SOCIAL MEDIA TOOLS INFLUENCING CUSTOMER PURCHASING BEHAVIOUR
IN THE RETAIL ENVIRONMENT

By

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Supervisor: Dr. C. Rootman
DEDICATION

This dissertation is dedicated to my parents, Kenneth and Christelle Scholtz. I hope I have made you proud.
I would like to thank the following people and institutions for their contributions towards this study.

- My supervisor, Doctor Chantal Rootman, for her patience, guidance and motivation. Without whom, I could not have completed this study.

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- Lastly and most importantly, My Redeemer, for providing me with the opportunity, skills and abilities to complete this dissertation.
I, Reynardt Scholtz, 209095039, hereby certify that the dissertation, *Social media tools influencing customer purchasing behaviour in the retail environment* for the degree of *Master of Commerce*, is my own work, and that it has not previously been submitted for assessment or completion of any postgraduate qualification to another university or for another qualification.

REYNARDT SCHOLTZ

PORT ELIZABETH

April 2014
ABSTRACT

Given the importance of a business being able to create a positive brand image in the minds of customers and influencing customer purchasing behaviour, there is a lack of attention given to the research of the role that social media tools can play in the success of retailers. Numerous research studies have focussed on determining the advantages of and impact that social media tools can have on the success of businesses, however, the impact of social media tools on the creation of a positive brand image, and influencing customer purchasing behaviour is less evident. Thus, the primary objective of this study is to investigate the influence of social media tools on the brand image of retailers and how it affects customer purchasing behaviour.

A full literature review was conducted on the retail environment and its importance, as well as on social media as a marketing communication tool. Thereafter, independent variables (Official websites, Facebook and Twitter) were identified as possibly influencing the intervening variable (Brand image) and dependent variable (Customer purchasing behaviour).

Three independent variables were selected and used to construct a hypothetical model and research hypothesis. The purpose of these independent variables was to determine whether the use of social media tools could lead to a positive brand image and ultimately improve customer purchasing behaviour.

An empirical investigation was undertaken to be able to establish the influence of social media tools on the brand image and customer purchasing behaviour of retail customers. The measuring instrument used for this study, a questionnaire, was constructed from secondary literature sources. The convenience sampling technique was used to identify respondents. The usable questionnaires that were gathered from respondents were examined through statistical analyses. Exploratory factor analysis (EFA) and the calculation of Cronbach’s alpha coefficients were used to confirm the validity and reliability of the measuring instrument.

Descriptive statistics, as part of the data analyses, were calculated to summarise and allow interpretation of the sample data. Furthermore, Pearson’s Product Moment Correlations were calculated to determine correlations among variables used in this
study. Multiple regression analysis was the primary statistical procedure used for testing the significance of relationships hypothesised between the independent, intervening and dependent variables of this study. The empirical investigation was concluded by the calculation of a t-test and Analysis of Variance (ANOVA), for the purpose of determining the influence of selected demographic variables on respondents’ perceptions with regard to the independent, intervening and dependent variables. In addition, post-hoc Tukey tests were conducted to determine significant differences among individual mean scores, and the degree of practical significance was determined by calculated Cohen’s d values.

Based on the results of the empirical investigation, significant relationships were found among the independent variables (Official websites, Facebook and Twitter), the intervening variable (Brand image) and the dependent variable (Customer purchasing behaviour). The empirical investigation revealed that the age of respondents has a significant impact on how their image of a brand and purchasing behaviour are influenced by retailers’ use of social media tools.

This study has made a contribution to the shortage of literature on the impact of social media tools on retailers. The hypothetical model developed for this study assisted in understanding the impact that retailers’ use of social media tools have on the brand image of retailers and customers’ purchasing behaviour. As a result, this study provides recommendations and suggestions for retailers to ensure a positive brand image in the minds of customers, and to ultimately use social media tools to positively influence the purchasing behaviour of customers.

**KEYWORDS:**

Social media, Brand image, Customer purchasing behaviour, retailers.
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CHAPTER 1
INTRODUCTION TO THE STUDY

1.1 INTRODUCTION AND BACKGROUND TO THE STUDY

According to Jue, Marr and Kassotakis (2009:2), the main objective of any business is to achieve its goals and objectives, and to build a positive brand image. Brand image is a term that refers to the overall impression that a business communicates to its customers and shareholders through its business activities. The image of a retailer’s brand is made up of the public’s opinions and attitudes towards its products/services (Glynn & Woodside 2009:214).

A positive brand image creates the opportunity for a business to ensure brand loyalty (Oh & Pizam 2008:96). Brand loyalty can be defined as a process in which a customer purchases the same business’s products/services on a regular basis, and excludes competitors’ products/services (O’Guinn, Allen & Semenik 2009:24). For a business to achieve brand loyalty, it should establish a customer base. It is important for a business to manage and ensure satisfaction of its customer base, in order to ensure high sales levels and to attract potential customers into purchasing the business’s products/services. (Singla 2010:15). Furthermore, Anandan (2009:159) states that brand loyalty is achieved when customers do not switch to different brands as a result of extra product attributes or benefits, and when customers are less price-sensitive to a specific business’s products/services. Brand-loyal customers tend to pay more for a specific preferred brand, as customers perceive that specific brand to provide a unique form of value, which no other brand is able to provide (Chaudhuri & Holbrook 2001:81; Shugan 2005:185). According to Singla (2010:15), the satisfaction of a business’s customer base is directly linked to high profit making as satisfied customers are generally more likely to purchase a business’s products/services and to become brand loyal. Thus, brand loyalty has the potential to influence customer purchasing behaviour.

However, operating in the business environment has become increasingly difficult (Jue et al. 2009:2), and achieving set goals and objectives has become more of a challenge. Businesses are also constantly struggling to create a positive brand
image in the minds of customers. Businesses’ marketing strategies are regularly challenged due to the pressures of the external business environment, and the ever changing industry structure. Increased levels of competition among retailers and constant changes in the business environment have led to retailers having to continuously find new and innovative ways of ensuring good quality customer service and high sales levels. (Jue et al. 2009:2). Businesses and retailers find it hard to keep up with the fast pace at which change occurs in the business environment, and therefore struggle to survive and remain successful and competitive (Jue et al. 2009:2; Kennerley & Neely 2003:213). Adewunmi (2012), states that these changes in the industry are due to macro-economic factors, including the constant growth in South Africa’s population, the growth of the economy and expansion. Changes in technology, climate changes and natural disasters can also contribute to the marketing challenges that businesses face. When these crises arise, a business is required to change its shape, to adapt, or to struggle through these phases (Gretzel, Fesenmaier, Formica & O’Leary 2006:116; Kennerley & Neely 2003:213).

The difficulty of operating efficiently in the retail environment is a result of the fast rate at which change occurs in the business environment. For any business to survive in this fast changing and complex environment, operating swiftly and with excellence is the only answer. (Jue et al. 2009:2). One way in which this can be achieved, is for a business to effectively make use of the Internet and social media (Asur & Huberman 2010:1).

Social media can be defined as an online platform which provides users with the opportunity to upload content and to share information (Asur & Huberman 2010:1). Social media provides an environment that allows users to find entertainment and to interact with like-minded communities (Agichtein, Castillo, Donato, Gionis & Mishne 2008:184). In other words, social media is a medium which allows users to communicate and to socialise with friends, family and businesses in an online environment. To date, Facebook has more than 250 million users, and Twitter almost 300 million users (R.O.I Media 2013). Obee (2012:8) states that social media is also referred to as social networking or Web 2.0.
According to Rangaswamy and van Bruggen (2005:5), customers are becoming familiar with the use of social media to interact and communicate with businesses. Since the introduction of the Internet and social media, the business world has changed dramatically. Businesses and economists claim that the introduction of the Internet has created a new economic age and has changed the business world. This can be seen as a major contributor to changing customer behaviour. (Simon 2010:19).

According to Meyerson (2010:86), social media and online communities are used by both individuals and businesses to allow face-to-face interaction with friends and customers respectively. A business that has not engaged or made use of social media to date is losing a significant number of possible customers. Zarrella (2010:1), states that social media is the answer to modern day businesses' marketing shortcomings (Simon 2010:19). The modern world is fast paced and does not allow for many opportunities to interact with people and customers on a personal level. It is important for a business to make use of the social media opportunity as it has the potential to establish strong business-customer relationships (Capuzzi & Stauffer 2012:272).

Many businesses, especially retailers, have realised the potential advantages and benefits that social media tools can have for a business. Therefore, these businesses have adopted social media and online interaction methods to market and advertise products/services. Social media can be used by businesses, including highly competitive South African retailers, to interact with customers, to market products/services and to provide new business information on a daily basis. (Zarella 2010:1).

Social media can offer a business a number of potential advantages. Some of these advantages include improving brand recognition and exposure among customers (Walsh, Rudd, Moeykens & Moloney 1993:107), increased traffic to the official website of a business (Riese, Pennisi & Major 2010:2), creation of new relationships (Smith & Zook 2011:9), new marketing strategies, fewer marketing expenses and providing the target market with more knowledge of the business and business activities (Jue et al. 2009:2; Riese, Pennisi & Major 2010:2).
Furthermore, products/services can be purchased from social media websites. This form of purchasing, often referred to as online shopping, is very convenient and saves customers time and effort (Rao 2006). Taprial and Kanwar (2012:39) and Kietzmann, Hermkens, McCarthy and Silvestre (2011:242) state that social media tools allow businesses to reach out and interact more closely with customers. Closer interaction provides businesses with the ability to receive new customer information and feedback. More regular close business-customer interaction has the potential to create strong business-customer relationships. Strong business-customer relationships can be created through the effective use of social media tools. Strong business-customer relationships in turn provide a business with the opportunity of creating a positive brand image in the minds of customers, which is ultimately a very important objective of any business (Jue et al. 2009:2; R.O.I Media 2013). Thus, social media is a marketing tool which can, if used effectively, create a positive brand image that will influence customer purchasing behaviour, which can possibly lead to increased business performance.

### 1.2 BRIEF LITERATURE OVERVIEW

In the section that follows, an overview of the literature on the importance of retailers, social media as a marketing tool, the brand image of retailers and customer purchasing behaviour is provided.

#### 1.2.1 The retail environment and its importance

The word retailer is derived from the French word “retail”. In French, the word retail means to sell products/services in small quantities. A retailer generally buys large quantities of products from wholesalers, and sells smaller quantities to the customer. (Puranik 2012). According to Kuechler, Vaishnavi and Kuechler (2001:365), a retailer can be defined as any person or business which sells products/services to final customers. The retailer is the final link in the distribution chain. A retailer is different from wholesalers and suppliers in the sense that these businesses sell products/services to other businesses.Retailers usually buy and sell general products or a variety of merchandise. (Newman & Cullen 2002:12; Puranik 2012).
The South African retail environment is “on the rise” (Treasury 2012:1). It is evident from the increase of retail space and the number of retail shopping centres that the South African retail industry is growing. The retail industry grew, on average, by three percent annually over the past eight years and the levels of retail sales have consistently increased. The South African online retail sales levels increase, on average, by twenty nine percent per year (Treasury 2012:1). The retail industry contributed 0.4 percentage points to the growing South African Gross Domestic Product (GDP) figure of 2013 (Odendaal 2013).

South Africa has a total of twenty eight retailing businesses which are listed on the Johannesburg Stock Exchange. The South African retailing industry is divided into two categories: namely, general retailers and food and drug retailers. ADvTECH Limited, African and Overseas Enterprises Limited, Cashbuild Limited, Combined Motor Holdings Limited, Curro Holdings Limited, Holdsport Limited, Italtile Limited, JD Group Limited, Lewis Group Limited, Massmart Holdings Limited, Mr Price Group Limited, Nictus Limited, Rex Trueform Clothing Company Limited, Taste Holdings Limited, The Foschini Group Limited, Truworths International Limited, Verimark Holdings Limited and Woolworths Holdings Limited form part of the general retailers sector of South Africa. (Sharedata 2013 a). The retailers that fall under the Food and Drug retailers category of South Africa include Clicks Group Limited, Pick n Pay Holdings Limited, Pick n Pay Stores limited, Shoprite Holdings Limited and The SPAR Group Limited (Sharedata 2013 b). In South Africa sales in the retail business sector are unpredictable, periodic and have a major impact on the overall economy of the country (Trading Economics 2012). Retailers employ the largest percentage of the South African workforce, and retailers are the third largest contributor to the South African Gross Domestic Product (GDP). Retailers contribute 13.4 percent to the South African GDP (Mthunzi 2009:8; Trading Economics 2012).

However, although the South African retail industry is growing, the actual sales growth rate is slow. According to Durham (2011:33), South African customers are very pessimistic. The sales growth rate of retailers is declining yearly. At the end of the 2009 financial year, the sales in the South African retail industry grew by 14.6 percent. This figure decreased dramatically at the end of 2010, as the growth figure was calculated at 3.3 percent. Durham (2011:33), states that a major contributor to
the changing purchasing patterns of customers is the constant change in the price of petrol. This ultimately negatively affects the sales levels of retailers, as customers are less willing to spend money, and are more concerned about saving money. Retailers’ sales figures will therefore decrease, which will ultimately lead to lower levels of business performance.

Although it is evident that a number of challenges exist, Hirsch (2012) states that retail businesses in South Africa have the ability to increase business success and performance through effective marketing, due to the constant rising in population numbers. South African retailers have the opportunity and resources necessary to be successful and to maintain high sales figures and continuous business growth. This study will focus on the following retailers: Pick n Pay Holdings Limited, Woolworths Holdings Limited, Shoprite Holdings Limited and The SPAR Group Limited as these retailers are the most well-known in South Africa, and are also very successful in the industry (Sharedata 2013 a; Sharedata 2013 b). Each of the above retailers is briefly introduced next.

Pick n Pay Holdings Limited is a South African retailer that was established in 1967 by Raymond Ackerman (Sutcliffe 2007). Pick n Pay Holdings Limited operates in the food and drug retailing sector, and at the end of the 2012 financial year, had the second highest market capitalisation rate among all South African retailers operating in this industry (Sharedata 2013 d). This provides evidence that Pick n Pay Holdings Limited is one of South Africa’s largest retailers operating in the food and drug retail sector (Sharedata 2013 c).

Woolworths Holdings Limited was founded in 1929 and is classified as one of South Africa’s largest retailers. The business is listed on the Johannesburg Stock Exchange and is made up of a number of retail stores which operate under the Woolworths brand (Emerging Markets Information Service 2013). At the end of 2012, Woolworths had the highest market capitalisation figure, providing evidence that Woolworths Holdings Limited is the largest and most successful among general retailers within South Africa (Sharedata 2013 c).
Woolworths Holdings Limited and Pick n Pay Holdings Limited place high importance on the use of social media tools and make use of a number of these tools, such as Official websites, Facebook and Twitter.

The Spar Group Limited was established in 1963 when a group of eight wholesalers were given the right to operate under the Spar name and brand. Spar started doing business through five hundred small retail outlets. The business grew and in 2004 it was listed on the Johannesburg Stock Exchange for the first time. Currently, Spar Group Limited is classified as a food and drug retailer and operates through six distribution centres and one Build It distribution centre, which is responsible for providing more than a thousand Spar stores with products/services across South Africa. The Spar Group Limited states that the business continuously focusses on providing the highest possible quality products/services to customers. The business’s main objective is to satisfy the needs and wants of customers in a caring environment. (Spar 2013 a; Spar 2013 b; Sharedata 2013 b).

Shoprite is one of the most trusted brands of South Africa. The business has been voted the best supermarket in the Sunday Times Best Brands Survey for six consecutive years. Shoprite Holdings Limited was established in 1979 and has grown to a business operating with more than two thousand stores across sixteen countries. The Shoprite Holdings Limited supermarkets operate under the food- and drug retailer sector and strive to provide convenience to customers by selling basic food- and household items at low and affordable prices. The business claims that through its unique product offerings, it has acquired the status of the brand of choice among the majority of South African customers. (Sharedata 2013 b; Shoprite Holdings Limited 2013 a).

The following retailers: Pick n Pay Holdings Limited, Woolworths Holdings Limited, Shoprite Holdings Limited and The Spar Group Limited, make use of social media tools to market products/services, to interact with customers, to create loyalty programmes, to provide new business information regularly and to ultimately influence the purchasing behaviours of customers (Facebook 2013 a; Facebook 2013 b; Facebook 2013 c; Facebook 2013 d; Pick n Pay 2013 a; Twitter 2013 a; Twitter 2013 b; Twitter 2013 c; Woolworths 2013 a).
1.2.2 Social media as a marketing communication tool

Sullivan and Adcock (2002:26) define marketing as all of the activities undertaken by retailers to ensure customer satisfaction, and satisfying customer needs and wants. Keefe (2004:17), states that marketing is a set of procedures used by a business to create, communicate and deliver value to its customers. Marketing is used to develop customer relationships in such a way that it will be beneficial to both the business and its shareholders. Traditional advertising mediums, such as radio, television, newspaper and billboards, can be defined as one-way advertising. The potential customer has no ability to interact with the business or its advertisements. A traditional marketing practice is a process which involves an active sender, the marketer, and a passive receiver, the customer. This is what makes social media marketing different. (Andersen 2001:169; Baekdal 2009).

Social media can be described as any website that provides the user with the ability to interact with other users online (Meyerson 2010:327). According to Donovan and Henley (2010:354), social media tools can be defined as electronic programs, applications and technologies which allow users to exchange content and communicate interactively. Any website which allows a user to make a comment, to make a status update, to “like” or “share” other comments or photos or to mingle with other online users, can be classified as a social media website. The popular and most used social media tools used by both customers and businesses are Facebook, Twitter, LinkedIn, Pinterest, MySpace, Google Plus+ (The eBusiness Knowledgebase 2013), Bebo, Friendster, Hi5, Habbo and Tagged (Jain 2012). Social media is also referred to as online socialisation. Any online interaction, more than simply reading, is described as using a social media website. Online socialisation refers to online interaction, and the opportunity to socialise with friends online. (Obee 2012:7-8).

Social media tools are used to connect and to allow interaction between Internet users based on common interests, political views or specific activities (Boyd & Ellison 2010:16). This provides evidence that social media tools can be used by businesses to market their products/services, to interact with their customers and to provide new business information on a regular basis. Zarrella (2010:1) states that to
make use of social media for advertising and marketing of products/services will not hinder any business financially, and is not difficult to get started or to use.

Social media tools, if used effectively, can provide a business with a number of advantages and possibilities. Social media provides a business with the ability to market product/services to final customers. Social media tools allow a business to market its products/services interactively, which allows customer-business interaction. Social media tools allow the customer to interact with the business online, at any time, and virtually at any place (Zarrella 2010:3). Thus, social media can be used as a tool for creating and maintaining good business-customer relationships (Gordon 2013:108). Based on the above information, it is evident that if a business uses social media tools effectively, it may have a positive influence on the brand image and purchasing behaviour of customers.

The effectiveness of Official websites, Facebook and Twitter, the most commonly used and popular social media tools (Barker, Barker, Bormann & Neher 2013), on the creation of a positive retailer brand image, and whether a positive brand image influences customer purchasing behaviour, will be investigated in the retail industry.

1.2.2.1 Official websites

A website can provide a business with a number of marketing opportunities. A business’s website can be the first contact point that a customer has with the business, and every business should ensure that its website creates a good first impression. A high-quality interactive website should allow interaction between the business and its customers. Good interaction will provide a business with the opportunity of answering frequently asked questions, and marketing products/services. (Clark 2013).

Vasi (2013), states that for a business to have an official website is very advantageous. Official websites open doors for a business and provide an opportunity to expand and operate universally. Official websites allow online shoppers to view products/services from different countries, from the comfort of their homes and offices. Products/services of different countries that are purchased
online, can be delivered to the customers’ doorstep. Customers are increasingly using social media and businesses’ Official websites as a purchasing tool (Accenture 2013).

According to Rao (2006), an interactive website will allow a business to be open and to stay connected for twenty four hours a day, seven days a week. The doors of a business operating online never close, which therefore maximises the business’ sales potential. Official websites allow a business to reach new markets and to improve customer satisfaction through more personal interaction.

1.2.2.2 Facebook

Zarrella (2010:2) states that to date Facebook has more than 250 million users. Facebook was established by Mark Zuckerberg in 2004. Zuckerberg’s initial reason for creating Facebook was simply for university students to find and interact with friends online. Facebook describes its function as a social utility that can be used to interact with friends, workers and family in an online environment. A user starts off by creating a profile, providing information based on gender, interests, hobbies and education. (McClard & Anderson 2008:10-11).

A business that makes use of the Facebook as a social media tool to interact with customers has the ability to build and improve business-customer relationships. The business will be able to reach new groups of customers and will possibly increase sales and business performance (Facebook 2013 e).

1.2.2.3 Twitter

Twitter is a form of social media that connects its users to the latest news, stories and information which is most important to the user (Twitter 2013 d). Twitter was established in 2006 (Weinberg 2009:125) in San Francisco, and is used by individuals and businesses around the world. Twitter, to date, has more than 14 million registered users (Zarrella 2010:1). Twitter states that making use of its social media tool will provide the fastest and easiest way for a user to stay connected to
everything that the user cares about. Twitter allows its users to upload photos, video clips, and allows online communication with other Twitter users (Twitter 2013 e).

Twitter provides a business with a number of opportunities. One of these opportunities includes being able to connect with its customers at any time. New product/service information can be shared, feedback can be received from customers, and customer relationships can be built (Twitter 2013 a).

Social media tools allow a business to interact with customers on a more regular basis. A business is able to communicate frequently, provide product/service information and to inform customers of new business activities. Social media tools allow a business to position its brand accurately, and to create a desired brand image in the minds of customers. If a business is able to create a positive brand image, it will possibly have an effect on the purchasing behaviour of customers, which will ultimately lead to increased business performance. (Kapferer 2008:230; Lawrence & Kleinman 2012:90).

1.2.2.4 Brand image and Customer purchasing behaviour

Kapferer (2008:174) provides a clear definition of brand image by stating that a brand image is created by a business through its products/services, customer service and daily business activities. The image of a brand can be described as the way in which a business’s target market relates to its products/services (Bygrave & Zacharaksi 2009:106). Franzen and Moriarty (2008:19) state that the image of a brand is the way in which the community perceives a particular brand, and the impression which is created in the mind of a customer. Based on this information, it is evident that the image of a brand can be defined as the way in which a brand is positioned in the minds of customers created through all of the activities of a business.

It is important for South African retailers to create an effective and accurate brand image in the minds of its target markets through the use of marketing tools. It is also of utmost importance for retailers to create a brand image which is positive, as a negative brand image will lead to customers being disloyal to the brand, or simply changing brand preferences. A positive brand image can influence the purchasing
behaviour of customers, which will have an effect on the performance of a business (Chaudhuri & Holbrook 2001:81).

According to Belén del Río, Vázquez and Iglesias (2001:413) a positive brand image will make a number of different advantages possible to a business. A positive brand image has the ability to lead customers from awareness into purchasing (Kumar 2008:192). A positive brand image will ensure business performance through the assurance of high sales and profits, and will ensure growth potential. When a positive brand image is created in the minds of customers, word-of-mouth advertising will be to the benefit of the business. A positive brand image will also ensure brand loyalty and a competitive advantage. (Kirby & Marsden 2006).

The use of social media for marketing is perceived to be an effective way of creating a positive brand image in the minds of customers. When social media has created a positive brand image, it may lead to customer’s actually purchasing and making use of the retailers’ products/services. A positive brand image provides a business with the potential to positively influence purchasing behaviour and its business performance. (Ginn 2013; McKee & O’Driscoll 2009).

Business performance excellence is something that all businesses strive for. There are many factors that contribute to the success and performance of businesses, and although no clear definition of excellent business performance exists, it can only be reached once a business has the ability to use its financial, capital and human resources in such a way that it maximises its level of profitability (Luftig 1998). According to Kapferer (2008:12) business performance can be increased by ensuring that a brand is attractive, effectively communicated and experienced by the target audience in a number of different ways on a regular basis.

Businesses should know which factors contribute to their success and increased performance as many factors contribute to the success and performance of businesses. Businesses are required to set their own goals and business objectives, and benchmarks of what business performance entail. (Vom Brocke & Roseman 2010:122). However, as a general guideline, business performance relates to a business’s return on investment figure, growth rate of sales, growth of employment,
market share, new product success, customer retention ratio, global presence, profitability, efficient resources, decreased costs and labour turnover rates (CPA Australia 2011:3; Glebbeek & Bax 2002:4; Singh 2004:70; Westall & Cowling 1999:38). As sales, market share and customer retention links to business performance it is evident that a business’s customer purchasing behaviour is important.

- Customer purchasing behaviour

Customer purchasing behaviour can be defined as how individuals decide on spending available resources, such as time and money, on products/services. Customer purchasing behaviour, according to Kengthon (2011:2), can be defined as the way in which customers evaluate, purchase or dispose products/services according to specific needs and wants. Customer purchasing behaviour demonstrates the totality of customer decisions regarding the purchasing, usage and disposition of products/services (Hoyer & Macinnis 2010:3). Hoyer and Macinnis (2010:3) also state that customer purchasing behaviour involves more than the process of purchasing tangible products. Customer purchasing behaviour involves customer’s decisions regarding the use of services, experiences, actions and ideas. The preferences of customers change regularly, and it is important for marketing managers to be aware of these changes and to adapt marketing strategies accordingly. Effective marketing communication strategies have the ability to influence customer purchasing behaviour. (Lamb, Hair & McDaniel 2009:140). According to König, Dengel and Hinkelmann (2011:295), if a business is able to positively influence a customer’s purchasing behaviour, the potential for increased sales levels exists, which has been proved to increase the performance of a business. Increased sales levels due to positively influenced customer purchasing behaviours are perceived by many businesses as a form of business performance. Increased sales levels provide an indication that the purchasing behaviour of customers has been positively influenced. (Rayner 2012:199).

Increased sales, and thus improved customer purchasing may be realised with the more effective use of social media. Social media provides businesses with the ability to interact with customers regularly. Regular business-customer interaction provides
the business with the ability to establish and maintain strong relationships (Brink & Berndt 2004:27). Pati (2002:320) states that strong business-customer relationships exist when a business is able to establish a positive brand image in the minds of customers. Thus, a positive brand image influences the purchasing behaviour of customers (Trehan & Trehan 2007:197). By making use of social media tools, a business has the opportunity of creating a desired and accurate brand image and increased purchasing behaviour (Mangold & Faulds 2009:358).

1.3 PROBLEM STATEMENT

Following the introduction and the brief literature review to this study, it is now possible to highlight the problem statement of the study. Retailers are important, as the level of sales of retailers provides a clear indication of a country's economic state. The state of the economy depends on the success of retailers, and this provides evidence that customer spending is a key driver of the economy. If customers decide not to purchase products/services from retailers, the retailers’ business performance declines and the economy slows down.

Retailers are affected by economic, social and technological changes on a regular basis. Changes and pressures from the external business environment and the industry and changing customer behaviour have resulted in retailers having to increase work levels to maintain high sales levels and to ensure business success. Due to the constant changes in the business environment and changing customer purchasing behaviours, retailers maintaining high sales levels and profit to remain successful have become more of a challenge. The fast changing business and economic environment is causing retailers’ sales levels to decline, which negatively affects business performance, and results in retailers struggling to survive.

The behaviour and spending patterns of customers are changing and retailers are required to change and adapt their marketing processes and strategies accordingly. Traditional marketing tools such as television, radio and newspapers are not as effective as in the past, and retailers should focus on drawing the attention and marketing products/services in new and innovative ways. One way of doing this is for a retailer to make use of the Internet. Customers make use of the Internet and social
media, to collect product/service information and to make final purchasing decisions. Retailers have the opportunity of making use of social media tools as part of marketing communication strategies. Social media tools such as the Official websites of businesses’, Facebook and Twitter allow businesses to interact with customers on a regular basis, to market products/services and to share new business information in an online environment. Many retailers have adopted the use of social media tools to engage in more frequent online customer interaction. The existence of a relationship between the use of social media tools and the creation of a positive brand image remains an uncertainty among retailers. In addition, the relationship between brand image and customer purchasing in the retail industry is still to be measured.

Therefore, more research needs to be done to investigate the influence of social media tools on the brand image of retailers, and the effect of brand image on the purchasing behaviour of customers.

1.4 PURPOSE OF THE STUDY, RESEARCH QUESTIONS AND RESEARCH OBJECTIVES

The purpose of the study is to investigate the influence of social media tools on the brand image of retailers and the relationship between brand image and the purchasing behaviour of customers in the retail industry.

The influence of three social media tools: namely Official websites, Facebook and Twitter on retailers’ brand image will be identified. In addition, the influence of brand image on retail customers’ purchasing will be investigated.

1.4.1 Research questions

Given the purpose of this study, the following research questions are presented:

- Is social media an effective marketing tool to use for creating a positive brand image?
• Does a positive brand image influence the purchasing behaviour of customers?

The research questions have been converted into primary and secondary research objectives.

1.4.2 Primary research objective

The primary objective of this study is to investigate the influence of social media tools on the brand image of retailers and how it affects customer purchasing behaviour.

1.4.3 Secondary research objectives

In order to address the primary objective of this study, the following secondary objectives have been created:

• To develop and undertake a detailed theoretical investigation of the nature of social media tools, the brand image of retailers and the purchasing behaviour of customers.

• To develop a hypothetical model to test the relationships between social media tools, the brand image of retailers and the purchasing behaviour of customers.

• To empirically test the influence of three social media tools (Official websites, Facebook and Twitter) as independent variables on the brand image (intervening variable) of retailers and the purchasing behaviour of retail customers (dependent variable).
To provide recommendations, based on the empirical results generated in this study on how social media tools can be used by retailers to create a positive brand image which will positively influence customer purchasing behaviour.

Using the primary and secondary research objectives, research hypotheses can be constructed for this study.

1.5 RESEARCH HYPOTHESES

The main purpose of this study is to investigate the influence of social media tools on the brand image of retailers, and the influence of brand image on customer purchasing behaviour. A framework will be developed and used to support this study. The framework will include the necessary variables which have been collected through the use of secondary sources of information.

The variables that have been identified to be used in the framework will be characterised into three categories. The categories are made up of independent variables, intervening variables and dependent variables. The Official websites, Facebook and Twitter, the three social media tools, will be used as independent variables. Brand image will be used as the intervening variable. Customer purchasing will be used as the dependent variable in the framework. For this study, these variables will be used to determine the influence of social media tools on the brand image of retailers, and the influence of brand image on customer purchasing behaviour. Figure 1.1 graphically represents the hypothetical model to be evaluated in this study.
As seen in Figure 1.1, hypotheses have been developed to test the relationships in the proposed theoretical framework.

H\(^1\): There is a significant positive relationship between Facebook and Brand image.

H\(^2\): There is a significant positive relationship between Twitter and Brand image.

H\(^3\): There is a significant positive relationship between Official websites and Brand image.

H\(^4\): There is a significant positive relationship between Brand image and Customer purchasing behaviour.

This proposed hypothetical model will be tested, following a specific research design and methodology.

1.6 RESEARCH DESIGN AND METHODOLOGY

As mentioned, the purpose of this study is to investigate the influence of social media tools on the brand image of retailers, and the influence of brand image on customer purchasing behaviour. To achieve these objectives and to test the proposed hypotheses, secondary and primary research will be done.
1.6.1 Secondary research

Secondary research can be defined as any data available for use in a study, but which is not collected and used for the current research study. Secondary research is the process of collecting and summarising data that already exists. Secondary data include published journal articles, newspaper reports and information from the Internet. (Jugenheimer, Bradley, Kelley & Hudson 2010:29; Nargundkar 2003:14). A complete literature review will be conducted to reach the research objectives of this study. Research will be done on the retail environment and the importance of retailers. The different social media tools used by retailers will be identified and discussed. Thereafter, the brand image of retailers and purchasing behaviour of customers will be investigated.

For the secondary study, various databases will be used to collect data. Databases that will be used include EBSCO host and Emerald, as these databases are freely available to NMMU students. The Nelson Mandela Metropolitan University will be used to collect data from national and international sources.

1.6.2 Primary research

Primary research can be defined as the process of collecting data that does not already exist. Primary research is the collection of data for the use of a specific study. A primary researcher seeks to answer research questions by observing behaviour. (Jugenheimer, et al. 2010:29; Nargundkar 2003:14; Nykiel 2007:25). The primary research of this study will be an empirical investigation on customers’ perceptions on retailers’ social media tools, brand image and customers’ purchasing behaviour. The following section provides information on the research paradigm, sampling and data analysis that will be used to complete the empirical investigation.

1.6.2.1 Research paradigm and method

Ovretveit (2002:202) states that two types of research paradigms exist, namely the positivistic and phenomenological paradigms. The phenomenological research paradigm uses relevant information of individuals and social groups as information about subjective meanings. This research paradigm attempts to make reference
between the way that an intervention works, and the perceptions that individuals have. Research is based on subjective experiences and perceptions of individuals. According to Everard, Morris and Wilson (2004:35), to effectively use a phenomenological research paradigm, the researcher should be able to view a situation in a new way or differently to understand the reality of the situation. The phenomenological research paradigm is used to collect qualitative data (Maykut & Morehouse 1994:3). Qualitative research methods make use of descriptions to interpret findings and results. Qualitative research methods are focussed on achieving objectives through techniques used to support interpretations. Qualitative research methods achieve objectives through techniques and methods other than numerical methods. (Ritchie & Lewis 2003:3).

According to Maykut and Morehouse (1994:3), positivistic research is a process that should focus on predicting and explaining observed events. A positivistic researcher’s main objective is to predict, explain and to provide proof of a specific event or experience. The positivistic research will furthermore make use of research methods to test, support or reject a specific theory (Wimmer & Dominick 2011:116). The positivistic research paradigm focusses on collecting quantitative data (Maykut & Morehouse 1994:3). Wild and Diggines (2009:86) clarify that quantitative research involves the gathering of primary data from large respondent groups and samples. Furthermore, quantitative research makes use of numbers, measurements and mathematical calculations to resolve issues (Cassell & Symon 2004:48; Wild & Diggines 2009:86). According to Kasi (2009:95), for a positivistic researcher, the world is knowable. Cohen, Manion and Morrison (2007:148) state that the reliability of quantitative research studies is high and the validity tends to be low.

A positivistic research paradigm will be used in this study as statistics and quantitative analysis will be used to investigate collected data. An empirical study will be conducted to test the theoretical framework and hypothesised relationships. The empirical research will focus on retail customers within the Eastern Cape.

1.6.2.2 Sampling and data collection

According to Pawar (2004:3), research cannot be done without data. Data is collected from a group of participants to achieve the objectives of a study, and to answer the research question. In this study, the population will consist of customers
in the Eastern Cape region and questionnaires will be distributed to no less than 300 retailer customers, in order to have sufficient numbers necessary to conduct the empirical data analysis. No sample frame exists, thus for the purpose of this study a non-probability sampling technique will be used to select a sample of a minimum of 125 customers from the entire population. According to Gravetter and Forzano (2012:151), convenience sampling is defined as a sampling method in which researchers use participants that are not difficult to reach. Respondents are selected based on willingness and degree of availability. Due to the large sample size that will be used in this study, convenience sampling will be the most efficient way of collecting data from customers.

As mentioned before, a quantitative method of research will be used to conduct this study. The measuring instrument that will be used to collect data will be in the form of a questionnaire. Questionnaires will be developed and distributed to retail customers in the Eastern Cape. The questionnaires will assist in identifying the relationships between the independent, intervening and dependent variables. The questionnaire will be self-developed and will be distributed to no less than 300 retail customers. The language of the questionnaire will be English. The questionnaire will be made up of three sections: namely, Section A, Section B and Section C. Section A of the questionnaire will collect the biographical and demographical information of the respondents. Biographical and demographical data will include information regarding the age, gender and employment status of retail customers.

Section B of the questionnaire will consist of a number of statements which are based on the literature review concerning the social media tools used by retailers. This section will make use of a five-point Likert-type scale. The five-point Likert-type scale will range from (1) “strongly disagree” to (5) “strongly agree”.

