

GRADUATION ASSIGNMENT: ONLINE MARKETING VS. PREVALENT MARKETING PRACTICES

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A STUDY OF DIFFERENT MARKETING APPROACHES FOR MICRO FIRMS & SMALL BUSINESSES IN AUSTRALIA WHICH ONE IS MORE EFFECTIVE?

Graduation Assignment

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Foreword

Before I begin my thesis, I would like to express my gratitude towards the people that advised and supported me throughout my internship as well as the several colleagues I worked with during my internship. I am very thankful that Basic Bananas granted me this opportunity and am appreciative of the chance they bestowed upon me.

Moreover, I am grateful to have Mrs Gulickx-Lee as my supervising lecturer and Mr. Rustenburg as my thesis coach. They stayed in touch with me on a regular basis, gave me inspiring feedback and made sure I was at ease even though I was so far away from home. I would also like to thank my company supervisor Miss J. Ruhfus who made my stay so easy and helped me experience Australian culture.

Last but not least I would like to thank all the people at the University of Applied Sciences Hogeschool Utrecht, and especially the people from the Internship office for helping me find such a delightful and rewarding internship.

Disclaimer: *this research has been conducted with the full consent of all the parties involved, and can be advised by any and all personnel/students from the HU.*

Executive summary

Countless small businesses struggle on a daily basis with gaining a healthy level of brand awareness and customer retention. Many of these businesses face bankruptcy or high staff turnover due to the larger chains and franchises having a higher budget and more accessibility to certain resources. While there is no certain key to success or assistance to ensure the businesses' future, it can be said that one of the key tools to help a business significantly is marketing. Thankfully there are many mediums and tools to use for marketing, but which of these resources are effective and efficient for small businesses and micro firms?

This study was completed in July 2015 starting from November 2014. The overall objective of this study was to find out how online marketing scales versus prevalent marketing (offline marketing). The study employed quantitative and a small amount of qualitative research by initially analysing primary and secondary data. The secondary research was first used to establish the amount of data that was available. Based on that data a survey in form of a questionnaire was created to ultimately be conducted among actual small business owners following a marketing program in Sydney, Australia. This survey was used to collect primary data, and in combination with the secondary research, the results have been compiled to derive a fair conclusion on different research questions regarding the hypothesis.

The study was conducted among 51 candidates; this number was chosen because at the time of research there were 97 total participants attending the marketing program, making it a sample that can be seen as generalizable. Every entrepreneur that has been interviewed was interested in boosting sales and revenue by implementing an effective marketing strategy. Most were either unskilled or unexperienced with the process and steps that had to be taken and therefore approached Basic Bananas to gain further knowledge. Each entrepreneur had at least a year of entrepreneurial experience, some have been trying to introduce a new product or service whereas others just try to compete in existing markets. They were all looking for the golden egg, somewhere able to achieve major business growth but others were still looking for a marketing method that would help them obtain that goal. All of them agreed that having a website with digestible content has led to more traffic. This study will inform you on whether online marketing is actually a great benefit to today's marketing arsenal and look into why it is/isn't.

After all the research and analysing of the acquired data, the following facts have been established;

Social media is the most effective marketing platform, considering its cost efficiency, its reach, and the internet accessibility in Australia.

Online marketing is currently making a huge market penetration due to the national availability of faster internet. This correlates with Social Media being used as a marketing tool, and the quick turnaround on strategy implementation and adaptation.

These facts have made it clear that Basic Bananas should therefore adjust their current strategy. One of the recommendations on improving or adjusting their existing program would be adding an implementation session. This will help the organizations clients with understanding how to actually proceed with their written marketing plan. Due to this written report and its research, the directors of Basic Bananas have gained a better understanding regarding how small businesses and micro forms have the ability to quickly adapt to the rapid changing ways of marketing. The directors have also gained further knowledge on how clients are interested in integrating new methods to go alongside their older ways of marketing, but are especially keen on learning more about online marketing. It was also deemed essential for the clients to know how to actually adjust and implement marketing plans, whereas before the program at Basic Bananas did not contain such a session. Because of this research the directors came to the conclusion on their own to adjust their own strategy that should result in a better market profitability.

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Glossary of terms

AIDA Model	An advertising model that describes a consumers mind in certain stages.
Consideration Set	What a consumer would find a suitable substitute for certain products.
Content Marketing	Writing informative posts to educate potential clients
Inbound Marketing	Using certain marketing channels to draw in consumers and make them come to you.
Google Advertising	Showing you ads based on what keywords you searched for
Marketing Strategy	A strategy that confines and combines all the marketing aspects into a plan of action in order to be as effective as possible to receive the desired results
Micro Firm	A business with less than 5 employees.
Mobile Marketing	Marketing on a mobile phone (App ads for example)
Offline Marketing/ Prevalent/Traditional marketing	defines the way marketing used to be conducted, such as print media, radio, and television marketing
Online Marketing	Internet, Smartphone marketing
Outbound Marketing	Getting your brand out there and trying to reach the costumer by several methods that are considered too expensive.
Search Engine Optimization	Positioning your website properly to be found on essential key words
Small Business	A business with less than 15 employees
Social media	Social networking carried out over internet media
Word of Mouth marketing	Passing information from one person to another, usually the type of relationship you have with that person defines the credibility.

Chapter 1 – Introduction

Social media is the rise of today's marketing and every company is jumping on the bandwagon to make it as creative and original as possible, while trying to entertain and convert every consumer. As a millennium it is essential to find out if it is the new radio, if it will be able to live on for the next decades to come or if it is just another temporary marketing hype. From 1930 to 1980 there was a relatively peaceful coexistence between advertisers and their respected viewers (Evans, 2012). From the 80's onwards (Adage, 2010) (Hubspot, 2012) Marketing really blossomed especially through television, it became rather apparent that if you wanted to make it as a company you would need to construct a solid marketing plan.

