

https://dspace.org/

Social media marketing versus traditional marketing approaches for SMMEs, in Gauteng

Mopeli, Motebang

2021
https://hdl.handle.net/10539/32634

Downloaded from a DSpace repository. https://dspace.org/

SOCIAL MEDIA MARKETING VERSUS TRADITIONAL MARKETING APPROACHES FOR SMMEs, IN GAUTENG

MOTEBANG MOPELI

A research proposal submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management in Strategic Marketing.

Wits Business School

Johannesburg

2020

ABSTRACT

Small micro medium enterprises (SMMEs) are the corner stone of most economies. SMMEs contribute to job creation, poverty alleviation and innovation in most countries. In Africa, they constitute 90% of businesses. Although governments recognise their importance of driving the economy, they are still faced with challenges of limited support from governments and access to finance resources from formal financial institutions. It is noted in some studies that fewer than 50% of SMMEs survive for more than 5 years from inception. Operational challenges also contribute to failure of SMMEs: lack of business management and marketing skills. Some studies have considered reasons SMMEs fail in such a short period, but a few have considered operational challenges such as lack of employment of marketing skills to drive the business. In this study, we look at marketing approaches and options SMMEs could contemplate to improve their businesses and options available given financial constrains they are faced with. The focus will be on social media marketing (SMM) and traditional marketing approaches (TMM), following a quantitative research methodology. A self-administered electronic questionnaire was distributed to 20 respondents (SMME businesses in Gauteng).

The respondents are identified as business owners/marketers/decision makers of emerging SMME businesses located in the Gauteng Province, South Africa. Data was analysed using correlation analysis, analysis if variance (ANOVA) and statistical package for social sciences (SPSS). All four hypotheses tested are supported and significant. Social media marketing has the strongest relationship with survival of SMMEs and traditional marketing has the weakest relationship with survival of SMMEs. The study contributes to the literature and theoretical information on small medium micro enterprises (SMMEs) in Gauteng and can be applied in broader South African context and other similar emergent economies. The contributions of the study will benefit scholars, business owners, managers; and other key stakeholders including government departments and business forums.

Keywords: Small Micro Medium Enterprises (SMME's), social media marketing, traditional marketing, operational challenges, emergent businesses, Gauteng

DECLARATION

I, Motebang Mopeli declare that this research work is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in Strategic Marketing in the Graduate School of Business Administration, University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Signature

Signed at ……

On the ……. Day of ……20…….

DEDICATION AND ACKNOWLEDGEMENTS

This report is dedicated to my parents who raised me to be a person I am today. I am eternally grateful for your unconditional love and teachings. To my late father, Mr. Theko David Mopeli thank you for teaching me to live by the principle 'Hlompo le Boikokobetso' – 'Respect and Humility'. To my mother, Mrs Sonto Maria Mopeli thank you for always believing in me, your prayers, and the sacrifices you made to get me education. To my grandmother nkgono Matheko Mopeli, thank you for accepting me for who I am and believing in me. To my sister Mabatho Mopeli and nephew Akhani Mopeli thank you for inspiring me to do better and always being in my corner. To Mme Masechaba, our helper, thank you for taking care of us. To my friends Jacob, Lesego, Lepanya, Sfiso, Tebogo, Thabo, Norman, Thuli, Thandiwe, Ngoako and Sello, thank you for your support and laughter we share. It goes a long way getting me through the days.

My earnest gratitude to the following people, without whom this research report would not have been possible:

- Dr Yvonne Saini – Thank you for being a great supervisor and guiding me through this journey.
- My syndicate members – Your support and dedication. The late nights and no weekends. Your encouragement during moments of doubt and fear. Thank you - Wakanda forever.
- The 2018 MMSM Class – You are a wonderful group.
- Mr. Matondo Lusembo aka Mr Leon – Your support has been remarkable.
- Mr. Khaya Sithole – You came through for me at the last mile. Thank you.

TABLE OF CONTENTS

DECLARATION ii

ABSTRACT ii

DEDICATION AND ACKNOWLEDGEMENTS iv

TABLE OF CONTENTS v

LIST OF TABLES xii

LIST OF FIGURES xiii

1. CHAPTER 1 1

1.1. Introduction 1

1.2. Purpose of the study 3

1.3. Context to the study 4

1.4. Problem Statement 6

1.5. Main problem 7

1.5.1. Sub problems 7

1.5.1.1. Sub-problem 1 7

1.5.1.2. Sub-problem 2 8

1.5.1.3. Sub-problem 3 8

1.6. Research objectives 8

1.6.1. Theoretical objectives Theoretical objectives 8

1.6.2. Empirical objectives 8

1.7. Delimitations of the study 9

1.8. Definitions of terms 9
1.8.1. Small Micro Medium Enterprise (SMME) 9
1.8.2. Traditional Marketing (TM) 9
1.8.3. Social Media Marketing (SMM) 9
1.9. Assumptions 10
2. CHAPTER 2: LITERATURE REVIEW 11
2.1 Introduction 11
2.2 Small micro medium enterprises (SMMEs) 11
2.3 Marketing approaches 13
2.3.1 Social Media Marketing (SMM) for SMMEs 14
2.3.2 Traditional marketing (TM) for SMMEs 16
2.4 Value in marketing a business 17
2.5 Investing in marketing skills 18
2.6 Marketing efforts and initiatives 19
2.7 Conclusion of Literature Review 20
2.8 Summary of hypotheses 20
2.9 Conceptual framework for the study 21
3. CHAPTER 3: RESEARC METHODOLOGY 22
3.1 Introduction 22
3.2 Research paradigm 23
3.3 Research Design 23

3.4 Population and sample 23
3.4.1 Target population 23
3.4.2 Sampling frame 24
3.4.3 Sampling size 24
3.5 Research instrument 24
3.6 Procedure for data collection 25
3.6.1 Respondents identification 25
3.6.2 Pilot testing 25
3.6.3 Respondents briefing 25
3.6.4 Data collection 25
3.6.5 Reminders and follow-ups 26
3.7 Data Analysis 26
3.8 Conclusion 26
4. CHAPTER 4: Presentation of results 27
4.1 Introduction 27
4.2 Descriptive statistics: demographic profile of the respondents 28
4.2.1 Gender 28
4.2.2 Age category (years) 28
4.2.3 Highest qualification 29
4.2.4 Age of the company 29
4.2.5 Location of the company 30

4.3 Descriptive statistics: Internet access and usage 30

4.3.1 Do you have access to the internet? 30

4.3.2 How do you access the internet mostly? 31

4.4 Descriptive statistics: Social media and traditional marketing usage. 32

4.4.1 Does your organisation use social media marketing? 32

4.4.2 Which of the following platforms does your organisation use for social media marketing mostly? 32

4.4.3 Does your organisation do marketing? 33

4.4.4 Which of the following promotional tools do you use to market your business mostly? 34

Which of the following marketing platforms does your organisation use to market the business mostly? 34

4.4.5 34

4.5 Descriptive statistics: Measurement scale 35

4.6 The role of marketing in a business 35

4.7 The value of marketing a business 36

4.8 Social media marketing 37

4.9 Traditional marketing 38

4.10 Reliability and validity 39

4.10.1 Reliability measurement 39

4.10.2 Validity measurement 41

4.11 Factor analysis 41

4.12 Correlations of factors 45

4.13 Hypothesis testing 48

Marketing efforts and initiatives (RMB_{EI}) have a positive impact on survival of SMMEs (VMB1). 49

4.14 H1: SMMEs businesses that invest in marketing skills prosper 50

4.15 H2: Marketing efforts and initiative have a positive impact on survival of SMMEs 50

4.16 H3: Social media marketing can have a positive impact on survival of SMMEs 50

H4: Traditional marketing can have a positive impact on survival of 51

4.17 SMMEs 51

4.18 Conclusion of results 51

5. CHAPTER 5: DISCUSSION OF RESULTS 52

5.1 Introduction 52

5.2 Demographic results discussion 52

5.3 Hypothesis discussion 53

Marketing efforts and initiatives (RMB_{EI}) have a positive impact on survival of SMMEs (VMB1). 53

5.3.1 SMME businesses that invest in marketing skills thrive and profit is realised after marketing business (VBM1) 54

5.3.2 Marketing efforts and initiative have a positive impact on survival of SMMEs and profit realisation after marketing a business (VBM1) 54

5.3.3 Social media marketing can have a positive impact on survival of SMMEs and profit realisation after marketing a business (VBM1) 55

Traditional marketing can have a positive impact on survival of 56

5.3.4 SMMEs and profit realisation after marketing a business (VBM1) . 56

5.4 Summary 56

6. CHAPTER 6: CONCLUSION AND RECOMMENDATIONS 57

6.1 Introduction 57

6.2 Conclusion of the study 57

6.2.1 Demographic profile of the respondents 57

6.2.2 Social media marketing and traditional marketing usage 57

6.2.3 The role of marketing in a business 58

6.2.4 The value of marketing a business 58

6.3 Implications 59

6.3.1 Theoretical implications 59

6.3.2 Managerial implications 59

6.4 Recommendations 60

6.4.1 Social media marketing and traditional marketing usage 60

6.4.2 The role of marketing in a business 60

6.4.3 The value of marketing a business 61

6.5 Future research 61

6.6 Conclusion of the chapter 61

REFERENCES 63

Appendix A 74

Appendix B 75

Appendix C 76

Appendix D: Measurement Tool 80

LIST OF TABLES

Table 2.1: Definitions of SMMEs given in the National Small Business Act..... 12

Table 4.1: Role of marketing in a business..... 35

Table 4.2: Value of marketing a business..... 36

Table 4.3: Social media marketing..... 37

Table 4.4: Traditional marketing 38

Table 4.5: Cronbach's Alpha coefficient..... 39

Table 4.6: Correlation matrices..... 42

Table 4.7: Factor loadings and communalities based on principal component analysis with Varimax rotation..... 43

Table 4.8: Reliability of factors of section F 45

Table 4.9: Hypothesis testing results..... 49

Table 5.1: Hypothesis testing results..... 53

LIST OF FIGURES

Figure 4.1 Gender 28

Figure 4.2: Age categories (years) 28

Figure 4.3: Highest qualification 29

Figure 4.4: Age of the company 29

Figure 4.5; Location of the company 30

Figure 4.6:Internet access 31

Figure 4.7: Way of internet access 31

Figure 4.8; Usage of social media marketing 32

Figure 4.9: Platforms used for social media marketing 33

Figure 4.10: Organisation does marketing 33

Figure 4.11: Promotional tools used to market business 34

Figure 4.12: Traditional platforms used to market the business 34

Figure 4.13: Role of marketing in business vs. profit realised after marketing . 45

Figure 4.14: Role of marketing in business vs. my business sells itself 46

Figure 4.15: Social media marketing vs. profit realised after marketing 46

Figure 4.16: Social media marketing vs. my business sells itself 47

Figure 4.17: Traditional marketing vs. profit realised after marketing 47

Figure 4.18: Traditional marketing vs. my business sells itself 48

1. CHAPTER 1

This chapter will provide an overview of the study and introduce the key themes of the study. The chapter include the following sections: 1) Introduction to the study; 2) The purpose of the study; 3) The context of the study; 4) Problem statement; 5) The research objectives; 6) The delimitations of the study; 7) The definitions of terms; 8) The assumptions

1.1. Introduction

As stated by the World Economic Forum on Africa platform that the continent has been growing in the past two decades by a staggering 5,4%. But growth slowed between 2010 and 2015 by 3,3% annually (Leke & Barton, 2016). GDP growth in sub-Saharan Africa slowed in recent years, at lower than 2,3% in 2018 and further declines in 2019. It is noted that Nigeria, Angola and South Africa are the three biggest economies in Africa. Debt and poor economic policies are among the reasons for slowed growth in African countries. There are however opportunities in the horizon for sub-Saharan region in the form of digital transformation. African Union endorses that every individual, business and government be connected to internet. The benefit for the region is inclusive growth, innovation, job creation, service delivery and poverty reduction. Businesses are slowly adopting digital technologies and few governments are investing in digital infrastructure. Only 27% of the population in the continent have access to internet (Calderon, 2019).

Small, micro, and medium enterprises, hereafter referred to SMMEs, have become a priority in many economies worldwide. SMMEs play a key role in transition in developing countries. These firms typically account for more than 90% of all firms outside the agricultural sector, constitute a major source of employment and generate significant domestic and export earnings (OECD, 2004). Social media has become a part of everyday lives and recently became a platform for companies and consumers to connect, establish and form relationships (Källbäck, 2019). Social media allows users to connect with like-minded people or to connect with people providing information and opinions of interest to the user (Lange et al., 2013). Social media marketing is the utilisation of social media technologies, channels, and software to

create, communicate, deliver, and exchange offerings that have value for an organisation's stakeholders (Tuten & Solomon, 2015). Internet, social media platforms, mobile applications, and other digital communication technologies are being used by billions of people worldwide; it has become part of everyday lives. Social media is contributing greatly to this phenomenal with more than 2 billion users worldwide. Facebook has about 1 billion active users per day.

In 2017, an estimated one-third of global advertising spend was on digital channels (Stephen, 2016); with Africa realising the most growth of over 20% year on year. *"South Africa - the numbers are staggering, out of our population of just over 57million, just under 31 million people are currently using the internet"* (Marketing, 2018). South Africa 2018, the social media landscape reflects users as follows: 16 million (Facebook), 8,74 million (YouTube), 8 million (Twitter), 6,8 million LinkedIn and 3,8 million WhatsApp (Gullan, 2018).

In this study, reference to traditional marketing will be used; based on its original form and definitions used before the digital age and or social media marketing. Generally marketing is thought of as selling products, or advertising of the same products including making the products available and displaying the products in retail stores. Marketing is all of these activities and much more (Lamb, Hair, McDaniel, Boshoff, & Terblanche, 2008).

The American Marketing Association (2013) defines marketing as *activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large* (Lamb et al., 2008) further elaborates that marketing comprises anticipating and satisfying consumer needs. The exchange process should be mutually beneficial between the consumer and the organisation, and the transaction profitable and effective than that of the competitors. The same marketing process must be managed efficiently. Communication tools are used by the seller and or owner of products and or services to promote these services and products. Basic tools used by organisations to meet marketing objectives are referred to as promotional mix. Traditionally, the promotional

mix included advertising, sales promotion, public relations, and personal selling (Belch & Belch, 2018).

1.2. Purpose of the study

This study seeks to explore the employment of marketing approaches and initiatives and their impact on SMME businesses through the possible use of social media and traditional marketing approaches.

This is a comparison study between social media marketing and traditional marketing approaches. This study will focus primarily on the evaluation of marketing efforts suited for SMMEs. The employment of marketing activities and skills are essential for the survival of SMMEs. The marketing skills required should include *understanding strategic issues, awareness of the target market, ability to formulate and understand competitive advantage; and the promotional elements and platforms used to communicate the message to the customer* (Strydom, 2017). Globalisation is a reality for businesses today. Technology, social and economic forces drive globalisation. SMMEs are faced with a challenge of developing some core business orientations and capabilities. Brand orientation and market-sensing capability are amongst some of the imperative capabilities needed by SMMEs (Osakwe, Chovancova, & Ogbonna, 2015).

In his study on 'Linking SMMEs Profitability to Brand Orientation and Market-Sensing Capability' he concludes that "*brand orientation and market sensing capabilities contribute positively to the profitability position and financial health of SMEs" (Osakwe et al., 2015).*

Policy makers in the Sub Saharan Africa (SSA) are concerned with the development and growth of SMMEs. The concern is two-fold. Firstly, SMMEs need to improve their production and operation techniques given that they operate in a globalised environment where they compete with big corporates. Secondly, SMMEs are also faced with the challenge of access to financial resources from funders as they are generally unable to provide required collateral to obtain loans compared to their big corporate counterparts (Quartey, Turkson, Abor, & Iddrisu, 2017). This study will however not focus on the financial issues faced by SMMEs. (Strydom, 2017) states

that fewer than 50% of SMMEs in South Africa survive for more than 5 years in business.

The study will empower business owners, managers, and marketers to be able to evaluate marketing approaches best suited for their businesses and realise the value in employing each of the marketing approaches.

1.3. Context to the study

Scholars in the fields of entrepreneurship and business have highlighted reasons SMMEs fail. The survey conducted by the 2015 National Small Business Survey, found that failure to market the business effectively and partnering with the wrong people as main reasons SMMEs fail in South Africa (DuPreez, 2015). Other reasons cited are lack of access to finance, limited awareness of government support initiatives and red tape associated with accessing support initiatives provided by the government (Peters & Naicker, 2013). Another reason for failure is the lack of investment in marketing initiatives. Furthermore, failure to connect with target audiences contributes to the failure of most start-up businesses (Adams, 2017).

*Social media marketing is an integral element of 21st-century business (*Felixa*,* Rauschnabelb*, &* Hinsch*, 2016)*. Social media marketing has brought both opportunities and challenges in a business environment that is globalised and without boundaries (Ashley & Tuten, 2015). In a study conducted by Wang (2017), found that the investment in social media marketing can improve the firm's customer relationship management, performance, and value. Investment in social media marketing facilitates a two-way interaction with customers; and it extends to building and managing relationships with customers (Wang & Kim, 2017).

Social media platforms such as Facebook and YouTube have reached more than 1000 million users, this makes up one third of all internet users in the world and one sixth of the global population. The reach is high with digital channels and networks. It is therefore deemed a cost-effective way of reaching a large number of users, thereby creating value for firms (Hofacker & Belanche, 2016). As much as the benefits and advantages of social media marketing have been noted, as a newer platform it is faced

with its own set of challenges. In his paper Hofacker notes the following eight challenges with social media marketing: (1) Information is highly liquid as it flows rapidly, at times could be negative information about the brand or organisation; (2) consumers are no longer passive receivers of information, instead they generate content that at times cannot be controlled by the firm and marketers; (3) marketing practice is shifting from product management and more toward platform management; (4) the challenge for managing multisided markets; (5) management of additional channels, where social media platforms have become consumption and post-consumption channel, placing a dynamic in customer journey; (6) the control over consumer-to-consumer (C2C) communication and word-of-mouth is limited; (7) creation of compelling and profitable interaction; and (8)marketers and business owners have to adjust to changing marketing skill set required given new, complex engagement digital platforms (Hofacker & Belanche, 2016).

