B.Sc. in Business Administration with a minor in Computer Science

Consumer behavior and attitude towards advertising via traditional marketing and digital marketing channels

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Abstract

In today’s world, advertising is everywhere. It is in the newspapers, on the radio, television and in every corner of the internet. The market has evolved incredibly since the first published newspaper advertisement in 1650, and marketing professionals have been facing challenges for years because of the rapid development in the world of advertising. With the advent of the internet, marketers had to rethink their marketing strategies. Soon after, digital marketing became a popular marketing term, and even a hype. Many people think that traditional marketing won’t be used for much longer because of the digital era we live in. The aim of this study is to find out whether this theory is true, as well as finding what advertising method and factors that are included, are mainly responsible for consumers purchase behavior. For this thesis, two similar studies were made in 2017 and 2018 with the goal to see if any changes occurred over the year in participants’ attitude towards the two types of marketing as well as their reported purchase behavior. Both researches were quantitative studies. The first study included 163 individuals and the second study included 165 individuals. Though the studies did not include all the same individuals, the results in both indicate that advertising via traditional marketing is still an important channel as participants find digital advertising to be a less credible source. Findings reveal that if participants get recommendations from friends and family, or an easy access to a brand’s customer feedback online, credibility for the product or service highly increases. This suggests a potentially wide range of impact from advertising over digital channels. The study thus underscores the importance of increasing knowledge among marketers on how consumers react to various types and sources of digital marketing, in comparison to traditional channels.

Keywords: traditional marketing, digital marketing, advertising, marketing
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1. Introduction

The aim of this thesis is to investigate whether or not consumers’ attitude towards advertising and purchasing behavior differs between traditional marketing and digital marketing strategies.

The choice of topic is due to the author’s interest in the effects of different types of marketing and how different people react to them. Marketing covers many disciplines, including public relations, media planning, product pricing and distribution, sales strategy, customer support, market research and community involvement. That said, one of the most important components of marketing is advertising. Advertising has become an integral part of modern life. Advertising can be described as a powerful business tool that affects everyone’s daily lives but besides that, advertisements can be fun and/or informative, especially for creative minds. Advertising and creativity go hand in hand and exists in many different forms. The author of this research finds it interesting to investigate consumers attitude towards different types of advertising, what has an impact on them for purchasing decisions, what doesn’t and why. Advertising can be classified into two main categories: Traditional marketing, including print, TV and radio advertisements; and digital marketing, including social media marketing, electronic word of mouth and influencer marketing. Some say digital marketing is taking over because of the technical changes that are happening around the world, including the exponential growth of digital devices. Thus, the author wondered if these trends were really changing how marketing is performed, with a special focus on use of advertisements as a marketing tool. Has the advent of non-linear television such as Netflix negatively influenced the effectiveness of TV commercial? Similarly, are radio commercials declining with the advent of digital media such as Spotify? Will people become equally, or perhaps more annoyed with advertisements that keep popping up on digital media as they were with traditional advertisements? History has a way of repeating itself. Perhaps it could happen for this case as well.

The structure of this thesis is as follows: First it starts by describing the background of the topic, followed by a literature review, which will be divided into the sections focusing on advertising in general, traditional marketing and digital marketing, respectively. Next, the methodology used for the research on consumers’ attitude towards traditional and digital marketing as well as their purchasing behavior will be presented, followed by the main findings.
and results of the research. Finally, the discussion and conclusion chapter will be presented where the author discusses her views on the subject and what was discovered during the research.

1.1 Background

The term marketing is about the process of making potential customers interested in a product or service. It is a huge topic and involves selling and promoting goods and everything that involves in getting customers (Ward, 2018). Marketing is evolving at a rapid rate, in fact, according to the Adobe’s 2016 Digital Trends Report, 76% of respondents feel that marketing had changed more in the past two years than in the previous 50 years (Darrohn, n.d.). Marketers are constantly trying to figure out what is coming next because the market is always on the move, defining and redefining how marketing is performed. A few hundred years ago, using word of mouth was the only source of information. Now consumers can search a plethora of digital media platforms to find information about products, compare prices between products and browse product reviews (Nwazor, 2017)

Before the onset of the internet, businesses used print, radio and then television as the main channels to raise brand awareness to consumers. For decades people relied on print such as newspapers, as their primary source of information so it is safe to say that print advertising is the most traditional marketing method there is. Later on, marketers found a new way to promote their brand, with the advent of radio and television (Ashe-Edmunds, n.d.). To this day, advertisements are an unavoidable part of everyone’s daily life as they appear on every television screen, radio station, newspaper and most recently, also on everyone’s digital devices such as their computers and smartphones. To separate the two types of marketing, focusing on the topic of advertising, print, radio and television advertising is called Traditional marketing, while advertising over digital channels is called digital marketing.

As markets evolve, marketers continuously think of new ways to advertise and reach out to people. Both large and small businesses are still using traditional advertising but now it seems like times are changing (Bizfluent, 2017). Today, people have the possibility to choose between multiple television channels. It is not a problem to switch channels during commercials.
Moreover, many consumers are now watching a non-linear television\(^1\) which includes no traditional advertisements at all. The same goes for the radio. Even though some advertisements can provide laughs, they are still mostly considered as a bothersome part of an experience.

One of the biggest changes in human interaction is that real world relationships have migrated into the virtual world of social media networking with online communication bringing people around the globe together sharing knowledge and promoting dialogues among different cultures (Tiago & Veríssimo, 2014). The internet has allowed advertisers to take advantage of a new medium to reach out to consumers Digital media has even allowed marketers to disguise advertisements so that they fly under the consumers’ radar, which is considered an attractive feature as many people strive to minimize their exposure to advertisements. (Gsmoirel, 2011).

Given the fact that social media and other digital platforms are a place where a majority of people in most societies participate every day, some researchers are confident that traditional marketing will not exist much longer in this digital world and that digital channels will completely take over (Monnappa, 2015). This is a plausible theory, given the incredible rate of social media adoption, and the fact that more than 4 billion out of the 7.7 billion people in the world are now using the internet, and this proportion is growing fast (2018 Global Digital, 2018).

Table 1 shows the number of internet users and social media users around the world. According to the 2018 Global Digital suite of reports from We Are Social and Hootsuite, there are more than 4 billion people around the globe using the internet and over 3 billion of those internet users are on social media. With almost 7.7 billion people in the world, that makes well over half of the world’s population that is online. In fact, roughly 54% of the world’s population are now using the internet and 42% of the world’s population uses social media. That makes 78% of all internet users are on social media (Kemp, 2018). In 2017, 240 million new users came online for the first time with Africa being the fastest growth rate. Internet users across the world are increasing by more than 20% annually.

\(^1\) Non-linear television is a modern television which follows no schedule e.g. Netflix
<table>
<thead>
<tr>
<th>Total population</th>
<th>7.63 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet users</td>
<td>4.1 billion</td>
</tr>
<tr>
<td>Active social media users</td>
<td>3.2 billion</td>
</tr>
</tbody>
</table>

Table 1: Digital around the world in 2018 (Kemp, 2018)

Moreover, it is not only the number of internet users that is increasing, but also the time people are spending online. Currently, the average internet user spends around 6 hours per day using digital devices. That is almost 33% of someone’s waking life. Altogether, the total time spent online last year was 1 billion years (Kemp, 2018). Obviously, the digital world is changing at a fast pace and is constantly evolving and transforming how people use technology to, as an example, interact with others and access information on a global scale. However, the theory might still not be true. Researchers still need to collect evidence over time to validate whether or not digital marketing is taking over.

Technology is also changing customer behavior (Ryan & Jones, 2009). A customer who participates actively in a company’s activities on social media or online in general, opens up a means of communication between himself and the company, and must therefore be considered valuable for the company (Dijkmans, Kerkhof and Beukeboom, 2015). With the excessive amount of advertisements, growing number of product choices and the increasing amount of information being put online, it has become even more difficult to make a decision when it comes to buying a product. Because of that, customers have started to exchange information, opinions and experiences about the particular brands among each other. This trend has spawned a new concept: Electronic word of mouth (eWOM). While word of mouth in the traditional sense has been a part of human civilization for centuries, eWom has very recently become a big deal to the world of marketing due to its viral element (Erkan, 2016). eWOM is said to have powerful impact on global customers final purchasing decisions and because of that, eWOM is believed to be one of the main shapes of the future of advertising (Chu & Kim, 2018).

While digital marketing is the new kid on the block, traditional marketing is still the most known form of marketing (Thomas & Thomas, 2018). With a strong presence and wide reach, traditional marketing is nowhere near elimination, not just yet at least. There still are people who are not internet savvy, making the traditional method the main channel to reach them.
However, digital marketing is gaining ground fast with the increasing percentage of consumers online. Therefore, many marketers find digital marketing a better use of their marketing advertisement budget Most commonly, both forms are used together. With true understanding of both forms, traditional marketing and digital marketing can together provide the tools for success (Pratskevich, 2018).

The key differences between traditional marketing and digital marketing are highlighted in table 2 below.

<table>
<thead>
<tr>
<th>Traditional marketing</th>
<th>Digital marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wide reach and strong effect without internet</td>
<td>Reaches only customers on the internet</td>
</tr>
<tr>
<td>Message may not hit target market</td>
<td>Message is likely to hit target market</td>
</tr>
<tr>
<td>Might be very expensive</td>
<td>Not expensive</td>
</tr>
<tr>
<td>Messages pushed to audience</td>
<td>Messaging through communicating with audience</td>
</tr>
</tbody>
</table>

*Table 2: Key differences between traditional and digital marketing (Holden, 2018)*

The overall purpose of this thesis is to study how brands can create awareness of their product in their target markets through different marketing channels, and to find whether we can identify differences in attitudes towards traditional marketing on the one hand and digital marketing on the other depending on demographic groups. Finally, the thesis will investigate the interplay between marketing method, purchasing behavior and demographic factors. It is important for marketers to try to understand what drives consumers purchase behavior but since it can be difficult to predict what makes them want to purchase products and services, the results of this study mostly indicate why they would consider purchasing a specific brand. Also, this study indicates how demographic factors, e.g. gender and age, can play a part in consumers attitude towards marketing channels and thereby what method can be most useful for a particular group. The study also considers whether people have positive or negative attitude towards traditional advertising and digital advertising in general and if the attitude has any relationship to their purchasing behavior. In this thesis, a negative attitude is defined as the feeling of finding a particular type of advertising bothersome, while a positive attitude is
defined as the absence of such feelings. The first research question in this thesis, is in relation to demographics. Demographics are statistics that measure observable aspects of a population such as age and gender and since it is hard to measure consumers purchase behavior because of differences in consumers’ personalities (Solomon, 2006). The second question is in relation to consumers attitudes towards these advertising methods, and if there is relationship between how they feel about the advertising and if it has any impact on their purchasing behavior. The research questions are as follows:

1. **Do different demographic groups exhibit different attitudes towards different forms of marketing?**

2. **Does the way a product or service is advertised affect consumers attitude towards the product or service and thereby indirectly influence purchasing behavior?**
2. Literature Review

2.1 Advertising

In the 15th century the first step towards modern advertising was the development of the print and not long after that or in the 17th century, newspapers in London started to carry advertisements in their weekly newspapers. By the 18th century advertising on print was prospering. The 19th century was when agencies became involved in creating advertisements and by that the advertising industry grew. Later in the 21st century the industry underwent a rapid change accompanying the development of technology to call even greater attention to brands.