Online marketing is a rather cost effective way to advertise your products or services in comparison to big advertising campaigns, or at least that is the case for small businesses seeing as international corporations tend to spend a significant amount on their marketing.

"In 2007, U.S. companies spent \$10.4 and \$7.7 billion on search marketing and display advertising, respectively, and together with other forms of online advertising such as email marketing, the total online media outlay was \$24.4 billion" (A supplement to Advertising Age, sd)

Fast-forwarding to the 2000's where marketing has grown enormously to compete for consumer's attention while trying to influence their buying preference. Companies have just begun to increase their marketing budget, especially when it comes to online marketing:

"Online media spending is expected to more than double in 5 years (i.e., \$60 billion by 2012) and to consume 18% of the total media expenditures" (A supplement to Advertising Age, sd)

This demonstrates that online marketing is on the rise and will continue to grow for the next few years; however is it a growing trend or merely a stepping stone to an even greater medium? And what are current entrepreneurs already thinking about offline marketing? Will they implement a new strategy optimizing online marketing?

1.1 Company introduction

Basic Bananas was founded in 2009 and is a small marketing agency based in Australia that helps elevate small business owners with their marketing and inspires them to become a key player in their respected market. Basic Bananas organizes events and workshops. These activities give small business owners a healthy dose of knowledge as well as proper insight on how to change their strategy. Basic Bananas is also able to manage their marketing strategies and make the required changes in order to be a more profitable company. Basic Bananas currently operates in Australia and is looking to expand to Los Angeles, USA offering their expertise to the local small business market if it offers enough potential. They do already operate in three major cities of Australia maintaining a yearly revenue of 1\$ million, these 3 cities being Sydney, Brisbane and Melbourne.

Basic Bananas focuses on these small businesses and micro firms the most because they often struggle in terms of marketing knowledge and implementation of marketing strategies. They reach out to these small business owners by online marketing such as by utilizing Google Ads or Facebook ads and other forms of social media. Small business and micro firms themselves focus on more local communities and generating financial stability for their company, the only key difference between the two is that small businesses tend to be a bit bigger (2-3 more employees) but both have the same goal. Basic Bananas also does a lot of offline marketing by holding events, free speaking gigs across Australia and having a referral system in place, which allows people to bring along a friend for free, helping to further spread the word of their business.

Basic Bananas mostly organizes these workshops called Blast-Off at their own head office located in Sydney, Australia. After the Blast-Off clients can apply for their most famous program called "The **Clever Bunch** mentoring program" which consists of half a day of training once a month. The applicant is first screened to see if they would appropriately fit the program criteria, and if they could actually benefit from the program. This is to ensure that it won't be a waste of money and time from both sides, but rather beneficial in helping the client in their marketing skills and expertise

The program works in such a way that you adapt your strategy in a structured manner with guidance from Basic Bananas, so that afterwards you can implement it for your own company in order to achieve direct results. What makes the Clever Bunch program so unique is that no other marketing agency offers a program that teaches you marketing, and helps you implement a strategy with selective guidance and proper advice.

The Clever bunch program consists of the following:

- **Monthly live sessions to work on your business in a systematic way**
- **Weekly helpdesk calls**
- **Weekly Webinars**
- **'Done For You' marketing to get stuff done (website and logo design)**

This illustrates how the program covers both Online and Offline marketing aspects, online the clients can tune in for Webinars or ask for help through different channels (Facebook, Forum, and Email). Clients get additional information online but are not missing out if they are unable to attend Weekly Webinars. Offline the clients gather at the main office in Sydney and get tutored on different marketing methods. However, seeing as there are also clients in both Melbourne and Brisbane the directors fly over to those cities and rent a certain room where those groups gather once a month as well, ensuring that no one misses out.

1.2 Company Expansion

Basic Bananas has no subsidiaries outside of Sydney, they rent conference rooms at certain Hotels to hold their events and workshops once they have a steady schedule which allows them to perform a headcount on sold out bookings. When Basic bananas acquire enough staff members and facilitators to host the workshops they will actually set up several physical offices outside of Sydney. That is their current expansion strategy for 2015 and is slowly being put into progress by preparing and training several facilitators. It is a long-term goal considering they have only occupied their own office for two years now while operating the business for seven.

When training these said facilitators, Basic bananas have to take into consideration what is still going to be relevant by the time they will actually start teaching their clients about marketing strategies. One of the main issues clients have with the program is that the program is more theoretical rather than practical and many of them don't know how to implement the digital strategies that are discussed as they are unaware of the capabilities of the digital world and how they can properly utilize them. Basic Bananas has been running their company for a few years, but has never changed much of their program. Content wise, they have only added a few pages to elaborate on certain topics, but once again this is purely theoretical. Basic Bananas therefore needs to know what kind of strategies are currently more beneficial for Small businesses, once they can answer this question it will be easier for them to actually construct an implementation session where the Clients will be able to actively execute the strategies that they have learned over the past few months. This will help clients to decide what they should spend their budget on and what has a better reach to attract more customers. This is essential for Basic Bananas to know so they can adapt their marketing program to be more beneficial to clients in practice.

At the moment of writing the program covers both online and offline marketing providing clients with several strategies to implement and naturally every single one of them works. However due to the age of the program, it needs some refurbishing to help clients achieve better results and having them focus on one approach.

1.3 Research Question

The Main research question is as following: "Online Marketing vs. Prevalent Marketing Practices: A Study of different Marketing Approaches for Micro firms & small businesses in Australia which one is more effective?"

The sub questions are phrased as the following:

1. Which marketing tools (Online/Offline) are currently most often applied for micro firms & small businesses in Australia?
 - o How effective is each of those tools?
 - o How do these strategies stack vs. prevalent marketing practices?
2. How does Social media marketing benchmark vs. those specific strategies?
 - o Which approach works better, optimization vs. integration?
3. Should Basic Bananas adapt their strategy to exploit their current market?

1.3.1 Research questions and their respected sub-questions:

The following questions will be explored during the Thesis; this is to prove one of the opposing statements for both research questions.

