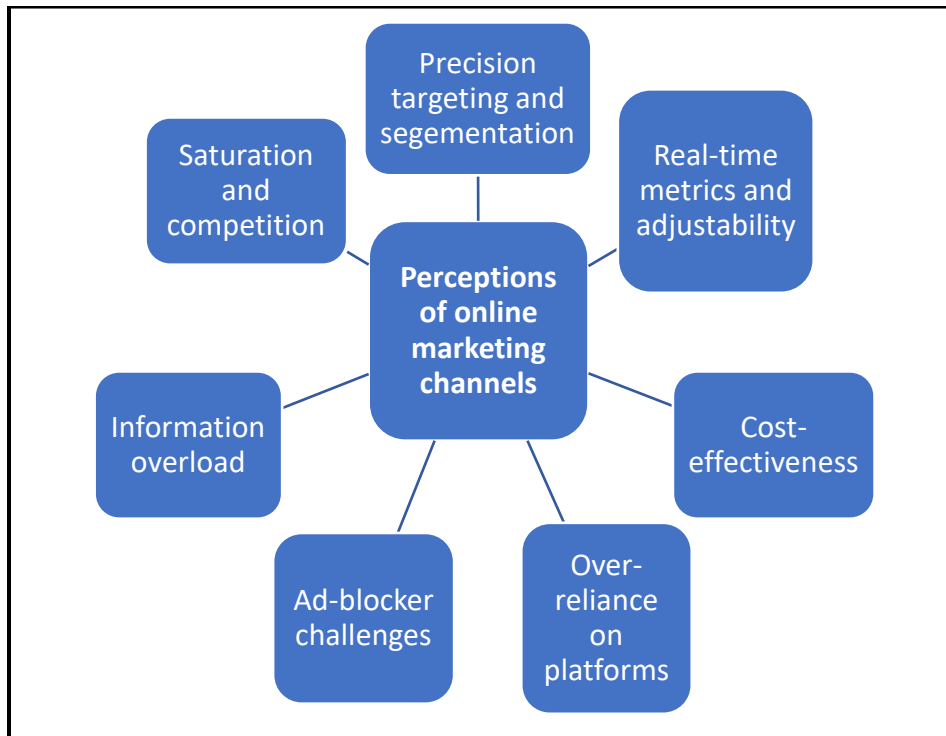
e) Longer lead times: Preparing for a traditional marketing campaign often requires more extended lead times, especially when considering print production or securing advertising slots. This more prolonged preparation phase can sometimes lead to a lag in responding to market changes.

While traditional marketing remains a powerful tool for building brand awareness and reaching broad audiences, it comes with challenges that brands need to be mindful of. The inherent rigidity, cost implications, and measurement challenges necessitate a strategic approach when leveraging these methods.

4.7 Theme 2: Perceptions of online marketing channels

This theme investigates participants' perspectives and encounters with digital marketing platforms, including social media, websites, and email campaigns. It shows the recognised advantages of these channels, such as targeted marketing, cost-effectiveness, and global reach, while addressing challenges such as market oversaturation, privacy concerns, and platform dependencies. Figure 11 below showcases this theme and its subthemes.

Figure 11: Theme 2 and its relevant subthemes



Source: Own composition

The digital age, characterised by the rise of internet-enabled devices and the explosion of social media platforms, has reshaped the marketing world. This transformation has opened new avenues for South African SMEs to connect with their target audience (Nsahlai *et al.*, 2020:144). As conveyed through the interviews, the perceptions of online marketing channels offer valuable insights into their strengths, challenges, and strategies employed to harness their potential.

One of the best features of digital marketing is its capacity for precise targeting. Businesses no longer have to cast a wide net, hoping to catch their desired audience. With digital tools, they can narrow their focus to particular demographics or even psychographics. This precision ensures marketing efforts are directed towards those most likely to engage, convert, or purchase. Whether it is tailoring ads for young mothers interested in organic baby products, or targeting professionals in a particular industry, the possibilities are vast and varied. Several participants highlighted this attribute, noting how

campaigns can be designed for specific segments, ensuring the message is seen and resonates:

"With digital, we can target particular demographics. We can run a campaign aimed just at women in their 30s who are interested in fitness." - P2

Complementing this precision is the rich array of analytics that digital platforms provide. These metrics offer clarity, allowing businesses to gauge the success of their campaigns in real-time. Every aspect of a digital campaign can be measured, analysed, and optimised, from tracking engagement rates to monitoring conversion pathways (Järvinen, 2016:120). This data-driven approach is invaluable for SMEs in South Africa, providing them with insights to guide future strategies (Nsahlai *et al.*, 2020:142-163).

"The analytics derived from digital campaigns are not just numbers but a roadmap to understanding customer behaviours, preferences, and pain points." – P5.

The world of digital marketing is not without its challenges. The dynamic nature of digital platforms, especially the algorithms of social media sites, poses a significant hurdle. What worked yesterday might not work today, and marketers must remain agile, adapting to these shifts (Trusov *et al.*, 2016:420). Several participants voiced their concerns over this, pointing out instances where once visible and engaging content suddenly lost traction, due to algorithmic changes. Furthermore, the sheer volume of content online poses a challenge. The digital space is saturated, and standing out amidst the noise is daunting. The phenomenon of ad-blindness, where users subconsciously skip over or ignore digital ads, further compounds this challenge.

With its precision and robust analytics, digital marketing offers businesses a potent tool in their marketing arsenal. However, navigating its dynamic landscape requires skill, adaptability, and a deep understanding of the platform mechanics and the target audience. Below are some significant quotes from the interviews:

"The analytics we get from our digital campaigns are invaluable. We can see what worked and what didn't and adjust accordingly." – P6

"One day, your posts are getting good engagement, and the next, they are buried because of some algorithm change." – P9

"There's so much content online; sometimes, our ads just get lost in the noise." – P3

4.7.1 Advantages of online marketing

a) Precision targeting and segmentation: the ability to target specific demographics, down to modular details such as interests, behaviours, and even purchase history, stands out as one of the most powerful features of online marketing, according to Trusov *et al.* (2016:410). Participant P3 shared their experience with Facebook ads, where they could target a specific age group interested in a niche hobby within a particular geographical location. This precision, P3 noted, allowed for a significantly higher conversion rate than broader marketing efforts. Similarly, Participant P6 highlighted the power of retargeting – the ability to show ads to users based on their past online behaviour, making the messaging more relevant and increasing the likelihood of a positive response.

"We did a Facebook ad campaign targeting 25-30-year-olds interested in adventure sports within a 10km radius of our client's location. The conversion rate was phenomenal." – P3

"Retargeting has been a game-changer for us. Showing ads based on past behaviour makes the message so much more relevant." – P6

b) Real-time metrics and adjustability: the dynamic nature of online marketing campaigns, where strategies can be tweaked in real-time based on performance metrics, was a recurrent theme in the interviews. Participant P2 emphasised the advantages of real-time analytics, where campaigns that were not performing well could be adjusted on the fly, ensuring optimal resource utilisation. This adaptability, P2 believed, was a compelling advantage, especially for SMEs operating on limited budgets.

"With digital, it's not set in stone. If something is not working, you can tweak it in real-time. That adaptability is invaluable." – P2

c) Cost-effectiveness and ROMI: the budget is a significant concern for many SMEs. Here, online marketing offers a compelling proposition. Participant P9 discussed the cost-effectiveness of digital campaigns, especially on platforms such as Google Ads, where pay-per-click models ensured that businesses only paid for tangible results. Moreover, the scalability of online campaigns means that SMEs can start small, test what works for them, and then ramp up their efforts based on performance.

"The pay-per-click model on Google Ads is brilliant for SMEs. You're essentially only paying for tangible results." – P9.

4.7.2 Limitations and challenges of online marketing

a) Over-reliance on platforms: while platforms such as Facebook, Google, and Instagram offer incredible marketing opportunities, there is an inherent risk in relying too heavily on these platforms. Participant P5 highlighted their challenges during an algorithm update, severely impacting their campaign's visibility. Such sudden changes, P5 noted, underscored the importance of diversifying digital marketing efforts across multiple platforms.

"We had optimised our entire campaign based on the old Facebook algorithm. When they changed it, our visibility dropped drastically." – P5.

b) Ad-blockers and evolving algorithms: ad-blockers are computer programmes or "plugins" that stop advertisements from displaying on a user's screen. The rise of their use has made it increasingly challenging for marketers to reach their target audience. P7 believed this was a growing concern, especially among younger demographics who are more comfortable and skilled in the use of technology. Platforms such as Facebook,

Instagram, and Google are also continuously updating their algorithms, affecting the visibility and reach of content. P9 commented on the need for agility:

"With platforms frequently changing their algorithms, we're constantly adapting. What worked last month may not yield the same results now."

"A significant portion of our target audience for one campaign used ad-blockers. It was a stark reminder that we can't just rely on one channel." – P7.

c) Information overload for consumers: In the digital realm, where consumers are bombarded with information on all platforms, standing out becomes a significant challenge. Participant P1 spoke about the “scroll culture” on platforms such as Instagram, where users rapidly scroll through their feeds without consuming accurate information. Crafting a compelling message to make users stop and take notice, P1 believed, was both an art, and a science.

"On platforms like Instagram, you have a split second to grab attention. It's challenging when people are rapidly scrolling through." – P1.

d) Saturation and competition: The digital landscape is filled with content from numerous brands vying for the same audience's attention. P5 highlighted the competitive nature of the digital space, remarking:

"Every brand, big or small, is on the digital platforms. Breaking through the clutter and ensuring our campaigns are noticeable is a significant challenge."

This results in digital marketing not being seen as effective, due to the high number of advertisements and competition in the digital market.

e) Data privacy concerns: With increasing scrutiny on data usage and privacy, brands must tread carefully in their digital campaigns, ensuring they comply with regulations and respect user-privacy. P7 emphasised this:

"Data privacy regulations have limited certain targeting methods. We must be careful and transparent in collecting and using consumer data." Data is, however, at the core of digital advertising.

