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**The role of the marketer as a gatekeeper to digital media in
South Africa: Investment factor identification through
Structural Equation Modelling**

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Abstract:

Advertising is the centre of numerous studies due to its central role in business, however it remains quite static amidst revolutionary consumer shifts towards digital consumption. While consumers are active online, advertising budgets are not being focused towards new media. This study uses structural equation modelling to show that marketers are acting as gatekeepers to investment, as their perceptions are affected by factors driven by external conditions, the influence of others, as well as their own internal beliefs and attitudes.

Keywords:

Interactivity, online advertising, gatekeeping, technology, digital, advertising, marketing professional/executive, advertising investment.

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Marketa Havlik-Liebenberg

10 November 2010

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1 CHAPTER ONE

1.1 Research title

The role of the marketer as a gatekeeper to digital media in South Africa:
Investment factor identification through Structural Equation Modelling

1.2 Background

The research question will explore whether certain factors affect decisions taken by marketers that may limit investment into digital advertising through a process of gatekeeping. In order to define the factors and influences, this research will draw on three sets of literature; (1) Internet and digital advertising literature, (2) gatekeeper literature and (3) technology acceptance and adoption literature.

1.3 Business problem

Advertising is a multi-billion dollar industry worldwide and according to Nielsen Media Research who are world renowned for industry tracking data, it amounted to R24.4 billion in pure media spend in South Africa in 2009. The purpose, process and desired outcome of advertising have been studied in

detail over the years. In the study done by Vakratsas and Ambler (1999), the history of advertising and how it works is described. The first formal model was developed in 1898 to help describe the objective using the AIDA model (Attention +Interest +Desire +Action). The literature that followed focused on particular models or effects of advertising, like frequency of exposure and scheduling, market response, hierarchy of effects and affective responses.

The objective of advertising has not changed significantly, however, the context in which it operates has. With the advent of the Internet, consumer media consumption habits are changing, as reported by global consumer trends research company Forrester Consumer Technographics®. Forrester Consumer Technographics® is the largest and longest-running survey of technology's impact on consumers since 1997 and it confirms the changing nature of consumer consumption habits in advertising. Forrester has surveyed more than 2 million households and individuals worldwide and provides data and insights on consumers in North America, Europe, Asia Pacific, and Latin America. Marketing and strategy professionals rely on Forrester's Consumer Technographics® data for unique insights into how technology affects the way consumers select, purchase, use, and communicate about products and services. Their study showed that the Internet is quickly becoming the number one medium of choice for consumers as they shift their media consumption patterns and engage on the Internet. In their study the shift away from watching television towards spending time on the Internet is made clear by the 2009 figures that show that in the United States of America (Internet is 34% versus.

Television at 29%), Asia (49% vs. 25%), and the European Union (30% vs. 32%), time is spent on the Internet which is almost equal to or more than the time spent watching television. The study further shows that the Internet is a dominant medium for Europeans under 35 years of age and in the USA and China it is the dominant medium all the way up to 64 years. The Internet is a reliable source of information about products, ranking third as a source reference after magazines and in-store in both the USA and Europe.

With these statistics in mind, it is strange that on a global level, marketing budgets are slow to reflect the changes. According to Zenith Optimedia 2009, whose publications are known the world over and, after 15 years continuous publication and development they represent the gold standard in media market data that gets used by financial analysts, management consultants, media owners, advertising agencies as well as academics and government; they state that even if a shift towards Internet advertising is taking place worldwide advertising is still disproportionately weighted in favour of television – which their study shows has actually grown in proportion from 37.4% in 2007 to 39.3% in 2009, while Internet has grown faster from 8.3% in 2007 to 12.3% in 2009. This is an improvement but it is still disproportionate and slow to adapt to the changing consumption patterns.

In South Africa the online and digital industry appears to be delayed compared to other countries and continents. Usage has grown relatively slowly, but according to Internetworldstats, it has finally reached a significant 5.2 million, a

number somewhat higher than the regular users reported by SAARF AMPS® data (South African Advertising Research Foundation). SAARF's main objective is to direct and publish media audience and product/brand research. SAARF has the responsibility to measure audiences of all media and AMPS® is designed by using multi-stage area stratified systematic probability sampling. Their survey uses personal in-home interviews with thousands of people representative of the total South African adult population. The questions cover the use of all mass media and a battery of questions on Internet and cellphone usage is included. This shows a regular Internet penetration of 11% amongst users that are 15 years and older, from a total population of 31.5 million who have accessed the Internet in the last four weeks.

These numbers may seem low but are reflective of the economic reality of the South African population wealth gap and digital divide. The study looked at the profile of the users as shown in the appendix, to discover its relevance as the majority of Internet users fall into Lifestyle Measures (LSM) category 9+ meaning that they are more attractive to marketers than other customer groups due to their spending power potential. The study also felt it was important to compare Internet advertising to 'pay-tv' provider DSTV, who yields a similar profile consumer and subscription rate. This comparison yields a massive investment divide, as according to Addynamix 2009, R9,4 billion was invested against DSTV as compared to the R475 million spent on Internet advertising. According to Nielsen Media Research, there are signs of change in 2009 as advertising budgets move faster towards digital growing at 25% more than other mediums such as television which is only growing at 5%, even if this

means that the Internet still only accounts for 1.9% of the total advertising budget for the year. This disproportionate investment does not compare to the captive market of 11% available on the Internet and it is a key driver for the study. It will try to understand how the marketer plays a role in the growth of digital advertising as the statistics all point to the way that changes need to be acknowledged by the industry and advertisers. Marketers serve as key decision-makers in how their brands are positioned and as a result what advertising and other marketing strategies to employ. The shift in consumer habits worldwide should be a solid reason why marketers need to acknowledge the importance of online advertising, but yet the investment figures in total media spend do not reflect this.

1.4 Definitions

In this study the term ‘new media’ advertising, is used interchangeably with the terms ‘digital, media and advertising’, ‘online and Internet advertising’, and ‘interactive media and advertising’.

‘Traditional media and advertising’ incorporates classic mass media forms such as television, print, radio, cinema, in-store, outdoor and other such advertising.

‘Marketers’ are viewed as employees of the brand manufacturer or advertiser.

2 CHAPTER TWO

2.1 Advertising

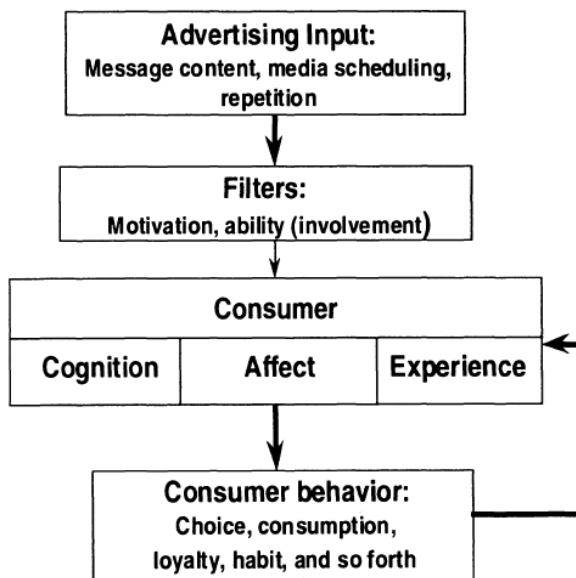
The study first reviews how advertising works and its objective using a framework from Vakratsas and Ambler (1999), that explained the objective of advertising in altering consumer perceptions in order to create a desired behavioural outcome through a process explained in Figure 1 below. Their model implies that consciously or unconsciously, advertising must have some mental effect (for example, awareness, memory, attitude toward the brand) before it can affect behaviour. Cognition, the "thinking" dimension of a person's response, and affect, the "feeling" dimension, are portrayed as two major intermediate advertising affects.

Vakratsas and Ambler (1999), process components constitute the advertising strategy that is fundamental to the process of gatekeeping either facilitating or deterring a message to trigger the desired consumer response. The model starts with the "input for consumer", followed by media scheduling, creation of the message content and finally repetition to create the desired outcome. The relevance of the process to this study is that gatekeeping can be driven by the marketer at and due to, any step in the process. The marketer is the primary initiator in the process. They are the holders of information about their brand to create the message in the model and are responsible for planning media.

Before the message can be judged and interpreted it needs to be accessible. According to Vakratsas and Ambler (1999) after exposure other factors such as motivation and ability to process the information become mediating factors that alter end-user responses. This is vital to understanding the impact of campaigns but out of the scope of this research which will only focus on the input and initial communication facilitation from the marketer.

Figure 1: How advertising works

A Framework for Studying How Advertising Works



Cronin (2004), indicates that a focus on the marketer is novel and states that relatively little literature has chosen to focus on their views and practices, despite advertising's place at the centre of commerce. Cronin (2004) says that many of the studies done in the field have tended to focus on the role of research in advertising practice, the definition of creative work and promotional practices of agencies in competition with other agencies.

2.2 New media advertising context (digital)

Marketers' jobs are becoming increasingly more complicated with the emergence of digital environments. Cormode and Krishnamurthy (2008) describe this dynamic new environment as compared to the early online environments as "Web 2.0 captures a combination of innovations on the Web in recent years. A precise definition is elusive and many sites are hard to categorize with the binary label 'Web 1.0' or 'Web 2.0'. But there is a clear separation between a set of highly popular Web 2.0 sites such as Facebook and YouTube, and the 'old Web'. These separations are visible when projected onto a variety of axes, such as technological (scripting and presentation technologies used to render the site and allow user interaction); structural (purpose and layout of the site); and sociological (notions of friends and groups)."

These shifts have implications for marketers seeking to stay abreast of trends and ahead of their market. So while keeping up to date with trends is such a critical component of marketers' jobs, without sufficient confidence and experience they may be intimidated by this new advertising platform. This adversity may be serving as a barrier to adoption. According to Fielding (2008), a survey done by Menlo Park, California-based, The Creative Group, 85% of advertising and marketing executives think their job is more difficult now than it was ten years ago. They also found that marketers' second biggest challenge is staying current on industry trends or technologies (28%).

Staying ahead of the consumers should be a priority to South African marketers especially as new trends and industries start to emerge. Kierzkowski, McQuade, Waitman and Zeisser (1996), concluded that during the early stages of the Internet, digital consumers were more attractive for marketers and more likely than their non-wired counterparts to spend more. Household income levels among online subscribers also tend to be considerably higher than the average, as are the education levels. Meanwhile, key technological barriers such as speed of content delivery and costs start to fall and as this happens the Internet becomes more accessible.

Turning to the field of Internet advertising, a study by Kim and McMillan (2008), confirms that of 113 academic papers spanning over the last ten years the research tends to mainly focus on interactivity, effectiveness, advertising processes, comparison to traditional media, attitude towards the site, advertisement or brand and e-commerce. The volume of literature above focuses largely on understanding digital media from a user's perspective, to give the marketer an understanding of how to best capitalise on the emerging trends. The slower than expected adoption of digital advertising, however, implies that marketers may not have mastered the medium or realised its potential benefits (Hoffman and Novak, 1996).

This research will therefore focus on the marketer and investigate how the advent of digital technology creates an interactive context, as explained by Hoffman, Novak and Cahtterjee (1995) and Hoffman and Novak (1996, 2000)

in which marketers need to operate. In this new environment the marketers' decisions are affected by the fact that they must take the end-user into consideration, as they have the ability to respond and alter the message content (Hoffman & Novak 1996). Marketers may view the Internet and interactivity both positively and negatively (Hoffman & Novak 1995), also covered in the research by Tapp and Hughes (2004), who state that over and above the possibility of engaging directly with consumers and delivering a superior service, in many instances managers struggle to adapt to the disruptions that new technology brings to their systems, processes and strategies. They further found that the notion of power shifting to consumers could be viewed both positively and negatively depending on how they choose to manage it. Pavlou and Stewart (2000), stated that if marketers understand the benefits from flexibility, they have the ability for continuous improvements and to deliver ultimate customer value, resulting in brand loyalty. The interactive nature of the medium (Hoffman & Novak, 2000) offers brands and organisations benefits since it is especially conducive to developing customer relationships. On the other hand, Pires, Stanton and Rita (2006), found that the shift to consumers came with a string of difficulties resulting from an unintended and largely uncontrolled consumer power that marketers must learn to manage.

Where marketers have been the centre of studies in the technology space, it has been shown that their perceptions, technology orientation and position in the organisation play a central limitation to adoption. As Chiagouris and Lala (2009), point out that even though marketing managers are aware of the potential for waste in the use of traditional media, such vehicles continue to

dominate media budgets. They found that perceptions of wastefulness of traditional media on implementation of interactive-marketing technologies are contingent upon their own personal technology orientation and their hierarchical position in the organisation. It is therefore important for this study to understand the psychological affects and factors that influence the marketers' decisions, but also to investigate how technology and their own technology orientation coupled with experience with it affects the gatekeeping of investment.

2.3 Gatekeeper theory (GKT)

GKT will expand on the factors that affect the flow of decisions to invest or not to, looking at both internal and external influences. The concept of gatekeeping was developed by Lewin (1947; 1951) when he identified that women controlled the decision-making process in the purchases of meat and food-related habits in the household, making them the gatekeeper. Lewin (1951), tried through his experiment to understand the influencing factors by understanding: (1) the psychological factors influencing the person controlling the channel, such as the marketer; (2) the cognitive situation to understand what they thought about the topic; and (3) the motivation behind why they think what they think, affected by their value system and the likes. Roberts (2005), concluded that Lewin's gatekeeping theory has yielded various studies and models in various disciplines that have attempted to explore the forces that determine, facilitate,

or constrain the process of gatekeeping; that is, the decision whether or not to allow information to pass through the gate.

Gatekeeper definitions:

In this study the marketers will be viewed as a gatekeeper of intention to invest within a digital context. The study has therefore adopted the definitions used by Barzalai-Nahon (2007), that focused on technology, more specifically networks, described by her Networked Gatekeeper Theory (NGT):

- (1) Gate – across most of the literature, and especially in communication, “the gate” is viewed from a one-sided mechanism. Shoemaker (1991), defines it as an “in” or “out” decision point, while NGT underpins the duality of both exit and entry. Barzalai-Nahon (2007), states that due to the dynamism of information technologies, the concept of gate is of less importance than the rest of the network gatekeeping components.
- (2) Gatekeeping process –is the process of controlling information and a focus of this study as it moves through a gate. Activities include among others selection, addition, withholding, display, channelling, shaping, manipulation, repetition, timing, localisation, integration, disregard, and deletion of information.
- (3) Gatekeeping mechanism – due to the digital and technology context, a gatekeeping mechanism may promote or limit information. As a result this construct needs to be added to traditional GKT due to the need to differentiate between the means of the process and its executors.

- (4) Channel – is the point where psychological and non-psychological variables intersect to facilitate the flow of information. Some channels may offer more or less resistance to movement while in some cases such as that being investigated by this study, forces may be prevented from entering the channel at all.

Barzalai-Nahon (2008), who has contributed greatly to GKT split the literature into two eras, starting with the mid-1950s leading up to the last 15 years. Her 2008 study did a critical review of the field, subdividing gatekeeping into four main fields:

- (1) Communication
- (2) Management and technology
- (3) Information science
- (4) Political Science.

In this study the marketer acts as an intermediary of brand information, covered in the field of management and controls the decision-making process regarding which communication medium to use and how to spend their advertising and promotional budgets, within a technology context placing them in between section one and two. By nature of the objective of advertising, the role of the marketer can be viewed from that of a change agent, another thematic often covered in traditional gatekeeping literature. Cronin (2004), develops on this concept of the marketer as an intermediary and change agent, through the role they play in changing the needs and desires of society. She refers to the

mediation of social change and states that advertising practices such as audience segmentation and advertising products, mediate, organise or structure social and cultural shifts. She stated that "advertising research appropriates the social structure of markets for goods and audiences for media, and recycles them as strategies targeted towards segments of the population. Thus, advertising is a communications activity through which social change is mediated – and wherein such change can be witnessed" (p. 26).

Developing further on the research from Cronin (2004) and Barzilai-Nahon (2008), the marketer can be viewed as someone of influence who has a set of preconceived perceptions (Cronin, 2004) that are affected by and amongst other things the factors mentioned from Shoemaker (1991), that impact on the decision they make to exert influence over society by choosing to investing in new media. Cronin (2004), explained how advertising executives were often acting as cultural intermediaries of information between the brand and the consumer, often increasing the gap between them due to their own preconceived ideas, rituals and industry behaviour. In the same way it is appropriate for this study to view the marketer as an intermediary for change as they, too, are strongly connected (Barzilai-Nahon, 2008) internally as well externally with various advertising agencies and their consumers. This process of intermediation enhances gatekeeping and may be limiting communication and proximity to the consumers.

This study will attempt to align the marketer with the cross-filed analysis of traditional gatekeeper literature done by Barzilai-Nahon (2008), coupled with insights from other influential authors such as Shoemaker (1991), who grouped a few relevant themes and factors from previous literature to find how they exert pressure on the gatekeeper to make decisions and facilitate or deter the flow of information:

1) **Elements of the process** identified by Shoemaker (1991) and covered by Barzilai-Nahon (2007), concentrates on factors affecting the decision-making process. This study uses process as a basis for the model that will be used to determine factors affecting investment. This axis is important as looking at process is a way of neutralising power metaphors of gatekeeping by separating them from subjective factors such as personal feelings and perceptions of the marketer, as these will be reviewed in isolation of the process. Barzilai-Nahon (2007), stated that while traditional communication literature on gatekeeping treats the process of gatekeeping predominantly as a selection mechanism, Shoemaker's (1991) improved definition takes the traditional approach further. Shoemakers (1991), looked at gatekeeping as a process that encompasses more than just selection, by including all forms of information control that may arise in decisions about message encoding, such as, withholding, or repetition of entire messages or message components that will be regarded, especially in an interactive context where the gated have an ability to shape, encode and stimulate repetition.

Together Shoemaker (1991) and Barzilai-Nahon (2007), classified literature since Lewin, into factors affecting the process into five main categories:

(1) The individual level looks at the extent to which individuals are responsible for the gatekeeping selection, and consist of individuals' interpretation, decision-making, personality (Lewin, 1951), background, values, role conceptions, and experiences.

(2) The routines level (Gieber, 1956) refers to the patterns, routine and repeated practices that are used to perform a function.

(3) The organisational level, includes internal factors that vary by organisation and at times by a group's decision-making patterns (Bantz, 1990).

(4) The institutional level, concentrates mainly on the exogenous characteristics of organisations and their representatives that affect the gatekeeping process (e.g. market forces).

(5) The social system level explores the impact of ideology and culture on gatekeeping.

The current study uses the factors above as guiding principles and expands the concepts from other literature already covered or still to follow to create a model for gatekeeping in advertising communication within a digital context to suit the stated purpose.

(1) Subjective factors are viewed from a self efficacy perspective mostly driven by experience and how this affects perceptions of expertise (Gefen, Karahanna & Straub, 2003; Davis, 1985; Cronin, 2004).

(2) The external constraints level focuses on external factors such as the resources required that may serve as deterrents to investment, through costs, burdensome technology production and its accessibility and availability.

(3) Organisational influences cover how the marketer's position in the company affects gatekeeping, (Chiagouris and Lala, 2009), as well as explores how the current relationships with existing advertising agencies, Bush and Bush (2000), and the marketer's tendency to compare against traditional media serve as factors that affect gatekeeping, (Li and Leckenby, 2004).

(4) Institutional factors cover the influence of the industry and its experts as well as the market design of organisations geared for profit maximisation.

The first subjective factor described by Barzilai-Nahon (2007) review of past literature and Shoemaker's (1991), process frame discusses that trust acts as a gatekeeping factor as it affects decisions. Their research was centred on journalism and the journalist's own personal trust in their own competence to provide readers and the public with the right information about a certain piece of news. In the case of this study, trust is viewed from an introspective angle from the marketers' perceptions of self-efficacy to judge how experience enhances it.

Gefen, Karahanna and Straub (2003) found that skill, trust and past experience play a role in adoption and intention to use when it comes to technology. In their case the study was conducted on consumers and they found that they were affected by a factor of trust that changes with experience. Their research found that the degree and impact of trust, perceived 'usefulness', and perceived 'ease of use' also change with experience. This study will look at how the marketer's experience with new media affects his/her ability to work with it. It will be examined from an introspective angle to see whether it influences his/her ability to plan, place and manage new media with confidence. Gefen, Karahanna and Straub (2003), also found that as repeated use increases, user familiarity with a system and 'ease of use' perceptions increase because of increased understanding of the interface. This means that marketer's adoption of new media in a personal as well as professional capacity may impact on the level of trust and impact on their intent to invest. Gefen, Karahanna and Straub (2003) go on to say that perceptions of 'usefulness' become an increasingly important determinant of behavioral intent as the potential benefits from the system become more obvious with experience. Shij and Piron (2002), substantiate this argument as their study found that user perceptions of media and its effectiveness are affected by experience which could be the reason for the skewed investment split between traditional and new media in South Africa. Their study found that experience influences trust and therefore there is a preference to known types of media. Experience may also be coupled with other factors in trying to understand adoption as was pointed out by Hsu, Murphy and Purchase (2001), who drew on the stages of adoption resulting from perceptions toward the use of the Internet as a communication medium.

They found that lack of experience as well as cross-cultural perspective were an influencing factor to adoption. This study will include demographic insights to incorporate the local diverse landscape.

The second behavioural constraint draws on **external factors** raised by Barzilai-Nahon (2007) . She incorporated *cost* as one of the influencing factors on gatekeeping stating that as this increases so does the possibility of gatekeeping. This study has looked at a tighter version of cost from a resource perspective and due to the recent and technical nature of new media has focused on the costs required to acquire and train the right people. In the technology driven research from Tapp and Hughes (2004), focusing on marketing executives, found that ‘the future will require a different type of person to take up marketing. The ‘new marketer’ needs analytical skills, a logical mind for absorbing the strategic importance of IT’s (Information Technology) impact on the firm, but qualitative intuition for close understanding of customers” (p. 294). Their study made reference to the importance of the hiring process and the calibre of the marketing candidates to facilitate the decision-making process from merely a functional one. Their findings showed that it was important to develop new skills through intensive and regular training highlighted by some of the strategies they proposed below:

Figure 2: Skill development strategy components

Strategy	Possible components
Develop new skill sets	Develop better understanding of IT Combine creative skills with commercial acumen Measure the results of activities better Improve understanding of integrated process management

Due to the recent nature of new media and the contrasting long-standing relationship with traditional media (Bush & Bush 2000), start-up and exit costs of creating systems and allocating staff to the management of new media ventures enhances cost and may serve as deterrent to invest. Furthermore, training and evaluation process changes that equip marketers with the desired skill to manage new media effectively incur costs that may deter from adoption of new media.

Barzilai-Nahon's (2007; 2008) analysis of past literature also identified that factors dealing with production and the general availability of technology impacted on gatekeeping. Bush, Bush and Harris (1998), highlighted that accessibility to technology may be a factor that deters adoption. They touched on the early stage problems of the Internet, as not being without its challenges. They state that connection is often slow and unreliable, amongst other things. They found that in the early stages even though the Internet represents a tremendous opportunity for advertisers, uncertainties and challenges also abound, that may be serving as gatekeeping factors.

The newness of the Internet brings with it many changing forms and formats of advertising (Li and Leckenby, 2004) ranging from electronic mailing lists,

newsgroups and banner adverts to interactive formats such as rich media that incorporates vector-based graphics, video and audio streaming capability and Java-powered interactivity. He goes on to say that 'rich media', just as it says, is rich in content and design but also in response rate from users. However, as pointed out by Hoffman *et al.* (1995), this comes with an additional cost and challenges that include the actual execution and this becomes greater as the complexity and image weight is increased. In the factors identified by Shoemaker, and Gieber (1956), the chance of gatekeeping increase as production complex increases. Barry and Lang (2001) say that as multimedia and web-based information systems develop it poses a serious challenge for production and development, as applications are becoming extensive and extremely complex. Their study showed that practitioners often found development difficult. The increasing demand for them to deliver high-quality, complex, Web-based software products, with little automated support for anything more complex than HTML, was not available and as a consequence, developers have to frequently resort to manual production mechanisms, with negative impacts on both productivity and efficiency.

The dilemma in an online environment is that now content can be produced by the gated (Mulhern, 2009). The gated is included into this research due to the findings of Barzilai-Nahon (2007), and their relevance in an interactive Context. The production ability of the gated should be investigated to understand how it increases the complexity of content production. Mulhern (2009), states that user-control and content production is becoming a common thing. In the past media companies served as gatekeepers through the production and

distribution of content in a centralised manner. Today they have less control as technology has empowered consumers to control what information they receive and produce for others to access. This study will try to understand if this is viewed positively or whether there are fears about losing control of content on the part of the gatekeeper which prevents them from putting visuals and brand communication online.

The third thematic covered by Shoemaker (1991) and reviewed by Barzilai-Nahon (2007) is regarding **organisational procedures and routines**, which either facilitate or deter information flow. They found that established working relations and ways of operating affected the decision to allow information flow. As this study is looking at investment and the adoption of new media, it looked at the findings from Sheth and Sisodia (1998), who highlight that budget setting is a key factor that may change investment. They found that marketing budgets were often influenced by an incrementalist approach (adjustments to the previous year's spending levels) and that this perpetuated the existing status quo, as could be the case in South Africa where marketers continue to invest into traditional media. They further found that there was a tendency to base spending decisions on intuition and a strong tradition of judgement-based budget decision-making. Such methods rely heavily on individuals' interpretations as opposed to relying on market-related information. The finding from Sheth and Sisodia (1998) were confirmed by Prendergast, West and Shi (2006) whose study focused on emerging markets, and they stated that, there should be an objectives-based view on budget-setting, which was only used by one third of the respondents. The other two thirds of firms in China relied on a

judgement-based budgeting method, slightly less than sales-based method. Belch and Belch (1998; 2004), indicated that the theoretical approaches to establishing the promotional budget were seldom employed. They agree that one of the most common methods used for budget setting (particularly in large firms) is the 'percentage of sales' method, in which the advertising and promotion budgets are based on sales of the product. And while a sales-based method incorporates campaign effectiveness it is one of the most complicated advertising measures as it is difficult to attribute to advertising alone.

As budgets may be perpetuating the existing status quo where traditional media dominates advertising mediums, the way that marketers plan and execute new media campaigns may be approached from a traditional media routine, which according to Kierzkowski *et al.* (1996), means that marketers are approaching interactive media through a one-way, mass-market approach, that falls short of the medium's potential. According to Pavlou and Stewart (2000) in traditional media the objectives are set and measured after the campaign. And while their study shows that even if the goals of interactive advertising are similar to traditional objectives of advertising within an interactive context, measures such as awareness, attitude, and product choice, among others, are not simply the result of exposure to advertising; they are also the result of choices made by the consumer (to engage), which are in turn, guided by the consumer's goals and purposes. Pavlou and Stewart (2000), conclude that though the measures may appear similar, the interpretation of these measures is rather different. Pavlou and Stewart (2000), suggest that as a result this study must examine how marketers' goals and objectives evolve over time in response to

consumers' actions in the market place. Li and Leckenby (2004), study also showed that there is a similarity between new and old media in that they should both be measured. They elaborate on the importance of objective setting as it provides direction and gives a basis for measurement. However, they go on to say that the interactive nature of new media makes it different from traditional media and thus should not be confused, and interpreted differently.

Another relationship that may affect gatekeeping is between the marketer and the existing advertising agency exerting pressure on behaviour to invest. Bush, *et al.* (2000), found this to be true in their study that revealed that new media has the potential to alter agency-advertiser relationships and blur the functions and upset the routines that are performed by each.