1. Which marketing strategies are currently most often applied for micro firms and small businesses in Australia?
 - o The prevalent (offline) techniques are as effective as the more recent modern ones

With this research question I have to conclude that prevalent marketing techniques were, or still are as effective as the more modern techniques (online marketing). However, the chances are likely that they are NOT as effective anymore due to the shift in technology and its marketing purposes.

This research question will be more about the reach and how the target group perceives the given company.

2. How does Social Media marketing benchmark vs. those specific strategies?
 - a. Social Media Marketing works better than any other marketing technique
 - vs.
 - b. Social Media marketing is the worst marketing technique.

To prove one or the other this research needs to show that Social Media is either the most effective marketing technique that results in the highest return on investment, or is the worst one to date.

1.4 Familiarization

In the first stage of this research; interviews and regular working days will be conducted to gain insight on the company's structure, culture and knowledge to properly phrase a hypotheses and the problem at hand. Considering that it is a small marketing agency with only five full time employees and a few interns the level of expertise is relatively divided.

The purpose of this stage is to see the amount of expertise the agency holds, but also to observe who delegates certain activities and what their personal take is on the research question at hand.

Chapter summary 1 and conclusion:

This chapter was about laying the foundation to which this thesis will be built on. To establish what the company is, its future plans and potential threats and opportunities, what has to be researched and discovered and what effects the outcome could provide. It is clear that Basic Bananas has potential grow; it just needs to find out how to properly approach the issue at hand. By phrasing the research questions we know what exactly has to be researched, and thus the next chapter will look into the literature that is relevant to the main topic which should be interesting.

Chapter 2 – Literature review

This literature review takes a look at other studies and research related to the same subject(s) or those relevant to it. The following pages will be filled with secondary research to see what research questions can already be slightly answered. This will also provide insight as to why the problem at hand is actually a problem.

Keywords that could be related to this subject are; online marketing, offline marketing, digital marketing, inbound marketing, outbound marketing, web marketing. The illustrated overview below will show you what tools and terminology are the most often used for both offline- and online marketing (Kotler, 2010) (Raaij, 2011).

Offline Marketing

Radio
Television
Billboards
Newspapers
Magazines
Catalogues
Brochures
Direct Mail
(Kivilo, 2013) (Kotler, 2010)

Online Marketing

Search Engine Optimization (SEO)
Google Advertising
Content Marketing
Mobile Marketing
E-stores
E-mail Marketing
Social Media
Banners/Headers

Advantages of:

Offline Marketing:	Online Marketing:
▪ Face-to-face	Low costs
▪ Direct response	High reach
▪ Reaching a specific audience	Results are easier to measure
▪ Tangibility	Infinite targeting options

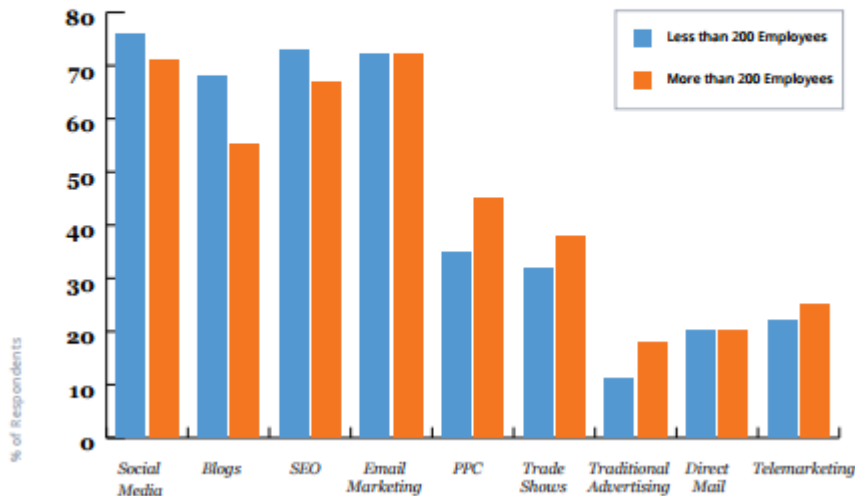
2.1 Existing research data - Sub question 1

By knowing what kind of research and results are available, we can refine the main questions and its respected sub questions to gain a better understanding and acquire the results needed to prove the hypothesis.

Which marketing strategies are currently most often applied for Small Businesses in Australia?

WHICH LEAD SOURCES HAVE BECOME MORE IMPORTANT (OVER LAST 6 MONTHS)

Small companies had a head start at inbound; large companies are closing the gap



(Hubspot, 2014) exhibit 1

This graph demonstrates that small companies put more effort in digital and online marketing compared to 'Traditional Advertising'. Small businesses have the advantage of being able to quickly adapt to the ever changing technology and its marketing opportunities (Hubspot, 2014). The survey defined 'small businesses' as companies that have less than 200 employees. We shall be asking actual small businesses with less than twenty employees. These businesses are also operating locally rather than internationally or regionally as the clients in the program are more focused on ways to approach the locals rather than doing marketing on a big scale. However, that doesn't mean that exhibit 1 is completely irrelevant, because it shows that small businesses can actually outperform bigger companies. Whereas most entrepreneurs think it's the other way around due to the scarcity of both time and resources.

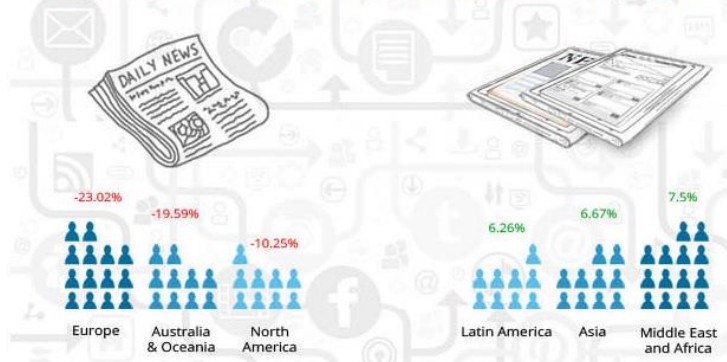
The prevalent techniques are as effective as the more recent modern ones.