Advertising is something most people recognize. Desires, aspirations and values. That is what advertising is about. Advertisements name those desires, describe them and offer fulfillment through the purchase of customer goods (O’Barr, 2015). Put simply, advertising are paid messages from brands to influence people who receive them (“Advertising - What is Advertising?” n.d.). Marketers or educated participants look at advertising as something more than just desires, aspirations and values. For them, advertising is more than just a sales message. It is a form of communications leading to number of types of impact on consumer actions, thoughts and feelings (Moriarty et al., 2014). That is, advertisements influence consumers’ buying behavior by providing compelling messages about the product or service. The goal is of course for the business to attract new customers as well as to maintain existing ones by reaching out to the target market through an appropriate channel (Ward, 2018). People might not be aware of it all the time but advertising is always present all around them and with digital developments, marketers are using an increasing number of available media to send their messages through. These channels include print, radio, television, the internet, social media and mobile channels, each of which will lead consumers to react a certain way (“Advertising - What is Advertising ?”, n.d.). Advertising can be used to encourage people to drive safely, vote or support charities, but in most cases, advertisements are used for promoting sales, which is what will be focused on in this thesis (Augustyn et al., 2018).

There are two different points of view about the role of advertising in the economy. One of those argues that advertising is a source of information for consumers while the other argues
that advertising is a manipulation of the public, creating fake wants and needs. The later argument was famously put forward by Harvard economist John Kenneth in 1958 (O’Barr, 2015). Now, to gain an even better understanding of how advertising works, there are four roles that advertising plays part in with business and society to consider: the economic role, the marketing role, the communication role and the sociocultural role.

The economic role flourishes in societies that enjoy some kind of economic abundance where supply exceeds demand. Advertising is aimed at creating demand for businesses instead of being primarily informational (Moriarty et al., 2014). This mechanism explains how advertisements motivate people to spend more money, which promotes growth in sales, thereby creating more gross domestic product (GDP), which will eventually provide customers with more money to spend (“Economic Effects of Advertising”, n.d.).

The marketing role is the process a brand uses to fulfill customer needs and wants by providing the product and service they wish for (Moriarty et al., 2014). To achieve this aim, marketers group the right people at the right place to purchase the right product at the right price (Ukpong, 2014). The science of pleasing customers is behind the marketing mix, a combination of factors that influence the delivery of value, called the four P’s - Product, price, place and promotion, as shown in table 3 below:

<table>
<thead>
<tr>
<th>Product</th>
<th>Variety, design, packaging, quality and positioning of a product or service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>How much the customer is willing to pay for a product or service.</td>
</tr>
<tr>
<td>Place</td>
<td>Accessibility to customers. Key factor here is to understand the target audience.</td>
</tr>
<tr>
<td>Promotion</td>
<td>Advertisements, promotions and public relations efforts. The most visible P.</td>
</tr>
</tbody>
</table>

Table 3: The marketing mix (Kareh, 2018)

The communication role creates an image of a product that goes beyond facts and informs consumers about that product on different levels. Reliability is the center of this appeal (Moriarty et al., 2014). The connection between the brand and customer is the key to the communication role mechanism. From commercials on TV to advertisement pop-ups on the
internet, the average person sees about 5,000 advertisements per day. With so many per day, it’s not uncommon for most of these advertisements to get lost in the disorder. That is why the communication role is one of the keys to making advertisements get results, by creating a connection to the prospective customer (Burris, n.d.).

Finally, last but not least, is the sociocultural role. The sociocultural role has an educational element, teaching us about new brands and how and why to use the products and service. It adds value to the sensibility and experience of the particular products and services by helping consumers for example compare products as well as keeping them well informed at all times (Moriarty et al., 2014).

Though advertising has changed dramatically over the past years, the four roles haven’t been through much modifications. Even with digital marketing methods, these roles still apply to successful advertising (Ukpong, 2014).

### 2.2 Traditional marketing

When the word advertising comes up in a conversation, traditional commercials is what most people think of. Television, radio and print are media that long have been successful to gain attention and exposure to business. The reason why this type of marketing is not just called marketing anymore is because of the modern-day marketing options, now known as digital marketing, which include advertisements on social media and other online channels. The word *Traditional* is used to set the digital methods apart from the other types of marketing (Rae, 2014). Traditional marketing is an expensive choice for brands as 130 billion dollars are being invested in these types of marketing methods every year in the U.S. (Vries, Gensler & Leefang, 2017). By investing in traditional advertising, marketers are buying people’s attention that the common media classes have created (Dahlén & Edenius, 2007).

Traditional marketing is a wide category that includes many forms of advertising. In this thesis, the main focus will be on the three types mentioned above, advertising on television, radio and in print.
2.2.1 Print marketing

The oldest form of traditional marketing is print marketing. Print marketing is advertising in paper form, such as in newspaper, newsletters, magazines and other printed material. The paper marketing strategy has been used since ancient times when Egyptians created sales messages on papyrus. The first printed newspaper advertisement was published back in 1650 and is still to this day considered one of the finest advertising choices (“Traditional Marketing,” 2012). Advertising in print is considered as a good way to reach a large number of people, especially aged 45 and over. However, print advertisements are the most expensive advertisement choices because of a higher cost. (“Newspaper Advertising,” n.d.). Because of that high cost and the fact that more and more people are spending more and more time online, the newspaper industry was predicted to die a slow death as the years went by. In contrast, it has just gotten stronger with nearly 70% of the population reading newspapers in 2016 according to Nielsen Scarborough study that found out that approximately 170 million adults in the U.S read the newspaper in a month which makes around 70% of the U.S population. However, this study includes newspapers on print and websites. According to the study, 51% of newspaper readers read newspaper on print exclusively with the remaining 49% reading newspapers only on at least one digital platform and 30% of those that both read newspaper and digital newspaper (“Newspapers Deliver Across the Ages”, 2016).

2.2.2 Radio marketing

After the printed media, the next big thing in the marketing world was when the first radio advertisement was aired back in November 2nd, 1920. Before that, radio broadcast had been around since the 1900s but wasn’t considered as advertising (“Traditional Marketing,” 2012). Now, probably most people think that radio advertisements are old and boring because of the digital age we live in and think maybe radio is not evolving like digital channels, but that statement might not be true. Like with the newspaper industry, the world of marketers thought that the radio was coming to an end, so they all started spending more and more money on digital marketing (Parekh, 2018). According to Marketing Dive’s reporter Erica Sweeney, 82% of marketers plan to increase their digital spending as an overall part of their budget by an average of 49% in 2019 (Sweeney, 2018). In 2017, Radio Joint Audience Research announced that 89% of the U.K’s population listen to the radio every week which is an outstanding number in spite of marketers theories that people were more likely to listen to apps such as Spotify,
where there are not ads but for a paid account. According to U.K’s radio station Heart FM, the station received roughly 9 million listeners a week in 2018 and that is approximately 14% of the nation’s population. Moreover, that is roughly double the number of viewers watching U.K’s reality show X-Factor on a Saturday night (“How effective is radio advertising in this day and age?,” 2018). In addition, the same evolvement is taking place in Iceland according to the marketing research manager of RÚV, Valgeir Vilhjálmsson (V. Vilhjálmsson, útvarpið lifir góðu lifi, February 13, 2017). Icelandic broadcasting has only increased in recent years despite the television, internet and smartphones. 80 thousand Icelanders listen to the radio news at midday which makes roughly 24% of the nation population (Ægisson, 2017), and according to Gallup’s newest weekly report on Icelandic broadcasting, 35% of all Icelanders listen to the radio station Bylgjan for 245 minutes weekly (Gunnarsson & Ólafsson, 2018). As opposed to paper advertisements, radio advertisements are a cheap way to raise awareness to a big audience (“How effective is radio advertising in this day and age?,” 2018).

2.2.3 Television marketing

The final type of advertisements counted as a traditional marketing method is television advertisements. The first television commercial aired on July 1st, 1941, before the big baseball game between the Brooklyn Dodgers and Philadelphia Phillies. The advertisement was for Bulova watches and was 10 seconds long with total cost of 9 dollars with station charges and airtime charges. Today, the average cost for a 30 second advertisement is 112,000 dollars during prime time. Things have changed a lot since 1941 (Ganninger, 2018). Now as many times before, people have been saying that this form of traditional advertisement was not going to live much longer. NYU professor of new media Clay Shirky literally said that TV is “dead“ in an article in Politico back in 2014 (Moran, 2018). With the advent of Netflix, Amazon Prime, YouTube and more, it is not completely strange to think that this technology will ruin the television advertising market. Well, surprisingly, television has evolved with time and viewing is still strong. In fact, technology has only cut about one hour per day from TV viewing in the U.S. over the last 8 years (Madrigal, 2018). In 2018, people are still dedicated to watch TV with an average time spent 3 hours and 50 minutes per day in the U.S. (“Mobile Soon to Pass TV in Time Spent,” 2018). Advertising on TV is great for reaching a mass audience because television stations in a specific market are often not that many, therefore the audience combines into larger groups of simultaneous viewers during a time of popular programs (Rush, n.d.).
Therefore, the most expensive advertising method is in fact advertising on television, with price depending on the time and programming content. To make an example, during Super Bowl in 2012, which is counted as prime time in the United States, a 30 second commercial was priced at around 3.5 million dollars. That makes over 100,000 dollar per second which did not include production costs. Granted, this is a unique example of the cost of television commercials, luckily, they are not generally so expensive but can range from a total cost of 100 dollars up to thousands. As said above, it all depends on the popularity of the content within which the commercial is aired (“Traditional Marketing,” 2012).

Almost every company uses some sort of traditional marketing channel for there are so many different strategies and it is considered to be an easy way to advertise to the masses. The strategy a company employs is mainly chosen depending on the budget of the company (Kotler, et al., 1999). As said above, around 130 billion dollars are invested in traditional advertisements by US firms annually, so traditional advertising is a big market. Traditional advertising is also considered as an expensive choice for companies (Vries, Gensler and Leefang, 2017). While it is important for companies to stay within the budget, it is just as important to spend the right amount in the right direction to make to most out of their marketing budget (Raychale, 2018). According to Web Strategies, traditional advertising investments have been dropping by a single digit percentage every year while digital marketing spend has increased by double digit year after year (Leone, 2018). See figure 1.