This creates a possible future challenge as data privacy laws get increasingly strict.

f) Short-lived content: The nature of digital content, especially on platforms such as X, formerly known as Twitter or Instagram Stories, means that messages have a limited window to make an impact. P6 pointed out:

"Content on digital platforms has a shorter shelf life. We must ensure our messaging is impactful to resonate within that limited timeframe."

This translates to marketers having to generate more content in a shorter timeframe, as the content expires much faster on social media.

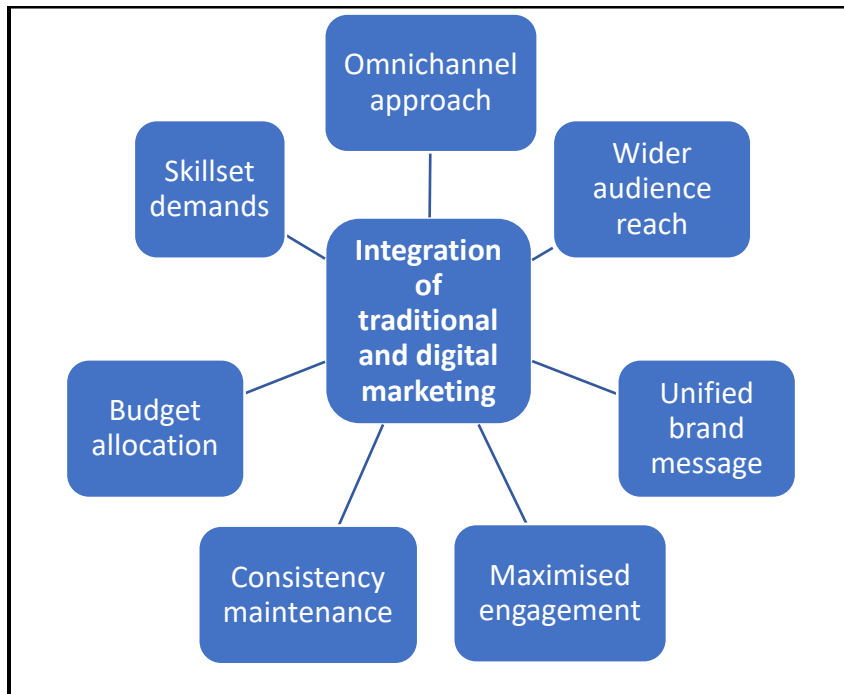
g) Measurement overload: While digital platforms offer extensive metrics, deciding which ones are critical and avoiding 'analysis paralysis' can be challenging. P2 reflected on this, stating:

"With so many metrics available, figuring out which ones truly matter and align with our goals is a task in itself."

4.8 Theme 3: Integration of traditional and digital marketing

This theme, as visually depicted in Figure 11, examines how participants view and implement a cohesive strategy that combines the strengths of both traditional and digital channels. It emphasises the importance of an omnichannel approach, ensuring consistent brand messaging across platforms, and highlights the challenges and benefits of seamlessly merging these two distinct marketing avenues.

Figure 12: Theme 3 and its relevant subthemes



Source: Own composition

In a contemporary world, where both traditional and digital channels have unique strengths and challenges, the integration strategy emerges as a consistent theme in the interviews. Balancing the vast reach of conventional mediums with the precision of digital platforms, allows businesses to craft holistic campaigns that appeal to a diverse audience.

a) The power of integration: blending the strengths of both traditional and digital channels can amplify a campaign's impact. P6 elaborated on this, explaining:

"There's immense power in integration. A TV commercial that drives viewers to a digital platform for an immersive experience, or a social media campaign complemented by print ads, can have a compounded effect."

Such integrated campaigns ensure that the brand message is consistent across platforms while leveraging the unique strengths of each.

b) Omnichannel approach: an omnichannel approach ensures that customers have a consistent and unified experience, regardless of the channel they engage with.

It's more than just multi-channel marketing; it's about interconnecting these channels to complement and reinforce each other (Hossain *et al.*, 2020:225). P8 highlighted the importance of this approach, stating:

"Today's consumers are channel-agnostic. They might start their journey online and complete it offline or vice versa. An omnichannel approach ensures we're present at every touchpoint, offering a seamless transition between them."

However, executing a successful omnichannel strategy requires a deep understanding of the customer journey, robust data analytics, and a cohesive brand message (Hossain *et al.*, 2020). P5 warned:

"While the omnichannel approach is the ideal, it's challenging. It requires synchronisation across teams, platforms, and even external partners."

Integrating traditional and digital marketing methods and an omnichannel approach, is becoming the gold standard in modern marketing. It is not just about being present on multiple platforms, but ensuring they are interconnected, offering customers a unified and enriched brand experience.

4.8.1 Benefits of integrated marketing

a) Wider audience reach: integrating both channels ensures that marketing messages reach a comprehensive spectrum of the target audience. While traditional media, such as radio and television, cater to a broad demographic, digital platforms can appeal to specific target segments with precise targeting capabilities. This dual approach ensures that businesses do not accidentally exclude potential customers.

"We tried a campaign where we combined our [the client's] radio ads with targeted social media boosts. The results showed that we managed to reach both our older audience through the radio and a younger demographic online." – P1

"Our campaign [for the client] for a local event was a mix of posters around town and targeted Instagram ads. The turnout was beyond our expectations." – P5

b) Unified brand message: the interviews illustrate that a cohesive brand narrative seamlessly transitioning from traditional to digital mediums, can enhance recall and strengthen brand identity. The results show that businesses can reinforce their brand's presence in consumers' minds, by presenting a consistent message across platforms. This consistency amplifies the brand message, making it more memorable and impactful.

"We always ensure that our billboards and online banners have the same visuals and messaging. It helps in creating a consistent brand image." – P4

"Our brand's jingle is consistent across radio and YouTube ads. People recognise it immediately, irrespective of where they hear it." – P9

c) Maximised engagement: the interviews suggested that campaigns can engage the audience on multiple levels by creatively blending the tangible aspects of traditional marketing with the interactive elements of digital platforms. For example, using quick-response (QR) codes (scannable images that open a website on your device) in print ads, as participants P6 and P2 suggested, to direct users to online platforms, can merge the traditional and digital channels. This omnichannel approach provides a best-of-both-worlds scenario for the marketer. Below are some quotes from the interviews reiterating this subtheme:

"One of our most successful campaigns was using QR codes in our print ads, leading to an interactive website. The response was overwhelming." – P6

"We once ran a print ad campaign [for a client] where scanning the image with our app would give an augmented reality experience. It was a hit!" – P2

4.8.2 Challenges of integrated marketing

a) Consistency: while integration offers numerous benefits, maintaining a consistent message across varied platforms can be difficult. Each channel has a unique format and

audience and needs a tailored approach. Ensuring that the core brand message remains consistent, even as it gets adapted to different mediums, is a significant challenge.

"It's challenging to adapt a single message across different platforms without losing its essence. Especially when transitioning from a print advertisement to a tweet (a post on the platform X formerly known as Twitter), the character limitations can be restrictive." – P3

"We had to redesign a campaign because the visuals that worked for billboards were not impactful in digital banner ads." – P7

b) Budget allocation: with so many potential platforms and mediums to invest in, deciding where to allocate funds becomes complex, especially for SMEs operating on tight budgets. Striking the right balance between traditional and digital spending, while ensuring optimal return on investment, requires strategic foresight.

"Deciding where to put the money, especially with limited funds, is always challenging. You don't want to spread too thin but also don't want to miss out on potential platforms." – P5

"Our challenge is always ROI. We need to justify every penny we spend, be it on a radio spot or a Google ad." – P8

c) High demand for skills: successfully managing integrated campaigns demands a diverse skill set. Marketers must be able to navigate the nuances of both traditional and digital channels. Assembling a team with this comprehensive expertise is often expensive in terms of time and resources. As businesses navigate the evolving demands of the modern consumer, this integrated approach is best for the contemporary marketer (Hossain *et al.*, 2020:230). Still, it is sometimes too expensive or requires too high of a skill level for SMEs.

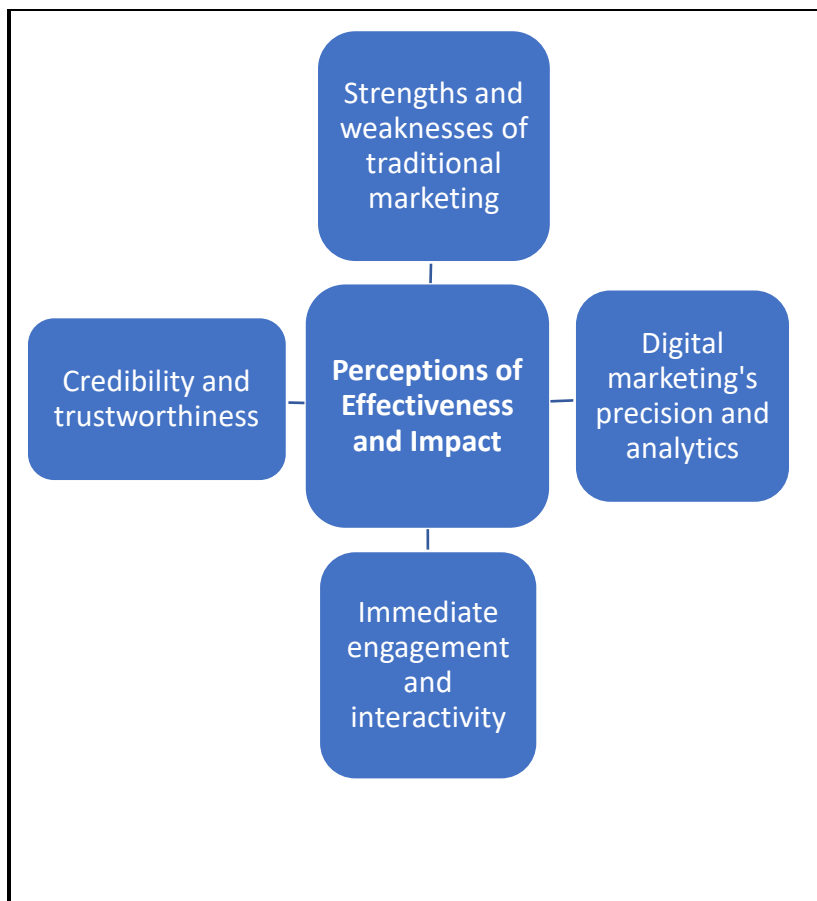
"We had to hire two teams for our traditional and digital campaigns. The expertise required for both is vastly different." – P9

"Training our team to think traditionally and digitally was an investment. But it was necessary." – P2

4.9 Theme 4: Perceptions of the effectiveness and impact of both channels

Theme 4 delves into participants' opinions on the actual outcomes and influence of traditional and digital marketing strategies. This theme, and the subthemes shown in Figure 12, evaluates the tangible results, return on investment, and overall effectiveness of marketing campaigns, considering the changing dynamics of consumer behaviour and market trends.