In recent years social media marketing has evolved into being a good tool for building relationships with consumers and increase brand awareness. Traditional marketing however, still has its place in the market as a good tool for creating brand awareness and reaching an older target audience (Källbäck, 2019). Traditional marketing in this context refers to various promotional mix elements, which aligns to the principles of integrated marketing communications (IMC). The promotional mix elements include various forms of advertising, direct marketing, sales promotion, /public relations and personal selling (Belch & Belch, 2018).

The aim of the marketing function is to generate income through its actions (Cant & Van Heerden, 2010). The role of marketing has shifted over the past few decades and is now linked to business performance. Marketing practitioners are held accountable and are expected to justify marketing spend, budget, and link it to the impact on business performance. The role of marketing can be summarised as follows: (1) the marketing function manages connections between a firm and the customer; it delivers products and or services to the customer; (2) these connections aim to contribute positively to the financial performance of the firm and build long-term relationships with customers; (3) over and above the customer-product connection, the aim is to deliver

a service and meet customer's needs as well as educate the customer to make informed decisions about meeting their own needs (Moorman & Rust, 1999).

Various studies have demonstrated how some elements of marketing are linked with business performance. There is, however, no single study that captures a range of variables and relationships linking marketing with business performance. A comprehensive framework is needed that would demonstrate the findings from multiple studies integrated over time in a cumulative manner (Morgan, 2012).

This study will therefore seek to provide guidance and strategic recommendations to aspiring entrepreneurs, SMME business owners, marketers, and communication specialists/managers within the SMME space in order to develop and implement sound marketing plans for the respective businesses they manage. Through the research findings, the study aims to demonstrate the importance of investing in marketing a start-up business and cost-effective means of employing available marketing initiatives on a limited budget. (Resnick, Cheng, Simpson, & Lourenço, 2016) finds SMME marketing to be effective, complimenting to some elements of traditional marketing and allows tailored activities aimed at customers; and adds self-branding by the SMME owner-manager.

1.4. Problem Statement

SMMEs are vital for the development of economies in developing countries. They are recognised by governments and policy makers for their role in facilitating production and employment, however, are constrained by among other factors, lack of management skills and training (Abor & Quartey, 2010). SMME's performance is influenced more by entrepreneurial aspects as opposed to competence of human resources. Innovativeness and sustainability impact performance of SMMEs less. The intention by entrepreneurs to develop business is low; they are satisfied more if a business is not at loss (Anggadwita & Mustafid, 2014). Market orientation has a direct positive impact on the development of marketing capabilities, while entrepreneurial orientation has indirect effect through market orientation on marketing capability. Firms having higher level of marketing capabilities demonstrate a higher performance (Qureshi, Aziz, & Mian, 2017).

This indicates that SMMEs are important for driving business in developing countries like South Africa. They are however faced with operational challenges amongst others, such as lack of management skills and operations that could enhance business performance. Marketing capabilities and employment of such initiatives are important for the survival of SMMEs in a competitive globalised business environment.

It is recorded that social media is used by billions of people in the world, for example Facebook reported having 2.38 billion Facebook active users monthly. According to eMarketer 2018, the global total number of social media users is projected to grow to 3.29 billion users in 2022, which will be almost half of the world's population. It is for this reason social media marketing forms a big part of marketers marketing strategies. Social media evolves rapidly. What we knew a year ago has changed. The big question is, what is the future of social media in marketing? (Gil Appel, 2019).

In his paper (Thabit Thabit, 2018) finds that the 4Ps of marketing form the basis of marketing strategies and approaches undertaken by a firm. He further concludes that promotion has a high level of effect to increase sales of products, distribution impacts customer satisfaction, price place a role in persuading potential customers. Organisations must aim to develop solid 4P plans with the aim to satisfy customers' needs and meet the firm's financial objectives (Thabit Thabit, 2018).

1.5. Main problem

To investigate the impact of employment of social media marketing versus traditional marketing approaches for SMMEs, in Gauteng.

1.5.1. Sub problems

1.5.1.1. Sub-problem 1

To conduct a comparison study between social media marketing and traditional marketing approaches for SMMEs.

1.5.1.2. Sub-problem 2

To investigate which approach is best suited for SMMEs between social media marketing and traditional marketing given SMMEs limited budget.

1.5.1.3. Sub-problem 3

To investigate the impact and benefits of marketing investment to the success and survival of SMMEs.

1.6. Research objectives

This study aims to achieve the following theoretical and empirical research objectives:

1.6.1. Theoretical objectives Theoretical objectives

- To review literature on Small micro medium enterprises (SMMEs).
- To review literature on social media marketing (SMM).
- To review literature on traditional marketing (TM).
- To review the value in marketing a business (the challenge SMMEs face, the opportunities available to SMMEs, tools and platforms SMMES use in marketing businesses)

1.6.2. Empirical objectives

- To explore the relationship between SMME businesses that invest in marketing skills and accomplishment
- To explore the relationship between investment in marketing efforts and impact on SMMEs
- To explore the relationship between social media marketing (SMM) and impact on survival of SMMEs
- To explore the relationship between traditional marketing (TM) and impact on survival of SMMEs

1.7. Delimitations of the study

The study focussed on the SMME businesses in Gauteng, South Africa. The respondents were limited to entrepreneurs, business owners, managers, and marketers in the SMME field. Social media platforms of interest included Facebook, Twitter, LinkedIn, and WhatsApp. Traditional marketing was limited to the promotional mix elements advertising, direct marketing, sales promotion, public relations, and personal selling. Random sampling was applied.

1.8. Definitions of terms

1.8.1. Small Micro Medium Enterprise (SMME)

The National Small Business Act of South Africa of 1996, as amended in 2003, describes an SMME as "a separate and distinct business entity, together with its branches or subsidiaries, if any, including co-operative enterprises [and non-governmental organisations], managed by one owner or more [which, including its branches or subsidiaries, if any, is] predominantly carried on in any sector or subsector of the economy" (Africa, 2004).

1.8.2. Traditional Marketing (TM)

The American Marketing Association defines marketing as activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large (Association, 2013). (Lamb et al., 2008) further elaborates that marketing comprises anticipating and satisfying consumer needs. The exchange process must be mutually beneficial between the consumer and the organisation, and the transaction profitable and effective than that of the competitors. The same marketing process must be managed efficiently.

1.8.3. Social Media Marketing (SMM)

Social media marketing is a new field and new business practice that utilises social media applications to fulfil traditional marketing. Social media marketing uses online social media platforms to market goods, services and transferring information and ideas (Dahnil, Marzuki, Langgat, and Fabeil (2014).

1.9. Assumptions

The assumptions of this study are:

- The respondents are involved in the running of the business.
- The respondents are responsible for marketing of the business and or have influence in the marketing decisions for the business.
- The study also assumed that that the respondents participated willingly and provided honest responses to questions.

2. CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This study explores social media marketing and traditional marketing approaches for SMMEs in Gauteng - South Africa, the impact that these approaches have on SMME business. The literature review provides a broad definition of what an SMME business in South African context is, the role of SMMEs and challenges they face. This chapter provides a broad overview of social media marketing and traditional marketing, respectively. The value of marketing a business discussion is also afforded. The hypotheses and the conceptual frame work are stated.

2.2 Small micro medium enterprises (SMMEs)

There are various interpretations of what constitutes small, medium, very small and micro enterprises, depending on country, and region. There are various definitions that seek to identify and measure SMMEs. Some researchers have attempted to define firms by size, capital assets, while some use skill of labour, number of employees and or turnover level. Legal status and method of production has also been used to define SMMEs (Abor & Quartey, 2010). In South Africa, the commonly and widely used factors in defining SMMEs are the number of employees per firm, annual turnover, gross assets excluding fixed property per category.

The categories are as follows:

- *Survivalist enterprise*: This category generates income less than the minimum income standard (e.g. hawkers, vendors, and subsistence farmers).
- *Micro enterprise:* Turnover is less than R150 000 per year and employ no more than 5 people. The enterprise is usually not registered (e.g. spaza shops, minibus taxi operation).
- *Very Small enterprise:* They operate in formal market with availability to technology, employs 10 paid employees except in mining, electricity, manufacturing, and construction with 20 or slightly more employees.

- *Small enterprise:* They are usually established with up to 50 employees and are formal in nature.

- *Medium enterprise:* The power is generally decentralised with addition of management layer and employs up to 100 employees or 200 in mining, electricity, manufacturing, and construction sectors (Abor & Quartey, 2010).

Table 2.1 provides further details on how SMMES are identified and measured.

Table 2.1: Definitions of SMMEs given in the National Small Business Act

Enterprise Size	Number of Employees	Annual Turnover (in South African rand)	Gross Assets
Medium	Fewer than 100 to 200, depending on industry	Less than R4 million to R50 million, depending upon industry	Less than R2 million to R18 million, depending on industry
Small	Fewer than 50	Less than R2 million to R25 million, depending on industry	Less than R2 million to R4.5 million, depending on industry
Very Small	Very Small Fewer than 10 to 20	Less than R200 000 to R500 000, depending on industry	Less than R150 000 to R500 000, depending on Industry
Micro	Fewer than 5	Less than R150 000	Less than R100 000

Source :(Falkena et al., 2001)

There is a vested interest in the development and growth of SMMEs in the economies, especially in developing countries to help drive the economy. Abor and Quartey, (2010) observed that SMMEs play a significant role in the economic development process of emerging markets.

They are recognised by policy makers for their contributions in terms of production, employment and income generated. Researched literature also observed that SMMEs are faced with several key challenges. SMMEs are constrained by factors such as lack of access to appropriate technology, limited access to international markets, the existence of laws, regulations and rules that impede the development of the sector; weak institutional capacity and lack of management skills and training (Abor & Quartey, 2010).

Mortality rates of SMMEs in African countries remains high, with over 50% of businesses failing in their first year. Fewer studies have given attention to challenges SMMEs experience. Some challenges observed and researched includes poor management, managerial competency, and capability; limited access to financing; negative perceptions held by customers around quality of products and services;

government support and access to reliable information; and general corruption (Muriithi, 2017).

South Africa in particular, is lagging in the area of entrepreneurship development, in comparison to the average of the regions such as Africa, Asia & Oceania, Latin America & Caribbean, Europe and North America. Table 1 highlights South Africa's Nascent Entrepreneurship Rate 2 is 5.5 percent, its New Business Rate 3 is 4.9 percent and its Established Business Rate 4 is 5.0 percent, ranking it 35th, 32nd and 53rd out of the 60 countries studies. All three of these rates are lower than average of the regions highlighted above (Bhorat, Asmal, Lilenstein, & Zee, 2018). The study conducted by Bhorat et al further highlights that the constrains faced by the SMME sector in South Africa are due to significant barriers to entry and growth relative to large firms. These constrains can be attributed to SMME's higher credit risk profile, competition, and infrastructure. Competition and access to finance remain the mostly cited growth constrains by both the business owners and scholars through various studies conducted (Bhorat et al., 2018).

2.3 Marketing approaches

In this study, we evaluate and compare two broad approaches to marketing, social media marketing (SMM) and traditional marketing (TMM). Today marketing cannot only be understood in the old sense of making a sale "telling and selling', a new sense of creating products or services that seeks to add value for customers and satisfy customer needs is be considered. There is valuable exchange that takes place in a form of a transaction with the aim to build long term profitable relationships between a customer and firm (Kotler & Armstrong, 2006).

A world-renowned scholar and professor V. Kumar in his 2018 article titled Transformative Marketing: The next 20 years outlines the future of marketing and how marketing influences business transformation, strengthen interactions between organisations, its stakeholders and customers, ultimately putting customers at the centre of everything an organization initiates. The literature review of the constructs and research question will be based on this very foundation. Kumar further states that transformative marketing is a combination of a firm's marketing activities, concepts,

metrics, strategies, and programs that answer to marketplace changes and future trends, enabling a firm to offer customers value and surpassing competitors in exchange for to leapfrog customers with superior value offerings over competition in exchange for revenues (Kumar, 2018). When business environment changes; transformations in the marketing function occur. Although these transformations are well noted in the companies' financial results, they exist in societal changes either among consumers or markets.

Companies are operating in markets where populations are demographically diverse, customer needs and expectations vary (Kumar, 2018). He further dissects these transformations into two broad approaches. *Transformative marketing 1*: Markets have changed, geographical boundaries are blurred, and technology is a vehicle that merges markets. Previously enjoyed location advantage by many companies is eroding. *Transformative marketing 2:* Availability and access to customer data and technology by marketers or business owners is a reality. Marketers and business owners are now able to personalise communication to customers on a point-and-click interface, and deliver meaningful content, offerings, and interactions.

Concluding thoughts:

Businesses have to be sufficiently nimble to adapt to these changes and constantly evaluate the environments in which they operate to enable them to respond appropriately to the changing business and competitive market environments. Kumar (2018) concludes that "*Transformative marketing has the power to significantly strengthen the interactions between firms and its stakeholders (customers), all the while placing customers at the center of the organisation to create value for all parties involved*".

2.3.1 Social Media Marketing (SMM) for SMMEs

Social media marketing is defined as the use of social media platforms for the purposes of reaching an audience with the aim of brand building, increasing sales, and driving web traffic. The main aim is to engage followers on content shared and exposing them to advertising (Buffer.com, 2019).

Social media is growing at a fast pace. It has formed part of how people communicate in the 21st century. It plays an important part in the social and professional lives of billions of people (Kilyeni, 2014). Social media has enabled people to express their belief and ideas in a new manner. Social media marketing (SMM) is another method of promoting a business or brand by interacting and attracting the interest of current and potential customers through social media channels (Saravanakumar & SuganthaLakshmi, 2012).

Social networks are a core element in assisting companies to deliver personalised content and messages to improve customer experience at each touchpoint in the customer's journey. The social media platforms create value for customers and increased business activities for the firm (Kumar, 2018). (Thoumrungroje, 2014), in his study on social media intensity and conspicuous consumption concluded that social media platforms provide marketers with innovative tools in communicating and distributing their products. Businesses should incorporate social media marketing in their promotional mix as social media sites can be exploited for information they provide on consumer behaviour and purchasing intentions (Paquette, 2013).
Constantinides (2014), in his study concludes: Social media as a platform empowers customers and presents marketers with a challenge on how to manage the communication process. There are however opportunities realised for marketers, such as two way communication between the marketers and consumers; openness, cooperation and co-creation of solutions (Constantinides, 2014).

The noted uptake in social media has resulted in businesses investing in social media marketing (SMM). Firms that invest in SMM tend to have higher performance and good financial returns. In his limited study Wang, 2017 outlines other benefits of investing in SMM as: allowing more interactions and engagement between the customer and business as well as building social customer relationship marketing (CRM) capabilities (Wang & Kim, 2017). Some marketers and business owners have seen the perceived value in social media marketing. In a study conducted by Rundle (2015) in the banking industry in South Africa the interviewed business owners concur that SMM efforts have had an impact on uptake of mobile banking services, although it is difficult to quantify the perception that there was an impact on product uptake (Rundle, 2015).

Although SMM is seen to yield positive results for companies that adopt the platform and approach; there can be possible challenges if the social media activities are not well managed. In his study, Dateling (2012) highlights the potential challenges as: (1) risk of opening the business to scrutiny if the company is not responsive, authentic and accountable; (2) outsourcing the platform management function could lead to incorrect information disseminated to the customers; (3) the risk of invading privacy by imposing certain messages and activities. Businesses should also remember that social media platforms were originally designed for social interactions between friends and families (Dateling, 2012). One of the hurdles that SMMEs face with social media marketing is the problem of customer trust (Prayundanti & Rohmah, 2018).

Kurian, Asokan, and Dham (2019) in their study 'Social media marketing and SMMEs: Is it a Winning Combination in Singapore?' The answer to the question is 'Yes'. They also found that in Singapore, social media marketing is not used to its full potential. This is attributed to a lack of social media strategy and social media marketing skills by SMMEs. They concluded based on the study that with the right social media marketing strategy, less investment, social media can be of great benefit to the SMME business (Kurian et al., 2019). Therefore, the following hypothesis is proposed:

H30: Social media marketing does not have a positive impact on survival of SMMEs .

H3: Social media marketing can have a positive impact on survival of SMMEs.

2.3.2 Traditional marketing (TM) for SMMEs

Kotler (2006) defines marketing as a task of creating, promoting, and delivering goods and services to consumers and businesses (Kotler & Armstrong, 2006).

According to Cant and Van Heerden, (2010), marketing is a combination of management tasks and decisions aimed at meeting opportunities and threats in a dynamic environment so that its market offerings lead to the satisfaction of consumers' needs and wants, in order for enterprise, consumer and society objectives are achieved. This illustrates the importance of marketing a business and the benefits thereof. Many scholars and academics have researched reasons why SMMEs fail and

lack of marketing skills and adoption as part of running a business are noted as some of the reasons.

Another reason noted is resource constrains around skills and finance. In the SMME environment marketing activities are managed by the management and the activities are defined by strategies to attract new business with focus on competitors, customers, and the business environment (O'Dwyer, Gilmore, & Carson, 2018). This is demonstrated in Figure 1 in the Appendix, referring to characteristics of SMME marketing, namely competitors, decision making, customers, limitations, and environment.

The aim of traditional marketing is to provide time, place and position of utility. Therefore, the essence of marketing consists of creating a value for customers and motivates them to buy it. In other words, the purpose is to change the perception of customers (Sinha & Singh, 2017). Michael ,Cant & Wild (2016) in his research discovered that most SMMEs in South Africa are still contented and uphold the use of traditional marketing tools. Although faced with budget constraints and less skills to develop marketing plans, the respondents believed that traditional marketing is "effective" and "very effective (Michael C. Cant & Wild, 2016). Therefore, the following hypothesis for this study is proposed:

$H4_0$: Traditional marketing cannot have a positive impact on survival of SMMEs.

H4: Traditional marketing can have a positive impact on survival of SMMEs.

2.4 Value in marketing a business

The focus of SMMEs on marketing is greatly dependent on knowledge of entrepreneurs or business owners of the enterprise; who tend to be generalists and have limited marketing management skills (Hogarth-Scott, Watson, & Wilson, 1996). Firms that have developed marketing capabilities tend to perform at a higher level (Qureshi & Mian, 2017). It is noted in chapter 1 that scholars and academics have conducted studies that suggests that one of the factors that contributes to the failure of SMMEs is a lack of marketing efforts by the business coupled with employing a

marketing strategy in an SMME business increases the chances of success for the business.