![Figure 1: Traditional marketing spend vs. Digital marketing spend (Leone, 2018)](image-url)
2.3 Digital marketing

The term digital marketing was first used in the 1990s with the development of the Web 1.0 platform. The world-wide web allowed users to find the information they needed or wanted but did not allow them to share this information over the web and that is why marketers were first very unsure of the digital platform (Monappa, 2015). In 1998, Google was founded. Now it is the most popular web-based search engine and plays a significant role in optimizing digital marketing campaigns. In the mid-2000s, a change in customers behavior occurred when consumer started to research products online using Google and other search engines before they made a purchase (Tiwari, 2018).

Marketing has always been about connecting with your audience in the right time at the right place, and today, a big part of the audience is on the internet, thereby making digital platforms a great place to reach customers (Alexander, 2018). The internet has become an important information source and an integral part of daily life, and because of that, the internet offers a big opportunity for advertising and advertisers (Cheng, Blankson, Wang, & Chen, 2009). People want to customize their experience by choosing a broad assortment of information, services and products (Ghattas, 2018).

The concept of digital marketing is an umbrella term for marketing using technologies, mainly the internet (Gebauer, 2017). Digital marketing can be defined as: the use of digital technologies to create integrated, targeted and measurable communication which helps to acquire and retain customers while building deeper relationships with them (Wymbs, 2011). In simple terms, digital marketing encompasses all marketing efforts that use the internet or an electronic device (Alexander, 2018). The main categories of digital marketing are: Social media marketing, Electronic word of mouth, and Influencer marketing (Thomas & Thomas, 2018). Digital marketing is continuously growing in popularity over time with rapid pace. With digital marketing it has become easier to gain new customers as well as maintaining relationships with existing ones. The number of ways of building relationships with customers is constantly growing as marketers utilize access to online platforms and communication tools to create and develop relationships with new and old customers (Tiwari, 2018).

Now, because of the fast-growing rate of internet users in the world, digital marketing is an evolving concept (Wymbs, 2011), and social media plays a very important role (Tiwari, 2018).
2.3.1 Social Media Marketing

Customers have progressed from having access to a handful of television channels to choose from to a digital world with endless possibilities (Ghattas, 2018), where social media is playing an increasingly important role (Tiwari, 2018). Social media are online applications, platforms and media which is supposed to make interactions, collaborations and sharing of content easier. Social media takes variety of forms such as social blogs, wikis, podcasts, pictures, videos and ratings (Kim and Ko, 2012). Put simply, social media marketing is every activity that is done on social media channels to increase business (Benson, 2017).

New opportunities for advertising have occurred with social media. Social media allows companies to connect with customers in a more intimate way and is therefore a crucial part of every business marketing strategy. Social media can enable a two-way communication, enforcing emotion, that can be associated with all kinds of existing brands for all age groups. Social media allows companies to connect with customers in a more intimate way and is therefore a crucial part of every business marketing strategy (Vinerean, 2017).

From social media interaction with customers, companies can gain precious feedback that may help improve customer service and product (Benson, 2017), and also gain an opportunity to prevent and reduce misunderstanding towards the brand (Kim and Ko, 2012). To make use of the social media messages, companies must know how to create effective social media posts for the brand that influences consumer behavior. Previous researches show that a good social media message can have positive effect on existing customer expenditures (Vries, Gensler and Leefang, 2017).

Marketers must create sharing opportunities by adding social elements into every aspect of their marketing because many people rely on social media networks to research, educate themselves and discover facts about a brand before engaging with them in any way. The more consumers want to engage with the company, the more likely they are to share it with others on social media. Finally, it leads to them being a customer and as a bonus they might influence their friends and family in to becoming customers too.

According to Marketo, 47% of all internet users are on Facebook and 88% of all product purchased are Pinterest pinned. Accordingly, it is a big deal for customers that companies
create a good social media messages ("What is Digital Marketing? Overview & Resources," n.d.). As said above, as an added bonus of social media marketing is that existing customers might share their (positive) experience on social media with friends and family. As an example, in 2017, a woman went to the store Kohl’s and bought herself a funny Chewbacca mask. She found it so funny that she decided to take a video of herself with the mask on and in the video, she cannot stop laughing. She shared this video of herself with the Chewbacca mask on laughing the whole time live on Facebook for her friends and family to view. Within a few days, and through electronic word of mouth (see chapter 2.3.2), her video had been shared over 140 million times on Facebook, making it the most viewed Facebook live video of all time. This is a very good example of how social media works, how it continues to change the traditional rules of advertising, marketing and public relations (Rodgers & Thorson, 2017).

In the past year, 1 million people started using social media for the first time every day, that makes more than 11 people per second every day. Social media users grew by 13% in the past year as well, with Central and Southern Asia with the fastest gain, up to 90% and 33% respectively. Users 65 years old and over have increased by 20% in the past year, and that on Facebook alone (Kemp, 2018). Today, the number of social media users worldwide is over 3 billion people. Facebook has the most daily active users compared to other social networks with roughly an 11% average post reach vs. page likes2 and over an 26% average paid post reach vs. total reach3. According to the latest insight from the comScore panel in their 2018 Global Digital Future in Focus, the by far most popular social network based on share of time is, again, Facebook (Chaffey, 2018). As seen in figure 4, the highest rate of time spent on social media is on Facebook. Instagram and snapchat are equally low compared to Facebook.

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2 The average number of people an un-paid post was served to compared to total page likes per day
3 Marketers pay social networks for boosting and displaying the posts to specific audience they want to reach, based on user profile. Average paid post reach compared to the number of users who reached any activity from the page
Iceland is no exception to this trend. According to Gallup’s social media measurement in May 2017, more than 9 out of every 10 Icelanders whom are 18 years and older use Facebook. 62% of Icelanders aged 18 and over use Snapchat and 44% use Instagram (“Samfélagsmiðlamæling Gallup,” 2017). Facebook, Snapchat and Instagram are the three most popular social media platforms in Iceland, followed by other social media platforms. As seen in figure 5, the use of social media in Iceland is increasing every year. Instagram has the highest rate of change, followed by Google+. (MMR, 2018)

Figure 2: Social networks based on share of time 2018 (Chaffey, 2018)

Figure 3: Social media usage in Iceland (MMR, 2018)
The usage of this digital marketing platform, social media, decreases with age, but 81% of Icelanders aged 68 and over use Facebook on regular basis and the use of Pinterest and LinkedIn rates higher as the education level is higher (Indriðason & Friðjónsdóttir, 2018).

Icelandic companies are also increasingly using social media to reach current and new customers. In fact, in 2017, 79% of all companies in Iceland used social media, which is the highest rate in Europe. As a comparison, social media was used on average by 47% of companies in the 28 European countries, but this only counts for companies with at least 10 employees (Magnússon et al., 2018).

As stated above there are a whole lot of people on social media. Moreover, social media is a great place to create a more personalized dialogue between brands and customers. According to Nielsen’s latest Global Trust in Advertising report, which surveyed more than 28,000 internet responders from 56 countries, 92% of responders around the world said they trust recommendations from friends and family above all other forms of advertising. So how is a brand going to get people to trust it through social media when 92% of consumers trust friends and family over all other advertising? Get people to talk to friends and family on social media about your brand. A whole lot more people will be joining such conversation on social media than just over the dinner table on a Monday night. Ideally, people should be talking positively about the brand on social media because then they are more likely to say nice things to other people who may be considering buying the product. If not, brands can go nuclear in a very public way (“What Does ‘Social Media Is the New Word of Mouth’ Really Mean?,” 2017). This means that if a business wants to grow in today’s online market, it needs a happy customer whom is willing to share positive feedback of their experience which can lead to new potential customers. On the other hand, with an unhappy customer whom is willing to share negative feedback of their experience online, business can lose many potential customers as some customers will consider the business as untrustworthy, without even trying the product or service (Bernazzani, 2018). Credibility of the product is a major factor in social media marketing.
2.3.2 WOM and eWOM Marketing

The first form of advertising in ancient times was word of mouth (WOM), through which people shared information between each other. Word of mouth has been used for a very long time and probably longer than most terms in marketing. According to the Oxford English Dictionary, the first written case of word of mouth dates back to 1533 and defines the term as oral communication or simply speaking (Lindholm, 2009).

Word of mouth is an important determinant of consumer behavior (Cheng & Zhou, 2010), and has become a very important factor when it comes to physical and digital channels (Enchev, 2016). There are a number of reasons why word of mouth has been a hot topic of considerable importance to marketing researchers. It has been shown to play an important part in customers choice of purchase, as well as post-purchase product perceptions (Gruen, Osmonbekov, & Czaplewski, 2006). According to researchers, personal conversations and informal exchange information among fellow acquaintances do not only influence customers purchases decisions but also shape expectations, pre-usage and even post-usage perceptions of the product or service (Jalilvand, Esfahani, & Samiei, 2011).

Even with the advance of the technology, WOM still keeps being one of the most influential elements in regard to customer communication about a certain product or service. The main reason why WOM is so very effective is because people talk about experiences. In fact, first thing people do is to share their experiences with friends and family. The traditional WOM is only effective within a limited social boundary, and the influence lessens over time and distance. With two people talking positively to each other about a certain product might influence the one who is listening but not many more for there is not anyone else listening. Of course, the person influenced might go to the next person and talk positively about the product and then may form a snowball effect, but before the internet, this effect was mostly contained.

However, the emergence of the internet profoundly changed the way WOM is spread and has let WOM go beyond its limits of the traditional WOM when it comes to people listening. The new WOM has been transformed from being only targeted to friend and family, to messages being visible to the entire world (Cheng & Zhou, 2010). It evolved with - but not from the

---

4 Snowball effect is a situation in which something increases in size or importance at a faster and faster rate.
digital world, it is now known as electronic word of mouth (eWOM). As online media gained a role in marketing, so did WOM and took an electronic form for itself (Yen & Tang, 2015). Today, the internet makes it possible for people to share opinions and experiences about a product or service with the whole world via eWOM (Jalilvand, Esfahani, & Samiei, 2011).

According to recent studies, 86% of women turn to social media networks before making a purchase and 71% of all consumers are more likely to make a purchase based on a social media reference (Duran, 2017). Marketers are now forced to engage with social media through their official company account for an opportunity to communicate with their current and potential customers. For these reasons, social media and eWOM are very powerful together (Erkan, 2016). eWOM is faster and more influential than the traditional WOM, as it can reach millions of people lightning fast. Information exchanged with WOM is however more personal and therefore considered more trustworthy (Hodza, Philipson, & Mostaghel, 2012). As seen in table 4, the two are not the one and the same.