Figure 13: Theme 4 and its relevant subthemes



Source: Own composition

When evaluating the interviews, understanding the perceived effectiveness and impact of both traditional and digital channels is essential to this study. The nuances of these perceptions, driven by various experiences and understandings, shed light on the evolving marketing dynamics for SMEs in South Africa.

4.9.1 Perceived effectiveness

In the ever-changing landscape of marketing, determining the effectiveness of a channel or strategy is essential. Traditional and digital marketing methods offer unique advantages, and their perceived effectiveness is often contingent on the specific goals of a campaign.

a) Digital channel's tangible metrics

According to the participants, the primary perception of digital marketing's effectiveness lies in its inherent measurability. With various tools and platforms, marketers can monitor every interaction, from the initial click to the final conversion. This data granularity provides a clear, real-time insight into the campaign's performance, allowing instantaneous adjustments. P5's observation captures this sentiment succinctly:

"With digital, we can track every click, every conversion. It gives us a clear picture of what's working."

Measuring the ROI precisely is especially beneficial for SMEs, who often operate on tighter budgets than larger corporations and must ensure that every marketing rand is well-spent.

Another participant, P2, emphasised digital adaptability:

"If an ad isn't performing well, we can tweak it on the fly. It's this flexibility that makes digital so powerful."

Such agility starkly contrasts traditional methods, which, once rolled-out, do not offer the same level of adaptability.

It was clear from the interviews that every participant who perceived digital channels as highly effective was based primarily on marketing trackability, above traditional marketing's lack of trackability.

b) Traditional channel's broad and lasting reach

While digital marketing provides a data-rich environment, traditional marketing methods have their strengths, as discussed in the previous sections. The primary perception of effectiveness in conventional channels, stemming from their wide-reaching impact, ensures that a diverse demographic, spanning various age groups and locations, is catered to. P3's reflection echoes this:

"A good TV ad can stay with you. It has a recall value that is hard to match with a fleeting digital ad."

The immersive experience of watching a captivating TV commercial or reading a well-crafted print ad, has an intangible quality that is challenging to replicate digitally.

P7 added another dimension to this perspective, highlighting the localised impact of traditional methods:

"In certain regions, where internet penetration isn't as high, radio campaigns work wonders. We've seen tremendous success with such initiatives."

This statement shows the importance of understanding the audience's landscape and preferences.

However, the challenges with traditional methods are evident. As P4 pointed out:

"While the reach is broad, it's hard to measure. We often rely on post-campaign surveys or feedback forms, but it's not as immediate or precise as digital metrics."

This lack of real-time feedback can make optimising traditional campaigns more challenging.

In conclusion, the perceived effectiveness of traditional versus digital marketing methods is multifaceted. At the same time, digital offers a wealth of real-time data, and traditional

methods have an expansive and lasting impact. The key lies in understanding the campaign's objectives and using the strengths of each technique accordingly.

4.9.2 Comparative impact

When comparing the impact of traditional and digital marketing campaigns, it is essential to consider the immediate outcomes and the lasting impressions they leave on their target audience. The channel's nature, the campaign's content, and the audience's receptivity all play a role in determining the overall perception of impact.

a) Immediate engagement and interactivity of digital campaigns

Digital channels offer a unique opportunity for brands to engage their audience in real time. Whether it is a time-sensitive promotion, an interactive questionnaire, or a user-generated content campaign (a marketing campaign focused on getting users to post their content relating to your brand on social media), digital marketing provides avenues for immediate feedback and engagement. P9's experience encapsulates this advantage:

"We ran a social media contest, and the engagement was off the charts. It was interactive, fun, and gave instant gratification."

Such campaigns foster brand loyalty and amplify the campaign's reach through users sharing the content organically and "tagging" or referring to the brand in their social media posts.

P6 further emphasised the adaptability of digital campaigns:

"We can target specific demographics, test different ad copies, and even adjust our strategy based on real-time feedback."

This ability to iterate and optimise in real-time, is a significant advantage of digital marketing.

b) Credibility and trustworthiness of traditional campaigns

On the other end of the spectrum, traditional marketing methods offer a sense of credibility and trustworthiness, while lacking the immediacy of digital campaigns. Audiences form a

tangible connection with physical ads such as print, TV, or radio. P10 highlighted this sentiment:

"There's something about seeing a brand in a reputable newspaper or magazine. It gives them legitimacy."

Such campaigns, rooted in a medium with a long-standing history, inherently convey a sense of trust.

P8 added a different perspective, emphasising the emotional connection fostered by traditional methods:

"A heartwarming TV commercial or a catchy radio jingle has the power to resonate with audiences on a deeply emotional level."

While not as data-driven, or measurable as digital campaigns, such campaigns create lasting brand memories.

However, it is crucial to strike a balance. As P4 noted:

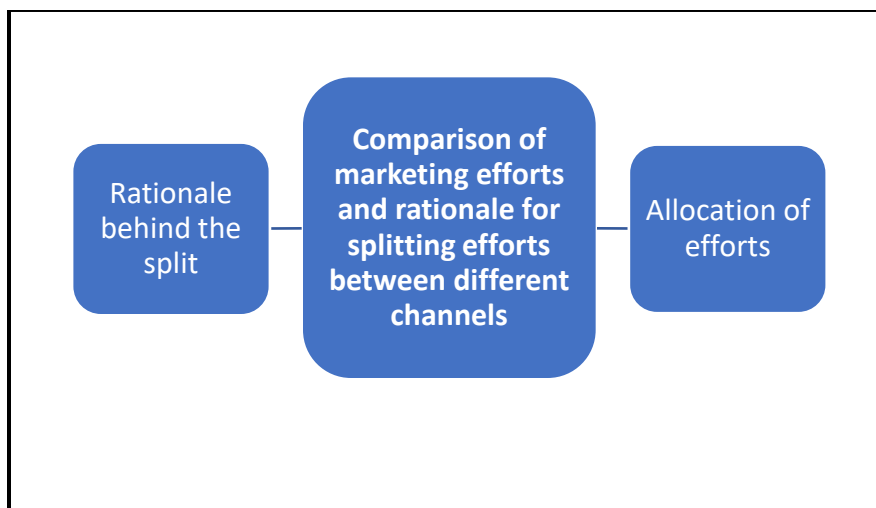
"While we value the broad reach of traditional methods, we cannot ignore the power of digital. It's about finding the right mix for each campaign."

In essence, both traditional and digital marketing methods have their distinct advantages when it comes to impact. Digital marketing offers immediacy and adaptability, while conventional methods bring credibility and emotional resonance. The challenge lies in harnessing the strengths of each approach to craft campaigns that resonate with the target audience and achieve the desired objectives.

4.10 Theme 5: Comparison of the allocation of marketing efforts

This theme explores participants' decision-making processes when allocating resources between traditional and digital marketing. It sheds light on the strategic considerations that influence how marketing budgets are divided, the perceived strengths of each channel in achieving specific objectives, and the challenges faced when trying to strike an optimal balance between the two. The themes and subthemes are depicted in Figure 13.

Figure 14: Theme 5 and its relevant subthemes



Source: Own composition

The choice for marketers between traditional and digital marketing is not straightforward. While the global trend might be leaning towards more digital channels, the unique landscape and challenges of the South African market, especially for SMEs, make this a nuanced decision (Cant & Wiid, 2016:65-70). The participants' insights provide a comprehensive view of how these two channels are weighed against each other.

4.10.1 Allocation of efforts

The allocation of marketing efforts between traditional and digital channels varies significantly among participants. Budget constraints, target demographics, and campaign objectives play a pivotal role in their decision regarding where to allocate their efforts. For many SMEs, a blend of both channels offers the best of both worlds. As P4 noted:

"We usually split our efforts 60-40, with a heavier focus on digital. But we still see value in traditional methods, especially for certain campaigns."

This hybrid approach ensures that while riding the digital wave, they are not neglecting the broad reach of traditional methods.

However, some lean more towards digital, driven by its cost-effectiveness and measurable ROI. P2 shared:

"Our recent campaigns have been 80% digital. The metrics we get help us optimise our efforts, and that's invaluable."

This perspective highlights the benefits of digital channels, especially for SMEs operating on tighter budgets.

4.10.2 Rationale behind the split

The reasons behind choosing a particular split between traditional and digital are multifaceted. The largest cohort of participants base their rationale on the audience segment they want to target. If the target demographic is older, traditional methods such as radio or print might be more effective. As P6 shared:

"If we're targeting a younger audience, we focus on digital. But for older folks, radio spots and newspaper ads work wonders."