The changing roles between marketers and agencies may alter perceptions and exert pressure on decisions. Cited in from Bush and Bush (2000), Evans (1995) found that roles were being blurred with respect to web-related activities and functions performed by agencies and outside Internet specialists from public relations firms, computer design boutiques, and studios.

The fourth factor relates to the **institutional environment (Shoemaker 1991) and normative** factors (Barzilai-Nahon 2008), that cover influence from outside and market pressure. According to Shoemaker's (1991) classification, group consensus is a vital factor to consider when investigating gatekeeping. The pressure of industry is a thematic covered by authors such as Bush *et al.* (1998), whose study showed that during the infant stages of the Internet, a

large number of organisations took an interest in developing a presence online for the wrong reasons, compelled to do so because ‘everyone else is doing it’ (industry). Cited in Bush *et al* (1998) Berthon, Pitt, and Watson (2003), stated that "it was not unlikely that, advertisers were on the Web simply because it was relatively quick and easy, and because they feared becoming less competitive and that the consequences of not having a presence would outweigh whatever might be the outcomes." In the case of South Africa where the industry is slow to invest in new media the pressure of ‘losing out’ may not be very high. This does not however means that SA marketers are not influenced by the industry, as it may well be that competition is influencing budgets as marketers use comparative budget setting techniques raised by Sheth and Sisodia (1998), who argue that competition influences behaviour, as their study found that marketers allowed the behaviour of competition to lead their investments. Their investment decisions were influenced by the amount competition was investing online as they applied parity setting to their budget techniques.

Bush *et al.* (1998), pointed out that each organisation should have a clear understanding of the benefits of investing online and the reasons for or against investing should not be based on the pressure of others as this causes a great deal of confusion about what the new medium can bring.

Another institutional variable introduced by Shoemaker (1991), shows that return on investment (ROI) and market delivery contribute significantly to gatekeeping. In her theory she states the importance of profit maximisation and

expenditure optimisation. The implications for this study are to investigate how new media performance measurement metrics impact on the perception of campaign success. Seth and Sisodia (1998), believe that the measures of marketing productivity are at the centre of the debate. They believe that the measures of marketing productivity should be reviewed as these have traditionally been viewed purely in terms of efficiency and they need to be expanded to include effectiveness, measuring costs against customer satisfaction. In the field of Internet advertising the most cited themes under effectiveness have tried to bridge this gap and have focused on theoretical issues such as user perception to understand satisfaction coupled with practical applications including among others, page impressions and click-through rate (Kim & McMillan 2008). Insights from early authors, such as Leckenby and Hong (1998), showed that an understanding of performance metrics is important when applying them to the Internet due to its interactive nature. In their study they tried to apply more traditional measures such as 'reach and frequency'; however, it became apparent that using old measures for new media misrepresented the effectiveness and that a more targeted approach is necessary.

This study will look at whether low levels of understanding of measurement techniques leads to a misinterpretation of ROI, affecting the desire to invest. It is however noted that the changing environment of the Internet adds a complex dynamic and should be added to the analysis. Russell (2009), argues that due to the changing nature appropriate measurements still haven't been found even

if they are becoming more commonly understood. Her study found that over and above the constantly evolving space, what makes it complicated is the fact that new advertising channels are constantly being invented and there is an explosion of data. Through the invention of new mediums the metrics need to change with it, making it complicated to compare performance and keep up with new metrics.

By measuring the comprehension of performance metrics, this study will compare perceptions of Return on Investment (ROI), as it may well be that the newness of the medium that contributes to any negative perceptions. This was argued by Shij and Piron (2002), who investigated marketers' perceptions of Internet advertising effectiveness comparing it against other marketing communication tools in achieving five communication objectives based on a framework of category need, brand awareness, brand attitude, brand purchase intention and purchase. Their findings were that they consider Internet advertising to be least effective among and most distinct from all marketing communications tools, largely due to its newness.

This study will also look at the influence of opinion leaders looking at the current advertising agency. Barzilai-Nahon (2007), review framework showed that there is a greater likelihood that gatekeeping is affected by opinion leaders, as the gatekeeper has a tendency to follow the definitions and decisions of these credible influencers. However, this factor must be viewed in conjunction with the changing role of the advertising agency where the power is being shifted to

the gated. Mulhern (2009), argues there is a fundamental shift happening and that the agency-advertiser relationship is taking on a new dimension as advertising-supported services open up enormous opportunities for advertisers to expose consumers to brand messages and, more importantly, to interact with and be influenced by them. She says that among the emerging advertising-as-service which are essentially brand communication and interaction platforms, they have the ability to go direct to the consumers and bypass the media agency through the emergence of communities and social media platforms.

As a result a new theme emerges, the role of the gated, as discussed by Barzilai-Nahon (2007; 2008), and is incorporated into this study, operating in an interactive context. It will review the role of the gated and how they have the ability to influence the decisions and outcomes of marketers and their campaigns identified by Mulhern (2009). If marketers understand the benefits from flexibility bought on by interactivity, introduced by Hoffman and Novak (1995; 1996) they should welcome the influenced from the customers' feedback, giving them opportunity to improve customer satisfaction by continuous improvements. Kiani (1998), added a dimension to flexibility called addressability, resulting from the memory function within a digital context, and he confirms Hoffman and Novak's (1996), work that the new interactive communication system should be viewed as an opportunity and can be utilised in numerous ways; for example, to influence the design of new products, development of product and marketing strategies and the innovation of content.

The dimension brings with it another key factor that influences marketers and that is the way they segment their consumers. Due to new media's ability to allow constant feedback loops, marketers can start to map individual consumer's needs, preferences and habits (Mulhern 2009). She says that this creates an opportunity to make progress on meeting individual needs and add value through ultimate customisation, but this means that marketers need to reconsider the way they stratify their customers. She argues that due to the transformational ability of technology and the role of the gated, mass communication may eventually be enabled to shift advertising to more a concentrated and focused audience.

Table 1: Gatekeeping factors

Gatekeeping process factors	Shoemaker (1991) process factors	This study's factor expansion and contextualisation (2010)
Subjective Factors		
Trust	Gatekeepers' lack of experience has a negative effect on the gatekeeper's decision of gatekeeping. Trust in gatekeeper's competence to make use of information (Shoemaker, 1991).	Marketers perceptions are driven by their experience with new media and the technological platforms it operates on and these have a direct effect on their decision to invest or not. (Gefen, Karahanna & Straub, 2003) (Davis, 1985) (Cronin, 2004) Newness means marketers lack the experience to integrate new media into strategy, by setting objectives and measuring against them. (Shij, Piron, 2002) (Li & Leckenby, 2004) (Pavlou & Stewart, 2000)
External Constraints		
Cost	An expensive process increases the likelihood of gatekeeping.	Start-up costs or entry-exit costs from traditional media may serve as limiting factors to investment. Additional cost may also need to be incurred to acquire the required skills to manage new media. (Tapp & Hughes, 2004)
Mechanical production	A problematic effort to produce information tends to generate gatekeeping (Gieber, 1956)	Production and content complexity increase due to live and changing nature of new media that increases likelihood of gatekeeping. Hoffman, Novak and Chatterjee (1995) (Barry & Lang, 2001) (Li & Leckenby, 2004)
Unavailable technology	The likelihood of gatekeeping increases with decreased availability of technology (Livingston & Bennet, 2003).	Marketers' access to technology may facilitate gatekeeping. Fast changing nature and technological platforms further create barriers. Unreliability may affect professional usage of

		technology tools. (Bush, Bush & Harris, 1998) (Russell, 2009)
Organizational Characteristics and Procedures		
Role	The actor's position (e.g., news gatherer, news processor, reporter, editor, community leader, linker) affects the gatekeeping decision	As the marketers' status and position changes they have different perceptions of digital media. (Chiagouris & Lala, 2009)
Policy & Routine	Routines that establish working relations between reporters and the source determine the nature of gatekeeping (Livingston & Bennet, 2003)	Changes in relationships between the marketer and traditional advertising agency act as a source of confusion. (Bush & Bush 2000) (Mulhern, 2009) Comparisons to traditional media, and more specifically, budgeting methods and interpretations of new media that limit shifts in investment. (Sheth & Sisodia 1998) (Pavlou & Stewart, 2000) (Prendergast, West & Shi, 2006) (Li & Leckenby, 2004)
Institutional Environment		
Opinion leaders	Greater likelihood for accepting definitions of opinion leaders, which affects gatekeeping decisions	The recent nature of digital means traditional advertising agencies are viewed as the experts and that few credible experts and opinion leaders exist
Group consensus	Adopting a group consensus by daily professional interaction has a direct impact on gatekeeping (Bantz, 1990)	Industry actions affect marketers decisions to invest (Bush, Bush & Harris, 1998) (Lewin, 1951) (Berthon, Pitt, & Watson, 2003) (Sheth & Sisodia, 1998)
Market pressure	Maximizing profit and minimizing expenditures has an impact on gatekeeping (Donohue, Olien & Tichenor 1989).	Perceptions of new media and the effectiveness of measurement metrics and ROI . (Leckenby & Hong, 1998) (Shij & Piron, 2002) (Russell, 2009)

2) The influence theme identified by Barzilai-Nahon (2008), explores the impact of gatekeeping within certain contexts and how gatekeeping and gatekeepers exert influence and even affect cultural change, as with the example given by Cronin (2004), where she argues that marketers are seen to have power to change societal norms and so there is a possibility that if they do not adopt it will limit the growth of the industry with possible negative effects on society.

3) The concept of community from Barzilai-Nahon (2008), termed as the 'identity' explores the possibility that gatekeepers could emerge from the bottom up and represent needs of community members. The concept of interrelation is similarly explored by Cronin (2004), who argues that there is an inter-connective mediating role of the brand, marketer and end-user, and that as much as advertising has an effect of society, it is created from the very needs of that society's influence. Barzilai-Nahon (2008), states that apart from the influence that the gatekeeper has over society, in an interactive environment, the gated have the ability to influence the marketer. She also states that most of the current and past literature on gatekeeping used an elitist prism where the gatekeeper sets the agenda and the gated are manipulated according to the gatekeeper's intentions. Within the interactive environment of new media the role of the gated must be considered due to the feedback mechanism pioneered by Hoffman and Novak (1996). They introduced the computer mediated environment (CME) in which interactions do not stand still as they exemplify a many-to-many communication, modeling the concept of a two-way interaction, which downplays the role of the marketer and traditional media.

They introduced the notion of peer-to-peer or many-to-many without mediation. According to Hoffman and Novak (1996), the online consumer actively participates in an interactive exercise of multiple feedback loops and immediate communication in which marketers need to find their place as the marketer-led society is being challenged. According to Barzilai-Nahon (2008), this relational theme explores the idea that the process could in ways be influenced by both the gatekeeper and the gated. This theme promotes discussion about the type and meaning of relations between gatekeepers and gated, not yet covered, but explored under the theme of interactivity that exists within a digital context. This way the debate opens up to a more participative approach from end-users and societies. Pavlou and Stewart (2000), concur with the inclusion of the gated as an element as it really differentiates an interactive context from a traditional one, due to the two-way communication where the message effectiveness hinges not only on the message's ability to influence the user, but also on how the user shapes the interaction.

By reviewing the process and incorporating the influence of the user the study will review how the relationship between the gatekeeper and the gated change the (1) roles of gatekeepers and (2) the gatekeeping process norms, using a normative influence variable that was created to account for conformity arising from the influence of others and motivation to comply, be it from opinion leaders, competitors, or the gated.

4) The 'New Old' theme identified by Barzilai-Nahon (2008), attempts to understand the differences between traditional modes of communication and new ones such as those enabled by the Internet. So while it is important to analyse the role of marketers in their capacity as an intermediary for change (Barzilai-Nahon, 2008; Cronin 2004), gatekeeping information, within the digital context, must regard the role of technology and the perceptions held regarding it. Barzilai-Nahon and Neumann (2005), alluded to the fact that the gatekeeper theory needs to be expanded upon in the context of the Internet and networks, and highlights the importance of moving from process selection, information distribution and protection and information intermediary to a more flexible construct of information control, allowing for information handling that occurs before and due to networks created by technology. This being said, the information handling by the marketer is influenced by the marketer's own technology orientation (Chiagouris & Lala 2009) and their perceptions of it has the ability to facilitate or deter information flow. The acceptance of technology that is dependent on the marketer's attitude towards it will be evaluated by an expanded version of the well known Technology Acceptance Model (TAM) of Davis (1985) that will be described below.

2.4 The role of technology

Technology plays an important role in the adoption of the Internet and digital advertising, but more importantly its acceptance is critical for marketer adoption. The well-known TAM will be reviewed. It was introduced by Davis (1985), who used it to describe how user acceptance of technology is affected

by two variables - 'perceived ease of use' and the 'perceived usefulness'. According to him the attitudes held by users of technology to these variables have the ability to alter decisions that people interacting with it make. TAM was built on the shoulders of models from social psychology and another theory called the Theory of Reasoned Action (TRA) proposed by Fishbein and Ajzen (1980), later expanded to the Theory of Planned Behaviour (TPB) by Ajzen (1985):

Figure 3: Theory of Reasoned Action

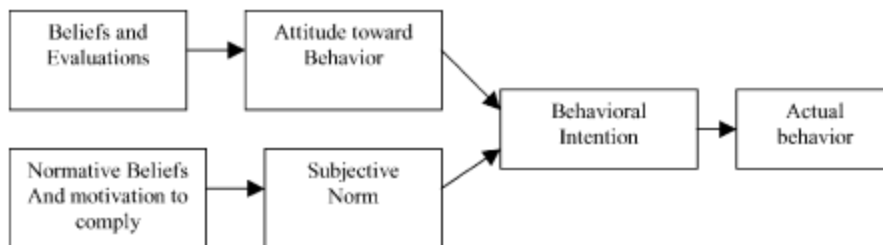


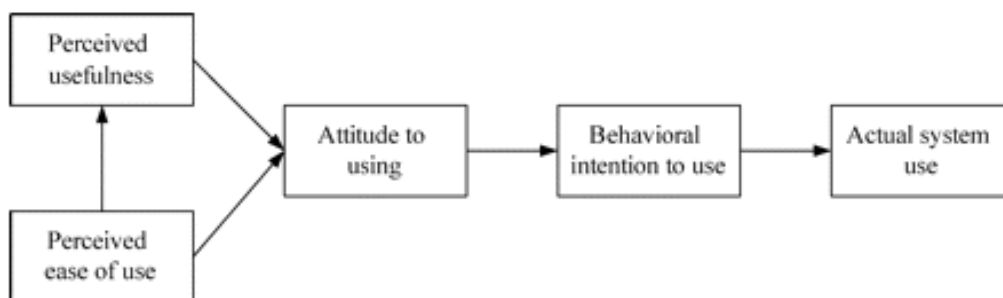
Fig. 1. Theory of reasoned action.

TAM and the two founding theories will be reviewed to understand marketers' intentions to invest in new media. Already established, technology acceptance by marketers rest on their own technology orientation amongst other things (Chiagouris & Lala 2009).

This study has chosen to use TAM mainly due to its wide use and simplicity, but needs to expand on it using the factors identified in the GKT. TAM examines the mediating role of 'perceived ease of use' and 'perceived usefulness' in their relation between a system's characteristics and the probability of its use (Legris, Ingham & Collette, 2003). TAM proposes that beliefs influence

attitudes, which in turn lead to intentions and action, while attitudes about ‘usefulness’ and ‘ease of use’ of technology, impact on adoption (Taylor & Todd 1995). Lu, Yu, Lui and Yao (2003), describe perceived ‘usefulness’ as the extent to which a person believes that using a system will enhance their job performance. They went on to expand on existing TAM literature that has been praised for its predictive capacity for adoption of Information Systems (IS) as well as innovation, but criticised on the attitude axe. As a result they defined TAM as a special case of Theory of Reasoned Action (TRA), with only two beliefs comprising attitude with no role for subjective norms added to this study.

Figure 4:Technology Acceptance Model



TAM has already been altered in numerous other studies as it helps get both an objective as well as a subjective perspective of how technology could be contributing to gatekeeping. This study takes learning’s from Legris *et al.* (2003), that concluded that TAM is a useful model, but has to be integrated into a broader one which indicates variables related to both human and social change processes, and to the adoption of innovations.

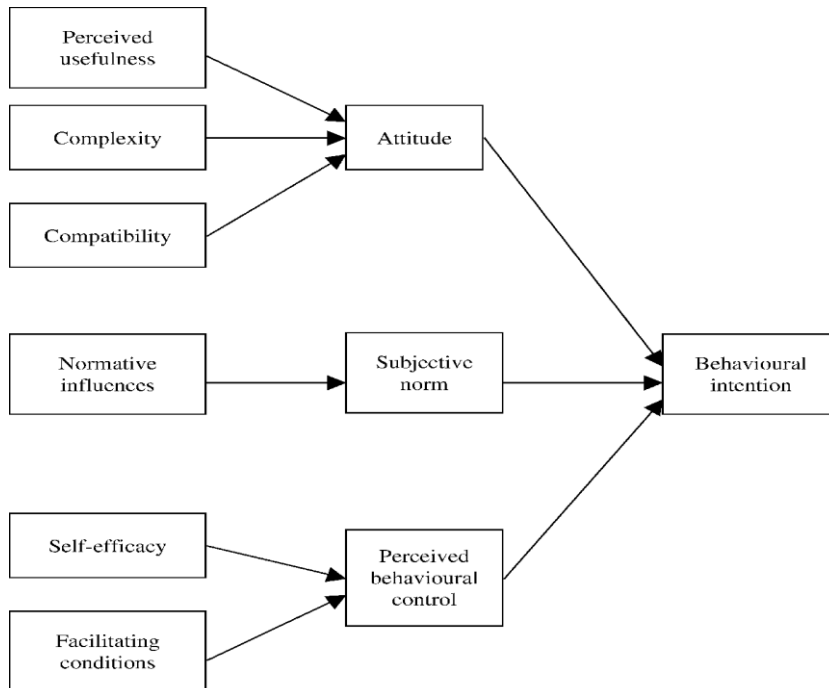
TAM was constructed on the principles of the TRA (Taylor & Todd, 1995). This study attempts to investigate the factors affecting and leading to an intention to invest and therefore it must explore and understand TRA as Taylor and Todd (1995), argue that it is concerned with the determinants of conscious intended behaviour. They argue that TRA models indicate how perceptions lead to behaviour, which in this case would be the decision to invest. TRA was later extended to incorporate external factors by adding a perceived behavioural control axe by Ajzen (1985), who created the Theory of Planned Behaviour (TPB) to account for the fact that individuals may not always have control over their behaviour. This is relevant to the marketer who is assumed to be operating within the confines of external conditions, such as the organisation and routine, already explained in the gatekeeper theory process literature. According to Chau and Hwa Hu (2001), the 'perceived behavioural control' construct of TPB accounts for situations in which an individual lacks substantial control over the targeted behaviour. TPB states that an individual's behaviour can be explained by their behavioural intention, which is jointly influenced by attitude, subjective norms, and perceived behavioural control. Perceived behavioural control also has a direct effect on behavioural intention.

In the current context, TPB suggests that a marketer's intention to use digital technology are jointly determined by their (1) positive or negative evaluative affect about using the technology; (2) perception of relevant others' opinions on whether or not he or she should use the technology; and (3) perception of the availability of routines, skills, resources, and opportunities necessary for using the technology.

Due to the parsimony of TAM and its predictive power coupled with the external variables identified by TPB, Taylor and Todd (1995) integrated the two theories to create the Decomposed Theory of Planned Behaviour (DTPB) in Figure 5, that provides a fuller understanding of behavioural intention by focusing on the factors that are likely to influence usage of technology through the application of both design and implementation. They argue that, more formally, the desired behaviour is a weighted function of intention and perceived behavioural control, and intention is the weighted sum of attitude, subjective norms and components of behavioural control. These determinants of intention (attitude) form the underlying belief structure, which in-turn have the ability to re-affects the marketer's attitudinal beliefs. This means that if the study is able to prove that the marketers' attitudes towards technology are affected by both external as well as internal controls, it can prove it is a variable that will affect the intention to invest in new media.

Taylor and Todd (1995), believe that attitude is equated with attitudinal belief that performing behaviour will lead to a particular outcome, such as gaining market share or delivering better sales results that is weighted by the evaluation of the desirability of that outcome, such as being promoted or given the opportunity to change societies' behaviour.

Figure 5: Decomposed Theory of Planned Behaviour



Source: Taylor and Todd (1995)

Gefen *et al.* (2003) agree that it is important to include a normative influence to the TAM model when it comes to technology. They argue that informational influence, near-peers, family, and friends of the potential adopter can inform the potential adopter of their own personal experience and evaluation of the online experience.

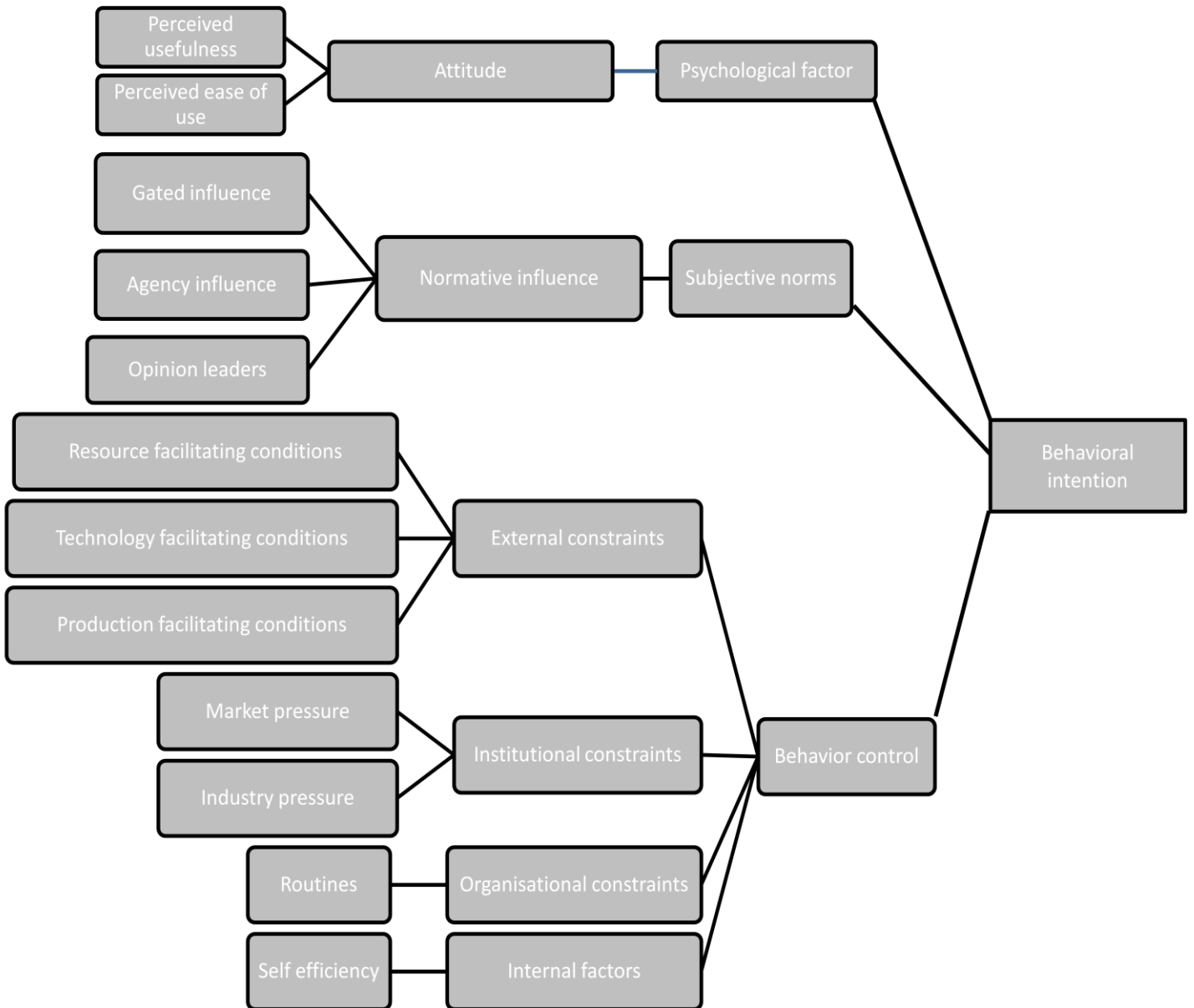
The model build in the current study, the Gatekeeper Theory of Planned Behaviour (GTPB), in figure 7 below, uses a combination of the DTPB of Taylor and Todd (1995) and incorporates some of the factors identified by Shoemaker (1991) and Barzilai-Nahon (2007; 2008) in the gatekeeper theory as these all influence perceptions and attitudes that affect the decision-making process.

There were numerous synergies amongst the behavioural controls identified by Taylor and Todd (1995) and the factors identified by Barzilai-Nahon (2007) and Shoemaker (1991). This alignment facilitated a variation of the DTPB model that uses psychological factors to measure attitudes about technology using the basic design of TAM of Davis (1985), combined with modified behavioural controls from Ajzen (1985) and Taylor and Todd (1995), and incorporating the normative influence from Barzilai-Nahon (2007) below:

Figure 6: Alignment of factors from gatekeeper theory and DTPB

	GATEKEEPER THEORY	DIGITAL ADVERTISING GATEKEEPER THEORY
(Perceived behavioural control)	SUBJECTIVE FACTORS	SELF EFFICACY
	Trust/Personal Judgement <i>Shoemaker (1991)</i>	Experience - ability to perform job, integrate into strategy / Trust <i>Gefen, Karahanna & Straub (2003) / Davis (1985) / Shij, Piron (2002)/Li & Leckenby (2004) / Pavlou & Stewart (2000)</i>
	EXTERNAL CONSTRAINTS	FACILITATING CONDITIONS
	Cost/Production/Technology facilitation <i>Barzilai-Nahon (2008)</i>	Resource - skills / Technology - availability / Production - complexity <i>Tapp & Hughes (2004) / Barry & Lang (2001) / Li & Leckenby (2004) / Bush et al (1998)</i>
	ORGANISATIONAL CHARACTERISTICS & PROCEDURES	ORGANISATIONAL CONSTRAINTS
	Role / Routine <i>Livingston & Bennet (2003)</i>	Routines - Interpretations / Budgets <i>Bush & Bush (2000) / Mulhern (2009)</i>
	INSTITUTIONAL ENVIRONMENT	INSTITUTIONAL CONSTRAINTS
Group consensus / Market Pressure <i>Bantz (1990) / Donohue et al (1989)</i>	Industry Pressure / Market Pressure (ROI), Metrics <i>Leckenby & Hong (1998) / Shij, Piron (2002) / Russell (2009)</i>	
(Subjective Norms)	NORMATIVE	NORMATIVE INFLUENCE
	Conformity <i>Barzilai-Nahon (2008)</i>	Gated / Agency / Opinion Leaders <i>Pavlou & Stewart (2000) / Hoffman & Novak (1996) / Barzilai-Nahon (2005;2007;2008) / Bush et al (1998; 2000)</i>
(Attitude towards technology)	TECHNOLOGY ACCEPTANCE MODELS	DIGITAL ACCEPTANCE
	Technology acceptance Model/ Theory of Resoned Action / Theory of Panned Behaviour /Decomposed theory of Reasoned action <i>Davis (1985) / Fishbein and Ajzen (1980) /Ajzen (1985) / Taylor and Todd (1995),</i>	Gatekeeper Theory of Planned Behaviour - Attitude towards Digital advertising

Figure 7: Gatekeeper Theory of Planned Behaviour (GTPB):



3 CHAPTER THREE

Using the GTPB model the propositions that make up the constructs and the sub-propositions that relate to the variable measures will be reviewed. Each aspect unpacks the proposed model.