<table>
<thead>
<tr>
<th></th>
<th>WOM</th>
<th>eWOM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credibility</strong></td>
<td>The receiver of the information knows the communication (positive influence on credibility)</td>
<td>Often anonymity between the communicator and the receiver of the information (sometimes negative influence on credibility)</td>
</tr>
<tr>
<td><strong>Privacy</strong></td>
<td>The conversation is private, interpersonal (via dialogs), and conducted in real time</td>
<td>The shared information is not private and, because it is written down, can sometimes be viewed by anyone and at any time</td>
</tr>
<tr>
<td><strong>Diffusion speed</strong></td>
<td>Messages spread slowly. Users must be present when the information is being shared</td>
<td>Messages are conveyed more quickly between users and, via the internet, can be conveyed at any time</td>
</tr>
<tr>
<td><strong>Accessibility</strong></td>
<td>Less accessible</td>
<td>Easily accessible</td>
</tr>
</tbody>
</table>

*Table 4: Differences between WOM and eWOM (Huete-Alcocer, 2017)*
Most times, eWOM shows up in the form of customer ratings and reviews online (“What is eWOM?”, 2011) and because of the increasing rates of internet adoption, the number of people listening became a whole lot bigger. There is no problem for consumers to look up information about a product and reading online reviews to reduce uncertainty and perceived risks when making a purchase decision. For example, asking a friend for a good place to stay is considered as the traditional WOM, which basically refers to offline interpersonal information sources. By contrast, eWOM puts these recommendations and comments online for the whole world to take a look at. Customers can nowadays easily express their experiences to their fellow consumers (Bronner & de Hoog, 2011).

What made the traditional WOM so powerful was the interpersonal and face to face characteristics. In the early phases of eWOM, online comment readers found it difficult to determine the credibility of the information, as the information was posted anonymously and therefore might have been from the merchant (Yen & Tang, 2015). The only advantage of this is that this way offers more self-closure opportunities because of the anonymity offered by the internet (Bronner & de Hoog, 2011). However, with the arrival and popularity of social media, consumers could communicate with their existing social networks about their experiences with a particular product (Erkan, 2016). The lack of personal touch was alleviated with visible personal profiles (Yen & Tang, 2015). Using the social media platform, users were able to share opinions and experiences about products and services with familiar people, such as friends, family and acquaintances. Because of this feeling of connectivity, the number of online reviews written by customers increased by a great amount (Erkan, 2016). For marketers, there is however one disadvantage of eWOM and it is a big one. Things can go south real fast for a certain brand when a customer posts a bad review online. Especially if the customer giving the negative review has strong credibility. In the case of eWOM, the receiver is not always familiar with the sender of the information (Kremers, 2012).

eWOM is more than just recommendations and ratings. eWOM also includes other forms of WOM communications such as blogs, discussion threads on forums, posts on Facebook and Twitter (“What is eWOM?”, 2011), person-to-person conversation on the internet and person-to-person conversation about what they just read on the internet. So, what makes eWOM so powerful? People love to share and seek advice online where people trust other people and that is the main reason why eWOM is so extremely powerful (Kremers, 2012). Due to speed,
convenience and one-to-many reach, eWOM goes far beyond the limit of the traditional WOM (Yen & Tang, 2015).

As is seems that trust and credibility are important factors in customer purchasing decision, eWOM from friends and family is very effective. But because of the social network, friends and family might not be the only one’s social media users know and trust. Public people with public opinions, so called influencers, could just as well affect consumers purchasing decision via trust among eWOM marketing (Liu et al., 2015).

2.3.2 Influencer Marketing

With so many people using social media, influencers and public figures have gained increased power to reach vast numbers of people, with what feels almost like direct communication between the consumer and the influencer (as opposed to the arms-length feeling of seeing a picture of a celebrity using a product in traditional media). Influencer marketing is a hybrid of old and new marketing tools. It ‘s not here to replace other forms of digital marketing, because it cannot exist without them, especially not without social media marketing. Basically, influencer marketing is a collaboration between brands and influencers („Influencer Marketing Hub“, n.d.), for example public personalities such as journalists, YouTubers or bloggers that play the part of selling the product by talking about it positively. In return, the brand pays them for influencing potential customers (Haran, 2018). At the center of the marketing universe are the people who make the ultimate purchase decision and those people are the customers. Then there are influencers, the people who whisper ideas and suggestions in customers ears (Brown & Fiorella, 2013).

Today the growing market is first and foremost online, specifically on social media but before social media even came into play, the first influencer marketing channel was radio. With radio personalities and DJs, radio had and still has the power to reach a large number of people. Going back to 1930s, bands would pay DJs and radio personalities to talk positively about products, using the influence they had on radio listeners to boost the brand and it came to be extremely effective („Zimmer Radio & Marketing Group“, 2018). Now with more than 3 billion social media users, the advertising industry had to change and adapt to continue to reach customers (Woods, 2016). Today, most radio personalities have a loyal fan base who follow their lives on social media as well, so influencing via radio evolved with the rest („Infinity
According to recent studies, 70% of teenage YouTube subscribers trust influencers' opinions over the traditional celebrities. As said in the chapter above, trust is one of the most important factors of customers purchasing decisions and most often are influencers more personal than regular television or radio advertisements. In addition, 86% of the most-viewed beauty videos on YouTube were made by influencers compared to 14% videos made by the beauty brands themselves (Duran, 2017). With more people realizing the power of the influencers, particularly in the digital driven world today, influencer marketing is on the rise. Just like radio personalities, the new kind of influencers have audience and that audience is listening to what they have to say (Fishkin, 2017).

According to research, the human brain is only capable of preserving around 150 real relationships at any given time. That is the why influencer marketing is more than just paying an influencer to talk positively about a brand. The theory called Dunbar's Number is based on the work of anthropologist and psychologist Robin Dunbar who found that the size of the animal's brain is relative to the social group they're able to maintain. Extending to humans, Dunbar's theory indicated that the limit of human relationship capacity is between 150-200 people (Hutchinson, 2018). Years after Dunbar's theory, a PhD student in statistics, Tyler McCormick found out that the average mean network size was 611 contacts. This number is much larger than Dunbar's estimate. But while the mean size was 611 contacts, the median size was 472 contacts which is a clear sign that the number of contacts in people’s social networks does not follow a normal distribution, but instead follows a power law (Burkus, 2018).

Figure 4: Power Law Distribution (Giles, 2018)
By nature, all living things influence and are influenced by the environment and each other. Power law distribution results from interaction of independent living things and that explains why factor such as person ‘s height follows a normal distribution, not a power law distribution (Giles, 2018). Power law distribution looks a steep hill as seen in figure 4, where it starts high and drops down quickly while a normal distribution looks like a bell curve. In the case of social networks, it means that only a few people have a very large number of social relationships such as followers on Twitter and Instagram or subscribers on YouTube, while most have a much smaller number. While few people have more than a million followers, most have under a thousand followers (Burkus, 2018). This being said, getting an influencer to boost a brand awareness will definitely help but for those on a budget it is important to consider the science behind influence when planning a marketing strategy (Hutchinson, 2018).

What makes influencers so powerful is their ability for a potential reach, but behind the success of influencers is the mechanism of trust. Influencers are valuable for people who might lack confidence or knowledge about the particular discourse, because they hold power over the minds of the consumers, who are quick to pick up on the latest trends (Johnstone & Lindh, 2018). When influencers advertise on their social media platform, they need to disclosure there is a business relationship between the influencers and the brand. They most often do that by using the hashtag #ad on Twitter, Instagram or Facebook (Schwab, 2016.). In this thesis, #ad advertising will be studied on behalf of influencer marketing.
2.4 Consumer behavior

Many purchasing decisions are made by each individual every day. Such simple decisions, yet so important that they contribute to shaping the life of the customer (Friesner, 2014). Consumer behavior is a study when individuals select or dispose of products and services to satisfy their needs and desires. There is a growing interest in this study, not only from marketers but from social sciences as well (Solomon, 2006). It’s critical to understand consumer behavior to know how potential customers will react to a new product or service. It also allows companies to increase their market shares by anticipating the shift to the consumer wants. According to Study.com, there are three factors that affect consumer behavior. Psychological, personal and social. Each consumer will respond to a marketing messages based on their perceptions and attitudes. When marketers make market campaigns, they must make sure the campaign will appeal to their target audience. Each consumer has unique habits, interests and opinions which plays a role in their decision behavior. Also, decisions are influenced by age, gender, background and more demographical factors. However, decision behavior can be affected by other people e.g. friends, family or social influencers (Schofield, n.d.).

A recent study by Lim, Radzol, Cheah and Wong (2017), demonstrated that advertising via social media influencers was found to lack credibility, but if a person has a favorable attitude towards the social media influencer, he or she is more likely purchase the influencers’ endorsed product (Lim, Radzol, Cheah, & Wong, 2017). Consumers that are more likely to purchase goods that was recommended by social media influencer are the types who seek opinions of others to inform decision, as they are less confident in their own decision-making ability. Another recent research demonstrates that women are more sensitive than men to social opinions and therefore tend to follow the decisions of others, to reduce risk based on admiration and trust to others (Djafarova & Rushworth, 2017).

In relation to trust, if consumers are more involved with a brand, they are more likely to have positive attitude towards it, because consumers feel as they have a connection and therefore trust the brand. However, if a consumer is less involved with a brand, his attitude towards it will likely be automatically indifferent, regardless of their marketing efforts, as in how they choose to advertise. Consumers will eventually ignore the messages brands try to deliver through advertising (Patel, Gadhavi, & Shukla, 2017).
3. Methodology

This chapter will describe the methodology used for the quantitative study that was done as a part of this thesis. The author carried out two online surveys, one in 2017 and the other in late 2018. The first survey functioned as a pilot study to test the questions and see if there were any interesting results to guide the final study. Based on the learnings from the first survey, the author chose the following research questions:

1. *Do different demographic groups exhibit different attitudes towards different forms of marketing?*

2. *Does the way a product or service is advertised affect consumers' attitude towards the product or service and thereby indirectly influence purchasing behavior?*

In this study, the author classifies print-, radio- and television-marketing as the primary types of traditional marketing and social media-, eWOM- and influencer-marketing as the primary types of digital marketing. The questionnaires were created with those advertising methods in mind, but the main goal was to compare and contrast the differences between traditional and digital marketing methods. To answer the first research question, the author wanted to construct a clear image of consumers’ attitude towards traditional and digital marketing channels. For the second research question, the author’s aim was to find out if the way a product or service is advertised can influence customers’ attitude towards the product and service, and thereby be used as a proxy for explaining consumers’ purchase behavior. There are many ways to do a study that answers these research questions but in this case the author chose to do a quantitative study, creating two online surveys to get access to a wider range of participants than would not have been possible with qualitative research methods.