The next section, Section C, will also be a five-point Likert-type scale which will range from (1) “strongly disagree” to (5) “strongly agree”. Section C will focus on collecting data on retailers’ brand image, and the purchasing behaviour of customers.
To ensure that the questionnaire used is valid and reliable, a comprehensive analysis of the data will be conducted. The computer programmes Microsoft Excel and Statistica will be used to statistically analyse the collected data.

1.6.2.3 Data analysis

A data analysis procedure will be used to examine the data collected from respondents. Descriptive statistics will be calculated and interpreted. According to Babbie (2010:467), descriptive statistics can be used to interpret and summarise data into more practicable forms. Descriptive statistics is a collection of statistical techniques that can be used to summarise the observations of a sample group (Babbie 2010:467).

The face validity of the measuring instrument used in this study will be ensured, as experts in the field of retail marketing will assist with the design of the questionnaire. Furthermore, to ensure the validity of the measuring instrument, a pilot study will be conducted. A pilot study is a process in which a pre-test questionnaire, which will have to be completed, is distributed to a small group of respondents. (Blessing & Chakrabarti 2009:114). The results of the pre-test questionnaire will be analysed, and if necessary, changes will be made to the original questionnaire to ensure a good understanding of all items by respondents. Thereafter, ethical clearance was obtained from the Business and Economic Sciences’ Faculty RTI Committee of the Nelson Mandela Metropolitan University.

In addition, an exploratory factor analysis (EFA) will be conducted to ensure the validity of the measuring instrument. A factor analysis is an effective way of determining whether the researchers' interpretation of the constructs, are consistent with the actual meanings of the constructs (Kock 2010:275). According to Child (2006:1), factor analysis is a mathematical procedure which focusses on ordering and simplifying interconnected measures. The mathematical process attempts to prove generalisations.

Cronbach Alpha coefficients will be calculated to test the reliability and the consistency of the measuring instrument, namely the questionnaire. The Cronbach Alpha, when calculated, provides a coefficient of correlations between items used in
the questionnaire. The Cronbach Alpha provides the degree of consistency among items in the questionnaire. (Cohen et al. 2007:148). Furthermore, to determine correlations between different variables used for this study, Pearson’s Product Moment Correlations will be determined.

According to Bruce, Pope and Stanistreet (2008:243), multiple linear regression analysis is a process used to find a relationship and to determine a dependent variable based on a number of independent variables. This study will make use of multiple linear regression analysis to investigate the influence that two or more independent variables have on one dependent variable. The multiple linear regression will be used to determine whether the social media tools, namely Official websites, Facebook and Twitter influence the intervening variable brand image. It will also determine the influence that brand image has on customer purchasing behaviour. Furthermore, t-tests and an Analysis of Variance (ANOVA) will be conducted.

The complete research methodology of this study will be discussed thoroughly in Chapter 4.

1.7 SCOPE AND DEMARCATION OF THE STUDY

Previous research studies have proved that many factors contribute to business performance, the creation of positive retailer brand images and positive customer purchasing behaviours (O’Guinn, Allen & Semenik 2009:24; Osterman 2007:1). Brønn and Vrioni (2001:215-219) did a study on the corporate social responsibility and cause-related marketing efforts of businesses. The authors (Brønn & Vrioni 2001:215-219) stated that customer relationship management through effective marketing efforts increased the levels of sales, created a positive brand image and a motivated workforce. Businesses that survive in a fast changing business environment are the ones that are able to manage customer relationships and uphold a positive brand image. For a business to strengthen customer relationships through the use of marketing communication tools, it is essential that a business is aware of how customers perceive the business, and the impression that customers have of the business. (Brønn & Vrioni 2001:215-219).
A study by Kaplan and Haenlein (2010:59) stated that many businesses are starting to realise the benefits of social media as a marketing communication tool. Marketers and decision makers of businesses are making efforts towards finding profitable ways of using social media tools for marketing. Kaplan and Haenlein (2010:62), stated that the use of social media tools for marketing communication provides a business with a number of challenges and opportunities, and that it is essential for a business to make use of social media tools to keep up to date with the fast changing business environment.

As mentioned above, previous studies have shown that for a business to be able to increase sales levels, it is important to create a positive brand image. A positive brand image positively influences purchasing behaviour, which in turn increases sales levels. Many businesses are starting to make use of social media tools to create a positive brand image. The literature review conducted in this study will investigate three independent variables: namely, Official websites, Facebook and Twitter, and how effective these social media tools are for creating a positive brand image, and how brand image may influence customer purchasing. The empirical research of this study will focus on retailers and customers within the Eastern Cape. Many other factors may contribute to the success of retailers and the creation of a positive brand image, but these will not be tested in this study. The geographical area will be limited to the Eastern Cape, and the sample size will be limited to 300 customers.

1.8 SIGNIFICANCE OF THE STUDY

Social media tools have been adopted by many retailers within the Eastern Cape, but the significance of this type of marketing has yet to be determined. This study will attempt to make a contribution by determining the effectiveness of the use of social media tools by retailers.

Marketing is an integral part of any type of business, and finding ways of effectively reaching, informing and convincing customers to purchase its products is ultimately what provides a business with success. This study attempts to investigate the influence of social media tools on the brand image of retailers, and the influence of brand image on customer purchasing behaviour. If the purchasing behaviour of
customers is positively influenced by the brand image of a retailer, sales will increase and the business performance of retailers will improve.

It has already been proven that a positive brand image leads to increased business performance (Funk 2012:10; Milosevic, Martinelli & Waddell 2007:64). This study will attempt to determine whether a link between all three aspects (social media tools, brand image, customer purchasing behaviour) exists, specifically in the South African retail industry.

Focus will be on addressing the shortage of literature, in South Africa, on social media tools and the influence that it has on the brand image and purchasing behaviour of customers. The results from the empirical investigation will add to the field of social media tools, related to the retail environment.

This study will provide retailers in the Eastern Cape with in-depth knowledge of the efficiency of social media as a marketing tool. When the influence of social media tools on the brand image of retailers and the purchasing behaviour of customers is understood, it can identify strategic interventions to increase business performance, thereby adding to the body of knowledge of retailers in the Eastern Cape.

1.9 STRUCTURE OF THE RESEARCH

The structure of the research will be as follows:

**Chapter 1** introduced the study by providing a background of the topic investigated. The introduction was followed by the problem statement, the purpose of the study and the research questions of the study. A hypothetical model and research hypotheses was proposed. This chapter also included the secondary and primary research objectives of the study. The research objectives were followed by the scope and demarcation of the study, as well as the contribution of the proposed research. This chapter was concluded with an overview of the structure and contents of this study.

**Chapter 2** will provide a background of the South African retail environment. This chapter will discuss the importance of retailers in the South African context. The
economic contributions made by retailers will be discussed and emphasised. This will be followed by a discussion of the factors that contribute to the success of retailers, as well as challenges that retailers face in South Africa. The chapter will conclude with a discussion of brand image and customer purchasing related to retailers.

Chapter 3 will focus on the concept of social media as a marketing communication tool. This chapter will determine the importance of social media tools, as well as Official websites, Facebook and Twitter as tools of social media, which will be used for this study.

Chapter 4 will provide an overview of the research methodology to be used in this study. The population that will be investigated, the sampling technique and the measuring instrument to be used will be provided and discussed. The method to collect data and strategies to be used to administer the measuring instrument will be mentioned. A discussion of the data analysis process and statistical techniques to be used in this study will conclude chapter 4.

Chapter 5 will provide the empirical results of the validity and reliability analyses of this study’s measuring instrument. The results of the influence of social media tools on the brand image of retailers and the purchasing behaviour of customers will be discussed. This chapter will conclude with a discussion on the influence of the demographic variables on the variables used in this study.

Chapter 6 will conclude the research with a presentation of the contents of the previous five chapters. This chapter will provide a conclusion based on the literature review and the empirical results. The contributions made and limitations of this study will be provided, as well as suggestions and recommendations for further research. This chapter will conclude with a provision of recommendations for retailers on the use of social media tools to create a positive brand image, and if a positive brand image influences the purchasing behaviour of customers.
CHAPTER 2
THE RETAIL_ENVIRONMENT AND ITS IMPORTANCE

2.1 INTRODUCTION

The main focus of this study is to investigate the influence of social media tools on the brand image of retailers, and the effect of brand image on the purchasing behaviour of customers. Considering that the study investigates relationships in the retail environment, it is important to discuss retailers in detail.

The purpose of this chapter is to describe retailers and their importance in the South African context. This chapter will be divided into seven sections. The first section will define a retailer. The second section will describe the importance of retailers by focussing on retailers’ dominant role in the supply chain, the influence of retailers on the economy and GDP, the employment offered by retailers and retailers’ contribution to sustainability. This will be followed by the third section which will describe the different types of retailers: namely, store-based retailers and non-store based retailers. The fourth section will provide a discussion regarding recent developments in the South African retail environment. Section five will provide a discussion on four successful South African retailers (Pick n Pay Holdings Limited, Woolworths Holdings Limited, the Spar Group Limited and Shoprite Holdings Limited). The sixth section will discuss the brand image of a business, which will be followed by a discussion on customer purchasing behaviour.

2.2 DEFINITION OF A RETAILER

For any business to be classified as a retailer, more than half of its total profits should be generated from selling products/services to final customers. According to Varley (2013:4), the main purpose of a retailer is to sell finished products/services to final customers. A retailer is defined as any person or business, which satisfy the needs and wants of customers by selling final products. A retailer buys products in large quantities and sells these products in smaller quantities to the public. (Barrett & Gow 1997:13). Furthermore, Skjøtt-Larsen, Schary, Mikkola and Kotzab (2007:149) state that the process of retailing that is selling products/services to the public,
entails partaking and fulfilling a set of functions to add value to final customers. Retailers are the link between the manufacturers of products/services and the final customer, and create the environment in which customer transactions take place. (Cant 2005:4; Mathur 2010:198). Thus, retailers partake in the final stage of economic activity (Pradhan 2009:4).

Based on the above mentioned information, a retailer can be classified as a person or business which buys final products/services from wholesalers to sell to the public to fulfil customer needs and wants. Retailer products are not purchased by customers with the purpose of it being resold.

2.3 IMPORTANCE OF RETAILERS

Factors that provide evidence to the fact that the importance of retailers are constantly growing include: retailers' dominant role in supply chain control, the influence of retailers on the economy and their contribution to GDP, the amount of employment opportunities that retailers offer and retailers' contribution to sustainability. (Londhe 2006:1.2; Young & Tilley 2006:402). Each of these are briefly addressed in the following chapters.

- Retailers' dominant role in supply chain control

Dunne and Lusch (2008:139) define a supply chain as a group of institutions responsible for distributing products from the place of production to the point of purchase. A supply chain, according to Mentzer (2001:2), is a group of three or more businesses linked together by more than one upstream or downstream flow of products/services, finances and information to final customers. Tompkins and Harmelink (2004:1) state that a supply chain is the relationship or link between trading businesses. According to Barrett and Gow (1997:13) and Londhe (2006:1.2), suppliers provide manufacturers with the raw materials needed to produce these products. A product is produced in a factory by manufacturers. The wholesalers fulfil the next step in the supply chain and are responsible for buying finished products from the manufacturers and selling them to retailers. Retailers complete the last phase in the supply chain selling final products to customers.
It is evident that the term supply chain is used for the process of the flow of products/services and information from the raw material form through the stages of processing, development, distribution, consumption and disposal. Each of these levels or stages is interrelated by a link, and these links form the supply chain. (Tompkins & Harmelink 2004:1). Furthermore, Shah (2009:4) states that supply chain management includes all of the activities performed to convert raw materials to the final stage, when products/services reach final customers. Supply chain management is a process focussed on the planning, designing and controlling of the flow of raw materials, information and finance along the supply chain, with the purpose of delivering superior value to final customers (Shah 2009:4). Effective supply chain management, according to Coyle, Langley, Gibson, Novack and Bardi (2009:6), is essential for achieving success and performance in a competitive business environment. Therefore, retailers’ important role in the supply chain is evident.

The importance of retailers is constantly growing and retailers no longer only play an integral role and vital part in the marketing channel, but also form an important link between final customers and manufacturers (Trehan & Trehan 2011:290). In other words, retailers form the last link in the supply chain.

A retailer is the closest of all institutions in the supply chain to the final customer (Leonard 1997:9). Thus, a retailer is responsible for the final step in the supply chain, and is responsible for ensuring that products/services from producers are transported and delivered to final customers. Barret and Gow (1997:13) state that retailers are a central point for all customers, and can save customers time and money. Retailers collect and sell the products of many different manufacturers. This saves customers the effort of having to visit different manufacturers to buy specific products. Retailers are responsible for adding value to final products/services, and according to Pradhan (2009:140) it is important for a retailer to build and maintain long-term relationships with customers. This added value ensures customer satisfaction by fulfilling needs and wants. (Cant 2005:4; Londhe 2006:1.2). Furthermore, a retailer is required to provide a wholesaler with valuable knowledge and information regarding the anticipated level of sales, and must be aware of the
needs and wants of customers. A retailer provides a wholesaler with the required knowledge of how the quality of products/services can be improved to better satisfy final customers. (Farahani, Rezapour & Kardar 2011:268; Zentes, Morschett & Schramm-Klein 2011:7). This puts a retailer in an advantageous position as the business is able to develop activities and products/services to satisfy the needs and wants of customers (Govil & Proth 2002:57; Leonard 1997:9).

The success of a retail supply chain depends on how efficiently a retailer is able to distribute the right products/services to the right place at the right time (Thomas, Esper & Stank 2010:386). According to Thomas et al. (2010:386), the business environment is constantly changing and evolving, and it is essential for a retailer to develop highly responsive supply chains. Highly responsive supply chains allow a retailer to satisfy market demands efficiently. Mahadevan (2007:40) states that increased competition and the growing need for operational effectiveness and customer satisfaction has led to retailers demanding higher quality resources from supply chain partners to ensure high retail competitiveness in the business environment. The importance of retailer-supplier relationships and interaction has increased as the need for high quality resources is essential for ensuring retailer success and competitiveness. Ganesan et al. (2009:84) state that this process, retailers demanding higher quality resources, has led to numerous improvements in retailer brand image, reputation, sales levels, profit margins and customer relationships.

- Influence of retailers on the economy and GDP

Another factor that proves a retailer’s growing importance is its major contribution to the country’s economies and GDPs. The economy is defined as all activities and processes used to produce and distribute products/services in a particular country or geographical region. The economy of a country indicates the efficient use of available resources. (Investor Words 2013). The economy of a country is defined as the organised system and process of all human activities necessary in the processes of production, consumption, exchange and distribution of final products/services (Investing Answers 2013). According to Bullmore and Sporns (2012:337), a country with a strong economy is one in which economic sectors add value to raw materials.
to increase the value of final products/services and thereby increase the selling price to more than the price of production. The GDP figure of a country provides an indication of the state of a country’s economy (Pailwar 2008:74). According to Carayannis, Varblane and Roolaht (2012:22) the GDP figure is a reasonable indication of the size of a country’s economy.

GDP, according to Arnold (2008:152), is defined as the total market value of products/services manufactured within the borders of a country. Mankiw (2009:517) states that the GDP is calculated for the purpose of determining how effectively the overall economy of a country is performing. Furthermore, Agarwal (2010:22) states that GDP is calculated as the total value of products/services at constant prices. Thus, the GDP is a process used to determine the health of an economy (Brentani 2004:106).

A country’s GDP figure reflects the economy’s production of products/services during a specific time period, and in turn reflects the economy’s ability to satisfy the needs and wants of a population (Mankiw & Taylor 2006:475). According to Grover (2013), a high GDP figure indicates that the production of a country is high, which indicates that customers have money to purchase products/services. Brentani (2004:106) states that a high GDP figure provides evidence that the economy of a country is growing rapidly, which in turn may be evident of businesses operating in that specific economy have increased sales levels and profits. As customers purchase products/services and increase sales levels in the country’s primary sectors, a country’s GDP increases. As customers’ purchasing needs/behaviours in these business sectors change, the GDP figure changes accordingly. (GPS-Business 2013).

Various primary sectors of the economy contribute to the GDP of South Africa. These primary sectors include agriculture, mining, manufacturing, electricity and water, construction, transport, storage and communication, finance, real estate and business services, government services, personal services and wholesale, retail and motor trade. The GDP of South Africa is made up of the combined performance of these primary sectors (Media Club South Africa 2013). At the end of 2012, these
primary sectors contributed the following to the GDP of South Africa (South Africa Info 2013):

• Agriculture: 2.2%
• Mining: 10%
• Manufacturing: 12.3%
• Electricity and water: 2.6%
• Construction: 3.9%
• Transport, storage and communication: 9%
• Finance, real estate and business services: 21.2%
• Government services: 16.7%
• Personal services: 5.9%
• Wholesale, retail and motor trade: 16.2%

From the above figures, it is evident that retailers contribute a significant part to South Africa’s GDP. According to Londhe (2006:1.2), a retailer contributes largely to the state of its country’s economy, and forms and shapes the “economic structure” of the society. In recent years, the process of retailing has become a more specialised activity.

Retailers are becoming more competitive as surviving in the business environment depends on higher levels of sales compared to competitors. This has led to the increased importance of retailers to the state of the economy. Retailers’ products/services and brand image influence the social lives of the society. The retail industry is constantly showing signs of its increasing importance to the society and economy. (Londhe 2006:1.2). Based on the above information, the wholesale, retail and motor trade sector was the third highest contributor to the GDP of South Africa in 2012. This provides evidence that the retail environment plays an important role in the state of South Africa’s economy and GDP figure.

• Employment offered by retailers

According to Dickinson (2013), the retail industry is a major source of employment for countries. Dunne, Lusch and Carver (2011:4) state that approximately twenty percent of the world’s labour force is working in the retail environment. The
significance of the retail industry is not only dependent on the contribution to a country’s economy, but also by the level of employment that it generates (Pradhan 2009:8). The number of individuals employed in the retail industry is constantly increasing, due to the changing business environment and the need for retailers to expand and grow (Wallace 2001:890).

According to Kearney (2006:1), the fast pace at which the retail environment is growing is causing retailers to enter new markets, to increase the size of the customer base and to produce new products/services in new and innovative ways. As retailers grow and expand, the size of the business increases accordingly. This has led to the structure of retail businesses becoming increasingly complex (Krafft & Mantrala 2010:67). Thus, for retailers to enter into new markets, to increase the size of the customer base and to produce new ranges of products/services, new employees will need to be employed to improve the skills and workload capabilities of the workforce.

A country with a strong economy generally has a large degree of employment opportunities. Countries with vast employment opportunities provide the population members with the opportunity of earning salaries and improving their standard of living. This, in turn, reduces the unemployment rate of that specific country. A strong economy provides a favourable environment in which customers have, and are willing to spend money and therefore opportunities arise for the creation of new businesses, and already successful businesses can increase profits even more. (Gerber, Delvare, Mabutho & Ntulini 2007:7; Simon 2010:17). A weak economy results in people losing jobs, resulting in less favourable standards of living. The South African unemployment rate is calculated to be twenty five percent, which is relatively high compared to other countries. (Roos 2011; Trading Economics 2013). In South Africa, Pick n Pay Holdings Limited, Woolworths Holdings Limited, Shoprite Holdings Limited and The Spar Group Limited are four of the most well-known and successful businesses operating in the retail industry (Sharedata 2013 a; Sharedata 2013 b). Pick n Pay Holdings Limited was listed on the Johannesburg Stock Exchange (JSE) in 1968 and employs roughly 42 400 employees (Fastmoving 2013 a). In 1936, Woolworths Holdings Limited was listed on the JSE and has an employment number of approximately 24 649 employees (Fastmoving 2013 b;
Thomas 2012). Shoprite Holdings Limited was listed on the JSE in 1986, and employs roughly 100 000 employees (Fastmoving 2013 c; Shoprite 2013 d). The Spar Group Limited was listed on the JSE in 2005, and has a total number of approximately 2 698 employees (Fastmoving 2013 d). At the start of 2013, a total number of 13.58 million people were employed in the South African workforce (Department of Finance: Mpumalanga 2013).

It is evident that the retail environment is responsible for a large degree of the South African workforce and employment. Furthermore, the South African retail environment is constantly growing and expanding, and the total sales figure of retailers will continue to grow (PriceWaterhouseCoopers 2012:1-2). Thus, continuous growth and increases in sales figures and new business propositions in the retail environment have the potential to increase employment opportunities in the future.

- Retailers' contribution to sustainability

As mentioned, retailers are constantly growing and expanding. The retail environment has developed into the heartbeat of modern day customers. (Federal Ministry for the Environment, Nature Conservation and Nuclear Safety 2006:6). A retailer serves as a link between the customer and manufacturer (Pradhan 2009:6), a purchasing point (Burrow 2012:379) and a value creation and needs satisfying process (Finne & Sivonen 2009:136). Thus, retailers' regular customer interaction provides these businesses with the important responsibility of making customers, and the public, aware of sustainability and sustainable purchasing practices (Federal Ministry for the Environment, Nature Conservation and Nuclear Safety 2006:6; United Nations environment programme 2005:1-68).

Sustainability is defined as the process of satisfying a generations current needs and wants without jeopardising future generations' ability to satisfy their needs and wants (Wankel & Stoner 2009:140). Business sustainability, according to Hume (2010:356), is defined as a process of satisfying basic needs and wants while balancing time and monetary expenses, avoiding resource depletion and thereby ensuring a resourceful future for future generations. Hitchcock and Willard (2009:9) state that sustainability
is a process that requires individuals, households and businesses to live within the limits of nature and consume natural resources sparingly. Sustainability is a process focussed on developing a strong economy, building and improving the environment, preserving natural resources and emphasising the importance of social development (Hitchcock & Willard 2009:9).

Individuals, households and businesses depend largely on energy resources and material resources extracted from the natural environment to fulfil basic needs and wants. However, as these resources are used they are returned in a useless, degraded form of waste to the ecosphere. (Rees & Wackernagel 2012:225). According to Schneider, Kallis and Martinez-Alier (2010:516) the constant growth of the economy is increasing environmental liabilities and is accelerating the rate at which natural resources are being depleted and exhausted. Businesses unlimited consumption of natural resources has the ability to lead to environmental, social and economic deterioration (Hume 2010:356). Schneider et al. (2010:512) state that economic growth and business efficiency requires new physical consumptions, leading to resource depletion. The strong economic growth and increased demand for products/services, according to Rees and Wackernagel (2012:225), has led to businesses depending largely on natural resources, and has created the mindset of nature being a provider of free natural goods. Sustainability and businesses implementing sustainable practices have become a concern, due to the fast rate at which natural resources are being exhausted (McVoy, Nelson, Krekeler, Kolb & Gritsavage 2010:3).

Implementing sustainable practices and changing lifestyles to encourage and contribute to sustainability is the responsibility of individuals, households and businesses (Hume 2010:356). According to Ehrenfeld (2005:23), a retailer should focus on incorporating sustainable practises and behaviour into its retailing activities. A retailer should find ways of satisfying the needs and wants of customers, while reducing the negative impact on the natural environment and resources. A retail business has the important task of addressing the sustainability concern in such a way that would not negatively affect current business processes and performance (Wankel & Stoner 2009:140). Retailers should consider sustainable degrowth, a process in which the business decreases production and consumption to increase
the well-being of populations and to improve ecological conditions (Schneider et al. 2010:512). For a retailer to successfully contribute to the state of sustainability, it should focus on the three main areas of sustainability: namely, the economic, environmental, social and sustainability aspects (Wu, Huang, Kuo & Wu 2010:520).

South African retailers are making valuable contributions to the state of sustainability in the country, and are becoming a part of the global process of improving sustainability and implementing sustainable practices (Environmental Affairs and Tourism 2008:3). Retailers of South Africa are regularly reporting on their social, economic and environmental performance, otherwise known as the Triple Bottom Line (Rossouw 2010).

Woolworths Holdings Limited, in conjunction with the Marine Stewardship Council (MSC), is allowing customers with the ability to be aware of all steps in the supply chain of fish sold by the business. Woolworths is aware of the problem of over-exploited fish species caused by illegal fishing practices, and has launched the “hooked on sustainable fishing” campaign. This campaign makes customers aware of the problem, and ensures customers that all fish-products purchased from Woolworths Holdings Limited do not form part of the over-exploited fish stocks, and were captured within the set laws and regulations. (SASSI 2010).

Pick n Pay Holdings Limited is focussed on ensuring a sustainable future and reducing the negative impact of the business’s activities. Sustainability is an important focus area of the business, and mutual sustainability goals are shared among managers of all business departments. Pick n Pay Holdings Limited is working closely with suppliers, to ensure that products delivered to the business have not been gathered through illegal methods and the business refuses to sell products facing a threat of extinction. (Pick n Pay 2010:18). Thus, it is clear that Pick n Pay Holdings Limited is aware of the urgent need for sustainable development, and is making valuable contributions to this initiative.

The Spar Group Limited is focussed on considering the impact of business decisions and practices on the natural environment. The business considers the environment, its shareholders and economic factors as the main contributors to sustainability. The business has modified business strategies and practices in such a way to reduce its
environmental footprint, making customers aware of sustainable practices, integrating with suppliers to reduce their environmental footprint and to raise awareness and encourage sustainable practices throughout the business. (Spar 2013 c). It is evident, from the above information, that The Spar Group Limited is aware of the problem of over-exploited natural resources, and is making a valuable contribution to the state of sustainability in South Africa.

Shoprite Holdings Limited places high importance on the process of promoting sustainability and sustainable development, and is focused on helping the world’s environment, economy and society, to ensure that current needs and wants are satisfied to ensure a resourceful future. The business regularly sets new sustainability goals and objectives, and reports on sustainable practices in annual reports. The business participates in sustainable practices ensuring efficient use of energy, waste production, recycling and reducing transport emissions. (Shoprite Holdings Limited 2013 b). Thus, it is clear that Shoprite Holdings Limited is changing and modifying business activities and mind-sets to be able to positively contribute to sustainability.

Thus, it is evident from the above discussion that sustainability and the process of adapting sustainable practices is a concept that is important to South African retailers. These retail businesses have the potential to positively contribute to the overall state of sustainability in South Africa.

Based on the above information it is evident that retailers play an integral part in supply chain control, the economy, the state of a country’s GDP, employment and sustainability.

2.4 DIFFERENT TYPES OF RETAILERS

According to Cant (2005:5), retailers can be categorised into many different types: namely supermarkets, pharmacies, club stores, convenience stores, on-premise, institutional accounts, vending and international retailers (Kotler & Armstrong 2010:389; Olson & López 2009:229). One way of further categorising retailers is by focusing on the level of “purchase-experience control” and the amount of different
product categories that the retailer sells. The purchase-experience control level can be defined as the amount of control that a retailer has on the customer purchasing experience. When the purchase-experience control level is high, it indicates that the retailer manages its business environment closely. Low and middle levelled purchase-experience control levels indicate some customer purchasing variables that are not managed by the retail business. (Cant 2005:5; Gupta & Randhawa 2008:23). Cant (2005:5), states that retailers with high purchase-experience control levels usually operate in a store-based environment, while retailers with low to moderate levels of purchase-experience control tend to operate in non-store based environments. Thus, this provides evidence that all retailers operate in different ways, and not all retailers make use of the same strategies and activities to achieve goals and objectives. Store-based retailers and non-store based retailers will be discussed in the following chapters.

- Store-based retailers

A store-based or shop-based retailer, which is generally referred to as a brick and mortar retailer, operates from a permanent store location (Dunne et al. 2011:230). Brick and mortar retailers can further be identified through the type of products that they sell, or the way in which they perform business activities. Store-based retailers allow customers to compare products, to touch, feel and test products, to ask for advice and to engage in a purchasing environment (Dent 2011:247). Store-based retailers, unlike non-store based retailers, have to find ways to ensure that customers remain interested and visit the store on a regular basis. Thus, store-based retailers have to make sure that the actual store, the service provided and the products distributed to customers are of high quality and that these are sufficient. (Varley 2001:178). Customers are required to travel to the store to view and purchase products/services (Ray & Walker 2004:1; Sullivan & Adcock 2002:212).

Retailers, operating in a store-based environment, should ensure that customers feel the need to visit the store on a regular basis. To ensure that customers visit the shop regularly, retailers have the difficult task of ensuring that the store, its services and the products offered are of high quality (Pradhan 2006:60). According to Ray and Walker (2004:1), store-based retailers are becoming aware of the benefits that the
Internet and social media tools, as used by non-store based retailers, can hold for the business. This has resulted in store-based retailers developing different retail forms to increase the target market size and to ensure growth of sales levels (Ray & Walker 2004:1).

- Non-store based retailers

Non-store based retailers provide customers with the opportunity of purchasing products/services without having to visit the actual brick and mortar retailer. Retailers that operate in a non-store based environment, through the use of the Internet, have the ability to engage with customers at home, work or any other location without having to interact personally. (Ray & Walker 2004:1).

Forms of non-store based retailers include automatic vending, direct retailing, direct marketing and electronic marketing (Lamb, Hair & McDaniel 2011:442). Selling products/services online and through social media tools, a form of electronic media, can hold benefits for retailers. (Ståhlberg & Maila 2010:202). Non-store retailers, compared to store-based retailers, are able to provide customers with higher levels of convenience. These increased levels of convenience is a result of customers being able to view product/service offerings, communicate with the business and purchase products/services via the Internet. Retailers are investing large amounts of money and resources into developing and maintaining online purchasing systems (O’Cass & Fenech 2003:82). Ray and Walker (2004:2), state that retailers making use of the Internet to sell products/services and to interact with customers will experience the greatest growth in years to come.

South African retailers are aware of the changing needs and wants of customers, and are undergoing many changes to better satisfy these needs and wants.

2.5 RECENT DEVELOPMENTS IN THE SOUTH AFRICAN RETAIL ENVIRONMENT

South Africa is classified as being a developing country with emerging customer markets (Karpilo 2010). In 2009, South Africa entered into an economic recession for the first time since 1992 (Stiftung 2009:1). Stiftung (2009:1) states that the crisis of
the global economy negatively influenced major contributors to growth such as the trade investment, mining and manufacturing industries.

According to Hirsch (2012:83), the National Consumer Protection Act, which came into action before the worldwide economic recession which began in 2007 (Jones 2009:1), protected South African retailers. The retailers’ sales have decreased slightly, but this can be due to other factors such as the unstable Rand (Boesler 2013), changing crude oil prices (Matsho 2010:1) and the state of the world economy. Thus, the sales levels of South African retailers remained high, despite the fact that the country faced a number of changes and problems. The future of South African retail stores looks promising. The country has a healthy supply of mineral resources and farmlands provide good quality food. (Hirsch 2012:83).

Cities of Africa, Asia and Europe were the top performers on the worldwide Cost of Living survey (Mercer 2011), indicating that these cities are the world’s most expensive cities for expatriates. Cost of living, according to Doyle (2013), is the costs associated with upholding a standard of living. Sperling and Sander (2007:68) state that the cost of living is one of the main elements determining the standard of living and type of lifestyle of an individual and/or household. The cost of living generally depends on the state of the specific country’s economy (Doyle 2013). Maciejewski (2002:517) state that the cost of living is a result of economic growth, and is an indication of welfare and quality of life. This survey measures the cost of living of major cities. Rankings among the Cost of Living survey are determined by the strength of a country’s currency and price movements over a twelve month period. (Mercer 2011). In 2011, the cost of living for South African customers increased dramatically when the price of most food products, electricity and water increased substantially (Maimane 2012). Although the economic recession is something of the past, countries are still feeling its impact and are recovering at a slow rate. The economic recession resulted in customers being hesitant and cautious when spending money, generally only spending money on necessities (Euromonitor International 2012; Mohamed 2011).

In 2011, due to the increased costs of electricity and water supplies, the prices of general commodities continued to rise, and customers were determined to find long-
term solutions to the high living costs. Customers started to make use of private labelled products. At the time, private labelled products were lower priced than the non-private labelled products. (Durham 2011). Woolworths, a well-known South African retailer, was able to increase its sales of non-grocery products in 2011, as this business made an attempt to provide customers with low priced private labelled products. More South African retailers were expected to adopt this strategy, lowering the price of private labelled products, to attract more customers. (Euromonitor International 2012).

During the economic recession, Shoprite was able to take advantage of the situation by lowering the prices of products. The low prices of Shoprite attracted many low- and middle level income customers. Shoprite was able to constantly increase the size of its customer base, due to the fact that the business made continuous investments in the setting up of countrywide supply centres. This strategy was beneficial to Shoprite as it increased sales in a time of decreasing customer purchasing power. Less transport was needed, and this allowed Shoprite to lower its operational costs, which in turn provided the business with the opportunity of reducing the prices of products. This therefore provided Shoprite with an advantage over its competitors. (Carte 2009; Euromonitor International 2012).

During 2011, the South African unemployment rate was at twenty five percent (Roos 2011) and there were concerns as to whether enough employment opportunities would be created (The Citizen 2011). The South African economic growth would be hindered if large portions of the population were unemployed, as a large degree of human resources would be lost as a result of the incapability to employ, which could have produced wealth and profits for the country (Muthethwa 2012:2). The employment number in South African retailers also decreased in 2011, and more retrenchments were expected for coming years. As a result of operational requirements, Pick n Pay Holdings Limited retrenched more than 3 000 employees in 2011 (Sowetan 2011). ABSA, South Africa’s largest retailing bank, also had to retrench employees in 2011 (SABC News 2012).

In 2011, store-based retailing businesses around the world were expected to gradually make use of social media tools, as the use and efficiency of Internet
retailing was growing at a rapid rate (Turner 2012). The sales growth rate of store-based retailers was to decrease, as more customers were to participate in online retailing. Due to the cost of using the Internet becoming affordable, the use of social media tools by both retailers and customers was expected to increase (Euromonitor International 2012; Straubhaar, LaRose & Davenport 2012:252).

In 2012, the objectives of retailers were to attract new target markets and to improve operational performance within existing markets, as well as enter new markets (Stores 2012). Retailers learned that to be successful in emerging market environments, market models and the products offered should be modified to such an extent that they would continue to satisfy the changing needs and wants of customers (Pike & Gibbs 2012).

The cost of living for South Africans remained high during 2012, as the cost of fuel, electricity, food and public transport increased on a regular basis. This high cost of living was believed to increase, as tax rates were to increase, e-tolling was to come into effect (Labuschagne 2009:403) and the cost of water was to increase (Malmane 2012). The high cost of living means that individuals and households incur more expenses, and thus need to spend more money on settling debt and purchasing necessary products/services. This means that population members would have had less money available for purchasing products/services other than necessities.

According to Cant (2005:7), South Africa’s retail environment is viewed as one of the most interesting and exciting, due to the constant growth of the industry (Treasury 2012). According to Hirsh (2012:82), South Africa is seen as the new land of “milk and honey”. South Africa’s retail environment holds potential and numerous opportunities. For the year 2012, a sales growth rate of five percent was predicted for formal South African retailers (Property 24 2012). Thus, increased sales levels provided South African retailers with the ability to grow and expand even further.

In 2012, retailers made attempts to enter new markets, to increase the number of channels in which they operate and to increase the use of technology and social media. The data collected from technology and social media mediums was to be used to understand customer preferences better. (Pike & Gibbs 2012). South African
customers no longer need to travel overseas to view the latest fashion trends, technologies or motor vehicles. Hirsh (2012:82) states that this is no longer necessary, as the South African retail environment is up to date compared to countries around the world. The Internet has provided South Africa with this opportunity.

In 2012, retailers were to be more “aggressive” in their use of online shopping and social media. The growing use of online shopping and social media provided retailers with an opportunity to make use of another channel for informing customers of new product offerings and discounted prices (Cant & van Heerden 2010:397; Pike & Gibbs 2012). Of all of the technology used by customers, the smartphone is the most dominant and influential (Pike & Gibbs 2012). A smartphone, according to Rittinghouse and Ransome (2010:236), is defined as a mobile device that provides users with more accessories and features than a traditional mobile phone. Furthermore, Yuan (2005:1) states that a smartphone is a mobile device that provides users with computer functionalities. This knowledge provided retailers with the opportunity of developing smartphone “applications” which could be used to provide customers with new product information and a purchasing option, via mobile phones (Pike & Gibbs 2012).