3.1 Psychological factors

3.1.1 Attitude: Proposition 1

Attitude is positively related to intentions to invest in new media

Sub-proposition:

Attitude is measured by perceived ease of use and perceived usefulness

3.2 Subjective norms

3.2.1 Normative influence: Proposition 2

Normative influence is positively related to intentions to invest in new media

Sub-proposition:

Normative influence is measured by the influence of gated, existing advertising agencies and opinion leaders

3.3 Behavioural control

3.3.1 External constraints: Proposition 3

External constraints are positively related to intentions to invest in new media

Sub-proposition:

External constraints are measured by resource, technology and production facilitating conditions.

3.3.2 Organisation & procedures: Proposition 4

Organisational constraints are positively related to intentions to invest in new media

Sub-proposition:

Organisational constraints are measured by routines.

3.3.3 Institutional constraints: Proposition 5

Institutional constraints are positively related to intentions to invest in new media

Sub-proposition:

Institutional constraints are measured by market and industry pressure

3.3.4 Internal factors: Proposition 6

Internal factors are positively related to intentions to invest in new media

Sub-proposition:

Internal factors are measured by self efficacy

4 CHAPTER FOUR

The main aim of this research was to get a measure of how marketers' attitudes to digital advertising affect the intention to invest into new media in South Africa.

To have a basis of comparison and assist in predictive capability, the study had to start by collecting data on current usage patterns, both in a personal and in an organisational capacity. This was followed by the perception of advantages and differences between traditional and new media, and other constraining factors that influence the intentions to invest covered in the last section.

4.1 Proposed research method

A quantitative survey method was used to interrogate marketers' perceptions. A survey was done via a questionnaire as it is a quick, efficient and relatively inexpensive way of gathering information from respondents and making assumptions about a population (Zikmund, 2003).

Agarwal and Prasad (1999) argue that survey type research is appropriate when looking for intentions as opposed to actual usage as they are measured contemporaneously with beliefs.

The research collection and sampling was done in conjunction with Ipsos-Markinor. Ipsos-Markinor was founded in 1975, and according to them it is the only independent, publicly-listed company in its field that is managed by research professionals. Since 1990, Ipsos has created or acquired more than 60 companies worldwide, making them the third largest survey-based research company worldwide.

A descriptive study approach was taken since the study had a partially defined problem. Through secondary data the study learned that investment in advertising continues to be directed towards traditional media, even if there is an emerging consumer online. Literature highlighted gatekeeping factors that needed to be tested. Descriptive analysis was appropriate as the study was looking to describe characteristics and perceptions of a particular population, (Zikmund 2003), the marketing executives and how their attitudes affect the adoption of new media

4.2 Research instrument

The survey was designed to take on average 15 to 20 minutes and was done via telephone. Telephone is not only quick but also a good instrument when using summated rating scales, used by this study, as they are relatively easy to interpret over the telephone (Zikmund, 2003).

Professional interviewers were used to ensure that data integrity was high. The interviewers were assisted by a 'Computer Assisted Telephonic Interview (CATI) System' used by Ipsos. CATI helped standardise the responses and guide the interviewer using on-screen instructions. It also saved time and money as data capturing is only done once directly onto the system, without having to be rewritten.

The questionnaire was designed using the elements uncovered in the secondary data and from the literature. The questionnaire was split into the sections below:

- (1) Introduction
- (2) Current usage
- (3) Attitudes, and
- (4) Intentions
- (5) Demographic data

The variables were split amongst the sections and later they were reintegrated into the model and used for the analysis.

4.3 Research measurement

The survey objectives were to measure; (1) **current usage** to determine and describe behaviour patterns and experience that help explains (2) **attitudes** fitted against (3) **intentions** with (4) **demographic data** for descriptive

purposes and to see whether hierarchy and other factors such as age may impact the intention to invest.

When testing attitudes the study served to answer various components of attitude identified by Zikmund (2003), such as the (1) **affective component**, that reflects marketers general feelings about technology, its 'usefulness' or any perceived limiting conditions, (2) the **cognitive component** that takes their knowledge and experience into consideration and (3) the **predisposition to act** and invest represented by the **behavioural component**.

Behaviour patterns were investigated on two levels (1) the organisation, to indicate current budget investment patterns and (2) personal as well as organisational technology usage to understand the effects of experience and the marketers' orientation towards technology.

The study built a model from the variables identified and tested them for their predictive impact on investment in the future. To have predictive value the model was analysed using quantitative techniques.

Due to the recent nature of digital media, the focus of the study was to evaluate intention without an emphasis on the actual behaviour intention construct. The intention to invest served as the dependent variable and is a reliable indicator of adoption. Lu *et al.* (2003), who explored TAM in a wireless context also chose to focus on the attitude towards and intention to use, rather than the actual use construct, due to the recent nature of the context. Mathieson (1991), further

supported this approach as he found that behavioural intention serves studies trying to understand the technology space, and should be the dependent variable. He implied that the intention to invest will thus translate to adoption. Lastly confirmed by Chau (2001), who stated that attitude refers to an individual's positive or negative evaluative affect about performing a particular behaviour, and considerable prior studies had reported a strong and significant causal link between behavioural intention and targeted behaviour.

According to Zikmund (2003), few surveys only gather a single type of fact and as a result they tend to quantify certain information while they may at the same time collect some qualitative data. Various scales were used as the study was designed to test current behaviour, attitude and intention:

- Where the survey was trying to understand attitudes, rating scales were used, to estimate the intensity of beliefs. Rating scales were appropriate as they indicated the strength of an attitude that helped explain the 'intention to use' component. Five point summated rating scales with descriptors were most commonly used for simplicity and to alleviate the likelihood of respondents' misinterpretation. Furthermore, due to the low investment penetration the study allowed for a non-forced response, an option that only became available to the respondent if they sounded unsure.

- Current usage and behaviour used ratio scales to determine the investment split. They helped the study get precise proportion scores on

the levels of investment between new and traditional media. The numbers that were used were percentages based on the “total Rand invested’. Ratio scales were used to measure the mean investment, standard deviation and variance. A separate scale was used under this section for budget setting methods, as this was thought to have an impact on investment.

- Intention was also measured using a five point summated rating scale.

The outcomes of the attitude rating and investment ratio scales were regressed with the behavioural intention under the model to measure which factors have potential to influence the intent to invest and to what degree.

4.3.1 Pilot test

A pilot test was run to ensure the validity of the questionnaire items. The understanding of digital terms and definitions was tested knowing that this is a new field of marketing. The length of the questionnaire was another important element that was tested recognising the time pressure of marketers.

The pilot test was conducted on a small sample of five respondents, selected randomly from the sampling frame. The test was looking to assess the suitability and comprehension with emphasis on the following:

- Length.
- Understanding of new media concepts by the target.
- To ensure the language was simple and it avoided leading questions.
- To see that the question sequencing was appropriate.

After running the pilot test the study realised that the combination of the data collection method and the length of the questionnaire, made it difficult to get marketers to commit to 15-20 minutes of their time. Another efficient way to get executives to respond would have been via email (Zikmund 2003); however, the study felt that due to the recent nature of digital advertising in South Africa, it may be necessary and easier to explain concepts via the telephone. The interviewers were given an annexure of explanations elaborating on various new media platforms and tools. Given the results from this test, the decision was taken that, the first call was going to be used to set up a future appointment to conduct the actual interview. This way the study ensured a better response rate.

4.4 Unit of analysis

The unit of analysis is the 'marketer', acting as a gatekeeper to adoption of new media.

4.5 Universe

The study focused on responses from marketing executives. Marketing executives were selected based on their position in the organisation and the industry they worked in. The industries selected equalled to around 60% of the total advertising investment from the AMPS 2009 data.

The population contained marketing professionals who:

- are involved in advertising and advertising-oriented branding activities for their organisations.
- are involved in purchasing or making decisions regarding advertising media in one form or another.

4.6 Sample

The sample was narrowed down to marketing professionals in the desired industries who have some decision-making power over media investment decisions, and a screening question was included based on both. Hierarchy is one way to determine whether the marketer had power to make decisions, but the study felt it was important to include a specific screening question asking whether the executive “was a key decision maker regarding advertising in their organisation”. If the respondent was not, the interview was closed.

4.7 Sample frame

A sampling frame was used from an organisation called 'Interactive Direct B2B database' – who have a database of over 150 000 of Southern Africa's leading business people. They claim the database is reliable not only because of its reach of professionals but also because it is cleaned every year and all the contacts have given permission to receive communication. The study selected 2 000 records from the database based on (1) type of industry, then (2) a minimum requirement of managerial seniority.

4.8 Sampling technique

This study used a stratum of industry: five main industries were selected based on their current and historic advertising investment. The study chose to concentrate on these few industries that contribute to a bulk of the advertising investment in South Africa to ensure that the response could be directly extrapolated from existing users of advertising, as opposed to looking at non-users of advertising. Random digit dialing within industry was used to get a stratified sample. According to Zikmund (2003), to use sampling within the strata reduces random sampling error.

Strata were selected on the basis of: industry (Banking, Automotive, FMCG, Retail and Telecommunications).

4.9 Data analysis

Descriptive statistic techniques such as mean and standard deviation have been used for basic interpretations of the data.

4.9.1 Reliability analysis

A reliability analysis was done to test to what extent certain group of variables were reliable, that is, to what extent are they measuring the same concept. Several ways to measure this are available, but according to Santos (1999), Cronbach Alpha that determines the internal consistency or average correlation of items in a survey instrument is one of the most popular in use today. The higher the alpha, the higher the reliability. The study takes caution in the fact that Cronbach Alpha, due to its formula, is also directly correlated with the number of items (i.e. variables) tested. The reliability analyses have been used as a guideline. Variables that have shown to decrease Cronbach Alpha of certain propositions, have either been separated or excluded from their original set.

4.9.2 Structural Equation Modelling (SEM)

As the study's main objective was to identify a relationship between the independent constructs and a dependent variable (intent to invest) it was appropriate to use some analysis of dependence technique (Zikmund, 2003).

A multivariate tool called Structural Equation Modeling (SEM) was used rather than just a simple regression analysis. Structural Equation Modeling was appropriate due to the layered nature of the model framework of the GTPB, built by the study. SEM served as an extension in which regression weights may be constrained to be equal to each other, or to specified numerical values.

In SEM many variables take on a dual function of being both independent as well as the dependant variables for other attributes in lower tiers by using a comparison of covariance matrices, (Hair, Black, Babin, Anderson & Tatham 2006). This study used SEM as it has successfully been used in academic marketing research, more specifically coupled with the theory of reasoned action (TRA) by both Olivier and Bearden (1983), and Shimp and Kavas (1984). This analysis is most appropriate as the problem requires the identification of a relationship of multiple variables that are often correlated with one another, (Zikmund, 2003).

According to Hair *et al.* (2006), in complex models such as the one in this study, by using SME it reduces the likelihood of type 1 error, as it is able to reduce multicollinearity by a process of variable omission through the various steps. According to Grimm and Yarnold (2005), multicollinearity is a common problem in regression and modelling. It describes the phenomenon where a predictor has higher correlations with all or most of its fellow predictors than with the dependent variable. Ideally, every predictor should correlate strongly with the dependent variable and less strongly with all the other predictors (Grimm & Yarnold, 2005). When multicollinearity exists among a set of variables, the

regression coefficients and their associated t-values can still be high and significant. However, such results could be “artificial” due to underlying pushing and pulling forces and should be treated with extreme caution. Grimm and Yarnold (2005) say that if multicollinearity is reduced then it improves the predictive power of the data. They state that correlation of $r > .80$ between predictors is too high and that they may actually be measuring the same thing and that one should be excluded.

4.9.3 SEM variable identification process

The SEM modeling undertaken by this study followed steps in which variables were eliminated to improve the latent variable fit, to the given model. This research applied a ‘stepwise technique’ to multivariate regression as the study had a large number of predictors, where not all of them could be included in the regression. The study then used a F-test and a predetermined level of significance to “select” which predictors could be omitted from the equation and which ones should be kept in, based on whether they have a significant effect on the dependent variable to invest or not. The study first applied ‘backward stepwise’ regression by including all the predictors in the equation and then systematically excluding them one by one. Significant predictors are kept and not significant predictors are omitted. The ‘backward stepwise’ method has an advantage above the ‘forward stepwise’ method in that it tends to keep more predictors in the equation, thereby reducing the probability to omit important drivers from the analysis. Due to a high level of multicollinearity the study later switched to ‘forward stepwise’ regression which starts by systematically adding

the predictors one by one to the equation. Not all SEM programs have an automatic stepwise regression function. However, Lisrel, which is the program used for this particular analysis, does deliver T-values and modification indices that can be used to select significant predictors for inclusion. Each coefficient's T-value was examined to see if that particular predictor has a significant impact on the dependent variable or not. If not, that predictor could be omitted without inflicting "damage" to the explanatory power of the model. On the other hand, all pathways in the SEM that hadn't been opened, had a modification index. This showed which of these closed pathways could improve or reduce the model fit, if opened.

4.9.4 SEM analysis

According to Chen, Curran, Bollen, Kirby and Paxton (2008), the most widely utilised test statistic in SEM is the classical likelihood ratio statistic, based on the normal distribution assumption of the data. When data is truly normally distributed and the model structure is correctly specified, the data approaches a chi-square distribution as the sample size increases. They state that fit indices and test statistics are often closely related. Actually, most interesting fit indices are defined through the so called chi-square statistics.

4.9.4.1 Fit Indices

Goodness of fit models helped this study describe how well the data fit together. The first of which is the (1) Chi-squared, that checks whether the outcome frequencies follow a specific (normal) distribution. The decision rule that was used by the study is that if the resulting P Value is less than the Level of Significance, we reject the Null Hypothesis (H_0 = The data follows the normal distribution/ H_1 = The data does not follow the normal distribution), and it cannot be stated within the required Degree of Certainty that the data is normally distributed. In other words, if the study would like the data to be described by a normal distribution within 95% certainty, the resulting P value should be greater than 0.05.

Yuan, Bentler, and Zhang (2005), states that in practice few statistics follow a Chi-squared distribution and therefore it is also important to look at other fit indices such as those that will be used by this study; (2) Root Mean Square Error of Approximation (RMSEA), (3) Goodness of Fit Index (GFI), (4) Normed Fit Index (NFI) and its expanded versions Nonnormed Fit Index (NNFI) and Comparative Fit (CFI), (5) Root Mean Square (RMR) and (6) Akaike Information Criterion (AIC).

According to Yuan *et al* (2005), Fit indices can be classified into two categories; those that are defined explicitly through the overall test statistic T versus those that are not involving the statistic T directly.

This study used benchmarks for range cut-off points to ascertain whether statistical outputs interpret the data and it fits well with the GTPB model. The study takes caution when looking at such fixed cut-off points in assessing certain test statistics measuring goodness of fit as pointed out by Fitzgerald, Sharma, Shimp (1989), and confirmed by Chen *et al.* (2008), who all stated that one should not just look at rules of thumb, as the goodness-of-fit indices are functions of model characteristics and sample size.

1) Chi-squared Fit

The study will look at the P value as explained above. In order to determine fit to the GTPB the P value should not be significant ($P > 0.05$), and if it is significant it means that the data analysis can be improved by opening up additional paths in the modelling process.

2) Root Mean Square Error of Approximation (RMSEA)

According to Chen *et al.* (2008), for research such as this one using SEM techniques, an evaluation of the fit to the GTPB model and the sample data is crucial for the analysis. Steiger and Lind (1980), introduced the Root Mean Square Error of Approximation (RMSEA) that is closely tied to the noncentrality parameter λ , which is estimated in a sample as $\lambda = T - df$, and reflects the degree of misfit in the proposed GTPB model. According to Chen *et al.* (2008),

if the noncentrality parameter, $T - df$ is less than zero, then λ is set to zero. The estimate of RMSEA (ϵ) uses λ and is given as follows:

$$\widehat{\epsilon} = \sqrt{\max\left(0, \frac{\widehat{\lambda}}{df(N-1)}\right)}$$

The measure therefore ranges from zero to positive infinity, with a value of zero indicating exact model fit, and larger values reflecting poorer model fit. Chen *et al.* (2008), research did an analysis that used the widely used academic cut-off point of 0.05. They say that a key advantage of the RMSEA is that confidence intervals can be constructed around the point estimate because the RMSEA asymptotically follows a rescaled noncentral χ squared distribution for a given sample size, degrees of freedom, and noncentrality parameter λ .

RMSEA therefore estimates the model misfit per degree of freedom. According to the research of literature on statistical inference from Chen *et al.* (2008), the following fit estimates will be applied:

- 0.05 will be viewed as a close fit
- 0.08 reasonable error of approximation
- 0.1 it does not explain the model well

3) Goodness of Fit Index (GFI)

According to Fitzgerald *et al.* (1989) researchers have indicated that GFI should be around > 0.90 in judging whether their model fits are "adequate", while other studies have stated that 1 is ideal.

4) Normed Fit Index (NFI)

The benefit of a NFI, Yuan, Bentler, and Zhang (2005), say is that the T in NFI does not necessarily need to follow a particular distribution as described before. There is also the Non-normed Fit index (NNFI) which is another widely used fit test while comparative fit is one of the most popular according to Bentler, (1990). Values for these range between approximately 0 and 1.0. The indices for "normed" means that their values cannot be below 0 or above 1, for those considered as "nonnormed" they may be larger than 1 or slightly below 0. Yuan *et al* (2005), say that, indexes that generally get used have values larger than 0.90 as these are considered good fitting models, but there seems to be consensus now that this value can also be increased to 0.95.

Further to the above four indices, Fitzgerald *et al.* (1989) study found that the Root Mean Square Residual (RMR) is a good indicator as it appears to be more sensitive than GFI to lack of fit, due to non-sampling errors that are errors caused by human error to which a specific statistical analysis is exposed. These errors can include, but are not limited to, data entry errors, biased questions in a questionnaire, biased processing/decision-making, inappropriate

analysis conclusions and false information provided by respondents. As their study explains the reason for the improved result is the fact that RMR's empirical range is less restricted than the range for GFI.

5) Root Mean Square (RMR)

RMR is a residual based fixed index and according to Green, Camilli and Elmore (2006), it is basically a geometric mean of the residuals and is measured in raw units so it is difficult to interpret and as a result it can be standardised.

The RMR ranges between 0 to 1 and Green *et al.* (2006), say that 0.08 or less indicates a good fit.

6) Akaike Information Criterion (AIC)

The AIC is not a test of the model in the sense of hypothesis testing; rather it is a test between models. The Lisrel output computes several competing models and ranks the AIC, with the one having the lowest AIC being the best.

4.10 Limitations to the study

Due to the survey nature and desired population of marketing professionals of the research this study may fall prey to responded errors such as non response and refusal bias, that according to Zikmund (2003) can seriously bias survey data. The reason marketers may refuse could be linked to the newness and inexperience with new media. If marketers do not understand the topic they won't be willing to speak about it. Judging by the result, the study can see that the average investment in new media of the respondents is at 31% which is way above the national proportion, explained in chapter 1, of only 2%. This may indicate that those who responded to the survey have more interest and experience than the average marketer.

Furthermore a low response rate in the findings shows that there is potentially a non-response bias in the study.

5 CHAPTER FIVE

5.1 Introduction

The objective of this study was to understand the variables that affect the decision to invest in new media in South Africa. The GTPB model was built around the themes identified in the literature and applied to the dependent variable 'investment'. The results from the study are encouraging as the model validity has been showed with three of the six latent constructs impacting on intention to invest. These constructs were built by 12 variables represented by 27 items, derived at by numerous questions.

5.2 Sample description

A total of 69 responses were collected by this study, which was only a 3% response rate; however, a high sample validity can be assumed as the study has managed to collect responses from a high proportion of senior managers of which 45% are marketing managers. Based on this the study can assume the respondents have authority to make decisions regarding advertising and media investments as well as have a high level of insight:

Table 2: Sample description

Managerial position	%
Marketing assistant	3%
Junior product/ brand manager	4%
Product manager	12%
Brand manager	16%
Marketing manager	45%
Marketing director	13%
Other	7%
Total	100%

Given the nature of the topic, it is important to take note of the respondent's age, as this may skew the results. Due to the technological context the study can assume that there may be more resistance from older marketers than the younger ones. The mean age of the respondents in the study was 35.5, which seems appropriate given the management level of the respondents. The standard deviation is quite high as it is affected by the fact that around 9% of the total respondents were 40:

Table 3: Respondents' age

Respondents	Age
MEAN	35.51
STD. DEV.	8.82
STD. ERR.	1.11

The sample within industries is weighted somewhat in favour of FMCG (fast moving consumer goods) and telecommunications, disproportionately to the actual advertising investment data as below:

Table 4: Advertising investment data

INDUSTRY	% respondents	% advertising spend
Automotive	9%	11%
Telecommunications	19%	15%
FMCG	51%	34%
Banking	4%	10%
Retail	17%	30%
TOTAL	100%	100%

Source: Advertising spend AC NIELSEN TOP 200 advertisers Jan-dec 2009 consolidation by brand

The split of media investment between new and traditional media shows that most of the investment is still being allocated to traditional media, even if the sample allocation to digital, 31%, is significantly higher than the national investment average of 2%. Most of the investment in new media is allocated to (1) direct marketing via email at 10%, (2) search marketing such as Google at 6%, and (3) banner advertising making up 5%:

Table 5: Split of media investment

INVESTMENT SPLIT by media type	Not investing	Mean % invested
Banner advertising	57%	5%
Search marketing (Google etc)		
Of which Google	65%	6%
Other	98%	0%
Social network sites		
Of which Facebook	70%	2%
Of which Twitter	94%	0%
Of which Photo Sharing sites	97%	0%
Other	100%	0%
Video media		
Of which YouTube	86%	1%
Mobile advertising		
Of which AdMOB	94%	0%
Of which Mobisite	79%	2%
Other	98%	0%
Other social media (blogs etc)		
Of which Blogs	84%	1%
Direct digital marketing		
Of which Internet email	57%	10%
SMS	87%	2%
Other	98%	0%
TOTAL NEW MEDIA		31%
Traditional media		
Of which TV	46%	19%
Of which Press	32%	26%
Of which Outdoor	67%	5%
Of which Cinema	92%	0%
Of which Radio	70%	5%
Other	87%	5%
TOTAL TRADITIONAL MEDIA		61%
Other / Non response		8%
TOTAL MEDIA		100%

Interestingly the respondents' investment split closely reflects what they think their industry is spending between new and traditional media:

Table 6: Industry investment split perceptions

INDUSTRY INVESTMENT SPLIT perceptions	Mean %
New media	29%
Traditional media	69%
Don't know / non response	2%

Lastly, an interesting factor that needs to be considered when describing the sample is their belief whether they customers are actually active online. In the case of the sample they believe that 61% of their consumers have access to both email and the Internet, with only few having access to only one of the two:

Table 7: Target market digital usage

TARGET MARKET digital usage	Not active	Mean % active
Both email & internet	20%	61%
Email only	18%	48%
Internet only	27%	39%

5.3 Data reliability results

Reliability was measured using a Cronbach Alpha. Twelve variables that made up six latent variables were measured for reliability by looking at the 27 items that made up the variables. In the case where a variable was only made up of one item a Cronbach Alpha was not determined. The variables measured make up the GTPB model which is being measured and their reliability is presented below:

5.3.1 Attitude

5.3.1.1 Perceived ease of use

1) *Technology orientation*: This variable had six items and tested well for reliability with a Cronbach Alpha at 0.798.

2) *Lack of experience*: This variable had three items and tested well for reliability with a Cronbach Alpha at 0.708.

5.3.1.2 Perceived usefulness

1) *Marketers' impression that new media will enhance their status*: This variable had two items and the scales were reliable with a Cronbach alpha of 0.621.

2) *The marketers' position in the company*: A validity test was not applicable as the proposition only consisted of one item.

3) *Impressions of influence over society*: It was not necessary to test the reliability of this proposition as it only had one item.

5.3.2 Normative influence

5.3.2.1 Agency influence

Changes in marketer and advertising agency relationship

1) *Existing relationships between the marketer and the traditional advertising agency:* This variable had nine items and tested relatively well for reliability with a Cronbach Alpha at 0.637. There was however one scale that referred to 'Your organisation is willing to engage with multiple media agencies' that was bringing the reliability numbers down, so it was not used for the analysis.

2) *Confusion regarding new roles:* This variable had two items but has a low Cronbach Alpha at 0.503 so it was omitted from the SEM analysis.

3) *Marketers' lack of awareness regarding opportunities:* The last of the three variables contributing to agency influence consisted of five items and the Cronbach Alpha was strong at 0.811.

5.3.2.2 Gated influence:

Co-production ability

- 1) *Marketers fear losing control over content:* One of the key variables under the influence of the gated, co-production consisted of five separate items and had a strong Cronbach Alpha 0.802.

Flexibility

- 1) *Marketers lack experience with flexibility:* The second of three key variables under the influence of the gated was flexibility. Flexibility consisted of five items and the Cronbach Alpha was strong at 0.751.

Shifting segmentation

- 1) *Marketers continue to try to segment according to traditional media methods:* The last variable that was tested under this theme only consisted of one item and as a result has been excluded from the reliability test.

5.3.2.3 Opinion leaders

The category predictor only had one variable that opinion leaders do not exist in the new media space.

5.3.3 External constraints

5.3.3.1 Resource facilitating conditions

- 1) *Marketers do not have access to training on new media:* The first variable under resources only had one item so a Cronbach Alpha was not measured.
- 2) *New skills do not form part of KPI:* The second variables under resources also only had one item and as a result the Cronbach Alpha scale differential measure did not apply.
- 3) *Entry costs exist:* The third variables under resources had two items and a low Cronbach Alpha of 0.466 and the study chose to keep the items but separate in the SEM modelling.
- 4) *Not enough money is allocated to new media to drive performance:* The last of the variables under resources consisted of seven items and the Cronbach Alpha is acceptable at 0.638; however, the study chose to remove the item that

referred to percentage of sales budget setting techniques as this improved the Cronbach Alpha to 0.677.

5.3.3.2 Technology facilitating conditions

1) *Marketers have limited access to digital platforms within their organisation:*

The Cronbach Alpha of 0.518 for this variable is somewhat of a concern and as a result the scales were split for the analysis. By separating out the item that referred to 'access to social media such as Facebook' the Cronbach Alpha improved to 0.797. The study separated the items and analysed them separately as it believes that it is possibly measuring something different.

2) *Reliability of the internet:* This variable only had one item and as a result the Cronbach Alpha scale differential measure does not apply.

5.3.3.3 Production facilitating conditions

1) *Complexities in set-up and production:* Complexities in set-up have three items and the scales are reliable with a Cronbach Alpha of 0.656.

5.3.4 Organisation

5.3.4.1 Routines

Budgeting process

1) *Budgets are build based on traditional media methods:* This variable only had one item and as a result the Cronbach Alpha scale differential measure does not apply.

Comparisons to traditional media

1) *Interpretation of measures is not aligned to interactive context that serves as a limitation to investment:* This variable had 15 items and as a result it tests extremely well in reliability at a Cronbach alpha of 0.923; however, the study is reminded that the reliability may also be a factor of so many items.

2) *Using the traditional media metric framework:* The proposition that marketers are using a traditional media framework is again heavy with 15 items making the reliability strong at a Cronbach alpha of 0.762.

5.3.5 Institutional constraints

5.3.5.1 Industry pressure

1) *Marketers are influenced by industry behaviour.* Industry influence had two items that caused an unreliable Cronbach Alpha of 0.005. The study raised a question of whether the items were unidimensional not measuring the intended variable. It was impossible for this study to improve these results and therefore the two items were separated out into: (1) estimated splits of investment between new media and traditional, and (2) whether marketers would invest once it is more popular to do so.

5.3.5.2 Market pressure

1) *The changing nature of digital makes it complicated.* This proposition had two items and the scales reliability needs to be questioned with a weak Cronbach Alpha of 0.083 and as a result it was omitted from the analysis.