A pilot study was carried out in 2017. The pilot study served two main purposes: 1) To test the survey instrument and 2) to test the validity of the research questions. The study was an online survey with 8 questions. The first two questions addressed the impact of different forms of advertising directly, while the next two questions were aimed at understanding if advertising was considered a nuisance (measured on a 5-point Likert scale). The two questions after that were aimed at understanding whether influencer marketing was having effect on Icelandic consumers (also measured on a 5-point Likert scale). The last two questions were used to
collect demographic variables, gender and age. The author used a snowball-sampling technique, where friends and family were asked to distribute the survey, to collect from as diverse a sample as possible. When the survey was closed 162 individuals had answered, thereof 114 females and 48 males. Figure 5 shows the age distribution of participants. The survey required no special skills from participants and was made with Google forms. The questions used in the pilot survey are shown in Appendix A.

Based on the analysis of the pilot study, the author made some changes to the questionnaire. At the time of the second survey, the author had done more reading about the marketing world and had a lot more of understanding of the concepts. Improvements were made, mostly regarding the number and the depth of the questions, the cohesion of the questions, and the answer options. Also, the second survey added questions about participant’s trust in advertisements because in the former survey, the majority said that recommendations from family and friends had the most impact their purchasing decisions. The age groups were also changed to better capture the older age groups and even out the demographic grouping.

The second survey was finished in December 2018. This online survey included a total of 17 questions, with 3 last questions capturing demographics (education, age and gender). Most of the questions were measured on a 5-point Likert scale. The questions used in 2018 survey are shown in Appendix B.
Like the former survey, this survey was done online with Google forms using a network sample with the snowball sampling technique. When the survey was closed there was a total of 165 participants, 95 females and 70 males. Figure 6 shows the distribution over age groups.

![Figure 6: Age distribution in the 2018 survey](image)

As well as using the pilot to improve the questionnaire, the author was interested in seeing if there were any identifiable changes in customers’ attitude and/or purchasing behavior between 2017 and 2018.

After the online survey was closed, the answers were uploaded to Microsoft Excel where the data was analyzed and mostly calculated with the usage of a Pivot table. For further analysis, the data was also uploaded into SPSS statistics version 25.0, where each answer option was given a numerical value from 1 – 5 where very much is 5 and very little is 1. To analyze whether there was any difference between genders, an Independent Samples T-test was conducted. To analyze whether there was any significant difference between questions on a 5% significant level, one-way ANOVA tests was conducted.
4. Results

In this chapter the results of the main survey will be stated. The results are based on the analysis of the questionnaire, with the aim of answering the research questions. The main results in relation to the questionnaires will be covered.

The study indicates that most people are active on social media. 96% of the participants answered the first question asking whether they were active on social media with a yes. There was a slight difference between genders, but 99% of females said they were active users on social media, while 93% of males answered this question with a yes. Here it is important to remember that Iceland has one of the most active social media usage of all developed countries, as discussed in chapter 2.3.1. Also, as the survey was primarily distributed over social media, the likelihood of encountering non-active social media users was relatively low, but the survey was also distributed via other means, such as email or messages.

As seen in figure 7, the results for question 1 were similar for both genders, but as for age, participants aged 61 years old and older had the highest rate as non-active social media users, while participants aged 20 years old and younger as well as participants aged 41 – 50 years old were all quite active on social media.
Most participants feel that they notice *rather much* or *very much* advertising on social media, regardless of age and gender, as shown in table 5.

**Active on social media: YES**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Female</th>
<th>Male</th>
<th>SUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very much</td>
<td>51% (28%)</td>
<td>43% (25%)</td>
<td>(53%)&lt;sup&gt;6&lt;/sup&gt;</td>
</tr>
<tr>
<td>Rather much</td>
<td>29% (15%)</td>
<td>37% (14%)</td>
<td>(29%)</td>
</tr>
<tr>
<td>Neutral</td>
<td>4% (3%)</td>
<td>8% (3%)</td>
<td>(6%)</td>
</tr>
<tr>
<td>Rather little</td>
<td>13% (5%)</td>
<td>8% (3%)</td>
<td>(8%)</td>
</tr>
<tr>
<td>Very little</td>
<td>3% (2%)</td>
<td>5% (2%)</td>
<td>(4%)</td>
</tr>
</tbody>
</table>

*Table 5: Q3 How much or little advertising do you notice on social media?*

Participants were asked if they were following any public figures or influencers on social media, as in a public personality that is in collaboration with a brand and promotes its products and services with the intend to influence followers. 66% of participants answered that they follow at least one public figure or influencer on social media while 30% said they didn’t follow any such figures and 4% didn’t know if they follow public figures or influencers.

*Figure 8: Q2 Are you following any public figure or influencer on social media? Active users only*

<sup>5</sup> Meaning 51% of all female participants that are active social media notice *very much* advertising and (28%) of all social media active participants who notice *very much* advertising are female.

<sup>6</sup> Meaning (53%) of all social media active participants notice *very much* advertising
As seen in figure 8, most active social media users are following public figures or influencers. Those people who are active on social media and are also following public figures or influencers are 67% of all participants. They tend to notice more social media advertising than those who are not following any public figures or influencers.

82% of active social media users notice *rather much* or *very much* advertisements on digital mediums. That being said, it really seems like the perfect way to get attention from consumers. However, when asked about what participants consider to be the most bothersome advertising, 60% of all participants said that advertisement pop-ups on the internet to be the most bothersome type of advertisements, followed with 21% of all participants considering #ad advertising to be the most bothersome advertising of all mentioned below. So, while participants seem to notice advertisements on digital media, they are not in general positive towards them. Interestingly, only 19% of all participants consider traditional advertising on newspaper, radio or television more annoying than digital advertising. See figure 9.

*Figure 9: Q12 What would you consider to be the most bothersome advertising?*
Figure 10 below shows the gender ratio for each answer in question 12. These answers indicate that participants in both gender categories have very similar opinion for what advertising method gives them the worst experience in their daily lives.

Further, an independent samples T-test was used to see if there was a difference between genders and what advertising type they considered as the most bothersome. As seen in table 6, the mean for both genders is almost equal (2.49 > 2.41) which indicate that both female and male participants mostly had the same opinion for question 12. There is not a significant difference between the male and female participants on a 5% significant level.

<table>
<thead>
<tr>
<th></th>
<th>TV advertising</th>
<th>Radio ads</th>
<th>Newspaper ads</th>
<th>#ad</th>
<th>Internet pop-ups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>9%</td>
<td>9%</td>
<td>1%</td>
<td>20%</td>
<td>61%</td>
</tr>
<tr>
<td>Female</td>
<td>9%</td>
<td>8%</td>
<td>3%</td>
<td>21%</td>
<td>59%</td>
</tr>
</tbody>
</table>

Table 6: Q12 and gender independent samples T-test results
Another interesting finding is that the category who finds internet pop-up advertising extremely bothersome is females aged 31 – 40, as 80% of them find that to be the most bothersome type of advertising. The only category which does not find advertising pop-ups on the internet most bothersome is males aged 20 and younger. The study finds that the least bothersome type of advertising is advertising in newspapers. Only 2% of all participants select newspaper ads as the most bothersome type of advertising. Table 6 shows how question 12 is answered across different age groups and gender.

<table>
<thead>
<tr>
<th>Age</th>
<th>- 20</th>
<th>21 – 30</th>
<th>31 – 40</th>
<th>41 – 50</th>
<th>51 – 60</th>
<th>61 +</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>F</td>
<td>M</td>
<td>F</td>
<td>M</td>
<td>F</td>
<td>M</td>
</tr>
<tr>
<td>TV advertising</td>
<td>40%</td>
<td>6%</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
<td>15%</td>
</tr>
<tr>
<td>Radio advertising</td>
<td>50%</td>
<td>10%</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
<td>33%</td>
</tr>
<tr>
<td>Newspaper ads</td>
<td>4%</td>
<td>7%</td>
<td>8%</td>
<td>33%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internet pop-ups</td>
<td>40%</td>
<td>42%</td>
<td>60%</td>
<td>80%</td>
<td>67%</td>
<td>64%</td>
</tr>
<tr>
<td>#ad on social media</td>
<td>20%</td>
<td>50%</td>
<td>42%</td>
<td>22%</td>
<td>33%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Table 7: Q12 What would you consider to be the most bothersome advertising? Age and gender filtered

As seen in figure 9 above, 21% of all participants find the advertising method #ad on social media to be the worst. This is exactly what public figures and influencers put on their social media when in collaboration with a brand. Participants were asked if they had ever purchased a product or service after seeing a public figure or influencer advertise it on social media with 58% of all participants said they had never done it, 35% saying yes, and 7% with I don’t know. The answers were quite different across gender, as more than half of all female participants said that they have purchased a product or service after seeing a public figure or influencer advertise it on the digital platform, but only 14% of the male participants agreed.

---

7 Ratio sums up to 100% downwards for each age and gender group
As said above, participants who are active social media users and following a public figure or influencer on social media make 67% of all participants. That’s 106 out of 158 participants. 28 out of those 106 participants or 26% also find #ad bothersome. However, 14 out of those 28 participants or 50% of this category who are active social media users, follow an influencer and think #ad is annoying still purchase an #ad advertised products or services, being 86% females and 14% males. In simple words, half of all social media active participants who also follow public figures and influencers and think #ad advertising is annoying, still purchase #ad advertised products and services. That is 13% out of all female participants and 3% out of all male participants that are social media active, following public figures and influencers as well as purchasing their products and services, even though they consider #ad to be the most bothersome advertising type. Making it 8,5% of all participants overall, that indicate that annoying digital advertising doesn’t prevent their purchasing decisions. One-way ANOVA test was conducted to see if there was a significant difference between what advertisements people considered to be the most bothersome and if they had ever purchased products advertised on social media by influencers. As seen in table 8, there is no statistical significant difference between these two questions, Q4 and Q12 with F(2,161) = 1.067, (p > .05).

<table>
<thead>
<tr>
<th>One-way ANOVA</th>
<th>df</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2</td>
<td>1.067</td>
<td>.346</td>
</tr>
<tr>
<td>Within Groups</td>
<td>161</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 8: Q4 and Q12 one-way ANOVA results
Figure 12 below shows the results to what advertising participants find to be the most bothersome, and how many say yes to having ever purchased an #ad advertised product, and how many say no to having ever purchased an #ad advertised product. This result is filtered with participants who are active on social media as well as following public figures or influencers.