For others, it is about the nature of the campaign. Product launches, for instance, might benefit from the immediacy of digital ads, while brand-building exercises might lean on the lasting impact of traditional methods. P7 mentioned:

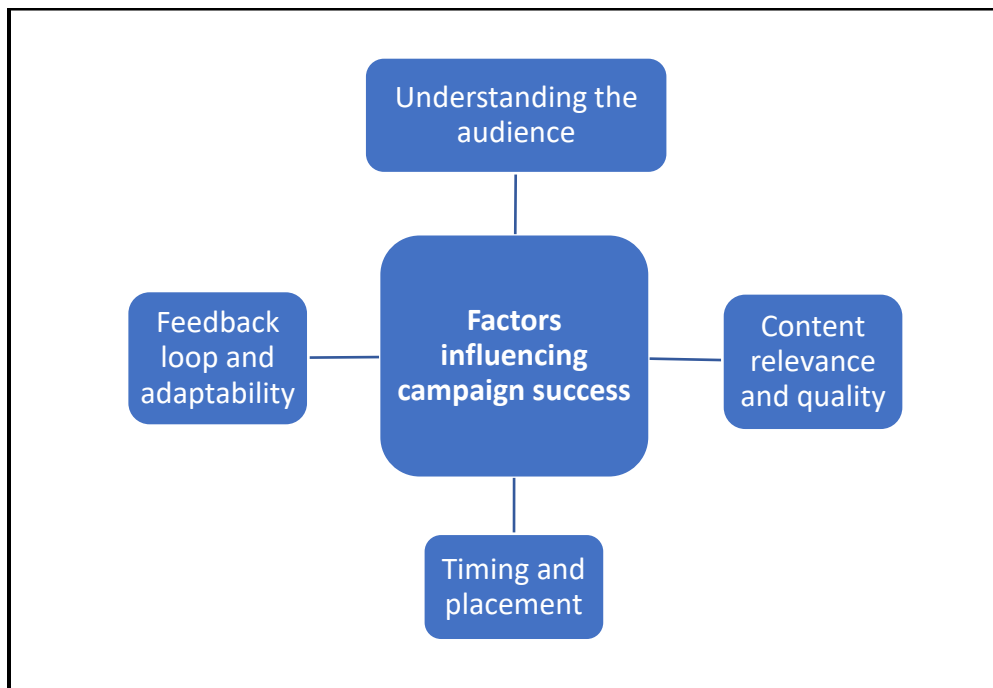
"When we launched our new product line, we went all out on social media. But for our brand awareness campaign, billboards and TV spots were our go-to."

In essence, the choice between digital and traditional and the subsequent allocation of efforts is strategic, driven by audience insights, campaign objectives, and budgetary considerations.

4.11 Theme 6: Factors influencing campaign success

Theme 6, as depicted in Figure 14, explores the various elements that interview participants identify as contributors to the success or failure of marketing campaigns. This includes discussions on strategic planning, target audience understanding, content quality, budget allocation, channel selection, and the analytical measures used to evaluate campaign performance. Participants reflected on internal and external factors, providing insights into the complexities of achieving desired outcomes in marketing initiatives for SMEs.

Figure 15: Theme 6 and its subthemes



Source: Own composition

The marketing landscape is complex, and while strategies may be meticulously planned, various unpredictable factors can often affect the outcome. Considering the intricacies of these factors can offer valuable insights into the potential challenges and best practices that govern the success of marketing campaigns.

4.11.1 Audience understanding and segmentation

One of the primary determinants of a successful campaign is how well a brand understands its target audience. Both traditional and digital marketing platforms offer tools and techniques for audience segmentation. P5 emphasised this importance:

"Before we roll out any campaign, we spend weeks understanding our target audience. Their preferences, behaviours, and even their online habits."

Digital platforms, with their wealth of data, offer precision in targeting. However, traditional media can sometimes capture an unintended yet receptive audience through broader demographic targeting. P3 added:

"We once ran a radio campaign targeting young adults, but we found that older adults were more responsive. Sometimes, broad targeting in traditional platforms can yield unexpected results."

Understanding the audience is not just about demographics, but also about capturing their mindset, values, and preferences.

4.11.2 Content relevance and quality

No matter the platform, the content remains king. P7 highlighted:

"We've had digital campaigns with massive budgets flop, because the content wasn't engaging. Conversely, a simple print ad with a powerful message can have a huge impact."

The content's quality, relevance, and creativity can significantly influence the campaign's success. P2 reflected on a past campaign:

"Our most successful campaign was digital, using user-generated content. It was authentic, relatable, and resonated deeply with our audience."

In the realm of traditional marketing, storytelling and emotional resonance are critical. As P9 mentioned:

"A heartwarming TV commercial can stay with people for years. It's about striking the right chord."

4.11.3 Timing and placement

The timing of a campaign, synchronised with external events or seasons, can amplify its impact. P4 recounted an instance:

"We timed our digital ad campaign around the festive season, and the engagement rates were through the roof."

Similarly, placing traditional ads, prime-time TV slots, or prominent billboard locations can significantly boost visibility and impact.

P6 observed:

"We strategically placed our billboards on the busiest highways, and the client saw a noticeable uptick in enquiries."

However, with digital campaigns, placement also involves choosing the right platform, whether a social media channel popular with young adults or a professional network for Business to Business (B2B) marketing.

4.11.4 Feedback loop and adaptability

The ability to gather feedback and quickly iterate, is a distinct advantage of digital marketing. P8 emphasised this:

"The analytics tools available today are phenomenal. We can track user engagement in real-time and tweak our ads if they aren't resonating."

Traditional marketing does not offer the same granularity of feedback, but as P1 pointed out:

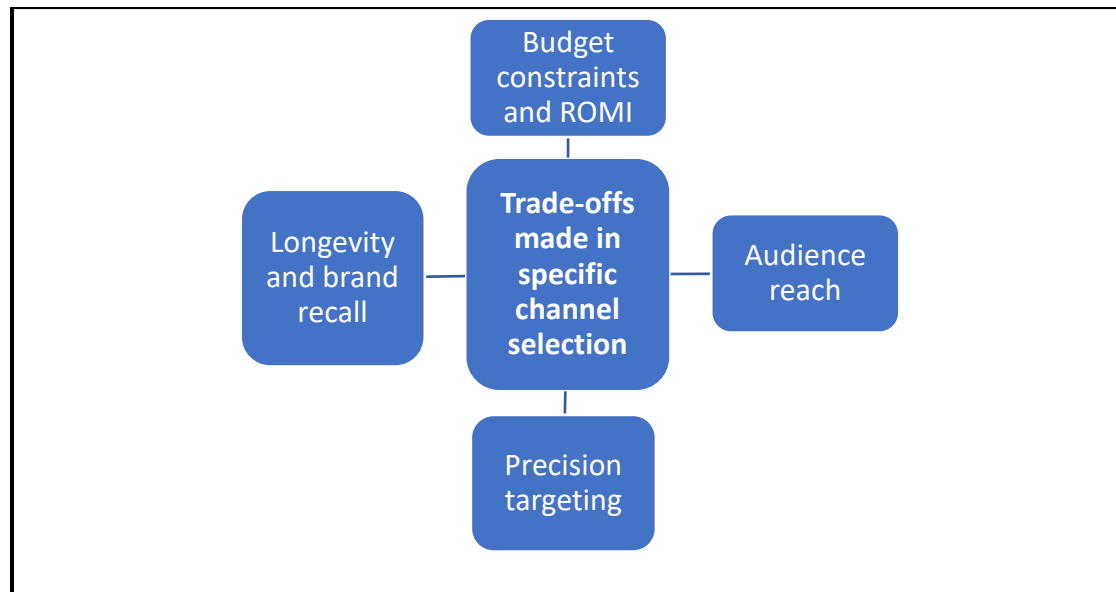
"Post-campaign surveys, focus groups, and feedback forms, can give us insights into what worked and what didn't."

4.12 Theme 7: Trade-offs made in specific channel selection

This theme delves into the decision-making processes marketing agencies employ when choosing between different marketing channels for SMEs. The theme and subthemes, as explored in Figure 15, examines the considerations, such as cost-effectiveness, audience reach, and engagement rates. Participants discussed the necessary compromises when

allocating resources, highlighting the balancing act between traditional and digital platforms, to optimise the overall marketing strategy.

Figure 16: Theme 7 and its relevant subthemes



Source: Own composition

The decision to employ either traditional or digital marketing - or a combination of both - is never straightforward. Each channel comes with its own set of advantages and challenges. By understanding the trade-offs, marketers can make informed decisions that align with their objectives and audience preferences.

4.12.1 Budget constraints and ROI considerations

The financial aspects of marketing campaigns, particularly for SMEs with limited resources, play a pivotal role in channel selection. The balance between the available budget and the anticipated return on investment, often dictates the campaign's direction.

- a) Budgetary constraints:** every marketing campaign is bound by budget constraints. This financial limitation often pushes SMEs to seek cost-effective

solutions, and in many instances, digital marketing emerges as a favourable choice. P5 explained this notion:

"With digital, we can start small. This means we can test the waters, gauge the initial response, and decide whether to scale up or pivot."

The flexibility in budget allocation that digital marketing offers can be especially beneficial for smaller businesses that need to maximise every penny.

However, the appeal of traditional marketing cannot be entirely overshadowed by budgetary concerns. Some traditional platforms, exceptionally high-impact mediums such as television or prime-time radio slots, require a significant upfront investment. Yet, they can offer unparalleled reach. As P7 pointed out:

"There's a certain allure to traditional methods. Yes, they might be expensive upfront, but the broad reach and the potential for lasting impact can justify the costs."

b) Return on marketing investment (ROMI): beyond the initial spend, the potential ROMI is essential to many participants. It is not just about how much is spent, but what is gained in return. P2 highlighted this perspective:

"It's always about the potential returns for us. There have been instances where a strategically placed print ad, especially in niche magazines or at local events, yielded better engagement and conversions, than a widespread digital campaign."

This sentiment highlights that ROMI is not solely a product of the marketing platform, but also strategy, content quality, and audience engagement.

Digital platforms, with their analytics tools, offer a tangible way to measure ROMI. P9 shared:

"The beauty of digital is that everything is measurable. From click-through rates to conversions, we can assess the effectiveness of every campaign element."

Yet, traditional marketing, while lacking in granular analytics, offers intangible benefits such as brand recall and reputation building, which, as P3 mentioned:

"It might not translate immediately into sales, but builds a foundation for long-term brand loyalty."

In essence, the decision between traditional and digital marketing, from a financial standpoint, hinges on both immediate considerations, such as budget constraints, and long-term goals, such as anticipated ROMI and brand building.