However, retailers should not overlook the influence that the actual store has on a customer and its purchasing behaviour. The retail store is the “core of retail”. The customer experience and journey remains the most important, and not the final purchasing transaction (Pike & Gibbs 2012). Thus, the purchasing experience created by a business, and the way in which customers are treated is more important than selling the product/service.

Following these changes, the major South African retailers showed improvement in the rankings of the global Top 250. The global Top 250 list shows/ranks the top 250 businesses in the world based on a number of factors contributing to business success. Steinhoff International, a South African retailer focused on producing and exporting furniture and household goods to Europe, entered the global Top 250 list for the first time in 2012. In 2012, Shoprite Holdings Limited remained at the top of the ranking list compared to eight Middle East and African retailers. Massmart
Holdings Limited, Pick n Pay Holdings Limited, The Spar Group Limited and Steinhoff, which are all retailing businesses operating in South Africa, featured on the global Top 250 ranking list. (Pike & Gibbs 2012).

Based on the above information, it is evident that change in the retail environment occurs rapidly, and that South African retailers have managed to keep up to date with changing customer preferences, strategies and technology. It is also evident that the South African retail environment holds a lot of potential and various business opportunities exist.

2.6 SOUTH AFRICAN RETAILERS

The retail environment is undergoing many changes (Dunne et al. 2011:4). Customer purchasing behaviour is continuously influenced by the changing social and natural environment (Ferrell & Hartline 2010:161). To remain successful and to ensure high levels of sales, retailers have to regularly adapt and modify their strategies to fit the ever changing needs and wants of customers (Londhe 2006:2.1).

South African retail businesses are divided into two main groups: namely, general- and food- and drug retailers. Woolworths Holdings Limited, a South African general-retailer, has the highest market capitalisation figure (R 54 856 million) compared to other retailers in the general-retailer category (Sharedata 2013 b). Pick n Pay Holdings Limited, Shoprite Holdings Limited and the Spar Group Limited, which are categorised as food and drug retailers, also have very high market capitalisation figures. These figures are R 8 752 million, R 99 282 million and R 19 508 million respectively. (Sharedata 2013 a). Market capitalisation can be defined as the market value of a business at a specific point in time. This figure is calculated by multiplying the price of the business’s shares, by the number of shares outstanding (Horowitz 2010; Ranganatham & Madhumathi 2006:148). When referring to market capitalisation figures, Pick n Pay Holdings Limited, Woolworths Holdings Limited, Shoprite Holdings Limited and the Spar Group Limited can be classified as four of South Africa’s leading, most successful and well-known retailers.
2.6.1 Pick n Pay Holdings Limited

Pick n Pay (PnP) Holdings Limited is classified as one of the largest and most popular retailers in South Africa. The business is consistently successful and is a retailer of food, clothing and general merchandise. (Pick n Pay 2013 b). PnP was established in 1967 by Raymond Ackerman. Ackerman bought four small store outlets in the Western Cape, and as a family business sold food to the public. In 1968, the business was listed on the Johannesburg Stock Exchange as PnP Stores Limited. During the year of 1969, PnP was listed in the Sunday Times Top 100 businesses. This was a result of the fast growth rate in popularity and the high quality of products/services. (Fastmoving 2013 a). PnP has a little less than eight hundred stores, which consist of Supermarkets, Hypermarkets and Family Stores (Pick n Pay 2013 b).

In 2012, an average of more than fifty million customer transactions were processed by PnP per month (Business Report 2012), and more than forty two thousand new people were employed (Fastmoving 2013 a). At the end of the 2012 financial year, the PnP Group generated an annual turnover of R55.3 billion (Fastmoving 2013 a). PnP states that one of its main objectives is to be a worldwide competitor as the business focusses on providing customers with high quality products/services at the best prices. The business goes out of its way to satisfy special needs and wants of customers, by offering additional services. (Fastmoving 2013 a). PnP is focussed on staying up to date with new marketing techniques and creative ways of interacting with customers and places high value on the use of social media tools to interact with customers by providing new product/service information and information on business activities.

In 2012, PnP strived to become the number one preferred retailer of choice across South African customers (Fastmoving 2013 a). PnP has developed a program to benefit its buyers, namely the Smart Shopper initiative. PnP states that the Smart Shopper initiative earns customers rewards every time products/services are purchased. When a product is bought from any PnP retail outlet, the customer shows his/her Smart Shopper card to the sales person who swipes it, and the customer then earns points. Vouchers are awarded which are then handed in at the till and the
corresponding amount is deducted from the total purchase. PnP provides customers with additional benefits, such as earning bonus points on products that are on promotion. PnP makes use of social media to further encourage customers to make use of the Smart Shopper points system. The process is called Smart Shopper Online, in which customers earn points when products are purchased on the PnP website. (Pick n Pay 2013 c).

2.6.2 Woolworths Holdings Limited

Woolworths Holdings Limited is a business which holds investments, and is listed in the top one hundred most successful businesses on the Johannesburg Stock Exchange. The main objective of Woolworths is to provide retail and financial services to middle and higher income customer groups. Woolworths operates mainly in South Africa, but has retail outlets in Africa, New Zealand and Australia. (Fastmoving 2013 b).

In 1931, Max Sonnenberg opened the doors of Woolworths Holdings Limited in Cape Town (Luiz, Bowen & Beswick 2011:1). Sonnenberg believed that the success of any business depended on the provision of high quality products to customers, at relatively low prices. This belief has lead Woolworths to being a leading South African retailing business. Woolworths’ strategy is focussed on excellence in four main areas: namely, its customers, its operations, its people and its “Our Good Journey” initiative. The Woolworths Good Journey initiative is focussed on increasing the use of sustainable farming, reducing the businesses’ negative impact on water, and energy, to increase social development and transformation (Money Web 2011; Woolworths Holdings Limited 2012:5). The business believes that if these four aspects are managed effectively, business success and performance will be ensured (Fastmoving 2013 b).

The Group places high value and importance on the process of sustainability and social responsibility (Money Web 2011; Woolworths Limited 2007:1-32). Sustainability can be defined as the process in which the natural environment and its resources are protected and maintained to ensure future social and economic operations (Young 2008:1). Individuals and businesses should be able to satisfy
current needs and wants, without jeopardising future generations’ opportunities (Environmental Protection Agency 2013). The Woolworths Group, its people, suppliers, shareholders and customers, place high value on the process of ensuring sustainability. The growth of the business is limited to the degree of responsible retailing it can pursue. The Group have set goals and objectives regarding this process, and the initiative is called “Our Good Journey”. The business has engaged in sustainable farming, in which the Group attempts to reduce the negative impacts that farming and fishing have on bio-diversity. The Group is focussed on reducing the usage of electricity and water, and managing waste water effectively. The business has made it clear that all packaging used by Woolworths will be recyclable from 2015, and customers will be able to make use of recycling facilities at any Woolworths outlet across the country (Fastmoving 2013 b). In 2012, the Woolworths Group won the award for International Responsible Retailer of the Year. This award recognises the commitment and efforts made by the Group in being sustainable and for ensuring and participating in sustainable practices. This is the third time that Woolworths has been awarded this prestigious award. (Woolworths 2013 b).

Woolworths has integrated the use of social media tools into its marketing communication strategy (Dos Santos, Svensson & Padin 2013:104-108). The business is constantly focussing on creating a multichannel retailing world. The Group believes that its brand is positioned well enough for it to effectively use multichannel retailing. The Group invested heavily in the improvement and development of its online shopping website and intends to further invest and improve on its online product offerings, the provision of new product information, services and product delivery options. To improve customer convenience, the Group claims that it will create “social commerce platforms” which will improve social media marketing activities. (Fastmoving 2013 b; Woolworths Limited 2011).

2.6.3 The Spar Group Limited

The Spar Group Limited was established in 1932 by Adriaan van Well (Kwik Convenience 2013). In English the Dutch-word “Spar” means fir tree, and hence the symbol and logo of the business. Van Well had the idea of wholesalers and retailers operating together and achieving more than the individual businesses could each
have achieved on their own. Spar’s wholesalers and retailers work in conjunction and have grown strong partnerships and relationships. Since 1932, the business has shown constant growth, and the business believes that continuous success is a result of this Spar Partnership model. (Spar 2013 d).

Spar believes that the business’s development and success is a result of a group of set core values and beliefs. The business states that this set of values has guided daily activities since its establishment in 1932. This set of core values includes providing each customer with fresh products, great service and also satisfying individual needs and wants. The business is focussed on providing customers with good quality products/services at respectable prices. (Spar 2013 e).

2.6.4 Shoprite Holdings Limited

According to the business, Shoprite Holdings Limited is Africa’s largest food retailer (Moorad 2013; Shoprite Holdings Limited 2013 a). The business was established in 1979, when a chain of eight supermarkets was bought. In 1986 the business was listed on the Johannesburg Stock Exchange for the first time (Cairns 2010). The Corporate Research Foundation voted Shoprite Holdings Limited one of the 49 best businesses to work for, as well as one of the 50 most promising businesses in South Africa for 1998. (Shoprite Holdings Limited 2013 c). The business is made up of more than 1 400 corporate outlets and 400 franchise outlets across 17 different countries situated in Africa and the Indian Ocean Islands. The primary objective of the business is to provide fresh food and household products to customers of any level of income. (Shoprite Holdings Limited 2013 d).

Within their operations these South African retail businesses: Pick n Pay Holdings Limited, Woolworths Holdings Limited, the Spar Group Limited and Shoprite Holdings Limited, place high importance on creating and maintaining positive brand images in the minds of their customers.
2.7 BRAND IMAGE IN PERSPECTIVE

Brand image is a term that refers to the overall impression that a retailer communicates through business activities to customers and shareholders. The image of a retailer’s brand is made up of opinions and attitudes towards products/services of the public. (Franzen & Moriarty 2009:262; Glynn & Woodside 2009:214; Turner 2006:212-213). Furthermore, Kazmi (2008:299) states that brand image is the sum total of impressions created in the minds of customers by the business. Brand image, according to Kumar (2008:192), is defined as the way in which customers perceive a brand and how customers associate with the brand. Kumar (2008:192) states that a brand image is created by the business’s marketing and brand-related activities.

Businesses have the objective of creating a desired self-image in the minds of customers (Batra & Homer 2004:318). The brand image of a business can be created and influenced by many factors (Londhe 2006:4.6). According to De Mooij (2009:275), elements that influence the image of a brand include the product, price, distribution and business-customer communication. Social media tools provide businesses with the ability to improve the quality and regularity of customer communication (Funk 2011:18), an element necessary for the creation of a positive brand image. The image of a brand has the potential to influence the purchasing behaviour of customers and create brand loyalty (Kapferer 2008:11; Michman, Mazze & Greco 2003:28). According to Kapferer (2012:39), the image of a retailer’s brand is directly linked to high sales and the success of a business as a whole.

According to Shimp (2010:46), a positive brand image leads to brand loyalty. Brand loyalty is essential for ensuring long-term business growth and success, as well as high sales levels which ultimately creates higher profitability. Furthermore, a strong positive retailer brand image will lead to a sustainable advantage over competitors. A competitive advantage will have a positive effect on the sales and revenues of a retailer, which will ultimately increase business performance (Kim, Fiore & Kim 2011:82). Thus, a positive brand image has a direct influence on the profitability and performance of a retailer. Therefore, the possibility that a positive brand image may lead to improved customer purchasing behaviour exists.
Based on the above information, brand image can therefore be defined as the process of a retailer creating a desired impression of itself and its products/services in the minds of customers, with the goal of ultimately influencing the purchasing behaviour of customers. The importance of a positive brand image, social media for creating a positive brand image and South African retailers and brand image are discussed in the following sections.

- Importance of a positive brand image

Customers form product/service associations in a number of different ways. The past experiences that a customer has had with the retailer (Kincaid 2003:25) and word-of-mouth communication from other customers is used by customers to form associations with a particular brand (Xu 2005:170). A positive brand image can be created and influenced by a number of different factors, some of which include retailers’ marketing campaigns, packaging and websites (Donald & Gammack 2007:47; Tibbs 2010:53).

Customers make use of previous experiences and knowledge of the brand, as well as their expectations of, attitudes towards the brand and satisfaction that the brand has provided to create a certain perception of the brand in their minds. These perceptions will have an influence on the purchasing behaviour of customers. (Chan-Olmsted 2006:62; Kapferer 2012:35). It is therefore of utmost importance that the perceptions and attitudes created by retailers in the minds of their customers is positive.

Retailers that have been successful in creating positive brand images in the minds of target audiences are able to sell products/services at higher prices than similar products/services sold by competitors. A positive brand image can result in customers paying high prices for preferred products/services, prices that are higher than the actual value of a product/service, and prices that exceed the attributes of those specific products/services (Bygrave & Zacharakis 2009:106). According to Thomas (2013), a brand image is the element that distinguishes a retailer from its competitors. A positive brand image allows a retailer to set high prices, and still be
able to achieve high sales levels. Thomas (2013), states that successful retailers study the needs and wants of its customer group, and adapt their products/services accordingly. Customers purchase products/services not only for the purpose that they fulfil, but also for what the product/service means to the customer. (Gitman & McDaniel 2008:295). According to Cress (2007:190), a retailer’s business activities contribute to the creation of a brand image in the minds of customers.

A retailer should focus on ultimately creating a positive brand image by meeting the expectations that customers have of the business’s products/services and all other activities (Cress 2007:190).

A successful retail business is one that is able to satisfy the specific needs and wants of customers on a regular basis. Retailers that are able to satisfy their customers on a regular basis through products/services generally provide customers with better quality, prices and service. A positive retailer brand image is created when a customer is regularly provided with good quality products/services which satisfy exact needs and wants. Ultimately, a positive brand image allows retailers to be able to have an advantage over competitors. (Burrow 2012:99; Park, Jaworski & MacInnis 1986:135).

According to De Mooij (2009:275), the marketing campaigns of a retailer play an integral part in the creation of a desired brand image. A retailer’s marketing campaign can take on many different forms and can include activities such as organising an event, distributing printed advertisements to customers and the public or direct marketing efforts (Strauss 2010:205). Marketing campaigns are an effective way for businesses to remind customers of the brand and its products/services, and have the ability to refresh or enhance the image of a brand in the minds of customers (Lamb, Hair & McDaniel 2008:476; Smith 2008:120).

The packaging of a business’s products serves a number of purposes namely: protecting the product from damages, the package identifies the business selling the product and it markets and communicates the brand to customers (Pride & Ferrell 2012:411). The packaging that a retailer uses for its products/services is a visual identity created by the business for its customers. The unique packaging used by a
retailer can be an effective way of allowing customers to recognise a particular retailer’s product/services, and furthermore remind customers of the retailer’s values, features and image. (Klimchuk & Krasovec 2012:48).

- Social media for creating a positive brand image

According to Brown (2006:8), for any business to be successful and to have a competitive advantage, marketing through the use of the Internet and social media tools is a necessity. Brown (2006:8), states that the Internet provides a retailer with the ability to communicate and interact with thousands of customers across the world. The Internet, according to Lee (2001:37), provides a business with all of the necessary material needed to create a desired brand image. A well designed, effective website provides a retailer with the ability to create and enhance its brand image. The image of a brand can be created and communicated more thoroughly through the use of social media tools, such as Facebook and Twitter. The content supplied on social media sites by both the business and customers has a major influence on the image of a brand (Tuten 2008:164). According to Agichtein, Castillo, Donato, Gionis and Mishne (2008:183), the content uploaded by social media users can be viewed by thousands of other users. This provides evidence that a retailer is able to communicate its business activities and product/service information to a large group of users directly. This constant customer-retailer interaction allows a retailer to establish a desired brand image in the minds of customers.

According to Gommans, Krishnan and Scheffold (2001:45) traditionally, brand loyalty established through the creation of a positive brand image would have been established by retailers through the use of mass media communication efforts. Social media tools allow retailers to interact closely with customers and to provide more personalised product/service information, which has a greater influence on the brand image of retailers. (Gommans et al. 2001:45).
South African retailers and brand image

A recent study by Goldstruck and Wronski (2012) revealed that 95 percent of successful South African retailers make use of some form of social media. However, these retailers are uncertain as to whether the use of social media tools to interact with customers positively influences the business. Of these retailers, 51 percent believe that Facebook positively affects the business’s performance, and 33 percent of retailers believe that efforts made towards the use of Twitter also benefit the business. (Goldstruck & Wronski 2012).

At the start of 2013, it was evident that South African retailers were becoming more aware of the benefits that the Internet can have on the success and performance of the business, and retailers were starting to invest and make use of social media tools to interact with customers. At the beginning of 2013, more than 6 000 000 South Africans were registered on Facebook, and more than 1 000 000 were registered on Twitter. (Meier 2013). This large number of South African Facebook and Twitter users provided retailers with an opportunity to interact more closely with a specific niche of customers.

In the past, marketing has been used to provide target markets with product/service information, and to position the brand in the minds of customers (Jayachandran 2004:183). This was done by making use of traditional, non-interactive marketing efforts. However, South African retailers have looked into the process of making use of social media tools for marketing communication, and are continuously investing in this new process. South African retailers have realised that by making use of social media tools, a brand’s image can be more effectively created and altered, if necessary, in the minds of its customers. (Cant & Van Heerden 2010:421).

According to Cant and Van Heerden (2010:422), social media tools have shortened the distance between the seller and the buyer. Social media tools have created an opportunity for South African retailers to stay up to date with the concerns of their target market, as well as to be able to stay up to date with the business views and discussions that customers have and participate in with one another. Once a retailer is up to date with the profile of its customer, social media allow the business to
influence its customers’ image of the brand, through close interaction. Thus, efforts made through the use of social media tools create a positive brand image in the minds of customers, and could influence customers’ purchasing behaviour.

2.8 CUSTOMER PURCHASING BEHAVIOUR

What a customer buys, where a customer buys and how often a customer buys form a customer’s purchasing behaviour (Sarangapani 2009:54). Customer purchasing behaviour, according to Cant (2010:102) and De Mooij (2010:93), is the way in which individuals, groups and businesses choose, purchase, use and dispose of products/services, ideas or experiences in order to satisfy unique needs and wants. Bourlakis and Weightman (2004:42) state that customer purchasing behaviour is defined as the study of all of the activities required to obtain, purchase and dispose of products/services, including the decision making process required in addition to these activities. Furthermore, Kengthon (2011:2) states that customer purchasing behaviour involves the manner in which a customer makes decisions on how to spend resources such as money, time and effort on products/services. Thus, customer purchasing behaviour can be defined as all of the activities undertaken by a customer to make the final purchasing decision. According to Tyagi and Kumar (2004:55), customers progress through five different steps when purchasing a product. These steps are categorised in the Five-stage model of Customer purchasing behaviour.

2.8.1 Five-stage model of Customer purchasing behaviour

Customers progress through the five-stage model of customer purchasing behaviour. These stages are (a) problem recognition, (b) information search, (c) evaluation alternatives, (d) purchasing decision and (e) post-purchase behaviour. (Tyagi & Kumar 2004:55). Figure 2.1 represents the five stages through which customers progress when purchasing a product/service.
(a) Problem Recognition

The problem recognition stage, according to Pride and Ferrell (2012:192), is defined as the stage at which a customer recognises a difference between a preferred state and the actual state. Furthermore, Jansen and Schuster (2011:3) state that during the problem recognition stage, a customer becomes aware of a certain need, followed by a desire to satisfy this need with a particular product/service. According to Moore, Petty, Palich and Longenecker (2008:360), before purchasing behaviour can begin, the customer needs to recognise and be aware of the desire. Tyagi and Kumar (2004:56) state that it is important for a marketer to be able to identify specific conditions and situations that trigger a particular need in the minds of customers. Marketers, according to Pride and Ferrell (2010:193), make use of sales employees, advertising and packaging to activate a particular need in the minds of customers. After a customer has become aware of the problem or desire for a specific product/service, the information search stage follows.

(b) Information Search

The second stage in the customer purchasing behaviour model involves searching for information. According to Moore et al. (2008:361), this stage involves customers collecting and evaluating appropriate information. Furthermore, Jansen and Schuster (2011:3) state that the information search stage involves the customer seeking information to satisfy his/her specific need or want, which includes identifying the correct product/service by considering factors such as product/service affordability and the benefits that the specific product/service will hold for the customer. Furthermore, Moore et al. (2008:361) state that the information search stage is used
by the customer to determine product/service characteristics and features to ultimately compare product/services of different brands.

According to Tyagi and Kumar (2004:57), the major information sources used by customers to make a purchasing decision include:

- **Personal sources**: Customers value the opinions and comments made by family, friends and acquaintances.
- **Commercial sources**: Customers will consider advertising campaigns, salespersons and packaging.
- **Public sources**: Customers will consider mass media and customer rating organisations.
- **Experiential sources**: Customers will consider experiences such as handling, examining and using the product/service.

(c) Evaluating Alternatives

Once a customer has collected all the necessary product/service information he/she enters the stage in which the product/service alternatives will be evaluated and analysed. In this stage, according to Canzer (2006:185), a customer will consider the advantages and disadvantages, as well as the functional and psychological benefits of each alternative. Furthermore, according to Boyett and Boyett (2003:173), in this stage, customers will eliminate alternatives, thereby narrowing down their various purchasing options.

According to Chantilly (2010), a recent study revealed that 97% of customers make use of online media tools to evaluate different products/services. Furthermore, Chantilly (2010) states that the Internet has become a major source for customers evaluating alternatives and making purchasing decisions.
According to Rao (2009:397), social factors influence each individual’s everyday life and also influence his/her opinion of the products/services that he/she purchases. Social factors include reference groups, family, social roles and responsibilities and statuses and influence customer evaluation of products/services (Asch & Wolfe 2001:23; Doole & Lowe 2008:72).

According to (Cvijikj, Cetin, Karpischek & Michahelles 2010:23), customers are more likely to accept and believe comments and recommendations, with regard to products/services, made by family members and friends. Customers purchase products/services not only to satisfy material needs and wants, but also to satisfy social needs such as prestige and status desires. According to Laja (2013), customers read product/service reviews and take these reviews into consideration when purchasing products/services. Laja (2013) states that comments made by other customers and critics influence the purchasing decisions made by customers. Thus, social factors play an integral part in the process of a customer evaluating products/services. Social factors, according to Lamb, Hair, McDaniel, Kapoor, Klaise and Appleby (2009:33), influence the products that individuals purchase, the amount of money they are willing to spend and the effectiveness of marketing promotions. From the above information it is evident that customers consider a number of factors to evaluate and compare different possible products/services to be purchased. The purchasing decision stage follows the evaluating alternatives stage.

(d) Purchasing Decision

According to Shah and D’Souza (2009:171), after evaluating and considering various product/service possibilities, the customer should be able to identify the product/service that would best satisfy his/her need or want. During the purchasing decision stage, according to Lantos (2011:69), the customer is able to decide on a specific product/service from the alternatives. Furthermore, during the purchasing decision stage, the customer should decide whether or not the identified product/service should be purchased (Shah & D’Souza 2009:171).

Kotler (2000:100) states that during the purchasing decision stage a customer is influenced by two factors: namely, the attitudes of others and unanticipated
situational factors. The attitudes of family members, friends and critics, according to Kotler (2000:100), have the ability to influence a customer's preferred product/service. The degree to which a customer is influenced by other's attitudes depends largely on the intensity of these attitudes toward the specific product/service, and the degree to which a customer accepts and considers these attitudes of others (Kotler 2000:100). Unanticipated situational factors, such as job loss, may influence a customer’s intention to purchase a specific product/service.

Furthermore, Pride and Ferrell (2014:216) state that in the purchasing decision stage, the customer decides on a product/service to be purchased, and the actual purchasing transaction takes place. Once the product/service has been purchased, a customer will progress through the post-purchase behaviour stage.

(e) Post-Purchase Behaviour

According to Sharma and Singh (2006:127), after the final product/service has been purchased, the customer will experience feelings of either satisfaction or dissatisfaction. During the post-purchase behaviour stage, according to Kazmi (2008:194), customers evaluate the purchased product/service based on pre-purchase expectations (as formed by marketing tools), with regard to the level of product/service performance.

According to Grabianowski (2013), when customer purchasing levels decrease, retail sales levels are negatively affected. The retailing industry represents a large degree of the economy. Many factors can influence customer purchasing behaviour namely: interest rates, the price of housing, the levels of customer confidence, the opportunity for borrowing money and tax rates. If unfavourable, these factors can lead to customers spending less and rather saving money. (Lipsey & Chrystal 2007:397; Pettinger 2011). The business growth and operations of retailers depend largely on the level of spending of customers (Dunne et al. 2011:4). Customer behaviour changes as income levels, lifestyle and technological changes occur (Londhe 2006:2.1). Reduced customer spending leads to increased business pressure, as it becomes difficult to maintain high levels of sales. Competition among retailers increases and retailers are required to improve products/services and
marketing techniques to ensure that customers remain loyal to that specific retailer. (Groucutt, Leadley & Forsyth 2004:43). Arguably, the best technique to be used by all different types of retailers to ensure customer loyalty is social media tools. Social media tools allow constant interaction, which creates a platform for strong business-customer relationships, which can ultimately assure high sales levels in times of economic crises. (Miller 2012).

Businesses are constantly looking for new and innovative ways of attracting the attention of customers, improving the brand image and increasing customer purchasing. E-retailing is considered a new way of marketing and interacting with customers.

2.8.2 E-retailing

Retailers can influence the purchasing behaviour of customers in a number of different ways. Retailers have the opportunity of marketing and selling products/services to customers in an online environment, a process referred to as e-retailing. According to Trehan and Trehan (2007:107), as well as Dennis, Fenech and Merrilees (2004:2), retailers advertising and selling products/services on the Internet are referred to as e-retailers. E-retailing can be defined as a process in which products/services are sold through the Internet or any other electronic or online channel, for the use and consumption of final customers. E-retailing is not only focussed on selling products/services. According to Londhe (2006:2.1) as well as Hansen, Mowen and Guan (2009:57), ever since the introduction of the Internet, customers’ preferred locations for purchasing products/services have changed, and retailers are required to adapt to these changes.

E-retailing, also referred to as e-marketing (Sandhusen 2008:520), can also be used provide information and to promote a brand and its image. E-retailing is a process that is growing, and the use of this process by retailers is continuously increasing. The number of Internet users is constantly increasing, and therefore the population of online customers is growing. (Dennis et al. 2004:2; Kotler et al. 2010:519). Thus, more Internet users provide retailers with the ability to interact with a wider range of people, which has the ability to ultimately increase retailers’ online sales.
The process of e-retailing, if used effectively, can provide a retailer with a number of advantages and sales increasing opportunities (Dennis et al. 2004:3). Retailers used to believe that the location of their business played an integral part to their success and business performance. This belief resulted in the prices of well situated locations being very high. Developments in the business environment have led to retailers having the opportunity to sell products/services and earn profits via e-retailing, similarly to preferred located retailers. (Dennis et al. 2004:3). This provides evidence that the Internet, for many customers, has evolved into an online retail shop.

A small retail business making use of e-retailing has the ability to compete with large retailers as it can reach larger groups of customers and can be open 24 hours per day. For an online retailing business, e-retailing can lower its expenses, as sales people and physical infrastructure is not needed. However, an online retailing business will incur other expenses, such as Internet connection costs, product packaging and delivery.

E-retailing provides a retailer with the opportunity to integrate with customer relationship management systems. This process allows a business to interact with a customer individually and to provide the customer with new product information. The process of selling up and cross-selling becomes a reality and an opportunity when e-retailing is effective and successful (Dennis et al. 2004:4). An important aspect of effective customer relationship marketing is cross-selling. Cross-selling is a process of being able to sell products/services to customers when customers are in the process of purchasing other products. Cross-selling is a process that is focussed on increasing the number of products/services sold to a specific customer. Increasing the purchases that one customer makes, reduces the business’s operating costs of having to acquire a new customer. Businesses that deliver a wide range of products/services to customers believe that this increased interaction can strengthen the business-customer relationship. (Dyché 2002:31; Kamakura, Wedel, De Rosa & Mazzon 2003:46).
Dunne et al. (2011:6) state that e-retailing has not destroyed brick and mortar retailers. According to Varley (2006:178), brick and mortar retailers have the ability to create a shop environment that would ensure enthusiastic customers who would be willing to buy products/services.

Therefore, despite the fact that e-retailing and social media tools provide retailers with a number of advantages, retailers and customers are still unsure as to whether the process should be made use of on a regular basis (Meyers & Gerstman 2001:32). Customers tend to be more cautious when purchasing products online, as no evaluative criteria are available. This cautious approach to purchasing products/services through the use of social media tools can be the result of a number of different factors. According to Hoffenberg (2011:21), customers tend to be cautious and sceptical when purchasing products/services online. These customers fear that personal credit card details will be used for criminal purposes.

Strong customer relationships and trust needs to be created by a business before products/services can be effectively sold via the use of social media tools. Relationships reduce the feelings of risk when customers purchase products/services online. The most important aspects for a business to focus on when attempting to build customer relationships to enable online purchasing are to build customer loyalty, to ensure customer satisfaction and to build trust (Hallam 2013; Procopio, Spielvogel & Thomson 2012:86).

For a retailing business to make use of social media tools to sell products/services on a regular basis, the business should have the necessary human resources, which can incur extra costs for the business. The design of the retailers’ official website and social media tools should be attractive to the customer. Customers tend to distrust websites that are designed poorly, as this creates doubt in the minds of customers as to whether products/services should be purchased online. Forty two percent of Internet users that purchase products/services online do not trust poorly designed websites (Berardi, Katawazi & Bellinaso 2009:34). For a retailer to constantly update its website and social media tools’ look and feel can be time consuming and costly. Online purchasing from social media tools allows no customer services, as no sales person is involved in the purchasing process. Customers have the responsibility of
doing their own research on the intended products/services to be purchased. The process of selling a product online, e-selling, is less powerful and influential than a face-to-face interactive selling process. Marketers participating in promotional or in-store activities have the ability to interact with potential customers in a face-to-face and personal environment. Marketers believe that these processes have a more influential impact on customers. E-retailing allows a business to sell products abroad, but this makes after-sales interaction, to ensure that customers are satisfied with the purchase, difficult. (Dennis et al. 2004:3).

Businesses place high value in the process of selling products/services in an face-to-face environment, as personal interaction allows a business to convince customers of the benefits and value of its products, thereby eliminating any doubts that the customer has about the specific product (Dennis et al. 2004:2; Roggio 2011).

An efficient e-retailing system requires a large investment. Set-up costs can be expensive, and the complexity and efficiency of a website is determined by the amount of money that a retailer is prepared to pay. According to Dennis et al. (2004:2), many retailers are spending more money on on-going costs, than on creating new and fresh websites. Legal problems can have an effect on the use of e-retailing. Legal problems occur when a customer purchases a product from a retailer based in a different country. The problems that may arise in this situation include conflicting taxation and laws between the two countries.

Based on the above discussion it is evident that e-retailing is a form through which customer purchasing can take place. Social media tools, such as the Official websites, Facebook and Twitter, can be used by retailers to partake in the process of e-retailing, and to influence the purchasing behaviour of customers.

Furthermore, according to Tyagi and Kumar (2004:5), customers progress through five stages when purchasing a product/service. The five-stage model of customer purchasing behaviour will be discussed.
2.9 SUMMARY

The main purpose of this chapter was to focus on the nature of retailers in South Africa. The focus was on how important retailers are and how they contribute to the economy of a country. For the purpose of this study, a retailer was defined as any person or business that buys final products/services from wholesalers and sells to the public, to fulfil customer needs and wants.

The first section introduced the chapter. Section two defined a retailer as a person or business that buys final products/services from wholesalers and sell to the public, to fulfil customer needs and wants. Retailer products are not purchased with the purpose of being resold. Section three focussed on the importance of retailers, by focussing on a retailer’s important role in supply chain control, the economy, GDP, employment and sustainability. Section four discussed the different types of retailers: namely, store-based retailers and non-store based retailers. This was followed by section five, a discussion on the recent developments in the South African retail environment. Section six focussed on four South African retailers, namely Pick n Pay Holdings Limited, Woolworths Holdings Limited, the Spar Group Limited and Shoprite Holdings Limited. Section seven defined brand image, discussed the importance of a positive brand image to a business, the use of social media to create a brand image and the way in which South African retailers maintain a positive brand image. Section eight concluded the chapter and focussed on customer purchasing behaviour. Customer purchasing behaviour was investigated by focussing on steps influencing the customer purchasing behaviour of customers.

Chapter 3 will continue the literature review by discussing the different social media tools.
CHAPTER 3
SOCIAL MEDIA AS A MARKETING COMMUNICATIONS TOOL

3.1 INTRODUCTION

Chapter 2 highlighted the retail environment and the importance of retailers. As this study focusses on the influence of social media tools on the brand image of retailers and the customer purchasing behaviour of customers, the objective of this chapter is to investigate the concept of social media in detail.

The first section of this chapter defines marketing, the 4 P’s of marketing and the benefits of marketing for a business. The second section will provide an in-depth discussion of various marketing tools used by businesses, as well as the benefits of each individual tool. The advertising tools to be discussed include newspaper advertising, magazine advertising, broadcast advertising, outdoor advertising, direct mail advertising and Internet advertising. Section three will define social media and will provide a discussion on the marketing advantages that these social media tools can hold for a business. Social media as a customer interaction tool for a business, a tool for allowing communication among customers, a tool for a business to interact with a large group of customers and social media as a marketing tool will be discussed. Section four will identify the social media tools to be used in this study (Official websites, Facebook and Twitter), and will discuss the manner in which four South African retailers (Pick n Pay Holdings Limited, Woolworths Holdings Limited, Spar Group Limited and Shoprite Holdings Limited) use these social media tools.

3.2 DEFINING MARKETING

At first, marketing was viewed simply as the process of distributing and exchanging products/services for money (Talloo 2008:187). Marketing, according to Pride and Ferrell (2010:4), is defined as all the processes necessary to create, distribute, promote, and price products/services and ideas in order to satisfy the exchange relationships among customer groups. Silk (2006:3) states that marketing entails all the activities of a business used to create value to customers. The effectiveness of marketing techniques, according to Donovan and Henley (2010:282), depends
largely on how a marketing manager focusses on the 4 P’s of marketing. The 4 P’s of marketing: price, product, place and promotion, provide a marketing manager with core factors to focus on when creating marketing strategies (Donovan & Henley 2010:282). The main objective of marketing, according to Cant, Strydom, Jooste and du Plessis (2006:2), is to satisfy the exchange needs and wants between parties. Furthermore, marketing can be defined as a process in which decisions, regarding strategies to reach customer groups, are made in relation to the activities of a business, with the main objective of ensuring satisfaction of the business’s target market. Marketing is a process focussed on strategies relating to the product, place, price and promotions of a business. Marketing, according to Cant et al. (2006:1), is necessary for performance and achievement of goals and objectives of any business, and includes survival, profitability and growth. Marketing plays an integral part in a business’s operations, and consists of a number of different activities. The process of marketing, according to Burrow (2012:4), is necessary to ensure retailer-, manufacturer- and any other type of business’ success. Effective marketing strategies are developed in such a way that they respond to the needs and wants of customers, and result in satisfied customers. Satisfied customers, in turn, result in customer loyalty. (Burrow 2012:4). Efficient marketing campaigns have the ability to excite and inspire the minds, values and emotional states of a group of customers. (Ellis, Fitchett, Higgins, Jack, Lim, Saren & Tadajewski 2011:5; Vargo & Lusch 2004:1).

Based on the above information, it is evident that marketing is a process that is focussed on reaching a business’s target market and ensuring customer satisfaction through the distribution of products/services and business information.