Is partially answered by the same mentioned graph (exhibit 1), small business owners invest more time, effort and money into online marketing than offline due to the shift in technology. However are the prevalent ones as effective or more effective than the modern ones? We shall have to look at the statistics given below because they are more relevant to this question.

Offline Marketing is here to Stay

Around 60% of world's population does not have an internet connection. Marketers need to have an offline strategy to tap them.

Growth of newspaper circulation worldwide in 2013 by region



(Co, 2014) exhibit 2

Though offline marketing is decreasing in some continents it is still expanding in others, as the graph states not everyone in the world has access to Internet. Looking at the Australian market the graph illustrates that newspapers, one of the offline marketing channels, has decreased in its circulation, showcasing that offline marketing is no longer as effective as the more modern methods making it relevant to its research question.

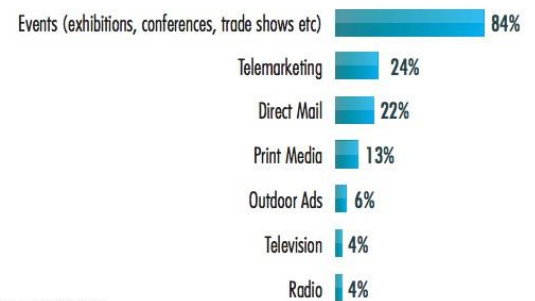
exhibit 3 (Regalix, 2015)

This graph (exhibit 3) illustrates that certain offline marketing methods haven't been that effective in 2014 as well. Showing once again that offline marketing is in fact slowly dying, and using older channels isn't going to be that effective anymore.

Exhibit 4 shows that most of the online marketing techniques have a better grasp on achieving a business's marketing goals. This survey and its results were completed by a group of educated marketers who have been around for several years and know how to evolve and implement, they know how to optimize their marketing strategy. This research however looks into how much small business owners know about online marketing. Will they need to study more? Or do they feel like digital marketing isn't effective at all?

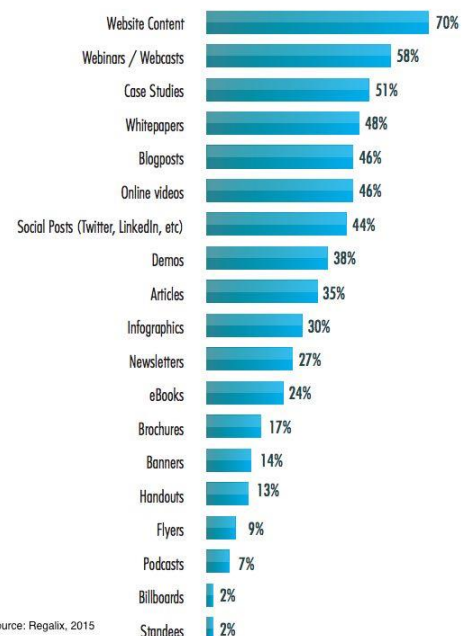
(Regalix, 2015) Exhibit 4

Which of the following offline distribution channels proved to be effective for the accomplishment of your marketing goals in 2014?



Source: Regalix, 2015

Which of the following content assets proved to be effective for the accomplishment of your marketing goals in 2014?



Source: Regalix, 2015

There are many different factors that have to be taken into consideration when looking at online marketing, such as exposure, amount of ads, time spent online versus offline, viruses, credibility, and placement of ads.

"Australian marketers will spend \$241m on social channels in 2014, rising to \$322m next year, \$410m in 2016, \$502m in 2017, \$601m in 2018 and \$706m in 2019." (Australians Marketers, 2014)

Business Use of Information Technology, selected indicators(a), 2011-12 to 2013-14

		2011-12	2012-13	2013-14
Estimated number of businesses(b)	'000	776	770	757
Businesses with:				
internet access	%	91.9	92.6	94.7
web presence(c)	%	44.6	47.2	47.1
social media presence	%	18.1	26.1	30.8
Businesses with internet access:				
broadband as main type of connection	%	99.2	99.6	99.2
Businesses that:				
placed orders via the internet	%	55.3	53.4	56.0
received orders via the internet	%	27.8	30.2	33.2
Internet income(d)	\$b	237.1	246.4	266.8

(Bureau Of Statistics, 2015) exhibit 6

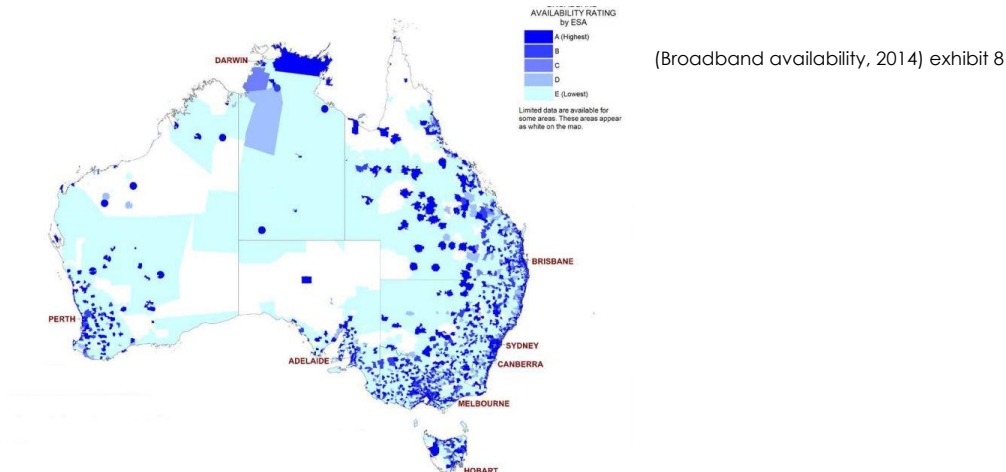
The Australian Bureau of Statistics has a rough estimation on how many Australian businesses have access to internet, web presence and more importantly social media presence. Plus, it's another excellent example of how online marketing is rapidly increasing its popularity among business use.