A study conducted on - Effect of Marketing Orientation on Business Performance for the Foodstuff industry (Šályováa et al.,2015) found that marketing orientation in a business is centred on the generation of information, disseminations of information and being responsive to information gained about the market, competitors and customers. Gaining and monitoring of this information, including responding appropriately provides competitive advantage for a firm (Šályováa, Táborecká-Petrovičová, Nedelováa, & Ďaďoa, 2015). (Šályováa et al., 2015) puts forward the notion that companies want to achieve greater performance in various areas of their business. Their ambition is to gain financial benefits, have satisfied and loyal customers, advance their markets and products. To achieve this level of performance, an intelligent marketing strategy (IMS) is required. The strategic actions to be undertaken are creating sustainable competitive advantage (SCA) through marketing capability (Šályováa et al., 2015).

2.5 Investing in marketing skills

Gontur, Emmanuelb, and Makropb, (2018) in their study established that the acquisition of marketing skills by operators of small and medium scale enterprises is of paramount importance and has benefits associated with it. They also concluded in the same study that holding marketing skills have a positive effect on a firm's performance, sales and profits for small and medium enterprises (Gontur et al., 2018).

In his paper titled, 'Factors influencing Adoption of E Marketing by Small and Medium Enterprises (SMEs)', (Gontur et al., 2018) argues that the level of education attained has impact on adoption of e-marketing skills. Managers with secondary level education tend to have a propensity to adopt e-marketing skills for the business. Increased adoption of e-marketing by customers influences an adoption by firms positively (Mzee & Ogweno, 2015).

SMME managers are consumed by surviving challenges which tend to dominate the importance of marketing. The conclusion is that there is a positive correlation between

marketing skills challenges and business failure in South Africa. His research recognised that marketing skills challenges of SMMEs add to high business failure rate in South Africa (Scheers, 2010). Therefore, the following hypothesis for is proposed:

$H4_0$: SMME businesses that invest in marketing skills do not prosper.
H1: SMME businesses that invest in marketing skills prosper.

2.6 Marketing efforts and initiatives

Adding to the growing literature on relationship marketing, by probing the impact of marketing activities on relationship quality in the banking sector in Malaysia, (Al-alak, 2013) finds that client and employees' relational orientation harvests high relationship quality and results improved relationship quality. In the same breath, marketing actions affords bank managers an opportunity to develop and implement a marketing strategy with the objective of increasing marketing efficiency and effectiveness (Al-alak, 2013).

Chang, Chou, Wu, and Wu, (2017) in their study revealed that firms that put an effort in utilising social media platforms as marketing tools tends to perform better than firms that do not place an effort. His study discovered that products with Facebook marketing on average have 45% more sales than products without Facebook marketing (Chang et al., 2017).

In a study conducted in the United Kingdom (UK) for the banking industry and building societies it was found that firms that demonstrate marketing effectiveness and places effort on marketing tend to be characterised by high customer retention rates, profitability and sales growth (Appiah-Adu et al., 2001). Although he cautions limitations to this exploratory study to the fact that it was limited to firms in the UK, and there could be biasness based on the position of respondents, other similar studies seem to corroborate the findings highlighted above.

Cizmar and Weber (2000) in their study found that the lack of marketing effectiveness in the Croatian's hotel industry impacts business negatively. The external factors contributing to this outcome is the effects of war in Croatia in the nineties. The internal reasons contributing to lack of marketing effectiveness are highlighted as follows: undefined business and marketing strategies of the hotel companies with no monitoring system of the implemented marketing activities, inappropriate internal marketing information system within the companies and insufficient management capabilities to use the existing information (Cizmar & Weber, 2000). Thus, the following hypothesis is proposed:

$H2_0$: Marketing efforts and initiatives do not have a positive impact on survival of SMMEs
H2: Marketing efforts and initiatives have a positive impact on survival of SMMEs.

2.7 Conclusion of Literature Review

Many studies as per the literature review have demonstrated the role and value of social media marketing (SMM) and traditional marketing (TMM) for SMMEs. Other studies have highlighted the importance and role SMMEs play in economies especially the emerging economies like South Africa (Michael C. Cant & Wild, 2016; Kurian et al., 2019; OECD, 2004). This study aims to further explore and contribute to the literature on social media marketing (SMM) and traditional marketing (TM) for SMMEs in emerging economies.

2.8 Summary of hypotheses

$H1_0$: SMME businesses that invest in marketing skills do not prosper.
H1: SMME businesses that invest in marketing skills prosper.

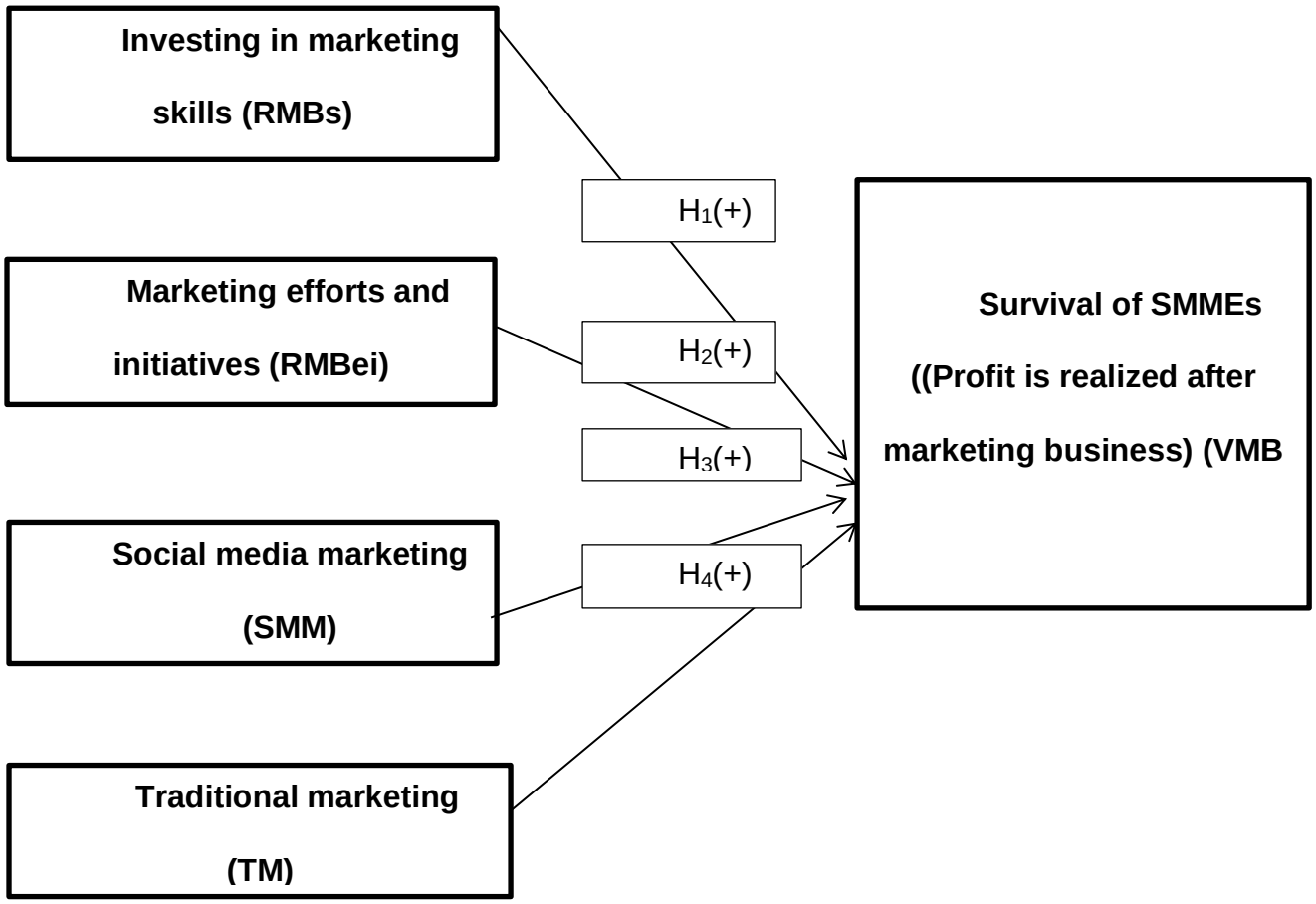
$H2_0$: Marketing efforts and initiatives do not have a positive impact on survival of SMMEs.
H2: Marketing efforts and initiatives have a positive impact on survival of SMMEs.

$H3_0$: Social media marketing does not have a positive impact on survival of SMMEs.
H3: Social media marketing can have a positive impact on survival of SMMEs.

$H4_0$: Traditional marketing does not have a positive impact on survival of SMMEs.

H4: Traditional marketing can have a positive impact on survival of SMMEs.

2.9 Conceptual framework for the study



3. CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

The following section and chapter outlines the following units: 1) an introduction; 2) the research paradigm; 3) research design; 4) population and the sampling frame; 5) research instrument; 6) procedure for data collection; 7) data analysis; 8) limitations of the study; 9) validity and path modelling and 10) concluding remarks.

Research aims to seek answers to problems. The application of scientific methodology can assist in solving problems and finding answers to questions (Khan, 2008).

The literature review conducted has provided the author with an understanding of the topic at hand, marketing approaches that can be undertaken by SMME business to impact their performance, a comparison of social media marketing approach and traditional marketing approach. The comparison study to be undertaken warrants further research on these approaches for SMME businesses to better understand the relationship between the broad constructs of employing marketing activities for the SMME business.

Chapter 3 presents the rationale for the approach taken for the research. The purpose being to outline research procedure used to address the objectives, as well as the hypothesis. The selected research method is used for the sampling design, research tool design and data collection. The selected method for the study is qualitative research method.

Qualitative research allows exploring of underlying reasons and motivations. The method provides insights and understanding of the problem setting (Malhotra & Peterson, 2006). Qualitative research also consents a richer understanding (Malhotra & Peterson, 2006).

3.2 Research paradigm

The purpose of the study is to compare social media marketing versus traditional marketing approaches for SMMEs. All research is conducted within paradigms, which represent the researcher's particular way of thinking about their subject matter and which they share with other like minds.

3.3 Research Design

Research design is described as a roadmap for conducting the research project. It specifies the procedures to collect information (Malhotra & Peterson, 2006). There are no set formulas or recipe books for conducting a qualitative study (Leedy & Ormrod, 2010), rather it includes approaches that are different in some respects but have commonalities. The first commonality is they occur in "the real world" or natural settings. The second commonality is they value complexities in the nature of the topic (Leedy & Ormrod, 2010). (Malhotra & Peterson, 2006) highlights three basic qualitative research methods namely exploratory research, descriptive research, and casual research. All these methods have their merits. The author of this study recognises the merits and fit of exploratory research to this study.

Exploratory research - as the name indicates, it is to explore through a problem with the ambition to provide insights and understanding (Malhotra & Peterson, 2006).

3.4 Population and sample

3.4.1 Target population

Target population refers to total group of persons from which the sample will be borne (McLeod, 2014). The study will draw the sample from a population of entrepreneurs/business owners, marketing practitioners and managers in the SMME business across the province of Gauteng. The population of SMME businesses will not be limited to any specific areas or industries. Random sampling of businesses in the Gauteng area will be adopted.

3.4.2 Sampling frame

The sampling frame consists of a database of SMMEs across the Gauteng province in South Africa. The database is accessible to the researcher and is made available upon request.

The target population is defined as business owners, marketers, and decision makers of SMME businesses in the Gauteng Province of South Africa 2018. Simple random sampling process was followed to select a representative sample of the targeted population.

3.4.3 Sampling size

A total of 33 SMME businesses were targeted. Twenty (20) responses were realised. The researcher is of the belief that the number of respondents is sufficient and satisfactory to proceed with the analysis of the data to assist the research process.

3.5 Research instrument

Questionnaire is the preferred instrument for data collection by the researcher.
The questionnaire consisted of a series of formalised questions as a method of data collection. An online survey was distributed to respondents. The Wits Qualtrics platform was used to design and manage the distribution of the questionnaire to the respondents. The questionnaire helped with obtaining information from respondents (Malhotra & Peterson, 2006). The advantage of using self-completed questionnaire are: (1) the allowance to have a greater geographical coverage, (2) reduces biasing error, (3) provides greater anonymity for the respondent and (4) increases the reliability of responses, especially when the research topic is sensitive and personal in nature (Phellas, Bloch, & Seale, 2011). On the other hand, self-administered questionnaires tend to have low return rate either majority of people who receive questionnaires do not return them. Questions are at times open to misinterpretation and there is no opportunity to seek clarity by respondents (Leedy & Ormrod, 2010)

3.6 Procedure for data collection

3.6.1 Respondents identification

The sampling process was followed meticulously. Contact was made with business associates and colleagues who are managers, owners, or decision makers in their respective organisations. The respondents ranged from the ages of 25 to over 35 years. The identified respondents were contacted 2 weeks prior to the questionnaire being sent. The purpose of the contact was to inform the respondents about the approaching survey and obtain consent to participate in the research. The administering to the questionnaire followed.

3.6.2 Pilot testing

Pre-testing of the questionnaire on a sample of respondents improves the quality of information to be obtained from the questionnaire; potential problems are identified, and risks mitigated (Malhotra & Peterson, 2006). The pilot testing in this instance was not conducted due to the size of the sample. The sample size allows for ease of identification of administration and research design potential glitches. No administration and research design glitches were experienced.

3.6.3 Respondents briefing

Respondents were adequately briefed telephonically and in writing. A covering letter to accompany the questionnaire was attached, reiterating the purpose of the research and the background of the researcher, including the institution contact details. The covering letter also included instructions on how to administer the questionnaire. This was of paramount importance as the questionnaire was to be self-administered.

3.6.4 Data collection

Data was collected by means of an online questionnaire and the option of sending hard copies of the questionnaire to the respondents was made available. Completed questionnaires were received directly by the researcher via the Wits Qualtrics platform. Questionnaires and instructions were administered in English.

3.6.5 Reminders and follow-ups

Email or telephone reminder notes were sent to respondents weekly. Thank you notes were also sent to respondents that have completed and submitted the questionnaire.

3.7 Data Analysis

The intention was to use the seven-point Likert-type scale with ranges from 1(‘strongly disagree’) to 7(‘strongly agree’). SPSS statistical package was used to manage and clean the data; it is befitting to perform correlational analysis to determine the relationship between provided variables in the study. SPSS statistical package provided the opportunity to conduct a Factor Analysis to uncover some latent variables. This exercise assisted in testing if a strong correlation between the latent variable and the other variables existed, including reliability of the outcome.

3.8 Conclusion

The purpose of Chapter 3 was to pronounce the research design and methodology adopted to address the research objective. Ethical issues in research have been observed and adhered to.

4. CHAPTER 4: Presentation of results

4.1 Introduction

This chapter deals with the results of the data analyses, carried out on the responses obtained from the 20 organisations that completed the online survey. The analyses were conducted using SPSS (Statistical Package for Social Sciences). This is an exploratory study where social media marketing is compared to traditional marketing. First, the descriptive statistics of demographic aspects of the respondents and their respective organisations are presented, and then the usage of internet, social media and traditional marketing are described. The descriptive statistics of the measurement scales of the role of marketing in a business, the value of marketing a business, the social media and traditional marketing are presented in table formats.

In addition to the descriptive statistics, reliability and validity of the measurement scale questions are discussed. That is, to determine the consistency and accuracy at to which the measurement scale questions, in each section, correctly assess the concept. Lastly, exploratory factor analysis is carried out to investigate whether variables in each section, are linearly related to a smaller number of unobservable factors. That is, to examine whether questions in sections E to H separately, can be reduced in few variables (factors).

4.2 Descriptive statistics: demographic profile of the respondents

4.2.1 Gender

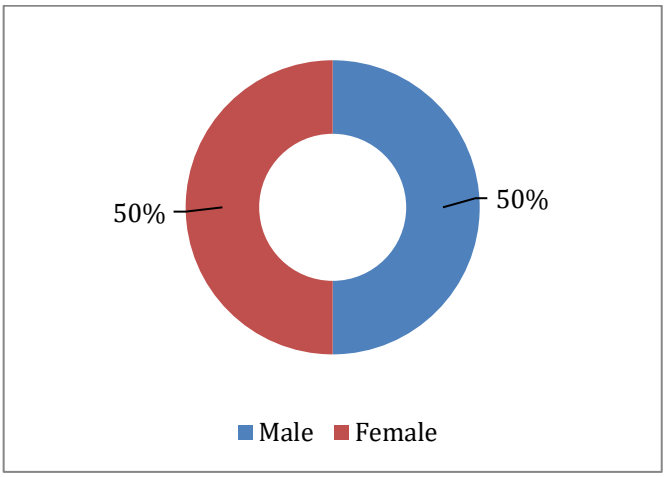


Figure 4.1 Gender

There are as many male as female respondents in the survey. Among the 20 organisations or SMMEs that participated in the survey, 50% of their respondents are males and 50% are females, Figure 4.1.

4.2.2 **Age category (years)**

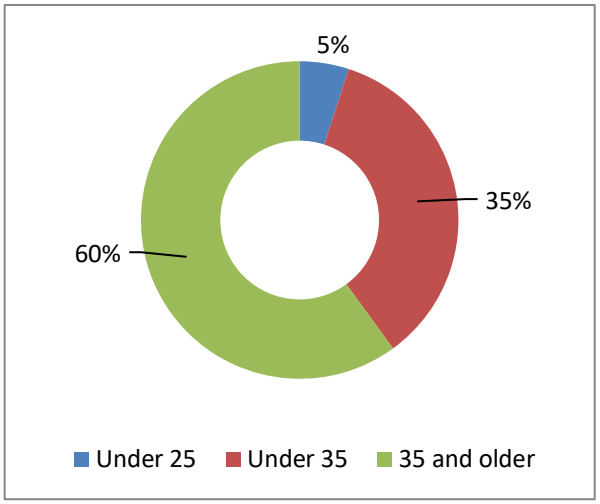


Figure 4.2: Age categories (years)

Figure 4.2 above indicates the age categories of the respondents in the survey. It can be noticed that the majority of respondents are 35 years or older. 35% of them are

younger than 35 but older than 24 years, and 5% of the respondents in the survey are younger than 25 years.