2) *Measurement metrics are not clearly understood.* This proposition had 15 items and is very reliable with a Cronbach Alpha of 0.901.

5.3.6 Internal factors

5.3.6.1 Self efficacy

1) *Marketers' lack of experience*: Marketers own experience had 12 items and scales are very reliable with a Cronbach Alpha of 0.877. There were however two items that had an impact on reliability. These were (1) how long they have been using email and (2) whether they considered themselves experts of new media forms. In the end the study looked at them as one item.

2) *Marketers' ability to integrate new media into strategy*: This proposition had three items and scales are reliable with a Cronbach alpha of 0.739.

5.4 SEM Analysis

5.4.1 Steps in the study SEM:

Path diagrams were used with each step showing a completely standardised solution, unless otherwise indicated.

The study notes that the sample size for the model used is 68 and not 69. This is due to the fact that the original variable for Behavioural Intent has been used as opposed to its mean substituted version. It has one missing value and listwise deletion, causing the sample size to be reduced to the maximum number of valid

cases across all variables used. For all the other variables (i.e. the 12 predictors), mean substitution was applied.

Initially, a Bootstrapping method, advocated and proposed by early authors such as Fitzgerald *et al.* (1989), was selected to deal with missing values instead of mean substitution and listwise deletion. This, however, proved to be futile as the factor loading matrix that was created for this method and had to be analysed, wasn't positive definite. A non-positive definite matrix requires the Weighted Least Squares (WLS) method in order to be analysed, but for WLS the variables need to be ordinal which is not the case in this study. All but 1 of the 13 variables has been created by factor analysis, so they are continuous and WLS couldn't be applied.

Figure 8: Starting covariance matrix for this SEM:

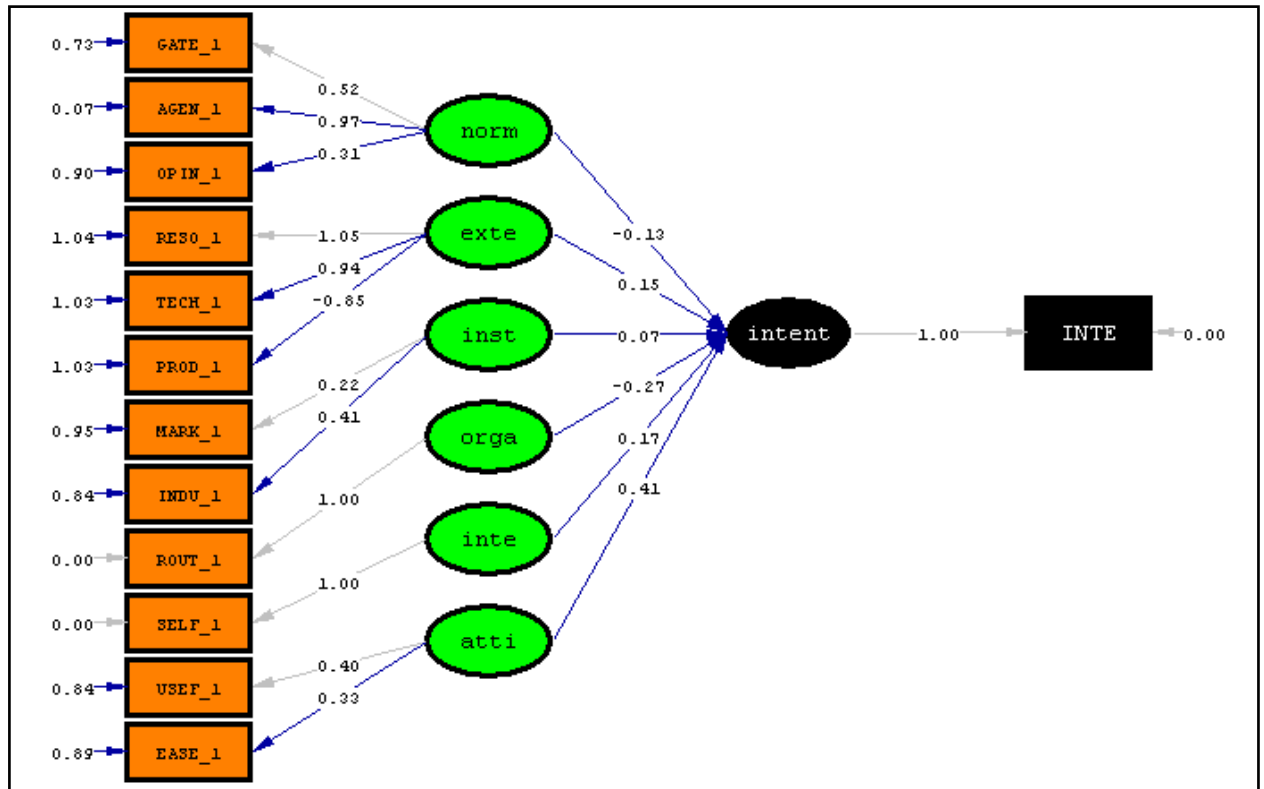
Covariance Matrix						
	INTE	GATE_1	AGEN_1	OPIN_1	RESO_1	TECH_1
INTE	1.00					
GATE_1	0.22	0.94				
AGEN_1	0.18	0.47	0.92			
OPIN_1	0.14	-0.03	0.30	1.00		
RESO_1	0.17	-0.06	0.12	0.25	0.91	
TECH_1	0.26	-0.02	-0.04	-0.08	-0.02	0.95
PROD_1	-0.16	-0.07	-0.17	0.01	0.18	-0.14
MARK_1	0.15	0.15	0.11	-0.03	-0.10	0.07
INDU_1	0.36	0.16	0.15	0.26	0.39	0.26
ROUT_1	0.08	0.04	0.19	0.14	0.03	0.15
SELF_1	0.34	0.07	0.32	0.24	0.30	0.13
USEF_1	0.18	0.34	0.26	0.15	0.16	0.25
EASE_1	0.14	0.20	0.16	-0.03	0.06	0.14

Covariance Matrix						
	PROD_1	MARK_1	INDU_1	ROUT_1	SELF_1	USEF_1
PROD_1	0.77					
MARK_1	-0.12	0.45				
INDU_1	0.04	0.06	0.94			
ROUT_1	-0.21	0.19	0.25	0.94		
SELF_1	0.00	0.07	0.22	0.14	0.96	
USEF_1	-0.07	0.07	0.42	0.19	0.23	0.90
EASE_1	-0.33	0.13	0.28	0.28	0.09	0.12

It shows that only Production Facilitating Conditions have a negative relationship with Intent, all the rest are positive.

5.4.1.1 Step 1

Figure 9: SEM Step 1



All the pathways were opened and 'organisational constraints' (orga) and 'attitude' (atti) displayed very strong impacts on Intent (-0.27 and 0.41, respectively). However, the correlation matrix between (eta – the intent and the variable – ksis), below showed a very high level of multicollinearity, especially for variables 'normative influence' (norm), 'organisational constraints' (orga) and 'attitude' (atti). Furthermore, 'attitude' had an abnormally high correlation with 'institutional constraints' (inst):

Figure 10: Correlation matrix of ETA and KSI

Correlation Matrix of ETA and KSI						
	intent	norm	exte	inst	orga	inte
intent	1.00					
norm	0.20	1.00				
exte	0.22	0.10	-0.04			
inst	0.93	0.51	0.51	1.00		
orga	0.08	0.21	0.15	0.80	1.00	
inte	0.35	0.36	0.17	0.56	0.15	1.00
atti	0.46	0.69	0.53	2.40	0.67	0.49

Correlation Matrix of ETA and KSI	
	atti
atti	1.00

These results were misleading and disrupting to the entire model, therefore it was decided to close all pathways and rather open them one by one as guided by the modification indices.

Step one Goodness of Fit statistics:

1) Chi-squared Fit:

The P value is $P < 0.05$ at 0.0041 and as a result is significant, showing that improvements must be made to get a fit to the GTPB model:

Figure 11: Step 1 Chi-squared Fit

Degrees of Freedom = 47
<u>Minimum Fit Function Chi-Square = 76.66 (P = 0.0041)</u>
Normal Theory Weighted Least Squares Chi-Square = 76.36 (P = 0.0043)
Estimated Non-centrality Parameter (NCP) = 29.36
90 Percent Confidence Interval for NCP = (9.31 ; 57.32)

2) Root Mean Square Error of Approximation (RMSEA):

This indicator shows that the model fit is not particularly well explained at 0.097 which is close to 1:

Figure 12: Step 1 RMSEA

Minimum Fit Function Value = 1.14
Population Discrepancy Function Value (F0) = 0.44
90 Percent Confidence Interval for F0 = (0.14 ; 0.86)
<u>Root Mean Square Error of Approximation (RMSEA) = 0.097</u>
<u>90 Percent Confidence Interval for RMSEA = (0.054 ; 0.13)</u>
P-Value for Test of Close Fit (RMSEA < 0.05) = 0.037

3) Goodness of Fit Index (GFI)

Though not a terrible first fit, this test showed that the model can be optimised as the GFI = 0.85 and the desired result is GFI > 0.9:

Figure 13: Step 1 GFI

Goodness of Fit Index (GFI) = 0.85

4) Normed Fit Index (NFI)

Since values larger than 0.90 are considered good fitting models, the step one result is not showing fit well:

Figure 14: Step 1 NFI

Normed Fit Index (NFI) = 0.68

Non-Normed Fit Index (NNFI) = 0.70

Parsimony Normed Fit Index (PNFI) = 0.41

Comparative Fit Index (CFI) = 0.82

5) RMR

The RMR indicates that it is not a great fit even if it is quite close to the target RMR < 0.08:

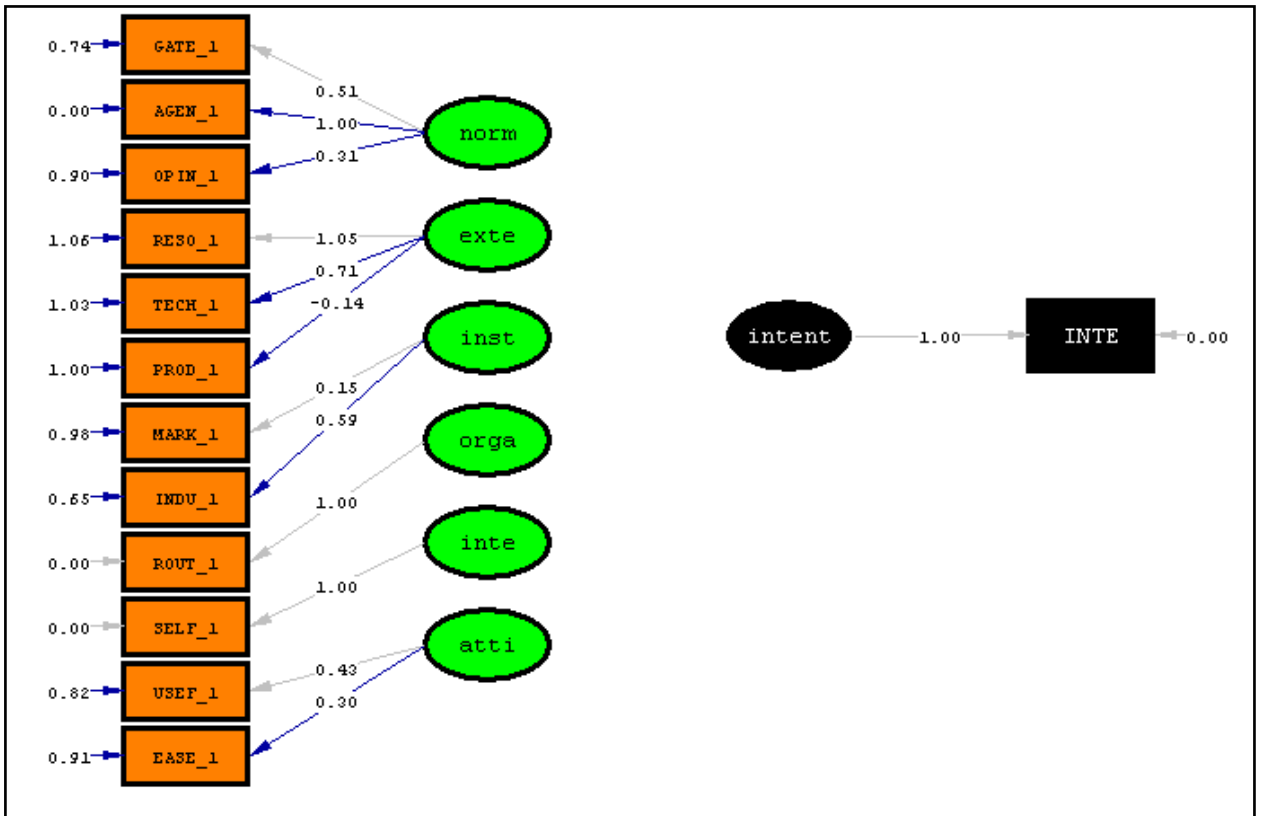
Figure 15: Step 1 RMR

Root Mean Square Residual (RMR) = 0.085

Standardized RMR = 0.097

5.4.1.2 SEM Step 2

Figure 16: Step 2



Now that all pathways had been closed, the modification indices for gamma (ksi variable predicting eta Intent) were carefully examined to see which pathway will improve the model's fit the best once it has been opened. Here are the model's Goodness of Fit statistics and gamma's modification indices:

1) Chi-squared Fit:

The P value is $P < 0.05$ at 0.0020 and as a result is significant, showing that further improvements can be made to achieve optimal model fit:

Figure 17: Step 2 Chi-squared Fit

Degrees of Freedom = 53
<u>Minimum Fit Function Chi-Square = 97.39 (P = 0.00020)</u>
Normal Theory Weighted Least Squares Chi-Square = 92.01 (P = 0.00072)
Estimated Non-centrality Parameter (NCP) = 39.01
90 Percent Confidence Interval for NCP = (16.23 ; 69.64)

2) Root Mean Square Error of Approximation (RMSEA):

The indicator of the RMSEA = 0.10 shows that the model is not well explained by the variables alone:

Figure 18: Step 2 RMSEA

Minimum Fit Function Value = 1.45
Population Discrepancy Function Value (F0) = 0.58
90 Percent Confidence Interval for F0 = (0.24 ; 1.04)
<u>Root Mean Square Error of Approximation (RMSEA) = 0.10</u>
<u>90 Percent Confidence Interval for RMSEA = (0.068 ; 0.14)</u>
P-Value for Test of Close Fit (RMSEA < 0.05) = 0.011

3) Goodness of Fit Index (GFI)

Again this test shows that the model can be optimised as the GFI = 0.83 and not the desired GFI > 0.9:

Figure 19: Step 2 GFI

Goodness of Fit Index (GFI) = 0.83

4) Normed Fit Index (NFI)

Since values larger than 0.90 are considered good fitting models, the step two result of 0.60 is not showing a good fit:

Figure 20: Step 2 NFI

Normed Fit Index (NFI) = 0.60

Non-Normed Fit Index (NNFI) = 0.60

Parsimony Normed Fit Index (PNFI) = 0.41

Comparative Fit Index (CFI) = 0.73

5) RMR

Indicates a poor fit:

Figure 21: Step 2 RMR

Root Mean Square Residual (RMR) = 0.12

Standardized RMR = 0.13

Figure 22: Modification indices for GAMMA

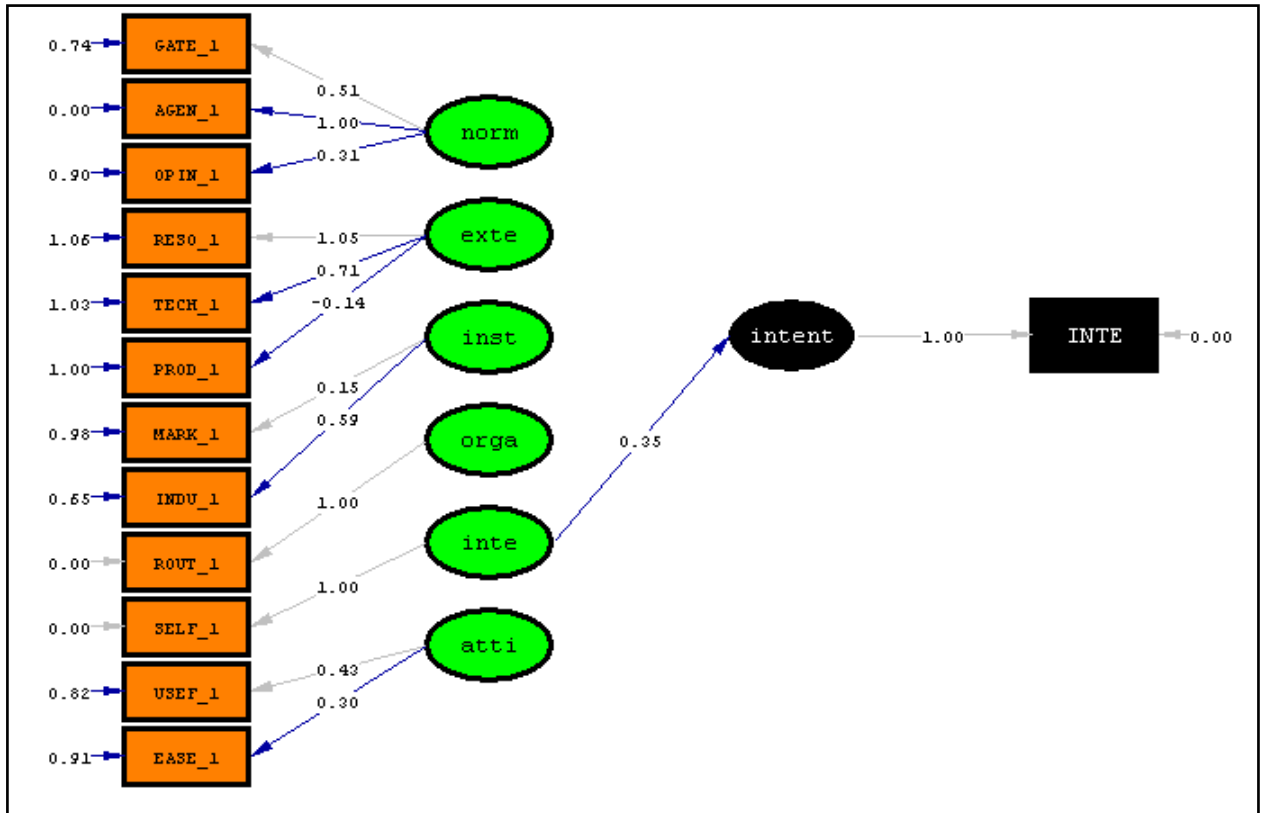
Modification Indices for GAMMA						
	norm	exte	inst	orga	inte	atti
intent	2.40	5.70	6.35	0.41	8.13	11.15

Standardized Expected Change for GAMMA						
	norm	exte	inst	orga	inte	atti
intent	0.19	0.54	0.29	0.08	0.35	0.33

Though Attitude shows the highest potential for improvement to model fit (modification index is 11.15), it also has an unnatural relationship with the other variables. The gamma for Internal Factors, GA 1 5, had the second highest modification index (8.13), so it becomes the first path to be opened.

5.4.1.3 SEM Step 3

Figure 23: Step 3



Now GA 1 5 has been opened and it indicates that Internal Factors, when isolated, has quite a strong influence on Intent. Goodness of Fit statistics below improve some indices though further optimisation was needed:

1) Chi-squared Fit:

The P value is $P < 0.05$ at 0.0011 is significant, showing that further improvements can be made to achieve optimal model fit:

Figure 24: Step 3 Chi-squared Fit

Degrees of Freedom = 52
<u>Minimum Fit Function Chi-Square = 88.73 (P = 0.0011)</u>
Normal Theory Weighted Least Squares Chi-Square = 86.98 (P = 0.0017)
Estimated Non-centrality Parameter (NCP) = 34.98
90 Percent Confidence Interval for NCP = (13.15 ; 64.69)

2) Root Mean Square Error of Approximation (RMSEA):

The indicator of the RMSEA = 0.10 shows that the model is not explained by internal factors alone as it does not explain the model well:

Figure 25: Step 3 RMSEA

Minimum Fit Function Value = 1.32
Population Discrepancy Function Value (F0) = 0.52
90 Percent Confidence Interval for F0 = (0.20 ; 0.97)
<u>Root Mean Square Error of Approximation (RMSEA) = 0.10</u>
<u>90 Percent Confidence Interval for RMSEA = (0.061 ; 0.14)</u>
P-Value for Test of Close Fit (RMSEA < 0.05) = 0.021

3) Goodness of Fit Index (GFI)

Again this test shows that the model can be optimised as the $GFI < 0.90$ at 0.83:

Figure 26: Step 3 GFI

Goodness of Fit Index (GFI) = 0.83

4) Normed Fit Index (NFI)

Since the values larger than 0.90 are considered good fitting models, the step two result of 0.63 is not showing a good fit:

Figure 27: Step 3 NFI

Normed Fit Index (NFI) = 0.63

Non-Normed Fit Index (NNFI) = 0.66

Parsimony Normed Fit Index (PNFI) = 0.42

Comparative Fit Index (CFI) = 0.78

5) RMR:

Figure 28: Step 3 RMR

Root Mean Square Residual (RMR) = 0.099

Standardized RMR = 0.11

So even if ‘internal factors’ have shown to have impact on investment, the model must still be optimised as the p-value is still very significant, which shows that the model can still be improved. The modification indices for gamma were then examined again to see which pathways appear significant for the dependent variable, Intent:

Figure 29: Step 3 Modification indices for GAMMA

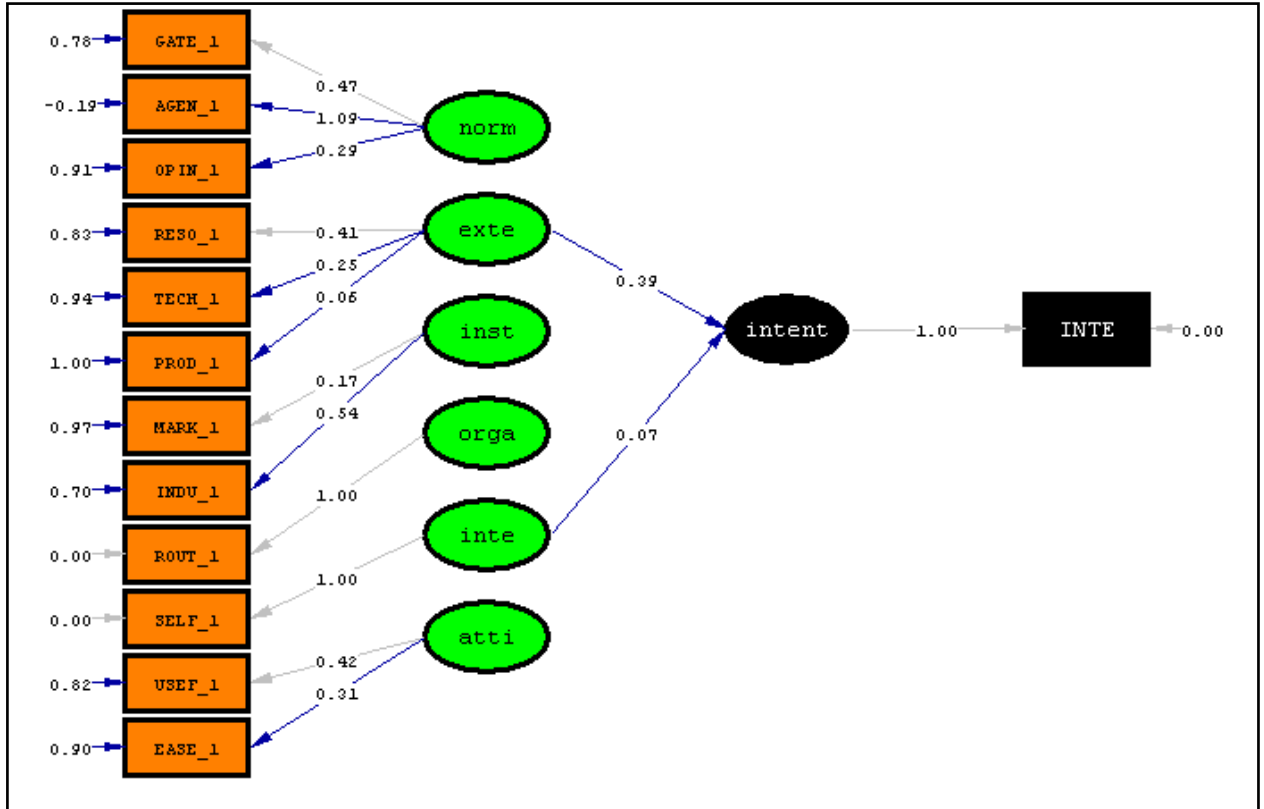
Modification Indices for GAMMA						
	norm	exte	inst	orga	inte	atti
intent	0.41	1.51	2.65	0.06	--	6.55

Standardized Expected Change for GAMMA						
	norm	exte	inst	orga	inte	atti
intent	0.08	0.30	0.19	0.03	--	0.26

Again, Attitude has the highest index, but the study will continue to avoid the construct. All indices have decreased dramatically, which indicates that improvement of the model fit via gammas might be close to exhaustion. The variable for Institutional Constraints (inst), has the second highest index (2.65), but not the largest potential impact on Intent. The External Constraints variable (exte), has the highest potential impact on Intent when it’s path (GA 1 2) is opened, so this will be the next step.