4.12.2 Audience reach vs precision targeting

Audience reach vs precision targeting was a recurring theme amongst participants when comparing channels. These are the two main drivers of perceived impact for traditional and online media.

a) Broad reach of traditional media: traditional marketing avenues, such as radio, television, and print, are renowned for their expansive reach. These platforms can touch a vast and diverse audience, sometimes beyond the intended target demographic. P7 accentuated this, noting:

"With a strategically placed billboard or a radio advertisement during peak hours, we can capture the attention of a diverse audience, some of whom might not even be on our initial radar."

This extensive reach can sometimes lead to unexpected market segments becoming interested in the offering.

However, the wide net cast by traditional media might not always translate into efficient engagement. P2 pointed out:

"While traditional methods give us reach, a portion of the audience might not resonate with the message. It's a bit of a gamble."

b) Precision of digital targeting: Digital marketing, with its array of analytics and targeting tools, stands out among the participants for its accuracy. Brands can

segment their audience based on many criteria, from demographics and location to online behaviour and interests. P9 expanded on this, remarking:

"The granularity we can achieve with digital targeting is unparalleled. We can craft campaigns that speak directly to a specific age group, individuals in a particular location, or even those with specific online browsing habits."

This precision ensures that the message is seen and resonates with the viewer.

However, this precision comes with its own set of challenges. Over-segmentation can sometimes narrow the audience too much, leading to missed opportunities.

P5 warned:

"While precision is great, we must ensure we're not putting ourselves in a box. The digital landscape is vast, and sometimes, casting a slightly broader net can yield surprising results."

In summary, the decision between audience reach and precision targeting is not always a clear choice for marketers. The interviews made it clear that the choice relies on understanding the brand's objectives, the message's core, and the audience's preferences.

4.12.3 Longevity and brand recall

The lasting impact of a marketing campaign is often measured by how long it resonates with the audience and the extent to which it aids in brand recall. Traditional and digital marketing channels offer unique advantages in this regard, but they present differently.

a) Enduring nature of traditional media: traditional marketing methods have a tangible presence that often lends them a sense of permanence. Whether it is a magazine ad that a reader might revisit multiple times, or a billboard that stands tall for weeks or months, these mediums have an enduring nature. P3 reflected this sentiment:

"There's a unique longevity associated with traditional media. A print ad, for instance, can be revisited multiple times, leading to reinforced brand recall."

Furthermore, iconic TV commercials or catchy radio jingles can have a lasting impact, embedding themselves in the cultural psyche. P4 echoed this, mentioning:

"Some of our most memorable campaigns have been traditional ones. They reached a broad audience and stayed with them, becoming a part of their daily conversations."

b) Immediate and engaging nature of digital media: in contrast, digital marketing campaigns often thrive on immediacy. They capture the moment, engage with trending topics, and offer interactive experiences. However, the fast-paced digital world also means that content can quickly become obsolete or buried under the influx of new content. P9 noted:

"Digital campaigns are immediate and highly engaging, but can also be fleeting".

Today's trending post can be forgotten tomorrow with the influx of new content." It is, however, not all transient; well-crafted digital campaigns, especially those that tap into virality, can achieve significant longevity and brand recall.

The balance between longevity and immediacy often determines the choice of channel. While traditional methods offer enduring brand impressions, digital campaigns provide the immediacy and relevance that today's fast-paced world demands. Brands need to gauge which is more aligned with their objectives: a long-lasting impression or an immediate impact.

Table 6: Summary of the themes and sub-themes concerning the different marketing channels

Theme	Traditional Marketing	Digital Marketing
1. Perceptions of channels	<p>Advantages: broad reach, tangibility, trustworthiness</p> <p>Challenges: limited tracking, higher costs, saturation, imprecise</p>	<p>Advantages: targeted marketing, cost-effectiveness, global reach</p> <p>Challenges: oversaturation, privacy</p>

Theme	Traditional Marketing	Digital Marketing
	targeting, and long lead times	concerns, platform dependency
2. Integration Strategy	<p>Benefits: combines strengths of traditional media</p> <p>Challenges: consistency across platforms, budget allocation, skill diversity requirement</p>	<p>Benefits: enhances digital approach, real-time adaptability</p> <p>Challenges: integration with non-digital strategies</p>
3. Effectiveness and Impact	<p>Effectiveness: broad, lasting reach</p> <p>Impact: credibility, emotional resonance</p>	<p>Effectiveness: measurable ROI, adaptability</p> <p>Impact: immediate engagement interactivity</p>
4. Allocation of Efforts	As part of a blended approach, the focus varies based on the campaign and demographic	Often, a more prominent focus is due to cost-effectiveness and measurability
5. Rationale for Split	Chosen for more mature audiences or specific types of campaigns (for example, brand-building)	Favoured for younger audiences, product launches, and when immediate feedback is required
6. Campaign Success Factors	Audience understanding through broader demographic targeting	Precise audience segmentation Real-time feedback and adaptability

Theme	Traditional Marketing	Digital Marketing
	Content quality and relevance	
7. Channel Selection Trade-offs	<p>Budget Constraints: higher upfront costs</p> <p>Reach vs. Precision: broader reach, longevity, enduring nature, brand recall</p>	<p>Budget Constraints: more cost-effective, scalable</p> <p>Reach vs. Precision: precision targeting</p> <p>Longevity: immediate impact, the potential for virality</p>

Source: Own composition

Chapter 4 has detailed the outcomes of this study, outlining the data gathered through the semi-structured interviews. Moving into Chapter 5, we will explore a thorough discussion of these results, interpreting their significance within the wider context of the research objectives, and draw conclusions from the data. This chapter seeks to integrate the strands of evidence presented in the preceding sections, critically examining how they correspond or contrast with established literature and theories. Through this analytical perspective, the researcher will formulate conclusions that not only respond to the research questions, but also explore potential avenues for further study.

CHAPTER 5: DISCUSSION, CONCLUSION, AND RECOMMENDATIONS

5.1 Introduction

This chapter synthesises the insights gathered from the preceding chapters, aiming to distil a clear understanding of the perceived impact of online and traditional marketing channels used by marketing agencies for small and medium-sized enterprises (SMEs) in South Africa. Building upon the foundational context in Chapter 1, the comprehensive literature review in Chapter 2, the methodological approach detailed in Chapter 3, and the rich array of findings from the questionnaire in Annexure B which are presented in Chapter 4, this chapter seeks to weave these elements into an integrated narrative.

The chapter begins by summarising the key elements from each preceding chapter. This is followed by a detailed discussion of the research findings, mainly focusing on the themes and sub-themes that emerged from the qualitative analysis. The chapter answers the research questions posed at the onset of this study. It culminates in a conceptual framework that encapsulates the elements that play a role in the perceived impact of traditional versus digital marketing. The chapter also addresses the limitations inherent in the study and proposes recommendations based on the findings, offering practical insights and strategies for SMEs and marketing practitioners. Finally, the chapter concludes by reflecting on the contributions of this research to the marketing field, suggesting avenues for future research, and drawing overall conclusions based on the study's findings and implications.

5.2 Summary of the dissertation

This dissertation commenced with an exploratory journey into the marketing domain, explicitly focusing on the comparative efficacy of traditional and digital marketing strategies used by marketing agencies for SMEs in South Africa.

Chapter 1 established the study's context, scope, and significance. The Chapter articulated a clear problem statement, listed the study's objectives, and formulated

primary and secondary research questions. The chapter further outlined the methodological approach and established the study's ethical considerations.

Chapter 2 delved into the theoretical underpinnings of the study, with a comprehensive literature review. This chapter provided a critical analysis of existing literature on marketing strategies, examining the factors influencing the choice and effectiveness of traditional and digital marketing approaches. It explored various theories and models pertinent to marketing strategies, offering a solid theoretical foundation for the study.

Chapter 3 described the research design and methodology in detail. It underscored the qualitative nature of the study, highlighting the phenomenological approach adopted to gain deeper insights. This chapter outlined the data collection process, including the selection of participants and the in-depth interviews conducted. The analytical method was described, emphasising the rigorous content analysis that guided the extraction of themes and sub-themes from the data.

Chapter 4 presents the research findings and meticulously outlines the themes and sub-themes emerging from the qualitative content analysis. The conclusions were contextualised within the existing literature, providing a nuanced understanding of the dynamics at play in the marketing strategies of SMEs.

5.3 Discussion of research findings

This section aims to provide an in-depth analysis of the key themes that emerged from the research, connecting these to the broader discourse in the marketing field.

5.3.1 Perceived impact and success measures of traditional marketing channels

In the context of traditional marketing strategies used by marketing agencies for SMEs in South Africa, a significant emphasis was placed on understanding both the perceived impact and the measures of marketing success. The perceived impact and success

measures of traditional marketing channels were explored with questions 4 and 5 of the semi-structured interviews, as detailed in Annexure B.

The results in Chapter 4 mainly shed light on how marketing agencies assess the success of traditional campaigns. This involves looking beyond sales figures to encompass broader impacts, such as brand awareness, customer loyalty, and market penetration. Although less quantifiable than their digital counterparts, these success measures hold substantial value for SMEs. The findings highlight that traditional marketing channels remain relevant despite the digital shift, especially in reaching specific demographic segments and local markets.

Other scholars primarily advocated for digital solutions, highlighting their measurable benefits and widespread reach. However, the empirical data from the interviews reveal a different scenario, indicating that traditional methods still play a pivotal role in specific contexts. This contrast between the literature and the study's findings exhibits a layered picture of the marketing landscape for SMEs in South Africa.

Synthesising these insights, the conclusion can be drawn that the success of traditional marketing channels cannot be overlooked, particularly in their ability to forge more profound, personal connections with specific customer segments. In conclusion, marketing agencies perceive traditional marketing channels to have a significant impact as a marketing channel. This highlights the importance of a well-rounded marketing strategy incorporating both traditional and digital methods, tailored to each SME's unique needs and circumstances. Consequently, while digital marketing strategies are gaining prominence, traditional channels remain integral to a comprehensive marketing approach, especially for SMEs targeting local and niche markets.