Marketing has the potential to influence an entire society. This is a result of the fact that marketing strategies influence the decisions made by buyers and sellers. All marketing decisions and strategies should be based on the needs, wants and aspirations of a business’s target market (Hisrich 2000:1). However, before any marketing strategies can be planned, marketers should identify the target market. According to Pride and Ferrell (2012:40), selecting a target market is one of the most important decisions that a business has to make. A target market can be defined as the process in which marketers identify the needs, wants and characteristics of a
specific group of customers, and create marketing strategies to best satisfy these customers (Abrams 2003:89; Pride & Ferrel 2012:40). Businesses identify a target market and create strategies to ensure high levels of customer value and satisfaction. The main objective of identifying target markets and creating marketing strategies is to improve the performance of the business. (Slater, Hult & Olsen 2007:5).

One of the main objectives of marketing is to focus on the customer, to identify needs and wants, and to produce products/services to satisfy specific customer needs and wants. To achieve this objective, it is important for a business’s marketing manager to focus on the 4 P’s of marketing. The 4 P’s of marketing are a strategy used by marketers in which the focus is on areas and strategies such as the price, place, product and promotion elements of a business’s products/services. The marketing manager has the important task of combining the 4 P’s in such a way that they will provide customers with high levels of satisfaction and increased business performance (Jayachandran 2004:63). The marketing mix, also known as the 4P’s, is also used to provide a specific target market with high levels of value. If the 4 P’s are combined by a marketer for a specific target customer group, it is known as the business’s marketing mix for those specific customers. (Bootwala, Lawrence & Mali 2009:3.1; Gitman, & McDaniel 2008:295). The 4 P’s are discussed in the following sections.

- Product strategy

A business’s product offering is generally the starting point of a marketing mix strategy. Thus, a marketing mix strategy depends on the business’s products, and is product orientated (Constantinides 2006:416). Lamb et al. (2008:47) state that it is difficult to design and implement a place or promotion strategy before deciding on an effective product strategy. A product is not defined only by the materials used to produce it. The term “product” refers to the physical unit, as well as the packaging, guarantee, brand name, after-sales services and added value that it delivers (Lamb et al. 2008:47). A product’s packaging, brand name, logo, colour and the type of customers purchasing the product influence possible customers’ perceptions of a brand and the image (Loudon & Wrenn 2006:165). The attributes of a business’s
products, created by marketer efforts, have the potential to influence business performance and to create a competitive advantage for a business (O’Cass & Julian 2003:3). According to Loudon and Wrenn (2006:165), a product can be defined as the total amount “physiological, psychological, aesthetic, and spiritual satisfactions” and rewards delivered by a business’s offering to the users.

For a retailer, the product strategy entails selecting the right group of products to achieve the objectives of the business (Longenecker, Moore, Petty & Palich 2008:318). Marketers have the responsibility of making decisions regarding new or existing business products. The product strategy requires marketers to make decisions regarding a business’s product line, packaging and branding. (Loudon & Wrenn 2006:165). Customers purchase products not only for what the product does, but also for what the product means to the customer, the level of quality as well as the image and status that the product creates for the customer. Marketers have the responsibility of creating a product and product attributes that will best satisfy the needs and wants of their customer target market.

- Pricing strategy

The price of a product/service, according to Morschett, Schramm-Klein and Zentes (2009:371), includes all of the monetary and non-monetary resources that an individual needs to spend in order to acquire the benefits offered by the product/service. The pricing strategy is a process of setting specific prices based on the demand levels for specific products/services and the total costs of production (Gitman & McDaniel 2008:295).

The pricing strategy for a retailer entails setting prices for final customers (Cheng, Kotler & Lee 2011:22). Marketers have the responsibility of setting prices which will attract customers to the business. In some cases, marketers have the freedom to use creative pricing strategies, such as price cuts, to attract customers. The prices of a business’s products/services tend to influence the way in which customers behave, and have an influence on how customers perceive a business. (Gitman & McDaniel 2008:295; Ruskin-Brown 2006:168).
• Place strategy

The place strategy, or distribution strategy, is the channel through which final products flow to end customers (Gitman & McDaniel 2008:295). The place strategy, according to Cheng et al. (2011:22), is focussed on identifying where and when customers will be encouraged to purchase products/services associated with the business. Thus, the place strategy is focussed on identifying distribution channels for products/services to reach final customers.

For a retailer, the place strategy entails deciding on where and how products will be presented to final customers (Cheng et al. 2011:22). Marketers have the responsibility of making products/services available where and when they are requested by customers. Deciding on the distribution channels for a business’ products/services is a great responsibility for marketers. Other responsibilities include deciding on which stores will sell the business’s products, and how many wholesalers and retailers will be involved in the selling of the business’s products in a specific geographical area. According to Doole and Lowe (2008:346), it is important for marketers to create an efficient supply chain to markets. These supply chains should be effectively managed vertical integrated marketing systems which is used in such a way to satisfy the needs and requirements of both manufacturers and suppliers. (Doole & Lowe 2008:346; Gitman & McDaniel 2008:295; Lamb et al. 2008:45).

• Promotion strategy

According to McDonald (2007:576) as well as Barker and Angelopulo (2006:140), the promotion strategy is focussed on informing and persuading the business’s customer group into purchasing products/services. According to Trehan and Trehan (2011:32), the success of a business’s marketing strategy depends largely on how promotional tools are integrated with the other elements of the marketing mix. The promotion strategy is used to communicate business messages to a business’s target audience. According to Gitman and McDaniel (2008:296), the promotion strategy covers a number of different processes: namely, personal selling, public
relations, sales promotions and advertising. All of these activities are combined to create a promotional strategy.

Personal selling is a form of marketing communication, which involves face-to-face interaction with customers. Face-to-face selling, a two-way form of communication, tends to be more persuasive than other media communication tools. Customers who are engaged in face-to-face interactions tend to pay careful attention to the product/service message that the seller is communicating. The product/service message communicated by the marketer can be tailored to best suit the specific customer. Face-to-face interaction results in immediate feedback, which provides marketers with an answer as to whether the specific communication message is efficient. Personal selling has the potential to build strong business/customer relationships, as a retail store provides sellers with the opportunity of interacting with customers personally, which is important for ensuring business success. (Koekemoer 2004:222; McDonald 2007:577). Personal selling occurs, for example, when an employee of a business is able to communicate and interact with customers in a retail outlet.

Businesses are concerned about how they are perceived and viewed by their target market. Therefore, businesses tend to spend large amounts of money on finding ways to build and maintain a positive brand image in the minds of customers. The public relations strategy is used by businesses to evaluate the attitudes of customers towards the business, find ways in which the business can engage more regularly with customers and generate ways in which the business can be understood and accepted by the public. Public relations are a strategy responsible for communication between the business and customers, suppliers, employees and the community. Public relations efforts are used by marketers to inform the public and customers on the business’s goals as well as to provide new business- and product/service information to various stakeholders. (Lamb et al. 2011:246). Business communication differs from public relations campaigns in that business communication, according to Krizan, Merrier, Logan and Williams (2011:4), also includes the process of creating a general understanding between members of a business. Furthermore, Kushal (2011:2) states that business communication entails the process of transferring information between different departments and people
within a business. Based on the definitions of public relations and business communication, it is evident that public relations entails the external communication between a business- and customers, while business communication includes a business’s internal text communication.

According to Lee and Johnson (2005:341), sales promotion is a strategy used by marketers to convince customers into purchasing a particular product/service. Sales promotion is a strategy used by marketers to stimulate the purchasing behaviour of customers and to increase the effectiveness of the seller. The process of sales promotions is a short-term process that is generally used by marketers to generate instant rises in the level of demand. Sales promotions generally take many different forms, such as free samples, premiums, trade shows and coupons. Marketers can use the sales promotion strategy to improve the efficiency of the other elements of the promotional mix, such as advertising and personal selling. (Lamb et al. 2011:247).

Advertising is defined as paid-for impersonal business communication used to influence customer behaviour (Yeshin 2006:1). According to Yoo, Donthu and Lee (2000:199), advertising is an effective way of creating a positive brand image in the minds of customers. The main objective of advertisers is to find ways of increasing sales levels by attracting the attention of customers (Petley 2003:4). Trehan and Trehan (2011:32) state that advertising is a form of non-personal target market interaction. The product/service message is generally communicated through the use of mass media tools. Many forms of advertising are used by marketers to gain the attention of customers, to communicate new product/service information and to increase levels of sales. Advertising tools include newspaper advertising, magazine advertising, broadcast advertising, outdoor advertising, direct mail advertising and Internet advertising. The different forms of advertising will be discussed in the following section.

3.3 TYPES OF ADVERTISING TOOLS

Advertising tools are used by a business to deliver product/service messages to the target market (Lamb et al. 2011:267). Businesses make use of advertising tools in
many different ways, and seek to achieve different results. Some advertising tools are used by businesses to obtain immediate responses from customers, and other tools are used to create a positive brand image in the minds of customers. (Trehan & Trehan 2007:53). Advertising tools include all of the activities used by a business to communicate an advertising message to customers. The advertising tool is defined as the communication channels used to deliver an advertising message from the sender to the receiver. For a business to achieve success through the use of advertising tools, it is important to communicate the right message to the right people at the right time. (Trehan & Trehan 2010:138). As mentioned, advertising tools include newspaper advertising, magazine advertising, broadcast advertising, outdoor advertising, direct mail advertising and Internet advertising.

3.3.1 Newspaper advertising

Various types of advertising tools exist, and it is therefore important for a business to effectively combine these advertising tools to communicate its message best. Print media, or press media, are traditional forms of advertising in which the business message is communicated through the use of magazines and newspapers.

Newspapers, according to Shah and D'Souza (2009:680), are a trusted, accepted and sought-after information source for customers. Dunne and Lusch (2008:370) state that newspapers are the most regularly used form of retail advertising. Newspapers are used by marketers to include local-, national- and classified advertisements. People are in the right mental state to process new product/service information and special product/service offerings when observing newspaper advertisements. Newspapers provide flexibility to advertisers and they therefore have the opportunity to advertise detailed information. (Chitty, Barker, Valos & Shimp 2012:195; Shimp 2010:362; Trehan & Trehan 2010:132). It is evident that newspapers provide marketers with the ability to advertise detailed products'/services' information to a specific customer group.

3.3.2 Magazine advertising

Magazine advertising is a technique used by businesses to create and establish a
particular image or mood via the use of visual and verbal relationships and interactions. Magazine advertisements provide advertisers with the unique advantage of the advertised product demonstrating characteristics and results through the use of images and words. (Blakeman 2005:128).

Marketers have the opportunity to make use of magazines to market products/services. Magazines are an effective advertising tool, as magazine advertisements are observed and experienced at a time when customers are mentally free and relaxed. Magazine advertisements have the ability to reach specific groups of audiences. Thus, magazines are highly selective. The age, interests, income and occupation of a reader have an influence on the type of magazine that will be purchased. (Lamb et al. 2011:503; Trehan & Trehan 2010:132). For example, sport enthusiasts would be interested in reading magazines such as the “Sports Illustrated” or “Golfer’s Digest”. However, individuals interested in the business and corporate world would be interested in reading magazines such as “Forbes Africa” or “SA Franchise Warehouse” (Magazines 2013 a; W3newspapers 2013). It is therefore important for a business to place the right advertisements in the right magazines to be able to reach the desired customers.

3.3.3 Broadcast advertising

Broadcast advertising includes advertising efforts made by a business via television and radio channels (Peacock, Purvis & Hazlett 2011:578; Shah & D’Souza 2009:727). According to Trehan and Trehan (2010:135), television and radio are the most persuasive forms of broadcast advertising.

- Television advertising

According to Trehan and Trehan (2010:133), television coverage is growing at a rapid rate. Advertising via television is usually either in the form of sponsorship or participation. Sponsorship television advertising is a process in which the advertiser sponsors a particular television programme. Participation television advertising is a process in which the advertiser pays the particular television programme to telecast an advertisement during a commercial break. (Trehan & Trehan 2010:133).
Television advertising allows a marketer to communicate product/service information through a combination of sight, sound and movement (Trehan & Trehan 2010:133). Television advertisements create long lasting impressions of the business and products/services in the minds of customers (Sharma & Singh 2006:351). The reason for customers remembering television advertisements for long periods of time is that these advertisements make use of both audio and visual stimulating techniques. Television advertisements have the ability to cover a wide geographical range of customers with attractive marketing communication messages. (Trehan & Trehan 2010:134). Product/service messages can be very persuasive, as television advertising provides marketers with the ability to create attractive advertisements by making use of music, images and effects (Sharma & Singh 2006:351). From the above information it is evident that television advertising is an advertising technique used by businesses to stimulate both sight and visual senses of customers.

- Radio advertising

Radio advertising, according to Bootwala et al. (2007:3.31), is a form of word-of-mouth advertising used for mass communication, which appeals to customers' hearing through sound.

Radio advertising is a marketing tool used by businesses to communicate a message to customers using the spoken word. Radio advertising allows businesses the ability to cover a wide geographical range, and there are no high costs involved in radio advertisements. Radio advertisements are focussed on using creative, easy to remember messages. However, Koekemoer (2004:170) states that creating creative radio advertising mediums is very challenging as radio advertising does not allow for any visual stimulation. Creative radio advertisements are created by the efficient use of slogans, music and sound effects (Trehan & Trehan 2007:102-103). Bootwala et al. (2007:3.31) state that radio advertising is highly selective, flexible, can cover a large geographical area and is low-cost. The main objective for businesses making use of the radio as an advertising tool, according to Koekemoer (2004:170), is to create visual images in the minds of customers through the use of voices, music and sounds.
3.3.4 Outdoor advertising

Advertisers, according to Dahl (2007:166), have the luxury of deciding from among numerous forms of outdoor advertising. Outdoor advertising, according to Dahl (2007:166), is defined as an advertising form used to draw the attention of customers in a matter of seconds, to persuade and to generate positive customer responses via the use of creative content. Hisrich (2000:266) states that outdoor advertising is an efficient method for ensuring and maintaining connotations between a business’s product, package and brand name. Based on the above information, it is evident that various forms of outdoor advertising can be used for advertising. Outdoor advertising is used to capture customers’ attention and remind them of a brand’s products/services.

Outdoor advertising is usually displayed near roadsides and generally takes the form of billboards, signboards, paintings, posters or banners (Onkvisit & Shaw 2009:551). Outdoor advertisements are an effective way of reminding passers-by of the brand and their product/service message. The messages communicated by outdoor advertising tools should be short, to the point, attractive and striking, and should be placed in high-traffic zones. Customers that are exposed to a brand on a regular basis, tend to become familiar with the brand, which ultimately influences brand preference and customer purchasing. (Trehan & Trehan 2007:103-104).

3.3.5 Direct mail advertising

Direct mail, according to Lancaster and Reynolds (2002:104), is defined as an advertising tool in which information or other promotional material is sent via a postal service to selected customers. Tyagi and Kumar (2004:148) state that direct mail advertising is defined as any mail used to advertise a business’s products/services or activities. Direct advertising can be used in various forms: namely, post cards, leaflets, booklets and catalogues. Advertising via the use of direct mail, according to Tyagi and Kumar (2004:148), provides an advertiser with the ability to explain and demonstrate the features of a product, and to explain the method of using the products. Based on the above information, it is evident that direct mail is an
advertising method in which product/service information is sent to customers by the business in the form of postage mail.

Direct mail is highly selective, as advertisers have the ability to choose customers who are to receive direct mail (Ennew, Watkins & Wright 2012:185). Direct mail communication techniques tend to be highly influential and informative. This form of advertising allows advertisers to provide customers with detailed product/service information at low costs. (Trehan & Trehan 2007:106-107). Thus, direct mail is an efficient method for advertisers to communicate product/service information at a low cost, to specifically selected customers.

3.3.6 Internet advertising

The Internet, according to Levine, Young and Baroudi (2007:9), is defined as the largest computer network. The Internet is made up of a number of different networks, known as Autonomous Systems, which are operated by Internet Service Providers, businesses and universities (Feld, Perrei, Pohlmann & Schupp 2011:1). Weinberg (2009:2), states that Tim Berners-Lee created the Internet and the World Wide Web. This program was initially designed for the use by physicians, to use in their field of work. According to Dalton (2001:7) the World Wide Web is commonly referred to as the “information superhighway”, and is used by millions of computer-users worldwide. The Internet connects people, allows users to upload any information, and thereby makes large quantities of new and up to date news and information available (Berners-Lee 2010:80-85). The Internet can be used by any computer owner, and provides users with the opportunity to engage in communication throughout the world. At first, the Internet was merely used to collect and distribute information. (Weinberg 2009:2) However, the Internet is increasingly being used as a communication tool, and this has changed the way in which individuals interact. (Weinberg 2009:2). The Internet is becoming increasingly social, and Weinberg (2009:2) states that it has grown into a “social web”, which connects users with similar interests and requirements. The Internet allows users to be part of online communities, in which the user has the ability to express opinions and beliefs, and participate in debates and conversations at any point in time.
Internet advertising, according to Kotler and Armstrong (2010:518) as well as Trehan and Trehan (2007:107), is the fastest growing form of direct marketing, and is also a form of broadcast media. This is due to the rapid rate at which technological advances occur. The growth of the use of the Internet and other technological devices has influenced customers and marketers in various ways. The Internet is the only form of advertising which allows a customer to read, watch, respond, save information and buy products/services (Trehan and Trehan 2007:107). The Internet has provided businesses and marketers with a new and creative way of interacting with customers and building strong customer-business relationships. Thus, the process of Internet advertising and online purchasing has been adopted by many successful retailers (Kotler and Armstrong 2010:518-519).

Advertising on the Internet can be done in a number of different ways. World Wide Web pages provide basic business- and product/service information. It also provides customers with useful information regarding prices, places where products/services are available and business contact details. (Trehan & Trehan 2007:108). Many businesses' Official websites, Facebook and Twitter pages offer customers the opportunity of purchasing products online. According to Kotler and Armstrong (2010:519), at the end of 2010, approximately 27 percent of all retail sales were influenced by the Internet. This provides evidence that the Internet is growing as a platform for businesses selling products/services.

Based on the above information, it is evident that the Internet provides retailers with an opportunity of interacting with and selling products/services online to final customers. The mediums used by retailers to engage with customers in an online environment are called social media tools. Social media tools will be discussed in the next section.

3.4 DEFINING SOCIAL MEDIA

Social media, according to Asur and Huberman (2010:492), is an online environment in which users can create and upload, share and save content at an exceptional rate. Social media, according to Brunty and Helenek (2012:20), is a medium that allows users to create a self-profile within a website and to create a list of users to interact
and connect with. Social media users have the opportunity to engage in like-minded online communities (Gleave, Welser, Lento & Smith 2009:2). Wankel, Marovich and Stanaityte (2010:242) state that social media allows users, or groups of users, to create, organise, edit, comment and share self-uploaded content, or content of other users.

Social media can be used by a business to promote its official websites, advertise products/services and to interact with customers in an online environment, through the use of the Internet (Weinberg 2009:3). The process is also used by businesses to communicate with customers, and allows businesses to engage with a new and larger group of customers, which would not have been made available by making use of traditional marketing tools. Social media focusses on a group of customers, rather than on an individual. (Weinberg 2009:3). Based on the above information, for the purpose of this study, social media is defined as an interactive utility that allows users to interact with other parties in an online environment.

Social media is not a new topic contrary to belief. Social media originated in 1998, when an online blogging community site was started, namely “Open Diary”. Users were able to keep an online personal diary, which could have been kept private between friends, or shown publicly. (Facebook 2013 l). Since the availability and affordability of high-speed Internet service improved, new social networking websites such as Facebook and Twitter have been created.

According to Kaplan and Haenlein (2010:59), in 2008, more than 75 percent of all people who made use of the Internet, were participating in some form of social media. The growth of social media participation is not only limited to teenagers, as many Generation X members are also engaging in the use of social media. The introduction of social media has created a revolutionary new trend and this should be the main focus point of any business (Kaplan & Haenlein 2010:59; Mabweazara, Mudhai & Whittaker 2014:21). According to Kaplan and Haenlein (2010:64-65), social media is a dynamic and fast-moving process. Something new and interesting on social media has the potential to become old and out-of-date in an instant. This is a result of the fast rate at which new content and information is uploaded and shared.
by social media users. The advantages of use of social media tools are discussed in the following section.

3.4.1 Advantages of social media

Due to the uncomplicated use-, the speed and reach of social media tools, it is changing society and setting new trends in categories such as environmental concerns, politics, technology, the entertainment industry and the business environment (Asur & Huberman 2010:492). This is a result of the ease of communication and availability of information created by social media tools. Mangold and Faulds (2009:361), state that businesses have the opportunity to create their own social media tools to interact with customers.

Social media tools provide a business with a number of different advantages namely, regular customer interaction (Hansen, Shneiderman & Smith 2011:14), positive word-of-mouth communication (Cornwall, Vang & Hartman 2013:186), the ability to interact with a much larger audience to what traditional marketing tools allowed (Folorunso 2013:193) and the ability to market products/services (Maya 2012:40). Furthermore, social media provides customers with the ability to interact with other customers, to share business experiences and product/service information.

- Social media as a business-customer interaction tool

Social media, according to Hoffman and Fodor (2010:41), has changed the way in which customers interact with a business. Furthermore, Mangold and Faulds (2009:357-358) state that social media has changed the traditional strategies and tools used by businesses to communicate with customers. According to Kaplan and Haenlein (2010:59), social media has created a revolutionary new trend that should be of interest to businesses intending to sell and interact with customers in an online environment. The first role of social media, consistent with that of integrated marketing communication strategies, is that it allows a business to interact with customers. Social media tools, according to Harrison and Erpelding (2012:143), can be used for sharing and discussing information. Furthermore, Harrison and Erpelding (2012:143) state that social media tools allow individuals and businesses the
opportunity to interact regularly and instantaneously with other users. Social media tools provide users with a two-way dialogue which allows for regular interaction and communication. Official websites, according to Brown (2006:9), allow a business to communicate product/service offerings and business information. Facebook, according to O’Leary, Sheehan and Lentz (2011:55), provides a business and customers with the opportunity to post content and to make comments. Vasan and Przybylo (2013:277) state that Twitter allows users to “tweet”. “Tweet” is the term used for businesses and users writing messages and commenting on other messages. It is evident that social media tools allow for regular and frequent business-customer communication and interaction.

Brink and Berndt (2004:27) state that every time a business interacts with a customer, and the customer is satisfied more than with the previous business-customer interaction, a customer’s loyalty towards the business will continue to increase. Regular customer interaction, according to Schellong (2008:19), is an essential element of the customer relationship management of a business. Winer (2001:3) states that social media tools provide businesses with the opportunity to build lasting business-customer relationships as social media provides businesses with the ability to interact with customers regularly, to respond to customer requests and to customise experiences. Social media provides businesses with the ability to create and maintain long-term customer relationships (Winer 2001:3). Thus, social media allows regular business-customer interaction, which is necessary for establishing brand loyalty.

According to Brink and Berndt (2004:27), a business interacting with a customer to determine satisfaction levels of a business’s products/services is necessary to be aware and up to date with customer needs and wants. Any feedback, including criticism, compliments or suggestions is welcome in social media (Mangold & Faulds 2009:357-358). This interaction allows a business with the opportunity to improve products/services and to better satisfy customers (Brink & Berndt 2004:27). Customers providing feedback feel a sense of belonging and of being part of a community. These online communities allow a customer to be honest, to communicate openly, and to engage with other customers (Mangold & Faulds
Customers experience a feeling of engagement with a business when it can provide after-sales feedback (Smith & Zook 2011:18).

Based on the above information, it is evident that social media tools allow a business to interact with customers on a regular basis, which is necessary to establish strong business-customer relationships.

- Social media as a customer-customer interaction tool

The second role that social media plays in the promotion mix, which traditional media does not allow, is that social media provides customers with the opportunity to interact and communicate with one another (Smith & Zook 2011:10). According to (Hallam 2013:xiii), the manner in which customers communicate with one another with regard to an business’s brand and products/services is changing drastically, and it is therefore of utmost importance that a business change the way in which it communicates with customers accordingly. Social media tools, according to Jansen, Zhang, Sobel and Chowdury (2009:2169), have the potential to largely impact word-of-mouth branding, which in turn has the ability to positively influence business-customer relationships.

The process of customers being able to communicate with one another is an addition to the traditional form of word-of-mouth communication. Word-of-mouth, according to Jansen et al. (2009:2169) involves the process of conveying information from one individual to another. Furthermore, Malhotra (2010:99) states that word of mouth is a one-to-one process that involves the exchange of product/service information from a user to a non-user. A good customer experience is essential for ensuring long-term customer loyalty to a business. A poor customer experience has the potential to create bad word-of-mouth advertising, which can be harmful to a business’s sales levels and performance. (Gamble, Tapp, Marsella & Stone 2007:60).

Social media word-of-mouth communication allows customers to express their purchasing and product experiences with thousands of online customers (Mangold & Faulds 2009:359). Customers making use of social media have become more aware, are changing their way of gathering product/service and business
information, have changed opinions, attitudes and purchasing behaviours. Social media has also provided customers with an ability to communicate after-sales experiences to other parties, which were never possible using traditional forms of marketing. Social media has influenced all forms of customer behaviour, and provides customers with increased purchasing power. (Mangold & Faulds 2009:360).

Mangold and Faulds (2009:359), claim that social media as a marketing communication tool combines integrated marketing communication tools, which allows a business to communicate with customers through the creation of word-of-mouth communication. Social media has increased the importance of ensuring positive customer word-of-mouth communication (Hallam 2013:137). According to Strauss and Frost (2009:332), it is important for businesses to regulate and monitor the conversations in online communities, as customers are free to discuss the business’s brand, its activities, the employees and the quality of customer service. Mangold and Faulds (2009:361), state that a business should provide customers with platforms for networking. Customers find pleasure in interacting with others which have the same interests and needs. Businesses can accommodate these groups by creating and setting up communities of these “like-minded” customers. Each community can group customers with similar needs and values. According to Mangold and Faulds (2009:357), social media has made it possible for a single person to communicate a business’s product/service information to thousands of other people. Social media allows users to discover new pieces of information and to spread this across the website (Weinberg 2009:4). Thus, this social media user-interaction has created a platform for businesses to create word-of-mouth communication.

Mangold and Faulds (2009:358-359), state that social media plays an important part in the promotion mix of a business. The use of social media has created an environment in which a business can communicate with customers indirectly, as well as an environment in which customers can communicate with other customers directly. Marketing managers should be aware of the degree of power that customers communicating with each other through social media has on the brand image of a business. Marketers have less direct control over these online conversations (Ihlen, Bartlett & May 2011:370). However, methods exist which can be used by businesses to influence and guide these customer interactions and discussions. These
influencing and guiding techniques should be used to ensure that the word-of-mouth advertising of customers is in line with the business’s goals and objectives (Mangold & Faulds 2009:361).

Weinberg (2009:26), states that if social media marketing is used effectively, it can have a profound influence on the awareness of a brand. A brand’s participation in social media is directly correlated with customers’ reputation of the brand, as a business is able to regularly interact with customers and to shape the image of the brand in the minds of customers. Customers making use of social media to communicate with businesses and customers, have the ability to speak both positively and negatively of the brand and its products/services. This creates a new opportunity for businesses, as they have the ability to turn social media customers into brand ambassadors, customers who can promote and advertise the brand positively online. An online brand ambassador can benefit a business’s social media efforts immensely. Before a product/service is purchased, customers tend to do online research to gather as much information as possible. Customers tend to be sceptic about the product/service messages that businesses portray online, but are prepared to listen and consider the opinions of friends and peers. Customer interaction with peers and relatives provides feelings of trust. Brand ambassadors are able to communicate and market a business’s products/services online positively and effectively, as a brand ambassador is a mere customer and not part of the business itself (Weinberg 2009:26-27). Therefore, potential customers often trust these customers more easily.

Social media has reduced the degree of control which businesses have over the availability of business information (Kaplan & Haenlein 2010:59-60). Kaplan and Haenlein (2010:60), state that historically, a business had the ability to control and regulate the information that was available of the business and its activities. Social media has rendered a business the ability to control the time, content and frequency of social media communication among customers. Thus, managers should ensure that social media communication is in line with the business’s goals and objectives (Weinberg 2009:4).

Traditional marketing activities provide businesses with high degrees of control and regulation ability, as well as the ability to create a new-, or modify an existing brand
image (Pike 2008:200). Control and regulation can be accomplished through well thought out press releases and announcements, as well as the actions of public relations managers. Since the introduction of social media, this advantage has been taken away from businesses, and businesses are viewed as mere observers of social media actions among customers. Kaplan and Haenlein (2010:60) state that social media has taken away the ability of businesses to change or adjust comments made by customers.

Based on the above information, it is evident that social media communication and activities are largely controlled by customers, rather than marketers (Hoffman & Fodor 2010:43). A business has little control over the customer-customer conversations regarding the business, but has the ability to positively influence customers, which can ultimately lead to positive word-of-mouth communication among customers.

- The reach of social media

A business has the opportunity of making use of various social media tools, and if used effectively, can increase the customer “reach” of the business (Kaplan & Haenlein 2010:65). This means that if a business is to effectively use social media tools, the opportunity arises to interact with a larger group of customers and potential customers. A business has the ability to promote its websites, products/services and interact with customers through the use of social media tools. The process is also used to communicate with customers, and allows users to engage with a new and larger group of customers, which would not have been made possible with the use of traditional marketing tools. Social media focusses on a group of customers, rather than on an individual (Weinberg 2009:3). Kaplan and Haenlein (2010:65), state that a business should choose the right forms of social media that will most benefit the business. The number of social media tools available are increasing daily, and it is impossible for a business to operate each of these tools effectively (Kaplan & Haenlein 2010:65).

The type of social media to be used by a business depends on the target market and message that the business wants to communicate. Each type of social media tool
appeals to a different group of individuals and customers. A business should be able to identify their target group, the type of social media used by that specific group, and should participate in and be active in that social media tool. If more than one social media tool is to be used, it is essential that all of the social media activities pursued by the business are effectively aligned. It is important for a business to ensure that all employees are able to access and use their social media tools, or a group of employees should be employed with the primary objective of managing the business’s social media tools. When one message is communicated by all social media tools, customer confusion and uncertainty will be avoided. (Kaplan & Haenlein 2010:65). Businesses should also ensure that the media plan, which includes the use of social media as well as traditional media, is integrated and aligned. According to Kaplan and Haenlein (2010:65), a business’s image is created by the way it utilises social and traditional media tools.

- Social media as a marketing communication tool

Social media marketing, according to Tuten (2008:55), is a marketing technique used that is based in and around online social communities. Thus, social media marketing is a technique used to market products/services to online customers via the use of social media tools. Furthermore, social media marketing is defined as a promotional activity in which a business is able to target a group of customers through social media tools in order to increase sales levels, establish brand loyalty or achieve business goals and objectives (Wilson 2010).

Mangold and Faulds (2009:357) state that social media marketing has created a number of new sources for collecting online product/service information. Social media tools allow customers to share this product/service information among each other in an online environment. This online information, created by a business, is used by customers to educate one another of new products/services (Mangold & Faulds 2009:357-358). Product/service information distributed by businesses and collected by online customers is viewed as online marketing.

Despite the large number of advantages and opportunities that the use of social media can provide a business, not all businesses are overly excited and eager to
make use of this strategy. Social media allows users to speak their minds, and to provide honest opinions and experiences, sometimes in anonymous form. (Kaplan & Haenlein 2010:59-60). According to Mangold and Faulds (2009:358), marketing managers have little advice for effectively using social media as a marketing tool, as a shortage of educational literature and other helpful sources exists. Thus, the process of interactive social media marketing is yet to be the most favourable form of marketing among businesses, and not all include it in their integrated marketing communication strategy.

Based on the above information, it is evident that social media has provided businesses with a new tool to interact and communicate with customers. Various social media tools exist.

3.4.2 Social media tools

Social media has already been defined as a process which allows individuals and businesses to interact with various parties in an online environment. The social media websites such as the Official websites of businesses, Facebook and Twitter, are constantly growing in popularity. Internet users are no longer viewing the Internet as a one-way information medium, but are engaging, uploading and sharing data and information (Harris & Rae 2009:24). Businesses have the opportunity to market products/services, interact with customers, provide new product/service information and sell products/services online (Weinberg 2009:3). Many social media tools exist (Jain 2012; The eBusiness Knowledgebase 2013). However, for the purpose of this study, the focus will be on the use of Official websites, Facebook and Twitter of retail businesses.

(a) Official websites

A website, according to Dochartaigh (2007:73), is defined as all of the materials used, and the manner in which these materials are arranged together, on the Internet by an individual, project or business. A website is created by connecting a number of web pages, online documents, into one online page (Coughlin-Smith 2007:9: Free servers 2013; Smith & Bebak 2007:10). Online documents can include
text, images, videos and any multimedia flies (NTC Hosting 2013). According to Dalton (2002:5) a website consists of everything that the user can see, and everything that makes that specific website work. Furthermore, Dalton (2002:6) states that a website is a form of communication. The elements necessary for website communication include the author (sender of the message), the message and the audience (receiver of the message).

Fedorak (2009:49) states that the Internet has changed the way in which individuals, customers and businesses communicate. The Internet has changed all traditional ways of how businesses operate, interact with customers and sell products/services. According to Tsai (2003:162), a business operating in an online environment has the ability to create customer value and centricity, as the business is able to closely interact with customers. Close and regular customer interaction is necessary for establishing business-customer relationships, which in turn is required by a business in order to best satisfy customer needs and wants. The Internet has influenced and changed the business-customer relationships, as the Internet allows regular interaction (Gao 2005:9). The potential and advantages that operating online offers businesses will change and influence the design and infrastructure of businesses of the future.

Mitchell (2006:65) states that for a business to sell products/services via an official website, the business should list all of the products/services for sale, should provide online shoppers with the ability to add selected products/services to an interactive shopping cart and should ultimately provide online shoppers with a means to pay for the selected products/services.

Kotler and Armstrong (2010:518), state that a large degree of business operations take place via the Internet, which connects businesses to suppliers and customers. According to Kauffman and Wang (2002:100), selling and buying via the Internet and through business websites has increased drastically in recent years. This is due to the convenience, the variety of products available and the ability to easily compare products and their benefits. The Internet has transformed into a leading channel for businesses to sell products/services to final customers. (Potts 2007:2).
For a business selling products/services online, it is important to place high importance on the design and usability of their website as online customers have little patience for ineffective websites (Potts 2007:2). It is clear that businesses and retailers have realised the potential that the use of websites have for increasing sales, and therefore success. The use of Official websites by Pick n Pay, Woolworths, Spar and Shoprite are discussed in the following section.

- Pick n Pay Official website

On PnP’s official website page, the business offers customers the luxury of purchasing products in the comfort of their own homes. The PnP online shopping campaign allows customers to buy any fresh produce or products, which will be delivered to the customers’s houses. The PnP Fresh Living magazine can also be bought online. The PnP online shopping store requires the customer to register on the PnP website, to specify where ordered products should be delivered to and to book a time at which products should be delivered. Once this has been done, the customer will be able to purchase items on the PnP online shopping webpage. Payments can be made by credit and debit card, and Smart Shopper cards can be used to earn points. (Pick n Pay 2013 d).

The PnP online shopping store allows the user to search for products in a number of different categories: namely, groceries, baby products, health and beauty products, home and garden products, sport and leisure products, stationery as well as wine and liquor. Featured products, which are the products advertised on the PnP online shopping store, are the products for which prices have been reduced (Pick n Pay 2013 e).

In 2007, PnP entered a rebranding phase. New relationships were created by PnP to assist in this phase. John Brown Media was provided with the objective of improving business-customer interactions, increasing customer loyalty and increasing the number of products purchased by customers. John Brown Media had the idea of creating a monthly PnP magazine, and was recruited as the editor of PnP’s Fresh Living magazines. (John Brown Media 2013).
As discussed earlier, magazines are highly selective, create brand awareness and can be used to target specific groups of customers (Applegate 2005:98; O’Guinn, Allen & Semenik 2011:469). The Fresh Living magazine has allowed PnP to increase and improve the quality of engagement with customers. PnP admits that the Fresh Living magazine has become an important part of their marketing strategy. Since the release of Fresh Living, PnP has been able to see increases in the sales levels of magazine-advertised products. The Fresh Living magazines are displayed at high-traffic locations within PnP stores, and together with the magazine’s content being informative and interesting, became the best-selling food and lifestyle magazine in South Africa. This was achieved in a time span of only eight months. (John Brown Media 2013).