5.4.1.4 SEM Step 4

Figure 30: Step 4

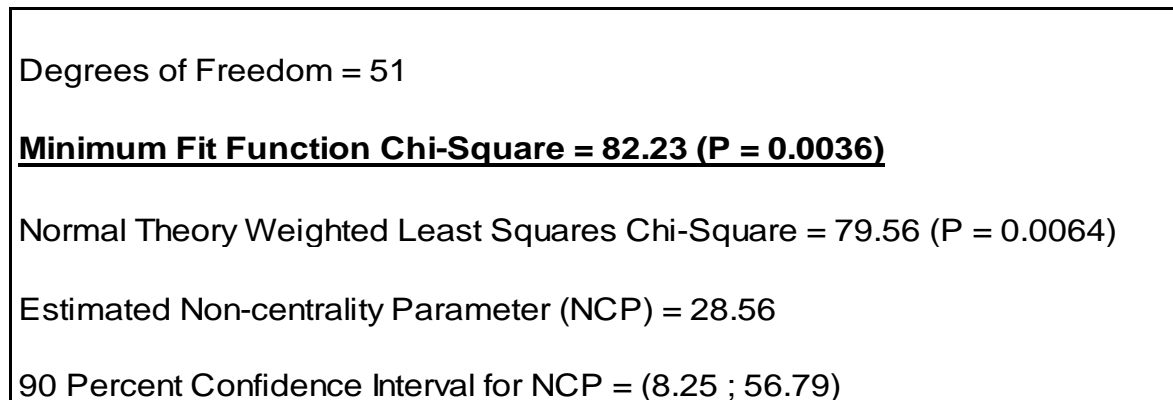


Very interestingly, GA 1 2 dominates immediately and enough for Internal Factors to almost completely disappear. On its own, Internal Factors have an impact on Intent of 0.35. In the presence of External Constraints, Internal Factors aren't nearly as important for Intent. Its impact is reduced 5 times to 0.07, while External Constraints (ext) have a coefficient of 0.39. Obviously there is a strong interaction between these two measurements. The Goodness of Fit statistics show an increased p-value:

1) Chi-squared Fit:

The P value is $P < 0.05$ at 0.0036, showing that the significance is decreasing but it is still significant, showing that further improvements can be made to achieve optimal model fit:

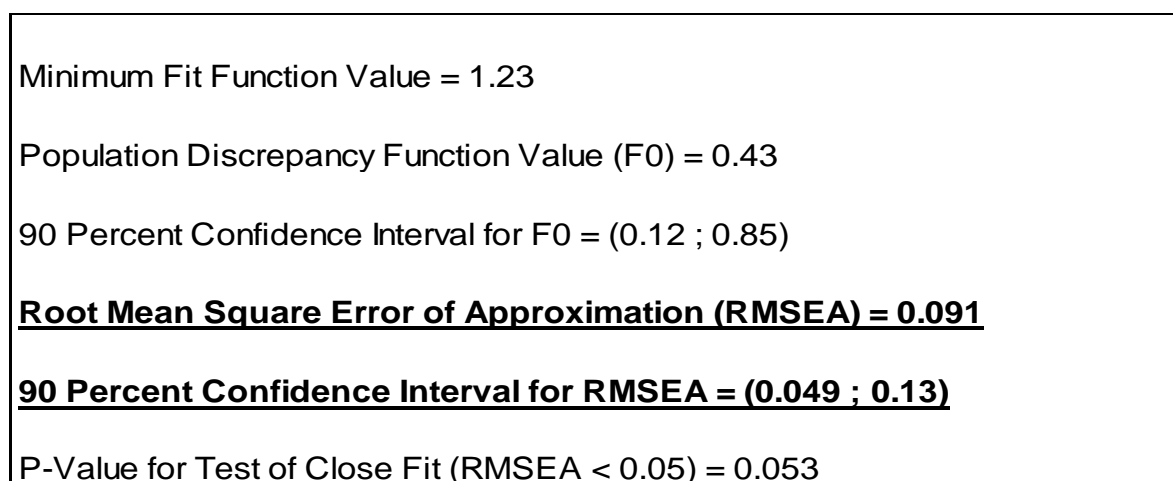
Figure 31: Step 4 Chi-squared Fit



2) Root Mean Square Error of Approximation (RMSEA):

The indicator of the RMSEA = 0.09 is better but it still does not fall into the target for a reasonable or good fit:

Figure 32: Step 4 RMSEA



3) Goodness of Fit Index (GFI):

Goodness of fit improves marginally but still does not reach the desired GFI > 0.90 at 0.85, though it is not too bad:

Figure 33: Step 4 GFI

Goodness of Fit Index (GFI) = 0.85

4) Normed Fit Index (NFI)

Since the values larger than 0.90 are considered good fitting models, the step four result of 0.66 is still not showing a good fit, even if the comparative fit index is showing a closer correlation between the variables:

Figure 34: Step 4 NFI

Normed Fit Index (NFI) = 0.66

Non-Normed Fit Index (NNFI) = 0.71

Parsimony Normed Fit Index (PNFI) = 0.43

Comparative Fit Index (CFI) = 0.81

5) RMR:

Is still not at the desired level of RMR < 0.08:

Figure 35: Step 4 RMR

Root Mean Square Residual (RMR) = 0.097
Standardized RMR = 0.11

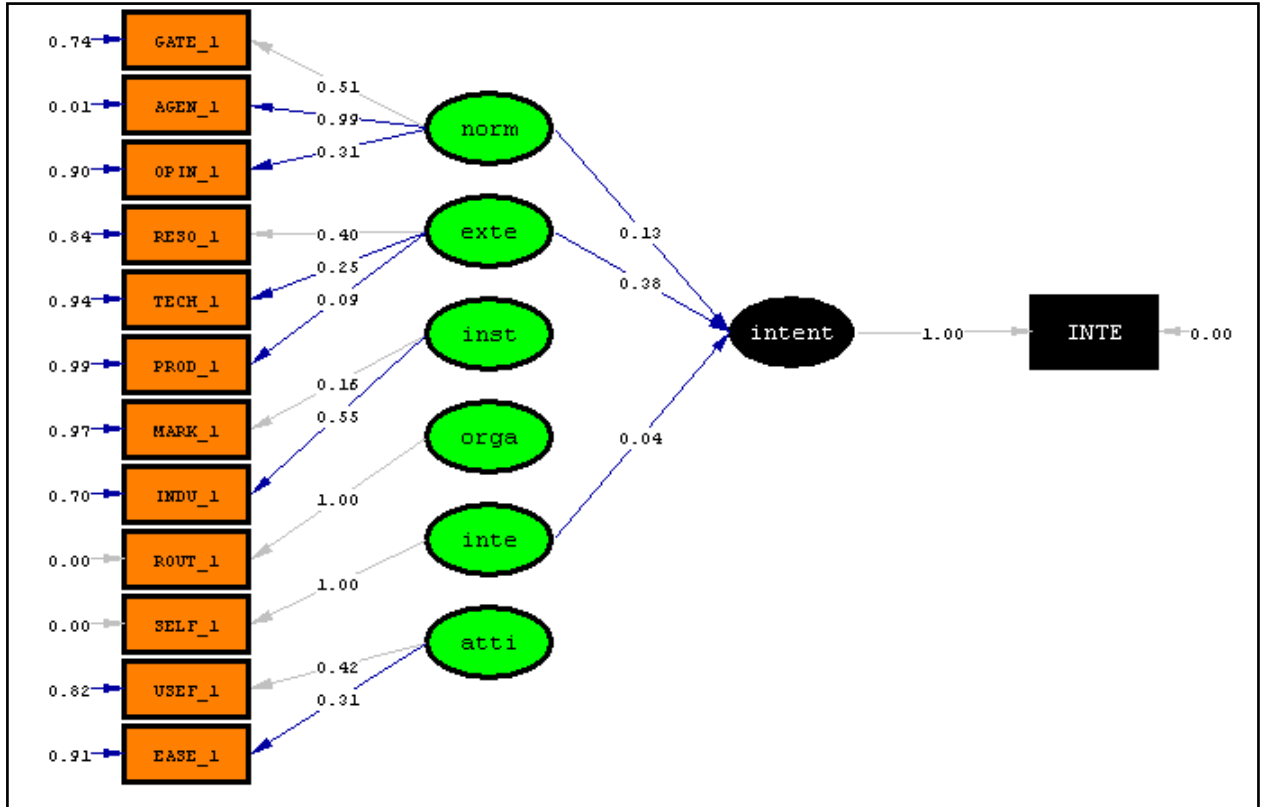
Examining the modification indices, there was only one remaining pathway to be opened, namely GA 1 1 for Normative Influence.

Figure 36: Step 4 Modification indices for GAMMA

Modification Indices for GAMMA						
	norm	exte	inst	orga	inte	atti
	-----	-----	-----	-----	-----	-----
intent	0.36	--	0.09	0.00	--	0.24
Standardized Expected Change for GAMMA						
	norm	exte	inst	orga	inte	atti
	-----	-----	-----	-----	-----	-----
intent	0.08	--	0.05	0.00	--	0.11

5.4.1.5 SEM Step 5

Figure 37: Step 5



Normative Influence (norm) also had a strong influence on Intent as well as an interaction with Internal Factors (inte), because the latter's coefficient dropped even further from 0.07 to 0.04. It is important to note that the model is very unstable due to its small sample size (68). Therefore, these three variables and their associated influences on Intent should be considered as a whole, rather than drawing detailed conclusions, e.g. External Constraints have a three times higher impact on Intent than Normative Influence.

Here are this step's Goodness of Fit statistics. Judging by the p-value, there still remains one or more pathways to open in order to improve the model's fit:

1) Chi-squared Fit:

The P value is $P < 0.05$ at 0.0031 still showing significance as discussed:

Figure 38: Step 5 Chi-squared Fit

Degrees of Freedom = 50
Minimum Fit Function Chi-Square = 81.71 (P = 0.0031)
Normal Theory Weighted Least Squares Chi-Square = 78.68 (P = 0.0059)
Estimated Non-centrality Parameter (NCP) = 28.68
90 Percent Confidence Interval for NCP = (8.46 ; 56.83)

2) Root Mean Square Error of Approximation (RMSEA):

The indicator of the RMSEA = 0.093 has remained quite stable since the last step and still does not fall into the target for a good fit:

Figure 39: Step 5 RMSEA

Minimum Fit Function Value = 1.22

Population Discrepancy Function Value (F0) = 0.43

90 Percent Confidence Interval for F0 = (0.13 ; 0.85)

Root Mean Square Error of Approximation (RMSEA) = 0.093

90 Percent Confidence Interval for RMSEA = (0.050 ; 0.13)

P-Value for Test of Close Fit (RMSEA < 0.05) = 0.049

3) Goodness of Fit Index (GFI):

Goodness of fit stays the same but still does not reach the desired GFI > 0.90 at

0.85:

Figure 40: Step 5 GFI

Goodness of Fit Index (GFI) = 0.85

4) Normed Fit Index (NFI):

Since the values larger than 0.90 are considered good fitting models, the step five result of 0.66 is still not showing a good fit:

Figure 41: Step 5 NFI

Normed Fit Index (NFI) = 0.66

Non-Normed Fit Index (NNFI) = 0.70

Parsimony Normed Fit Index (PNFI) = 0.42

Comparative Fit Index (CFI) = 0.81

5) RMR:

Figure 42: Step 5 RMR

Root Mean Square Residual (RMR) = 0.095

Standardized RMR = 0.11

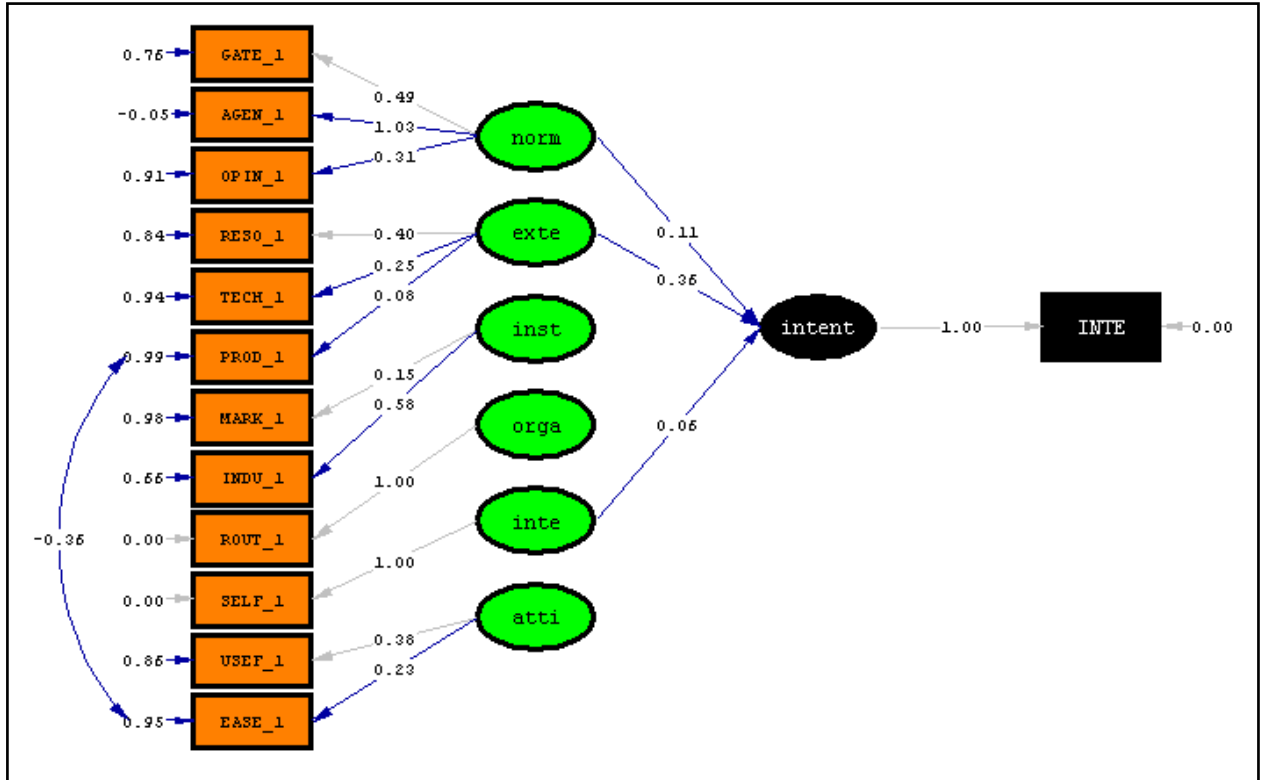
Now that all the obvious pathways (gammas) had been opened, the following output line gives a clue where to look next in order to improve the model fit:

Maximum Modification Index is 8.84 for Element (12, 6) of THETA-DELTA

That showed this study that part of the variation in Production Facilitating Conditions (x_6) can be explained by the variation in Perceived Ease of Use (x_{12}), and *vice versa*. Opening this Theta-Delta (TD) pathway will improve the model's fit.

5.4.1.6 SEM Step 6

Figure 43: Step 6



Opening this pathway resulted in a slight decrease in the coefficients from Normative Influences (norm) and External Constraints (exte), but a slight increase in the coefficient from Internal Factors (inte). In effect, the model has only stabilised further and the main conclusion remains the same. The p-value is now increasing quite swiftly, but it is still lower than 0.05, so the model hasn't exhausted all its possibilities:

1) Chi-squared Fit:

The P value is $P < 0.05$ at 0.019 is still significant and further improvements can be made:

Figure 44: Step 6 Chi-squared Fit

Degrees of Freedom = 49
<u>Minimum Fit Function Chi-Square = 71.62 (P = 0.019)</u>
Normal Theory Weighted Least Squares Chi-Square = 68.35 (P = 0.035)
Estimated Non-centrality Parameter (NCP) = 19.35
90 Percent Confidence Interval for NCP = (1.50 ; 45.24)

2) Root Mean Square Error of Approximation (RMSEA):

The indicator has improved and is now a reasonable fit for the model with of the RMSEA = 0.077:

Figure 45: Step 6 RMSEA

Minimum Fit Function Value = 1.07
Population Discrepancy Function Value (F0) = 0.29
90 Percent Confidence Interval for F0 = (0.022 ; 0.68)
<u>Root Mean Square Error of Approximation (RMSEA) = 0.077</u>
<u>90 Percent Confidence Interval for RMSEA = (0.021 ; 0.12)</u>
P-Value for Test of Close Fit (RMSEA < 0.05) = 0.16

3) Goodness of Fit Index (GFI)

Goodness of fit stays the same but still does not reach the desired $GFI > 0.90$ but is close at 0.86:

Figure 46: Step 6 GFI

Goodness of Fit Index (GFI) = 0.86

4) Normed Fit Index (NFI)

Since the values larger than 0.90 are considered good fitting models, the step five results which has improved to 0.70 is still not showing a good fit, though the Comparative Fit Index is close and showing a good correlation between variables:

Figure 47: Step 6 NFI

Normed Fit Index (NFI) = 0.70

Non-Normed Fit Index (NNFI) = 0.78

Parsimony Normed Fit Index (PNFI) = 0.44

Comparative Fit Index (CFI) = 0.86

5) RMR

Figure 48: Step 6 RMR

Root Mean Square Residual (RMR) = 0.089

Standardized RMR = 0.10

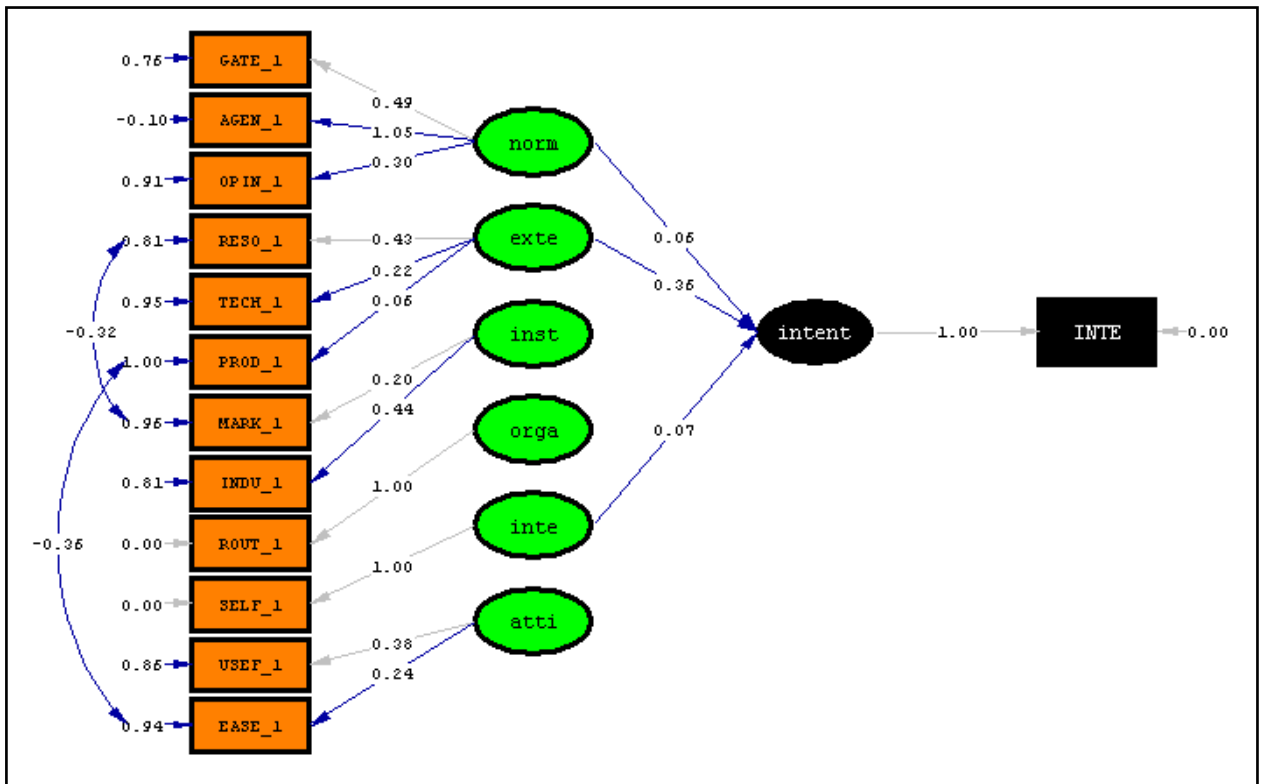
Then the next modelling looked again at the line indicating the highest modification index:

Maximum Modification Index is 5.97 for Element (7, 4) of THETA-DELTA

Again, “relief” is to be obtained from the Theta-Delta’s. This time, interaction between Resource Facilitating Conditions (x_4) and Market Pressure (x_7) is indicated.

5.4.1.7 SEM Step 7

Figure 49: Step 7



Again there is a slight shift in the gamma coefficients. Normative Influence's (norm) coefficient decreased quite noticeably, leading to the conclusion that External Constraints (exte) had the largest impact on Intent, but Normative Influence (norm) and Internal Factors (inte) also have a role to play.

1) Chi-squared Fit:

Finally the P value is $P < 0.05$ at 0.051 which means that the result is no longer significant and the model fits with the current constructs:

Figure 50: Step 7 Chi-squared Fit

Degrees of Freedom = 48

Minimum Fit Function Chi-Square = 65.07 (P = 0.051)

Normal Theory Weighted Least Squares Chi-Square = 59.10 (P = 0.13)

Estimated Non-centrality Parameter (NCP) = 11.10

90 Percent Confidence Interval for NCP = (0.0 ; 34.76)

2) Root Mean Square Error of Approximation (RMSEA):

The indicator for the RMSEA = 0.059 making it a good predictor of the model:

Figure 51: Step 7 RMSEA

Minimum Fit Function Value = 0.97

Population Discrepancy Function Value (F0) = 0.17

90 Percent Confidence Interval for F0 = (0.0 ; 0.52)

Root Mean Square Error of Approximation (RMSEA) = 0.059

90 Percent Confidence Interval for RMSEA = (0.0 ; 0.10)

P-Value for Test of Close Fit (RMSEA < 0.05) = 0.37

3) Goodness of Fit Index (GFI):

Goodness of fit is now much closer to the desired GFI > 0.90 at 0.88:

Figure 52: Step 7 GFI

Goodness of Fit Index (GFI) = 0.88

4) Normed Fit Index (NFI):

The NFI is still quite weak for the model, however the Comparative fit index reaches 0.90 showing the desired correlation between variables:

Figure 53: Step 7 NFI

Normed Fit Index (NFI) = 0.73

Non-Normed Fit Index (NNFI) = 0.83

Parsimony Normed Fit Index (PNFI) = 0.45

Comparative Fit Index (CFI) = 0.90

5) RMR:

RMR remains stable and close to the desired target:

Figure 54: Step 7 RMR

Root Mean Square Residual (RMR) = 0.086

Standardized RMR = 0.099

6) Akaike Information Criterion (AIC):

The AIC for step 7 is the lowest of all the steps and is well within target showing a good fit:

Figure 55: Step 7 AIC

Chi-Square for Independence Model with 78 Degrees of Freedom = 241.53
Independence AIC = 267.53
Model AIC = 145.10
Saturated AIC = 182.00

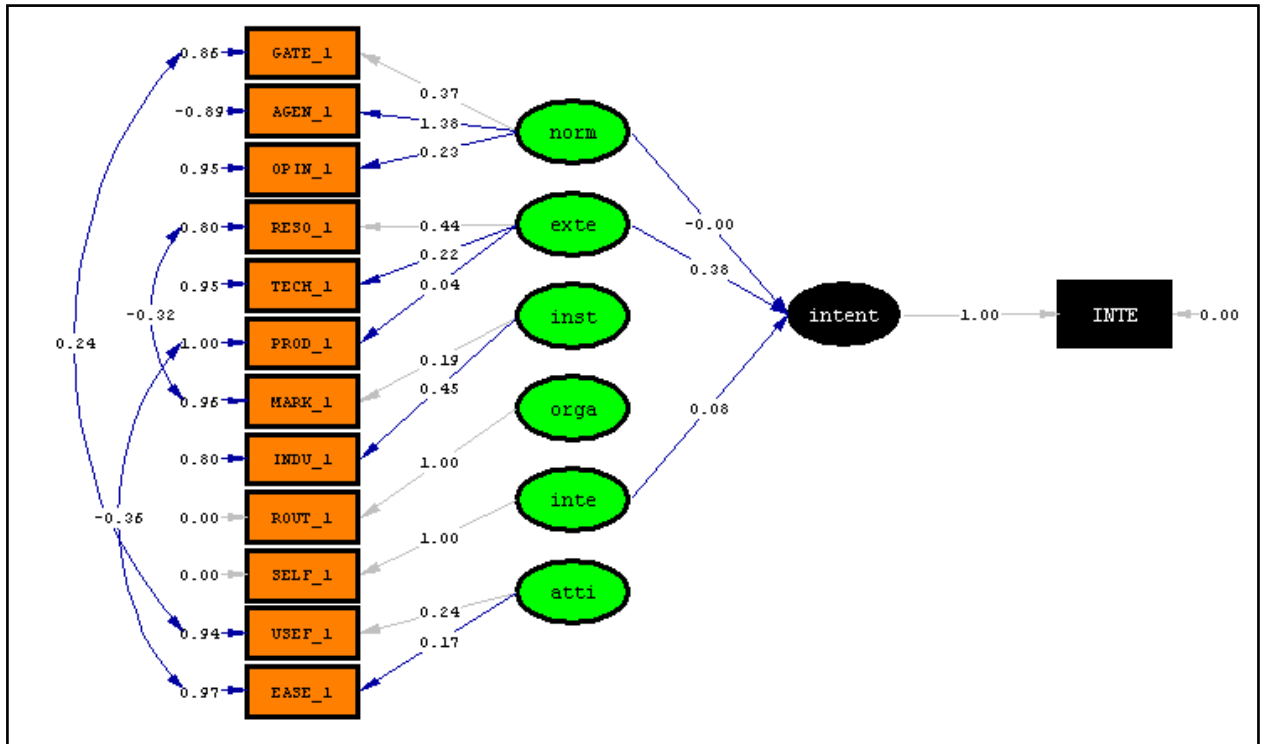
For the first time the p-value reached a value above 0.05. Model exhaustion is imminent. Below is the output line that indicates the highest modification index:

Maximum Modification Index is 5.13 for Element (11, 1) of THETA-DELTA

Opening the pathway between Gated Influence (x_1) and Perceived Usefulness (x_{11}) might provide further stability to the model.

5.4.1.8 SEM Step 8

Figure 56: Step 8



Even though the modification index suggested this pathway to be opened, it clearly caused disruption in other parts of the model: Normative Influence (norm), now shows a small negative coefficient which, when considering the starting covariance matrix, isn't faithful to the one-on-one relationships its underlying observed variables Gated Influence, Agency Influence and Opinion Leaders have with Intent (positive covariance's of 0.22, 0.18 and 0.14, respectively). Multicollinearity stepped in and therefore we can safely conclude that Step 7 yields the final results and best model fit possible for this analysis.

The final R^2 of the model of GTPB is 19%. The interpretation of what is a good R^2 depends on the study's selected cut off point. The study believes that even if the GTPB model is explained to some degree there is still variation (81%) that is unexplained. This study therefore believes that there are other factors that must be investigated by future studies to improve on its predictive capacity.

5.5 Data analysis summary

By accepting some of the constructs the model has found validity. Through the propositions (constructs) and the sub-proposition measures the GTPB model is able to describe intention to invest in new media in South Africa as per below:

Table 8: Intention to invest in new media in South Africa

	PROPOSITION	RESULT	MODEL FIT
Proposition 1	Attitude is positively related to intentions to invest in new media	Fail to reject Null	<i>Variable interaction: Ease of use & Production facilitating conditions</i>
<i>Sub proposition</i>	<i>Attitude is measured by perceived ease of use and perceived usefulness</i>		
Proposition 2	Normative influence is positively related to intentions to invest in new media	Reject Null	Construct predictor
<i>Sub proposition</i>	<i>Normative influence is measured by the influence of gated, existing advertising agencies and opinion leaders</i>		
Proposition 3	External constraints are positively related to intentions to invest in new media	Reject Null	Construct predictor
<i>Sub proposition</i>	<i>External constraints are measured by resource, technology and production facilitating conditions</i>		
Proposition 4	Organisational constraints are positively related to intentions to invest in new media	Fail to reject Null	
<i>Sub proposition</i>	<i>Organisational constraints are measured by routines .</i>		
Proposition 5	Institutional constraints are positively related to intentions to invest in new media	Fail to reject Null	<i>Variable interaction: Market pressure & Resource facilitating conditions</i>
<i>Sub proposition</i>	<i>Institutional constraints are measured by market and industry pressure</i>		
Proposition 6	Internal factors are positively related to intentions to invest in new media	Reject Null	Construct predictor
<i>Sub proposition</i>	<i>Internal factors are measured by self efficacy</i>		

6 CHAPTER SIX

The objective of the study was to understand whether marketers act as gatekeepers to digital investment in South Africa and to identify the factors that most influence their decisions that would drive investment in the future. The results confirm that advertising investment is still directed towards traditional media despite the fact that they agree that their consumers are active online. This findings show that marketers are acting as gatekeeper as they are affected by both internal and external factors.

The digital gatekeeper role:

Cronin (2004), concluded that marketers act as intermediaries and have the power to change societal norms through advertising. Acting in their capacity as change agents, they have the ability to influence the needs and desires of consumers. The validity of the GTPB model used in the study shows that marketers are currently acting as gatekeepers not allowing investment of new media to penetrate the market and as a result they are affecting the way South Africans consume media and relate to brands.

The influence variable was tested in the study to try to understand whether the marketers' impressions of power over society could be a driver of new media, however it did not test as a significant variable on its own; even if 96% of

marketers indicated that new media had caused a fundamental shift in the way society interacts. By investing in new media they would be able to capitalise on this trend, shape society and affect consumption patterns of their target market.