5.3.2 Perceived impact and success measures of digital marketing

The investigation into digital marketing campaigns' perceived impact and success measures reveals a significant paradigm shift in how marketing agencies approach and evaluate their digital strategies for SMEs in South Africa. The study's findings illuminate this shift presented in Chapter 4, which resonates with the theoretical underpinnings

explored in the earlier chapters. The perceived impact and success measures of digital marketing channels were explored with questions 7 and 8 of the semi-structured interviews, as detailed in Annexure B.

Agencies emphasise a range of metrics to determine the success of digital campaigns, focusing not just on immediate sales increases, but also on long-term brand engagement, customer retention, and online visibility. These metrics reflect a broader perspective on digital marketing's perceived effectiveness, extending beyond transient metrics to encompass enduring brand value and customer relationships.

Comparing these findings with the existing literature, a notable alignment emerges. The literature reviewed highlighted the increasing importance of digital strategies in reaching wider audiences and achieving cost-effective marketing solutions. The study adds depth, however, by uncovering the specific strategies that have been most effective for SMEs in South Africa. These strategies include targeted social media campaigns, search engine optimisation, and content marketing, each tailored to engage distinct customer segments and leverage the unique advantages of digital platforms.

When synthesising these insights, it becomes evident that digital marketing's impact on SMEs exceed conventional metrics. The success of digital campaigns, as perceived by marketing agencies, lies not only in immediate returns but also in building sustainable brand presence and customer engagement. This conclusion demonstrates the strategic importance of digital marketing in the contemporary SME landscape, where its role is pivotal in shaping business growth and market reach. The study, therefore, provides a nuanced understanding of the effectiveness of digital marketing, highlighting its vital role in the holistic development of SMEs' marketing strategies in South Africa.

5.3.3 Comparative insights on traditional vs digital marketing

This section delves into the comparative analysis of traditional versus digital marketing campaigns as perceived by marketing agencies used by SMEs. The insights gathered from marketing agencies provide a multifaceted view of the effectiveness and impact of these two divergent marketing strategies for SMEs in South Africa. The comparative

insights were explored with questions 13, 14 and 15 of the semi-structured interviews, as detailed in Annexure B.

The marketing agencies' responses reveal a nuanced understanding of the strengths and limitations of both traditional and digital marketing channels. Traditional methods, known for their direct and tangible customer engagement, are often favoured for their ability to build trust and loyalty within specific demographic and geographic segments. On the other hand, with its broader reach, precise targeting, and data-driven strategies, digital marketing is lauded for its efficiency and scalability. It is particularly vital for SMEs looking to expand their market presence quickly and cost-effectively.

In discussing which channel generates the best return on investment, the agencies emphasised the context-dependent nature of this determination. For some SMEs, the tangible, community-based impact of traditional methods yields substantial perceived returns, particularly in markets with low digital penetration or customers who value physical interaction. In contrast, digital marketing strategies are perceived to offer a more lucrative return for businesses targeting a younger, broader audience, especially when leveraging tools like search engine marketing and social media advertising.

Moreover, the agencies' approach to comparing marketing spend with performance metrics illuminates the evolving landscape of marketing effectiveness assessment. This comparison often goes beyond simple cost analysis, incorporating other factors such as customer acquisition cost, lifetime value, brand awareness, and customer engagement metrics. Such a comprehensive approach to performance evaluation reflects a strategic shift in understanding marketing investments' actual value and impact.

When integrating these findings, it becomes apparent that the choice between traditional and digital marketing strategies is not binary, but rather a strategic decision based on specific business goals, target audience characteristics, and market dynamics. This insight challenges the one-size-fits-all approach and advocates for a more tailored strategy, where a deep understanding of each SME's unique needs and circumstances informs the selection of marketing channels.

5.3.3 Agency insights on the perceived success or failure of marketing campaigns

In examining the insights from marketing agencies on the perceived impact of both traditional and digital marketing campaigns, the focus shifts to a nuanced understanding of what drives the success and failures of these campaigns. This exploration, rooted in the empirical data presented in Chapter 4 and explored through questions 9 and 10 in Annexure B, provides a deeper comprehension of the agencies' perspectives within the broader context of marketing strategies for SMEs in South Africa.

Agencies' reflections on traditional marketing campaigns emphasised their success in creating brand trust and emotional resonance, particularly in markets less inclined towards digital platforms. The perceived success of these campaigns was often attributed to their ability to create lasting brand memories and build deep customer relationships. The challenges faced in traditional marketing, such as difficulty tracking ROI and high costs, were highlighted as limitations that sometimes hindered their effectiveness. Perceived failures were attributed mainly to the ineffective choice of traditional marketing channels. Print media was especially singled out as a channel that most agencies had a negative perception towards.

In contrast, the insights on digital marketing campaigns revealed their success in achieving immediate engagement and adaptability to market trends. The perceived success of digital campaigns was primarily attributed to their ability to leverage data analytics for targeted strategies and real-time feedback, enabling a high level of responsiveness to consumer behaviours. However, marketing agencies also noted challenges, including the need for ongoing technological literacy and the risk of oversaturation in digital spaces. Perceived failures of digital marketing campaigns were attributed to ineffective advertisement design and copywriting. The agencies collectively felt that a digital marketing campaign is viewed as unsuccessful if it fails to gain attention in the oversaturated market.

When considering these insights, it becomes evident that the impact of marketing campaigns, whether traditional or digital, is multifaceted and contingent on various factors, including the target audience, campaign objectives, and market dynamics.

Marketing agencies' perspectives highlighted the importance of understanding these factors to craft effective marketing strategies that align with each SME's unique needs and circumstances. This understanding sheds light on the reasons behind the perceived success or failure of specific campaigns. It emphasises the need for a strategic approach that combines the strengths of traditional and digital methods to achieve optimal marketing effectiveness for SMEs in South Africa.

5.3.4 Strategies for optimising returns in marketing campaigns

Drawing from the semi-structured interviews with marketing agencies, specifically questions 17 and 18 in Annexure B, this section focuses on the strategies suggested for optimising returns from traditional and digital marketing campaigns. These strategies reflect the agencies' experiences and insights on enhancing the effectiveness and efficiency of marketing efforts for SMEs in South Africa.

Improving traditional marketing campaigns: marketing agencies suggested a need for more targeted and localised approaches in traditional marketing. For instance, focusing on community-specific events and local media channels can significantly enhance reach and impact in target areas. Improving the quality and relevance of content in traditional media, such as creating more engaging and memorable print and broadcast advertisements, was highlighted as a critical strategy. Additionally, integrating conventional campaigns with digital tools, like using QR codes in print ads to track engagement, can improve measurability and ROI.

Optimising digital marketing efforts: marketing agencies recommended leveraging data analytics and customer insights to refine targeting and personalisation in digital campaigns, thus increasing their effectiveness. Investing in ongoing training and upskilling for digital marketing teams, was seen as crucial for keeping pace with rapidly changing digital landscapes and technologies. Improving content quality, especially in social media and online advertising, was a key success factor highlighted by the agencies.

Balancing budget and impact: a common suggestion was the careful allocation of marketing budgets, balancing the cost-effectiveness of digital channels with the broader reach of traditional methods. Marketing agencies suggested evaluating the ROMI of different channels and adjusting marketing spending accordingly to maximise impact.

Synergising traditional and digital strategies: marketing agencies emphasised the importance of creating a synergistic relationship between traditional and digital channels, for instance, using traditional media to build brand awareness while using digital platforms for engagement and conversions. Developing integrated campaigns that combine the strengths of both channels was recommended to create a more cohesive and impactful marketing strategy. When synthesising these suggestions with the study's findings and existing literature, it becomes clear that optimising returns in marketing campaigns requires a holistic approach. This includes leveraging the unique strengths of each channel and understanding and adapting to the specific needs and dynamics of the South African SME market. By implementing these strategies, SMEs can enhance the effectiveness of their marketing efforts, achieving a better balance between investment and return.

5.4 Answering the research questions

The primary and secondary research questions, introduced in Chapter 1, were formulated to explore the comparative perceived impact of traditional versus digital marketing campaigns by marketing agencies for South African SMEs. This examination is rooted in the study's objectives, bridging the initial inquiry and insights.

5.4.1 Answering the primary research question

The primary research questions sought to understand the perception of the impact of digital and traditional marketing campaigns used by marketing agencies for SMEs in South Africa while also comparing the perceived impact of these divergent marketing

campaigns. The insights gathered from the interviews with marketing agency representatives reveal a complex and subtle view of this impact.

Agencies perceive digital marketing as a dynamic, cost-effective tool with broad reach and measurable outcomes. Marketing agencies' perceptions of digital marketing campaigns highlight a significant impact on the reach and engagement of SMEs in South Africa. Agencies report that digital platforms have enabled SMEs to achieve broader market penetration and higher engagement rates, mainly through targeted social media campaigns and search engine optimisation. This perceived impact is primarily attributed to the ability of digital strategies to adapt quickly to market changes, provide measurable outcomes, and engage with customers in real-time. However, agencies also note the challenges of keeping up with rapidly evolving digital trends and the need for constant upskilling.

In contrast, the perceived impact of traditional marketing methods by agencies is less distinct. While acknowledging the shift towards digital marketing, agencies still recognise the value of traditional methods in building deep, personal connections with specific market segments, mainly where digital reach is limited or less effective. These methods, including print media, radio, and community events, are crucial for establishing trust and brand loyalty. However, agencies express concerns about the challenges in measuring the effectiveness and ROMI of traditional strategies.

The comparative impact of these marketing strategies is not about choosing one over the other, but understanding how each can be leveraged effectively in different scenarios. Agencies highlighted that the perceived effectiveness of a marketing campaign is contingent on various factors, including target demographics, campaign objectives, and market conditions. These findings align with the discussions in earlier chapters, where the evolving landscape of marketing strategies for SMEs was extensively explored.