4.2.3 Highest qualification

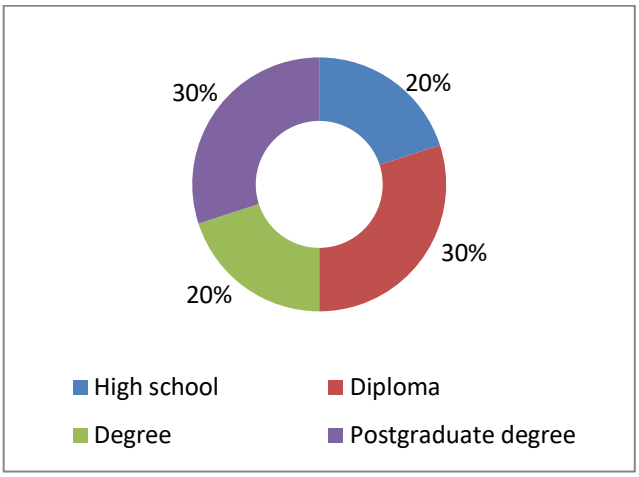


Figure 4.3: Highest qualification

The vast majority of the respondents in the survey have either a diploma or a university degree, Figure 4.3. Of all the 20 participants, 30% of them have diploma, 20% have university degree and 30% have postgraduate degree. The remaining 20% of the respondents have only a high school certificate.

4.2.4 Age of the company

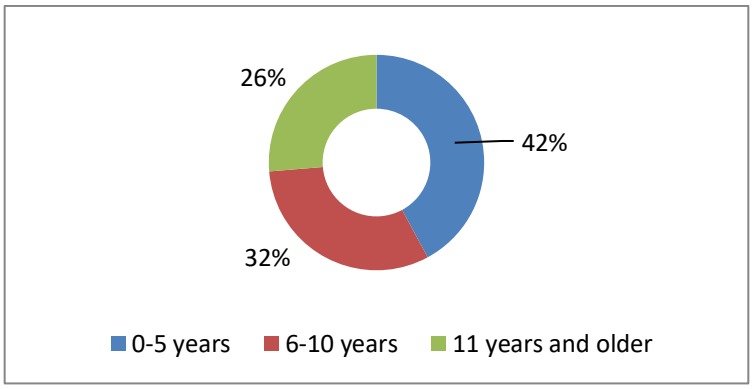


Figure 4.4: Age of the company

Of the 20 SMME organisations that participated to the survey, the large majority have existed for more than 5 years. This is depicted in Figure 4.4. 32% of these

organisations have existed for 6 to 10 years and 26% for 11 years or more. 42% of the total of the organisations have existed for 5 years or less.

4.2.5 Location of the company

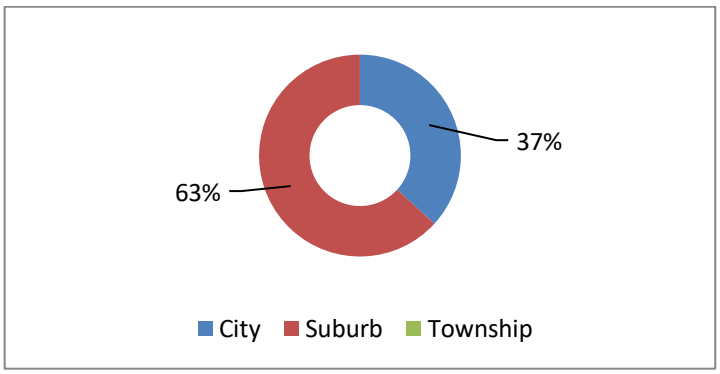


Figure 4.5: Location of the company

As indicated in Figure 4.5, the vast majority of the companies in the survey are located in the suburb, which accounts for 63% of the total of the companies. 37% of the companies are located in the city. None of the companies in the survey is located in the township.

4.3 Descriptive statistics: Internet access and usage

4.3.1 Do you have access to the internet?

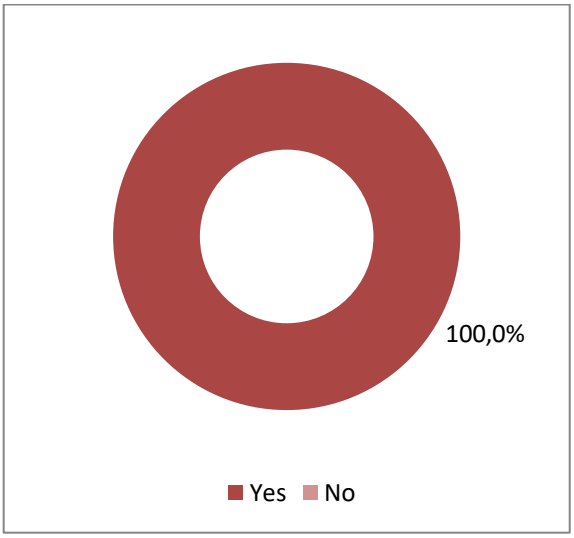


Figure 4.6:Internet access

4.3.2 How do you access the internet mostly?

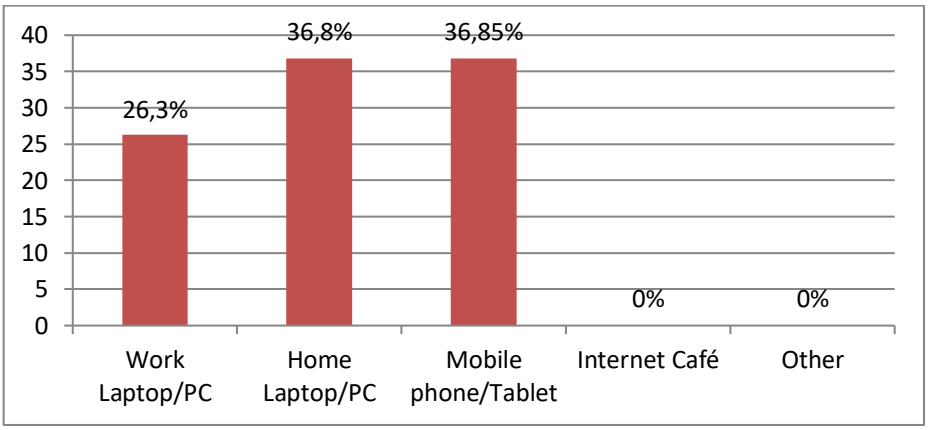


Figure 4.7: Way of internet access

Figures 4.6 and 4.7 above present respectively, the companies' access to internet and the devices or ways used to access internet. It can be seen that all the organisations in the survey have access to internet, Figure 4.6. Home Laptop/PC and mobile phone/tablet are the most common devices used to access internet by these companies. Each of these above-mentioned devices accounts for 36, 8%, Figure 4.7. 26, 3% of them use work laptop/PC. None of the organisations use internet café or any other devices or ways to access internet.

4.4 Descriptive statistics: Social media and traditional marketing usage

4.4.1 Does your organisation use social media marketing?

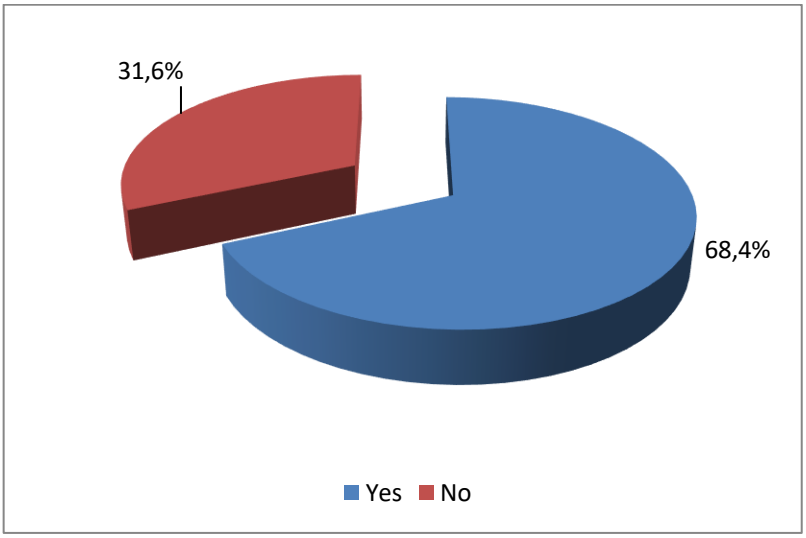


Figure 4.8: Usage of social media marketing

The usage of social media marketing is presented in Figure 4.8. Most of the companies in the survey use social media marketing as the yes accounts for 68, 4% and no, 31, 6%.

The majority of the companies in the survey use either only LinkedIn or all the platforms mentioned in Figure 4.9 below. A third (33, 3%) of the companies uses LinkedIn only as platform for social media marketing. Another third uses all the platforms (LinkedIn, Facebook, Twitter, Instagram, and YouTube). That is, two-third of the companies uses LinkedIn. 22, 2% of them use Facebook only, 11, 1% uses Instagram. None of the companies uses only Twitter or YouTube as platform for social media marketing.

4.4.2 Which of the following platforms does your organisation use for social media marketing mostly?

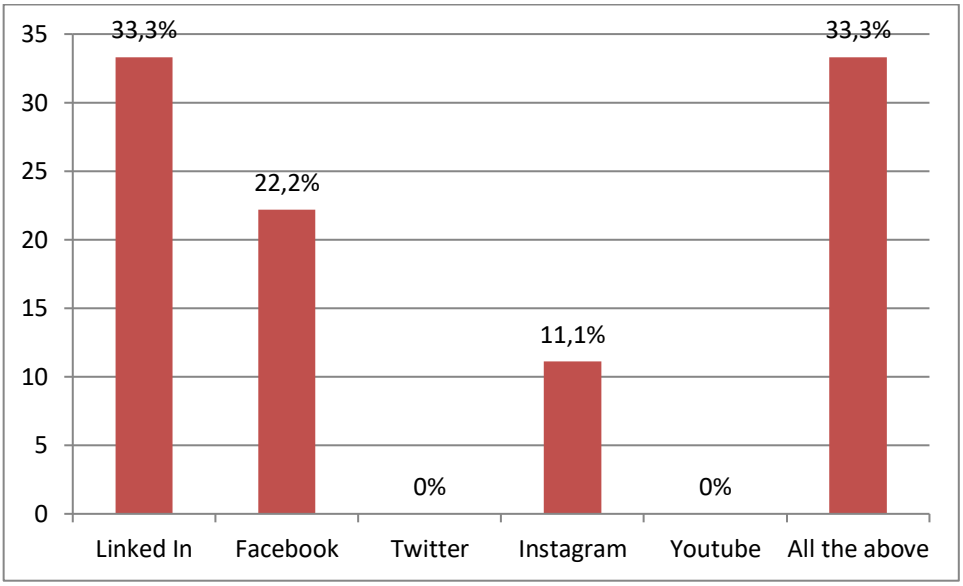


Figure 4.9: Platforms used for social media marketing

4.4.3 Does your organisation do marketing?

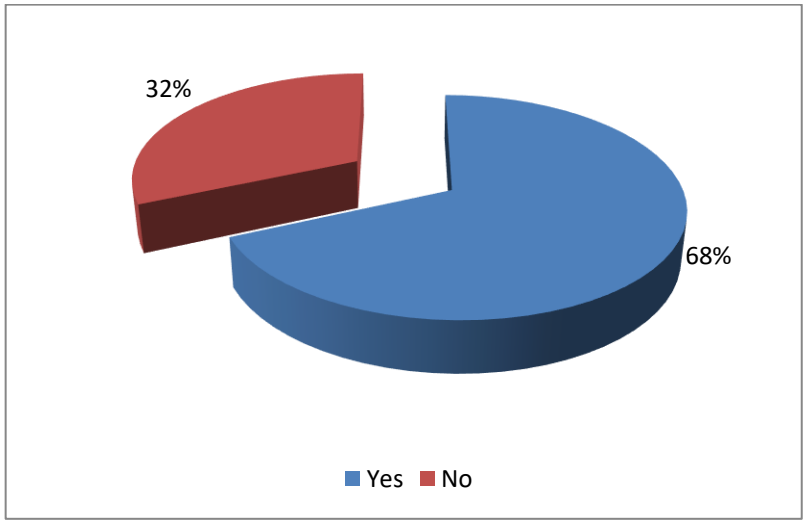


Figure 4.10: Organisation does marketing

Marketing is an essential tool for business, as it is depicted on Figure 4.10. 68% of the organisations in the survey do marketing and 32% of them do not.

4.4.4 Which of the following promotional tools do you use to market your business mostly?

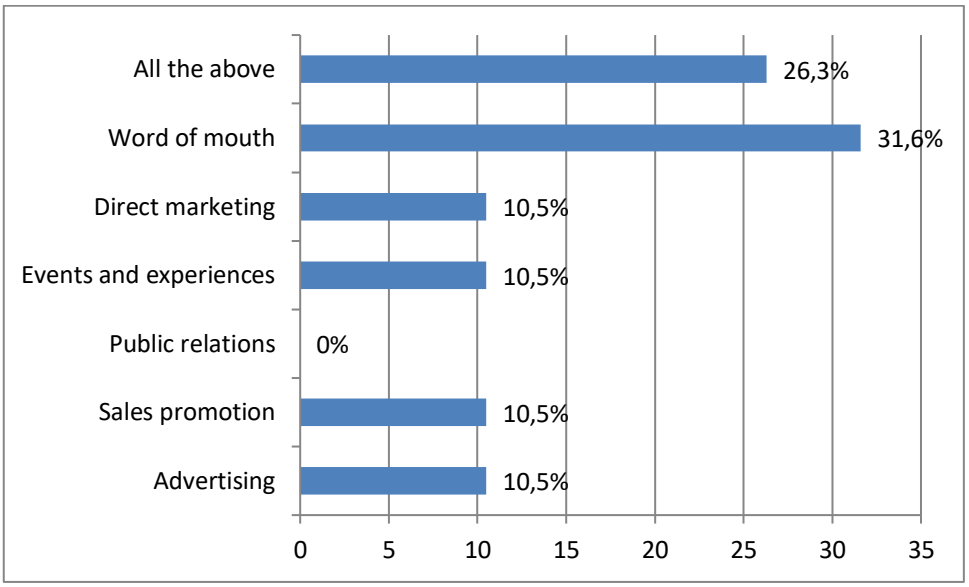


Figure 4.11: Promotional tools used to market business

4.4.5 Which of the following marketing platforms does your organisation use to market the business mostly?

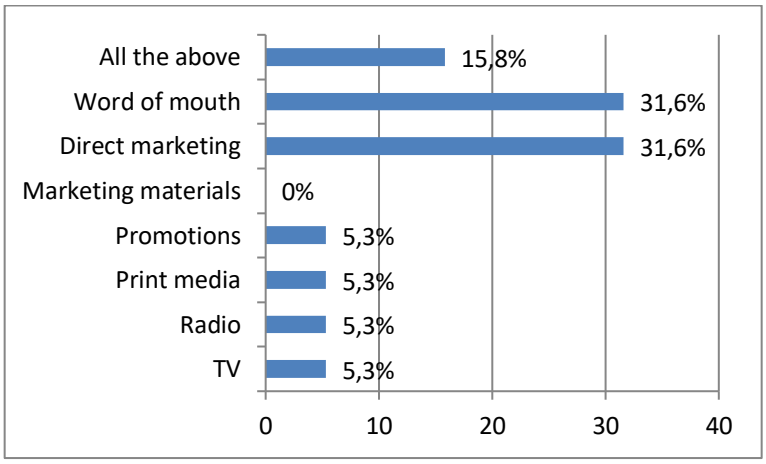


Figure 4.12: Traditional platforms used to market the business

The two figures above, Figure 4.11 and Figure 4.12, show the promotional tools and the traditional platforms, respectively, mostly use by companies to market their business. Word of mouth is the most promotional tool use by companies to market their business, Figure 4.11. It accounts for 31, 6% of the total number of the companies in the survey. 26,3% of these companies use all the promotional tools mentioned in Figure 4.11, while direct marketing, events and experiences, sales promotion, and

advertising, each is used by 10,5% of the companies. None of the companies use public relations to promote the business. When it comes to traditional platforms used to market the business, Figure 4.12, word of mouth and direct marketing are the most used, each with 31, 6% of the companies. 15, 8% of the companies use all the platforms indicated in Figure 4.12. Each of promotions, print media, radio and television is used by 5, 3% of the companies. None of the organisations use marketing materials as traditional platform for marketing business.

4.5 Descriptive statistics: Measurement scale

The measurement scales that assess the role of marketing, the value of marketing, social media in marketing and traditional marketing, in this order, are presented in this section.

4.6 The role of marketing in a business

Table 4.1: Role of marketing in a business

Item	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
My organisation has marketing capabilities	31,6%	36,8%	15,8%	10,5%	0,0%	5,3%	0,0%
A have a marketing budget	5,3%	21,1%	36,8%	10,5%	5,3%	21,1%	0,0%
I have a marketing plan	15,8%	36,8%	21,1%	10,5%	5,3%	10,5	0,0%
Marketing is an essential part of running a business	73,7%	21,1%	5,3%	0,0%	0,0%	0,0%	0,0%
Marketing forms a part of my business plan	52,6%	21,1%	10,5%	5,3%	0,0%	10,5%	0,0%

Table 4.1 presents the measurement scales of role of marketing in business. 31, 6% of the respondents strongly agree that their organisation has marketing capabilities, and 36, 8% agree on it. That is, in total, 68, 4% of respondents are on agreement with this item. Though the majority of companies marketing capabilities, they barely have a marketing budget, as 5, 3% only strongly agree, 21, 1% agree and 36, 8% somewhat agree on it. In total 63, 2% are in agreement with companies having marketing budget. 15, 8% of the respondents strongly agree that they have a marketing plan and 36, 8%

of them agree on it. But there is 21, 1% of the respondents who somewhat agree. That is, 52, 6% of the respondents, in total, agree that they have a marketing plan. With the 21, 1% of somewhat agreement, 73, 7% of respondents agree that they have a marketing plan. 97, 8% of the respondents are in agreement with marketing being an essential part for running a business as 73, 7% strongly agree and 21, 1% agrees. 52, 6% of the respondents strongly agree that marketing forms part of their business plan and 21, 1% of them agree on the statement. This means that, in total, 73, 7% are in agreement with the statement.

In summary, large majority of the respondents agree that marketing plays an important role in running a business.