(Traditional vs Online marketing, 2014) exhibit 7

Small businesses and micro firms might have a leading edge over bigger companies but fall short in comparison of resources (Wells, 1994). That's why it is essential to find out how much it would cost a company to reach an audience by either using offline or online marketing. Exhibit 7 gives us a rough estimation on how much you would need to spend to reach a certain audience. The amount spent in order to reach your target group would be cheaper for both small businesses and micro firms by using online marketing as opposed to offline. This could potentially increase a business's revenue in comparison to traditional marketing but could also save them time and other resources. This makes this graph relevant to this research because we are only interested in small businesses and micro firms since they have to find more cost efficient ways to get the same amount of results.



Companies are anxious regarding budgets, it would be sensible to look at the actual target group of a company as well. Especially in a country such as Australia where geography is an important benefactor of one's marketing formula.



The map gives you an overview on where a stable internet connection is available, Australia is known to have most of its population (98% (Population of Australia lives, 2013)) living on the coast. Giving any entrepreneur a huge market to compete in, which is troublesome at the same time because you tend to have a lot of competitors within the same area. It is also worth considering the majority of Basic Bananas clients target groups are within Sydney, Brisbane, Canberra and Melbourne. It illustrates that considering the geography of Australia, using online marketing shouldn't be a huge obstacle, and can definitely be utilized for a marketing strategy and become a company's main marketing tool.

2.2 Online marketing related issues – Sub question 2

How effective is each of those marketing tools?

Different websites and blogs suggest several problems and issues that come with Social Media or Online marketing. Considering they are all subjective it was necessary to refer to other researched papers and published books. From a consumers perspective Social media marketing can be seen as a nuisance in comparison to older marketing methods, due to its heavy amount of exposure and credibility of advertisements (Evaluating Internet Marketing, 2007). More than half the world uses the Internet nowadays (3 billion people, (Internetlivestats, 2015)) and companies tend to use online marketing as their regular marketing tool, instead of using it as an extent to their current marketing toolbox. This however could prove to be an excellent strategy considering that it in 2020 the mobile phone will be primary platform to influence consumer's behavior (Nancy Lee, 2011). Whereas other companies tend to print their various communication channels on their brochures, flyers, calendars, bumper stickers or business cards making it a perfect balance between both modern and traditional marketing utilities keep both online and offline marketing in the game (Parsons, 2009). However, when referring to previous exhibits you can conclude that online marketing is the most effective marketing tool at this moment. Which then looks at different subjects on what kind of online marketing tools are effective, and how effective they actually are

in comparison to offline marketing. If you were to combine the best of both worlds a company could maximize its full potential (Evaluating Internet Marketing, 2007).

How does Social media marketing benchmark vs. those specific strategies?

An ongoing backlash of online marketing is that consumers are already annoyed with spam and pop-ups. The same can be said for Offline marketing seeing as consumers came up with the Do-Not-Call-List (Evans, 2012) or stickers on their mailbox saying "No unaddressed mail/Spam".

Certain studies have shown that it is vital to spend more money on the less effective medium to reinforce the more effective one (Naik, 2007) (Evaluating Internet Marketing, 2007). However, that is only applicable when the online and offline are strategized to co-operate and therefore boosting ones performance by what's lacking when compared to the other (Evaluating Internet Marketing, 2007). For example: if you send out a direct mail to your database with your website and phone number, then people might not call you straight away but they might be visiting your website instead. Such a strategy demands a higher budget on your offline marketing (direct mail) than to your online marketing (your own website).

Another issue could be the time and devotion required for online marketing. When resorting to offline marketing it is a matter of having a strategy in place, upholding that strategy, launching the campaign and waiting for the results by measuring changes in sales.

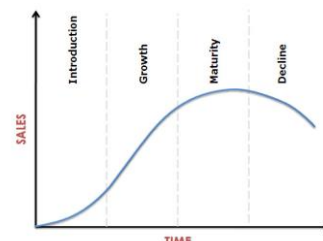
When launching an online marketing campaign you are constantly monitoring, adjusting and responding. Making it very time consuming; perhaps more so than offline marketing (Mckinseyonmarketingandsales, 2014). These are all factors that a micro firm or small business cannot always afford and might only be able to focus on one tool such as Social Media.

Though technology has rapidly changed the world around us and with it the way consumers are exposed to marketing, one has to wonder, will online marketing have as long a lifespan as the prevalent methods?. Companies are spending (Forbes, 2013) billions on online marketing and in comparison have spent more on online marketing than on offline (Forbes, 2013).

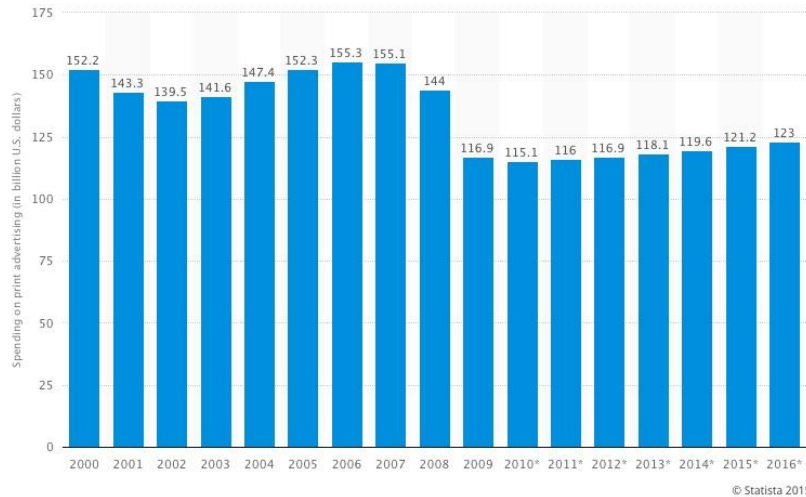
Although Marketing isn't exactly a product you could say that online marketing is at its growth stage of the Product Life Cycle. This is relevant to know as more companies get on board and spend huge amounts of money to reach their target group. It could be considered a waste of investment if online marketing is not going to be around longer than 2-5 years.