5.4.2 Answering the secondary research questions

In this section, the secondary research questions are answered based on the findings presented in Chapter 4, consolidating the data to draw clear conclusions about how

marketing agencies measure the impact of different marketing channels and the elements that shape their perceptions of these channels for SMEs in South Africa.

5.4.2.1 Measuring the impact of marketing channels

The study reveals that marketing agencies employ a variety of metrics to measure the impact of marketing channels for SMEs. For digital marketing, the emphasis is on quantifiable data such as website traffic, conversion rates, social media engagement, and SEO effectiveness. These metrics allow agencies to assess the direct impact of their digital strategies in real time, providing insights into customer behaviour and campaign effectiveness.

Measuring the impact of traditional marketing methods involves a mix of quantitative and qualitative approaches. While sales figures and market reach are commonly used, agencies also consider factors like customer feedback, brand recognition, and the longevity of customer relationships. This blend of metrics reflects the challenges in quantifying the more intangible benefits of traditional marketing, such as brand loyalty and reputation.

5.4.2.2 Elements shaping the perceptions of marketing channels

Several key elements emerged from the study as influential in shaping marketing agencies' perceptions of different marketing channels:

- **Effectiveness and Reach:** digital channels are perceived as highly effective due to their broad reach and the ability to target specific demographics. Traditional channels have a more limited reach and are valued for their depth of impact, particularly in local or niche markets.
- **Cost Efficiency:** digital marketing is often seen as more cost-efficient, offering a higher return on investment, especially for SMEs with limited budgets. Though

sometimes costlier, traditional methods are perceived as providing value in creating tangible brand experiences.

- **Customer Engagement:** digital channels are perceived as superior in engaging with customers, particularly among the younger demographic. Traditional methods, on the other hand, are valued for their ability to create personal, long-lasting customer relationships.
- **Adaptability and Evolution:** the rapid evolution of digital marketing tools and strategies demands continuous adaptation and learning, influencing marketing agencies' perception of digital channels as dynamic and future focused. Traditional methods are viewed as more stable but less adaptable to rapid market changes.

In combining these insights, it is clear that marketing agencies adopt a holistic approach in evaluating the impact of marketing channels. They consider various factors, from effectiveness and reach to cost efficiency and customer engagement, tailoring their strategies to SMEs' unique needs and contexts in South Africa. The study thus provides a comprehensive understanding of how agencies navigate the complex landscape of marketing channels, balancing the strengths and limitations of both digital and traditional methods to optimise their impact on SMEs.

5.5 Synthesis of answers concerning research objectives

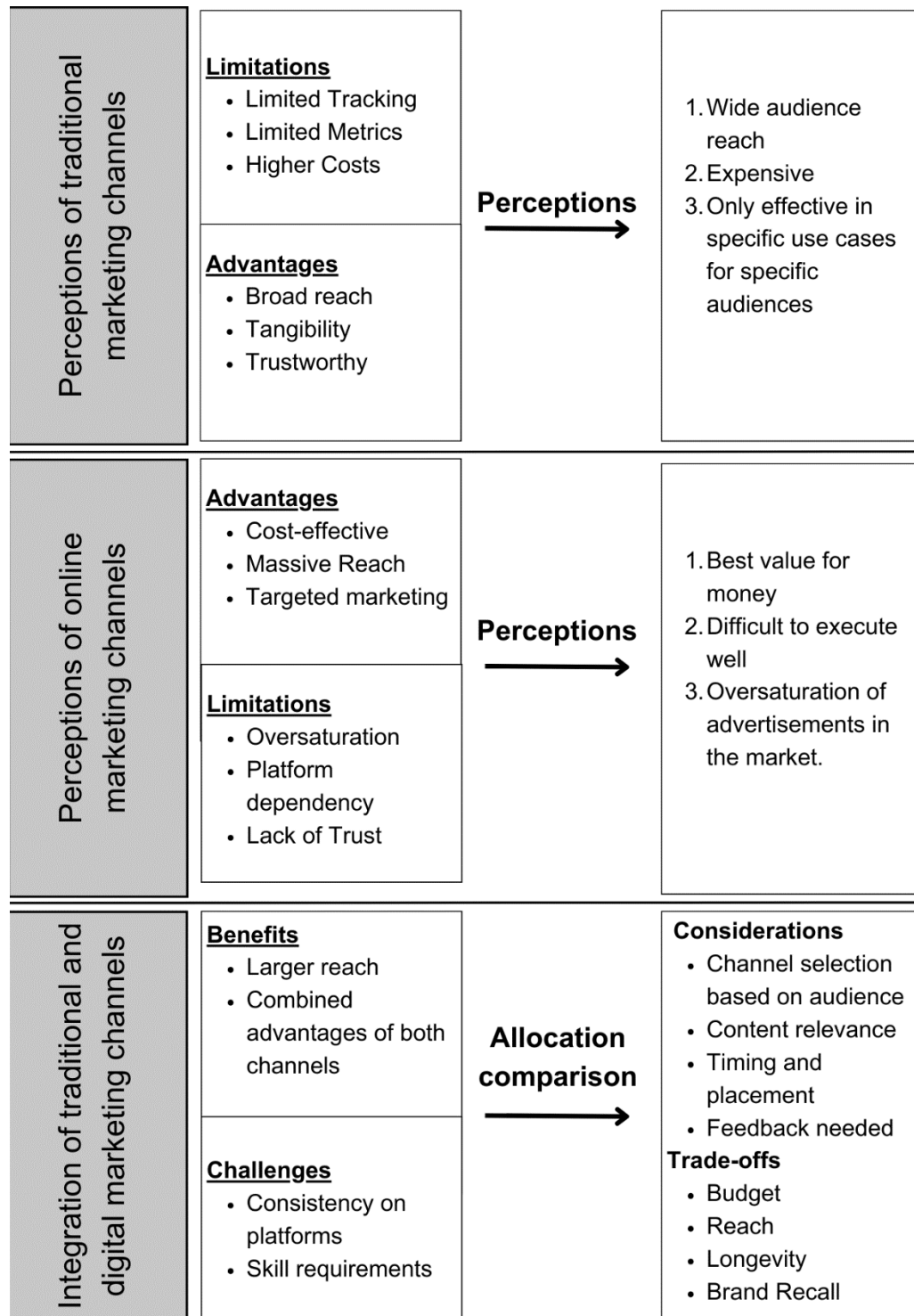
In consolidating the answers concerning the research objectives, the study provides a comprehensive overview of the perceptions and approaches of marketing agencies towards digital and traditional marketing strategies for SMEs in South Africa. The study reveals that agencies perceive digital marketing as essential for broad market reach and engagement, offering measurable impacts through quantifiable metrics like conversion rates and social media analytics. In contrast, traditional marketing is valued for its strength in forging lasting customer relationships, particularly effective in local or niche markets. The comparative effectiveness of these strategies highlights digital marketing's broader audience reach and adaptability, whereas traditional methods excel in creating enduring brand loyalty. Furthermore, the study uncovers agencies' multifaceted approach to

measuring marketing impacts, balancing quantitative data with qualitative insights. Various factors inform this approach, including campaign effectiveness, cost-efficiency, customer engagement, and method adaptability. Ultimately, the findings advocate for a strategic, balanced approach in marketing, integrating the strengths of both digital and traditional methods to optimise the perceived overall impact on SMEs in South Africa. This refined understanding highlights the importance of context and strategy in shaping effective marketing practices for SMEs.

5.6 Development of a framework for the elements that contribute to the perceived impact of online and traditional marketing channels

Several factors make up a marketing agency's perception of a specific channel. **Error! Not a valid bookmark self-reference.** illustrates these elements visually and summarise the essence of the research findings concerning the perceptions of traditional and online marketing channels, and the strategic considerations for their integration. This framework serves as a visual synthesis of the key elements that shape the perceptions and decisions of South African SMEs regarding their marketing channel strategies. It outlines the advantages and limitations of both traditional and online marketing channels while also presenting the perceived benefits and challenges of integrating these channels.

Figure 17: Conceptual framework of elements that contribute to the perceived effectiveness of online and traditional marketing channels



Source: Own composition

The conceptual framework depicted in Several factors make up a marketing agency's perception of a specific channel. **Error! Not a valid bookmark self-reference.** illustrates these elements visually and summarise the essence of the research findings concerning the perceptions of traditional and online marketing channels, and the strategic considerations for their integration. This framework serves as a visual synthesis of the key elements that shape the perceptions and decisions of South African SMEs regarding their marketing channel strategies. It outlines the advantages and limitations of both traditional and online marketing channels while also presenting the perceived benefits and challenges of integrating these channels. illustrates the elements shaping the perceptions of marketing agencies regarding the utilisation of traditional and online marketing channels for SMEs in South Africa. It is evident from the findings that each channel has distinct attributes that influence these perceptions, guiding agencies as they create and plan their marketing strategies.

For traditional marketing channels, the research concludes that perceptions are largely favourable regarding the channels' broad reach and the tangible, concrete nature of the media. These channels carry a weight of trustworthiness derived from their historical prevalence in the marketing mix. However, marketing agencies are acutely aware of the drawbacks, which include challenges in tracking consumer engagement, limited metrics for performance analysis, and the generally higher costs associated with these media. These factors shape the agencies' perception, often casting traditional channels as reliable yet inflexible and costly options.

Digital marketing channels alter the marketing landscape with their inherent cost-effectiveness and the precision of targeted marketing. The ability to reach a global audience and the agility offered by digital platforms are perceived as tremendous advantages. However, perceptions are tempered by the challenges of market oversaturation, platform dependency, and growing privacy concerns. These factors contribute to a perception of digital marketing as a dynamic yet volatile channel where strategies must continually be adapted to the rapid pace of change.

The framework also emphasises the notion that the effectiveness and impact of marketing channels cannot be evaluated in isolation. The perceived effectiveness of traditional

channels in terms of reach and impact — such as credibility and emotional resonance — is juxtaposed with the measurable ROMI and adaptability of digital channels. This comparative analysis shapes the perception that neither channel is superior in all aspects, but that each has a role to play in a balanced marketing strategy.