4.7 The value of marketing a business

Table 4.2: Value of marketing a business

Item	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
I see value in marketing my business	63,2%	15,8%	15,8%	0,0%	0,0%	5,3%	0,0%
I have realised profit after marketing my business	21,1%	36,8%	15,8%	21,1%	5,3%	0,0%	0,0%
Marketing is costly	15,8%	57,9%	10,5%	10,5%	5,3%	0,0%	0,0%
I do not need to market my business	0,0%	5,3%	5,3%	5,3%	15,8%	21,1%	47,4%
My business sells itself	0,0%	10,5%	21,1%	21,1%	31,6%	10,5%	5,3%

As presented in Table 4.2, value of marketing a business is assessed. 63, 2% of the respondents strongly agree that they see value in marketing business, and 15, 8% of the respondents equally agree and somewhat agree with the statement. 5, 3% only disagree with the statement. In total, 79% are in agreement with the statement, without even taking into account those who somewhat agree. Most of the respondents agree that they have realised profit after marketing their business, which accounts for 36, 8% of the responses. 21, 1% of the respondents strongly agree with the statement and 15, 8% of them somewhat agree. Though in total there are more than 50% in agreement with the statement, there are substantial percentages (21, 1%) of the

respondents who neither agree nor disagree with the statement. A large majority of the respondents agree that marketing is costly, which accounts for 57, 9% of the responses. 15, 8% of the respondents strongly agree with the statement and 10, 5% of them somewhat agree with it.

Most respondents strongly disagree that they do not need to market their business, which accounts for 47, 4% of the responses. 21, 1% of respondents disagree with the statement and 15, 8% of them somewhat disagree with it. This confirms that companies need to market their business. 31, 6% of the respondents indicate that they somewhat disagree their businesses sell themselves. 10, 5% of the respondents disagree with the statement and 5, 3% of them strongly disagree with it. 21, 1% of the respondents somewhat agree with the statement and 10, 5% of them agree with it. 21, 1% of the respondents neither agrees nor disagrees with the statement. So, there is no confirmation whether respondents agree or disagree with the statement.

4.8 Social media marketing

Table 4.3: Social media marketing

Item	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
Social media marketing is new way of marketing a business	52,6%	42,1%	5,3%	0,0%	0,0%	0,0%	0,0%
Every business must have social media platforms	57,9%	26,3%	15,8%	0,0%	0,0%	0,0%	0,0%
I believe social media marketing adds value to my business	57,9%	26,3%	10,5%	5,3%	0,0%	0,0%	0,0%
I get customers from social media marketing	22,2%	16,7%	33,3%	22,2%	5,6%	0,0%	0,0%
Social media marketing results profit	5,3%	31,6%	36,8%	26,3%	0,0%	0,0%	0,0%

Social media marketing of the organisations in the survey is assessed in Table 4.3. It can be seen that 94, 7% of the respondents agree that social media marketing is a new way of marketing a business. This percentage is the total of those who strongly agree (52,6%) and those who agree (42,1%) with the statement. 57,9% of the

respondents strongly agree that every business must have a social media platform, 26,3% of the respondents agree with it and 15,8% of them somewhat agree with the statement. That is, all the respondents are in agreement with the statement.

The large majority of respondents strongly believe that social media marketing adds value to their business, as this accounts for 57, 9% of the responses. 26, 3% of the respondents agree with the statement. That is, a total of 84, 2% are in agreement with the statement. 22, 2% of the respondents strongly agree that they get customers from social media marketing, while another 22, 2% of the respondents neither agree nor disagree with the statement. 16, 7% of the respondents agree with the statement and 33, 3% somewhat agree with it. So, in considering all levels of agreement, 72, 2% of the respondents are in agreement with the statement. 36, 8% of the respondents somewhat agree that social media marketing results profit in their business. 31, 6% of the respondents agree with the statement and 5, 3% strongly agree with it.

In total, 73, 7% are in agreement with the statement.

4.9 Traditional marketing

Table 4.4: Traditional marketing

Item	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongly disagree
Traditional marketing is still relevant	38,9%	22,2%	38,9%	0,0%	0,0%	0,0%	0,0%
Every business must invest in traditional marketing	5,9%	35,3%	35,3%	23,5%	0,0%	0,0%	0,0%
I get customers from traditional marketing	5,6%	33,3%	44,4%	16,7%	0,0%	0,0%	0,0%
Traditional marketing results profit	11,1%	33,3%	38,9%	16,7%	0,0%	0,0%	0,0%

Table 4.4 presents the assessment of traditional marketing in business. It can be seen that 38, 9% of the respondents equally strongly agree and somewhat agree that traditional marketing is still relevant. 22, 2% of the respondents agree with the statement. That is, all the respondents are in agreement with the statement. 35, 3% of the respondents equally agree and somewhat agree that every business must invest

in traditional marketing. 5, 9% of the respondents strongly agree with the statement and 23, 5% of the respondents neither agree nor disagree with the statement. A total of 76, 5% of the respondents are in agreement with the statement. 44, 4% of the respondents somewhat agree that they get customers from traditional marketing, 33, 3% of the respondents agree with the statement and 5, 6% of them strongly agree with the statement. In total, 83, 3% of the respondents are in agreement with the statement. Traditional marketing still results profit as a total of 83, 3% of the respondents are in agreement with the statement. That is, 38, 9% of the respondents somewhat agree with the statement, 33, 3% of them agree with it and 11, 1% of the respondents strongly agree with the statement.

4.10 Reliability and validity

This section deals with the reliability and the validity of the questionnaire used to assess the measurement scales. A questionnaire should provide data that are reliable and valid. Reliability measures the consistency of the questionnaire while validity measures it accuracy.

4.10.1 Reliability measurement

Reliability analysis measures the overall consistency of the items (questions) that are used to define a scale. Using reliability analysis, we determine the extent to which the questions in the questionnaire are related to each other. One of the most popular reliability statistics in use today is Cronbach's alpha(Cronbach, 1951). Cronbach's alpha determines the internal consistency or average correlation of items in a survey. A commonly accepted rule of thumb for describing internal consistency using Cronbach's alpha is that alpha be 0,70 or greater for an instrument to have an acceptable level of consistency(Cortina, 1993).

Table 4.5: Cronbach's Alpha coefficient

Item	Corrected item – total correlation	Cronbach's Alpha if item is deleted	Cronbach's Alpha
Role of marketing in a business (RMB)			
My organisation has marketing capabilities	0,712	0,850	0,901
A have a marketing budget	0,732	0,846	

I have a marketing plan	0,854	0,812	
Marketing is an essential part of running a business	0,741	0,881	
Marketing forms a part of my business plan	0,725	0,850	
The value of marketing a business (VMB)			
I see value in marketing my business	0,076	0,101	0,179
I have realised profit after marketing my business	-0,056	0,235	
Marketing is costly	0,212	-0,023	
I do not need to market my business	-0,134	0,357	
My business sells itself	0,307	-0,218	
Social media marketing (SMM)			
Social media marketing is new way of marketing a business	0,711	0,815	0,874
Every business must have social media platforms	0,864	0,766	
I believe social media marketing adds value to my business	0,862	0,754	
I get customers from social media marketing	0,531	0,876	
Social media marketing results profit	0,498	0,853	
Traditional marketing (TM)			
Traditional marketing is still relevant	0,671	0,838	0,865
Every business must invest in traditional marketing	0,767	0,797	
I get customers from traditional marketing	0,784	0,797	
Traditional marketing results profit	0,628	0,857	

Table 4.5 presents the Cronbach's Alpha coefficients of the four sections of the questionnaire that assess the measurement scales. It can be noticed that except for the value of marketing a business, with an unacceptable Alpha coefficient of 0,179, all the other coefficients are far above the 0,70 threshold. So, variables in section related to value of marketing business will be later examined in factor analysis.

The corrected item-total correlation being the correlation between the item and the total score from the questionnaire indicates that all the items are reliable as they are correlated with the total score, except for the value of marketing a business. This is also confirmed by the Cronbach's Alpha if item deleted column. None of the items (questions), in any section, would significantly increase Cronbach's Alpha coefficient, if the item is deleted. Except for the value of marketing a business, all the questions are reliable.

4.10.2 Validity measurement

There are many types of validity tests in the literature (Taherdoost, 2016). As the purpose of this study is to investigate the impact of social media marketing versus traditional marketing approaches, construct validity, is considered in this research. Construct validity means that a test designed to measure a particular construct is actually measuring that construct. The two components of construct validity are discriminant and convergent validity. The former tests that should have no relationship do, in fact, not have any relationship and the latter tests that constructs that are expected to be related are, in fact related. Construct validity is verified with factor analysis and correlation matrix. Items loaded above 0,40, which is the minimum requirement in research, (Taherdoost, 2016), are considered for further analysis. So, before testing validity, let first present the results of factor analysis.

4.11 Factor analysis

Factor analysis is a tool that a researcher can use to attempt to reduce the overall number of observed variables into latent factors based on commonalities within the data. Another basic purpose of factor analysis is to derive a new set of uncorrelated variables, called underlying factors, with the hope that these new variables will give a better understanding of the data being analysed (Kline, 2004). The two types of factor analysis are confirmatory factor analysis (CFA) and exploratory factor analysis (EFA). The former evaluates a priori hypotheses and is largely driven by theory while the latter identifies factors based on data and maximizes the amount of total variance extracted. As this study is an exploratory one, EFA is used to identify pattern in each of the four sections of measurement scales: organisation has marketing capabilities, value of marketing a business, social media marketing and traditional marketing.

The results of the factor analysis of the four measurement scale sections are presented below, with the matrices of correlations between each pair of variables, in each section.

Table 4.6: Correlation matrices

Section E: Role of marketing in a business (RMB)					
	E1	**E2**	**E3**	**E4**	**E5**
My organisation has marketing capabilities (**E1**)	1,000				
A have a marketing budget (**E2**)	0,647	1,000			
I have a marketing plan (**E3**)	0,675	0,724	1,000		
Marketing is an essential part of running a business (**E4**)	0,534	0,656	0,679	1,000	
Marketing forms a part of my business plan (**E5**)	0,578	0,540	0,761	0,666	1,000
Section F: The value of marketing a business (VMB)					
	F1	**F2**	**F3**	**F4**	**F5**
I see value in marketing my business (**F1**)	1,000				
I have realised profit after marketing my business (**F2**)	0,732	1,000			
Marketing is costly (**F3**)	0,024	0,079	1,000		
I do not need to market my business (**F4**)	-0,398	-0,651	0,138	1,000	
My business sells itself (**F5**)	-0,085	-0,154	0,170	0,563	1,000
Section G: Social media marketing (SMM)					
	G1	**G2**	**G3**	**G4**	**G5**
Social media marketing is new way of marketing a business (**G1**)	1,000				
Every business must have social media platforms (**G2**)	0,846	1,000			
I believe social media marketing adds value to my business (G3)	0,877	0,973	1,000		
I get customers from social media marketing (**G4**)	0,450	0,497	0,493	1,000	
Social media marketing results profit (**G5**)	0,224	0,523	0,528	0,396	1,000
Section H: Traditional marketing (TM)					
	H1	**H2**	**H3**	**H4**	
Traditional marketing is still relevant (**H1**)	1,000				
Every business must invest in traditional marketing (**H2**)	0,740	1,000			
I get customers from traditional marketing (**H3**)	0,595	0,668	1,000		
Traditional marketing results profit (**H4**)	0,427	0,542	0,722	1,00	

Table 4.6 indicates the correlations between each pair of variables in all the four sections. As all the correlation coefficients, in section E, are above 0,50, as recommended by Kline (Kline, 2004) , all the variables should be loaded in one factor. In the correlation matrix of section F, two clusters of correlated variables are represented. That is, the first two variables, with a correlation coefficient of 0,732 and the last two variables, with a correlation coefficient of 0,563. The expectation is to see

those variables to load to two different factors. The item marketing is costly will be deleted as it is not or negatively correlated to others. Items in correlation matrices of section G and H have positive inter-correlations. Most of their values are greater than 0.50, except for few of them. Factor analysis in the next section will help to determine the underlying construct (factors), if any.

Table 4.7: Factor loadings and communalities based on principal component analysis with Varimax rotation

	Factors					
Items	RMB	VMB1	VMB2	SMM	TM	Communality
E1	0,927					0,648
E2	0,855					0,716
E3	0,846					0,860
E4	0,805					0,579
E5	0,761					0,731
F1		0,911	-0,015			0,830
F2		0,920	-0,218			0,893
F4		-0,532	0,745			0,838
F5		0,032	0,947			0,898
G1				0,764		0,584
G2				0,884		0,782
G3				0,889		0,790
G4				0,816		0,666
G5				0,649		0,421
H1					0,832	0,692
H2					0,884	0,781
H3					0,865	0,749
H4					0,791	0,625
Percentage of total Variance explained	73,84%	86,46		64,84	71,17	

The results of the factor analysis are presented in Table 4.7. Explanations of all the abbreviations used are given in Table 4.7 above. Principal component analysis (PCA) (Jolliffee, 2002), was used to choose the number of components (factors) to be extracted. To clarify the relationship among factors and obtained factor loadings that

are easy to interpret, Varimax rotation technique was used (Jolliffee, 2002). Factors loadings, communalities and total variance explained by factors are presented in the Table. Factor loadings being the correlations between the original variables (items) and the factors, items of section E are highly correlated factor “the role of marketing in business” (RMB), as their factor loadings range 0,76 to 0,93, far from the 0,50 as recommended by Kline (Kline, 2004). Section F has two factors namely, profit is realised after marketing business (VBM1) and My business sells itself (VBM2). As it can be seen, between the two items in VBM1, F2 is the most highly correlated with the factor. That is why the factor is named after F2, I have realised profit after marketing my business. Similarly, VBM2 is named after F4, my business sells itself.

Similar pattern, as in section E, is observed in section G and H. Factors social media marketing (SMM) and traditional marketing (TM) are formed. Communality of an item is the proportion of the variance of the item that is explained by the factor(s) formed. It can be noticed that RBM factor explained 58% of the variance in the item E4 which is marketing forms a part of my business plan. The highest percentage that RBM explained is 86% for item E3; marketing is an essential part of running a business. Similar pattern is observed for other factors, except for SMM factor which explained only 42% of the variance in G5, social media marketing results profit.

Percentage of total variance explained is the total percentage accounted for by a factor for all the items loaded in it. It can be seen that the RBM accounts for 74% of the variance in all the five items in it, VBM1 and VBM2 both account for 86% of the variance in the four items in section F. SMM and TM account for 65% and 71%, respectively. This confirms the reliability of these factors. As these newly formed factors will be used to investigate the impact of social media marketing and traditional marketing on SMMEs, it is necessary to assign score of value to each of the factors for each respondent in the data set. There are many ways, in the literature (McDonald, 1985). In this study, the adjusted average is used. This means that variables with high positive factor loadings are added whereas those with high negative factor loadings are subtracted.

Table 4.8: Reliability of factors of section F

Item	Corrected item – total correlation	Cronbach's Alpha if item is deleted	Cronbach's Alpha
Profit is realised after marketing business (VBM1)			
I see value in marketing my business	0,732	-	0,845
I have realised profit after marketing my business	0,732	-	
My business sells itself (VMB2)			
I do not need to market my business	0,563	-	0,718
My business sell itself	0,563	-	

Table 4.8 presents the Cronbach's Alpha for factors of section F, the one in Table 4.8 was very low, 0,179. It can be seen that the newly two factors are very reliable with Cronbach's Alpha of 0,718 and 0,845, respectively.

4.12 Correlations of factors

This section deals with the inter-correlations between the newly formed factors from the items of the questionnaire. These correlations will investigate the impact of social media marketing and traditional marketing on SMMEs.

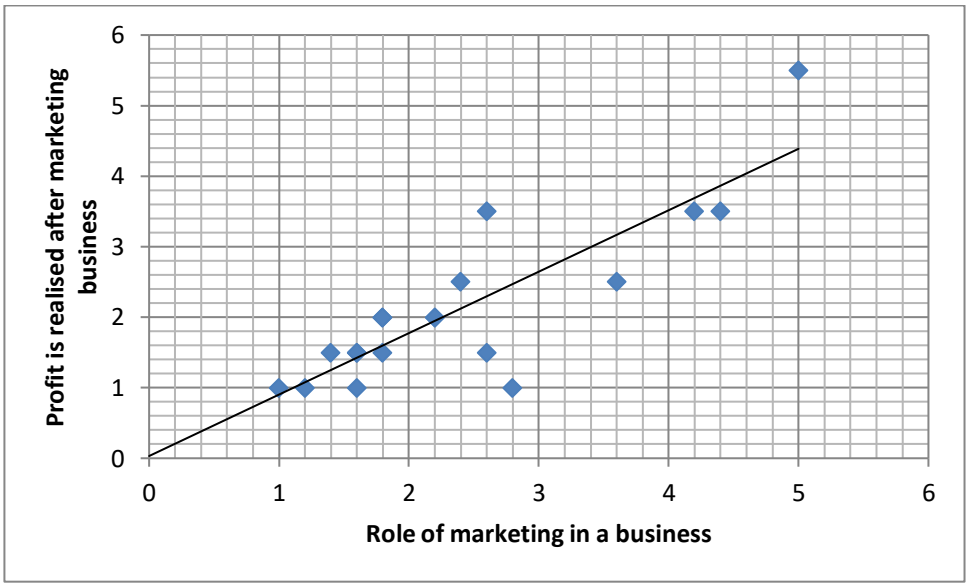


Figure 4.13: Role of marketing in business vs. profit realised after marketing

Figure 4.13 depicts the association between role of marketing in business and I have realised profit after marketing my business. It can be seen that the level of agreement (from strongly agree (1) to somewhat agree (3)) of the respondents is changing in the

same direction in both questions. That is, role of marketing in business has a positive impact on profit realised.

When the level of agreement is changing from strongly to somewhat, in the role of marketing in business, the level disagreement, in my business sells itself, changes from disagree to neither agree nor disagree, Figure 8.2. There is a negative correlation between role of marketing in business and my business sells itself. This confirms that respondents agree that marketing play a role in business.