Figure 12: Q12 What would you consider to be the most bothersome advertising? Filtered by how many have and haven’t purchased good advertised by influencers

Again, active users who are following influencers on social media are total 106/158, 67% of all participants. 47/106, 44% of those participants have purchased in one or more products and services advertised via influencers which makes 47/165, 28% out of all participants. Since this particular category of participants will appear many times in this thesis from now on, all participants who are active social media users, following public figures or influencers and have purchased in goods advertised via social media influencers go by the name category A. One-way ANOVA test was conducted to see if there was a significant difference between people that are following a public figure or an influencer on social media and if they have ever purchased products advertised on social media by influencers. There is a statistical significant difference between these two questions, Q2 and Q4 with F(2, 161) = 3.941, (p < .05).

<table>
<thead>
<tr>
<th>One-way ANOVA</th>
<th>df</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2</td>
<td>3.941</td>
<td>.021</td>
</tr>
<tr>
<td>Within Groups</td>
<td>161</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 9: Q2 and Q4 one-way ANOVA results
The rate of male participants is very low in category A\(^8\). As seen in figure 11 above, 82% of all male participants say they have never purchased goods after a public personality advertise them, which is interesting because total 57% of males are following an influencer on social media. Obviously, not many get influenced by the power of an influencer which leaves only 9% of all male participant fall in category A. Seen in figure 13, 43% of all females fall in this particular category. Further, this leaves the category at 12% rate of men, 88% rate of women.

\[\text{Figure 13: Category A, gender ratio}\]

Figure 14 shows the distribution between genders who fall in category A, of what advertising they find the bothersome.

\[\text{Figure 14: Q12 Most bothersome advertising according to category A}\]

\(^8\) All participants classified as: social media active, following public figures or influencers and have purchased in one or more products or services via social media influencer
This being said, active social media users, following influencers but have never bought any products or services advertised by them is a whole other story. Actually, it is almost the other way around in relation to gender. 20% of all female participants who are active social media users and are following a public figure or an influencer, have never purchased a product or service via social media while 46% of all male participants fall in this same category.

Figure 15: Q12 Most bothersome advertising according to active social media users who are following influencers but have never been influenced into purchasing product or service

Figure 15 shows how different results are between genders in relation to influencer marketing. Male participants are mostly active on social media and 40/70, or 57% of them are following public figures or influencer while only 10/70, or 14% seem to be influenced by the influence marketing method, which leads to the result that influencer marketing affects the majority of female social media users, with total 68/94, or 72% of all female participants following an influencer and 48/94, or 51% of all females being influenced into purchasing a product or service. This being said, advertisers using influencer marketing must aim their target to women because according to this study, women are much more likely to be influenced by public figures and influencers on social media than men. For a deeper understanding for marketers where to aim their bow, the highest rate from each age category for itself, is female participants aged 21 years old – 30 years old that are most likely to get influenced by social media influencers. 75% of all female participants aged 21 – 30 years old fall in category A. In

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<sup>9</sup> These numbers indicate overall ratio, no filters included
addition, 60% of all female participants aged 20 or younger are also in this same category, followed by 40% of all female participants aged 31 – 40 years old. See figure 16.

In addition, an independent samples T-test was conducted to see if there was a difference between genders and whether they had ever purchased goods advertised via social media influencer. The mean for males was higher than for females (1.89>1.59) which indicates that male participants more often answered no in question 4, as each answer option was given a numerical value where 1 = yes, 2 = no and 3 = I don’t know. As seen in table 10, there is a significant difference between the male and female participants on a 5% significant level, in relation to whether they have purchased goods advertised via social media influencers or not.

<table>
<thead>
<tr>
<th>Group statistics</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female N = 94</td>
<td>1.59</td>
<td>.646</td>
</tr>
<tr>
<td>Male  N = 70</td>
<td>1.89</td>
<td>.435</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Samples Test</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have you ever purchased</td>
<td>-3.264</td>
<td>162</td>
<td>.001</td>
</tr>
<tr>
<td>goods advertised via</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>social media influencer?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 10: Q4 and gender independent samples t-test results
What brings real value to this all is whether consumers will purchase again. After all, the big challenge is to maintain the existing customers. Participants were asked how much or little credibility they considered products and services to have if it was only advertised on social media using public figures or influencers. Over all, 5.5% said it to have very much credibility, 23% rather much, 38% neutral, 19% rather little and 14.5% saying products and services having very little credibility when only advertised via social media influencers. As mentioned in figure 11 on page 40, findings of this research indicate that 51% of all female participants get influenced by public figures or influencers. However, not all those females fall in category A, because not all of them are classified as: active on social media, following public figures and have purchased goods advertised by them. In tables 11 and 12 below, answers for question 6 across age groups by category A, females only is compared to other participants. The sum in both tables indicate that female category A finds digital advertising a better source of credibility than other participants. Other participants are defined as all participants who is an active user on social media but don’t know if they have or have never purchased a product or service advertised on social media via social media influencer.

<table>
<thead>
<tr>
<th></th>
<th>- 20</th>
<th>21 - 30</th>
<th>31 - 40</th>
<th>41 - 50</th>
<th>51 - 60</th>
<th>SUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very much</td>
<td>33%</td>
<td>12%</td>
<td>17%</td>
<td>4%</td>
<td>5%</td>
<td>12%</td>
</tr>
<tr>
<td>Rather much</td>
<td>33%</td>
<td>40%</td>
<td>50%</td>
<td>40%</td>
<td>50%</td>
<td>42%</td>
</tr>
<tr>
<td>Neutral</td>
<td>33%</td>
<td>36%</td>
<td>17%</td>
<td>60%</td>
<td>50%</td>
<td>36%</td>
</tr>
<tr>
<td>Rather little</td>
<td>4%</td>
<td>17%</td>
<td></td>
<td></td>
<td></td>
<td>4%</td>
</tr>
<tr>
<td>Very little</td>
<td>8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6%</td>
</tr>
</tbody>
</table>

Table 11: Q6 Category A: females only, on how much or little credibility digital advertising has

<table>
<thead>
<tr>
<th></th>
<th>- 20</th>
<th>21 - 30</th>
<th>31 - 40</th>
<th>41 - 50</th>
<th>51 - 60</th>
<th>60 +</th>
<th>SUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very much</td>
<td>6%</td>
<td></td>
<td></td>
<td>5%</td>
<td>33%</td>
<td>4%</td>
<td>12%</td>
</tr>
<tr>
<td>Rather much</td>
<td>19%</td>
<td>7%</td>
<td>10%</td>
<td>10%</td>
<td>33%</td>
<td>1%</td>
<td>12%</td>
</tr>
<tr>
<td>Neutral</td>
<td>100%</td>
<td>34%</td>
<td>43%</td>
<td>31%</td>
<td>55%</td>
<td>33%</td>
<td>40%</td>
</tr>
<tr>
<td>Rather little</td>
<td>19%</td>
<td>29%</td>
<td>38%</td>
<td>15%</td>
<td>33%</td>
<td>1%</td>
<td>25%</td>
</tr>
<tr>
<td>Very little</td>
<td>22%</td>
<td>21%</td>
<td>21%</td>
<td>15%</td>
<td></td>
<td></td>
<td>19%</td>
</tr>
</tbody>
</table>

Table 12: Q6 All active social media users, who have never purchased a product or service that is advertised via digital marketing on how much or little credibility digital advertising has
Table 11 includes only what this research indicated as a target market to social media and influencer marketing. That is, as mentioned above 43% of female participants who are social media active, following public figures and social media influencers and have purchased at least one product or service advertised by them – females category A. The second table includes all participants, male and female, who are social media active, do or do not follow an influencer and have never or don’t know if they have purchased products or services advertised by public figures and influencers. That makes more than 60% of all participants. As seen in the tables, the difference between how the two categories consider advertising on digital mediums, is very much. The former category considers social influencers as rather trustworthy and that is why this certain group of females is most likely going to remain as an existing customer to the brands those participants tend to follow on social media, while the latter category would rather trust other sources e.g. traditional advertising.

In addition, one-way ANOVA test was conducted to see if there was a significant difference between if people considered advertising on digital media to be a good or a bad source of credibility and if they had ever purchased products advertised on social media by influencers. As seen in table 13, there is a statistical significant difference between these two questions, Q4 and Q6 with $F(2,161) = 15.939$, $(p < .05)$.

<table>
<thead>
<tr>
<th>One-way ANOVA</th>
<th>df</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2</td>
<td>15.939</td>
<td>.000</td>
</tr>
<tr>
<td>Within Groups</td>
<td>161</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Table 13: Q4 and Q6 results one-way ANOVA*

For further analysis, an independent samples T-test was conducted. The T-test was used to see if there was a difference between genders and whether they considered digital advertising alone to be a good or bad source of credibility. The mean for females was higher than for males ($3.08 > 2.53$) which indicate that females are more likely to find digital advertising a better source of credibility than males, since answer options were given a numerical value from *very little* = 1 to *very much* = 5. As seen in table 14, there is a significant difference between the genders on a 5% significant level.
<table>
<thead>
<tr>
<th>Group statistics</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female N = 95</td>
<td>3.08</td>
<td>1.078</td>
</tr>
<tr>
<td>Male N = 70</td>
<td>2.53</td>
<td>1.126</td>
</tr>
</tbody>
</table>

Independent Samples Test

<table>
<thead>
<tr>
<th>Advertising on a digital medium alone</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.190</td>
<td>145.150</td>
<td>.002</td>
</tr>
</tbody>
</table>

**Table 14: Q6 and gender results independent samples T-test**

Participants were asked if they found traditional advertisements like television advertising, radio advertising and newspaper advertising to be a better or worse source of credibility than advertisements on a digital medium, e.g. advertisements on social media. 5.5% of participants think traditional advertising is a much better source of credibility than advertisements on a digital medium. 22.5% rather better, 48% neutral, 21% rather worse, and finally 3% much worse.

Figure 17: Q11 Do you think traditional advertisements a better or worse source of credibility than digital advertisements? Gender filtered

Figure 17 shows that 7% of male participants find traditional advertising a much better source of credibility than advertisements on digital mediums with only 4% of female participants that agree. While the highest ratio is neutral, a bit more participants seem to trust traditional advertising more than digital advertising. 28% participants think traditional advertising is a more trustworthy source of information while 24% think the opposite. The opinions are very
distributed, but overall, female participants are more likely to find digital advertising more trustworthy than male participants. Table 15 shows how the answers in question 11 is distributed across age groups. Sum of ratios in the table equal to 100% for each gender group.

<table>
<thead>
<tr>
<th>Age</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-20</td>
<td>21 - 30</td>
</tr>
<tr>
<td>Much better</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Rather better</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Neutral</td>
<td>3%</td>
<td>12%</td>
</tr>
<tr>
<td>Rather worse</td>
<td>2%</td>
<td>12%</td>
</tr>
<tr>
<td>Much worse</td>
<td>2%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Table 15: Q11 Do you think traditional advertisements is a better or worse source of credibility than digital advertisements?