(Kotler, 2010) (Notedesk, 2009) exhibit 9

As with every product/service and its market there is bound to be competition (Yildirimturk, n.d.) however, with online marketing there is a higher risk factor that has to be taken into consideration due



to amount of research a consumer can conduct. This entails that online consumers are more progressive than offline ones, which will be researched thoroughly with the questionnaire. The answer to that question will be relevant to prove that online marketing is still growing and improving (the growth stage) or could it be that online marketing is in fact already at its maturity stage and slowly declining?



(Statista, 2015) exhibit 10

Research (exhibit 10) shows that worldwide spending on print advertising has been decreasing over the past six years. However, the upcoming two years are looking a bit more promising with a small improvement on the amount of spending done by companies for printed collateral. This

provides a slight indication that online marketing might already be declining without most of us realizing it.

Statistics are important when looking to implement a marketing strategy, but that is not the only piece of the puzzle that needs to be considered. What is really essential is finding out your consumer's behavior within the target group. You need to find out how they think and feel regarding your product and brand, do they recommend you to their friends? What about consumer's retention? Such answers can have a heavy influence on your marketing campaign.

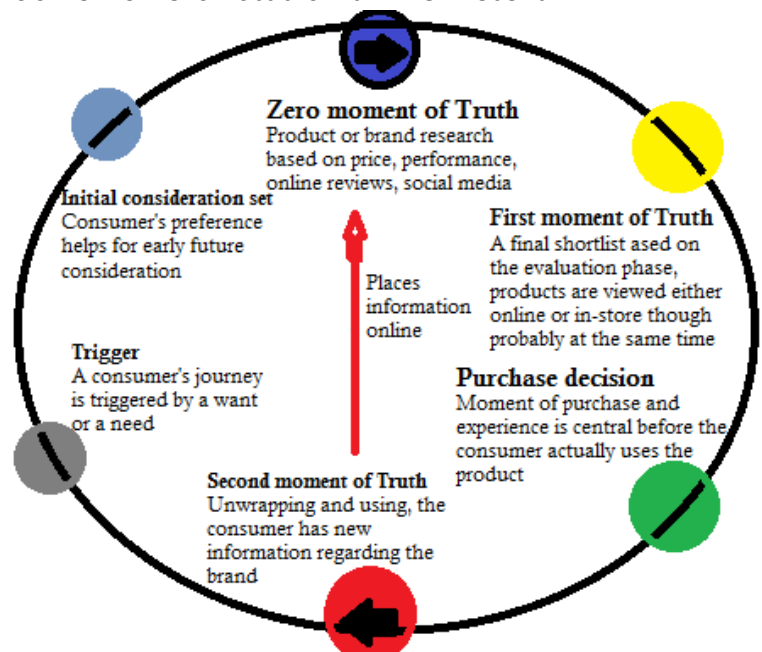
2.3 Change in consumer behavior

Consumer behavior has been rapidly changing throughout the past two decades due to the changes in technology. Consumers went from videotapes to DVD's to Video-on-demand, from landlines to mobile phones and finally smart phones. All these technological evolutions have changed the landscape in consumer behavior. Mobile phone providers for example have overhauled their business model in order to maintain a healthy revenue stream seeing as consumers were no longer using their minutes (Digitaltrend, 2013) (Mckinseyonmarketingandsales, 2014) (Nancy Lee, 2011). Instead they are fanatically using their provided mobile data to browse on the internet, use social media, or stream music.

Due to this digital shift consumers have also changed their buying decision behavior. Previously, a consumer would walk into the store and ask for guidance to ensure they would pick the most suited option. They now consult their smart phones and online data, creating a barrier for retail assistants which results in marketing departments doing their utmost best to be present and prominent on the internet (Marketing Spending, 2015).

(Smartinsights, 2014) Exhibit 11

Zero moment of Truth: Product or brand/service related research to obtain as much information as required in order to justify its purchase while ensuring a peace of mind that the particular product was the best option.



First Moment of Truth: A final shortlist is set, based upon the evaluation phase from the previous step. Products are viewed either online or in-store but most probably will be done at the same time.

Purchase decision: Moment of purchase where emotions and experience is central to how the consumer feels about the brand and the retailer the product was purchased. Is the consumer excited or happy before the consumption takes place?

Second moment of Truth: Unwrapping, unboxing and using the product, the consumer now has actual information and can help sort out future consumers.

Trigger: A consumers journey is emotional, trigged by a need or want, influenced by internal or external stimuli, that trigger doesn't always derive from advertising or brand exposure.

Initial consideration set: Consumer's mind has been set with a preference helping them with an easier consideration for future purchases.