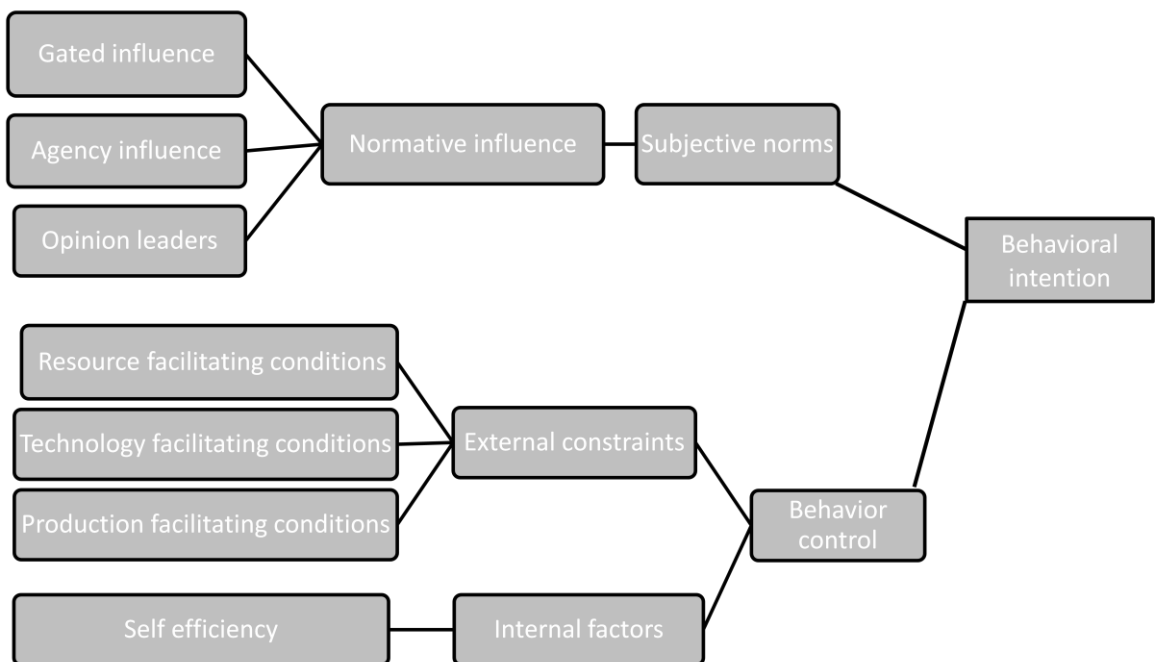
The impact of technology:

This research focused on attitudes to new media and perceptions in general. The results, however, found that the construct of attitude derived from the TAM proposed by Davis (1985), disrupted numerous other variables upfront and as a result it had to be excluded from the model. This gave elevated evidence that the variables from Shoemaker (1991), and the literature reviews from Barzilai-Nahon (2007; 2008) were more appropriate factors and guidelines effecting gatekeeping in investment in digital media, than the actual 'ease of use' and 'usefulness of the technology'. This does not, however, mean that new media, that is heavily reliant on a technology context, is not affected by technology. As the study will show later the experience that marketers have with technology plays a vital role in affecting marketers' confidence and their perceptions of themselves as experts in the field of digital advertising, confirming the finding from Gefen *et al.* (2003) and Hsu *et al.* (2001), that experience and trust affect adoption of new media in South Africa.

Digital investment intention model:

Overall the study results indicate that the GTPB model built to analyse whether the marketers' perceptions were influencing their 'intention to invest' has validity. Of the six constructs three satisfy the model, namely; (1) external constraints, (2) normative influence and (3) internal factors represented by their respective variables showing the new GTPB model below:

Figure 57: New Gatekeeper Theory of Planned Behaviour model



Factors that affected the process:

The GTPB model used concepts from the 'gatekeeper process' of Shoemaker (1991) and Barzilai-Nahon (2007; 2008). The themes from the 'gatekeeper process' refer to elements that serve to control information. Many of these elements were used to construct the model and tested as being significant contributors to investment intention:

1. **Examining experience** and its resultant trust factor under the self efficacy theme of the model.
2. **Impact of skills and budget allocation methods** that increase gatekeeping under the models resource facilitating conditions.
3. How complexities in **design and production** affect gatekeeping under production facilitating conditions.
4. **Unavailable and unreliable technology** and the impacts of access under technology facilitating conditions.
5. The **influential role of the user** under the gated construct.
6. How the **relational aspect** between the marketer and their existing **advertising agency** impacts on expertise and adoption.

7. How **opinion leaders** or the lack thereof affect the expansion of digital advertising.

Building self efficacy and trust to stimulate investment of new media:

Lack of experience comes up as a clear contributing item to self efficacy measuring the internal factors construct that influence investment intentions and hence have an impact on gatekeeping. This study confirms the argument from Shij and Piron (2002), that a lack of experience may be perpetuating the existing status quo as there is a tendency to continue to invest in traditional media forms as a result. The lack of experience influenced over half of respondents to agree that it is easier to continue to implement traditional media rather than new forms of advertising even if the majority said that new media forms are the way of the future and companies that do not adopt them will be left behind. Since marketers have greater experience with traditional media they feel more confident to invest in it. The descriptive data in this study shows that apart from email and search engines, in most cases, marketers have less than four years' experience in a personal capacity with most new media.

Items measured in this study, show that '76% of *marketers say they do not see themselves as experts in new media*'. This measure has an impact on their *willingness to invest* and confirms the findings from Gefen *et al.* (2003) and the theme raised by Shoemaker (1991), that a lack of experience influences the

marketers' trust dimension. A lack of trust is acting as a limitation to future investment and as a result it will be difficult for the industry to gain expertise in digital, as Gefen *et al.* (2003) argue that trust is a key influence that comes with experience. The study items show that insecurity with new media has a direct impact on the marketers' faith in their ability to plan, manage and measure new media; cited in the measures that indicate that they felt unsure or even '*unable to integrate new media into overall strategy*'. The importance of objective setting in strategy and planning of advertising was raised by Li and Leckenby (2004). This study measured whether the process of setting objectives played a role in affecting the ability to integrate new media into overall strategy. The item in the study that measure the sub-proposition affecting self efficacy show that marketers '*set specific objectives and measure against them, when setting new media parameters*' and that this activity has an ability to influence investment. It seems, however, that even if marketers have understood the importance of setting objectives, they are unsure of how to integrate them into the total campaign. This raises a topic not explicitly covered in this research regarding 'integrated marketing communication' (IMC), which is raised by authors such as Li and Leckenby (2004), who found that advertisers would be challenged to find ways to integrate Internet advertising campaigns and other marketing communication. IMC was also covered by Mulhern (2009), who stated that several of the core principles of IMC – consumer insight, data-driven decision-making, cross-media integration and communications with multiple stakeholders – represent an improved framework for managing communications in a digital world.

This inability to integrate new and traditional forms of advertising serves as limitations to investment. The dilemma may limit marketers as they are unable to perform their jobs effectively or get the desired results from their campaigns.

Availability and reliability of technology:

This study has found that organisations may be assisting in perpetuating the current advertising status quo as they create barriers to adoption of new media technology. This confirms the findings of Barzilai-Nahon (2008), that stated that, the chances of gatekeeping increase if technology is unavailable, covered under **external constraints** in this study. The reliability results showed that respondents may view access to email and the internet as separate issues to access to social media tools. This may be driven by the newness of social media or its personal nature. The study separated the items and the impact on the model shows that *limited access to social media at the organisation*, act as a deterrent to investment intention. By not giving marketers access to a vital marketing tools like social media sites such as Facebook and Twitter, organisations are limiting the experience and skill base of their marketing employees. The study finds that marketers need to be exposed to the tools to gain much needed experience. Organisations should be encouraged to permit marketing professionals access to such marketing tools to gain better insights into trends, social shifts and consumer behaviour.

Coupled with access, the study result showed that the marketers' perceptions regarding the reliability of the connectivity at the organisation also inhibit their interactions with new media and limit their desire to invest. New media and the internet should be viewed as tools required to perform the marketers jobs and organisations should ensure that these are operational and reliable to gain the maximum from their marketing campaigns.

Encouraging resource facilitating conditions to drive investment:

To add to the much needed sentiments of expertise, performance evaluation, skill-building and training were among other contributing items to the resource facilitating conditions measuring external constraints, influencing the model that could be used to substitute for the lack of experience. Investment is limited by the fact that marketers *do not have access to training of new media*. Judging by the study respondents, senior marketing professional tend to be close to forty years old, representing a generation that was not raised with technology as readily as today. By having training on new media and *incorporating new media criteria into performance evaluations* trust and knowhow can be built upon, which confirms the findings of Tapp and Hughes (2004), who found that there was a need to develop skills as well as focus on the hiring and Human Resource process that reflected these new skills. As a result the study finds that new media skills should forms part of Key Performance Indicators (KPI) in order to help enforce the importance of digital marketing skills to encourage future investment growth. By placing additional emphasis on it, it will highlight

the importance and help build knowledge thereby affect the willingness to invest in it.

Directing budget setting techniques to drive investment:

That being said it is unlikely that skills will be developed if the industry does not develop in parallel. Other items that contributed to resource facilitating conditions in this studies model, show that *'not enough money is invested in new media in the first place, to drive real performance*. This is somewhat of self-fulfilling prophecy as if (1) not enough is invested, (2) the campaign success will be negligible which means that future investments are unlikely to improve. The fact that few have taken a leap of faith is resulting in the current status quo. Business is motivated by its number one desire – profit maximisation. The study results show that there is an interaction between resource facilitating conditions and market pressure, showing that in order for investment to grow, there is a need to show results and return on investment. Marketers need to be able to measure the performance and return on investment of their advertising campaigns. The study findings show that investment is affected by the fact that marketers *do not clearly understand new media measurement metrics*. They are still trying to use traditional measures as more than half agree that they should use Reach; Frequency and Audience Ratings for new media, which is inappropriate. It therefore confirms the study by Leckenby and Hong (1998), who in their study tried to apply traditional measures such as reach and frequency to new media and realised that they were ineffective measures. By not using the correct measures marketers'

perceptions of campaign effectiveness and return on investment is skewed and even possibly misdirected. The misinterpretations of ROI in turn affect the resources that organisations are prepared to place against new media. This implies that measurements should be clearly identified and marketers need to be educated on how to use them in interpreting campaign success to drive future growth.

Another important gatekeeping factor driving the level of investment is the way that budgets are set. The findings shows that future budgets are build based on the past, not taking trends into account. The results show that while a number of techniques were being used, inflation, incremental and intuition-based, were used by more than one-quarter of respondents, confirming the findings from Sheth and Sisodia (1998) and Prendergast *et al.* (2006), who argued that these methods perpetuate the status quo. By using such methods, *not enough money is put behind new media to drive real performance* and deters growth in the future.

Shifting the role and relationship between the agency and the marketer to influence investment:

The inexperience of the marketer places heavy reliance on the relationship that they need to have with their agencies. This reliance will have an impact on the balance of power shown by the impact of **normative influence**. If marketers fail to gain expertise in digital advertising they will continue to rely on their existing

media agencies that are shown in this study to have an impact on current and future investment levels. The study proves that investment is affected by the fact that '*marketers lack awareness regarding opportunities*' borne by new media and pointed out by Mulhern (2009), who stated that opportunities exist for brands and their messages to be exposed to consumers through a direct relationship. These opportunities lie in the ability to communicate directly with them and gain valuable insights about the target market. If marketers were aware of such opportunities it would assist in the adoption and cease to be a gatekeeping factor.

The results in this study show that the *relationship between marketers and their existing advertising agencies* plays a role in their behaviour. Items measured showed that, over half of the marketers felt that their existing traditional advertising agency had expertise in new media, while others felt that they had contacts with experts. The relationship dynamic between the marketer and their existing agency contributed to the impact that agency had on investment. If the marketer relies on their existing agency, the key factor to understand is whether the agency does in fact display new media expertise and whether they advocate it.

Agency relationships that act as gatekeepers of investment in this study are further affected by items measuring, marketers *preference to generalist or specialist agencies*, confirming the findings of Evans (1995) and Bush and Bush (2000), who found that there was a fragmentation of agencies as web-related

functions could be performed by multiple format agencies, from experts in digital to generalist and public relations firms, that caused shifts and changes in the agency-marketer relationships. This should however be measured against the variable that was excluded due to reliability, as it depends on whether the marketer and his organisation are actually willing to engage with multiple agencies or whether they have the desire to deal with just one.

Connecting with the users:

To add to this dynamic context where advertising offerings and fragmentation influences the existing relationships and status quo, there is another pivotal change that is influencing **normative influence**, caused by the shift towards a user-controlled world. The inclusion of the **'gated'** forms a founding pillar within the digital context. Due to the interactive nature of digital, the study confirms the findings from Barzalai-Nahon (2007), stating the importance of separating 'old' gatekeeper theory from 'new' gatekeeper theory and taking the role of the gated into consideration. The gated measure had an impact on normative influence, as it has the ability to alter the relationships that marketers have with their agencies and the user.

The interactive nature of the environment results in flexibility as pointed out in the literature by Hoffman and Novak (1996), with the emergence of multiple feedback loops. This gives marketers the opportunity to gain insightful feedback

from their consumers and interact on a one-on-one basis with them given the correct segmentation method being used. In this research the respondents were *'well aware of the benefits of flexibility'* but lack experience with it. The respondents understood that *'new media is more flexible and has the ability to enhance customer relations and that feedback can be used to get continuous improvement and customisation in products'*. These features are unique to new media and add utility to the campaign. The question that arises is whether these findings confirm the notion raised by Hoffman and Novak (1996), that it means the end of the advertiser-led world. The study shows that marketers' ability to go direct to their consumers raised by Mulhern (2009), has an influence investment.

By making marketers aware of the benefits from flexibility and addressability raised by Kiani (1998), investment could be increased. By knowing how to use feedback from customers effectively (as research), marketers could integrate these learning's into strategy and future product and service design. By doing this they could enhance the value proposition of their brands and customer satisfaction and loyalty. Realising these benefits impacts on gatekeeping and investment as indicated by the study, as they have not yet experienced the power of these tools and so continue to invest in static one- way driven traditional media. Judging by the media investment split, the study found that a large portion of new media investment was geared towards static one- way-like tools such as banner advertising (5%) and email (10%) direct marketing campaigns. This may imply that even when marketers are using digital they

tend to use it in a static manner, not really experiencing the benefits explained from interactivity (Hoffman & Novak, 1996). Authors like Li and Leckenby (2004), argue that this will gradually diminish as marketers truly understand the power that the user can add in consumer satisfaction and brand loyalty, rather than detract from this medium.

Marketers should therefore seize the opportunities to engage directly with their consumers and get involved in communities and social networks, as raised by Mulhern (2009). As for advertising agencies they have to recognise the shift to new media and take opportunity in realising that marketers do not currently have the expertise and experience with new media, and offer services that aid them getting involved and set up in social networking and other interactive media. This study confirms that interactivity is a key differentiator of new media and impacts on normative influence. The impact shows that Pavlou and Stewart (2000), were correct, as marketers agree that *'new media forms are more flexible than traditional media'*. Further to this they are already aware that new media has the ability to enhance customer-relations marketing and that they can improve product designs and enhance customer satisfaction. They also agree that new media engages the consumer more directly through active participation.

Facilitating technology and production of new media to stimulate investment:

This study has thus far shown that marketers want to engage but that their current lack of expertise is inhibiting them to do so. This study found that amongst other things *production, content design and updating of new media is complex* and it has an impact on the production facilitating conditions measure affecting **external constraints** and potentially limiting the desire to invest. This confirms the findings of Gieber (1956), that complex production serves as a gatekeeping factor. In the case of new media, production is a combination of software design and maintenance as well as content updating and data management, which can all effect gatekeeping. The more effort it takes to produce and update content the more likely it is that the information will be blocked. This also aligns with the argument from Barry and Lang (2001), who say that multimedia and web-based information systems development and production applications are becoming extensive and extremely complex and that it is limiting penetration. It also shows that Tapp and Hughes (2004), were right in saying that there is a need for a “new marketer” that should be equipped with IT or at least digital skills amongst other marketing skills.

The results from the study confirm that the complexity of *‘content updating can be overwhelming’* and deters investment. This may be driven by new media’s interactive and ‘24/7’ nature, which makes content management very labour intensive. This is different to what marketers are used to with traditional media as once traditional media goes live it is often static and does not require constant input.

The model in the study also shows that there is an interaction between Production Facilitating Conditions as it can be explained by the Perceived Ease of Use of digital technology. This goes to show that the easier it is to operate, design, develop and manage the more of an impact there is on the intentions to invest, confirming the findings from Barry and Lang (2001).

Managing the concept of control to stimulate investment:

If advertising agencies or brand manufacturers do not facilitate content management marketers also have the opportunity to share this responsibility with the users especially in a community-type setting, where users expect and want to generate content, as identified by Mulhern (2009). The issue that this raises, argued by authors such as Pavlou and Stewart (2000) and Li et al (2004), is the changes in perceptions of control. This study confirms that the items of control impacts on the gated construct and intentions to invest in new media and, as Li and Leckenby (2004) says, it raises the question of 'how much of the communication surrounding an ad on the internet is under the volition of the users and how much is under the control of the advertiser' (pg 9). Pavlou and Stewart (2000), defined control into; (1) process control and (2) outcomes. This study looked more specifically at the outcome, as it explored the affect of possible negative emotional responses from users on the gatekeeping process. The finding that measured *marketers fearing losing control* has been shown to be a contributing measure of the influence of the gated that impacts on the models normative influence construct. Marketers' decisions to invest are

therefore linked to their perceptions of risk that the new media brings. By not investing they may have the feeling that they are mitigating these risk factors.

Looking at users and target groups as individuals to stimulate investment:

Thus far the results of this study go a long way in confirming the importance of the gated in the gatekeeping of information raised by Barzilai-Nahon (2007), in her NGT. Judging by the model validity and the impact of the **normative construct** the study can deduce that if the advantages borne by user interactivity, such as the item of flexibility measure by this study and raised by Hoffman and Novak (1996) were more commonly understood by marketers, intention to invest would change.

Once marketers start to make use of flexibility to gain consumer insights they can move to more customised products, which at the same time means they have to change their views on segmentation as it will have to shift towards a more individualistic segmentation or into smaller more homogenous groups. This study used this item and it indicated that marketers *continue to try to segment the new media customer in traditional ways*, contributing towards the measurement validity for the **gated influence** variable and the **normative influence** construct in the model. By designing unique products specifically for smaller sets of customers, manufacturers will be able to deliver higher customer satisfaction and retention. Marketers need to review the way they segment and

target their users for ultimate satisfaction and dual benefits both for them and the users.

The raise of opinion leaders in digital will encourage investment:

This study confirms the finding from Barzilai-Nahon (2007), that there is a greater likelihood of gatekeeping bought on by the decisions and availability of opinion leaders. The findings show that the *availability of credible opinion leaders* has an impact on **normative influence** and investment. Evidence however shows that marketers trust and turn to their traditional advertising agencies for expertise which could imply that they are the leading source of ‘opinion’ in the industry. This again reinforces the reliance on traditional agencies and future studies need to really understand the level of expertise within them. By developing credible experts in the industry that could educate and inspire, investment could be stimulated.

Elements excluded from the model:

As explained the study used factor analysis as it is a commonly used technique when measuring SEM’s Hair *et al.* (2006). The GTPB model first included all the variables, but was forced to close the pathways and re-open them separately, guided by the modification indices. By doing this the variables with the largest impact on the model were identified as explained in the previous

section, while others such as **Institutional** and **Organisational constraints** as well as **Attitude towards technology** were excluded. Using factor analysis the inclusion of these, would actually do harm to the model, due to multicollinearity. As a result it is difficult to see the predictive value of such variables using factor analysis and the study looked at a second way to identify variable fit, towards the GTPB model, using multiple regressions. Using a regression approach allows the items to be directly regressed onto intent and the findings show that; Industry pressure explains a relatively low 16.4% of the variation to invest but more importantly the construct of **institutional factors**, has predictive power with a significant P value below:

Figure 58: Predictors

ANOVA - Industry Pressure						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.571	2	4.786	5.974	.004 ^a

a. Predictors: (Constant), H22b, H22a

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Industry pressure	.405 ^a	.164	.136	.89505592

a. Predictors: (Constant), H22b, H22a

This means that marketers may potentially be influenced by industry behaviour. The main problem identified about this variable is its low reliability, covered previously, but this could be due to the fact that different scales were used (H22a -ratio and H22b -summated rating scale), or the study believes that the two variables are not sufficient to explain industry pressure. When the items

were separated the results confirm the findings from Bush *et al.* (1998), that marketers are guided by the industry as they will invest when it becomes more popular:

Figure 59:

Coefficients ^a					
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
split between new & traditional	.009	.005	.206	1.758	.084
when it becomes more popular	.390	.138	.333	2.837	.006

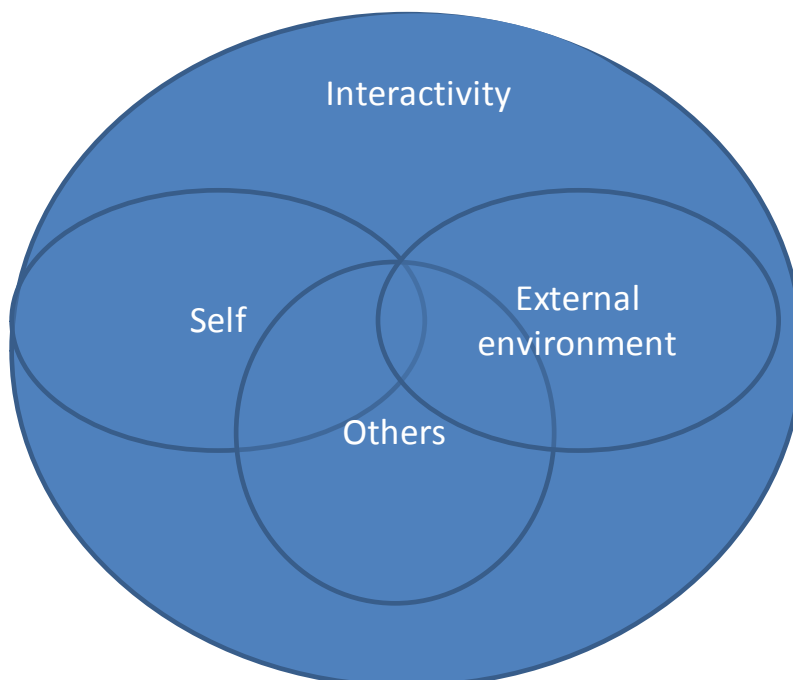
Both the other constructs that relate to **Organisational constraints** and **Attitude to technology**, did not show predictive capacity using regression either.

7 CHAPTER SEVEN

The study shows that the context of interactivity and the medium's newness results in experience barriers that together with relationship influence and external resource and technology limitations act as deterrents to adoption of new media.

7.1 Study main findings

The factors affecting behaviour and driving investment can be simplified at three levels; (1) self, (2) the external environment and (3) influence from others:



These interrelated factors affect the decisions to invest as they impact on motivation to adopt new media and a synergistic centre can only be reached if the factors affecting one another are attended to simultaneously.

Motivation has not been explored in detail but should be added to the model in future studies, to understand the factors that drive investment rather than just those that deter it.

Interactivity highlights a structural opportunity for brand manufacturers who want to capitalise on the opportunity to engage with customers to gear up on content managers. It also leaves gaps for specialist agencies to extend their services to incorporate a broader definition of design, planning and content management.

In order to encourage and motivate the **Self** in the findings, implications for brand manufacturers relate more to the training and hiring processes. Products and services are led by their customers and as this study has shown upfront, marketers acknowledge that consumer habits are changing, and if brands want to capitalise on this shift, they will have to invest in up-skilling their marketers and advocating the importance of digital all the way to senior management who are often technologically challenged. Those organisations who are able to capitalise on this structural change will dominate as there are only so many brands that can pioneer by first mover advantage.

External environment factors affect investment and relate to making the technology available to marketers more simple to digest and more accessible, both inter-organisation as well as in the market. Organisations need to find ways to gear up their IT services to staff and ensure a consistent and reliable service, at a minimum reflective of the one that consumers experience. It is also important for brand manufacturers to seek out ways to simulate a digital experience and encourage digital interaction, both internally through and externally. Internally organisations should encourage the concept of ‘the learning organisation’ giving and encouraging staff to partake in technology driven collaborative information sharing platforms in the form of communities that enhance the digital experience while adding a direct benefit to the organisation. Externally staff should not be discouraged to experiment and learn about communities. Firewalls and security should be limited, especially for marketers who must be encouraged and incentivised to broaden their knowledge of the new digital environment as well as the consumers that are out there talking about their products.

Budgets should follow consumer trends and evolve with the shifting media patterns. Specialised digital media agencies may want to be involved in the budget-setting process from the start to influence the process, potentially enhancing the adoption and investment into new media.

From a business perspective it seems quite clear that marketers and organisations will continue to obsess with return on investment. It seems

inevitable that before investment in new media is a common thing they will continue to revert to traditional measures, but by doing so limiting the effectiveness metrics of new media. It is therefore imperative to continue to seek to develop standardised measures that are able to transcend both new and traditional media, as this give scope to compare effectiveness.

Others impact on the decision marketers make. The influence from the gated, existing agencies and other opinion leaders investigated in this study, shows they impact on an investment level in South Africa. Future research should look more closely and focus just on the definition of roles and relationships between the three actors in new media; the marketer, agency and the gated, as this study has found that there is an interaction between the marketer and the gated and the marketer and the agency, but has not explored the relationship between the agency and the gated, and how that impacts on the relationship.

Numerous opportunities exist for digital specialist agencies to extend their services and offer training to their existing and future manufacturer clients to stimulate investment. The study findings imply that there is a gap and an opportunity for specialist advertising agencies to step in to relieve the burdensome task from the marketers and stimulate growth in new media. Marketers want to engage directly with the consumer, but they do not have the time or expertise to do so on an ongoing basis which is required by the 24-hour nature of digital. They therefore need their agencies to not only design the platforms, but update and manage conversations and other content in all

interactive spaces including communities, offering content management facilities as an added service.

The external specialist must manage perceptions of control. Opportunities exist in brand reputation management tools and services (such as consumer response tracking and crisis management tools) in a digital context that should be made readily available to marketers in South Africa if it is to see an expansion of digital advertising. Various controls must be put into place and sold with the entire digital package that gives marketers a feeling a control over the media. To really take advantage and alter this relationship, agencies should also look at offering public relations services that promote positive streams of information to counter-balance any negative ones and enhance brand reputation.

Experts in digital should find ways to educate both advertising agencies but focus on educating the brand manufacturers at who this study was targeted. This should be done through a mass approach, like being involved in forums or taking part in marketing related courses and debates. Failing this, it can be done through partnerships with existing traditional agencies. Such partnerships will also alleviate the fragmentation that this study found impacts on investment. Alternatively new media agencies need to find ways to increase their presence by merging with small complementary digital specialist agencies to create a full digital agency experience – which could not only solve fragmentation but also create credible opinion leaders.

7.2 Theoretical implications for future studies

The current study has found that marketing executives are limited by their experience with new media and that it impacts on their intention to invest in the future. Mulhern (2009) argued that the internet should not be viewed as just a communication tool but rather as a component in an integrated communication model. Future studies must see how the Internet is perceived as this may be affecting their ability to integrate it into strategy. Mulhern (2009), concluded that digital media needs more than just measurement metrics that are clear and understood - there is a need for models that formalise the integration of all marketing initiatives and prevent bundles of separate information. Future studies should investigate whether the use of formalised algorithms and integrated media planning, coupled with the development of models that systematically bring together marketing elements, would stimulate investment through inclusion into the GTPB model.