The purpose of the magazine is to showcase the products that PnP has to offer to customers. Fresh Living is a monthly food and lifestyle magazine that provides readers with simple and new recipes and food ideas (Magazines 2013 b). The magazine also offers possible solutions and advice on matters such as beauty, health and fitness, children, gardening and pets. The social media marketing team also plays a part in the Fresh Living campaign. The team has set up a blog site which allows readers to interact with the editor of the PnP Fresh Living magazine, ask questions and share experiences. The blog site also provides video clips, special recipes and an “e-zine” version of the Fresh Living magazine. “E-zine” is an initiative run by the social media team of PnP, and is an online version of the Fresh Living magazine. The online version provides readers with a shortened preview version of the following months’ Fresh Living magazine. The preview will provide readers with a brief overview of that specific month’s featured recipes and tips, video clips, website links and images. (Pick n Pay 2013 f).

- Woolworths Official website

The official Woolworths website provides a user with a slideshow of images featuring new products and special product offers. The website provides the user with a number of links that can be followed to other pages on the Woolworths website: namely, food and household, women, men, kids and baby, brands, beauty, home, gifts, florist, father’s day and financial services. (Woolworths 2013 a). The website
allows users to go to the Woolworths Facebook and Twitter pages via the official website.

The official Woolworths website provides followers with an opportunity of purchasing flowers online. The initiative is called “Online Florist”, and enables customers to order fresh flowers, which have been arranged by the Woolworths florists. When flowers are ordered online, the flowers will be delivered, a greeting card with a personalised message will be included and a seven-day quality guarantee will be provided. (Woolworths 2013c).

- Spar Official website

The official Spar website is well-designed and updated on a regular basis. When the website link is opened, the user is directed to the websites’ home page. The home page provides users with the latest news regarding Spar business activities, new recipe ideas, business stories, special product offers, as well as a number of links that the user can follow. The page provides users with a number of different links, including new recipe ideas, health tips, business stories, sporting events sponsored by Spar, special product offers, competitions and an overview of the business and its achievements. The website also provides users with ideas regarding food, health, family, household tasks and the natural environment. (Spar 2013f).

The website has a “Store Finder”, which can be used by customers to find the Spar outlet closest to them. The business also provides users with a “Contact Us” link, which enables customers to interact with the business. The customer is provided with an online form to submit questions to the business. The business states that it will answer all questions as soon as possible. (Spar 2013f).

It is clear that Spar is focussed on interacting with customers through the business’s official website. It is evident from the website that Spar is focussed on regular customer interaction.
The Shoprite official website displays an interactive slideshow that provides the user with information on new products/services, special product offers and competitions. The website contains a number of different links, which can either direct the user to information about the business, products being offered, customer services, customer centre information, community network information, promotions and a link that enables users to contact the business directly.

(b) Facebook

Facebook, according to Heer (2008:174), McClard and Anderson (2008:10) as well as Zarrella and Zarrella (2011:113) is defined as an online social utility used to communicate more efficiently with friends, peers and customers. Valenzuela, Park and Kee (2009:875) state that Facebook is one of the most popular social media tools, and it influences the behaviours and attitudes of users, which in turn, influences the users’ social capital. Social capital, according to Svendsen and Svendsen (2009:266), is defined as the degree of social trust or trust in other people. Facebook, according to Lenhart, Purcell, Smith and Zickuhr (2010:159) is the most commonly used social media tool. According to Ellison, Steinfield and Lampe (2007:1144), Facebook was established in 2004 by Mark Zuckerberg. Zuckerberg, as a Harvard student studying towards a degree in psychology, created Facebook at the age of 23. Facebook was initially created by Zuckerberg solely for the purpose of interacting with friends in an online environment (Phillips 2007). This social media tool grew and by 2007 Facebook had more than 21 million registered users. Ellison et al. (2007:1144) state that the typical user operates on Facebook for approximately 20 minutes per day, to stay in touch with friends and relatives, to maintain relationships and to socialise online.

Facebook is a social media tool which allows users to express themselves in an online environment. Users are able to create a profile, to make friends, to make comments and to view other Facebook users’ profile pages (Ellison et al. 2007:1143). Registered users are able to post new personal information, upload images and videos, write messages to friends and provide links to external websites
for others to follow (Raacke & Bonds-Raacke 2008:170). Businesses have the opportunity to create business Facebook profiles, and by doing so create the opportunity to participate in e-retailing.

According to Ellison et al. (2007:1143), Facebook users have the opportunity to engage in online communities. These communities are formed based on common interests, needs, wants and characteristics. This allows users to get to know one another better, as interaction among like-minded people is encouraged by Facebook. According to Harris and Rae (2009:24), social media tools, such as Facebook, have increased the success rates of marketing and the selling of products/services, the building of positive brand images and the maintaining of strong customer relationships. Harris and Rae (2009:24) state that social media tools, such as Facebook, will have a major influence on future marketing strategies. It is therefore of utmost importance that retailers make use of Facebook to interact with customers, as it can have a positive influence on business performance in the long-run. The use of Facebook by Pick n Pay, Woolworths, Spar and Shoprite are discussed in the following section.

• Pick n Pay Facebook page

Pick n Pay has created a Facebook page which enables customers to follow the business interactively. The business states that their Facebook page is an online community, and it provides customers with news, special product prices and recipes on a daily basis. By “liking” the PnP Facebook page, the customer agrees to receive business information and updates in the form of status updates, photo albums, images and events that will be placed on the user’s Facebook Home Page (Facebook 2013 b).

In July 2011, the PnP Facebook page was awarded the Face Twit’s SME-star of the month award. This is awarded to the business which displayed social media excellence in a specific month. The PnP Facebook page displays etiquette (The Face Twit 2011). This is evident, as the employees responsible for operating the page, do so effectively. The page responds quickly to any customer’s questions or queries. The responses given by the employees managing the Facebook page are
to-the-point, polite and considerate. The Facebook page is used to follow up sales and to generate customer feedback. (The Face Twit 2011). The business has worked hard to “humanise” their brand, and the Facebook page is operated in such a way that customers would experience feelings of respect and satisfaction towards the business.

PnP’s Facebook page is active, and continuously draws the attention of followers with new high quality content and graphics. The employees responsible for operating PnP’s Facebook page makes sure that followers are constantly attracted to something new on the Facebook page. (The Face Twit 2011). The page is used by PnP to advertise and market special product deals, discounted offers and competitions that the business is running. The followers of the PnP Facebook page are protected by the National Consumer Protection Act, and PnP ensures followers that the Facebook page will abide by the rules set out in this act. Followers are provided with the opportunity to “dislike” the page, which will enable them to stop receiving information or any other details from PnP, if they wish so (The Face Twit 2011).

The PnP marketing team launched a new marketing and social media campaign in 2012, namely Like Bike. PnP worked with SABC3’s Expresso presenter, Liezel van der Westhuizen. PnP provided van der Westhuizen with a custom-built bicycle that was “powered by social media”. (Aquaonline 2013).

The public was to be responsible for getting van der Westhuizen across the finish line of the Cape Argus PnP cycle race. On the day of the race, each “Like” on the PnP Facebook page enabled van der Westhuizen to ride ten metres. The public was expected to log onto the PnP Facebook page, and to “like” it. Each “like” brought van der Westhuizen closer to the finish line. Each individual was only allowed to “like” the PnP Facebook page once. An Apple iPad was placed on the handlebars of van der Westhuizen’s bicycle, which she used to take photos during the race. These photos were placed on the PnP Facebook and Twitter page during the race. The “Like” button allows users to share information, images and videos on Facebook (Facebook Developers 2013). When a Facebook page is “liked”, it also enables the users to interact with one another at any given time. PnP was encouraging social
interaction and engagement with customers and potential customers. When the PnP Facebook page was “liked” on the race day, PnP were able to, from that day onwards, communicate new product information and events to customers via Facebook. (Arrive Alive 2012; Aquaonline 2013; Facebook Developers 2013; My Digital Life 2012).

The reason for the PnP marketing team launching this campaign was to live up to PnP’s culture of giving back to the community. By “liking” the PnP Facebook page on race day, a contribution was made to the PnP Velokhaya Life Cycling Academy. This initiative is focussed on providing previously disadvantaged children with bicycles. Each year, a cycling team from the Velokhaya Life Cycling Academy takes part in the Cape Argus PnP Race Tour. For every ten metres that van der Westhuizen completed in the Cape Argus Race Tour of 2013, PnP donated a brand new bicycle to the Velokhaya Life Cycling Academy. Van der Westhuizen completed the race and eleven bicycles were donated to the Academy as the race distance was one hundred and ten kilometres. (Aquaonline 2013; My Digital Life 2012; Youtube 2013).

During its Like Bike campaign in 2012, PnP placed a number of stationary bicycles in and around the Knysna Oyster Festival venue. The public was encouraged to get onto these stationary bicycles and to contribute to the number of kilometres completed. For every one hundred kilometres completed, a brand new bicycle was donated to the Knysna Sport School. (Pick n Pay 2012).

Each participant was allowed a three minute session on the stationary bicycle. In these three minutes, the participant was to accumulate as many kilometres as possible. After the completion of the three minutes, a picture and details of the participant were taken. Participants were then encouraged to regularly consult the PnP Facebook and Twitter page to see the Like Bike leader board. (Pick n Pay 2012).

The PnP Group used social media to encourage people, absent from the Knysna Oyster Festival, to take part in the Like Bike campaign. On the PnP Facebook page, a button “Add 100m Now”, could be clicked and a bicycle were to be donated for every one hundred kilometres accumulated. (Pick n Pay 2012).
The Woolworths Facebook page is a relevant way for the business to interact, inform and connect with followers and customers (Facebook 2013 h). Woolworths states that their Facebook page is an “online community”, and is a place for customers to interact and celebrate the business. The business states that any feedback is appreciated and that they strive to make followers feel comfortable. Woolworths states the purpose of their Facebook page is to allow followers with the opportunity of gathering product/service information, and interacting with the business on a regular basis. (Facebook 2013 h).

On the Woolworths Facebook page, the business allows customer and follower interaction. The business clearly states that if customers experience any problems, or have any concerns, that the business will assist those customers individually and any compliments, concerns and suggestions will be considered and responded to. Woolworths provides users with online “General Enquiry” forms which can be completed by users. These forms are sent to the relevant Woolworths employees, and the business responds as soon as possible. (Facebook 2013 f). Thus, the business uses Facebook, a social media tool, as a form of customer care and to ensure customer satisfaction.

The Woolworths Facebook page also provides followers with external links, which will direct users to YouTube. YouTube is a social media video communication website in which users can upload video clips for viewing (Kitchener 2010:16-22). The website allows any Internet user to view the uploaded videos. Any videos can be uploaded from amateur homemade videos to professional clips. (Feldman 2007). These links provide users with the opportunity to view short video clips, uploaded by Woolworths. These videos include Woolworths’ sustainable farming practices, water and waste management activities, social development activities and energy saving processes. (Facebook 2013 g). From the above discussion it is clear that Woolworths makes use of Facebook to make customers and followers aware of business activities.
The Woolworths Facebook page also allows users to buy products online. All of the clothing items offered in a Woolworths’ retail outlet are displayed on the Facebook webpage in the form of images. Users are able to click on a specific clothing image, to select a size and colour, and to pay online. Thereafter, the items purchased on the Facebook webpage will be delivered to the customer’s place of residence. (Facebook 2013 i).

The Woolworths Facebook page encourages followers to be socially responsible, and to make a contribution to the fight against global warming. Woolworths provides followers with the opportunity to work in conjunction with the business in reducing rhino poaching, and to be part of the anti-poaching initiative. Customers are encouraged, by Facebook advertisements, to apply for a MyPlanet card. The MyPlanet card enables shoppers to support animal welfare or environmental organisations, through shopping at Woolworths. When products are bought from Woolworths, and the customer’s MyPlanet card is present, the customer will raise valuable funds which will go towards helping the rhino anti-poaching initiative. (Facebook 2013 j). The MyPlanet card can also be used by customers to make a contribution to climate changing initiatives (Facebook 2013 k). It is evident that Woolworths uses social media to make followers and customers aware of environmental problems, and to encourage followers to positively contribute to awareness campaigns.

Woolworths has introduced a new product, namely the Taste magazine, which can be purchased by customers in-store or from the Woolworths website. A new Taste magazine is printed every month, and includes articles on new Woolworths food ideas, recipes and health tips. The magazine also includes articles of and interviews with well-known South African chefs and celebrities. The official website allows readers to subscribe to the magazine, to pay, and then to receive Taste magazines every month throughout the year. The Taste magazine encourages readers to share recipes. In the March 2013 Taste magazine edition, readers were encouraged to share fifteen minute recipes, by posting them on the Woolworths Facebook page. (Taste Magazine 2013). Based on the above information, Woolworths is making efforts to integrate aspects of the Taste magazine with social media tools.
The Spar Facebook page

Spar has a Facebook page, namely MySpar. The page is “liked” by almost 150 000 Facebook users. On the MySpar Facebook page, the business states that through the use of this social media tool the business is permanently online and ready to interact with any customer. The business’s Facebook page is focussed on creating a feeling of an “online community” in which users can socialise and interact with the business informally. The MySpar Facebook page provides users with daily business news and information, images, videos and allows customers to interact with one another. (Facebook 2013 c; Facebook 2013 o).

The business encourages users to provide the business with new business ideas, tips and suggestions. Users are also able to upload images and videos relevant to Spar. The MySpar Facebook page is used by the business to provide users with event information and is used as a platform for hosting competitions. The Facebook page is then also used to inform the winners of competitions. (Facebook 2013 c; Facebook 2013 o).

The MySpar Facebook page provides users with the ability to subscribe to the Spar Savour Magazine. The Facebook page provides users with short video clips and short abstracts from articles of the latest month’s magazine edition to draw the attention of customers. The Facebook page has a link that users can follow to subscribe to the Spar Savour Magazine online. (Facebook 2013 n).

On the MySpar Facebook page, the business has created a link “My Spar’s Notes”. The business regularly informs users of important business activities in which the business is engaging. The latest update made by the business is to inform users of the business’s commitment to the Southern African Sustainable Seafood Initiative (SASSI) program. The business made use of their Facebook page to inform users of their relationship with this initiative. (Facebook 2013 m). It is clear that the business uses Facebook to interact with customers and to create a positive brand image in the minds of customers.
The Shoprite Facebook page

Shoprite is the business’s retailer responsible for selling fresh food and produce to the public. Shoprite make use of a Facebook page to provide followers with the business’s latest deals, new product information and lifestyle ideas. The Facebook page is followed by more than 60,000 users. The business updates its Facebook page on an hourly basis by posting new images, video clips and information on new business activities. The business also uses Facebook to provide users with a brief background and history of the business and achievements. (Facebook 2013 d; Facebook 2013 p).

The Shoprite Facebook page has a YouTube link that users can follow. This link directs users to video clips of a chef demonstrating ways of how Shoprite’s food and vegetables can be best cooked and presented. The page provides a link that will direct users to an entry form, that when completed, will provide users with monthly information on promotional offers and business newsletters. (Facebook 2013 q). A number of different links are placed on the Facebook page by the business, which provides users with ways of experiencing the business in new and different ways. This form of customer-business interaction has the potential to influence the brand image in the minds of customers.

(c) Twitter

Twitter, a social media tool, was established in 2006 by Jack Dorsey and Biz Stone (Mashable 2013). Twitter is a form of social media that connects its users to the latest news, stories and information which is most important to the user (Brunty & Helenek 2012:22; Dixon 2012:45; Twitter 2013 d). Furthermore, Kwak, Lee, Park and Moon (2010:591) state that Twitter is a form of social media generally referred to as a “microblogging service”. Twitter is an online service that allows users to connect and communicate through quick, frequent messages and answers (Mojave Interactive 2009). At the end of July 2009, Twitter had more than 41 million registered users, and this number is continuously increasing.
Generally, Twitter users follow, or are followed by other users. “Follow” is a term used by Twitter users and which means to receive regular updates made by the party followed. Registered Twitter users have the ability to upload statuses, commonly referred to as “tweets”. Twitter followers can view these tweets and have the opportunity to comment on them. Celebrities, politicians, journalists and businesses generally have a large number of followers. (Mashable 2013). Tweets can be made on any topic, and can be a message of up to 140 characters (Kwak et al. 2010:591). Registered users not only have the opportunity to tweet, but can also upload images and videos (Twitter 2013 a). According to Kwak et al. (2010:591), unlike other social media tools such as Facebook, a relationship between Twitter followers needs no regular interaction. Followers receive all the messages, or tweets, posted by the user being followed.

Twitter can be used as a medium for connecting businesses to customers. Businesses have the luxury of communicating new product/service information with regular- and potential customers, collecting market information as well as building and maintaining strong customer- and supplier relationships. Twitter is an effective way for businesses to create and uphold a positive brand image in the minds of customers through processes of successful customer relationship management activities. (Twitter 2013 a). Based on the above information, it is evident that Twitter is a social media tool that holds potential for retailers.

- The Pick n Pay Twitter page

The PnP Twitter page is used to provide followers with news and information on special offers, new recipes, food ideas and other “fun” activities. The Twitter page allows PnP to make comments to which users, following PnP on Twitter, are able to view and respond to. PnP is also able to upload images, videos and other interactive media items. The PnP Twitter page is followed by more than 17 000 Internet users and customers. (Twitter 2013 a).

It is evident that PnP uses Twitter to interact with customers on a regular basis and to create strong customer-business relationships.
• The Woolworths Twitter page

The Woolworths Twitter page is followed by more than 50,000 customers and Internet users. Woolworths makes use of its Twitter page to make followers and customers aware of the fact that it is a passionate South African retailer, and is committed to delivering customers with superior quality, style and exceptional value. (Twitter 2013 c).

The Woolworths Twitter page is used to enable customer-business interaction, and to thereby build strong customer-business relationships. The Twitter page allows Woolworths to respond to questions asked by followers quickly, to provide new product/service information and to upload images or video clips. Woolworths also makes use of Twitter to announce special events that the business is hosting and to inform customers on new business activities. (Twitter 2013 c).

• The Spar Twitter page

Spar has a Twitter page which is followed by almost 500 customers on a daily basis. The business uses the Twitter page to interact with their customer base on a regular basis. The MySpar Twitter page provides a brief background of the business, an overview and description of the business. The business regularly uploads new images, videos, new product information and information on daily Spar business activities. The pages’ “followers” are able to interact with the business, as questions asked are answered swiftly by the business. (Twitter 2013 b).

It is evident that Spar has placed high importance on the use of Twitter as a social media tool to interact with customers.

• The Shoprite Twitter page

The Shoprite Twitter page is updated daily with new images, videos and comments from the business. New business activities and projects are communicated to
followers through the use of regular Twitter updates. The business regularly and swiftly answers questions or queries of customers regarding the business or products/services. The Shoprite Twitter page is followed by more than 4 000 Shoprite customers per day. (Shoprite Holdings Limited 2013 e).

Links are uploaded by the business that enable followers to view all of the images and videos that Shoprite has uploaded onto the Twitter page. (Shoprite Holdings Limited 2013 d). These images and videos are generally of new product items and offerings, as well as business activities that the business participates in. Through the use of the Shoprite Twitter page, followers are able to stay up to date with the latest Shoprite product/service offerings, Shoprite business activities and have the business answer questions or queries.

From the above information, it is clear that Woolworths Holdings Limited, Pick n Pay Holdings Limited, Shoprite Holdings Limited and the Spar Group Limited have placed high importance on the use of social media tools for interacting with customers. The businesses make use of a number of different social media tools: namely, official websites, Facebook and Twitter, to sell products/services and to provide customers with new product and business information. It is evident that these businesses are focussed on strengthening customer relationships through the use of social media tools, and by doing this creating a positive brand image in the minds of customers and possibly increase customer purchasing behaviour.

From the above section, it is evident that successful South African retailers are making use of social media tools as part of their marketing communication mix to interact with customers. The success of retailers is dependent on the creation of a positive brand image in the minds of customers. (Pike 2011:291), and the potential of social media tools for creating a positive brand image should not be overlooked by retailers (Dvorak 2010:92-93). Ultimately, the possible influence of social media tools on brand image and positive- or increased customer purchasing behaviour should be considered.
3.5 SUMMARY

In this chapter, the importance of retailers making use of social media tools for interacting with customers was highlighted. It is evident that social media tools offer retailers a number of advantages and benefits. However, the use of social media tools by retailers can be challenging and a degree of uncertainty exists among retailers as to how effective these tools are as part of a marketing communication mix. One of the main causes of customers being hesitant to purchase products/services online is the lack of trust in the business.

This chapter focussed on providing a discussion of the term marketing, as well as the 4 P’s strategy of marketing. This was followed by a discussion on the different types of advertising strategies used in marketing campaigns: namely, newspaper advertising, magazine advertising, broadcast advertising, outdoor advertising, direct mail advertising and Internet advertising. This was followed by a definition of the term social media. The advantages of social media as a business-customer interaction tool, a customer-customer interaction tool, a tool for increasing customer reach and as a marketing tool were discussed.

Social media tools were examined and discussed in this chapter. For the purpose of this study, the applicable social media tools were identified as the Official websites of businesses, Facebook and Twitter. The chapter was concluded by a discussion on the uses of these social media tools by the four South African retailers used in this study namely, Pick n Pay, Woolworths, Spar and Shoprite.

Chapter 4 will explain the research methodology to be used for the empirical investigation of the study.
CHAPTER 4
RESEARCH METHODOLOGY AND DESIGN

4.1 INTRODUCTION

Chapter 3 continued investigating the theoretical aspects linked to the primary objective of this study. Chapter 3 defined the term marketing, as well as the 4 P’s (product, pricing, place and promotion) strategy used by marketing managers. The different forms of advertising were discussed. This was followed by a definition of social media, as well as a discussion on social media as a customer interaction tool, social media as a customer-customer interaction tool, social media for increasing the number of customers communicated to and social media as a marketing tool. The four South African retailers used in this study (Pick n Pay Holdings Limited, Woolworths Holdings Limited, the Spar Group and Shoprite Holdings Limited), and their use of social media tools (Official websites, Facebook and Twitter) were examined and discussed.

As the primary objective of this study is to investigate the influence of social media tools on the brand image of retailers and how it affects customer purchasing behaviour, it is important to focus on the empirical investigation used to achieve this primary objective. Chapter 4 provides a description of the research methodology and design used in this study.

Chapter 4 will provide an overview of the research paradigm used for this study, and will be followed by a discussion regarding the constructed hypothetical model with hypotheses. The next section will provide a discussion regarding the manner in which data was collected by focussing on the population studied, the sampling technique and measuring instrument used. This will be followed by a complete discussion regarding the data analysis procedure used. This section will be followed by a discussion regarding the descriptive statistics used to summarise the sample data. An explanation of the statistical analyses performed to test the validity and reliability of the measuring instrument will be presented. To determine correlations between different variables used for this study, Pearson’s Product Moment Correlations will be determined. This will be followed by a discussion on the
statistical technique of multiple regressions used to test the hypothetical model. Chapter 4 will conclude with a discussion on the use of a t-test and Analysis of Variance (ANOVA) tests calculated to determine whether or not the perceptions of respondents were influenced by any demographic variables.

4.2 RESEARCH PARADIGM AND METHOD

A research paradigm can broadly be defined as the method used to conduct research (Kasi 2009:95). Kumar (2010:13) states that there are two main research paradigms, namely the positivistic and phenomenological research paradigms. The positivistic research paradigm is beneficial to researchers to whom the world can be defined, understood, fixed, proved, explored and explained. Positivistic researchers are focused on making casual and informal statements. Thus, the focus in positivistic research studies is generally more focused on providing explanations, rather than determining clear understandings. (Kasi 2009:95). Positivistic researchers seek to objectively prove or falsify social science research efforts through the use of scientific methods (Johnson & Onwuegbuzie 2004:15). A positivistic research paradigm collects data through the use of quantitative, structured measurements (Kumar 2005:12). According to Andrews, Mason and Silk (2005:6), the positivistic research paradigm makes use of standardised and formally recognised measures to analyse collected data. Thus, the positivistic research paradigm attempts to discover causes and facts of certain events or occurrences. It attempts to state the logic and prove the truth through the testing of hypotheses. The positivistic research paradigm can also be referred to as quantitative, empiricism or experimental research paradigms (Fitzpatrick & Kazer 2011). The positivistic research paradigm generates quantitative data collected from large samples. The positivistic research approach is generally considered to produce low validity and high reliability. (Ponterotto 2005:128; Wilson 2010:10; Woodside 2010:47).

Mertens (2009:235) states that the phenomenological research paradigm is focussed on highlighting the subjective experience of individuals, and attempts to describe the point of view of the researched individual. According to Kutlu (2007:62), a phenomenological research study’s reality is completely subjective and open to discussion. Birkholz (2004:21) states that the phenomenological research paradigm
uses qualitative data and is a paradigm commonly used by social researchers. Buchner (2008:75) states that phenomenological researchers are focussed on studying and investigating everyday life events from an internal perspective: the way in which the studied individual experiences these events. Furthermore, Buchner (2008:75) states that a phenomenological research approach is advantageous when a new or fresh consideration of a topic or event is required.

Each research paradigm offers a number of different research methods to be used. Wiid and Diggines (2009:86) clarify that quantitative research involves the gathering of primary data from large respondent groups and samples. Quantitative research believes that social views should serve as entities (Johnson & Onwuegbuzie 2004:14). Quantitative research makes use of numbers, measurements and mathematical calculations to resolve issues. Quantitative research makes use of a structured approach to analyse collected data, and this approach enables large sample groups to be researched. Methods used in quantitative research make use of numerical and statistical measuring techniques to interpret findings, while qualitative research methods use descriptions to interpret incidents or occurrences (Cassell & Symon 2004:48; Wild & Diggines 2009:86). Daymon and Holloway (2011:210) state that quantitative research methods for collecting data are strict and rigid compared to qualitative research methods.

Quantitative methods seek to achieve research objectives through the use of empirical assessments. These empirical research methods make use of numerical and analytical procedures (Zikmund & Babin 2013:99). However, qualitative research methods are focussed on achieving objectives through techniques used to support interpretations. Qualitative research methods achieve objectives through techniques and methods other than numerical methods (Ritchie & Lewis 2003:3). According to Zikmund and Babin (2013:99), quantitative research methods have the ability to achieve certain outcomes and objectives which qualitative research methods cannot, and vice versa.

Johnson and Christensen (2010:34-35), provide a number of differences in characteristics with regard to quantitative and qualitative research methods.
- **Scientific method:** In quantitative research methods, the researcher tests the hypotheses with data. In qualitative research methods, the researcher builds and produces hypotheses and knowledge from data collected through research and investigation.

- **Data collection:** Quantitative research methods collect quantitative data through the use of accurate measurements and structured data collection tools. Qualitative research methods collect qualitative data through less structured collection tools such as interviews.

- **Data analysis:** Quantitative research methods attempt to find statistical and numerical relationships among variables. Qualitative research methods make use of descriptive data to identify patterns and unique features to find differences and variations.

- **Nature of observation:** Quantitative research methods study behaviour under monitored and controlled circumstances. Qualitative research methods study individuals and groups in natural environments.

- **Results:** Quantitative research methods result in generalisable findings and results. Qualitative research methods generate particular findings and results from the perspective of an insider.

Qualitative research is appropriate for new theory development and generation, while quantitative research is more useful for testing the reliability and accurateness of theories (Patton 2002:125). Quantitative research methods seek to find regularity and frequency of a specific occurrence, to find and understand relationships between measured variables and to make generalities about results generated through research (Longino 2009:82; Srivastava & Rego 2011:2.14).

For the purpose of this study, a positivist research paradigm was used as statistics and quantitative analyses were used. As this study attempts to investigate the influence of social media tools on the brand image of retailers, and the effect that
brand image has on the purchasing behaviour of customers, it has been decided that the quantitative research method will be used for this study. A large sample will be identified for the empirical investigation, and relationships among variables will be determined. The quantitative research method is appropriate for this study as hypotheses are to be tested.

Despite the fact that careful consideration needs to be given to the research paradigm and research methods when planning a research project, it is important to decide on the information to be collected for the research (Peck, Olsen & Devore 2011:6). Both new information and existing data can be used for research, and these are generally referred to as primary and secondary data respectively.

According to Morgan and Summers (2005:109), secondary data can be defined as data already collected and used as part of another research project. Secondary data offers the advantage of gathering and analysing data quickly. Secondary data can be collected swiftly, and is more cost-effective than primary data collection methods, as secondary data can be obtained from sources such as newspapers, journals, books and the Internet (Pawar 2004:47). Secondary data collection methods do not require the same high skill levels necessary for primary data collection methods (Morgan & Summers 2005:110). For the purpose of this study, a variety of databases were used, such as EBSCO host and Emerald to gather secondary data. The library facilities of the Nelson Mandela Metropolitan University were used to gather both national and international data. Secondary data was sourced to perform the literature overview on topics relating to the retail environment and social media tools.

According to Morgan and Summers (2005:109), primary data is data developed or generated by the researcher for the purpose of answering the research question. Primary data can be collected in a number of different ways, namely: by means of questionnaires, structured interviews or personal observations. This study collected primary data through distributing questionnaires to customers of retailers to gather data on social media tools, retailer brand image and customer purchasing behaviour. The data collection methods will be explained later in the chapter.
According to Struwig and Stead (2001:80-81), secondary data may be easier to access than primary data. However, the possibility exists that secondary data can be outdated, and that the data could have been acquired for a different purpose than that of the researcher. This provides evidence that it is important to combine secondary and primary data. As mentioned, this study made use of secondary and primary data. The secondary data was used to conduct the literature review, and the primary data was collected through the use of questionnaires. The primary data collected through the use of questionnaires were used to test the hypothetical relationships in this study.

4.3 HYPOTHETICAL MODEL

For the purpose of this study, a hypothetical model was used to investigate the influence of social media tools on the brand image of retailers, and the effect brand image has on the purchasing behaviour of customers. To ensure efficient functionality, Figure 1.1 is duplicated as Figure 4.1.

Figure 4.1: Hypothetical model for the study

As evident in Figure 4.1, the following hypotheses were created to test the relationships in the proposed hypothetical model:
H¹: There is a significant positive relationship between *Official websites* and *Brand image*.

H²: There is a significant positive relationship between *Facebook* and *Brand image*.

H³: There is a significant positive relationship between *Twitter* and *Brand image*.

H⁴: There is a significant positive relationship between *Brand image* and *Customer purchasing behaviour*.

The definitions of the independent, intervening and dependent variables generated and used for this study will be presented in Table 4.1. These definitions are derived from existing literature sources which was also used in the literature chapters two and three.
<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Source</th>
<th>Number of Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Official websites</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A website is defined as all of the materials used, and the manner in which these materials are arranged together on the Internet by an individual, project or business. A website is created by connecting a number of web pages and online documents into one online page</td>
<td>Dochartaigh 2007; Coughlin-Smith 2007; Free servers 2013; Smith &amp; Bebak 2007</td>
<td>9</td>
</tr>
<tr>
<td><strong>Facebook</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facebook is a social utility that can be used to interact with friends, workers and family in an online environment.</td>
<td>Heer 2008; McClard &amp; Anderson 2008; Zarrella &amp; Zarrella 2011</td>
<td>12</td>
</tr>
<tr>
<td><strong>Twitter</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Twitter is a form of social media that connects users to the latest news, stories and information which is most important to the user.</td>
<td>Brunty &amp; Helenek 2012; Dixon 2012; Twitter 2013</td>
<td>10</td>
</tr>
<tr>
<td><strong>Intervening variable</strong></td>
<td>Source</td>
<td>Number of Statements</td>
</tr>
<tr>
<td><strong>Brand image</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand image is a term that refers to the overall impression that a retailer communicates, through business activities, to customers and shareholders. The image of a retailer's brand is formed by the opinions and attitudes of customers towards a business's products/services.</td>
<td>Franzen &amp; Moriarty 2009; Glynn &amp; Woodside 2009; Turner 2006</td>
<td>12</td>
</tr>
<tr>
<td><strong>Dependent variable</strong></td>
<td>Source</td>
<td>Number of Statements</td>
</tr>
<tr>
<td><strong>Customer purchasing behaviour</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What a customer buys, where a customer buys, how a customer buys and how often a customer buys forms a customer’s purchasing behaviour. Furthermore, customer purchasing behaviour is the way in which individuals, groups and businesses choose, purchase, use and dispose of products/services, ideas or experiences in order to satisfy unique needs and wants.</td>
<td>Sarangapani 2009; Cant 2010; De Mooij 2010</td>
<td>7</td>
</tr>
</tbody>
</table>

**Source:** Construction of the researcher.
Table 4.1 provides insight into the hypothetical model constructed and used to measure the influence social media tools have on the brand image of retailers, and the effect brand image has on the purchasing behaviour of customers. The hypothetical model is made up of the independent, intervening and dependent variables. Table 4.1 furthermore provides the sources used to describe the variables, as well as provide the number of statements used for each variable in the measuring instrument for the empirical investigation.

4.4 DATA COLLECTION

In this section, an overview of the population, the sampling technique and the measuring instrument used to conduct this study will be provided and explained. This will be followed by a discussion on ethics considered, the administration of questionnaires, sample size and response rate of this study’s measuring instrument and in which way missing data was handled.

4.4.1 Population and sample

A population can be defined as a group to which a researcher applies results, and is identified by specific characteristics and interests (Houser 1998:98). McNabb (2002:119), states that a population can be made up of customers, businesses, individuals, products or anything in which the researcher has an interest.

A sample frame can be defined as the list of individuals and respondents in the population, from which the sample is drawn. A sample frame is usually a listing of population elements, and the sample is generally created through the collection of information from a group of members of a population. (Smith & Albaum 2005:505). According to Herbst and Coldwell (2004:74), a sample takes the form of a small part of the entire population studied and investigated.

According to Sim and Wright (2000:111), the accessible population of a study is the percentage of the entire target population that can be accessed by the researcher, and that is in line with the purpose of the study. A sample is generally drawn from the accessible population group. Gratton and Jones (2010:110) state that it is easier to
investigate a sample of the entire population, as a sample provides the researcher with valuable information more quickly and with much less effort.

Two main types of sampling methods exist, namely probability sampling and non-probability sampling, and the researcher has the responsibility of selecting the sampling method to be used for a particular study (Connaway & Powell 2010:117). Probability sampling can be defined as the process of the researcher selecting elements from the total population group which represent that specific population group accurately and efficiently. According to Connaway and Powell (2010:117), probability sampling can be seen as the more systematic and beneficial method of sampling. The process of probability sampling provides each individual element in the total population group with a known probability for it to be included in the study’s sample. As with non-probability sampling, samples are selected according to the judgement of the researcher, and the researcher is unable to state the probabilities of individual elements. (Connaway & Powell 2010:117).

The population of this study consisted of all customers of the four selected retail groups in the Eastern Cape region, and the sample size was a minimum of 125 respondents. It should be stressed that no sample frame existed for this study, as no list of all Eastern Cape customers was available to the researcher. Thus, for the purpose of this study, a non-probability sampling method, convenient sampling, was used to select the sample of customers from the total population. According to Gravetter and Forzano (2012:151), convenience sampling is a method used in which the researcher identifies and makes use of individuals who can easily be contacted and interacted with. Convenience sampling makes use of units or individuals that are most convenient to gather data from, and refers to identifying and selecting a sample that is convenient to the researcher at that specific point in time. For the purpose of this study, convenience sampling was identified as the best method for collecting data about the perceptions of retail customers on the use of social media tools, retailer brand image and customer purchasing behaviour. The researcher, with the help of fieldworkers, distributed and collected structured questionnaires to customers within the Eastern Cape.
4.4.2 Measuring instrument

As mentioned, this study made use of the quantitative research method. Thus, a questionnaire was created and used as the measuring instrument to collect data from customers as respondents. The questionnaires used had the purpose of identifying the degree of relationships among the independent, intervening and dependent variables. The measuring instrument collected data on the customers’ perceptions regarding retailer social media tools, brand image and customer purchasing behaviour. According to Gratton and Jones (2010:126), a questionnaire can easily be defined as a group of questions used to gain knowledge and information from a particular group, or on a specific subject. Questionnaires are advantageous when large sample groups are used by researchers. Questionnaires can be distributed across a large geographical area at a low cost and can be completed anonymously by respondents, which will provide the researcher with more in-depth knowledge. This is due to respondents being able to complete questionnaires more accurately, as they are aware that the researcher will not be able to identify and refer to individual respondents when data is analysed. However, the use of questionnaires as a measuring instrument also provides a number of disadvantages. Researchers have little control over who completes questionnaires, and difficult questions may cause problems to respondents. (Gratton & Jones 2010:128-129).