There are many theories and models concerning consumer behavior such as; the AIDA Model, Howard-Sheth Model, Stimulus-response model (Kotler) (Kotler, 2010) and several others. These models can help marketers understand how consumers react and process the message of a marketing campaign and more importantly how they can influence it. These models have become essential for marketers to get a better understanding of the consumers mind. However, due

to its lifespan it might be less applicable to today's consumers mind seeing as marketing is being broadcasted through different platforms. It could be more beneficial for a small business to look at the predicted marketing trends of each year; here are the consumer behavior trends for 2015:

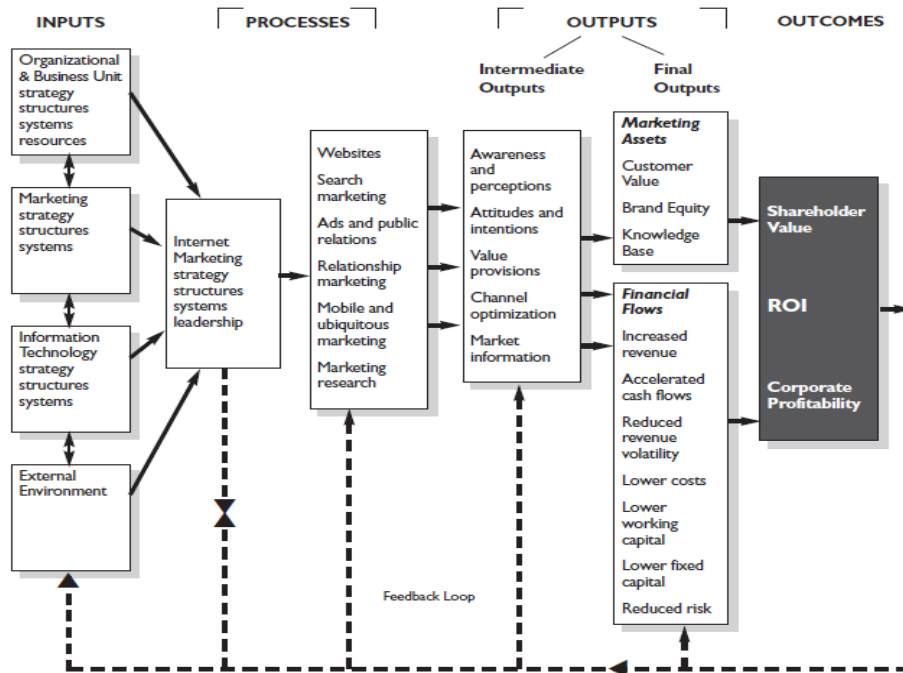
1. Instant Skill, No longer what you have but what you can do or create
2. Fast-laning, Fast queues and order processing (Starbucks App for example or the MacDonald's self-serve computers)
3. Mobile payments with fair splitting options, using model payment is on the rise, but being able to split the bill through your App is even more of a Wow-factor to your consumers.
4. Internet of sharing things, being able to use digital instruments with more classic items, such as a bicycle lock that can be unlocked through your phone.
5. Branded Government, consumers want to see their governments working hand in hand with businesses rather than one hiring the other for certain projects.
6. Post-Demographic consumerism, demographic targeting doesn't work anymore when you have a successful product.
7. Currencies of change, give your costumer a more personalized reward for sticking with your brand.
8. Sympathetic pricing, soon-to-be-wasted food discount prices or welfare shops.
9. Robotlove (Rise of the Robots), Decreasing manufacturers costs and increase employees satisfaction
10. Brand stands Consumers feel that business should help address certain issues. (10 trends for 2015, 2015)

Some of these above mentioned trends can be very helpful for certain businesses as they can be ahead of the curve while impressing their consumers. And receive a positive word of mouth throughout their social channels.

Howard and Seth consumer behavior model

(Evaluating Internet Marketing, 2007) (Market Research, sd)

Exhibit 12



Entrepreneurs have to be wary regarding its company's expenses and income. By using the Howard and Seth consumer behavior model you can predict certain outcomes or what it could potentially offer you. This is the consumer model with the investments and consequences regarding internet marketing. This model includes inputs, processes, outputs, and outcomes that can help small business owners understand what kind potential certain marketing activities have.

Inputs: Influences and drivers that help businesses develop a structured strategy.

Processes: Activities that are undertaken by the entrepreneur, in simple terms; acting out the given strategy.

Intermediate Outputs: The consumer impacts or information it could provide for your business.

Final outputs: Customer value, increased revenue, ROI

Together these components ensure a healthy marketing strategy and most essentially the feedback loop. For a small business it is vital to get feedback from their consumers (Forbes, 2011). During the Basic Bananas course they teach you to always ask for feedback, no matter how positive or negative. The Howard and Seth model demonstrates that it can help you achieve results from any provided feedback, the more you know about your costumer the better. This approach can help increase your revenue and improve on your marketing techniques to help evolve and grow your business (Forbes, 2011). A business should always be open

to any feedback so it can improve itself and gain a competitive advantage by adapting to consumer wants/needs.

Chapter 2 summary and conclusion:

Chapter 2 was all about finding secondary data that can be used to partially answer the research questions at hand. This has been extremely helpful due to the objectivity and scale of found research. This has shown that many others wonder on how effective online marketing is, how much companies spend on it, and online marketing's' longevity.

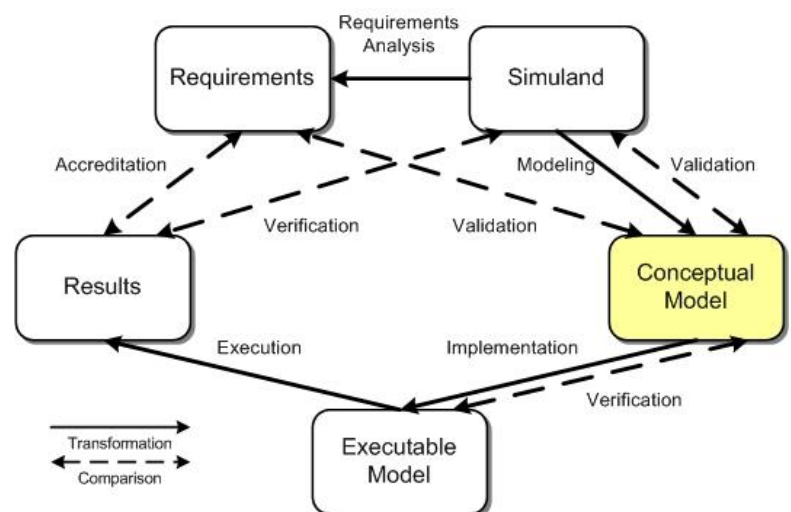
When Basic Bananas own clients have to fill in the survey they might be a more subjective, but with the amount of data that has been collected in this chapter it can give the research proper credibility.