On the normative influence front future studies should look at two things: (1) sampling from both marketing executives and advertising agencies, and (2) understanding how size of the organisation impacts on relationships and investment. By including the advertising agencies' perceptions, future studies will have a more holistic view of the interconnectedness, as this study showed that advertising agencies may themselves be seen as gatekeepers to adoption of new media.

By looking more closely at both intermediaries, Bush *et al.* (2000), raised the fact that size does matter. Their study showed that the size of the organisation impacts on the relationship between the parties. They found that larger organisations tended to develop in-house digital expertise while smaller ones relied on agencies. This in itself will have an impact on the effect of relationships and influence perceptions in gatekeeping from organisation to organisation. An item that referred to '*confusion regarding changing roles*' was excluded from this study, due to reliability issues. If future studies incorporate the measure of size from Bush *et al.* (2000), they may find that this variable becomes effective in measuring impact on investment. As the findings from Bush *et al.* (2000) show that new media is often managed and implemented by digital experts in bigger organisation while in the smaller organisations marketing executives have to manage it.

Future more studies can also look at grouping the normative influence measurement variables into a consolidated view of stakeholder theory, raised by Mulhern (2009), this way all influencers both internally, such as employees and other departments, as well as external business partners, parties and the users can be incorporated. His study findings imply that by taking a cross-stakeholder approach future studies would not miss the voice of any influencer, allowing them to adopt a broader and more inclusive definition of the influencers that affect gatekeeping.

The current study found that the gated play a role in influencing decisions, as it explored how interactivity changed the dynamic of exchange between the marketer and their user. This study, however, focused largely on the users' ability to influence the perceptions of shifting-control from a marketer-led world to a consumer-oriented one, as well as on the impact of co-production ability (user-generated content, UGC) on gatekeeping. The study's recommendations are that marketers can also use the ability of the users, to supplement some content management, and that future studies should specifically raise the question that pertains to the optimal mix that should be employed between commercial and non-commercial content (UGC, pictures, conversations), (Mulhern, 2009), that would increase consumer interaction and enhance campaign effectiveness while facilitating content management.

Future studies should look more in-depth at how the interactive environment of new media and flexibility can be affected by the power of consumer-to-consumer interaction through the viral aspects of word-of-mouth, raised by Kozinets, De Valck, Wojnicki, Wilner (2010). Their study found that the ability of organisations to influence consumer-to-consumer interaction was becoming an increasingly important technique. Future studies should measure the impact that proper use of such tools has on perceptions of campaign effectiveness as the study from Kozinets *et al.* (2010), found that the benefits of viral marketing techniques have the ability to amplify the advertising message and have an impact on campaign effectiveness and therefore ROI. This must, however, be explored in combination with the control factor as their study found that the

message may get altered in the process and it is important to understand whether the benefits outweigh the risks in interpreting message success. The viral variable should also not be explored in isolation of technical skills, as their study found that the benefits must be measured in conjunction with skills as they recommended that marketers should have a deep knowledge of network co-production.

Lastly this study explored a broad definition of digital, and future studies should look at separating out Internet and mobile. This is probably more important in South Africa than many developed markets due to high penetration levels of mobile as compared to Internet. By doing so future studies can mitigate the concerns of the digital divide. The separation will impact on the levels of interactivity and it may affect the perceptions that consumers have regarding advertising, found by Hyun Jin and Villegas (2007). The separation will also have implications for technology production of the model.

The study found that technology plays a role in adoption from the marketer even if the attitude towards technology was excluded upfront. Future studies may want to interrogate the Technology Readiness Index (TRI) as opposed to the principles of TAM.

7.3 Conclusion

The study found that the marketer plays a role in affecting investment mainly through the influence of others and external conditions that they may not have the ability to change which in turn affect the experience and level of interaction they have with new media today and in the future.

In order to affect investment, all the factors identified (1) normative influences, (2) external factors (3) internal factors and the variables affecting investment, such as market pressure and ease of use when dealing with production, need to be addressed simultaneously as they are interconnected at three levels of (1) self (2) others and (3) the external environment, operating within a digital context.

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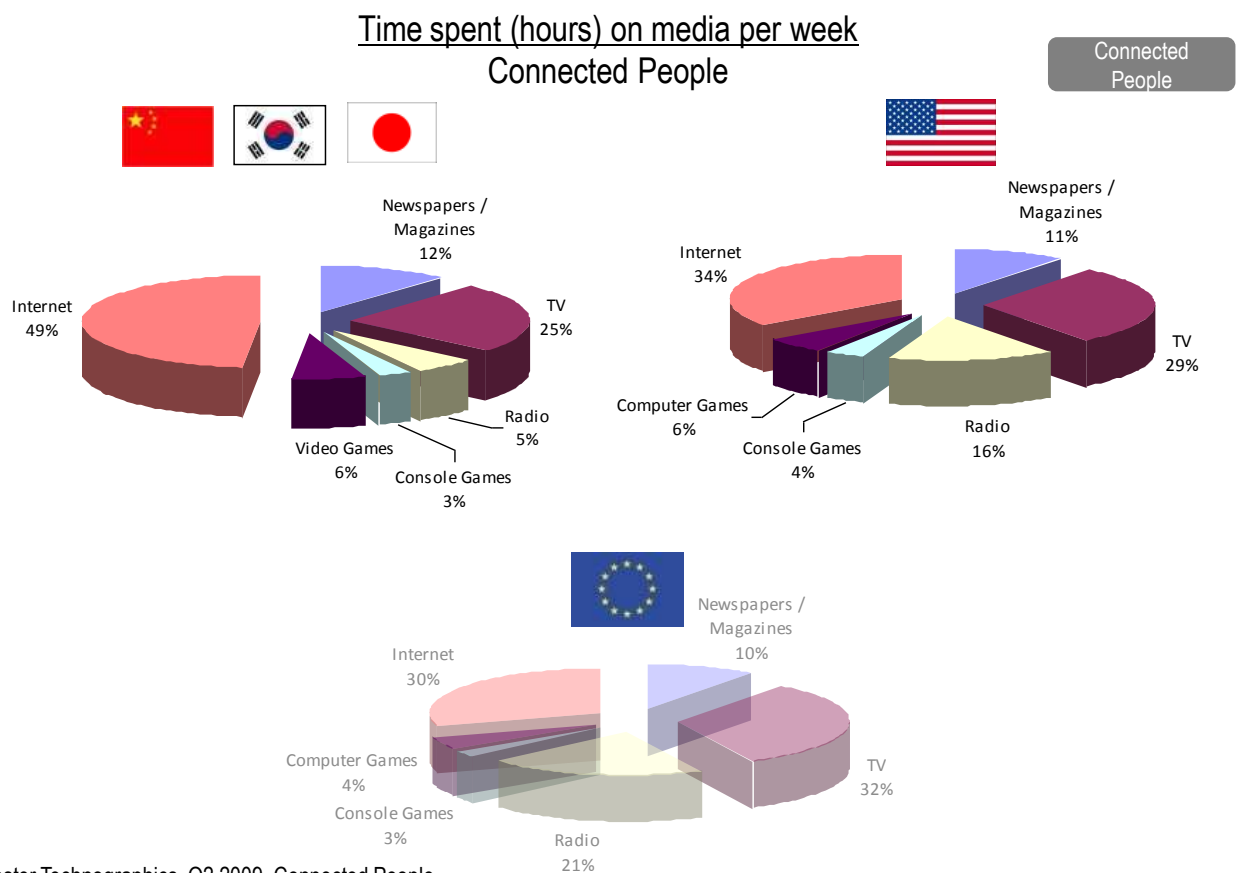
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Appendices

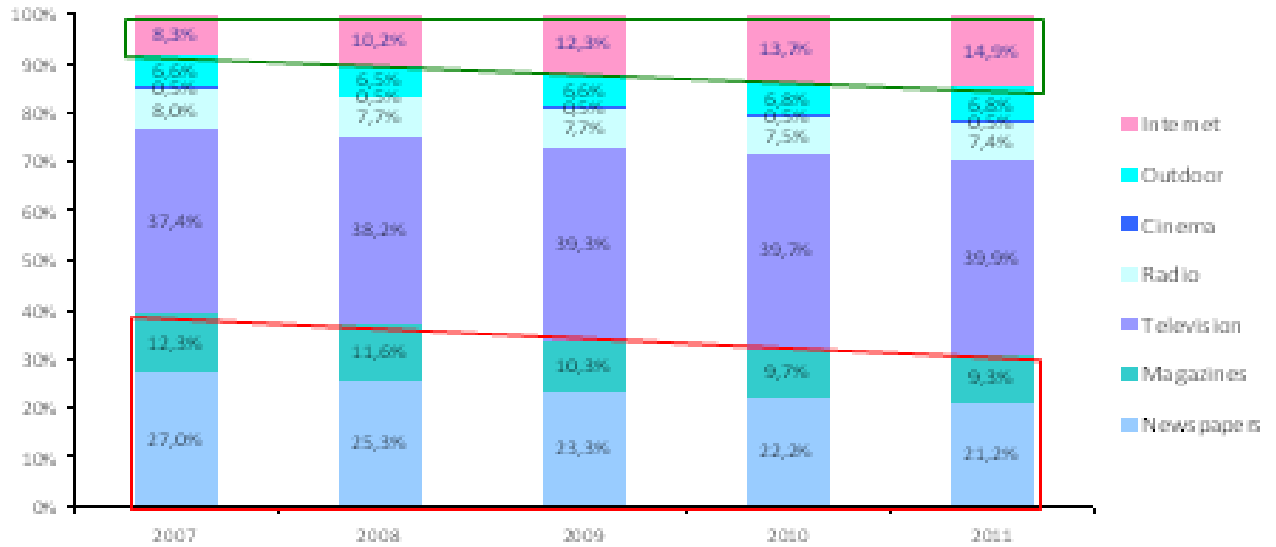
1. Charts

Chart 1: Time spent using various media forms



Source: Forrester Technographics, Q2 2009, Connected People

Chart 2: Global changes and estimates of media investment by medium



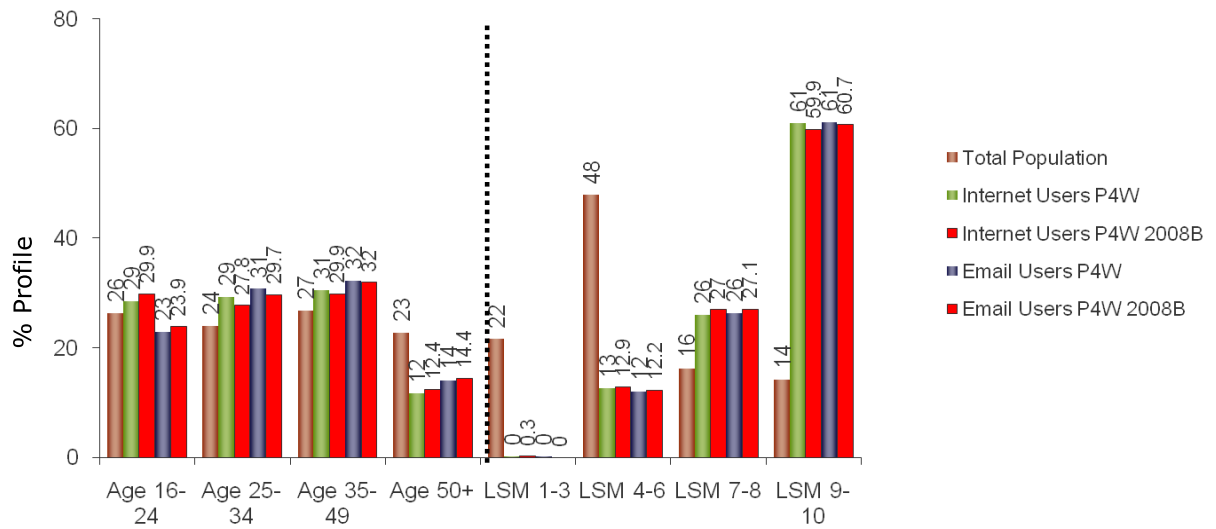
US\$ million, current prices Currency conversion at 2008 average rates

	2007	2008	2009	2010	2011
Newspapers	130,178	123,109	102,136	97,703	97,228
Magazines	59,196	56,588	45,415	42,762	42,573
Television	180,460	185,788	172,320	174,636	183,177
Radio	38,583	37,630	33,647	33,280	34,216
Cinema	2,268	2,377	2,180	2,274	2,422
Outdoor	31,752	31,888	29,112	29,828	31,430
Internet	40,242	49,544	54,087	60,253	68,557
Total *	482,680	486,924	438,896	440,936	459,603

Source: Zenith Optimedia 2009

Chart 3: RSA internet user profile

Profile of Internet Users SAARF AMPS® 2008A vs 2008B

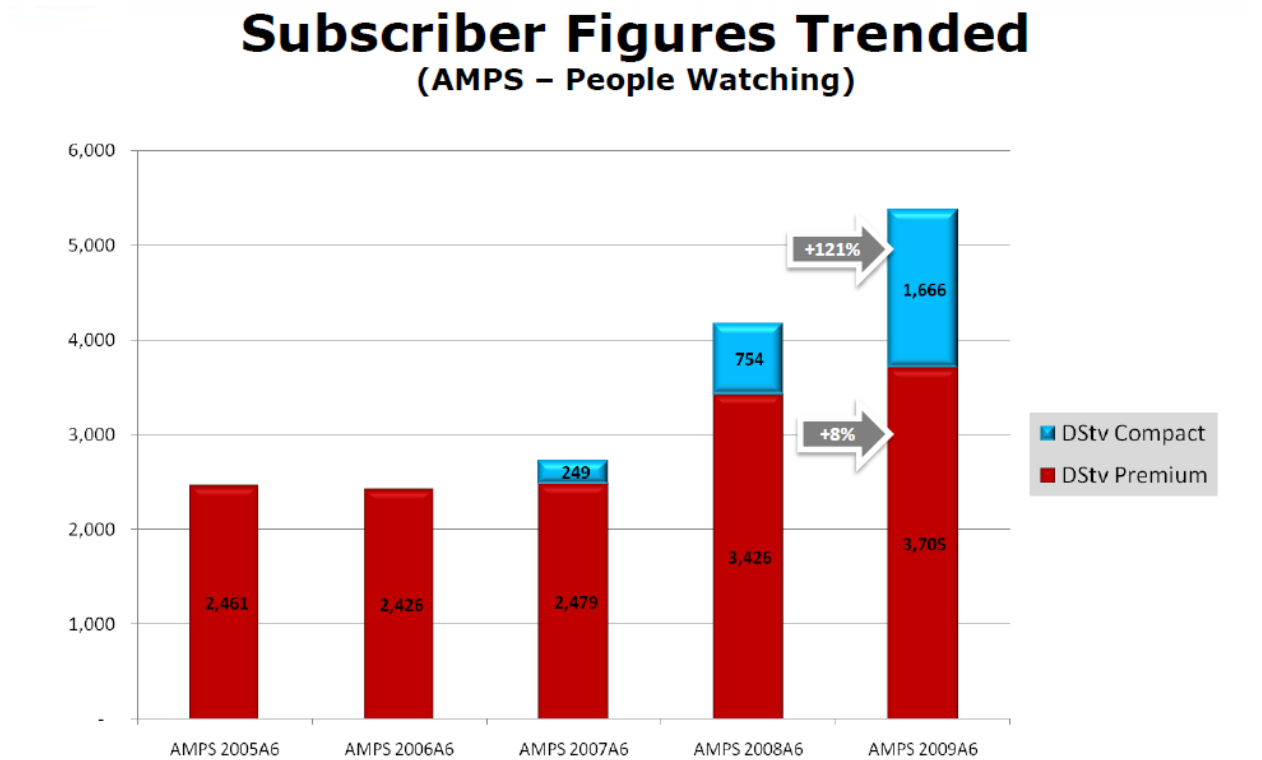


curious minds for surprising results

Source: AMPS 2008B Jan-Dec 2008



Chart 4: DSTV subscriptions and investment split of television



	2005	2006	2007	2008	2009
	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure
CSN TV	46,199,184	147,933,138	154,233,761	96,373,210	99,993,022
DSTV	267,498,937	2,116,851,375	4,659,375,191	6,935,699,323	9,427,848,615
MNET	437,499,524	1,330,109,194	1,581,127,008	1,628,497,213	1,439,355,286
E-TV	707,516,286	2,206,835,084	2,527,486,043	3,014,440,260	3,408,851,752
SABC TV	1,535,774,482	5,582,425,100	6,849,807,114	7,004,763,713	6,872,755,223
Grand Tot	2,994,488,413	11,384,153,891	15,772,029,117	18,679,773,719	21,248,803,898
	2005	2006	2007	2008	2009
	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure
CSN TV	1.50%	1.30%	1.00%	0.50%	0.50%
DSTV	8.90%	18.60%	29.50%	37.10%	44.40%
E-TV	23.60%	19.40%	16.00%	16.10%	16.00%
MNET	14.60%	11.70%	10.00%	8.70%	6.80%
SABC TV	51.30%	49.00%	43.40%	37.50%	32.30%
Grand Tot	2,994,488,413	11,384,153,891	15,772,029,117	18,679,773,719	21,248,803,898
Source Addynamix 2009					

2. Figures and model

Figure 1: Items used to build the GTPB model variables and constructs

SME - Elements and Variables		Scale
Ksi1 Normative influence	x1 Gated influence	
	Shifting segmentation	
	v9k You use the same target segmentation method for new media as you do with traditional media	5-pnt agree
	Flexibility	
	v10a New media forms are more flexible than traditional	5-pnt aware
	v10b Flexibility of new media implies there is participation from the user	5-pnt aware
	v10c Flexibility of new media allows for continuous feedback	5-pnt aware
	v10i New media enhances Customer Relations Marketing (CRM)	5-pnt aware
	v10j You can use feedback to improve product design and enhance customer satisfaction	5-pnt aware
	Co-production	
	v11a Platforms for negative comments	5-pnt agree
	v11b Out of control word of mouth	5-pnt agree
	v11c More possibility of negative publicity	5-pnt agree
	v11d Participants altering the brand identity	5-pnt agree
	v11e Participants altering the message	5-pnt agree
	x2 Agency influence	
	Confusion regarding new roles between marketer and agency deter investment intention	
	v9d It is clear the extent to which an agency or to which you are responsible for managing new media	5-pnt agree
v9e Your role in new media is as clear as it is for traditional media	5-pnt agree	
Marketers' lack of awareness regarding opportunities to engage directly with consumers limit investment intention		
v10d Participation implies there is engagement as participants have opted in	5-pnt agree	
v10e Participation implies a more captive audience	5-pnt agree	
v10f Feedback allows participants to contribute to product/service idea generation	5-pnt agree	
v10g Feedback is a form of research to assess customers needs	5-pnt agree	
v10h New media empowers you to have direct contact with consumers	5-pnt agree	
Existing relationships between marketer and traditional ad agency limit investment intention		
v12a Your current agency has expertise in traditional media	5-pnt agree	
v12b Your current agency has expertise in new media (digital)	5-pnt agree	
v12c Your current agency has relationships with experts in new media	5-pnt agree	
v12d Your organisation has been dealing with the same agency for a long time	5-pnt agree	
v12e Your organisation has specifications (directive) about which agency to use	5-pnt agree	
v12f Your organisation has preferential rates with your current agency	5-pnt agree	
v12g Your organisation gets great service from your current agency	5-pnt agree	
v12h Your organisation is willing to engage with multiple media agencies	5-pnt agree	
v12i Your organisation prefers to use generalist agencies	5-pnt agree	
x3 Opinion leaders		
v9s Credible opinion leaders exist in new media space	5-pnt agree	
Ksi2 External constraints	x4 Resource facilitating conditions	
	Entry costs inhibit investment intentions	
	v9p Entry costs to new media are high	5-pnt agree
	v9q You need additional resources (People) to manage new media effectively	5-pnt agree
	Marketers do not have access to training on new media that limits investment	
	v9r Your organisation provides training on new media	5-pnt agree
	New skills required do not form part of KPI that limits knowledge building in the field that limits investment	
	v9t New media is incorporated into key performance indicators (performance evaluation) for marketing staff at your organisation	5-pnt agree
	NO PROPOSITION. MOVED FROM ROUTINES: "Budgets are built based on methods..."	
	v5a How do you currently set your advertising budget	nominal
	x5 Technology facilitating conditions	
	Marketers have limited access to digital platforms within their organisation that limits investment intentions	
v9l You have access to email at your organisation	5-pnt agree	
v9m You have access to social media (e.g. Facebook etc) at your organisation	5-pnt agree	
v9n You have access to the internet at your organisation	5-pnt agree	
Internet reliability impacts investment intentions		
v9u Your organisations internet inhibits your ability to use new media (e.g. speed, firewalls/access to sites, bandwidth, etc)	5-pnt agree	
x6 Production facilitating conditions		
Complexities in set-up and production decisions deter investment		
v6b1 To set up new media is complex	5-pnt agree	
v6b2 Designing content is complex	5-pnt agree	
v6b3 Content updating is overwhelming	5-pnt agree	



Ksi3 Institutional constraints	x7 Market pressure		
	Measurement metrics are not clearly understood and limits investment		
	Measure ROI with... (difference between rating of new and traditional media)		
	v5b1 Reach		5-pnt agree
	v5b2 Frequency		5-pnt agree
	v5b3 Audience ratings (ARs)		5-pnt agree
	v5b4 Cost per thousand (CPM)		5-pnt agree
	v5b5 Pay per inclusion (PPI)		5-pnt agree
	v5b6 Cost per engagement		5-pnt agree
	v5b7 Cost per click (CPC)		5-pnt agree
	v5b8 Cost per impression (CPI)		5-pnt agree
	v5b9 Click-through rate		5-pnt agree
	v5b10 Share of voice (SOV)		5-pnt agree
	v5b11 Audience engagement		5-pnt agree
	v5b12 Conversation reach		5-pnt agree
	v5b13 Awareness		5-pnt agree
	v5b14 Database uptake		5-pnt agree
	v5b15 Sales conversions		5-pnt agree
	Understand ROI measure:		
	v5d1 Reach		5-pnt understand
	v5d2 Frequency		5-pnt understand
	v5d3 Audience ratings (ARs)		5-pnt understand
	v5d4 Cost per thousand (CPM)		5-pnt understand
	v5d5 Pay per inclusion (PPI)		5-pnt understand
	v5d6 Cost per engagement		5-pnt understand
v5d7 Cost per click (CPC)		5-pnt understand	
v5d8 Cost per impression (CPI)		5-pnt understand	
v5d9 Click-through rate		5-pnt understand	
v5d10 Share of voice (SOV)		5-pnt understand	
v5d11 Audience engagement		5-pnt understand	
v5d12 Conversation reach		5-pnt understand	
v5d13 Awareness		5-pnt understand	
v5d14 Database uptake		5-pnt understand	
v5d15 Sales conversions		5-pnt understand	
	Changing nature of digital makes it complicated to asses and compare effectiveness of measurement		
	v5e1 New media is changing too fast to have objective measures		5-pnt agree
	v5e2 There is clear set of objective methods that are used to measure new media performance on ongoing basis		5-pnt agree
	x8 Industry pressure		
	Marketers are influenced by industry behaviour and this deters investment intentions		
	v4c In your industry, what would you say is split of investment between new vs traditional media		%
	v4d In your industry, what would you say is the % of your customers to be active online		%
	v9o When new media forms become more popular in the industry, you will be more willing to invest		5-pnt agree
Ksi4 Organisational constraints	x9 Routines		
	Budgets are built based on methods that do not consider market trend opportunities and limit investment intentions		
	v4a In your media marketing budget, what is split between each of these types of media		%
	Comparisons to traditional media		
	These ROI measures should be adapted in interpretation when dealing with new media		
	v5c1 Reach		5-pnt agree
	v5c2 Frequency		5-pnt agree
	v5c3 Audience ratings (ARs)		5-pnt agree
	v5c4 Cost per thousand (CPM)		5-pnt agree
	v5c5 Pay per inclusion (PPI)		5-pnt agree
	v5c6 Cost per engagement		5-pnt agree
	v5c7 Cost per click (CPC)		5-pnt agree
	v5c8 Cost per impression (CPI)		5-pnt agree
	v5c9 Click-through rate		5-pnt agree
	v5c10 Share of voice (SOV)		5-pnt agree
v5c11 Audience engagement		5-pnt agree	
v5c12 Conversation reach		5-pnt agree	
v5c13 Awareness		5-pnt agree	
v5c14 Database uptake		5-pnt agree	
v5c15 Sales conversions		5-pnt agree	



Ksi5 Internal factors	x11 Self efficiency	
	Marketers' lack of experience affects willingness to invest	
	Personally using following new media type (time period)...	5-pnt (not use) -> (5+ yrs)
	v7a1 Social networks	5-pnt (not use) -> (5+ yrs)
	v7a2 Search engines	5-pnt (not use) -> (5+ yrs)
	v7a3 Email	5-pnt (not use) -> (5+ yrs)
	v7a4 Blogs	5-pnt (not use) -> (5+ yrs)
	v7a5 Web enabled mobile technology	5-pnt (not use) -> (5+ yrs)
	v7a6 User-generated content	5-pnt (not use) -> (5+ yrs)
	v7a7 Online videos	5-pnt (not use) -> (5+ yrs)
	v7a8 Podcasts	5-pnt (not use) -> (5+ yrs)
	v7a9 Aggregating tools (online Maps etc)	5-pnt (not use) -> (5+ yrs)
	v7a10 Other social media	5-pnt (not use) -> (5+ yrs)
	v7a12 E-commerce	5-pnt (not use) -> (5+ yrs)
v9j You are an expert in new media forms	5-pnt agree	
Marketers' lack of experience affects ability to integrate new media into strategy		
v9v You set specific objectives for new media	5-pnt agree	
v9w Your new media strategy is formulated based on the objectives you set	5-pnt agree	
v9x The new media measurement metrics are derived from objectives	5-pnt agree	
Ksi6 Attitude	x12 Perceived usefulness	
	Marketers' impression that new media will enhance their status serve as investment incentive	
	v9g New media forms will enhance the performance of your brands	5-pnt agree
	v9h An improved brand performance using new media will enhance my career prospects	5-pnt agree
	Impressions of influence over society will enhance perceptions of usefulness	
	v9i New media forms have changed the way society interacts	5-pnt agree
	Marketers' position in company influences their perceptions of new media	
	v17 Job function	ordinal
	x13 Perceived ease of use	
	Marketers' technology orientation influences their perceptions that limit investment intention	
	When using these platforms in your personal capacity, how easy do you find them to use	
	v7b1 Social networks	5-pnt easy - complicated
	v7b2 Search engines	5-pnt easy - complicated
	v7b3 Email	5-pnt easy - complicated
v7b4 Blogs	5-pnt easy - complicated	
v7b5 Web enabled mobile technology	5-pnt easy - complicated	
v7b6 User-generated content	5-pnt easy - complicated	
v7b7 Online videos	5-pnt easy - complicated	
v7b8 Podcasts	5-pnt easy - complicated	
v7b9 Aggregating tools (online Maps etc)	5-pnt easy - complicated	
v7b10 Other social media	5-pnt easy - complicated	
v7b12 E-commerce	5-pnt easy - complicated	
Marketers' lack of experience with new media influences perceptions that affect investment intention		
New media's ease of use from a marketer's perspective		
v7c1 I find new media platforms easy to use	5-pnt agree	
v7c2 Investing in new media would be easy for me to do	5-pnt agree	
v7c3 It would be easy for me to become skilful at new media	5-pnt agree	

Figure 2: GTPB model with the variables and constructs

See attached spreadsheet

3. Final converted questionnaire:

RESPONDENT INFORMATION:		MR	MR S	MS	PROF/D R					
						INTERVIEWER NUMBER:				
						24-	25-	26-	27-	28-
FIRST NAME		SURNAME				INTERVIEW COMPLETED ON (DATE):				
						29-				2010
RESPONDENT ADDRESS:						INTERVIEW TIME (IN MINUTES):				
STREET NAME AND NO.										
COMPLEX/FLAT NAME:										
SUBURB:										
TOWN:										
TELEPHONE NO. WORK:		TELEPHONE NO. HOME:		CELL TELEPHONE NUMBER:						
RESPONDENT: I certify that the details of my address and phone numbers are correct as recorded.						SIGNED: _____				
INTERVIEWER: I hereby certify that this interview has been carried out by me according to the instructions I received from Markinor and has been checked. PRINT YOUR NAME:						PRINT DRIVER NAME:				
SIGNED: _____						PRINT TEAM MEMBER NAME:				
						SIGNED BY TEAM MEMBER: _____				
BACKCHECK:										
Personal 36-1		PRINT YOUR NAME:		BRANCH NAME:						
Telephone 37-2		PRINT YOUR NAME:		CHECKER: PRINT YOUR NAME:						
Neither 38-3		PRINT YOUR NAME:		EDITOR: PRINT YOUR NAME:						
QUALITY DEPARTMENT				EDITING DEPARTMENT						
PAGE AND QUESTION NUMBERS WITH ERRORS		INTERVIEWER	VERIFIED BY FIELD SUPERVISOR	7.3.1.1	PAGE AND QUESTION NUMBERS WITH ERRORS		INTERVIEWER	VERIFIED BY FIELD SUPERVISOR		
				7.3.1.2						

INTRODUCTION: Good day, my name is.... I am doing an interviewing on behalf of Ipsos-Markinor. We are conducting research on 'new media' to explore the factors that limit or facilitate adoption of this new advertising medium. Our interview is expected to last about twenty minutes, and will help us understand the perceptions surrounding this developing area in South Africa. Please could I have a few minutes of your time?