For further analysis, an independent sample T-test was conducted to see if there was a difference between genders and whether they considered traditional advertising to be a better or worse source of credibility than advertising on digital mediums. As seen in Table 16, the mean for males is higher than for females (3.10>3.03) which indicates that males are more likely to find traditional advertising a better source of credibility than females. There is not a significant difference between the male and female participants on a 5% significant level, in relation whether traditional or digital advertising is a better or worse source of credibility.

<table>
<thead>
<tr>
<th>Group statistics</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>3.03</td>
<td>.818</td>
</tr>
<tr>
<td>Male</td>
<td>3.10</td>
<td>.965</td>
</tr>
</tbody>
</table>

Table 16: Q11 and gender results, independent samples T-test
As seen in table 14 above, women have higher mean in relation to whether participants find digital advertising have much or little credibility. In contrast to that, as seen in table 16, men have higher mean in relation to whether traditional advertising is a better or worse source of credibility than advertising on digital medium. However, there is not a significant difference between genders for question 11, whether traditional advertising is a better or worse source of credibility.

In addition, one-way ANOVA test was conducted to see if there was a significant difference between education and if people considered traditional advertising to be a better or worse source of credibility compared to digital advertising. As seen in table 17, there is not a statistical significant difference between these two questions, Q11 and Q15 with F(3,161) = 2.225, (p>0.05).

<table>
<thead>
<tr>
<th>One-way ANOVA</th>
<th>df</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>3</td>
<td>2.225</td>
<td>.087</td>
</tr>
<tr>
<td>Within Groups</td>
<td>161</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Table 17: Q11 and education results, one-way ANOVA*

According to findings, participants education levels had no significant difference for any other result.
Finally, participants were asked if they use an Ad Blocker on the internet. An Ad Blocker is a software designed to prevent advertisements from appearing on your screen when on a website. 50.5% participants said they use an Ad Blocker and 49.5% said they do not. As mentioned above in figure 9, 60% of all participants find pop-up advertisement to be the most bothersome advertising method.

As seen in figure 18, more male participants use an Ad Blocker than females. According to findings, male participants are more likely to trust traditional advertising over digital advertising, especially given that 63% of all male participants have an Ad Blocker installed.

One-way ANOVA test was conducted to see if there was a significant difference between if participants use Ad Blocker and what participants found to be the most bothersome advertising. As seen in table 18, there a statistical significant difference between these two questions, Q12 and Q14 with $F(1,49) = 4.236$, ($p<.05$).

<table>
<thead>
<tr>
<th>One-way ANOVA</th>
<th>df</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>1</td>
<td>4.236</td>
<td>.045</td>
</tr>
<tr>
<td>Within Groups</td>
<td>49</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 18: Q12 and Q14 results, one-way ANOVA
Figure 19: Q14 Do you use an Ad Blocker? Filtered by gender: males only

Figure 19 follows a normal distribution in relation to age. 90% of all male participants aged 31 – 40 years old use an Ad Blocker. 70% of those participants find pop-up advertisements on the internet to be the most bothersome advertising. As seen in table 18 above, there is a significant difference between what advertising methods participants found the most bothersome and whether they use Ad Block or not.

Figure 20: Q14 Do you use an Ad Blocker? Filtered by gender: females only
Figure 20 shows that most younger female participants do not use Ad Blocker, but as they get older, they seem to care less for the digital advertising, which leads back to the first result, that women aged around 30 years and younger are the category which is the perfect target market for digital marketing methods on social media. That is the category that trusts in digital advertising and therefore gets easily influenced into purchasing products and services that get advertised on digital mediums.

To get a clearer image of what drives male and female participants purchasing decisions aged 31 years old and over, 61% find traditional advertising a better source of credibility than advertising on a digital medium. Figure 21 indicates what drives their purchasing behavior. 76% of female participants aged over 30 years old say that recommendations from friends and family is the main reason why they take would purchase a certain product or service. It’s more distributed for male participants, but most agree with the other gender, expect for that 33% of male participants who say that television advertising, radio advertising or newspaper advertising has the best impact on them for purchasing decisions.

![Figure 21: Q13 What has the most impact on you as a customer for purchasing decisions? Participants which find traditional advertising a better source of credibility. All males and females over 30 years old.](image)

In contrast to figure 21, younger female participants trust more in the general advertising where 7% find traditional advertising have the most impact on them as a customer for purchasing decisions and 20% find digital advertising have the most impact. However, young male participants seem to trust less in the general advertising than other participants. The highest
rate for both categories still belongs to recommendations from friends and family, followed by customer reviews online. See figure 22.

With all participants included, 81% found recommendations from friends and family to have the most impact on them as a customer for purchasing decisions, followed by 49% with customer reviews, 8% digital advertising and finally 7% traditional advertising. In this question, participants were allowed to answer more than one of the following options and that is why the total sum is more than a 100%. See figure 23 for accurate ratio.
In relation to that almost half of all participants find customer reviews to have the most impact on their purchasing decisions, participants were asked how much it increased or decreased their interest in a brand, as it had a webpage or was active on social media. 14% participants said that it would highly increase their interest in the brand, 41% rather increase, 37% neutral, 6% rather decreases, and 2% with highly decreases. According to this, almost half of all participants find their interest in a brand increase if it has a webpage or is active on social media. As seen in figure 24 below, women tend to find it slightly more important than men that a brand has a webpage or is active on social media.

![Figure 24: Q7 How much does it increase or decrease your interest in a brand if it has a webpage or is active on social media?](image)

According to these results, most younger people find it increasing to their interest in a product or service if the brand has a webpage or is active on social media, with total 24% of all participants under the age of 31 finding interest highly increases if a brand has a webpage or social media, and 39% finding it rather increase their interest. That makes 68% of all participants younger than 31 years old, finding a webpage and social media profile increasing their interests in products and services, that being 67% female participants and 33% male participants. 45% of participants aged 31 years old and over find it increases their interest in a brand if it has a webpage or social media, and that also being 67% female participants and 33% male participants. Table 19 shows how the answers in question 7 are distributed across different age groups and genders. Percentage sums to 100 downwards, for every age category for itself.
Female

<table>
<thead>
<tr>
<th>Age</th>
<th>20 -30</th>
<th>31 -40</th>
<th>41 -50</th>
<th>51 -60</th>
<th>61+</th>
<th>20 -30</th>
<th>31 -40</th>
<th>41 -50</th>
<th>51 -60</th>
<th>61+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly increases</td>
<td>20%</td>
<td>33%</td>
<td>13%</td>
<td>15%</td>
<td>100%</td>
<td>7%</td>
<td>10%</td>
<td>7%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Rather increases</td>
<td>40%</td>
<td>42%</td>
<td>60%</td>
<td>35%</td>
<td>47%</td>
<td>67%</td>
<td>37%</td>
<td>40%</td>
<td>18%</td>
<td>31%</td>
</tr>
<tr>
<td>Neutral</td>
<td>40%</td>
<td>21%</td>
<td>20%</td>
<td>38%</td>
<td>33%</td>
<td>48%</td>
<td>40%</td>
<td>73%</td>
<td>46%</td>
<td>29%</td>
</tr>
<tr>
<td>Rather decreases</td>
<td>3%</td>
<td>7%</td>
<td>12%</td>
<td>15%</td>
<td>4%</td>
<td>15%</td>
<td>4%</td>
<td>10%</td>
<td>9%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Male

<table>
<thead>
<tr>
<th>Age</th>
<th>20 -30</th>
<th>31 -40</th>
<th>41 -50</th>
<th>51 -60</th>
<th>61+</th>
<th>20 -30</th>
<th>31 -40</th>
<th>41 -50</th>
<th>51 -60</th>
<th>61+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly increases</td>
<td>20%</td>
<td>33%</td>
<td>13%</td>
<td>15%</td>
<td>100%</td>
<td>7%</td>
<td>10%</td>
<td>7%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Rather increases</td>
<td>40%</td>
<td>42%</td>
<td>60%</td>
<td>35%</td>
<td>47%</td>
<td>67%</td>
<td>37%</td>
<td>40%</td>
<td>18%</td>
<td>31%</td>
</tr>
<tr>
<td>Neutral</td>
<td>40%</td>
<td>21%</td>
<td>20%</td>
<td>38%</td>
<td>33%</td>
<td>48%</td>
<td>40%</td>
<td>73%</td>
<td>46%</td>
<td>29%</td>
</tr>
<tr>
<td>Rather decreases</td>
<td>3%</td>
<td>7%</td>
<td>12%</td>
<td>15%</td>
<td>4%</td>
<td>15%</td>
<td>4%</td>
<td>10%</td>
<td>9%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Table 19: Q7 How much or little does it increase your interest in a brand if it has a webpage or is active on social media? Filtered by age and gender

For further analysis, an independent sample T-test was conducted to see if there was a difference between genders and how much or little it increases their interest in a brand if it has a webpage or social media profile. As seen in table 20, the mean for females was higher than for males (3.76>3.39) which indicate that females are more likely to find it increasing to their interest when a brand has a webpage or an active social media profile. Also, there is a significant difference between the male and female participants on a 5% significant level.

<table>
<thead>
<tr>
<th>Group statistics</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>3.76</td>
<td>.859</td>
</tr>
<tr>
<td>Male</td>
<td>3.39</td>
<td>.856</td>
</tr>
</tbody>
</table>

Independent Samples Test

<table>
<thead>
<tr>
<th>How much or little does a webpage or social media profile increase interest in a brand</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>How much or little does a webpage or social media profile increase interest in a brand</td>
<td>2.754</td>
<td>163</td>
<td>.007</td>
</tr>
</tbody>
</table>

Table 20: Q7 and gender results, independent samples T-test

In addition, one-way ANOVA test was conducted to see if there was a significant difference between whether people found advertising on a digital medium alone having much or little credibility and how much or little it increases their interest in a brand if it has a webpage or social media profile. As seen in table 21, there is a statistical significant difference between these two questions, Q7 and Q9 with F(4,160) = 4.102, (p < .05).
One-way ANOVA
df F Sig.
Between Groups 4 4.102 .003
Within Groups 160

Table 21: Q7 and Q9 results, one-way ANOVA

As mentioned above, almost half of participants considered customer reviews to have the most impact on them as a customer for purchasing decisions. According to the findings to this research, almost everyone trust recommendation from friends and family as well of customer feedback from other fellow customers over advertisings both on traditional and on digital mediums. That may be why most participants think it increases their interest in a product or service if a brand does have a webpage or active social media profile.

One-way ANOVA
df F Sig.
Between Groups 4 .459 .766
Within Groups 159

Table 22: Q7 and Q8 results, one-way ANOVA

One-way ANOVA test was conducted to see if there is a difference between how much or little it increases their interest in a brand if it has a webpage or social media profile and how much or little credibility participants find brand have is the is no accessible customer feedback. According to this one-way ANOVA test, there is not a statistical significant difference between the two questions, Q7 and Q8 on a 5% significant level, with F(4,159) = .459, (p > .05).