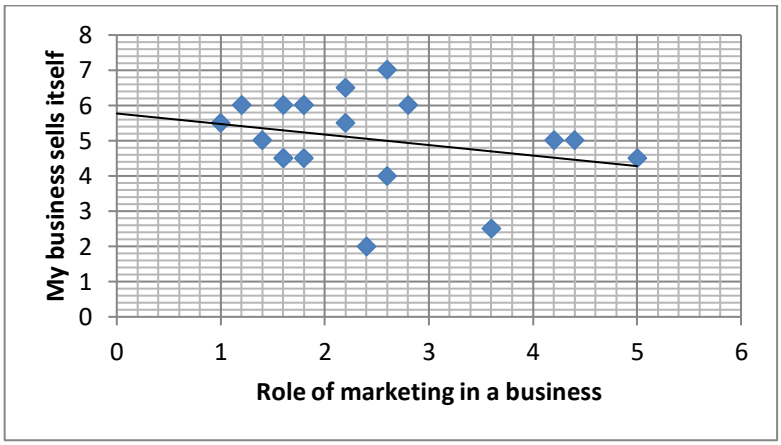


Figure 4.14: Role of marketing in business vs. my business sells itself

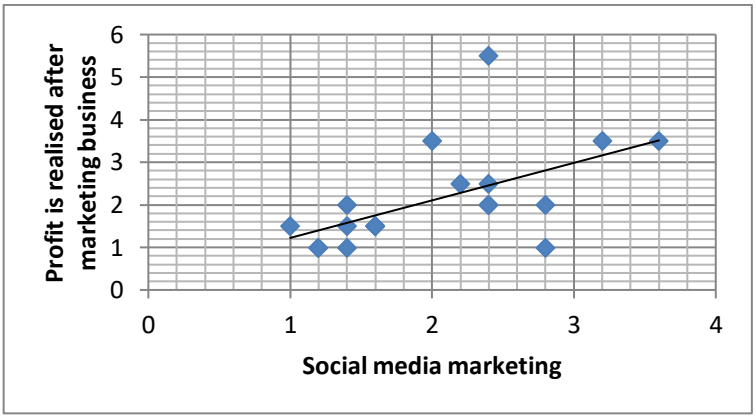


Figure 4.15: Social media marketing vs. profit realised after marketing

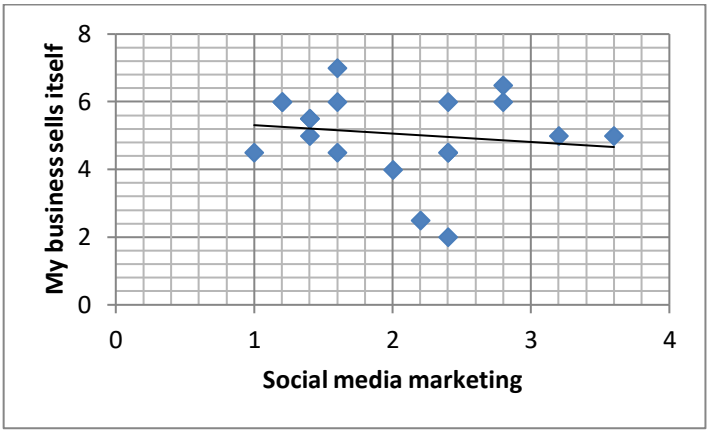


Figure 4.16: Social media marketing vs. my business sells itself

Figures 4.14 and 4.15 show the relationship between social media marketing and profit is realised after marketing business and my business sells itself, respectively. Similar pattern is observed as in Figures 4.14 and 4.15, respectively. As there is a positive correlation between social media marketing and profit realised, and negative correlation between social media marketing and business sells itself, these confirm that social media marketing has an impact on business of SMMEs.

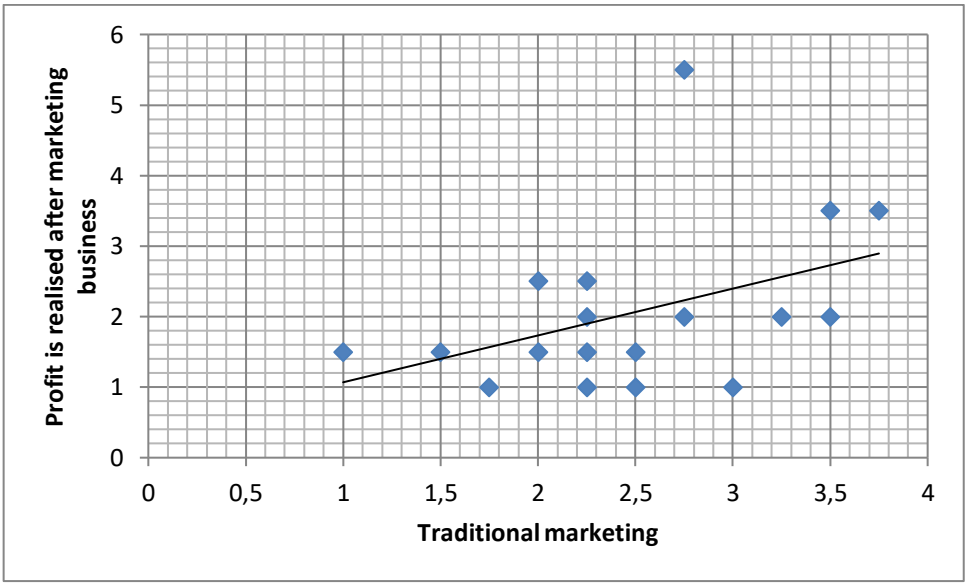


Figure 4.17: Traditional marketing vs. profit realised after marketing

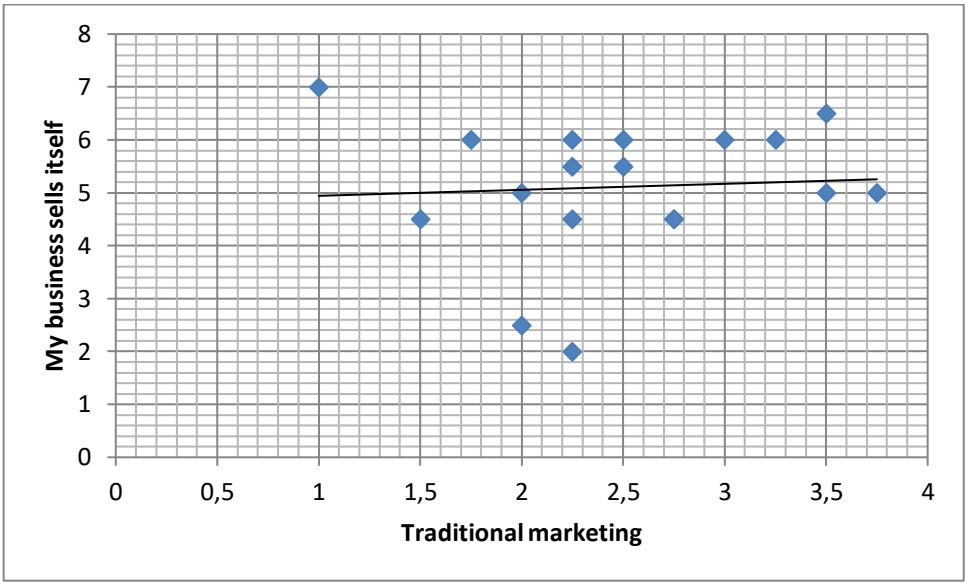


Figure 4.18: Traditional marketing vs. my business sells itself

The impact of traditional marketing on business profit and business self-selling is presented in Figures 4.17 and 4.18 above. There is a positive relationship between traditional marketing and profit realised, Figure 4.18. This confirms that traditional marketing still has an impact on profit of businesses. Figure 4.18 shows almost no correlation between traditional marketing and business self-selling.

4.13 Hypothesis testing

In this section, the four hypotheses of the study, stated in chapter 1, will be tested. Hypothesis 1 (H1) seeks to determine the impact of managers' marketing skills (RMB_S) on the survival of SMMEs. Managers' marketing skills are represented in section E (role of marketing in business) of the questionnaire by questions 15 and 17, which deal with marketing plan of managers. Hypothesis 2 (H2) determine the impact of marketing efforts and initiatives (RMB_{EI}) on the survival of SMMEs. Still in section E, marketing efforts and initiatives are represented by questions 13, 14 and 16. Hypotheses 3 and 4 (H3 and H4) deal with the impact of social media and traditional marketing (SMM and TM), respectively, on the survival of SMMEs. The survival of SMMEs is represented by the factor VMB1 (profit is realised after marketing business).

To achieve the hypothesis testing, simple linear regression analysis is carried out. The general equation of simple linear regression is

$\hat{Y} = \beta_0 + \beta_1 X$ where $\hat{Y}$ is the predicted value of the response variable, X is the predictor variable, β_0 is the intercept and β_1 is the slope, that is, the change in mean value of Y for a unit change in X. In this study, Y represents profit is realised after marketing business and X represents the predictor variables. As it can be seen from the graphs of correlations of factors, there is positive correlation between "profit is realised after marketing business" and all the predictor variables mentioned above. The regression analysis will estimate the relationship between the response variable and each of the predictor variables.

The results of the regression analysis are presented in Appendix 2 and the hypothesis testing results are presented in Table 9.1 below. In each of the hypothesis, the variable at the left of the arrow (→) is the predictor variable and the one at the right is the response variable. One of the conditions of the regression analysis is that variables must be normally distributed. The Kolmogorov-Smirnov test, Appendix 1, show that the null hypothesis of normality is not rejected, at 5%, significant level, as all the p values are greater than 0.05. So, the hypothesis of normality is not rejected. Variables are considered, therefore, to be normally distributed.

Table 4.9: Hypothesis testing results

	Hypothesis	Slope (β_1)	P value	Result
SMME businesses that invest in marketing skills (RMB_S) thrive.	H1 RMB_S →VMB1	0,706	0,000	Significant and supported
Marketing efforts and initiatives (RMB_{EI}) have a positive impact on survival of SMMEs (VMB1).	H2 RMB_{EI} → VMB1	0,799	0,001	Significant and supported
Social media marketing (SMM) can have a positive impact on survival of SMMEs (VMB1).	H3 SMM → VMB1	0,881	0,013	Significant and supported
Traditional marketing (TM) can have a positive impact	H4 TM → VMB1	0,664	0,081	Not significant and supported

on survival of SMMEs (VMB1).				

4.14 H1: SMMEs businesses that invest in marketing skills prosper

The regression coefficient estimate of the role of marketing skills on the business profit realisation after marketing is 0,706. This suggests that role of marketing skills impacts positively on SMMEs survival, represented here by profit realised after marketing the business. The R^2 value of 0,821, Appendix 2.1 indicates that the role of marketing skills explain 82% of the variation if the profit realised variable. The p value of 0,000 is an indication of the significance of the relationship, at 5% level of confidence. This confirms that H1 is significant and supported.

4.15 H2: Marketing efforts and initiative have a positive impact on survival of SMMEs

The regression coefficient estimate of the role of marketing efforts and initiatives on the business profit realisation after marketing is 0,799. So, the marketing efforts and initiatives impact positively on the realisation of business profit. The value of the coefficient of determination, R^2 is 0,487, Appendix 2.2. Only 48, 7% of the variation in VMB1 is explained by RMB_{EI}. The p value of 0,001 suggests that H2 is significant at 5% significant level. Therefore, H2 is significant and supported.

4.16 H3: Social media marketing can have a positive impact on survival of SMMEs

The regression coefficient estimate of social media marketing on the business profit realisation after marketing is 0,881. This advocates that social media marketing impacts positively on survival of SMMEs, represented by the realisation of profit after marketing the business. R^2 value of 0,311, Appendix 2.3, suggests that social media marketing only explains 31% of the variation of profit realised after marketing business. The p value of 0,013 indicates that the hypothesis H3 is significant at 5% level. Therefore, H3 is significant and supported.

4.17 H4: Traditional marketing can have a positive impact on survival of SMMEs

The regression coefficient estimate of traditional marketing on the business profit realisation after marketing is 0,664. This shows that traditional marketing impacts positively on the survival of SMMEs. R^2 value of 0,178, Appendix 2.4, indicates that traditional marketing only explains 17, 8% of the variation of the realisation of profit after marketing business. The p value of 0,081 suggests that H4 is not significant at 5% level. But it is significant at 10% level. So, H4 is significant at 10% level and supported.

4.18 Conclusion of results

The results of the analyses are presented in this chapter. The analyses were carried out on the responses obtained from 20 companies on online survey. All variables are reliable and valid, except for one question on marketing is costly, that was removed from the analysis. All the factors obtained are reliable. The four hypotheses of the study are tested using regression analysis. All the regression models are significant at 10% level as all the p values of the ANOVA tables, Appendix 2, are less than 0, 10. Only the regression of traditional marketing is not significant at 5% level. All the four hypotheses are supported and significant at 10% level. Social media marketing has the strongest relationship with survival of SMMEs and traditional marketing has the weakest relationship with survival of SMMEs.

5. CHAPTER 5: DISCUSSION OF RESULTS

5.1 Introduction

In this chapter the results and findings of research on social media marketing versus traditional approaches for SMMEs are discussed. The four hypotheses tested are also discussed. The four hypotheses are: (1) SMMEs businesses that invest in marketing skills prosper; (2) Marketing efforts and initiative have a positive impact on survival of SMMEs; (3) Social media marketing can have a positive impact on survival of SMMEs; and (4) Traditional marketing can have a positive impact on survival of SMMEs.

An online survey was conducted to compile the results and findings of this research. The analyses were conducted using SPSS (Statistical Package for Social Sciences). An exploratory study was conducted where social media marketing is compared to traditional marketing for SMMEs. In addition, a descriptive statistical analysis was conducted. A total of 20 respondents (n=20) respondents were interviewed and participated in the study. All respondents met the criteria of owning a SMME business or managing a SMME business. None of the respondents approached were excluded in the study. This study takes from prior studies as discussed in Chapter 2: Literature Review.

5.2 Demographic results discussion

In this study there is a 50:50 split between male and female respondents. Most respondents are 35 years of age and older, at 60% of the population. This indicates that most people who own or run businesses are older than 35 years of age in this study. In terms of educational qualifications there is a 50:50 split between respondents who possesses a postgraduate degree and a diploma; similarly, with respondents who possesses a degree and a high school qualification.

Of the 20 SMME organisations that participated in the study, a large number at 42% have existed for 0-5 years and only 26% have existed for 11 years and older. This is aligned to prior studies indicating that most SMMEs fail within the first 5 years of their existence. The majority of the companies surveyed are located in the suburbs of Gauteng and none of the companies in the survey are based in the township.

All companies in the survey have access to internet. Internet access was one of the qualifying criteria for participation in this study. No respondents were excluded. The 100% access to internet realised speaks to a high internet penetration in South Africa and the notion that SMMEs see value in using social media marketing as a tool to market their businesses. Social media is accessed through the internet.

5.3 Hypothesis discussion

Table 5.1 represents a summary of the hypothesis tests. Each hypothesis will be discussed in the following section.

Table 5.1: Hypothesis testing results

	Hypothesis	Slope (β_1)	P value	Result
SMME businesses that invest in marketing skills (RMB_S) thrive.	H1 RMB_S →VMB1	0,706	0,000	Significant and supported
Marketing efforts and initiatives (RMB_{EI}) have a positive impact on survival of SMMEs (VMB1).	H2 RMB_{EI} → VMB1	0,799	0,001	Significant and supported
Social media marketing (SMM) can have a positive impact on survival of SMMEs (VMB1).	H3 SMM → VMB1	0,881	0,013	Significant and supported
Traditional marketing (TM) can have a positive impact on survival of SMMEs (VMB1).	H4 TM → VMB1	0,664	0,081	Not significant and supported

Source: Calculated and obtained from questionnaire results (2020)

5.3.1 SMME businesses that invest in marketing skills thrive and profit is realised after marketing business (VBM1)

The regression coefficient estimate value for H1 is 0,706 for the role of marketing skills on the business profit realisation after marketing. This suggests that the role of marketing impacts positively on SMMEs survival, represented here by profit realised after marketing the business. The P value of 0.000 is an indication of the significance of the relationship, at 5% level of confidence. This thus confirms that H1 is significant and supported.

Peters & Naicker (2013) state that one of the reasons SMMEs fail is lack of investment in marketing. In a survey conducted by 2015 National Small business Survey, (DuPreez, 2015) highlights failure to market the business effectively and partnering with the wrong people as main reasons SMMEs fail in South Africa. Firms that have developed marketing capabilities tend to perform at a higher level(Qureshi & Mian, 2017). In a similar study (Gontur et al., 2018) concludes that holding marketing skills have a positive effect on a firm's performance, sales and profits for small and medium enterprises (Gontur et al., 2018).

5.3.2 Marketing efforts and initiative have a positive impact on survival of SMMEs and profit realisation after marketing a business (VBM1)

The regression coefficient estimate of the role of marketing efforts and initiatives on the business profit realisation after marketing is 0,799. So, the marketing efforts and initiatives impact positively on the realisation of business profit. The value of the coefficient of determination, R^2 is 0,487, Appendix 2.2. Only 48, 7% of the variation in VMB1 is explained by RMB_{EI}. The p value of 0,001 suggests that H2 is significant at 5% significant level. Therefore, H2 is significant and supported.

SMMEs are recognised by policy makers in their contributions in production, employment and income generated (Abor & Quartey, 2010). In a study by (Qureshi & Mian, 2017) it is concluded that firms that have developed marketing capabilities tend to perform at a higher level. (Šályováa et al., 2015) in his study concludes that

marketing orientation in a business is centred on generation of information, disseminations of information and being responsive to information gained. This provides a competitive edge for a firm (Šályováa et al., 2015). In other studies, it is shown that firms that put an effort in utilizing social media platforms as marketing tool tend to perform better than firms that do not place an effort. Profits were realised after employing marketing efforts (Appiah-Adu et al., 2001; Chang et al., 2017).

5.3.3 Social media marketing can have a positive impact on survival of SMMEs and profit realisation after marketing a business (VBM1)

The regression coefficient estimate of social media marketing on the business profit realisation after marketing is 0,881. This advocates that social media marketing impacts positively on survival of SMMEs, represented by the realisation of profit after marketing the business. R^2 value of 0,311, Appendix 2.3, suggests that social media marketing only explains 31% of the variation of profit realised after marketing business. The p value of 0,013 indicates that the hypothesis H3 is significant at 5% level. Therefore, H3 is significant and supported.

Social media marketing has become a part of everyday lives and has become a platform for companies and consumers to connect; and establish relationships (Källbäck, 2019). In 2017 it was estimated that one-third of global advertising spend would be on digital channels (Stephen, 2016). In a study conducted by Wang, the findings are that investment in social media marketing can improve the firm's customer relationship management and performance or value (Wang & Kim, 2017). The reach with social media is high, therefore the approach is deemed to be cost effective and can create value for firms (Hofacker & Belanche, 2016).

In a study conducted by Rundle in 2015 for the banking industry in South Africa, interviewed business owners concurred that social media marketing efforts had an impact on uptake of mobile banking services, although it is difficult to quantify – the perception is there was impact on product uptake (Rundle, 2015). (Kurian et al., 2019) then concludes based on is study that with the right social media marketing strategy, less investment, social media can be of great benefit to the SMME business (Kurian et al., 2019). Various studies have demonstrated how some elements of marketing are

linked with business performance. There is, however, no single study that captures a range of variables and relationships linking marketing with business performance. A comprehensive framework is needed demonstrating findings from multiple studies integrated over time in a cumulative manner (Morgan, 2012).