This framework extends to the allocation of marketing efforts, where the findings conclude that marketing agencies perceive the need for a refined approach. Decisions on channel allocation are influenced by the campaign objectives and the intended audience demographic, with traditional channels chosen for their lasting impact and brand-building prowess and digital channels selected for their immediacy and the ability to engage with younger audiences.

The framework culminates in understanding the trade-offs that marketing agencies must navigate when selecting channels. Budget constraints, desired reach, precision targeting, campaign longevity, and brand recall are all elements that have significantly shaped perceptions. These elements inform the agencies' strategic choices, showcasing the delicate balance between embracing the proven methods of traditional channels and leveraging the innovative opportunities of digital channels.

5.7 Limitations and future research opportunities

This section acknowledges the constraints and potential weaknesses inherent in the research approach, methodology, participant selection, data collection, and analysis techniques. These limitations are essential to consider as they impact the study's findings' interpretation, applicability, and generalizability.

The research employed a qualitative approach by conducting a literature review and semi-structured interviews. While the interviews offered deep insights into participants' perceptions and experiences, they inherently limited the scope of the subjective viewpoints of those interviewed. While rich in detail, the approach adopted may not fully encapsulate the experiences across different marketing sectors or geographic regions.

The study focused on marketing professionals within the context of agencies used by SMEs, limiting the diversity of perspectives. The insights gained reflect this group's experiences, which may not be entirely applicable to different marketing environments, professionals with varying levels of expertise, or varied market segments.

The data collected were subject to interpretation, with the potential for researcher bias in both the data collection and analysis phases. While measures were taken to mitigate this bias, it is essential to acknowledge its potential impact on the study's findings. Additionally, the reliance on self-reported data can introduce elements of subjectivity and recall bias.

Given the study's focus on a specific context and participant group, the findings may not be applicable in other contexts.

These limitations highlight areas for future research to explore, including studies with more diverse participant groups and broader geographic contexts.

5.8 Managerial Implications

This section translates the research findings into actionable insights for marketing professionals and SME owners, offering recommendations based on the study outcomes.

Integrating digital and traditional marketing strategies: based on the findings, marketing managers and SME owners must balance digital and traditional marketing methods. While embracing digital transformation remains essential, the value of traditional marketing in establishing deep customer relationships and brand loyalty has been shown to contribute significantly to a brand's marketing impact. This balanced approach allows for a more holistic engagement with diverse market segments.

Leveraging data analytics for customer insight: the study emphasises the importance of a customer-centric approach in marketing. Marketers should utilise data analytics for digital campaigns and enhance traditional marketing methods, which will contribute to gaining insights into customer behaviours and preferences across various channels.

Personalisation across channels: the effectiveness of personalised marketing strategies extends beyond digital platforms. SME owners are advised to use data-driven insights to tailor online content and traditional marketing materials, enhancing engagement and loyalty across all customer touchpoints.

Adapting to dynamic market conditions: in keeping with the findings, marketing managers must continuously adapt to changing consumer behaviours, which includes understanding the evolving interplay between digital and traditional media. Ongoing market research and flexible strategy development are crucial for staying relevant and responsive.

Building and maintaining brand trust: the study reaffirms the importance of brand trust and reputation. Managers must create trust through consistent, transparent, authentic engagement across digital and traditional marketing channels.

Training and skills development: given the rapid evolution of digital marketing tools and strategies, continuous training and skills development for marketing teams are vital. This will ensure that digital and traditional marketing efforts are effectively executed and adapted to market changes.

By implementing these strategies, marketing professionals and SME owners can enhance their marketing effectiveness, drive sustainable growth, and maintain a competitive edge. These recommendations provide a roadmap for modern SME marketing, emphasising the need for a balanced, ethical, and adaptable approach.

5.9 Conclusion

This chapter correlated the research findings, addressing the primary and secondary research questions regarding the perceived impact of digital and traditional marketing strategies used by marketing agencies for SMEs in South Africa. The insights gathered from marketing agencies highlight a refined landscape where digital and traditional marketing hold significant value, each with strengths and limitations.

Marketing agencies' approaches to measuring the impact of marketing strategies are multifaceted, employing a combination of quantitative and qualitative metrics to assess campaign success. Various factors inform this comprehensive evaluation, including effectiveness, cost-efficiency, customer engagement, and adaptability.

In conclusion, the study considered the perceived impact of online versus traditional marketing strategies deployed by marketing agencies for SMEs. It provided valuable insights and recommendations for marketing professionals and SME owners, emphasising the need for a strategic, ethical, and adaptable approach to marketing. By understanding and leveraging the unique strengths of both digital and traditional methods, SMEs can enhance their marketing efforts, drive sustainable growth, and maintain a competitive edge in the evolving South African market landscape.

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ANNEXURE A: LETTER OF ETHICS APPROVAL



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South Africa 2520

Tel: 018 299-1111/2222
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Web: <http://www.nwu.ac.za>

Senate Committee for Research Ethics
Tel: 018 299-484
Feziwe.Mseleni@nwu.ac.za

24 May 2023

ETHICS APPROVAL LETTER OF STUDY

Based on approval by the Economic and Management Sciences Research Ethics Committee (EMS-REC) on, 24/05/2023 the Economic and Management Sciences Research Ethics Committee hereby approves your study as indicated below. This implies that the North-West University Senate Committee for Research Ethics (NWU-REC) grants its permission that, provided the special conditions specified below are met and pending any other authorisation that may be necessary, the study may be initiated, using the ethics number below.

Study title: Exploring the perceived impact of online and traditional marketing channels used by marketing agencies for small to medium-sized businesses in South Africa

Study Leader/Supervisor (Principal Investigator)/Researcher: L Greyling

Student: D van Wyk (31751407)

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Institution				Study Number						Year		Status		

Status: S = Submission; R = Re-Submission; P = Provisional Authorisation; A = Authorisation

Application Type:

Commencement date: 24/05/2023

Expiry date: 24/05/2024

Risk:

Minimal

Approval of the study is initially provided for a year, after which continuation of the study is dependent on receipt and review of the annual (or as otherwise stipulated) monitoring report and the concomitant issuing of a letter of continuation.

ANNEXURE B: INTERVIEW SCHEDULE

Focus Area	Questions
Background and Industry	<ul style="list-style-type: none"> • What is your responsibility with regards to the marketing campaigns and strategy in your company? • In which industries do the small and medium-sized businesses for whom you undertake marketing campaigns, predominantly operate?
Traditional Marketing Campaigns	<ul style="list-style-type: none"> • Which traditional marketing campaigns did your company embark on in the past two years, on behalf of small and medium-sized businesses? • What measures do you use to determine the success of traditional marketing campaigns? • What was the desired impact, and how well did you achieve your goals?
Digital Marketing Campaigns	<ul style="list-style-type: none"> • Which digital marketing campaigns did your company embark on in the past two years, on behalf of small and medium-sized businesses? • What measures do you use to determine the success of digital marketing campaigns? • What was the desired impact, and how well did you achieve your goals?
Contributing factors to success/failure	<ul style="list-style-type: none"> • In your view, why did the <i>traditional</i> marketing campaigns have the impact that it did? • In your view, why did the <i>digital</i> marketing campaigns have the impact that it did?
Comparison	<ul style="list-style-type: none"> • How did you split your marketing efforts, undertaken on behalf of small and medium-sized entities, between traditional and digital marketing?

Focus Area	Questions
	<ul style="list-style-type: none"> • What is the rationale for splitting the marketing campaigns in this way? • In your view, what is the effectiveness and impact of traditional versus digital marketing campaigns • Which channel generates the best return, in your view? • Do you compare marketing spend with performance metrics and if so, how do you draw this comparison? • What trade off's do you make when selecting one channel over another?
Improvement	<ul style="list-style-type: none"> • What could have been done to obtain a better return from your traditional marketing campaigns? • What could have been done to obtain a better return from your digital marketing campaigns? • Are you able to refer me to a colleague that can add value to this research?

ANNEXURE C: INFORMED CONSENT FOR PARTICIPATION IN RESEARCH

We are currently conducting research into the perceived impact of online and traditional marketing channels used by marketing agencies for small to medium-sized businesses in South Africa, and we would like you to be a part of it. The ethical clearance number for the project is N W U - 0 0 6 7 2 - 2 3 - A 4

Aim of the research:

The aim of our research is to compare the perceived impact of online and traditional marketing channels used by marketing agencies for small to medium-sized businesses in South Africa.

Please take note of the following:

- The procedure to be followed is a qualitative research design, using a semi-structured interview questionnaire which will utilise pre-determined, open-ended questions.
- The estimated completion time for the interview is 45 minutes.
- Participation in this study is entirely voluntary and you will receive no form of compensation for participating.
- Information shared will be treated with the utmost confidentiality and anonymity. Individual responses will not be identified, as only aggregate data will be used in the study.
- All data will be stored in a secure server at NWU.
- The data will be used in a mini-dissertation and may also be incorporated into essays, which will be published in an online platform. The essays may also be published in the form of peer-reviewed academic publications.

If you feel, at any time, that you wish to halt participation in this study, please feel free to do so without any judgement.

By agreeing to participate in the interview, you give consent that information shared may be used for research purposes, and you grant consent for the processing of certain personal information in terms of section 18 of the POPI Act.

For additional information, please feel free to contact the primary researcher.

Yours truly

Divan van Wyk
MBA student
North-West University
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Leonie Greyling
Study supervisor
North-West University
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ANNEXURE D: LETTER FROM LANGUAGE EDITOR

VERBATIM LANGUAGE EDITORS

Verbatim Language Editors

25 November 2023

97 Vuurlelie street
Roodepoort
Johannesburg
1732

Re: Confirmation of language editing

To whom it may concern:

The MBA mini-dissertation "**Exploring the perceived impact of online and traditional channels used by marketing agencies for SMEs in South Africa**" by **Divan van Wyk (27165663)** was language edited and checked for grammatical errors.

Final, last-minute corrections and changes remain the responsibility of the author.

Sincerely,



Mizanne Hattingh

BA Communication Studies (NWU)
BA (Hons) Journalism (NWU)
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