For the purpose of this study, a self-constructed and self-administered questionnaire was developed to use as the measuring instrument. The questionnaire was distributed to retail customers in the Eastern Cape. A questionnaire was created, along with a covering letter. The covering letter was used to describe the purpose of the study to all retail customers who were willing to participate in the study. The communication language was English, and the questionnaire was made up of three sections. The biographical data and demographical data of respondents were captured in Section A. The biographical data and geographical data collected consisted of retail customers’ gender, age and employment status. Section B of the questionnaire was made up of statements based on the literature review regarding the three social media tools (Official websites, Facebook and Twitter). The
questionnaire concluded for Section C was made up of statements relating to the brand image of retailers and customers' purchasing behaviour.

The Likert-type scale is an attitude measuring and determining technique used by researchers. This measuring technique requests respondents to state the degree to which they agree or disagree with a particular statement (Breckler, Olson & Wiggins 2006:206). A Likert-type scale consists of a number of points, generally between five and seven (Struwig & Stead 2001:94). Kothari (2008:86) provides a number of advantages for the use of a Likert-type scale. Likert-type scales are relatively easy to set up compared to other measuring scales, and are regarded as more consistent and reliable. The process of setting up and creating a Likert-type scale is time-efficient and generally respondents find it easy to use.

However, a number of disadvantages and limitations exist for incorporating the Likert-type scale in questionnaires. The total score of a respondent's questionnaire has little clear meaning to the researcher. Respondents may answer questions in accordance to what they think they feel, rather than what they really feel. Respondents can also answer questions in such a way as to what they think the researcher expects of them. The collected data may take long periods of time to interpret and analyse. (Kothari 2008:86).

A five-point Likert-type scale was used in this study. The Likert-type scale ranged from 'strongly disagree' (1), to 'strongly agree' (5). Section B of the questionnaire used a Likert-type scale to collect data on customer perceptions of social media. Section C of the questionnaire also took the form of a Likert-type scale, which also ranged from 'strongly disagree' (1) to 'strongly agree' (5), and was used to collect data on the brand image of retailers and customer purchasing behaviour. Annexure A provides an example of the measuring instrument used in this study. The computer programmes, Microsoft Excel and Statistica (version 10) will be used to statistically analyse collected data.
4.4.3 Ethical considerations

The primary objective of this study is to investigate the influence of social media tools on the brand image of retailers and how it affects customer purchasing behaviour. A questionnaire was used to determine customers’ perceptions of the social media tools (Official websites, Facebook and Twitter) used by four South African retailers (Pick n Pay Holdings Limited, Woolworths Holdings Limited, the Spar Group and Shoprite Holdings Limited). Furthermore, the questionnaire measured the perceptions of customers on the brand image of these retailers, and on customer purchasing behaviours. A pro forma ethics clearance was completed and submitted to the NMMU Business and Economic Sciences’ Faculty RTI, as the information was not of a private or personal nature.

4.4.4 Administration of questionnaires

The convenience sampling technique was used to identify retail customers, and they were approached in person during the months of July, August and September 2013. Respondents were provided with questionnaires by hand, and respondents were to deliver completed questionnaires back to the researcher either by hand or fax. The purpose of the study was explained to respondents by a cover letter. The cover letter also explained the type of information to be collected and assured respondents of confidentiality of answers and information provided. The cover letter provided respondents with an email address if respondents were to return completed questionnaires via email.

4.4.5 Sample size and response rate

The ratio of an observation-to-independent variable ratio should not fall below 5:1. (Swanson & Holton 2005:129). However, ratios of 10:1 are encouraged (Sprengle & Piercy 2005:396). To avoid an observation-to-independent variable ratio problem, Nemati and Barko (2004:197) state that a limit should be set on the number of variables included in a discriminant procedure.
For the purpose of this study, considering these recommendations and guidelines, the following were considered. This study has five variables and a minimum of five statements per item is used. The multiplication of the five variables, with the five statements and the five respondents produces a minimum sample size of 125. The response rate, according to Rumsey (2011:258), is defined as the number of completed questionnaires collected from respondents, divided by the number of individuals asked to participate in the study. Table 4.2 provides the response rate figure of the questionnaires used in this study.

Table 4.2: Response rate of questionnaires

<table>
<thead>
<tr>
<th>Number of respondents</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of questionnaires distributed</td>
<td>300</td>
</tr>
<tr>
<td>Total number of questionnaires returned by respondents</td>
<td>192</td>
</tr>
<tr>
<td>Total number of useable questionnaires returned by respondents</td>
<td>180</td>
</tr>
<tr>
<td>Response rate</td>
<td>60%</td>
</tr>
</tbody>
</table>

The sample in this study consisted of 300 retail customers. In total, 192 questionnaires were returned by respondents of which 180 questionnaires were used for statistical analyses. Therefore, a response rate of 60% is evident for this study.

4.4.6 Missing data

If respondents return questionnaires in which some statements have no responses this is classified as missing data. As respondents returned questionnaires to the researcher they were examined for missing data. The examination revealed that several questionnaires had missing data. If the missing data could not be found, all of the responses from all questionnaires were used to calculate a mean score to represent that particular item. According to Outhwaite and Turner (2007:217), the mean-substitution approach is used when data is missing from an independent
variable to replace the missing scores with a mean score calculated from all of the valid responses (Leimeister 2010:130). The mean-substitution approach is beneficial to this study as the levels of missing data are relatively low.

4.5 DATA ANALYSIS

A data analysis procedure was used to examine the data collected from respondents. In the following section, the manner in which descriptive statistics were calculated, as well as the manner in which the data analysis procedure was used to measure the validity and reliability of the measuring instrument will be discussed. This will be followed by a discussion on the statistical techniques of Pearson’s Product Moment Correlations and multiple regressions used in this study. The effect of the demographic variables of respondents on their perceptions regarding brand image and purchasing behaviour will be analysed.

4.5.1 Validity of the measuring instrument

The term validity can be defined as the accurateness by which a measuring instrument measures what it is expected and designed to measure. Validity refers to how accurately or convincingly the variables have been operationalised (Hill 2001:45). According to Cooper, Hedges and Valentine (2009:130), validity can be described as the inexact or approximate truth of an implication about a relationship. Validity, according to Kemp and Mosqueda (2012), is the degree to which a measuring instrument will produce similar or the same results and scores when used in different locations by different respondents and in varying circumstances.

Based on the above information, it is evident that validity refers to the degree to which a measuring instrument measures what it is expected to measure, and whether the results generated remain consistent when circumstances vary. Lewis-Beck, Bryman and Liao (2004:163), McBurney and White (2009:174-176), Blanch, Durrheim and Painter (2006:148) and Planty and Carlson (2010:44), have identified a number of types of validity associated with quantitative research.
• **Content validity:** content validity refers to the degree to which the measuring instrument captures all of the dimensions and characteristics of the concept that is defined.

• **Criterion-related validity:** can be described as the degree to which a new measure of an idea integrates with an existing idea.

• **Construct validity:** relates to whether the results generated by the measuring instrument support the theory of the research.

• **Internal validity:** internal validity refers to the reason of the relationship among independent and dependent variables of the study.

• **External validity:** refers to whether the results generated in a study can be generalised to different situations.

• **Predictive validity:** refers to the effectiveness of the measuring instrument predicting a future event.

• **Statistical validity:** refers to whether the values presented in the study were generated using the most applicable statistical procedure.

Experts in the fields of social media and the retail environment assisted in the design and efficiency of the questionnaire, and this ensured the content or face validity of the measuring instrument. Furthermore, a pilot study was conducted among retail customers to pre-test the validity of the questionnaire. Based on the results of the pilot study, the necessary adjustments were made to the questionnaire to ensure that all items in the questionnaire were interpreted correctly by respondents.

This study made use of a factor analysis to ensure validity. According to Zikmund, Babin, Carr & Griffin (2013:595), factor analysis can be defined as a technique used to identify a reduced number of factors from a large number of measured variables. Fabrigar and Wegener (2012:3-4) and Reineccius (1998:777) provide a number of
reasons why a factor analysis should be used, and why a factor analysis is beneficial to a study:

- Factor analyses assist researchers to determine the total number of constructs from a set of variables.
- Factor analyses provide researchers with a method for explaining variations among variables through the use of new variables.
- Factor analyses provide clarity to the meaning of constructs.

According to Martella, Nelson and Morgan (2013:227), the purpose of factor analysis is to identify variables and factors to explain and motivate results and scores, and to summarise scores into a smaller number of factors. Two types of factor analyses exist, according to Gatignon (2003:38), namely exploratory factor analysis (EFA) and confirmatory factor analysis (CFA).

CFA is used by a researcher when a structure is proposed in which the observed and quantifiable variables replicate only some unobserved constructs (Gatignon 2003:38). CFA is a statistical method used to measure and test the researcher’s understanding of constructs of interest, and to validate the factor structure of a set of observed variables (Kumar & Petersen 2012:65). CFA is a measure used to test the research hypothesis, either of the underlying factors or variables or underlying constructs (McNabb 2009:214). Harrington (2009:3), states that CFA’s generally has four major purposes:

- To psychometrically evaluate measures;
- To create validation;
- To test the effectiveness of methods used; and
- To test the invariance of the measurement used.

EFA is used when the researcher is unsure of the number of factors that may exist in a set of variables. The use of an EFA is an effective measure when the relationship between the observed variables and underlying factors are unclear or unknown.
Whitley and Kite (2013:341) state that EFA can be used for:

- Data reduction: EFA can be used to summarise large amounts of variables into fewer, smaller groups of variables. This allows data to be simplified.
- Scale development: EFA can be used to develop scales to measure hypothetical constructs.

For the purpose of this study, an EFA was used to ensure that the researcher’s understanding of the constructs was consistent with the nature and actual meaning of the constructs. This study had a sample of 180, and therefore minimum factor loadings of 0.40 were accepted. Table 4.2 can be used as a guideline to determine whether factor loadings are significant:

**Table 4.3: Guideline for determining factor loading significance**

<table>
<thead>
<tr>
<th>Sample size</th>
<th>Minimum factor loading regarded significant</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>0.75</td>
</tr>
<tr>
<td>60</td>
<td>0.70</td>
</tr>
<tr>
<td>70</td>
<td>0.65</td>
</tr>
<tr>
<td>85</td>
<td>0.60</td>
</tr>
<tr>
<td>100</td>
<td>0.55</td>
</tr>
<tr>
<td>120</td>
<td>0.50</td>
</tr>
<tr>
<td>150</td>
<td>0.45</td>
</tr>
<tr>
<td>200</td>
<td>0.40</td>
</tr>
<tr>
<td>250</td>
<td>0.35</td>
</tr>
<tr>
<td>350</td>
<td>0.30</td>
</tr>
</tbody>
</table>

The term, factor loading, can be defined as the correlation and relationship among the variable and the factor (Rubin 2010:263). Factor analysis is a statistical technique or measure used for item selection, generally used in relation to item-total correlations. This technique is efficient in identifying the items most closely related to the underlying measure to what it is designed to measure (Hayes 2008:72). Higher factor loadings are better, and factor loadings below 0.30 are not interpreted. Generally, factor loadings above 0.71 are exceptional, 0.63 are very good, 0.55 are good, 0.45 are fair and 0.32 are poor. (Harrington 2009:23).

4.5.2 Reliability of the measuring instrument

The term reliability refers to the stability and consistency of a measure (Zeanah 2009:243). Furthermore, Waltz, Strickland and Lenz (2010:66) state that reliability refers to the extent to which a measure is free from random errors. An inverse relationship exists between the total random errors produced by a measurement and the reliability of that specific measurement. Thus, measurements with high reliability produce few random errors. Reliability, according to Polit and Beck (2008:196), can be defined as the consistency and accuracy of data collected by a specific measurement. According to Waltz et al. (2010:66) a measurement is reliable if it generates the same results on repeated measurements of the same attribute. Furthermore, Neuendorf (2002:113) states that reliability contributes to validity.

The internal consistency of a measure is defined as the degree of reliability, with regard to the individual items of a measurement measuring the same construct. Thus, if internal consistency exists, the individual items of a measurement are highly correlated. (Weiner, Freedheim & Graham 2003:55).

Cronbach’s alpha will be used to test the reliability and internal consistency of the measuring instrument (Andrew, Pederson & McEvoy 2011:202). Gliner and Morgan (2000:316) state that Cronbach’s alpha is a method used to calculate inter-item reliability and consistency. Cronbach’s alpha, according to Olagbemi (2011:60), can be defined as a statistical test to determine how well the items of a measuring scale correlate and integrate with one another.
Reliability estimates below 0.60 are unacceptable, between 0.60 and 0.65 are undesirable and between 0.65 and 0.70 are acceptable (Sharma & Petosa 2012:111). A reliability coefficient of more than 0.70 suggests internal consistency and good reliability (Kreitler, Ben-Arush & Martin 2012:279). Reliability estimates between 0.70 and 0.80 are good, and between 0.80 and 0.90 are very good (Sharma & Petosa 2012:111).

Descriptive statistics and inferential statistics are the two statistical methods used to analyse data. A part of the statistics procedure used to analyse data in this study has already been discussed in the section covering the validity and reliability of the measuring instrument. The data analysis process is made up of a number of steps, and therefore some descriptive statistics were to be calculated.

4.5.3 Descriptive statistics

Descriptive statistics, according to Lee, Lee and Lee (2000:4), is the statistical process used for the organising and presenting of collected data. Goodwin (2010:141) refers to descriptive statistics as a statistical process used to convert a large amount of numbers which is difficult to comprehend into a smaller set of numbers that can be understood easily. Descriptive statistics is a process that makes use of statistical techniques to describe quantitative data (Anderson, Sweeney & Williams 2009:18).

Descriptive statistics are used to summarise and describe numerical data (Lee et al. 2000:4). According to Lee et al. (2000:4), descriptive statistics involves measuring a central tendency (such as the mean and median) and measures of dispersion (such as standard deviation and the range). For the purpose of this study, descriptive statistics in the form of mean, standard deviation and frequency distributions were used to summarise and interpret data collected from Section A of the questionnaire. As mentioned, Section A of the questionnaire was made up of the respondents’ demographic information including the gender, age and population group. Descriptive statistics were also used to summarise and interpret data collected from Section B and Section C, which were made up of the social media tools, brand image of retailers and the purchasing behaviour of customers.
4.5.4 An analysis of the relationships of the independent, intervening and dependent variables

As mentioned, two types of statistical techniques exist, namely descriptive statistics and inferential statistics. Inferential statistics, according to Black (2010:6), can be defined as a process in which the researcher makes use of the statistics calculated from collected data to make conclusions about an entire population from which the sample was taken. Inferential statistics is an effective technique for reaching generalisations about a larger group (Black 2010:6). Furthermore, inferential statistics are also used to test hypotheses of relationships in a population, using data generated from the sample (Landy & Conte 2010:70).

The data analysis procedure of this study included inferential statistics such as Pearson’s Product Moment Correlations, as well as the multiple linear regression analyses.

- **Pearson’s Product Moment Correlations**

According to Paler-Calmorin and Calmorin (2006:125), Pearson’s Product Moment Correlation is a linear correlation coefficient (r) used to determine the degree of the association of two sets of variables. Pearson’s product moment correlation is a technique used to measure the degree to which one variable is correlated with changes in another variable (MacDaniel & Gates 1998:405). The correlation coefficient can range from -1 to +1 (Brown & Suter 2012:167). According to Franzen (2000:17), a correlation coefficient of 0 indicates that no relationship exists between the two sets of observations. A correlation coefficient of 1 provides evidence that the values of one set increase, while the values of another set increase consequently. A correlation coefficient of -1 provides evidence that as the values of one set increase, the values of another set decrease accordingly. (Franzen 2000:17).

Kornbrot (2005) established guidelines to enable efficient interpretation of a Pearson’s Product Moment Correlation Coefficient. A Pearson’s Product Moment Correlation Coefficient of:
- 1.0 to -0.5 indicates a strong negative relationship;
- 0.5 to -0.3 indicates a moderate negative relationship;
- 0.3 to -0.1 indicates a weak negative relationship;
- 0.1 to 0.1 indicates no or a very weak relationship;
- 0.1 to 0.3 indicates a weak positive relationship;
- 0.3 to 0.5 indicates a moderate positive relationship; and
- 0.5 to 1.0 indicates a strong positive relationship.

For this study, Pearson’s Product Moment Correlation coefficients were calculated to identify correlations between the independent (Official websites, Facebook and Twitter), intervening (Brand image) and dependent (Customer purchasing behaviour) variables.

- Multiple regression analysis

Multiple linear regressions were conducted for the purpose this study, in addition to Pearson’s Product Moment Correlations. According to Bruce, Pope and Stanistreet (2008:243), multiple regressions are used to summarise and interpret the simultaneous relationship between an outcome variable and a number of explanatory variables. Thus, the purpose of multiple regression analysis for this study is to simultaneously investigate the effects of the independent variables, (Official websites, Facebook and Twitter) on the single dependent variable (Customer purchasing behaviour). Furthermore, Mun (2006:376) states that multiple regression analyses are used when the dependent variable depends on independent variables. Furthermore Freund, Wilson and Sa (2006:73) state that multiple linear regression analyses are used to determine the relationship between the independent variable, intervening variable and the dependent variable.

Multiple regression analysis was conducted to determine whether the social media tools, namely, Official websites, Facebook and Twitter influence the intervening variable Brand image, and ultimately the dependent variable, Customer purchasing behaviour.
4.5.5 An analysis of the effect of the demographic variables

The primary objective of this study is to investigate the influence of social media tools on the brand image of retailers and how it affects customer purchasing behaviour. An assessment will be done to determine whether perceptions and insights of respondents were influenced by selected demographic variables. To determine this, a t-test and Analysis of Variance (ANOVA) tests will be conducted.

A t-test is a statistical test used to compare scores collected from two groups of respondents (Sharkey & Gaskill 2006:272). ANOVA is used to test the significance of differences of sample means used in a study. Furthermore, ANOVA is used to simultaneously test or compare the difference of two or more population means. (Lee et al. 2000:486). For the purpose of this study, a Tukey Honestly Significant Difference (HSD) test will be constructed. A Tukey HSD test, according to Gravetter and Wallnau (2011:398), allows the researcher to calculate a single value that expresses the smallest difference between treatment means essential for significance. In addition, for the purpose of this study, Cohen’s d values will be calculated to determine the degree of practical significance of the identified relationships. According to Gravetter and Wallnau (2007:258), Cohen d values of greater than 0 but less than 0.2 indicate small practical significance, values greater than 0.2 but less than 0.8 indicate medium practical significance and values greater than 0.8 indicate large practical significance.

4.6 SUMMARY

The purpose of chapter 4 was to describe the research design and research methodology used for this study. Each variable of the hypothetical model was described in brief along with definitions. The population studied, and the sampling technique used was described. The measuring instrument was described in detail. Furthermore, the statistical analysis used to present the descriptive and to prove the validity and reliability of the measuring instrument was described. Pearson’s Product Moment Correlations and multiple regressions to be used to determine the influence of independent variables on the intervening and dependent variables were discussed in brief. The statistical techniques, t-test and ANOVA tests, were described and
which are to be used to investigate whether relationships exist between demographic variables and various factors under investigation. Chapter 4 was concluded with a description of the post-hoc Tukey tests to be used to assess statistical significance, and Cohen’s d values to be used to assess practical significance.

Chapter 5 will present and discuss the empirical results of the different statistical analyses performed during the empirical investigation.
CHAPTER 5
EMPIRICAL RESULTS

5.1 INTRODUCTION

An overview of the research design and methodology to be used in this study to investigate the influence of social media tools on the brand image of retailers and customer’s purchasing behaviour was provided in chapter 4. Chapter 4 provided a discussion on the population studied, the sampling technique used, the measuring instrument used, as well as the methods used to analyse the data. The statistical techniques used in this study to determine the validity and reliability of the measuring instrument were stated and discussed. The data analysis process used to generate the descriptive statistics and to determine the relationships among demographic variables and the investigated variables were discussed. Chapter 5 will present the empirical findings of the statistical analyses undertaken.

Specifically, the demographic information of respondents that participated in this study will be presented in chapter 5. This will be followed by a summary of the validity and reliability assessments. The descriptive statistics calculated (means, standard deviations and frequency distributions) will be displayed in a table to summarise the sample data. This will be followed by a discussion on the Pearson’s Product Moment Correlations. Thereafter, the results generated by multiple regression analyses, displaying the influence of the social media tools, namely Official websites, Facebook and Twitter on the intervening variable Brand image, and consequently the dependent variable, Customer purchasing behaviour will be provided. Lastly, the results generated by the t-test and the ANOVA tests will be given and discussed. These tests were used to assess the influence of selected demographic variables of respondents on their responses with regard to the independent, intervening and dependent variables.

5.2 DESCRIPTIVE STATISTICS ON DEMOGRAPHIC INFORMATION

Section A of the questionnaire used in this study consisted of various items regarding the demographic information of respondents and the social media tools
these respondents use. Table 5.1 provides a summary of all the demographic information pertaining to the respondents as individuals.

Table 5.1: Demographic information pertaining to the respondents as individuals

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>70</td>
<td>38.89</td>
</tr>
<tr>
<td>Female</td>
<td>110</td>
<td>61.11</td>
</tr>
<tr>
<td>Total</td>
<td>180</td>
<td>100.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;20</td>
<td>36</td>
<td>20.00</td>
</tr>
<tr>
<td>20 – 29</td>
<td>64</td>
<td>35.56</td>
</tr>
<tr>
<td>30 – 39</td>
<td>29</td>
<td>16.11</td>
</tr>
<tr>
<td>40 – 49</td>
<td>30</td>
<td>16.67</td>
</tr>
<tr>
<td>50 – 59</td>
<td>19</td>
<td>10.56</td>
</tr>
<tr>
<td>60+</td>
<td>2</td>
<td>1.11</td>
</tr>
<tr>
<td>Total</td>
<td>180</td>
<td>100.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>4</td>
<td>2.22</td>
</tr>
<tr>
<td>Black</td>
<td>62</td>
<td>34.44</td>
</tr>
<tr>
<td>Coloured</td>
<td>21</td>
<td>11.67</td>
</tr>
<tr>
<td>White</td>
<td>89</td>
<td>49.44</td>
</tr>
<tr>
<td>Not willing to say</td>
<td>4</td>
<td>2.22</td>
</tr>
<tr>
<td>Total</td>
<td>180</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Table 5.1 indicates that there were more females (61.11%) than males (38.89%) who participated in this study. The majority of respondents were aged between 20 and 29 years (35.56%), and younger than 20 years (20.00%), followed by respondents between the ages of 40 and 49 years (16.67%). The remaining respondents were between the ages of 30 and 39 years (16.11%), 50 and 59 years (10.56%) and older than 60 years (1.11%). With regard to ethnicity, most of the respondents were White (49.44%), followed by Black (34.44%), Coloured (11.67%) and Asian (2.22%).
Table 5.2 provides information with regard to the total number of years that respondents have been using the Internet.

**Table 5.2: Demographic information pertaining to the number of years respondents have been using the Internet**

<table>
<thead>
<tr>
<th>Social media tools</th>
<th>Frequency</th>
<th>Percentage of cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official websites</td>
<td>147</td>
<td>83.05</td>
</tr>
<tr>
<td>Facebook</td>
<td>157</td>
<td>88.70</td>
</tr>
<tr>
<td>Twitter</td>
<td>70</td>
<td>39.55</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>374</strong></td>
<td><strong>211.30</strong></td>
</tr>
</tbody>
</table>

With regard to the number of years that respondents have been using the Internet, a mean score of 9.95 years was reported. The maximum number of years of Internet usage reported was 24 years.

Table 5.3 presents a summary of the social media tools used by respondents.

**Table 5.3: Social media tools used by respondents (N=177)**

Table 5.3 shows that from the 177 respondents that answered this question, 83.05% stated that they use Official websites: 88.70% use Facebook and 39.55% use Twitter. The total percentage of cases (211.30%) was recorded as respondents were able to indicate the use of more than one social media tool in the questionnaire.

Tables 5.4, 5.5, 5.6 and 5.7 show the social media tools of retailers that are used by respondents. Although the measuring instrument used a five-point Likert-type scale, for the sake of brevity, ‘disagree’ was used to categorise the frequency distribution responses for the categories ‘strongly disagree’ (1) and ‘disagree’ (2). Furthermore, the response categories ‘strongly agree’ (5) and ‘agree’ (4) were categorised together as ‘agree’.
Table 5.4: Information relating to the social media tools of Pick n Pay used by respondents (N=180)

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Disagree%</th>
<th>Neutral%</th>
<th>Agree%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official websites</td>
<td>73.333</td>
<td>13.334</td>
<td>13.333</td>
</tr>
<tr>
<td>Facebook</td>
<td>82.222</td>
<td>6.111</td>
<td>11.667</td>
</tr>
<tr>
<td>Twitter</td>
<td>96.667</td>
<td>0.555</td>
<td>2.778</td>
</tr>
</tbody>
</table>

The majority of respondents, 73.333%, 82.222% and 96.667% disagreed that they regularly make use of Pick n Pay's Official websites, Facebook or Twitter pages respectively.

<table>
<thead>
<tr>
<th>Frequency table: PNP_TWIT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Count</strong></td>
</tr>
<tr>
<td>Disagree</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
<tr>
<td>Agree</td>
</tr>
</tbody>
</table>

Table 5.5: Information relating to the social media tools of Woolworths used by respondents (N=180)

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Disagree%</th>
<th>Neutral%</th>
<th>Agree%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>81.111</td>
<td>7.788</td>
<td>1.111</td>
</tr>
<tr>
<td>Twitter</td>
<td>91.667</td>
<td>1.666</td>
<td>6.667</td>
</tr>
</tbody>
</table>

With regard to respondents' use of Woolworths's Official website, Facebook- and Twitter pages, the majority of respondents, 62.778%, 81.111% and 91.667% respectively, disagreed that they regularly make use thereof.
Table 5.6:  Information relating to the social media tools of Spar used by respondents (N=180)

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Disagree%</th>
<th>Neutral%</th>
<th>Agree%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official website</td>
<td>80.000</td>
<td>9.444</td>
<td>10.556</td>
</tr>
<tr>
<td>Facebook</td>
<td>81.667</td>
<td>8.333</td>
<td>10.000</td>
</tr>
<tr>
<td>Twitter</td>
<td>93.333</td>
<td>2.78</td>
<td>3.889</td>
</tr>
</tbody>
</table>

The Official website, Facebook- and Twitter pages of Spar are not regularly made use of by respondents. This is evident as the majority of respondents, 80.000%, 81.667% and 93.333% respectively, disagreed to this question.

Table 5.7:  Information relating to the social media tools of Shoprite used by respondents (N=180)

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Disagree%</th>
<th>Neutral%</th>
<th>Agree%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official website</td>
<td>87.222</td>
<td>6.111</td>
<td>6.667</td>
</tr>
<tr>
<td>Facebook</td>
<td>91.111</td>
<td>3.889</td>
<td>5.000</td>
</tr>
<tr>
<td>Twitter</td>
<td>98.889</td>
<td>0.000</td>
<td>1.111</td>
</tr>
</tbody>
</table>

The majority of respondents, 87.222%, 91.111% and 98.889% disagreed that they regularly make use of Shoprite’s Official websites, Facebook or Twitter pages respectively.

It is evident that the social media tools of retailers are not used on a regular basis by the majority of retail customers.

Table 5.8 provides information as to from which retailer, Pick n Pay, Woolworths, Spar or Shoprite, most of the respondents’ purchases are made.

Table 5.8:  Information pertaining to the retailer from which respondents purchase most

<table>
<thead>
<tr>
<th>South African retailers</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pick n Pay</td>
<td>65</td>
<td>36.11</td>
</tr>
<tr>
<td>Woolworths</td>
<td>27</td>
<td>15.00</td>
</tr>
</tbody>
</table>
From Table 5.8 it is evident that a large number of the respondents most often purchase their products/services from Pick n Pay (36.11%) and Spar (35.00%). Fewer respondents purchased most of their products/services from Woolworths (15.00%) and Shoprite (13.89%).

### 5.3 RESULTS OF THE VALIDITY AND RELIABILITY ANALYSIS FOR THE INDEPENDENT VARIABLES

Validity, according to Kaplan and Saccuzzo (2005:134), can be defined as the degree of relevance between the results of a test or measure compared to what it is supposed to measure. Furthermore, Kaplan and Saccuzzo (2005:134) state that validity can be assured by determining whether a measuring instrument is measuring what it is supposed to measure. According to Neelankavil (2007:206), validity is a determinant of the accuracy and precision of a measuring instrument. Reliability is an effective indicator of the internal consistency and stability of a measure. Reliability can be determined by the extent to which individual items on a scale reflect the same construct. (Zeenah 2009:243). According to Zikmund and Babin (2013:257), a measure is reliable when multiple attempts at measuring a construct generate the same outcomes or results.

As mentioned, to ensure the content or face validity of the measuring instrument, experts in the field of marketing assisted with the design of the questionnaire. Furthermore, a pilot study was conducted among three retail customers to test the validity of the questionnaire, and to determine if they understood the questionnaire items. Consequently, the wording of some of the questionnaire items was adjusted.

An EFA was done for the independent, intervening and dependent variables, in order to determine the validity of the measuring instrument. According to Dörnyei and Schmidt (2001:247), EFA is an efficient way of identifying the number of unique
concepts within a large set of variables. EFA, according to Gopalan and Sivaselvan (2009:17), is used to identify the number of common factors that influence a particular set of measures, and to determine the strength of the relationship between each factor and observed measure. Higher factor loadings are better, and factor loadings below 0.40 are eliminated. Generally, factor loadings of approximately 0.40 are considered fair and meet the standards for significance in a study (Harrington 2009:23).

5.3.1 Independent variables

The results of the EFA on the independent variables, *Official websites, Facebook* and *Twitter* are discussed in the following section and the factor structure is presented in Table 5.9.

Table 5.9: Factor structure – independent variables

<table>
<thead>
<tr>
<th>Items</th>
<th>Official websites</th>
<th>Facebook</th>
<th>Twitter</th>
</tr>
</thead>
<tbody>
<tr>
<td>OFFWEB1</td>
<td>0.80</td>
<td>0.04</td>
<td>0.05</td>
</tr>
<tr>
<td>OFFWEB2</td>
<td>0.86</td>
<td>0.15</td>
<td>0.05</td>
</tr>
<tr>
<td>OFFWEB3</td>
<td>0.78</td>
<td>0.03</td>
<td>0.02</td>
</tr>
<tr>
<td>OFFWEB5</td>
<td>0.40</td>
<td>0.33</td>
<td>0.02</td>
</tr>
<tr>
<td>OFFWEB7</td>
<td>0.50</td>
<td>0.05</td>
<td>0.14</td>
</tr>
<tr>
<td>OFFWEB9</td>
<td>0.70</td>
<td>0.23</td>
<td>0.02</td>
</tr>
<tr>
<td>FACE1</td>
<td>0.06</td>
<td>0.75</td>
<td>0.07</td>
</tr>
<tr>
<td>FACE2</td>
<td>0.09</td>
<td>0.78</td>
<td>0.08</td>
</tr>
<tr>
<td>FACE3</td>
<td>0.11</td>
<td>0.78</td>
<td>0.06</td>
</tr>
<tr>
<td>FACE4</td>
<td>0.10</td>
<td>0.80</td>
<td>0.11</td>
</tr>
<tr>
<td>FACE5</td>
<td>0.05</td>
<td>0.81</td>
<td>0.02</td>
</tr>
<tr>
<td>FACE6</td>
<td>0.15</td>
<td>0.89</td>
<td>0.01</td>
</tr>
<tr>
<td>FACE7</td>
<td>0.04</td>
<td>0.79</td>
<td>0.06</td>
</tr>
<tr>
<td>FACE9</td>
<td>0.07</td>
<td>0.84</td>
<td>0.05</td>
</tr>
<tr>
<td>FACE10</td>
<td>0.06</td>
<td>0.85</td>
<td>0.01</td>
</tr>
<tr>
<td>FACE11</td>
<td>0.04</td>
<td>0.69</td>
<td>0.14</td>
</tr>
<tr>
<td>FACE12</td>
<td>0.02</td>
<td>0.72</td>
<td>0.19</td>
</tr>
<tr>
<td>TWIT1</td>
<td>0.01</td>
<td>0.02</td>
<td>0.84</td>
</tr>
<tr>
<td>TWIT2</td>
<td>0.01</td>
<td>0.07</td>
<td>0.97</td>
</tr>
<tr>
<td>TWIT3</td>
<td>0.03</td>
<td>0.02</td>
<td>0.96</td>
</tr>
<tr>
<td>TWIT4</td>
<td>0.01</td>
<td>0.04</td>
<td>0.94</td>
</tr>
</tbody>
</table>
It is evident that three factors resulted from the EFA conducted, and based on the loadings provided, are Official websites, Facebook and Twitter.

(a) Official websites

To measure the factor Official websites, 9 items were created, and 6 items loaded together (OFFWEB1, OFFWEB2 OFFWEB3, OFFWEB5, OFFWEB8 and OFFWEB9) (see Table 5.10). The remaining 3 items developed to measure Official websites (OFFWEB4, OFFWEB6 and OFFWEB7) did not load onto any factor and were therefore eliminated from the analysis. Table 5.10 will provide the results of the EFA on the independent variable Official websites.

Table 5.10: Validity and reliability of Official websites (OFFWEB)

<table>
<thead>
<tr>
<th>Item</th>
<th>Official websites of South African retailers (PICK N PAY, SPAR, SHOPRITE, WOOLWORTHS)</th>
<th>Factor loading</th>
<th>Item-total correl.</th>
<th>Cronbach’s alpha if deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>OFFWEB1</td>
<td>I visit the official websites of South African retailers (eg. Pick n Pay, Spar, Shoprite, Woolworths) on a regular basis</td>
<td>0.80</td>
<td>0.75</td>
<td>0.83</td>
</tr>
<tr>
<td>OFFWEB2</td>
<td>I visit the official websites of these retailers for product information</td>
<td>0.86</td>
<td>0.70</td>
<td>0.84</td>
</tr>
<tr>
<td>OFFWEB3</td>
<td>I visit the official websites of these retailers to view special product offers</td>
<td>0.78</td>
<td>0.72</td>
<td>0.84</td>
</tr>
<tr>
<td>OFFWEB5</td>
<td>I use the official websites of these retailers to participate in competitions</td>
<td>0.40</td>
<td>0.54</td>
<td>0.87</td>
</tr>
</tbody>
</table>

Cronbach’s alpha: 0.87
Factor loadings between 0.40 and 0.86 were reported for this factor, indicating evidence of validity for this construct. The Cronbach’s alpha coefficient for *Official websites* is 0.87, suggesting that the scale measuring the factor is reliable.

As a result of the outcome of the factor analysis, the definition used for *Official websites* has been retained. For the purpose of this study, *Official websites* are defined as all of the materials used, and the manner in which these materials are arranged together on the Internet by an individual, project or business. A website is created by connecting a number of web pages and online documents, into one online page.