Please be assured that this is a confidential study to gauge opinions of senior decision makers when it comes to marketing and not a sales call. All comments you make during the course of the interview will be treated in the strictest confidence and no responses will be attributed to individuals.

READ OUT: In this research we will be referring to 'traditional media' and advertising that incorporate all classic mass mediums that are offline such as Television, press, outdoor, in-store etc. When we refer to 'new media', we will be incorporating most of the digital forms of media, such as social networks or media, search media, internet, email and so on.

SCREENER QUESTIONS

A. ASK ALL: This is a survey among people with certain occupations. Please can you tell me what your occupation is? READ OUT INTERVIEWER TO ALSO USE THE LIST TO HELP WITH THE CATEGORISATION	1. Marketing	40-1	CONTINUE
	2. Branding	-2	
	3. Other	-3	CLOSE
	4. Unemployed	-4	
B. ASK ALL: Are you a key decision maker in deciding on advertising investments in your organization?	1. Yes	41-1	
	2. No	-2	CLOSE
C. ASK ALL: Which type of industry do you work in? OMO - READ OUT, CHECK QUOTAS	1. Automotive	42-1	
	2. Telecommunication s	-2	
	3. FMCG	-3	
	4. Banking	-4	
	5. Retail	-5	
	6. Other	-6	CLOSE

CURRENT BEHAVIOUR			
READ OUT: In this section we are looking at your current usage of various media forms both at home and in your organisation			
<p>4a. ASK ALL: Thinking about your media marketing budget, how much money would you say you currently allocate to each of the following types of media? You can allocate some, none or all to allow highlights to add to 100% and split thereafter.</p> <p>READ OUT</p>	1	Banner advertising (Banners on big media sites such as News24 etc)	43
	Search marketing (Google etc.)		
	2	Of which Google	46
	3	Of which Bing	49
	4	Other	52
	Social Network sites		
	5	Of which Facebook	55
	6	Of which Twitter	58
	7	Of which Photo sharing sites	61
	8	Other	64
	Video Media		
	9	Of which YouTube	67
	10	Other	70
	Mobile advertising		
	11	Of which AdMOB	73
	12	Of which Mobisites	76
	13	Other	79
	Other Social Media, such as blogs		
	14	Other Social Media, such as blogs	82
	Traditional media		
	15	Of which TV	85
	16	Of which Press	88
	17	Of which outdoor	91
18	Of which cinema	94	
19	Of which radio	97	
20	Other	100	
Direct digital marketing			
21	Of which internet	103	
22	SMS	106	
23	Other	109	
TOTAL MUST BE 100%			100%

4b. ASK ALL: Still thinking about your new media investments. How much of the total budget do you allocate to the production and content management, as well as to the advertising portion?	1	Production and content management	.....	112
	2	Advertising portion	.....	115
	TOTAL MUST BE 100%			100%

4b.1. ASK ALL: Which agency do you use for the production and content management portion?	.....	118
4b.2. ASK ALL: Which agency do you use for the advertising portion?	.....	121

4c. ASK ALL: Thinking about your industry, what would you say the split of investment is between new media and traditional media as a whole?	1	New media	.....	124
	2	Traditional media	.....	127
	TOTAL MUST BE 100%			100%

4d ASK ALL: Still thinking about your industry, what would you estimate to be the percentage (%) of your customers to be active online? INTERVIEWER NOTE: EACH CHOICE IS RATED OUT OF 100% READ OUT	1.	E-mail exclusively	.....	130
	2.	Internet exclusively	.....	133
	3.	Both Email and Internet	.....	136
	4.	Not active	.....	139

5.a ASK ALL: How do you currently set your advertising budget? Is it ... (READ OUT)		Yes	No	
	1.	Inflation based	151-1	-2
	2.	Incremental based on last year	152-1	-2
	3.	% of sales	153-1	-2
	4.	Intuition	154-1	-2
	5.	Based on consumer habits	155-1	-2

	6. Based on the target market for launches	156-1	-2
	7. Based on market trends	157-1	-2
	8. Other (specify)	158-1	-2
		

5.b.1 **ASK ALL:** Thinking of the most **appropriate ways** to measure return on investment (ROI) for media performance?
 Using the following 5 point scale where:

5 = strongly agree

4 = agree

3 = neither agree nor disagree

2 = disagree

1 = strongly disagree

To what extent would you agree or disagree that the following options are **appropriate for traditional media**?

READ OUT, RANDOMISE	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)
a. Reach	161-5	-4	-3	-2	-1	-6
b. Frequency	162-5	-4	-3	-2	-1	-6
c. Audience ratings (AR's)	163-5	-4	-3	-2	-1	-6
d. Cost per thousand (CPM)	164-5	-4	-3	-2	-1	-6
e. Pay per inclusion (PPI)	165-5	-4	-3	-2	-1	-6
f. Cost per engagement	166-5	-4	-3	-2	-1	-6
g. Cost per click (CPC)	167-5	-4	-3	-2	-1	-6
h. Cost per impression (CPI)	168-5	-4	-3	-2	-1	-6
i. Click-through rate	169-5	-4	-3	-2	-1	-6
j. Share of voice (SOV)	170-5	-4	-3	-2	-1	-6
k. Audience engagement	171-5	-4	-3	-2	-1	-6
l. Conversation reach	172-5	-4	-3	-2	-1	-6
m. Awareness	173-5	-4	-3	-2	-1	-6
n. Database uptake	174-5	-4	-3	-2	-1	-6

o.	Sales conversions	175-5	-4	-3	-2	-1	-6
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5.b.2 **ASK ALL:** Still thinking of the most **appropriate ways** to measure return of investment (ROI) for media performance? And using the same scale to what extent would you agree or disagree that the following options are **appropriate for new media?**

READ OUT, RANDOMISE		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)
a.	Reach	181-5	-4	-3	-2	-1	-6
b.	Frequency	182-5	-4	-3	-2	-1	-6
c.	Audience ratings (AR's)	183-5	-4	-3	-2	-1	-6
d.	Cost per thousand (CPM)	184-5	-4	-3	-2	-1	-6
e.	Pay per inclusion PPI	185-5	-4	-3	-2	-1	-6
f.	Cost per engagement	186-5	-4	-3	-2	-1	-6
g.	Cost per click (CPC)	187-5	-4	-3	-2	-1	-6
h.	Cost per impression (CPI)	188-5	-4	-3	-2	-1	-6
i.	Click-through rate	189-5	-4	-3	-2	-1	-6
j.	Share of voice (SOV)	190-5	-4	-3	-2	-1	-6
k.	Audience engagement	191-5	-4	-3	-2	-1	-6
l.	Conversation reach	192-5	-4	-3	-2	-1	-6
m.	Awareness	193-5	-4	-3	-2	-1	-6
n.	Database uptake	194-5	-4	-3	-2	-1	-6
o.	Sales conversions	195-5	-4	-3	-2	-1	-6

5.c **ASK ALL:** And now thinking about the return on investment for **each attribute**, to what extent would you agree or disagree that these measures should be adapted in interpretation when dealing with **new media**? Still using the same scale, to what extent would you agree or disagree that these measures should be adapted in interpretation when dealing with **new media**?

READ OUT, RANDOMISE	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)
a. Reach	201-5	-4	-3	-2	-1	-6
b. Frequency	202-5	-4	-3	-2	-1	-6
c. Audience ratings (AR's)	203-5	-4	-3	-2	-1	-6
d. Cost per thousand (CPM)	204-5	-4	-3	-2	-1	-6
e. Pay per inclusion PPI	205-5	-4	-3	-2	-1	-6
f. Cost per engagement	206-5	-4	-3	-2	-1	-6
g. Cost per click (CPC)	207-5	-4	-3	-2	-1	-6
h. Cost per impression (CPI)	208-5	-4	-3	-2	-1	-6
i. Click-through rate	209-5	-4	-3	-2	-1	-6
j. Share of voice (SOV)	210-5	-4	-3	-2	-1	-6
k. Audience engagement	211-5	-4	-3	-2	-1	-6
l. Conversation reach	212-5	-4	-3	-2	-1	-6
m. Awareness	213-5	-4	-3	-2	-1	-6
n. Database uptake	214-5	-4	-3	-2	-1	-6
o. Sales conversions	215-5	-4	-3	-2	-1	-6

5.d **ASK ALL:** Still thinking about the same measures please tell me to what extent you would say you understand each one?

Using the following 5 point scale where:

5 = Clearly understand

4 = Understand

3 = Neither understand nor do not understand

2 = Do not understand that well

1 = Do not understand at all

To what extent would you say you understand each of the following measures I read out to you...

READ OUT, RANDOMISE		Clearly understand	Understand	Neither understand nor do not understand	Do not understand that well	Do not understand at all	Don't know (DNRO)
a.	Reach	221-5	-4	-3	-2	-1	-6
b.	Frequency	222-5	-4	-3	-2	-1	-6
c.	Audience ratings (AR's)	223-5	-4	-3	-2	-1	-6
d.	Cost per thousand (CPM)	224-5	-4	-3	-2	-1	-6
e.	Pay per inclusion PPI	225-5	-4	-3	-2	-1	-6
f.	Cost per engagement	226-5	-4	-3	-2	-1	-6
g.	Cost per click (CPC)	227-5	-4	-3	-2	-1	-6
h.	Cost per impression (CPI)	228-5	-4	-3	-2	-1	-6
i.	Click-through rate	229-5	-4	-3	-2	-1	-6
j.	Share of voice (SOV)	230-5	-4	-3	-2	-1	-6
k.	Audience engagement	231-5	-4	-3	-2	-1	-6
l.	Conversation reach	232-5	-4	-3	-2	-1	-6
m.	Awareness	233-5	-4	-3	-2	-1	-6

n.	Database uptake	234-5	-4	-3	-2	-1	-6
o.	Sales conversions	235-5	-4	-3	-2	-1	-6

5.e **ASK ALL:** Using the 5 point scale where:

5 = strongly agree

4 = agree

3 = neither agree nor disagree

2 = disagree

1 = strongly disagree

And still thinking about **the measures and the changing nature of new media**, please tell me to what extent you agree or disagree that...?

READ OUT	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)
a. New media is changing too fast to have objective measures	241-5	-4	-3	-2	-1	-6
b. There are a clear set of objective methods that are used to measure new media performance on an ongoing basis	242-5	-4	-3	-2	-1	-6

6a ASK ALL: Thinking only about new media, what media agency do or would you use for your production requirements READ OUT		OMO	
	1. Traditional media agency	243-1	
	2. Specialised digital agency inside your existing media agency	-2	
	3. Specialised digital agency	-3	
8. Other (specify) 	-4		

6b **ASK ALL:** Using the 5 point scale where:

5 = strongly agree

4 = agree

3 = neither agree nor disagree

2 = disagree

1 = strongly disagree

And thinking about **production** to what extent do you agree or disagree that...?

READ OUT	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)
a. To set up new media is complex	245-5	-4	-3	-2	-1	-6
b. Designing content is complex	246-5	-4	-3	-2	-1	-6
c. Content updating is overwhelming	247-5	-4	-3	-2	-1	-6

7a.1 ASK ALL: Which of these new media types are you personally using? INTERVIEWER RECORD IN COLUMN 1 BELOW, READ OUT MMP					
7a.2 ASK FOR EACH MENTIONED IN 7a.1, READ OUT: And using the following scale please could you state how long would you say you have been using each? When it comes to ... (INSERT ITEMS FROM 7a.1) have you been using it for...					
1 = Less than 1 year					
2 = 1-2 years					
3 = 3-4 years					
4 = 5 or more years					
READ OUT	Q7A	Q7B Period using for			
	Using	Less than 1 year	1-2 years	3-4 years	5 or more years
a. Social networks (Facebook, twitter, My space, Flickr etc...)	251-1	271-1	-2	-3	-4
b. Search engines (Google, Yahoo, Firefox etc.)	252-2	272-1	-2	-3	-4
c. Email	253-3	273-1	-2	-3	-4
d. Blogs	254-4	274-1	-2	-3	-4
E. Web enabled mobile technology (Mobisites, surfing the web etc.)	255-5	275-1	-2	-3	-4
f. User-generate content (Wikipedia etc.)	256-6	276-1	-2	-3	-4
g. Online videos (You tube etc.)	257-7	277-1	-2	-3	-4
h. Podcasts	258-8	278-1	-2	-3	-4
i. Aggregating tools (online Maps, Google Maps etc.)	259-9	279-1	-2	-3	-4
j. Other Social media (Virtual worlds, gaming , social bookmarking, music sharing etc.)	260-0	280-1	-2	-3	-4
k. Open source software (Mcfee, Tweet deck, Yola, Google APS, Skype etc.)	261-1	281-1	-2	-3	-4

l	E-commerce	262-2	282-1	-2	-3	-4
m	Online banking	263-3	283-1	-2	-3	-4
n.	None of these	264-8				

*Definition of user-generated content: also known as Consumer Generated Media (CGM) or User-Created Content (UCC), and refers to various kinds of media content, publicly available, that are produced by end users, for example the Simba chip campaign.

7b **ASK FOR EACH MENTIONED IN 7a.1, READ OUT:** When using these platforms in your personal capacity how easy would you say you find them to use? Would you say you find them...?

5 = Extremely easy to use

4 = Relatively easy to use

3 = Neither easy nor complicated to use

2 = Relatively complicated to use

1 = Very complicated to use

Let's start with ... (INSERT ITEMS FROM 7a.1)

READ OUT	Extremely easy to use	Relatively easy to use	Neither easy nor complicated to use	Relatively complicated to use	Very complicated to use	Don't know (DNRO)
a. Social networks (Facebook, twitter, My space, Flickr etc...)	291-5	-4	-3	-2	-1	-6
b. Search engines (Google, Yahoo, Firefox etc ...)	292-5	-4	-3	-2	-1	-6
c. Email	293-5	-4	-3	-2	-1	-6
d. Blogs	294-5	-4	-3	-2	-1	-6
E. Web enabled mobile technology (Mobisites, surfing the web etc)	295-5	-4	-3	-2	-1	-6
f. User-generate content (Wikipedia etc)	296-5	-4	-3	-2	-1	-6
g. Online videos (You tube etc)	297-5	-4	-3	-2	-1	-6
h. Podcasts	298-5	-4	-3	-2	-1	-6
i. Aggregating tools (online Maps, Google Maps etc)	299-5	-4	-3	-2	-1	-6
j. Other Social media (Virtual worlds, gaming , social bookmarking, music sharing etc)	300-5	-4	-3	-2	-1	-6
k. Open source software (Mcfee, Tweet deck, Yola, Google APS, Skype etc)	301-5	-4	-3	-2	-1	-6

l	E-commerce	302-5	-4	-3	-2	-1	-6
m	Online banking	303-5	-4	-3	-2	-1	-6
<p>*Definition of user-generated content: also known as Consumer Generated Media (CGM) or User-Created Content (UCC), and refers to various kinds of media content, publicly available, that are produced by end users, for example the Simba chip campaign.</p>							

7c **ASK ALL:** Using the following the scale where:

5 = strongly agree
4 = agree
3 = neither agree nor disagree
2 = disagree
1 = strongly disagree

To what extent do you agree that these examples reflect new media's ease of use from a marketer's perspective...?

		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)
	READ OUT						
a.	I find new media platforms easy to use	305-5	-4	-3	-2	-1	-6
b.	Investing in new media would be easy for me to do	306-5	-4	-3	-2	-1	-6
c.	It would be easy for me to become skilful at new media	307-5	-4	-3	-2	-1	-6

ATTITUDES

8 **ASK ALL:** Here are a few things that people like you have said about traditional media (such as TV radio and print). Using the following 5 point scale where:

5 = strongly agree

4 = agree

3 = neither agree nor disagree

2 = disagree

1 = strongly disagree

To what extent you agree or disagree with the following statements?

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)
READ OUT						
a. Traditional media will always be the main form of media	311-5	-4	-3	-2	-1	-6
b. Traditional media has a better return on investment	312-5	-4	-3	-2	-1	-6
c. Traditional advertising agencies are not equipped to manage new media	313-5	-4	-3	-2	-1	-6
d. Your organisation will never consider other media forms than traditional	314-5	-4	-3	-2	-1	-6
e. It is easier to continue implementing traditional media than to try to implement new forms	315-5	-4	-3	-2	-1	-6
f. SA consumers are very traditional and so traditional media will always work here	316-5	-4	-3	-2	-1	-6

9 **ASK ALL:** Here are some things that people like you have said about new media forms (such as Twitter, cell phone advertising, YouTube, etc). Using the following 5 point scale where:

5 = strongly agree

4 = agree

3 = neither agree nor disagree

2 = disagree

6 = strongly disagree

To what extent you agree or disagree with the following statements?

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)
READ OUT, RANDOMISE						
a. New media forms are the way of the future and companies who do not accept this will be left behind	321-5	-4	-3	-2	-1	-6
b. New media forms are great, but there will always be a place for traditional media	322-5	-4	-3	-2	-1	-6
c. Not enough is known today about how to target consumers using new forms of media	323-5	-4	-3	-2	-1	-6
d. It is clear the extent to which an agency or to which you are responsible for managing new media	324-5	-4	-3	-2	-1	-6
e. Your role in new media is as clear as it is for traditional media	325-5	-4	-3	-2	-1	-6
f. There is a need for specialist advertising agencies when it comes to new media forms	326-5	-4	-3	-2	-1	-6
g. New media forms will enhance the performance of your brands	327-5	-4	-3	-2	-1	-6

h	An improved brand performance using new media will enhance my career prospects	328-5	-4	-3	-2	-1	-6
i	New media forms have changed the way society interacts	329-5	-4	-3	-2	-1	-6
j	You are an expert in new media forms	330-5	-4	-3	-2	-1	-6
k	You use the same target segmentation method for new media as you do with traditional media	331-5	-4	-3	-2	-1	-6
l	You have access to email at your organisation	332-5	-4	-3	-2	-1	-6
m	You have access to social media (e.g. Facebook etc) at your organisation	333-5	-4	-3	-2	-1	-6
n	You have access to the internet at your organisation	334-5	-4	-3	-2	-1	-6
o	When new media forms become more popular in the industry, you will be more willing to invest	335-5	-4	-3	-2	-1	-6
p	Entry costs to new media are high	336-5	-4	-3	-2	-1	-6
q	You need additional resources (People) to manage new media effectively	337-5	-4	-3	-2	-1	-6
r	Your organisation provides training on new media	338-5	-4	-3	-2	-1	-6
s	Credible opinion leaders exist in new media space	339-5	-4	-3	-2	-1	-6
t	New media is incorporated into key performance indicators (performance evaluation) for marketing staff at your organisation	340-5	-4	-3	-2	-1	-6
u	Your organisations internet inhibits your ability to use new media (e.g. speed, firewalls/access to sites, bandwidth,etc)	341-5	-4	-3	-2	-1	-6
v	You set specific objectives for new media	342-5	-4	-3	-2	-1	-6
w	Your new media strategy is formulated based on the objectives you set	343-5	-4	-3	-2	-1	-6
x	The new media measurement metrics are derived from objectives	344-5	-4	-3	-2	-1	-6

10 **ASK ALL:** Here are examples of statements that people have made about new media and its interactive nature. Please tell me to which extent you are aware of each of these statements on the following scale:

5= Well aware

4 = Aware

3 = Not sure

2 = Not really aware

1 = Not aware at all

		Well aware	Aware	Not sure	Not really aware	Not aware at all	Don't know (DNRO)
	READ OUT, RANDOMISE						
a.	New media forms are more flexible than traditional	351-5	-4	-3	-2	-1	-6
b.	Flexibility of new media implies there is participation from the user	352-5	-4	-3	-2	-1	-6
c	Flexibility of new media allows for continuous feedback	353-5	-4	-3	-2	-1	-6
d	Participation implies there is engagement as participants have opted in	354-5	-4	-3	-2	-1	-6
e	Participation implies a more captive audience	355-5	-4	-3	-2	-1	-6
f	Feedback allows participants to contribute to product/service idea generation	356-5	-4	-3	-2	-1	-6
g	Feedback is a form of research to asses customers needs	357-5	-4	-3	-2	-1	-6
h	New media empowers you to have direct contact with consumers	358-5	-4	-3	-2	-1	-6
i	New media enhances Customer Relations Marketing (CRM)	359-5	-4	-3	-2	-1	-6

j	You can use feedback to improve product design and enhance customer satisfaction	360-5	-4	-3	-2	-1	-6
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11 **ASK ALL:** Here are other examples how new media is differentiated from traditional media. Using the following 5 point scale

5 = strongly agree

4 = agree

3 = neither agree nor disagree

2 = disagree

1 = strongly disagree

To what extent you agree or disagree with the following statements, that the interactive nature of new media leaves you open to?

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)
READ OUT						
a. Platforms for negative comments	361-5	-4	-3	-2	-1	-6
b. Out of control word of mouth	362-5	-4	-3	-2	-1	-6
c. More possibility of negative publicity	363-5	-4	-3	-2	-1	-6
d. Participants altering the brand identity	364-5	-4	-3	-2	-1	-6
e. Participants altering the message	365-5	-4	-3	-2	-1	-6

12a **ASK ALL:** Here are statements that refer to your current advertising agency. Using the following 5 point scale where

5 = strongly agree

4 = agree

3 = neither agree nor disagree

2 = disagree

1 = strongly disagree

To what extent you agree or disagree with the following statements?

		Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)
	READ OUT, RANDOMISE						
a.	Your current agency has expertise in traditional media	371-5	-4	-3	-2	-1	-6
b.	Your current agency has expertise in new media (digital)	372-5	-4	-3	-2	-1	-6
c.	Your current agency has relationships with experts in new media	373-5	-4	-3	-2	-1	-6
d.	Your organisation has been dealing with the same agency for a long time	374-5	-4	-3	-2	-1	-6
e.	Your organisation has specifications (directive) about which agency to use	375-5	-4	-3	-2	-1	-6
f.	Your organisation has preferential rates with your current agency	376-5	-4	-3	-2	-1	-6
g.	Your organisation gets great service from your current agency	377-5	-4	-3	-2	-1	-6
h.	Your organisation is willing to engage with multiple media agencies	378-5	-4	-3	-2	-1	-6

i	Your organisation prefers to use generalist agencies	379-5	-4	-3	-2	-1	-6
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12b **ASK ALL:** Here are some things that people like you have said about digital / new media agencies. Using the same 5 point scale to what extent you agree or disagree with the following statements?

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know (DNRO)	
	READ OUT, RANDOMISE						
a.	New media agency services are too fragmented	381-5	-4	-3	-2	-1	-6
b.	New media agencies are too specialised	382-5	-4	-3	-2	-1	-6
c	New media agencies should offer multiple online services	383-5	-4	-3	-2	-1	-6
d	New media agencies client service people are too technical	384-5	-4	-3	-2	-1	-6
e	If the same new media agency deals with all aspects of my online campaign I will have better chance of success	385-5	-4	-3	-2	-1	-6
f	New media agency client service staff understand my overall media strategy	386-5	-4	-3	-2	-1	-6
g	It is more cost effective for me to deal with one online agency	387-5	-4	-3	-2	-1	-6
h	New media agency staff explain online concepts regularly	388-5	-4	-3	-2	-1	-6
i	It saves me time to only deal with one online digital specialist	389-5	-4	-3	-2	-1	-6
j	I would be more prepared to invest in digital if there was one agency who could provide all my online needs	390-5	-4	-3	-2	-1	-6
k	New media agencies should be incorporated under my traditional media agency	391-5	-4	-3	-2	-1	-6
l	New media is aligned to my total media campaigns	392-5	-4	-3	-2	-1	-6

m	I trust my new media agency	393-5	-4	-3	-2	-1	-6
n	New media agencies must work closely with my traditional media agency	394-5	-4	-3	-2	-1	-6
o	New media agencies should deal directly with my traditional media agency	395-5	-4	-3	-2	-1	-6
p	Digital agencies should provide training to marketers	396-5	-4	-3	-2	-1	-6
q	New media agencies should deal directly with me	397-5	-4	-3	-2	-1	-6

INTENTION			
13a	ASK ALL: Thinking of your marketing budget and your media/ advertising investments, how likely are you to invest in new media in the future? READ OUT	Extremely likely	401-5
		Likely	-4
		Neither likely nor unlikely	-3
		Unlikely	-2
		Extremely unlikely	-1
		Don't know (DNRO)	-6

13b	ASK ALL: And when would you be most likely to invest in new media? Would you say you would invest ...? OUT	1 Within the next 3 months	402-1
		2 More than 3 months but less than a year	-2
		3 1 year	-3
		4 2-3 years	-4
		5 More than 3 years	-5
		6 Never	-6

DEMOGRAPHICS			
14	ASK ALL: For statistical purposes, I would like to record the type of organization you work for. Is it? READ OUT	1 Brand manufacturer	403-1
		2 Advertising	-2
		3 Marketing	-3
15	RECORD GENDER	1 Male	404-1
		2 Female	-2
16	RECORD RACE	1 Black	405-1
		2 White	-2
		3 Coloured	-3
		4 Indian	-4
17	ASK ALL: Please can you tell me more about what job function you fall into? Which one of the following would best describe your job function? READ OUT	1 Marketing assistant	406-01
		2 Junior product/ brand manager	-02
		3 Product manager	-03
		4 Brand manager	-04
		5 Marketing manager	-05
		6 Marketing director	-06
		7 Other (PLEASE SPECIFY)	-07
.....			
18	ASK ALL: Please can you tell me how old you are?	1 20-25 years	410-1

..... years

<p>RECORD EXACT AGE IN YEARS IN THE SPACE BELOW</p> <p style="text-align: center;">408</p>	2	26-30 years	-2
	3	31-35 years	-3
	4	36-40 years	-4
	5	41 years or more	-5
	THANK REPENDENT AND CLOSE		

<p>L8. Would you give permission for us to contact you again in the future for research purposes?</p>	1. Yes	411-1
	2. No	-2

<p>L9. IF YES: Would you please give me your e-mail address?</p> <p>1. Yes</p> <p>.....</p> <p>2. No</p>
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