5.3.4 Traditional marketing can have a positive impact on survival of SMMEs and profit realisation after marketing a business (VBM1)

The regression coefficient estimate of traditional marketing on the business profit realisation after marketing is 0,664. This shows that traditional marketing impacts positively on the survival of SMMEs. R^2 value of 0,178, Appendix 2.4, indicates that traditional marketing only explains 17, 8% of the variation of the realisation of profit after marketing business. The p value of 0,081 suggests that H4 is not significant at 5% level. But it is significant at 10% level. So, H4 is significant at 10% level and supported.

Fewer than 50% of SMMEs in South Africa survive for more than 5 years in business (Strydom, 2017). DuPreez (2015) in his study states that failure to market the business effectively and partnering with the wrong people as main reasons SMMEs fail in South Africa. Resnick, Cheng, Simpson, & Lourenço (2016) in his study discovers SMME marketing to be effective and complementing to some elements of traditional marketing.

5.4 Summary

Chapter 5 presented the demographic profiling of the research respondents. It was interesting to note that there was a 50:50 split between male and female respondents. The analysis was carried out on responses obtained from 20 companies on an online survey. All four hypotheses are significant and relevant at 10% level. All variables are reliable and valid except for one question on marketing is costly. The question has since been removed from the analysis. All factors obtained are reliable. Social media marketing has the strongest relationship with the survival of SMMEs and traditional marketing has the weakest relationship with survival of SMMEs.

6. CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

This chapter deals with the conclusion relating to the study and recommendations based on the results outlined in chapter 4 and hypotheses discussed in chapter 5. The limitations and future research recommendations are also discussed.

6.2 Conclusion of the study

The purpose of the study is underlined in chapter 1 as exploring social media marketing versus traditional marketing approaches for SMMEs in Gauteng and the impact that both the approaches have on SMME businesses. The following areas were covered: social media and traditional marketing usage, the role and value of marketing a business. The sub-problem sought to explore and compare the relationship between social media marketing and traditional marketing approaches for SMMEs and approach best suited for SMMEs; including the impact and benefits investing in marketing has on the on SMME businesses.

The results of the study indicate that social media marketing and traditional marketing both have an impact on the profit realised after marketing. Both approaches have a role to play in the SMME business.

6.2.1 Demographic profile of the respondents

The demographic profile of respondents has no bearing on the results of the study. It is however interesting to note that most businesses interviewed are 0-5 years old, followed by 6-10 years old. The literature reviewed under chapter 2 indicates that most SMMEs do not survive to see their fifth birthday. All businesses approached are located in the city and suburbs of Gauteng. They all have access to internet and access it mostly from home laptop and mobile phone. None of the respondents uses internet cafés.

6.2.2 Social media marketing and traditional marketing usage

The study indicates social media marketing has an impact on SMME businesses. Most respondents from this study use social media marketing. The respondents concurred

to realising value and financial returns post investing in social media marketing. The outcome is not surprising as previous studies have indicated that most companies have adopted social media marketing as a new marketing tool, purely because it is a growing platform and that it remains a cost effective medium of reaching a large number of customers.

Similar to social media marketing, traditional marketing still has a place in impacting SMME businesses. The organisations that participated in this study agree that marketing is an essential tool for a business. Word of mouth as a promotional tool is most preferred and direct marketing as marketing platform is mostly used. It is also highlighted in Chapter 2: Literature Review from various scholars and academics that one of the reasons SMMEs fail is lack of marketing skills and marketing adoption as part of running a business.

6.2.3 The role of marketing in a business

A large majority of the respondents agree that marketing plays an important role in running a business. Marketing forms a part of their business plan.

6.2.4 The value of marketing a business

This study affirms that there is value in marketing a business. Most organisations agree that they have realised profit after marketing their businesses. Although the value of marketing a business is realised, a large number of respondents believe marketing is costly. This study does not confirm whether the respondents believe that their businesses can survive without marketing their businesses.

In conclusion of this section, social media marketing and traditional marketing both add value to businesses. The respondents have realised profit and an increase in customer numbers when adopting these approaches for their businesses. They also encourage businesses to adopt one or both of the approaches for their businesses.
As discussed in chapter 2, other scholars have proved that firms that have developed marketing competences tend to perform at a higher level. Other scholars have argued that SMMEs that lack marketing efforts and do not adopt marketing strategies decreases the chances of success of their businesses.

6.3 Implications

Section 5.3 discusses the implications relating to theoretical and managerial implications.

6.3.1 Theoretical implications

The findings of this study contribute to existing research and literature. The theoretical contributions are limited, further broader studies are required to be able to make the conclusive findings. This study does however provide an indication and insights on the role of marketing in a business, the value of marketing. The study also provides insights on the value of social media marketing for SMMEs and a place that traditional marketing still holds for businesses.

The theoretical contributions of this study will provide business owners, managers of businesses and marketers alike with insights on investing in marketing capabilities, the value in making marketing a part of the business plan and the notion those SMMEs that responded to this study realised profit after investing in marketing. Companies that invest in marketing whether social media marketing or traditional marketing tend to have a higher performance.

6.3.2 Managerial implications

Business owners, managers and marketers are required to consider the implications of the findings of this study. This study relates to SMMEs but can be applied to businesses across vast industries and businesses of bigger sizes alike. The above-mentioned stakeholders may consider the following implications: businesses that invest in marketing plans and skills tend to have a higher performance; and social media marketing and traditional marketing approaches or a combination of both approaches are invaluable to a business.

This study demonstrates that social media marketing is widely adopted by SMMEs. It was highlighted in the literature review of this study and by other scholars that social media various social media platforms such as Linked In, Facebook and Instagram or a combination of all are widely used by SMMEs to market their business. The value

in using these platforms has been realised by SMMEs. It is a vehicle to reaching customers, marketing one's business and realising profits potentially.

Similarly, traditional marketing still has a role in marketing one's business. The value thereof is still recognised by SMMEs. Word of mouth marketing and direct marketing are the preferred marketing tools by SMMEs. This has also been discussed and researched by other scholars as highlighted in the literature review of this study; similarly demonstrated in this study in chapter 4 results findings.

6.4 Recommendations

The recommendations are based on the hypotheses testing results from this study.

6.4.1 Social media marketing and traditional marketing usage

The contribution of this study is noted as assisting in providing insights to SMMEs and broader businesses that social media marketing and traditional marketing approaches hold value to a business. Although several studies previously have contributed to reasons SMMEs fail, this study seeks to affirm that investing in marketing initiatives does have a positive contribution to the business. Business owners, managers and or marketers should consider using social media marketing and or traditional marketing approaches to enhance their businesses.

6.4.2 The role of marketing in a business

Marketing plays a significant role in a business and should form an imperative part of any business plan. In recent years we have seen a shift in businesses becoming marketing led. Marketing led businesses tend to succeed. In the same breath marketers are challenged regularly to embrace business and awareness of every aspect of the business. As custodians of the customers, the decisions of marketers must be informed by insights. It is studies similar to this and others that contribute and support marketers' cases when requesting marketing budgets from their principals. Therefore, marketing as affirmed by this study and many others forms an important part of any business seeking to succeed.

6.4.3 The value of marketing a business

Scholars have researched this area extensively and many studies have affirmed that there is value in investing in marketing a business. This study contributes to that affirmation and the belief from business owners that this is in fact sentiments of business owners, managers, and marketers alike.

6.5 Future research

This research study deliberated on social media marketing versus traditional media marketing approaches for SMME businesses in Gauteng South Africa, which proved to be limited as an opportunity arises for the study to be broadened across vast geographical areas in South Africa and incorporate other larger businesses. Future studies could also investigate dissecting each of the components of social media marketing and traditional marketing. This could provide in-depth insights and address specific questions of business owners, managers, and marketers.

Other studies that could be employed in the future could focus specifically on social media platforms and traditional marketing tools. It was not specified in this study what aspects of the promotional tools are of value to the business. The study acknowledges that under promotional tools there are many elements that could be deployed to assist in marketing a business. The list under marketing platforms for traditional marketing was not comprehensive.

6.6 Conclusion of the chapter

Chapter 5 undertook to summarise the conclusion of the study exploring social media marketing versus traditional marketing approaches for SMMEs in Gauteng and the impact that both the approaches have on SMME businesses. The following areas were covered: social media and traditional marketing usage, the role and value of marketing a business.

The sub-problem sought to explore and compare the relationship between social media marketing and traditional marketing approaches for SMMEs and approach best suited for SMMEs; including the impact and benefits investing in marketing has on the

on SMME businesses. The recommendations, limitations of this study and future research suggestions were also outlined in this chapter.

REFERENCES

Abor, J., & Quartey, P. (2010). Issues in SME Development in Ghana and South Africa. *International Research Journal of Finance and Economics* (39), 223.

Anggadwita, G., & Mustafid, Q. Y. (2014). Identification of factors influencing the performance of small medium enterprises (SMEs). *ScienceDirect* (115), pp.415-423.

Ashley, C., & Tuten, T. (2015). Creative Strategies in Social Media Marketing: An Exploratory Study of Branded Social Content and Consumer Engagement. *Psychology and Marketing, 32*, 15–27. doi:10.1002/mar.20761

Association, A. M. (2013). Definition of Marketing. Retrieved from https://www.ama.org/AboutAMA/Pages/Definition-of-Marketing.aspx

Belch, G. E., & Belch, M. A. (2018). *Advertising and Promotion an Integrated Marketing Communications Perspective* (11 ed. Vol. 11). New York: McGraw-Hill Education.

Bhorat, H., Asmal, Z., Lilenstein, K., & Zee, K. V. D. (2018). SMMES IN SOUTH AFRICA: UNDERSTANDING THE CONSTRAINTS ON GROWTH AND PERFORMANCE. *DPRU WORKING PAPER 201802*, 70.

Cant, M. C., & Van Heerden, C. H. (2010). *Marketing Management A South African Perspective*. South Africa.

Dateling, M. J. (2012). *The impact of social media on the marketing strategies of South African business.* (Master of Business Administration), University of Witwatersrand, Johannesburg.

DuPreez, E. (2015). Marketing, wrong partner's big worry for SMEs - survey, 1. Retrieved from Fin24 website:

https://www.fin24.com/Entrepreneurs/News/Marketing-wrong-partners-big-worry-for-SMEs-survey-20151019

Falkena, H., Abedian, I., Blottnitz, M. v., Coovadia, C., Davel, G., Madungandaba, J., . . . Rees, S. (2001). *SMES' ACCESS TO FINANCE IN SOUTH AFRICA – A SUPPLY-SIDE REGULATORY REVIEW –*. Retrieved from http://www.treasury.gov.za/publications/other/Access%20to%20Finance%20in%20South%20Africa%20-%20A%20Supply-Side%20Regulatory%20Review.pdf.

Felixa, R., Rauschnabelb, P. A., & Hinsch, C. (2016). Elements of strategic social media marketing: A holistic framework. *Journal of Business Research, 70*.

Gullan, G. a. (2018). 2018 Social media landscape in South Africa. Retrieved from http://gullanandgullan.com/wp-content/uploads/2017/10/13907_GG-Breakthrough-infographic.pdf

Hofacker, C. F., & Belanche, D. (2016). Eight social media challenges for marketing managers. *SPANISH JOURNAL OF MARKETING - ESIC*, 73-80.

Hogarth-Scott, S., Watson, K., & Wilson, N. (1996). Do small businesses have to practise marketing to survive and grow? *Marketing Intelligence & Planning, Vol. 14 Issue: 1, pp.6-18, https://doi.org/10.1108/02634509610106197, 14*(1), 6-18.

Karimi, S., & Naghibi, H. s. (2015). SOCIAL MEDIA MARKETING (SMM) STRATEGIES FOR SMALL TO MEDIUM ENTERPRISES (SMES). *International Journal of Information, Business and Management 7*(4).

Kilyeni, A. (2014). Likes, Tweets and Other "Friends": Social Media Buzzwords From A Terminology Perspective. *ScienceDirect, 192*, 430-437.

Kotler, P., & Armstrong, G. (2006). *Principles of Marketing*. New Jersey.

Kumar, V. (2018). Transformative Marketing: The Next 20 Years. *Journal of Marketing 82* pp.1-12. doi:10.1509/jm.82.41

Lamb, Hair, McDaniel, Boshoff, & Terblanche. (2008). *Marketing* (L.-J. Dennis & A. Pretorius Eds. 3rd ed.): Oxford University Press Southern Africa (Pty) Ltd.

Lange, D. B., Zhang, H.-C. Y., Wheeler, G. A., Joyce, J. J., Moore, D. M., & Pandit, B. (2013). M. T. L. LLC.

Leedy, P. D., & Ormrod, J. E. (2010). *Practical Research Planning and Design*.

Leke, A., & Barton, D. (2016). 3 reasons things are looking up for African economies, 1. Retrieved from Word Economic Forum website: https://www.weforum.org/agenda/2016/05/what-s-the-future-of-economic-growth-in-africa/

Malhotra, N. K., & Peterson, M. (2006). *Basic Marketing Research A Decision-Making Approach*: Pearson Education International.

Marketing, H. Y. (2018). Digital statistics and usage in South Africa in 2018. Retrieved from https://www.helloyes.co.za/digital-statistics-south-africa-2018/

McLeod, S. (2014). Sampling Methods. Retrieved from https://www.simplypsychology.org/sampling.html

Moorman, C., & Rust, R. T. (1999). The Role of Marketing *Journal of Marketing, 63*, 180-197.

Morgan, N. A. (2012). Marketing and business performance. *Journal of the Academy of Marketing Science, 40*(1), pp 102–119

Muriithi, D. S. M. (2017). AFRICAN SMALL AND MEDIUM ENTERPRISES (SMES)

CONTRIBUTIONS, CHALLENGES AND SOLUTIONS. *European Journal of Research and Reflection in Management Sciences, 5*(1), pp37-48.

Ncube, M., Lufumpa, C. L., & Steve, K.-M. (2011). The Middle of the Pyramid: Dynamics of the Middle Class in Africa *Market Brief*, 24.

O'Dwyer, M., Gilmore, A., & Carson, D. (2018). Innovative marketing in SMEs. *European Journal of Marketing, 43*(1/2), 44-61.

OECD. (2004). PROMOTING ENTREPRENEURSHIP AND INNOVATIVE SMEs IN A GLOBAL ECONOMY:TOWARDS A MORE RESPONSIBLE AND INCLUSIVE GLOBALISATION, 59. Retrieved from The Organisation for Economic Co-operation and Development website: https://www.oecd.org/cfe/smes/31919278.pdf

Osakwe, C. N., Chovancova, M., & Ogbonna, B. U. (2015). Linking SMEs Profitability to Brand Orientation and Market-Sensing Capability: A Service Sector Evidence. *Periodical Polytechnical Social and Management Sciences, 1*(24), pp. 34-40. doi:10.3311/PPso.8069

Peters, R., & Naicker, V. (2013). Small medium micro enterprise business goals and government support: A South African case study. *South African Journal of Business Management, 44*(4), 13-24.

Quartey, P., Turkson, E., Abor, J. Y., & Iddrisu, A. M. (2017). Financing the growth of SMEs in Africa: What are the constraints to SME Financing within ECOWAS? *Review of Development Finance 7 (2017) 18–28, 7*, 18-28.

Qureshi, M. S., Aziz, N., & Mian, S. A. (2017). How marketing capabilities shape entrepreneurial firm's performance? Evidence from new technology-based firms in turkey *Journal of Global Entrepreneurship Research* 15. doi:10.1186/s40497-017-0071-5

Qureshi, M. S., & Mian, N. A. A. (2017). How marketing capabilities shape entrepreneurial firm's performance? Evidence from new technology-based firms in turkey. *Journal of Global Entrepreneurship Research*.

Resnick, S. M., Cheng, R., Simpson, M., & Lourenço, F. (2016). Marketing in SMEs: a "4Ps" self-branding model. *Journal of Entrepreneurial Behavior & Research, 22*(1), 155-174. doi: https://doi.org/10.1108/IJEBR-07-2014-0139

Rundle, A. (2015). *Social media strategy and mobile banking in South Africa.* (Master of Business Administration), University of Witwatersrand, Johannesburg.

Šályováa, S., Táborecká-Petrovičová, J., Nedelováa, G., & Ďaďoa, J. (2015). Effect of Marketing Orientation on Business Performance: A Study from Slovak Foodstuff Industry *ScienceDirect, 34*, 622-629. doi: 10.1016/S2212-5671(15)01677-9

Saravanakumar, D. M., & Dr. T. SuganthaLakshmi. (2012). Social Media Marketing. *Life Science Journal 2012;9(4), 9*(4), 1-8.

Stephen, A. T. (2016). The role of digital and social media marketing in consumer behavior *Current Opinion in psychology, 10*, 17-21 doi: https://doi.org/10.1016/j.copsyc.2015.10.016

Strydom, J. W. (2017). Longevity of SMMEs in Soweto: Does marketing play a role? *African Journal of Science, Technology, Innovation and Development, 9*(African Journal of Science, Technology, Innovation and Development, 2017 Vol. 9, No. 6, 685–695, © 2017 African Journal of Science, Technology, Innovation and Development), 685-695. doi: https://doi.org/10.1080/20421338.2017.1355603

Tuten, T. L., & Solomon, M. R. (2015). *Social Media Marketing* (M. Waters Ed. 2nd ed. Vol. 2). Los Angeles London Washington DC New Delhi Singapore: Sage Publications Ltd.

Wang, Z., & Kim, H. G. (2017). Can Social Media Marketing Improve Customer Relationship Capabilities and Firm Performance? Dynamic Capability Perspective. *Journal of Interactive Marketing, 39*, 15-26.

Abor, J., & Quartey, P. (2010). Issues in SME Development in Ghana and South Africa. *International Research Journal of Finance and Economics*(39), 223.

Adams, R. L. (2017). 10 Reasons Why 7 Out of 10 Businesses Fail Within 10 Years. Retrieved from https://www.entrepreneur.com/article/299522

Al-alak, B. A. (2013). Impact of marketing activities on relationship quality in the Malaysian banking sector. *Journal of Retailing and Consumer Services*(21), 347-356.