(b) Facebook

There had originally been 12 items that were created to measure *Facebook*, and of those items, 11 loaded (FACE1, FACE2, FACE3, FACE4, FACE5, FACE6, FACE7, FACE9, FACE10, FACE11 and FACE12) onto one factor as expected (see Table 5.11). The remaining 1 item created to measure *Facebook* (FACE8) did not load onto any factor and was consequently deleted from the analysis. Table 5.11 will provide the results of the EFA on the independent variable Facebook.
Table 5.11: Validity and reliability of Facebook (FACE)

<table>
<thead>
<tr>
<th>Item</th>
<th>Facebook websites of South African retailers (PICK N PAY, SPAR, SHOPRITE, WOOLWORTHS)</th>
<th>Factor loading</th>
<th>Item-total correl.</th>
<th>Cronbach’s alpha if deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>FACE1</td>
<td>I have “liked” Facebook pages of South African retailers (eg. Pick n Pay, Spar, Shoprite, Woolworths)</td>
<td>0.75</td>
<td>0.75</td>
<td>0.95</td>
</tr>
<tr>
<td>FACE2</td>
<td>I visit the Facebook pages of these retailers for <strong>product information</strong></td>
<td>0.78</td>
<td>0.80</td>
<td>0.95</td>
</tr>
<tr>
<td>FACE3</td>
<td>I visit the Facebook pages of these retailers to view <strong>special product offers</strong></td>
<td>0.78</td>
<td>0.80</td>
<td>0.95</td>
</tr>
<tr>
<td>FACE4</td>
<td>I use Facebook to <strong>communicate</strong> with these retailers</td>
<td>0.80</td>
<td>0.76</td>
<td>0.95</td>
</tr>
<tr>
<td>FACE5</td>
<td>I visit the Facebook pages of these retailers to participate in <strong>competitions</strong></td>
<td>0.81</td>
<td>0.80</td>
<td>0.95</td>
</tr>
<tr>
<td>FACE6</td>
<td>I visit the Facebook pages of these retailers to view the <strong>activities</strong> participated in by these businesses</td>
<td>0.89</td>
<td>0.77</td>
<td>0.95</td>
</tr>
<tr>
<td>FACE7</td>
<td>I visit the Facebook pages of these retailers to <strong>view images and videos</strong> uploaded by the businesses or followers</td>
<td>0.79</td>
<td>0.77</td>
<td>0.95</td>
</tr>
<tr>
<td>FACE9</td>
<td>I <strong>enjoy</strong> visiting the Facebook pages of these retailers</td>
<td>0.84</td>
<td>0.84</td>
<td>0.95</td>
</tr>
<tr>
<td>FACE10</td>
<td>I use Facebook to <strong>view the comments of other customers</strong> on the products/ services and actions of these retailers</td>
<td>0.85</td>
<td>0.86</td>
<td>0.94</td>
</tr>
<tr>
<td>FACE11</td>
<td>I use Facebook to <strong>communicate with other customers</strong> with regard to these retailers</td>
<td>0.69</td>
<td>0.75</td>
<td>0.95</td>
</tr>
</tbody>
</table>
Factor loadings of between 0.69 and 0.89 were returned for *Facebook*, which provides evidence of validity for this construct. The Cronbach’s alpha coefficient of 0.95 was returned for the factor *Facebook*, providing evidence that the measuring scale used for this factor is reliable.

For the purpose of this study, the definition used of *Facebook* has been retained and refers to *Facebook* as a social utility that can be used to interact with friends, workers and family in an online environment.

(c) Twitter

All of the 10 items (TWIT1, TWIT2, TWIT3, TWIT4, TWIT5, TWIT6, TWIT7, TWIT8, TWIT9 and TWIT10) formulated to measure the construct *Twitter* loaded together onto one construct (see Table 5.12). Table 5.12 will provide the results of the EFA on the independent variable Twitter.
<table>
<thead>
<tr>
<th>Item</th>
<th>Twitter pages of South African retailers (PICK N PAY, SPAR, SHOPRITE, WOOLWORTHS)</th>
<th>Factor loading</th>
<th>Item-total correl.</th>
<th>Cronbach’s alpha if deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>TWIT1</td>
<td>I “follow” South African retailers (eg. Pick n Pay, Spar, Shoprite, Woolworths) on Twitter</td>
<td>0.84</td>
<td>0.85</td>
<td>0.97</td>
</tr>
<tr>
<td>TWIT2</td>
<td>I visit the Twitter pages of these retailers for <strong>product information</strong></td>
<td>0.97</td>
<td>0.93</td>
<td>0.97</td>
</tr>
<tr>
<td>TWIT3</td>
<td>I visit the Twitter pages of these retailers to view <strong>special product offers</strong></td>
<td>0.96</td>
<td>0.93</td>
<td>0.97</td>
</tr>
<tr>
<td>TWIT4</td>
<td>I use Twitter to <strong>communicate</strong> with these retailers</td>
<td>0.94</td>
<td>0.91</td>
<td>0.97</td>
</tr>
<tr>
<td>TWIT5</td>
<td>I visit the Twitter pages of these retailers to view the <strong>activities</strong> participated in by these businesses</td>
<td>0.92</td>
<td>0.93</td>
<td>0.97</td>
</tr>
<tr>
<td>TWIT6</td>
<td>I visit the Twitter pages of these retailers to <strong>view images and videos</strong> uploaded by the businesses or followers</td>
<td>0.84</td>
<td>0.86</td>
<td>0.97</td>
</tr>
<tr>
<td>TWIT7</td>
<td>I <strong>enjoy</strong> reading these retailers’ tweets</td>
<td>0.90</td>
<td>0.89</td>
<td>0.97</td>
</tr>
<tr>
<td>TWIT8</td>
<td>I use Twitter to <strong>view the comments of other customers</strong> on the products/services and actions of these retailers</td>
<td>0.92</td>
<td>0.92</td>
<td>0.97</td>
</tr>
<tr>
<td>TWIT9</td>
<td>I use Twitter to <strong>communicate with other customers</strong> with regard to these retailers</td>
<td>0.76</td>
<td>0.77</td>
<td>0.98</td>
</tr>
</tbody>
</table>

**Cronbach’s alpha: 0.98**
Factor loadings of between 0.76 and 0.97 were returned for Twitter, which indicates evidence of validity for this factor. The Cronbach’s alpha coefficient returned for Twitter is 0.98, implying reliability of the scale used to measure this construct.

The definition of Twitter used in this study, a form of social media that connects users to the latest news, stories and information which is most important to the user, has remained unchanged as a result of the factor analysis.

5.4 RESULTS OF THE VALIDITY AND RELIABILITY ANALYSIS FOR THE INTERVENING VARIABLE AND DEPENDENT VARIABLE

Two separate EFA’s were conducted for the intervening variable and dependent variable. The factor structure of the analysis for the intervening variable Brand image is presented in Table 5.13.

Table 5.13: Factor structure – intervening variable

<table>
<thead>
<tr>
<th>Items</th>
<th>Brand image</th>
</tr>
</thead>
<tbody>
<tr>
<td>BRAND1</td>
<td>0.66</td>
</tr>
<tr>
<td>BRAND2</td>
<td>0.73</td>
</tr>
<tr>
<td>BRAND3</td>
<td>0.55</td>
</tr>
<tr>
<td>BRAND4</td>
<td>0.56</td>
</tr>
<tr>
<td>BRAND5</td>
<td>0.71</td>
</tr>
<tr>
<td>BRAND6</td>
<td>0.61</td>
</tr>
<tr>
<td>BRAND7</td>
<td>0.74</td>
</tr>
<tr>
<td>BRAND8</td>
<td>0.84</td>
</tr>
<tr>
<td>BRAND9</td>
<td>0.65</td>
</tr>
<tr>
<td>BRAND10</td>
<td>0.78</td>
</tr>
<tr>
<td>BRAND11</td>
<td>0.85</td>
</tr>
<tr>
<td>BRAND12</td>
<td>0.65</td>
</tr>
</tbody>
</table>
It is evident that one factor resulted from the EFA and, based on the loadings, is named *Brand Image*. Table 5.14 presents the factor structure of the analysis for the dependent variable Customer purchasing behaviour.

**Table 5.14: Factor structure – dependent variable**

<table>
<thead>
<tr>
<th>Items</th>
<th>Customer purchasing behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPB1</td>
<td>0.72</td>
</tr>
<tr>
<td>CPB2</td>
<td>0.81</td>
</tr>
<tr>
<td>CPB3</td>
<td>0.77</td>
</tr>
<tr>
<td>CPB4</td>
<td>0.72</td>
</tr>
<tr>
<td>CPB5</td>
<td>0.76</td>
</tr>
<tr>
<td>CPB6</td>
<td>0.54</td>
</tr>
<tr>
<td>CPB7</td>
<td>0.46</td>
</tr>
<tr>
<td>Prp. Totl</td>
<td>47.90%</td>
</tr>
</tbody>
</table>

From Table 5.14 it is evident that one factor resulted from the EFA and, based on the loadings, is named *Customer purchasing behaviour*.

### 5.4.1 Intervening variable

The results of the EFA on the intervening variable *Brand image* are tabled and discussed below.

(a) **Brand image**

All of the 12 items that were initially created to measure the factor *Brand image* loaded together onto a single construct (see Table 5.15).
Table 5.15: Validity and reliability of Brand image

<table>
<thead>
<tr>
<th>Item</th>
<th>Brand image of South African retailers (PICK N PAY, SPAR, SHOPRITE, WOOLWORTHS)</th>
<th>Cronbach’s alpha: 0.92</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Factor loading</td>
</tr>
<tr>
<td>BRAND1</td>
<td>I like the pictures and videos on the <strong>official websites</strong> of South African retailers (eg. Pick n Pay, Spar, Shoprite, Woolworths)</td>
<td>0.66</td>
</tr>
<tr>
<td>BRAND2</td>
<td>I like the pictures and videos on the <strong>Facebook</strong> pages of these retailers</td>
<td>0.73</td>
</tr>
<tr>
<td>BRAND3</td>
<td>I like the pictures and videos on the <strong>Twitter</strong> pages of these retailers</td>
<td>0.55</td>
</tr>
<tr>
<td>BRAND4</td>
<td>Through their <strong>official websites</strong>, these retailers communicate better with me.</td>
<td>0.56</td>
</tr>
<tr>
<td>BRAND5</td>
<td>Through their <strong>Facebook</strong> pages, these retailers communicate better with me</td>
<td>0.71</td>
</tr>
<tr>
<td>BRAND6</td>
<td>Through their <strong>Twitter</strong> pages, these retailers communicate better with me</td>
<td>0.61</td>
</tr>
<tr>
<td>BRAND7</td>
<td>From the <strong>official websites</strong> of these retailers, it is evident that they care for the environment</td>
<td>0.74</td>
</tr>
<tr>
<td>BRAND8</td>
<td>From the <strong>Facebook</strong> pages of these retailers, it is evident that they care for the environment</td>
<td>0.84</td>
</tr>
</tbody>
</table>
Factor loadings of between 0.55 and 0.85 were reported for this factor (see Table 5.15). Thus, sufficient evidence of validity is provided for this construct. A Cronbach’s alpha coefficient of 0.92 was returned for *Brand image*, indicating that the scale measuring this factor is reliable.

For the purpose of this study the definition of the factor *Brand image* remains unchanged and refers to the overall impression that a retailer communicates through
business activities to customers and shareholders. Furthermore, the image of a retailers’ brand is formed by the opinions and attitudes of customers towards a business’s products/services.

5.4.2 Dependent variable

The results of the EFA on the dependent variable *Customer purchasing behaviour* is tabled and discussed in the following section.

(a) Customer purchasing behaviour

A total of 7 items were originally created to measure the construct *Customer purchasing behaviour*, and all 7 items (CPB1, CPB2, CPB3, CPB4, CPB5, CPB6 and CPB7) loaded onto one construct, as expected (see Table 5.16).
Table 5.16: Validity and reliability of Customer purchasing behaviour (CPB)

<table>
<thead>
<tr>
<th>Item</th>
<th>Customer purchasing behaviour from social media tools (Official Websites, Facebook, Twitter)</th>
<th>Factor loading</th>
<th>Item-total correl.</th>
<th>Cronbach’s alpha if deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPB1</td>
<td>I use social media tools (Official websites, Facebook, Twitter) to compare products/services of different retailers</td>
<td>0.72</td>
<td>0.67</td>
<td>0.83</td>
</tr>
<tr>
<td>CPB2</td>
<td>Comments and information shared by South African retailers (e.g. Pick n Pay, Spar Shoprite, Woolworths) on their social media tools influence my purchasing decisions</td>
<td>0.81</td>
<td>0.75</td>
<td>0.82</td>
</tr>
<tr>
<td>CPB3</td>
<td>Other customers’ comments on social media tools influence my purchasing decisions</td>
<td>0.77</td>
<td>0.71</td>
<td>0.83</td>
</tr>
<tr>
<td>CPB4</td>
<td>I use social media tools to make my final purchasing decisions</td>
<td>0.72</td>
<td>0.66</td>
<td>0.84</td>
</tr>
<tr>
<td>CPB5</td>
<td>Since South African retailers started to use social media tools, I purchase more of their products</td>
<td>0.76</td>
<td>0.70</td>
<td>0.83</td>
</tr>
<tr>
<td>CPB6</td>
<td>I more often (frequently) purchase online from South African retailers than in their physical store outlets</td>
<td>0.54</td>
<td>0.50</td>
<td>0.86</td>
</tr>
<tr>
<td>CPB7</td>
<td>I spend larger amounts of money when I purchase online from South African retailers than when I purchase in store</td>
<td>0.46</td>
<td>0.42</td>
<td>0.86</td>
</tr>
</tbody>
</table>

Cronbach’s alpha: 0.86

Customer purchasing behaviour reported factor loadings of between 0.46 and 0.81 (Table 5.16), which provides evidence of validity for this construct. The Cronbach’s alpha coefficient is 0.86, indicating that the measuring scale used to measure this construct is reliable.
The definition of *Customer purchasing behaviour*, as a result of the factor analysis, remains unchanged. For the purpose of this study, customer purchasing behaviour is defined as the way in which individuals, groups and businesses choose, purchase, use and dispose of products/services, ideas or experiences in order to satisfy unique needs and wants. Furthermore, what a customer buys, where a customer buys, how a customer buys and how often a customer buys forms part of a customer’s purchasing behaviour.

### 5.5 EMPIRICAL RESULTS ON THE VARIABLE RELATIONSHIPS

In the following section, the results of the descriptive statistics of the variables are displayed and discussed. Pearson’s Product Moment Correlations were used to determine the correlations between various factors investigated, and these correlations will be discussed. Furthermore, the multiple linear regression analysis used to investigate the influence of the independent variables on the intervening variable and dependent variable will be discussed.

#### 5.5.1 Descriptive statistics on variables

In order to describe the sample data from the measuring instrument, descriptive statistics were calculated. The descriptive statistics included the mean, standard deviation and frequency distributions. The measuring instrument made use of a five-point Likert-type scale. However, to ensure briefness, the frequency distribution responses were placed in three different categories (Table 5.17), as follows:

- “Low”: for factor scores between 1 and 2.33;
- “Medium”: for factor scores between 2.34 and 3.67; and
- “High”, for factor scores between 3.68 and 5.
Table 5.17: Descriptive statistics on variables (N=180)

<table>
<thead>
<tr>
<th>Factors</th>
<th>Mean</th>
<th>Std. Dev</th>
<th>Low%</th>
<th>Medium%</th>
<th>High%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Independent variables</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Official websites</td>
<td>2.09</td>
<td>0.96</td>
<td>60.60</td>
<td>33.33</td>
<td>6.10</td>
</tr>
<tr>
<td>Facebook</td>
<td>1.82</td>
<td>1.01</td>
<td>72.20</td>
<td>20.60</td>
<td>7.20</td>
</tr>
<tr>
<td>Twitter</td>
<td>1.32</td>
<td>0.81</td>
<td>90.00</td>
<td>5.00</td>
<td>5.00</td>
</tr>
<tr>
<td><strong>Intervening variable</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand image</td>
<td>2.09</td>
<td>0.87</td>
<td>59.40</td>
<td>37.80</td>
<td>2.80</td>
</tr>
<tr>
<td><strong>Dependent variable</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer purchasing behaviour</td>
<td>1.95</td>
<td>0.86</td>
<td>66.70</td>
<td>30.00</td>
<td>3.30</td>
</tr>
</tbody>
</table>

The independent variable *Official websites* reported a mean score of 2.09. The majority of respondents (60.60%) disagreed that they regularly visit *Official websites* to communicate with retailers, to view special product/service offers and product/service information, to participate in competitions, to view business activities and images and videos. Furthermore, the majority of respondents (60.60%) disagreed that they purchase products/services from these *Official websites*.

The independent variable *Facebook* returned a mean score of 1.82. The majority of respondents (72.20%) disagreed that they have “liked” a retailer’s *Facebook* page, that they make use of *Facebook* to communicate with retailers or other customers, that they view special product/service offers and product information, participate in competitions, view retailer activities and images and videos, or to view the comments made by other customers.

The independent variable *Twitter* returned a mean score of 1.32. Most of the respondents (90.00%) disagreed that they follow a retailer on *Twitter*, that they use *Twitter* to view product/service information, special product/service offers, business activities, images and videos, to communicate with a business or other customers.
and that they feel as if they are part of an online community when using the *Twitter* pages of a business.

The intervening variable *Brand image* returned a mean score of 2.09. Most of the respondents (59.40%) disagreed that retailers currently have a positive brand image in their minds.

Finally, the dependent variable *Customer purchasing behaviour* returned a mean score of 1.95. Most of the respondents (66.70%) disagreed that they currently compare products/services, that the comments and information found on social media tools affects their purchasing decision, that they use social media tools to view the comments of other customers and that they use social media tools to make their final purchasing decision. Furthermore, the majority of the respondents, 66.70% disagreed that they purchase more of the retailers’ products/services, that they purchase more frequently and that they spend larger amounts of money since retailers have been using social media tools (*Official websites, Facebook* and *Twitter*).

### 5.5.2 Pearson’s Product Moment Correlations

The Pearson’s Product Moment Correlations were calculated to allow for the investigation of correlations between the variables used in this study. The results of the Pearson’s Product Moment Correlations are presented in Table 5.18.
Table 5.18: Pearson’s correlations coefficients

<table>
<thead>
<tr>
<th>Factors</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Official websites</td>
<td>Facebook</td>
<td>Twitter</td>
<td>Brand image</td>
<td>Customer purchasing behaviour</td>
</tr>
<tr>
<td>1 Official websites</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Facebook</td>
<td>0.575</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Twitter</td>
<td>0.250</td>
<td>0.399</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Brand image</td>
<td>0.626</td>
<td>0.664</td>
<td>0.565</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>5 Customer purchasing behaviour</td>
<td>0.629</td>
<td>0.636</td>
<td>0.490</td>
<td>0.690</td>
<td>1.00</td>
</tr>
</tbody>
</table>

(p<0.05)

The Pearson’s Product Moment Correlations indicates significant positive (p<0.05) correlations between all the variables of this study.

The factor *Official websites* reported a strong positive correlation with the factor *Facebook* \((r = 0.575)\). The factor *Twitter* reported a weak positive correlation with the factor *Official websites* \((r = 0.250)\), and reported a moderate positive correlation with the factor *Facebook* \((r = 0.399)\).

The intervening variable *Brand image* reported strong positive correlations with the independent variables *Official websites* \((r = 0.626)\), *Facebook* \((r = 0.664)\) and *Twitter* \((r = 0.565)\).

The dependent variable *Customer purchasing behaviour* reported strong positive correlations with factors *Official Websites* \((r = 0.629)\), *Facebook* \((r = 0.636)\) and
*Brand image* \((r = 0.690)\) and reported a moderate positive correlation with the factor *Twitter* \((r = 0.490)\).

As a result of the Pearson’s Product Moment Correlation calculation, it is clear that positive correlations exist between the independent variables, intervening variable and dependent variable.

5.5.3 Results of the Multiple Regression Analysis

To determine the influence of the various independent variables (*Official websites, Facebook and Twitter*) on the *Brand image* (intervening variable) of retailers and their *Customer purchasing behaviour* (dependent variable), multiple linear regression analyses were conducted. Three separate regression models were constructed to fulfil this purpose.

The first multiple regression analysis determined the influence of the independent variables on the *Brand image* (intervening variable) of retailers (see Table 5.19).

**Table 5.19: Influence of the independent variables on Brand image**

<table>
<thead>
<tr>
<th>Intervening variable: Brand image</th>
<th>R-Square = 0.63</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent variables</td>
<td>Beta</td>
</tr>
<tr>
<td>Official websites</td>
<td>0.35</td>
</tr>
<tr>
<td>Facebook</td>
<td>0.32</td>
</tr>
<tr>
<td>Twitter</td>
<td>0.35</td>
</tr>
</tbody>
</table>

\(*p<0.05; **p<0.01; ***p<0.001)\)

The multiple regression analysis (Table 5.19) shows that significant positive relationships \((0.000; p<0.001)\) are reported between *Official websites, Facebook, Twitter* and *Brand image*. As these relationships are positive, it indicates that the more retailers use these three social media tools, the more likely it is that the business’s brand image will improve.

As mentioned, a separate regression analysis was conducted to determine the relationships between the intervening variable *Brand image* of retailers and the dependent variable *Customer purchasing behaviour* (see Table 5.20).
Table 5.20: Influence of the intervening variable on Customer purchasing behaviour

<table>
<thead>
<tr>
<th>Intervening variable</th>
<th>Beta</th>
<th>t-value</th>
<th>Sig.(p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand image</td>
<td>0.69</td>
<td>12.72</td>
<td>0.0000***</td>
</tr>
</tbody>
</table>

(*p<0.05; **p<0.01; ***p<0.001)

From Table 5.20, it is clear that a significant positive linear relationship exists between Brand image and Customer purchasing behaviour (0.0000; p<0.01). In other words, a retailer that has a positive brand image is likely to positively influence the purchasing behaviour of customers.

Table 5.21 displays the results of the multiple regression analysis conducted to determine the relationships between the independent variables (Official websites, Facebook and Twitter) and the dependent variable (Customer purchasing behaviour).

Table 5.21: Influence of the independent variables on Customer purchasing behaviour

<table>
<thead>
<tr>
<th>Intervening variable</th>
<th>Beta</th>
<th>t-value</th>
<th>Sig.(p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official websites</td>
<td>0.38</td>
<td>6.36</td>
<td>0.0000***</td>
</tr>
<tr>
<td>Facebook</td>
<td>0.31</td>
<td>4.80</td>
<td>0.0000***</td>
</tr>
<tr>
<td>Twitter</td>
<td>0.27</td>
<td>5.03</td>
<td>0.0000***</td>
</tr>
</tbody>
</table>

(*p<0.05; **p<0.01; ***p<0.001)

The multiple regression analysis shows that significant positive relationships (0.000; p<0.001) are reported between Official websites, Facebook, Twitter and Customer purchasing behaviour. Thus, a retailer that actively engages in the use of these three social media tools is likely to positively influence the purchasing behaviour of customers.
To summarise the results of the multiple regression analyses, the research hypotheses formulated to determine the relationships among the independent variables, intervening variable and dependent variable can now be assessed:

H\(^1\): There is a significant positive relationship between *Official websites* and *Brand image*.

H\(^2\): There is a significant positive relationship between *Facebook* and *Brand image*.

H\(^3\): There is a significant positive relationship between *Twitter* and *Brand image*.

H\(^4\): There is a significant positive relationship between *Brand image* and *Customer purchasing behaviour*.

Based on the above hypotheses and empirical results, the hypotheses H\(^1\), H\(^2\) and H\(^3\) are accepted as significant positive relationships exist between each of the independent variables (*Official websites, Facebook and Twitter*) and the intervening variable (*Brand image*). In addition, H\(^4\) is accepted as there is a significant positive relationship between the intervening variable (*Brand image*) and the dependent variable (*Customer purchasing behaviour*).

### 5.6 RESULTS OF THE DEMOGRAPHIC DATA T-TEST AND ANOVA

Despite the primary objective of this study, to investigate the influence of social media tools on the Brand image of retailers and how it affects Customer purchasing behaviour, an analysis was also conducted to determine the influence of selected demographic variables on the perceptions of respondents with regard to the independent variables, intervening variable and dependent variable. For this purpose, a t-test and ANOVA was conducted.
5.6.1 Results of the t-test

A t-test was conducted to determine the respondents’ perceptions of the independent variables, the intervening variable and dependent variable.

The following hypotheses have been formulated:

\(H^0_a\): There is no difference between the mean scores of gender and Official websites.

\(H^0_b\): There is no difference between the mean scores of gender and Facebook.

\(H^0_c\): There is no difference between the mean scores of gender and Twitter.

\(H^0_d\): There is no difference between the mean scores of gender and Brand image.

\(H^0_e\): There is no difference between the mean scores of gender and Customer purchasing behaviour.

It was decided that the influence of respondents’ gender on the perceptions regarding the independent, intervening and dependent variables were to be determined. The reason for this is the general perception that the purchasing behaviours and patterns of males and females are different. The results of the t-test are displayed in Table 5.22.
Table 5.22: The influence of gender on the perceptions regarding the independent, intervening and dependent variables

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>t-value</th>
<th>Sig.(p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official websites</td>
<td>1.06</td>
<td>0.2927</td>
</tr>
<tr>
<td>Facebook</td>
<td>0.56</td>
<td>0.5754</td>
</tr>
<tr>
<td><strong>Twitter</strong></td>
<td>-2.46</td>
<td>0.0150*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Intervening variable</th>
<th>t-value</th>
<th>Sig.(p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand image</td>
<td>0.62</td>
<td>0.5332</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>t-value</th>
<th>Sig.(p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer purchasing behaviour</td>
<td>-0.46</td>
<td>0.6443</td>
</tr>
</tbody>
</table>

(*p<0.05; **p<0.01; ***p<0.001)

As a result of the t-test (Table 5.22), it is evident that there are significant differences in responses based on the gender of respondents and their use of Twitter. It is therefore evident that whether respondents were male or female had an influence on their perceptions regarding the use of Twitter. A Cohen’s d value of 0.38 was reported for the independent variable Twitter, indicating that these mean scores are of small practical significance.

5.6.2 Results of the analysis of variance

The demographic information of respondents was requested in section B of the measuring instrument. This included information relating to the gender, age and race of respondents. Furthermore, information relating to which social media tools the respondent makes use of, which social media tools of retailers the respondent uses and from which retailer the respondent purchases most of his/her products/services were requested.

An ANOVA was undertaken to determine whether the perceptions of the respondents were influenced by demographic variables (age). As the study
considers social media tools, a fairly recent technological development and use for businesses, the researcher investigated the impact of customers’ age on their perspective regarding social media tools. To determine significant differences between individual mean scores for respondents’ age categories, post-hoc Tukey tests were calculated, and the practical significance was determined and assessed by calculating Cohen's d values.

(a) Demographic variable – age

Table 5.23 displays the ANOVA results for the age demographic variable.

Table 5.23: The ANOVA results for the age demographic variable

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>F-value</th>
<th>Sig.(p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official websites</td>
<td>3.35</td>
<td>0.0114*</td>
</tr>
<tr>
<td>Facebook</td>
<td>3.19</td>
<td>0.0148*</td>
</tr>
<tr>
<td>Twitter</td>
<td>3.69</td>
<td>0.0065**</td>
</tr>
<tr>
<td>Intervening variable</td>
<td>F-value</td>
<td>Sig.(p)</td>
</tr>
<tr>
<td>Brand image</td>
<td>5.33</td>
<td>0.0004***</td>
</tr>
<tr>
<td>Dependent variable</td>
<td>F-value</td>
<td>Sig.(p)</td>
</tr>
<tr>
<td>Customer purchasing behaviour</td>
<td>4.19</td>
<td>0.0029**</td>
</tr>
</tbody>
</table>

(*p<0.05; **p<0.01; ***p<0.001)

The results of the ANOVA (Table 5.23) reported significant relationships between the demographic variable age and the variables Official websites (p<0.05), Facebook (p<0.05), Twitter (p<0.01), Brand image (p<0.001) and Customer purchasing behaviour (p<0.01).

The post-hoc Tukey test established significant differences regarding the age of the respondent and Official websites, Facebook, Twitter, Brand image and Customer purchasing behaviour. With regard to respondents’ use of Official websites, the post-
hoc Tukey test identified a statistical significant difference (p<0.01) between respondents younger than 20 years of age (\(\bar{x}=1.72\)) and respondents aged between 30 and 39 years (\(\bar{x}=2.49\)). A Cohen’s d value of 0.96 indicates that the mean scores are of large practical significance. The difference in mean scores suggests that respondents younger than 20 years of age use the Official websites of retailers less regularly than respondents between the ages of 30 and 39 years.

With regard to respondents’ use of Facebook, a statistical significant difference (p<0.05) is evident between respondents between the ages of 30 and 39 years (\(\bar{x}=2.15\)) and respondents older than 50 years of age (\(\bar{x}=1.33\)). A Cohen’s d value of 0.85 indicates the difference to be of large practical significance. The difference in mean scores suggest that younger respondents, between the ages of 30 and 39 years, are more likely to make use of the Facebook pages of retailers than respondents older than 50 years of age.

With regard to respondents’ use of Twitter, a statistical significant difference (p<0.05) is found between respondents younger than 20 years of age (\(\bar{x}=1.09\)) and respondents between the ages of 20 and 29 years (\(\bar{x}=1.60\)). A Cohen’s d value of 0.58 indicates this difference to be of moderate practical significance. The difference in mean scores suggest that respondents younger than 20 years of age are less likely to make use of the Twitter pages of retailers than respondents between the ages of 20 and 29 years. Furthermore, with regard to respondent’s use of Twitter, a statistical significant difference (p<0.05) is evident among respondents between the ages of 20 and 29 years (\(\bar{x}=1.60\)) and respondents between the ages of 40 and 49 years of age (\(\bar{x}=1.12\)). A Cohen’s d value of 0.51 regards these mean scores to be of moderate practical significance. The difference in mean scores indicate that respondents between the ages of 20 and 29 years are more likely to make use of the Twitter pages of retailers than respondents between the ages of 40 and 49 years.

With regard to Brand image, a statistical significant difference (p<0.01) is found among respondents younger than 20 years of age (\(\bar{x}=1.70\)) and respondents between the ages of 20 and 29 years (\(\bar{x}=2.36\)). A Cohen’s d value of 0.76 indicates that the mean scores are of moderate practical significance. The difference in mean scores suggests that the Brand image of respondents between the ages of 20 and
29 are more greatly influenced than that of respondents younger than 20 years. A statistical significant difference \((p<0.05)\), with regard to \textit{Brand image}, was found among respondents younger than 20 years of age \((\bar{x}=1.70)\) and respondents aged between 30 and 39 years \((\bar{x}=2.32)\). A Cohen’s \(d\) value of 0.82 suggests that the mean scores are of large practical significance. The difference in mean scores suggest that the \textit{Brand image} of respondents between the ages of 30 and 39 years are more greatly influenced than that of respondents younger than 20 years. Furthermore, with regard to \textit{Brand image}, a statistical significant difference \((p<0.05)\) is evident among respondents between the ages of 20 and 29 \((\bar{x}=2.36)\) and respondents older than 50 years of age \((\bar{x}=1.71)\). A Cohen’s \(d\) value of 0.71 suggests that the mean scores are of moderate practical significance. The difference in mean scores suggests that the \textit{Brand image} of respondents between the ages of 20 and 29 years are more greatly influenced than that of respondents older than 50 years of age.

A statistical significant difference \((p<0.05)\) is evident among respondents younger than 20 years of age \((\bar{x}=1.63)\) and respondents between the ages of 20 and 29 \((\bar{x}=2.12)\) in relation to \textit{Customer purchasing behaviour}. A Cohen’s \(d\) value of 0.58 indicates that the mean scores are of moderate practical significance. The difference in mean scores suggest that retailers’ use of social media tools regulate the purchasing behaviour of respondents aged between 20 and 29 years more than respondents younger than 20 years of age.

Furthermore, a statistical significant difference \((p<0.05)\), in relation to \textit{Customer purchasing behaviour}, is found among respondents younger than 20 years of age \((\bar{x}=1.63)\) and respondents between the ages of 30 and 39 years \((\bar{x}=2.29)\). A Cohen’s \(d\) value of 0.89 suggests that the mean scores are of large practical significance. The difference in mean scores indicates that retailers’ use of social media tools regulate the purchasing behaviour of older respondents, between the ages of 30 and 39 years, more than younger respondents, younger than 20 years of age.

Lastly, in relation to \textit{Customer purchasing behaviour}, a statistical significant \((p<0.05)\) was found among respondents between the ages of 30 and 39 \((\bar{x}=2.29)\) and respondents older than 50 years of age \((\bar{x}=1.60)\). A Cohen’s \(d\) value of 0.85 indicates
this difference to be of large practical significance. The difference in mean scores suggest that retailers’ use of social media tools regulates the purchasing behaviour of younger respondents, between the ages of 30 and 39, more than older respondents, older than 50 years of age.

5.7 SUMMARY

The empirical results of this study were presented and discussed in this chapter. A summary of the demographic information detailing the gender, age and population group of respondents was provided.

Thereafter, the assessment results of the validity and reliability of the measuring instrument were provided. Based on the validity and reliability results, all of the variables used in this study maintained the original definitions. No variables were eliminated, no variables’ names were changed and therefore the hypothetical model and its hypotheses remained unaffected. The results confirmed validity and reliability of the measuring instrument.

The previous section provided the empirical results of the proposed relationships of this study and these were displayed through descriptive statistics, the Pearson’s Product Moment Correlations and the multiple regression analyses. The proposed hypothetical model, along with its variables, was empirically tested through the use of the multiple regression analyses. Significant positive relationships were found between the independent variables (Official websites, Facebook and Twitter) and the intervening variable (Brand image). Furthermore, a significant positive relationship was found between the intervening variable (Brand image) and dependent variable (Customer purchasing behaviour). Lastly, a t-test and ANOVA test were conducted to determine the associations and relationships among demographical aspects of respondents and variables used in this study.

The following, and final chapter of this study, chapter 6, will provide a summary of the whole study. This will be followed by the main empirical results from chapter 5 and recommendations will be made. This chapter will focus on suggested recommendations to retailers on how to use social media tools to improve their Brand image and positively influence Customer purchasing behaviour. Lastly,
Chapter 6 will state the contributions made by this study, the limitations of this study and suggestions for future research will be made.
CHAPTER 6
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

6.1 INTRODUCTION

In chapter 5, the results of the empirical investigation conducted to achieve the primary objective of this study were presented and discussed. Chapter 6, the final chapter, will provide a broad overview of this study. The most important findings, as well as the main empirical findings of this study will be highlighted.

Recommendations, based on the empirical results, will be proposed. Furthermore, the contributions and limitations of this study will be presented. Finally, future research possibilities will be provided.

6.2 OVERVIEW OF THE RESEARCH

Retailers, both nationally and internationally, play a dominant role in supply chains, contribute largely to economies and GDP, are a major source of employment and contribute to sustainable practices. However, retailers’ marketing strategies are regularly challenged due to the pressures of the external business environment, and the ever changing industry structure. Increased levels of competition among retailers and constant changes in the business environment have led to retailers having to continuously find new and innovative ways of ensuring good quality customer service and high sales levels. Some retailers have incorporated social media tools as part of their marketing strategy attempting to influence and manage their brand image. However, little evidence exists as to how effective social media tools are for creating a positive brand image in the minds of customers. For this reason, the purpose of this study was to investigate the influence of social media tools on the brand image of retailers, and the relationship between brand image and the purchasing behaviour of customers in the retail industry. The social media tools used in this study included Official websites, Facebook and Twitter. Due to the nature of this study, Official websites, Facebook and Twitter were used as they are the most commonly recognised social media tools. The possible relationships between social media tools, brand image and customer purchasing behaviour were proposed in a hypothetical model.
The primary objective of this study was to investigate the influence of social media tools on the Brand image of retailers and how it affects Customer purchasing behaviour of retail customers in the Eastern Cape.

To aid in the achievement of the primary objective, the following secondary objectives were formulated:

- To develop and undertake a detailed theoretical investigation of the nature of social media tools, the brand image of retailers and the purchasing behaviour of customers.