For more clarity in this matter, participants were asked how much or little credibility they find product or service to have if there is no customer feedback on its webpage or social media profile. 3% of participants said it the brand would have very much credibility if there was no customer feedback on its webpage or social media profile, 8% rather much, 23% neutral, 37% rather little, and 29% thought the brand would have very little credibility if there was no access to customer feedbacks. Answers were very similar in relation to gender, where most female participants find that brand has rather little credibility if it has no customer feedback on its webpage or social media profile, and most male participants find that brand has very little credibility if there’s no access to customer feedback. See figure 24 below.
Figure 25: Q8 How much or little credibility do you think brand has if there is no customer feedback on its webpage or social media profile?

<table>
<thead>
<tr>
<th>Group</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>95</td>
<td>2.13</td>
<td>1.003</td>
</tr>
<tr>
<td>Male</td>
<td>70</td>
<td>2.26</td>
<td>1.086</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Samples Test</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>How much or little does a webpage or social media profile increase interest in a brand</td>
<td>-.800</td>
<td>163</td>
<td>.425</td>
</tr>
</tbody>
</table>

Table 23: Q8 and gender results, independent samples T-test

For further analysis, an independent sample T-test was conducted to see if there was a difference between genders and how much or little credibility, they think brand has if there is no customer feedback. As seen in table 23, the mean for males is higher than for females (2.26>2.13) which indicate that males find slightly more credibility in a brand when is does not have accessible customer feedback. Also, there is no significant difference between the male and female participants on a 5% significant level.
5. Discussions and conclusions

The advent of the digital era has had an extensive impact on marketing in general, leading marketers to rethink their marketing strategies. The marketing world is always evolving and changing and for that reason, it is important to conduct studies on marketing. Also, most people have different opinions on the matter of advertisements, depending on different variables such as age and gender, which makes it an even more of a challenge to understand what channels and methods are most useful. In light of the recent technology changes, and in particular use of digital platforms, it is interesting to investigate consumers’ attitudes towards traditional marketing and digital marketing, respectively.

The main goal of this research was to examine consumers’ attitude towards different types of marketing methods and channels and to increase understanding of what drives their purchasing behavior. To this end, this study examined different advertising methods that are a part of traditional marketing and digital marketing, respectively. The advertising methods that were examined were television marketing, radio marketing, newspaper marketing, social media marketing, electronic word of mouth and influencer marketing.

This research indicates that people in all age groups dislike advertising and therefore want to ignore advertisements, wherever they appear. It seems like it might have become some sort of a socially ingrained habit to sort of dislike them. However, an interesting result in relation to what advertising method is found to be the most bothersome, is that even though consumers don’t like a particular advertising method it can still have an impact on their purchasing behavior. According to this study’s findings, there is no statistically significant difference between what people find bothersome and what makes them want to purchase. Simply put, most participants do not let bothersome advertising stand in their way of purchasing anyways. While it is difficult to predict what influences consumers’ purchasing behavior, the results show that if people trust the information source from where the message or advertising comes from, they are much more likely to want to purchase the product or service. Almost every participant agrees on that recommendations from friends and family followed by customer reviews has the most impact on them as a customer for purchasing decisions. Accordingly, if a brand does not have a webpage or social media profile, consumers won’t have access to customer feedbacks, and therefore might not trust the particular brand, making them less likely
to purchase their products. In this thesis, online customer feedback is categorized as eWOM and offline recommendations from friends and family are defined as WOM. Research has shown that trust really influences consumers’ purchasing behavior. Consumers most often trust friends and family and perhaps other consumers that have experience with the product or service. According to researches, if people do not have a prior connection with a particular brand, consumers will most likely be indifferent to the brand as well as its advertising and messages, as discussed in chapter 2.4. That’s why brands are now focusing on creating positive customer experience more than anything else to build trust and engagement with the brand. At least that is what they should be doing. Brands want people to speak to their friends, family and fellow customers positively about their products and services, as that gets them one step closer to gain peoples’ trust, which will hopefully lead to them becoming a customer.

In relation to social media, women tend to get more easily influenced than men, as they are much more likely to purchase products and services that have been advertised by public figures or influencers. According to this study, there is a statistically significant difference between how different genders answer this question. The results indicate that females are more likely to become a customer of a brand if the brand has been recommended by an influencer they follow. Also, according to this study, there is a significant difference between genders on how much credibility they attach to advertising on digital media, which was defined in the survey as advertising on social media via public figures and influencers. Women tend to attach more credibility to digital media advertisements, which indicates that women see social media influencers as a trustworthy source of information while men would rather turn to friends and family or trust traditional advertising. In the results chapter, women aged 30 years old and younger were often compared to the rest of participants, because they had such different opinions in relation to social media marketing. This particular category, women aged 30 years old and younger are all active social media users, all following public figures and influencers on social media and mostly all had purchased at least one product or service advertised via influencers. This category also considers digital advertising to have much credibility, while compared to other participants who find that digital advertising lacks credibility. This is an interesting finding for marketers, because this is a very specific segment that thinks so differently from the rest of all participants. Women, especially young women, get easily affected by influencers via social media marketing, which leads to the result that digital advertising has more impact on women’s’ attitude towards products and service and their purchasing behavior.
To answer the first research question: *Do different demographic groups exhibit different attitudes towards different forms of marketing?* The study clearly indicates that attitudes are different in different demographic groups and identifies differences between different groups and subgroups based on age and gender. Education did not seem to have a statistically significant relationship, however.

To answer the second research question: *Does the way a product or service is advertised affect consumers attitude towards the product or service and thereby indirectly influence purchasing behavior?* The study finds that different demographic groups respond differently to different types of marketing when it comes to credibility and trust. As prior research has shown that trust is a major factor in influencing purchasing behavior, the author concludes that the marketing channel and medium matters for brands aiming to reach specific segments of the population.

In conclusion, the author believes that advertising does not affect consumers unless the advertised product and service is somewhat on their mind and that is because advertising does not create fake needs among people but are first and foremost made as a reminder for a consumer who might actually need this product, sees this message and might therefore buy a particular brand of a product or service instead of another.
6. References


Burkus, D. (2018). Dunbar’s number doesn’t represent the average number of social


How effective is radio advertising in this day and age? (2018, January 26). Retrieved December 6, 2018, from https://hatchedlondon.com/effective-radio-advertising-day-age/


7. Appendixes

7.1 Appendix A

The list of questions that were in the 2017 survey

1. **What form of advertisements has the most effect on you?**
   a. Advertisements on television
   b. Advertisements on radio
   c. Billboard signs
   d. Social media

2. **Which of the following has the most impact on you as a customer for purchasing decisions?**
   a. Commercials
   b. Public figures or influencers
   c. Recommendations from family and friends
   d. Other

3. **How likely or unlikely are you to change channels during commercial breaks on television?**
   a. Very likely
   b. Rather likely
   c. Neutral
   d. Rather unlikely
   e. Very unlikely

4. **How likely or unlikely are you to change channels during commercial breaks on radio?**
   a. Very likely
   b. Rather likely
   c. Neutral
   d. Rather unlikely
   e. Very unlikely

5. **How likely or unlikely are you to follow a public figure or an influencer on Instagram who uses #ad?**
   a. Very likely
   b. Rather likely
   c. Neutral
   d. Rather unlikely
6. How likely or unlikely are you to follow a public figure or an influencer on Snapchat who talks mainly about certain products or services?
   a. Very likely
   b. Rather likely
   c. Neutral
   d. Rather unlikely
   e. Very unlikely

7. Your gender?
   a. Female
   b. Male
   c. Other

8. Your age?
   a. Younger than 17 years old
   b. 17 – 19 years old
   c. 20 – 24 years old
   d. 25 – 30 years old
   e. 31 years old and over
7.2 Appendix B

The list of questions that were in the 2018 survey

1. Are you an active user on social media? (Facebook, Instagram, Snapchat, etc.)
   a. Yes
   b. No
   c. I don’t know

2. Are you following any public figures or influencers on social media?
   a. Yes
   b. No
   c. I don’t know

3. How much or little advertising do you notice on social media?
   a. Very much
   b. Rather much
   c. Neutral
   d. Rather little
   e. Very little

4. Have you ever purchased a product or service after seeing an influencer or a public figure advertise it on social media?
   a. Yes
   b. No
   c. I don’t know

5. How much or little credibility do you think advertisement has if the public figure or influencer does not have many followers?
   a. Very much
   b. Rather much
   c. Neutral
   d. Rather little
   e. Very little

6. How much or little credibility do you think product or service has if it only advertises on social media using public figures or influencers?
   a. Very much
   b. Rather much
   c. Neutral
   d. Rather little
   e. Very little
7. How much does it increase or decrease your interest in product or service if a brand has an active social media profile or webpage?
   a. Highly increases
   b. Rather increases
   c. Neutral
   d. Rather decreases
   e. Highly decreases

8. How much or little credibility do you think product or service has if there is no customer feedback on its webpage or social media profile?
   a. Very much
   b. Rather much
   c. Neutral
   d. Rather little
   e. Very little

9. How much or little credibility do you think expensive goods have if advertising only takes place on a digital medium?
   a. Very much
   b. Rather much
   c. Neutral
   d. Rather little
   e. Very little

10. How much or little do you notice advertisements on television, radio and newspaper?
    a. Very much
    b. Rather much
    c. Neutral
    d. Rather little
    e. Very little

11. Do you think advertisements on television, radio or in newspaper is a better or worse source of credibility than advertisements on digital mediums?
    a. Much better
    b. Rather better
    c. Neutral
    d. Rather worse
    e. Much worse
12. What would you consider to be the most bothersome advertising in the listed below.
   a. Advertisements on radio
   b. Advertisements on television
   c. Advertisement pop-ups on the internet
   d. #ad on social media
   e. Advertisements in the newspaper

13. Which of the following has the most impact on you as a customer for purchasing decisions?
   a. Recommendations from friends and family
   b. Recommendations from public figures/social media influencers
   c. Advertisements on television, radio or newspaper
   d. Customer reviews on the product/service

14. Do you use an Ad Blocker on the internet?
   a. Yes
   b. No

15. What is the highest level of education that you have finished?
   a. Primary
   b. High school
   c. Collage/university
   d. Graduate school

16. What is your age?
   a. 15 years old or younger
   b. 15 – 20 years old
   c. 21 – 30 years old
   d. 31 – 40 years old
   e. 41 – 50 years old
   f. 51 – 60 years old
   g. 60 years old or older

17. What is your gender?
   a. Female
   b. Male
   c. Other