Appiah-Adu, K., Fyall, A., & Singh, S. (2001). Marketing effectiveness and business performance in the financial services industry. *Journal of Services Marketing, 15*(1), 18-34. doi:10.1108/08876040110381346

Buffer.com. (2019). What is social media marketing. Retrieved from https://buffer.com/social-media-marketing

Cant, M. C., & VanHeerden, C. H. (2010). *Marketing Management A South African Perspective*. South Africa.

Cant, M. C., & Wild, J. A. (2016). The use of traditional marketing by SMEs in an emerging economy: a South African perspective. *Problems and Perspective in Management, 14*(1), 64-70. doi:10.2.21511/ppm.14(1).2016.07

Chang, H.-L., Chou, Y.-C., Wu, D.-Y., & Wu, S.-C. (2017). Will firm's marketing efforts on owned social media payoff? A quasi-experimental analysis of tourism products. *Elsevier*, 38. doi:10.1016/j.dss.2017.12.011

Cizmar, S., & Weber, S. (2000). *International Journal of Hospitality Management, 19*, 227-240.

Constantinides, E. (2014). Foundations of Social Media Marketing *ScienceDirect, 148*, 40-57. doi:10.1016/j.sbspro.2014.07.016

Cortina, J. M. (1993). What is a coefficient alpha?An examination of theory and applications. *Journal of applied pyschology, 1*(78). doi:https://doi.org/10.1037/0021-9010.78.1.98

Cronbach, L. J. (1951). Coeffecient alpha and the internal structure of tests*16*, 297-334. Retrieved from Pyschometrika website: psych.colorado.edu/~carey/Courses/PSYC5112/Readings/alpha_Cronbach.pdf doi:10.1007/bf02310555

DuPreez, E. (2015). Marketing, wrong partners big worry for SMEs - survey, 1. Retrieved from Fin24 website: https://www.fin24.com/Entrepreneurs/News/Marketing-wrong-partners-big-worry-for-SMEs-survey-20151019

Gontur, S., Emmanuelb, J. D., & Makropb, D. (2018). Marketing Skills for Sustainable Development of Small and Medium Scale Enterprises in Plateau State, North Central, Nigeria *Noble International Journal of Business and Management Research ISSN(e): 2520-4521 ISSN(p): 2522-6606 Vol. 02, No. 04, pp: 24-31, 2018, 2*, 24-31.

Hofacker, C. F., & Belanche, D. (2016). Eight social media challenges for marketing managers. *SPANISH JOURNAL OF MARKETING - ESIC*, 73-80.

Hogarth-Scott, S., Watson, K., & Wilson, N. (1996). Do small businesses have to practise marketing to survive and grow? *Marketing Intelligence & Planning, Vol. 14 Issue: 1, pp.6-18, https://doi.org/10.1108/02634509610106197, 14*(1), 6-18.

Jolliffee, L. T. (2002). *Principal Component Analysis*. In (pp. 518). Retrieved from cda.psych.uiuc.edu/statistical_learning_course/Jolliffe%20I.%20Principal%20Component%20Analysis%20(2ed.,%20Springer,%202002)(518s)_MVsa_.pdf

Källbäck, J. (2019). *Examines the benefits of social media marketing in contrast to traditional advertising* (Industrial and Management Engineering, master's level 2019), Luleå University of Technology,

Khan, J. (2008). *Research Methodology*. New Dheli: S.B. Nangia APH Publishing Corporation.

Kline, P. (2004). *An easy guide to factor analysis*.

Kotler, P., & Armstrong, G. (2006). *Principles of Marketing*. New Jersey.

Kurian, A. A., Asokan, S., & Dham, S. (2019). Social media marketing and SMMEs: Is it a Winning Combination in Singapore? *Indira Management Review, 13*, 25.

Leedy, P. D., & Ormrod, J. E. (2010). *Practical Research Planning and Design*.

McDonald, R. P. (1985). *Factor Analysis and Related Methods*.

Morgan, N. A. (2012). Marketing and business performance. *Journal of the Academy of Marketing Science, 40*(1), pp 102–119

OECD. (2004). PROMOTING ENTREPRENEURSHIP AND INNOVATIVE SMEs IN A GLOBAL ECONOMY:TOWARDS A MORE RESPONSIBLE AND INCLUSIVE GLOBALISATION, 59. Retrieved from The Organisation for Economic Co-operation and Development website: https://www.oecd.org/cfe/smes/31919278.pdf

Paquette, H. (2013). Social Media as a Marketing Tool: A Literature Review *University of Rhode Island DigitalCommons@URI*, 21-23.

Peters, R., & Naicker, V. (2013). Small medium micro enterprise business goals and government support: A South African case study. *South African Journal of Business Management, 44*(4), 13-24.

Phellas, C. N., Bloch, A., & Seale, C. (2011). *Researching Society and Culture* (Vol. 3rd). London: Sage Publications Ltd.

Prayundanti, A. A., & Rohmah, D. U. M. (2018). Decision making process for SMEs for using social media marketing in industrial revolution 4.0. *Journal of Economics, Business and Government Challanges, 1*(2), 62-66.

Qureshi, M. S., & Mian, N. A. A. (2017). How marketing capabilities shape entrepreneurial firm's performance? Evidence from new technology based firms in turkey. *Journal of Global Entrepreneurship Research*.

Rajab Mohammed Mzee, & Kwama Leonard Ogweno, N. I. (2015). Factors influencing Adoption of E marketing by small and Medium Enterprises (SMEs) in Kisumu Municipality. *Journal of Business and Management, 17*(5), 78-83.

Resnick, S. M., Cheng, R., Simpson, M., & Lourenço, F. (2016). Marketing in SMEs: a "4Ps" self-branding model. *Journal of Entrepreneurial Behavior & Research, 22*(1), 155-174. doi: https://doi.org/10.1108/IJEBR-07-2014-0139

Rundle, A. (2015). *Social media strategy and mobile bamking in South Africa.* (Master of Business Administration), University of Witwatersrand, Johannesburg.

Šályováa, S., Táborecká-Petrovičová, J., Nedelováa, G., & Ďaďoa, J. (2015). Effect of Marketing Orientation on Business Performance: A Study from Slovak Foodstuff Industry *ScienceDirect, 34*, 622-629. doi: 10.1016/S2212-5671(15)01677-9

Scheers, L. V. (2010). *SMEs' marketing skills challenges in South Africa* (Masters Degree), University of South Africa, South Africa. Retrieved from http://uir.unisa.ac.za/bitstream/handle/10500/6526/van%20Scheers%202011%20SME's%20Marketing%20Skills%20Challenges%20in%20South%20Africa.pdf?isAllowed=y&sequence=1

Sinha, S., & Singh, T. (2017). Travel from Traditional Marketing to Digital Marketing. *International Journal of Emerging Research in Management & Technology, 6*(11), 173-177.

Stephen, A. T. (2016). The role of digital and social media marketing in consumer behavior *Current Opinion in pyschology, 10*, 17-21 doi:https://doi.org/10.1016/j.copsyc.2015.10.016

Strydom, J. W. (2017). Longevity of SMMEs in Soweto: Does marketing play a role? *African Journal of Science, Technology, Innovation and Development, 9*(African Journal of Science, Technology, Innovation and Development, 2017 Vol. 9, No. 6, 685–695,

© 2017 African Journal of Science, Technology, Innovation and Development), 685-695. doi: https://doi.org/10.1080/20421338.2017.1355603

Taherdoost, H. (2016). Validity and Reliability of the Research Intrument; How to test the validation of a questionnaire/survey in a Research. *International Journal of Academic Research in Management, 5*(3), 8-36.

Thoumrungroje, A. (2014). The Influence of Social Media Intensity and EWOM on Conspicuous Consumption *ScienceDirect*, 12-13. doi:10.1016/j.sbspro.2014.07.009

Wang, Z., & Kim, H. G. (2017). Can Social Media Marketing Improve Customer RelationshipCapabilities and Firm Performance? Dynamic CapabilityPerspective. *Journal of Interactive Marketing, 39*, 15-26.

“Calderon, Cesar; Kambou, Gerard; Korman, Vijdan; Kubota, Megumi; Cantu Canales, Catalina. 2019. Africa's Pulse, No. 19, April 2019 : An Analysis of Issues Shaping Africa’s Economic Future. Washington, DC: World Bank. © World Bank. https://openknowledge.worldbank.org/handle/10986/31499 License: CC BY 3.0 IGO.”

Appel, G., Grewal, L., Hadi, R. *et al.* The future of social media in marketing. *J. of the Acad. Mark. Sci.* **48,** 79–95 (2020). https://doi.org/10.1007/s11747-019-00695-1

Appendix A

Table1. Percent of 18-64 Year Olds Engaged in Entrepreneurial Activity by Region

Region	Nascent Entrepreneurship Rate	New Business Ownership Rate	Established Business Ownership Rate
Africa	12.5	7.9	10.1
Asia & Oceania	6.0	7.4	10.4
Latin America & Caribbean	12.9	7.5	8.5
Europe	4.8	3.1	6.6
North America	9.0	4.8	8.1
South Africa	**5.5**	**4.9**	**5.0**
South Africa: Rank/60 Countries	**35/60**	**32/60**	**53/60**

Source: GEM (2016). Notes: A nascent entrepreneur is someone setting up a business. A “new business” is a business no more than 3.5 years old. An “established” business is a business which is more than 3.5 years old.

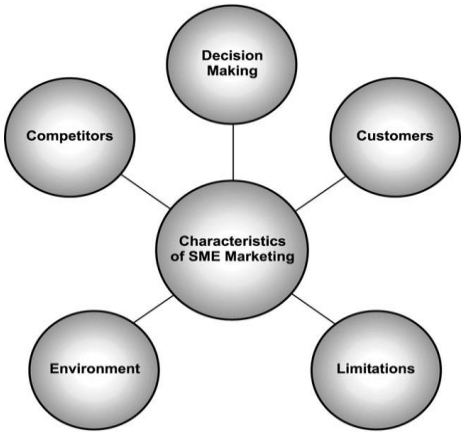


Figure 1 Characteristics of SME marketing

Appendix B

Kolmogorov-Smirnov test for normality

One-Sample Kolmogorov-Smirnov Test							
		Role of marketing skills in business	Role of marketing efforts and initiatives in business	Profit is realised after marketing business	My business sell itself	Social media marketing	Traditional marketing
N		19	19	19	19	19	18
Normal Parameters (a, b)	Mean	2,4737	2,3689	2,1316	5,0526	2,0316	2,4861
	Std. Deviation	1,48580	1,01667	1,16479	1,26814	,73715	,72999
Most Extreme Differences	Absolute	,230	,228	,229	,174	,195	,127
	Positive	,230	,228	,229	,122	,195	,127
	Negative	-,161	-,141	-,166	-,174	-,112	-,095
Kolmogorov-Smirnov Z		1,002	,993	,999	,757	,848	,538
P value		,268	,278	,271	,616	,468	,934
a Test distribution is Normal.							

Appendix C

Simple linear regression analyses

2.1 RMB_S →VMB1

Model Summary RMB_S →VMB1				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	,901(a)	,812	,801	,52009
a Predictors: (Constant), Role of marketing skills in business				

ANOVA(b)						
Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	**Regression**	19,823	1	19,823	73,283	,000(a)
	Residual	4,598	17	,270		
	Total	24,421	18			
a Predictors: (Constant), Role of marketing skills in business						
b Dependent Variable: Profit is realised after marketing business						

Coefficients(a)						
Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	**Std. Error**	**Beta**		
1	**(Constant)**	,384	,236		1,626	,122
	Role of marketing skills in business	,706	,083	,901	8,561	,000
a Dependent Variable: Profit is realised after marketing business						

2.2 RMBEI → VMB1

Model Summary RMBEI → VMB1				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	,698(a)	,487	,457	,85859
a Predictors: (Constant), Role of marketing efforts and initiatives in business				

ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11,889	1	11,889	16,128	,001(a)
	Residual	12,532	17	,737		
	Total	24,421	18			
a Predictors: (Constant), Role of marketing efforts and initiatives in business						
b Dependent Variable: Profit is realised after marketing business						

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,238	,511		,465	,648
	Role of marketing efforts and initiatives in business	,799	,199	,698	4,016	,001
a Dependent Variable: Profit is realised after marketing business						

2.3 SMM → VMB1

Model Summary SMM → VMB1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,558(a)	,311	,271	,99476
a Predictors: (Constant), Social media marketing				

ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7,599	1	7,599	7,679	,013(a)
	Residual	16,822	17	,990		
	Total	24,421	18			
a Predictors: (Constant), Social media marketing						
b Dependent Variable: Profit is realised after marketing business						

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	,341	,685		,497	,625	-1,105	1,787
	Social media marketing	,881	,318	,558	2,771	,013	,210	1,552
a Dependent Variable: Profit is realised after marketing business								

2.4 TM → VMB1

Model Summary TM → VMB1				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,422(a)	,178	,126	1,07390
a Predictors: (Constant), Traditional marketing				

ANOVA(b)						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3,992	1	3,992	3,462	,081(a)
	Residual	18,452	16	1,153		
	Total	22,444	17			
a Predictors: (Constant), Traditional marketing						
b Dependent Variable: Profit is realised after marketing business						

Coefficients(a)								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	,405	,922		,439	,666	-1,550	2,361
	Traditional marketing	,664	,357	,422	1,861	,081	-,093	1,420

a Dependent Variable: Profit is realised after marketing business

Appendix D: Measurement Tool

Questionnaire

THIS QUESTIONNAIRE IS STRICTLY FOR RESEARCH PURPOSES ONLY. PLEASE ANSWER THE FOLLOWING QUESTIONS BY MARKING THE APPROPRIATE ANSWER WITH X.

SECTION A: GENERAL INFORMATION

Q1. Please indicate your gender		
1	Male	
2	Female	

Q2. Please indicate your age category		
1	Under 25	
2	Under 35	
3	35 and older	

Q3. Please indicate your highest qualification		
1	High school	
2	Diploma	
3	Degree	
4	Post graduate degree	

Q4. Please indicate the age of your company		
1	0 – 5 years	
2	6 – 10 years	
3	11 years and older	

Q5. Please indicate the location of your company		
1	City	
2	Suburb	
3	Township	

SECTION B: INTERNET ACCESS AND USAGE

Q6. Do you have access to the internet?

1	Yes	
2	No	

Q7. How do you access the Internet mostly? Please choose 1 option.

1	Work Laptop/PC	
2	Home Laptop/PC	
3	Mobile phone/tablet	
4	Internet Cafe	
5	Other	

SECTION C: SOCIAL MEDIA MARKETING USAGE

Q8. Does your organisation use social media marketing?

1	Yes	
2	No	

Q9. Which of the following platforms does your organisation use for social media marketing mostly? Please select one option.

1	Linked In	
2	Facebook	
3	Twitter	
4	Instagram	
5	YouTube	
6	All the above	

SECTION D: TRADITIONAL MARKETING

Q10. Does your organisation do marketing?

1	Yes	
2	No	

Q11. Which of the following promotional tools do you use to market your business mostly?

1	Advertising	
2	Sales Promotion	
3	Public Relations	
4	Events and Experiences	
6	Direct marketing	
7	Word of mouth	
8	All the above	

Q12. Which of the following marketing platforms does your organisation use to market the business mostly?

1	TV	
2	Radio	
3	Print media	
4	Promotions	
5	Marketing materials	
6	Direct marketing	
7	Word of mouth	
8	All the above	

SECTION E: THE ROLE OF MARKETING IN A BUSINESS								
To what extent do you disagree or agree with each of the statements below:		Strongly disagree	Disagree	Slightly disagree	Neutral	Slightly agree	Agree	Strongly Agree
		1	2	3	4	5	6	7
Q13 -E1	My organisation has marketing capabilities							
Q14 -E2	I have a marketing budget							
Q15 - E3	I have a marketing plan							
Q16 -E4	Marketing is an essential part of running a business							
Q17 - E5	Marketing forms a part of my business plan							

SECTION F: THE VALUE OF MARKETING A BUSINESS								
To what extent do you disagree or agree with each of the statements below:		Strongly disagree	Disagree	Slightly disagree	Neutral	Slightly agree	Agree	Strongly Agree
		1	2	3	4	5	6	7
Q18 - F1	I see value in marketing my business							
Q19 - F2	I have realised profit after marketing my business							
Q20 - F3	Marketing is costly							
Q21 - F4	I do not need to market my business							
Q22 - F5	My business sells itself							

SECTION G: SOCIAL MEDIA MARKETING								
To what extent do you disagree or agree with each of the statements below:		Strongly disagree	Disagree	Slightly disagree	Neutral	Slightly agree	Agree	Strongly Agree
		1	2	3	4	5	6	7
Q23 - G1	Social media marketing is new way of marketing a business							
Q24 - G2	Every business must have social media platforms							
Q25 - G3	I believe social media marketing adds value to my business							
Q26 - G4	I get customers from social media marketing							
Q27 - G5	Social media marketing results profit							

SECTION H: TRADITIONAL MARKETING								
To what extent do you disagree or agree with each of the statements below:		Strongly disagree	Disagree	Slightly disagree	Neutral	Slightly agree	Agree	Strongly Agree
		1	2	3	4	5	6	7
Q28 - H1	Traditional marketing is still relevant							
Q29 - G2	Every business must invest in traditional marketing							
Q30 - G3	I get customers from traditional marketing efforts							
Q31 - G4	Traditional marketing results profit							

THANK YOU FOR TAKING THE TIME TO COMPLETE THIS QUESTIONNAIRE

Wits Business School
Sculpting global leaders

Covering Letter

The University of Witwatersrand
Graduate School of Business Administration
Date: 24 February 2020

Dear Sir/Madam

RE: COMPLETION OF QUESTIONNAIRE

I am a post graduate student at the University of Witwatersrand – Graduate School of Business Administration, undertaking a Master of Management in the field of Strategic Marketing. In order to fulfil the requirements for my degree, I have to undertake research. The topic for my research is **"Social media marketing versus traditional marketing approaches for SMMEs, in Gauteng."**

In order to accomplish my research objectives, a questionnaire has been prepared to gather information regarding the following:

- Whether your business derives value in having a marketing plan for the business
- Your awareness levels of marketing initiatives and investments
- Your level of employing various marketing initiatives in your business

This is to kindly request you to complete the attached questionnaire. Your response will be of great value to the research. Please be advised that your identity will remain anonymous and your feedback will be kept in utmost confidence.

Yours sincerely,

Motebang Mopeli
superc56@gmail.com

Study Supervisor
Dr. Yvonne Saini
Yvonne.Saini@wits.ac.za