- To develop a hypothetical model to test the relationships between social media tools (Official websites, Facebook and Twitter), the Brand image of retailers and Customer purchasing behaviour.

- To empirically test the influence of three social media tools (Official websites, Facebook and Twitter) as independent variables on the Brand image (intervening variable) of retailers and Customer purchasing behaviour (dependent variable).

- To provide recommendations, based on the empirical results generated in this study on how social media tools can be used to create a positive Brand image which will positively influence Customer purchasing behaviour.

Thereafter, a comprehensive literature review was conducted on social media tools, Brand image and Customer purchasing behaviour, presented in chapter 2 and chapter 3.

Chapter 2 focussed on the retail environment and highlighted its importance. Before the literature study on retailers and their importance was commenced, it was evident that a number of different definitions could possibly be used to identify a retailer. For the purpose of this study, a retailer was defined as any person or business which buys final products/services from wholesalers and sells to the public, to fulfill
customer needs and wants. This chapter discussed the importance of retailers by discussing their dominant role in supply chain control, their influence on the economy and GDP, employment offered and their contribution to sustainability. The different types of retailers, namely store-based retailers and non-store based retailers, were mentioned and discussed. Recent developments in the South African retail environment were discussed. This chapter mentioned and discussed four successful South African retailers, namely Pick n Pay, Woolworths, Spar and Shoprite. For the purpose of this study, the term brand image was defined as the overall impression that a retailer communicates, through business activities, to customers and shareholders. The image of a retailers’ brand is formed by the opinions and attitudes of customers towards a business’s products/services. Brand image was discussed by focusing on elements such as the importance of a positive brand image, the use of social media tools for creating a positive brand image and a discussion on how South African retailers create a positive brand image in the minds of their customers. Lastly, for the purpose of this study, customer purchasing behaviour was defined as what a customer buys, where a customer buys, how a customer buys and how often a customer buys forms a customer’s purchasing behaviour. Additionally, customer purchasing behaviour was also defined as the way in which individuals, groups and businesses choose, purchase, use and dispose products/services, ideas or experiences in order to satisfy unique needs and wants.

Chapter 3 of this study concentrated on social media as a marketing communication tool. The term marketing was defined by focusing on the four P’s of marketing, namely, product, price, place and promotion. This chapter highlighted the different types of marketing tools used by retailers, namely, newspaper advertising, magazine advertising, broadcast advertising, outdoor advertising, direct mail advertising and Internet advertising. Thereafter, the term social media was defined. The advantages of the use of social media, namely, social media as a customer interaction tool, social media as a customer-customer interaction tool, the reach of social media and social media as a marketing communication tool were explained. Thereafter, the three social media tools used in this study (Official websites, Facebook and Twitter), the independent variables, were mentioned, and the use of these social media tools by four South African retailers (Pick n Pay, Woolworths, Spar and Shoprite) were investigated. It was evident that all four retailers are using all three social media tools
extensively in their operations. Various literature sources were used to identify how each of the independent variables used in this study could possibly lead to a positive brand image in the minds of customers. Thus, the first two secondary objectives of this study were achieved in chapter 1, chapter 2 and chapter 3.

The research methodology of this study was explained in chapter 4. In this chapter, the way in which the hypothetical model and the research hypotheses would be empirically tested was mentioned and discussed. A positivistic research paradigm was implemented, given the nature of the problem statement and research objectives used in this study. The population of the study was made up of retail customers in the Eastern Cape and the sample size consisted of 220 respondents. To identify respondents for the investigation, the convenience sampling technique was incorporated. Secondary sources were used for the process of creating a self-constructed and self-administered questionnaire. The questionnaire consisted of three sections. Questionnaires were distributed to retail customers who indicated willingness to partake. A total of 180 usable questionnaires were returned. The data collected from these questionnaires were analysed by means of a variety of different statistical techniques and analyses. These statistical techniques included descriptive statistics, Pearson’s Product Moment Correlations, multiple regression analyses, a t-test, ANOVA tests, post-hoc Tukey tests and Cohen’s d values. Chapter 4 contributed to the achievement of the third secondary objective of this study.

Chapter 5 presented the empirical results of the study. Chapter 5 contributed to the achievement of the third secondary objective of this study. This chapter provided descriptive statistics on the demographic information of respondents. To confirm the validity and reliability of the measuring instrument used in this study, an EFA was conducted. As a result of the EFA, no definitions of variables were adapted. None of the initial variables used in this study were eliminated, and no additional variables occurred as a result of the factor loadings. Therefore, the hypothetical model and research hypotheses remained unchanged. All of the factor loadings were above 0.40, indicating validity of the measuring instrument used for this study. Thereafter, the variables were exposed to further statistical analyses. Cronbach’s alpha coefficients were calculated for each factor that emerged from the EFA to determine internal consistency. This was done to test the reliability of the measuring instrument.
Cronbach’s alpha coefficients of greater than 0.70 were reported for all of the factors, indicating reliability of the measuring scales used in this study.

Furthermore, descriptive statistics were calculated in order to summarise and interpret the sample data. The independent variable *Official websites* returned a mean score of 2.09, which was the highest of the independent variables. This indicates that most of the respondents do not make use of the *Official websites* of South African retailers. The remaining independent variables (*Facebook* and *Twitter*) returned mean scores of 1.82 and 1.32 respectively, with most of the respondents disagreeing with items in the measuring instrument used to measure the independent variables, again indicating low use of the *Facebook* and *Twitter* pages of retailers. The intervening variable *Brand image* returned a mean score of 2.09. The mean score of *Brand image* indicate that most of the respondents disagreed with the items in the measuring instrument, suggesting that respondents do not have highly positive brand images of retailers. Lastly, the dependent variable *Customer purchasing behaviour* reported a mean score of 1.95, indicating that most of the respondents disagreed with the items used to measure the dependent variable, suggesting that respondents’ purchasing behaviour are currently not as retailers desire.

To establish the correlations between the investigated variables in this study, Pearson’s Product Moment Correlations were calculated. All the independent variables (*Official websites, Facebook* and *Twitter*) were positively correlated with the intervening variable (*Brand image*) and the dependent variable (*Customer purchasing behaviour*). Furthermore, strong positive correlations were found between the independent variables.

Multiple regression analyses were conducted to determine the influence of the various independent variables (*Official websites, Facebook* and *Twitter*) on the *Brand image* of retailers and *Customer purchasing behaviour*. Furthermore, the relationship among the intervening variable (*Brand image*) and dependent variable (*Customer purchasing behaviour*) was also assessed by a multiple regression analysis. Relationships at the 5% (p<0.05), 1% (p<0.01) and 0.1% (p<0.001) levels were considered significant and were reported. Significant positive relationships
between the independent variables (Official websites, Facebook and Twitter), the intervening variable (Brand image) and the dependent variable (Customer purchasing behaviour) were reported. These significant relationships are presented in Figure 6.1.

**Figure 6.1: Summary of relationships from the multiple regression analyses**

![Diagram showing the relationships between Official websites, Facebook, Twitter, Brand image, and Customer purchasing behaviour]

From Figure 6.1, it is evident that significant relationships exist between:

- The independent variables Official websites, Facebook and Twitter, and the intervening variable Brand image.

- The intervening variable Brand image and the dependent variable Customer purchasing behaviour.

- The independent variables Official websites, Facebook and Twitter, and the dependent variable Customer purchasing behaviour.

As mentioned, the primary objective of this study was to investigate the influence of social media tools, Official websites, Facebook and Twitter, on the Brand image of
retailers, and *Customer purchasing behaviour* of retail customers in the Eastern Cape. Based on the results of the statistical analyses conducted, the primary objective of this study was achieved. All four initial hypotheses were accepted. As a result of the third multiple regression analysis, a fifth hypothesis (see Figure 6.1) was formulated and based on the results, $H^5$ was accepted.

A t-test and ANOVA was undertaken to determine the influence of a selected demographic variable (*age*) of respondents regarding the independent variables, intervening variable and dependent variable. As the study considers social media tools, a fairly recent technological development and use for businesses, the researcher investigated the impact of customers’ *age* on their perspective regarding social media tools. Relationships reported were considered significant as the 5% (p<0.05), 1% (p<0.01) and 0.1% (p<0.001) levels. Post-hoc Tukey tests were conducted to determine the statistical significance between the differences in mean scores. Furthermore, Cohen’s d values were used to measure practical significance.

The results of the ANOVA suggested that the *age* of the respondents had a significant influence on the respondent’s use of social media tools (*Official websites, Facebook and Twitter*), retailers’ *Brand image* and *Customer purchasing behaviour*. This means that in general, a customer’s use of the social media tools (*Official websites, Facebook and Twitter*), the ability of a retailer to create a positive *Brand image* in the minds of customers and *Customer purchasing behaviour* is largely influenced by *age*.

Furthermore, a t-test and ANOVA was conducted to measure the influence that the *gender* of respondents have on their perceptions of the independent variables, intervening variable and dependent variable. It was decided that the influence of respondents’ *gender* on the perceptions regarding the independent, intervening and dependent variables were to be determined. The reason for this decision is the general perception that the purchasing behaviours and patterns of males and females are different. The results of the t-test revealed that the *gender* of the respondents had a significant influence on their use of the social media tool *Twitter*. It is therefore evident that whether respondents were male or female had an influence on their perceptions regarding the use of *Twitter*. 
The next section will present recommendations. The fourth secondary objective will thus be achieved.

6.3 MAIN EMPIRICAL FINDINGS WITH RECOMMENDATIONS

Chapter 6 of this study reported that various factors have a significant influence on the Brand image and Customer purchasing behaviour of retailers. These relationships were reported on earlier in Section 6.2. In the following sections, these significant relationships will be discussed and recommendations to retailers will be made. Thus, the final secondary objective of this study will be achieved. A general finding of this study is that, based on the mean scores, the majority of respondents are not making use of the social media tools (Official websites, Facebook and Twitter) of retailers (Pick n Pay, Woolworths, Spar and Shoprite). However, the results of the multiple regression analyses suggested that a significant statistical relationship exists among the independent (Official websites, Facebook and Twitter), the intervening (Brand image) and dependent (Customer purchasing behaviour) variables. This indicates that the small percentage of respondents making use of retailers’ social media tools have a positive brand image of retailer and the use of these social media tools positively influence their purchasing behaviour. It is thus evident that for retailers to ensure increased levels of sales and success, they should find ways of encouraging customers to make use of their social media tools.

6.3.1 Official websites

The findings of this study suggest that Official websites, a social media tool, has a significant positive relationship with the Brand image of retailers. In other words, retailers’ use of the social media tool Official websites is likely to create a positive Brand image in the minds of customers, and have a significant positive influence on Customer purchasing behaviour. Retailers can utilise this social media tool to improve Brand image and positively influence Customer purchasing behaviour, thus the following recommendations are made to retailers:
The Internet has changed all traditional ways of how businesses operate, interact with customers and sell products/services. According to Tsai (2003:162), a business operating in an online environment has the ability to create customer value and centricity, as the business is able to closely interact with customers. Close and regular customer interaction is necessary for establishing business-customer relationships, which in turn is required by a business in order to best satisfy customer needs and wants. The Internet has influenced and changed the business-customer relationships, as the Internet allows regular interaction (Gao 2005:9). Thus, retailers should incorporate the use of the Internet into their marketing activities.

Retailers should use an official website to regularly provide customers with product information, special product offers and opportunities to partake in competitions.

Retailers should use an official website to communicate with customers, to provide information with regard to activities participated in by the business and to display business images and videos.

Retailers should make use of an official website to regulate post-purchase behaviour of customers, by can encouraging customers to comment on retailers’ products and service levels online. This will allow retailers to determine customer satisfaction with products/services, and thereby allowing the retailer to make necessary adjustments to products/services to ensure future customer satisfaction.

Retailers should use their official website to encourage customers to visit and “like” the Facebook and Twitter pages of the business.

6.3.2 Facebook

The social media tool Facebook had a significant positive influence on the Brand image of retailers. Therefore, a retailer using Facebook to interact with customers is
likely to ensure a positive *Brand image* and positively influence *Customer purchasing behaviour*.

In order for a retailer to utilise the social media tool *Facebook* effectively, to be able to positively influence *Brand image* and *Customer purchasing behaviour*, the following recommendations are suggested:

- Retailers should use Facebook to advertise product information and special product offerings, as well as provide users with the opportunity to partake in competitions.

- Retailers should encourage customers to “share” posts and updates made by the retailer of new product offerings and special product offers. Customers sharing posts and updates with friends on Facebook will allow the business to advertise to a wider range of customers. Retailers can in turn reward a customer who has shared the retailers' posts and updates most.

- Retailers should make use of Facebook to communicate with customers, to provide information on activities participated in by the business and to display images and videos. A business can encourage Facebook users to upload images and videos of themselves enjoying an in-store experience, or making use of a purchased retailer product.

- Retailers should encourage customers to leave online Facebook query messages, to which the business can provide feedback. “Friends” of a retailer’s Facebook page can be encouraged by the business to send private online messages or queries to the business’ inbox.

- Retailers should use their Facebook page to encourage customers to visit the official website and follow the Twitter pages of the business.
• Retailers should make use of Facebook to regulate post-purchase behaviour of customers. Retailers can use Facebook to determine customer satisfaction with products/services, and thereby make necessary adjustments to products/services to ensure future customer satisfaction.

• Retailers can sell products/services on Facebook and create an online environment in which users will feel part of an online community.

• Retailers can make use of Facebook to create “events”. Retailers can make use of this Facebook feature to invite customers to special events and to communicate important details such as the date, place and time of the event.

6.3.3 Twitter

The findings of this study revealed that Twitter had a significant positive influence on the brand image of retailers. Therefore, a retailer making use of Twitter to regularly interact with customers will have an improved Brand image and Customer purchasing behaviour.

The following recommendations are suggested for a retailer to improve their Brand image and positively influence Customer purchasing behaviour through the use of Twitter:

• Retailers should make use of Twitter to primarily communicate with female customers. “Tweets” can be made by the retailer to inform female customers of special product offerings and in-store promotions.

• Retailers can encourage customers to use their Twitter accounts by advertising the Twitter account addresses in the actual store and on the price tags of product items.
Retailers can use Twitter to regularly provide customers with product information, special product offers and opportunities to partake in competitions.

It would be beneficial for retailers to use Twitter to regularly communicate with customers, to provide information with regard to activities participated in by the business and to display images and videos of the business. Customers can be encouraged to upload images and videos (onto the Twitter pages of retailers) of their in-store experience, or of them making use of purchased retailer products.

Retailers should make use of Twitter to regulate post-purchase behaviour of customers. Retailers can use Twitter to determine customer satisfaction with products/services, and thereby make necessary adjustments to products/services to ensure future customer satisfaction.

Retailers can make “tweets” and create an online environment in which users will feel part of an online community.

Retailers should use their Twitter page to encourage customers to visit the official website and “like” the Facebook pages of the business.

6.3.4 Brand image

The findings of this study revealed a positive significant relationship between the intervening variable (Brand image) and the dependent variable (Customer purchasing behaviour). Therefore, it is evident that retailers able to create positive associations about their business in the minds of customers are likely to positively influence Customer purchasing behaviour.

For a retailer to create and maintain a positive Brand image and positively influence Customer purchasing behaviour, the following is suggested:
• Retailers can distribute printed advertisements to customers and the public and make direct marketing efforts. These printed advertisements can be placed in the shopping bags of customers, along with the products purchased in store. Retailers can also use the price tags of products to advertise important information.

• Retailers should engage in marketing campaigns, as these campaigns are an effective way for a business to remind customers of the brand and its products/services, and have the ability to refresh or enhance the image of a brand in the minds of customers.

• Retailers should be able to satisfy their customers on a regular basis through their products/services, generally provide customers with better quality, prices and service. A retailer should create a positive retailer brand image by providing customers with good quality products/services, which will satisfy exact needs and wants.

• Retailers’ social media tools (Official websites, Facebook and Twitter) should be colourful and present the business’s logo and slogan.

6.3.5 Demographic variables

Despite the primary objective of this study being to investigate the influence of social media tools, Official websites, Facebook and Twitter, on the Brand image of retailers and Customer purchasing behaviour of retail customers, an analysis was conducted to determine the influence of a selected demographic variable (age) on respondents’ responses with regard to the independent variables, intervening variable and dependent variable. Furthermore, a t-test was conducted to determine the influence of the gender of respondents on the perceptions that they have of the independent, the intervening and dependent variables.

As the study considers social media tools, a fairly recent technological development and use for businesses, the researcher investigated the impact of customers’ age on their perspective regarding social media tools.
The results of the ANOVA suggested that the demographic variable age had an influence on the respondents’ usage of Official websites, Facebook and Twitter. It was evident that older respondents, between the ages of 30 and 39 years, make more regular use of the Official websites of retailers than younger respondents. It was also evident that older respondents, also between the ages of 30 and 39 years, are more likely to make use of retailers' Facebook pages. Lastly, the results of the ANOVA suggested that younger respondents, between the ages of 20 and 29 years, generally make use of the Twitter pages of retailers.

From the above information it is clear that for retailers to ensure high sales levels and profits, they should make use of different social media tools to interact with customers of different age groups.

Furthermore, the ANOVA revealed that the age of respondents also influenced the Brand image of retailers. Respondents between the ages of 30 and 39 years have the most positive Brand image of retailers. It is therefore important for retailers, for ensuring high sales levels and profits in the future, to focus on creating a positive Brand image in the minds of younger customers.

In addition, the results of the ANOVA revealed that the age of respondents had an influence on their Customer purchasing behaviour. Once more, respondents between the ages of 30 and 39 years have the most positive Customer purchasing behaviour. This suggests that retailers can make use of social media tools to uphold the positively influenced purchasing behaviour of customers of this age group, and to positively influence the purchasing behaviour of younger customers by encouraging them to use their social media tools.

The post-hoc Tukey revealed that respondents of different age groups use social media tools (Official websites, Facebook and Twitter) for different purposes. Furthermore, the post-hoc Tukey test suggests that respondents' Brand image and Customer purchasing behaviour of different age groups are influenced in different ways.
To conclude, as seen in the literature review, a clear relationship exists between a positive brand image and positive customer purchasing behaviour. A positive brand image can influence the purchasing behaviour of customers, which will have an effect on the performance of a business (Chaudhuri & Holbrook 2001:81). A positive brand image has the ability to lead customers from awareness of products/services into purchasing (Kumar 2008:192). In addition, the empirical results of this study also suggested that a positive brand image leads to positive customer purchasing behaviour. Therefore, a retailer that does not have a positive brand image should re-assess the importance of creating a positive brand image in the minds of customers in order to positively influence customer purchasing behaviour.

6.4 CONTRIBUTIONS OF THE STUDY

This study has contributed to the body of social media research, particularly in the field of retailers. The extent to which retailers make use of social media tools has been largely neglected and this study further confirms how these social media tools can benefit retailers. Furthermore, this study confirmed the positive relationship between brand image and customer purchasing behaviour for retailers.

The development of a measuring instrument that proved to be reliable and valid assisted in the investigation of how social media tools can positively influence both the brand image of retailers and customer purchasing behaviour. The measuring instrument used in this study could serve as a base for developing other questionnaires focussing on selected factors examined in this study.

The development of the hypothetical model aided in making a significant contribution towards understanding the social media tools influencing the success of retailers. As a result of this contribution, this study presents recommendations and suggestions to assist retailers with their use of social media tools, to ensure that customers have a positive brand image of the business and to ensure that customer purchasing behaviour is positively influenced.
6.5 LIMITATIONS OF THE STUDY AND RECOMMENDATIONS FOR FUTURE RESEARCH

This study attempted to make a significant contribution to the body of knowledge relating to the use of social media tools by retailers. This study investigated and established a greater and more in-depth understanding of the concepts social media, brand image and customer purchasing behaviour relating to the retail environment. However, this study encountered a number of limitations. Furthermore, this study discovered future research opportunities. The following limitations and possibilities for future research on social media in the retail environment are mentioned and discussed.

The sampling method used in this study, convenience sampling, proved a limitation. Using the convenience sampling method has various disadvantages such as sampling bias and or the researcher not using a random process in selection (Gravetter & Forzano 2012:151). Thus, it is impossible to generalise the findings of this study to the entire retail environment of the Eastern Cape. A database from which probability samples can be drawn for other researchers should be an objective in future research.

Another limitation of this study is the sample size. A sample size of 180 retail customers was used, and this disables the ability to accurately make a generalisation of the population studied in the Eastern Cape. To avoid this limitation in future studies, researchers should increase the size of the sample in order to gain a better representation of retail customers.

This study focussed on the three most-used social media tools to determine their influence on the brand image and customer purchasing behaviour of retail customers. It is clear that there may be other variables that can be used to make this assessment. Therefore, future studies concerning the use of social media tools in the retail environment should consider investigating other social media tools that have an influence on the brand image and customer purchasing behaviour of retail customers. For example, other social media tools to investigate can include LinkedIn, Pinterest, MySpace, Google Plus+.
This study focussed merely on a single intervening variable (Brand image), which is a further limitation to this study. It is possible that the use of social media tools may lead to other factors that may result in significant positive relationships with Customer purchasing behaviour, the dependent variable. These other factors may influence Customer purchasing behaviour, and future studies could investigate these factors.

Future studies could attempt to investigate the influence of social media tools on the brand image and customer purchasing behaviour of retail customers in countries other than South Africa. Future research could be a comparative analysis of the influence of social media tools on the brand image and purchasing behaviour of customers used by retailers in developed and developing countries.

Despite the number of limitations, the execution and results of this study make a significant contribution to the body of knowledge on social media tools used to influence brand image and customer purchasing behaviour, especially in the retail industry.

6.6 CONCLUDING REMARKS

The investigation of the influence that social media tools have on the success of a business is growing, especially in the retail environment. This study presents a greater understanding and deeper insights into how social media tools can be used to positively influence both the brand image of retailers and purchasing behaviour of customers. The findings and recommendations for future research presented by this study attempt to provide retailers with practical recommendations on how social media tools can be integrated into a business’s marketing efforts, and how it will ultimately benefit the business. In other words, the study shows how retailers can utilise social media tools such as official websites, Facebook and Twitter to positively influence brand image and customer purchasing behaviour.

This study made a reasonable contribution to retailers, as the results suggest that in order to improve a retailer’s brand image and customer purchasing behaviour, the focus areas of a retailer should include the utilisation of Official websites, Facebook
and Twitter. The application of this study's recommendations and suggestions may possibly lead to retailers having more positive brand images as well as increased sales and profits, as a result of positively influenced customer purchasing behaviour. This may ultimately lead to more successful retailers.
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ANNEXURE A:

QUESTIONNAIRE
22 July 2013

Dear Sir/Madam

I am a Master’s student at the Nelson Mandela Metropolitan University (NMMU) conducting a research study in the field of Business Management. The topic of my study is:

“Social media tools influencing customer purchasing behaviour in the retail environment”

The aim of the research is to study the influence of social media tools (such as Official websites, Facebook and Twitter) on the brand image of retailers (such as PicknPay, Spar, Shoprite and Woolworths). Ultimately, the study aims to identify the relationship between brand image and the purchasing behaviour of customers in the retail environment.

It would therefore be greatly appreciated if you could respond to the following questions so as to assist in the completion of this study. Participation is completely voluntary and anonymous. All information will be treated in the strictest confidence. You may withdraw at any stage.

Your assistance will be greatly appreciated. If you have any queries, please feel free to contact us.

Yours sincerely,

C Rootman
Dr C Rootman
Supervisor

R Scholtz
Mr R Scholtz
Researcher
### GENERAL INFORMATION

Please mark your selection with an (X)

1. Please indicate your gender (for statistical purposes only)

<table>
<thead>
<tr>
<th>Gender</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>1</td>
</tr>
<tr>
<td>Female</td>
<td>2</td>
</tr>
</tbody>
</table>

2. Please indicate to which age category you belong (for statistical purposes only)

<table>
<thead>
<tr>
<th>Age Category</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;20</td>
<td>1</td>
</tr>
<tr>
<td>20 – 29</td>
<td>2</td>
</tr>
<tr>
<td>30 – 39</td>
<td>3</td>
</tr>
<tr>
<td>40 – 49</td>
<td>4</td>
</tr>
<tr>
<td>50 – 59</td>
<td>5</td>
</tr>
<tr>
<td>60+</td>
<td>6</td>
</tr>
</tbody>
</table>

3. Please indicate to which population group you belong (for statistical purposes only)

<table>
<thead>
<tr>
<th>Population Group</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>1</td>
</tr>
<tr>
<td>Black</td>
<td>2</td>
</tr>
<tr>
<td>Coloured</td>
<td>3</td>
</tr>
<tr>
<td>White</td>
<td>4</td>
</tr>
<tr>
<td>Not willing to say</td>
<td>5</td>
</tr>
</tbody>
</table>

4. How long have you been using the Internet?

<table>
<thead>
<tr>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

5. Indicate which social media tools you use (you may tick more than 1 option):

<table>
<thead>
<tr>
<th>Social Media Tool</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Official websites</td>
<td>1</td>
</tr>
<tr>
<td>Facebook</td>
<td>2</td>
</tr>
<tr>
<td>Twitter</td>
<td>3</td>
</tr>
</tbody>
</table>

6. I regularly visit PicknPay’s …

<table>
<thead>
<tr>
<th>Social Media Tool</th>
<th>Disagree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official website</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Facebook page</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Twitter page</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

7. I regularly visit Spar’s…

<table>
<thead>
<tr>
<th>Social Media Tool</th>
<th>Disagree</th>
<th>Agree</th>
</tr>
</thead>
</table>
8 I regularly visit Shoprite’s…

<table>
<thead>
<tr>
<th>Disagree ----------- Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official website</td>
</tr>
<tr>
<td>Facebook page</td>
</tr>
<tr>
<td>Twitter page</td>
</tr>
</tbody>
</table>

9 I regularly visit Woolworths’s…

<table>
<thead>
<tr>
<th>Disagree ----------- Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official website</td>
</tr>
<tr>
<td>Facebook page</td>
</tr>
<tr>
<td>Twitter page</td>
</tr>
</tbody>
</table>

10 **MOST** of my purchases are done at (please only tick one option):

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>PicknPay</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Spar</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Shoprite</td>
<td></td>
<td></td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Woolworths</td>
<td></td>
<td>4</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**B SOCIAL MEDIA TOOLS**

Please answer the following questions based on your own perceptions. There are no correct or incorrect answers. Please indicate to what extent you **agree** with the following statements. (1) strongly disagree, (2) disagree, (3) neutral, (4) agree, (5) strongly agree

**OFFICIAL WEBSITES OF SOUTH AFRICAN RETAILERS (PICKNPAY, SPAR, SHOPRITE, WOOLWORTHS)**

<table>
<thead>
<tr>
<th>Disagree ----------- Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 I visit the Official websites of South African retailers (eg. PicknPay, Spar, Shoprite, Woolworths) on a <strong>regular</strong> basis.</td>
</tr>
<tr>
<td>1.2 I visit the Official websites of these retailers for <strong>product information</strong>.</td>
</tr>
<tr>
<td>1.3 I visit the Official websites of these retailers to view <strong>special product</strong></td>
</tr>
</tbody>
</table>
I use the Official websites of these retailers to communicate with the business.  
1 2 3 4 5

I use the Official websites of these retailers to participate in competitions.  
1 2 3 4 5

I visit the Official websites of these retailers to view the activities participated in by the business.  
1 2 3 4 5

I visit the Official websites of these retailers to view images and videos uploaded by the businesses.  
1 2 3 4 5

I purchase products from the Official websites of these retailers.  
1 2 3 4 5

I enjoy visiting these retailers’ websites.  
1 2 3 4 5

FACEBOOK PAGES OF SOUTH AFRICAN RETAILERS (PICKNPAY, SPAR, SHOPRITE, WOOLWORTHS)

I have “liked” Facebook pages of South African retailers (eg. PicknPay, Spar, Shoprite, Woolworths).  
1 2 3 4 5

I visit the Facebook pages of these retailers for product information.  
1 2 3 4 5

I visit the Facebook pages of these retailers to view special product offers.  
1 2 3 4 5

I use Facebook to communicate with these retailers.  
1 2 3 4 5

I visit the Facebook pages of these retailers to participate in competitions.  
1 2 3 4 5

I visit the Facebook pages of these retailers to view the activities participated in by these businesses.  
1 2 3 4 5

I visit the Facebook pages of these retailers to view images and videos uploaded by the businesses or followers.  
1 2 3 4 5

I purchase products from the Facebook pages of these retailers.  
1 2 3 4 5

I enjoy visiting the Facebook pages of these retailers.  
1 2 3 4 5

I use Facebook to view the comments of other customers on the products/ services and actions of these retailers.  
1 2 3 4 5

I use Facebook to communicate with other customers with regard to these retailers.  
1 2 3 4 5

When I’m on the Facebook pages of these retailers feel as if I’m part of a community.  
1 2 3 4 5

TWITTER PAGES OF SOUTH AFRICAN RETAILERS (PICKNPAY, SPAR, SHOPRITE, WOOLWORTHS)

Disagree ---------------
| 3.1 | I “follow” South African retailers (eg. PicknPay, Spar, Shoprite, Woolworths) on Twitter. | Agree | 1 | 2 | 3 | 4 | 5 |
| 3.2 | I visit the Twitter pages of these retailers for **product information**. | 1 | 2 | 3 | 4 | 5 |
| 3.3 | I visit the Twitter pages of these retailers to view **special product offers**. | 1 | 2 | 3 | 4 | 5 |
| 3.4 | I use Twitter to **communicate** with these retailers. | 1 | 2 | 3 | 4 | 5 |
| 3.5 | I visit the Twitter pages of these retailers to view the **activities** participated in by these businesses. | 1 | 2 | 3 | 4 | 5 |
| 3.6 | I visit the Twitter pages of these retailers to view **images and videos** uploaded by the businesses or followers. | 1 | 2 | 3 | 4 | 5 |
| 3.7 | I **enjoy** reading these retailers’ tweets. | 1 | 2 | 3 | 4 | 5 |
| 3.8 | I use Twitter to **view the comments of other customers** on the products/services and actions of these retailers. | 1 | 2 | 3 | 4 | 5 |
| 3.9 | I use Twitter to **communicate with other customers** with regard to these retailers. | 1 | 2 | 3 | 4 | 5 |
| 3.10 | When I’m on the Twitter pages of these retailers I feel as if I’m part of a **community**. | 1 | 2 | 3 | 4 | 5 |

### C BRAND IMAGE AND CUSTOMER PURCHASING

#### BRAND IMAGE OF SOUTH AFRICAN RETAILERS (PICKNPay, SPAR, SHOPRITE, WOOLWORTHS)

| 1.1 | I like the pictures and videos on the **Official websites** of South African retailers (eg. PicknPay, Spar, Shoprite, Woolworths). | Disagree | 1 | 2 | 3 | 4 | 5 | Agree |
| 1.2 | I like the pictures and videos on the **Facebook** pages of these retailers. | 1 | 2 | 3 | 4 | 5 |
| 1.3 | I like the pictures and videos on the **Twitter** pages of these retailers. | 1 | 2 | 3 | 4 | 5 |
| 1.4 | Through their **Official websites**, these retailers better communicate with me. | 1 | 2 | 3 | 4 | 5 |
| 1.5 | Through their **Facebook** pages, these retailers better communicate with me. | 1 | 2 | 3 | 4 | 5 |
| 1.6 | Through their **Twitter** pages, these retailers better communicate with me. | 1 | 2 | 3 | 4 | 5 |
| 1.7 | From the **Official websites** of these retailers, it is evident that they care for the environment. | 1 | 2 | 3 | 4 | 5 |
| 1.8 | From the **Facebook** pages of these retailers, it is evident that they care for the environment. | 1 | 2 | 3 | 4 | 5 |
| 1.9 | From the **Twitter** pages of these retailers, it is evident that they care | 1 | 2 | 3 | 4 | 5 |
for the environment.

1.10 The **Official websites** of these retailers show that they care for the community.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

1.11 The **Facebook** pages of these retailers show that they care for the community.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

1.12 The **Twitter** pages of these retailers show that they care for the community.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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</tbody>
</table>

2 I have a **positive** brand image of…

<table>
<thead>
<tr>
<th></th>
<th>Disagree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>PicknPay</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.2</td>
<td>Spar</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.3</td>
<td>Shoprite</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.4</td>
<td>Woolworths</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

**CUSTOMER PURCHASING BEHAVIOUR FROM SOCIAL MEDIA TOOLS (OFFICIAL WEBSITES, FACEBOOK, TWITTER)**

<table>
<thead>
<tr>
<th></th>
<th>Disagree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>I use social media tools (Official websites, Facebook, Twitter) to <strong>compare</strong> products/services of different retailers.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>3.2</td>
<td><strong>Comments and information</strong> shared by South African retailers (eg. PicknPay, Spar Shoprite, Woolworths) on their social media tools influence my purchasing decisions.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>3.3</td>
<td><strong>Other customers’ comments</strong> on social media tools influence my purchasing decisions.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>3.4</td>
<td>I use social media tools to make my <strong>final</strong> purchasing decisions.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>3.5</td>
<td>Since South African retailers started to use social media tools, I <strong>purchase more</strong> of their products.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>3.6</td>
<td>I <strong>more often (frequently)</strong> purchase online from South African retailers than in their physical store outlets.</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>3.7</td>
<td>I <strong>spend larger amounts</strong> of money when I purchase online from South African retailers than when I purchase in store.</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

THANK YOU VERY MUCH FOR YOUR PARTICIPATION
ANNEXURE B:

ETHICS FORM
ETHICS CLEARANCE FOR TREATISES/DISSERTATIONS/THESSES

Please type or complete in black ink

FACULTY: Business and Economic Sciences

SCHOOL/DEPARTMENT: Business Management

I, Rootman, C.

the supervisor for Scholtz, R.

student number, 209095039

a candidate for the degree of MCom (Business Management)

with a dissertation entitled:

Social media tools influencing customer purchasing behaviour in the retail environment.

considered the following ethics criteria (please select the appropriate block):
<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Is there any risk of harm, embarrassment of offence, however slight or temporary, to the participant, third parties or to the communities at large?</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>2. Is the study based on a research population defined as ‘vulnerable’ in terms of age, physical characteristics and/or disease status?</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>2.1 Are subjects/participants/respondents of your study:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Children under the age of 18?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>(b) NMMU staff?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>(c) NMMU students?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>(d) The elderly/persons over the age of 60?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>(e) A sample from an institution (e.g. hospital/school)?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>(f) Handicapped (e.g. mentally or physically)?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>3. Does the data that will be collected require consent of an institutional authority for this study? (An institutional authority refers to an organisation that is established by government to protect vulnerable people)</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>3.1 Are you intending to access participant data from an existing, stored repository (e.g. school, institutional or university records)?</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>4. Will the participant’s privacy, anonymity or confidentiality be compromised?</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>4.1 Are you administering a questionnaire/survey that:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Collects sensitive/identifiable data from participants?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>(b) Does not guarantee the anonymity of the participant?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>(c) Does not guarantee the confidentiality of the participant and the data?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>(d) Will offer an incentive to respondents to participate, i.e. a lucky draw or any other prize?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>(e) Will create doubt whether sample control measures are in place?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>(f) Will be distributed electronically via email (and requesting an email response)?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note:
- If your questionnaire DOES NOT request respondents’ identification, is distributed electronically and you request respondents to return it manually (print out and deliver/mail); AND respondent anonymity can be guaranteed, your answer will be NO.
- If your questionnaire DOES NOT request respondents’ identification, is distributed via an email link and works through a web response system (e.g. the university survey system); AND respondent anonymity can be guaranteed, your answer will be NO.

Please note that if ANY of the questions above have been answered in the affirmative (YES) the student will need to complete the full ethics clearance form (REC-H application) and submit it with the relevant documentation to the Faculty RECH (Ethics) representative.
and hereby certify that the student has given his/her research ethical consideration and full ethics approval is not required.

________________________________________   __________________________
SUPERVISOR(S)                             DATE

________________________________________   __________________________
HEAD OF DEPARTMENT                         DATE

________________________________________   __________________________
STUDENT(S)                                 DATE