Chapter 3 – Methodology

The aim of this research is to analyze what marketing strategy is the most effective in the Australian market and how Basic Bananas could utilize this information to adapt their own approach and position.

Through this adaptation Basic Bananas could become more successful not only in Australia, which currently offers the most potential but in their future market(s) such as the US as well. This information is vital and can help solve the problem of the Clever Bunch program. The current problem that the program has is that it is too general, not every company can implement the same strategies which results in frustration, lack of motivation and waste of resources. Through this research it can become clear on what else can be offered within the Clever Bunch program or what could possibly be added to help every client on an individual level. Once this problem has been dealt with and proves to be successful Basic Bananas can showcase that the Clever Bunch program is indeed applicable for any kind of business, worldwide.

The model used to research and validate the given research questions is the "Conceptual model" by Sokolowski (Sokolowski, 2010), as illustrated below it has certain steps in order to achieve desired results. By following each step it would be beneficial to look back and link it in order to stimulate and publicize valid information. By using such a method it would be more transparent to accumulate where the data comes from.



(Sokolowski, 2010)

exhibit 13

J. Sokolowski, C. Banks, Modeling and Simulation Fundamentals: Theoretical Underpinnings and Practical Domains, Wiley, 2010, pp 333

3.1 Research approach

Whilst preparing the research proposal it became apparent that in order to conclude the given research questions, a questionnaire in form of a survey was required. When a questionnaire will be conducted several scaling models can be used to quantify its results, such models are; Likert scale, ordinal, interval, ratio, rating scale, Guttman scale or dichotomous (Patton, 2001). For this survey we chose for the dichotomous approach because it makes it quantifiable seeing as the questions have to be answered by numbers. More importantly the dichotomous approach is also cost effective, flexible, and easier to accumulate the amount of respondents needed for the outcome to be credible (Patton, 2001). The survey was handed out in a paper form during a big event hosted by Basic Bananas themselves, this approach was chosen so they didn't feel pressured to fill it on the spot but could still be held accountable if they didn't fill it in. Due to the lack of papers returned we later approached them face-to-face and asked them to return it later on to ensure we would have a good hit rate 51/97 (52%).

The main questions that had to be answered through this survey were as following:

1. Which marketing strategies are currently most often applied for micro firms and small businesses in Australia?
2. How does Social Media marketing benchmark vs. those specific strategies?

While they have partially been answered by desk research which is both old and new it is still vital to find out what how the clients of Basic Bananas feel about this change of marketing tools. In order to answer those two main research questions the following 8 survey questions came into place;

1. How long do you own a business for?
2. Do you feel like you know your marketing because of Basic Bananas?
3. Do you find modern marketing techniques such as Social Media, e-mail marketing, and digital marketing more efficient and effective in comparison to older marketing techniques (print, TV, radio)?
4. Would you agree that you have had a bigger reach and better brand awareness through the means of Online marketing?
5. Would you agree that the future of digital & online marketing has a longer lifespan than previous marketing methods (print, TV, radio)?
6. What is the attitude of online consumers vs. offline consumers?
7. When it comes to your Social media channels, what works better; Optimization or Integration?
8. What marketing subject would you be interested to learn more about?

These questions were chosen to establish the amount of expertise and experience. Followed by five quantifiable questions that can be measured to come to an effective conclusion. Help establish a new strategy for Basic Bananas, but also understand what motivates Basic Bananas clients. All the questions were carefully chosen after setting up a list of various questions that have to be answered to establish a solid conclusion. They were handpicked and

refurbished by the directors of Basic Bananas after the literature review was presented to them.

3.1.1 Validity

To ensure that they answer it honestly the survey was to be filled in anonymously, meaning that none of the clients had to write down their name (Snapsurvey, 2012). Any corresponding issues that might arise when it comes to answering the survey would have come from either question 2 or question 5. When it comes to question 2 it is the subjectivity of these clients. Or the validity for question 5 seeing as no one can actually predict the life span of online marketing; it has only started off in the last decade. It is nearly impossible to say that online marketing will out live most of us while still being as effective or perhaps even more so during its lifespan. The size might not be as scalable as hoped for, considering that this is just one small group of entrepreneur's north of Sydney. The outcome could be completely different to the same size group in south of Sydney. That doesn't take away the opportunity that Basic Bananas has with the provided information.

3.2 Analyzing steps



1. First we had to conduct and collect the interview, to have actual primary data that can be analyzed for this research considering that desk research itself wasn't enough to answer the research questions.
2. Second we had to validate that the number of data collected was enough to generalize and was actually reliable for Basic Bananas to base their new strategy on.
3. The analyzing status was to look at every question's outcome separately and find any pattern in case possible.
4. The outcome of the analyzing process would then be put into graphs and figures to have a solid foundation for the conclusions.

3.3 Analyze

Out of the 97 clients that were following the Clever Bunch program tutored by Basic Bananas, 51 replied successfully. Those results were sufficient enough to conclude that the outcome would be generalizable and thus prove solid grounds for Basic Bananas to act on (Patton, 2001). These results were measured and processed through Excel and SPSS. Every answer was given a number 1-4, then processed into a graph which would be easier to read and showcase. These graphs were then connected with one another to find any potential correlation that might prove more insight as to why certain questions are the way they were

answered. Not every correlation offered any beneficial information but some questions had some interesting additional insight which is discussed in Chapter 5. After the analyzing stage it was time to conclude and demonstrate the findings to provide Basic Bananas with some valuable facts and figures that could change their business and its future growth.

Chapter 3 summary and conclusion:

There are many different research models out there to measure and analyze and eventually come to a certain conclusion. The above mentioned models will be used to finalize this report while clearing up on how to approach every step. This has been helpful to clear up any obstacles along the way and forming this report the way it came to be. Especially remodeling and revalidating, the research models have been an essential part of the entire process and would recommend the Conceptual model for anyone else to use during their projects.

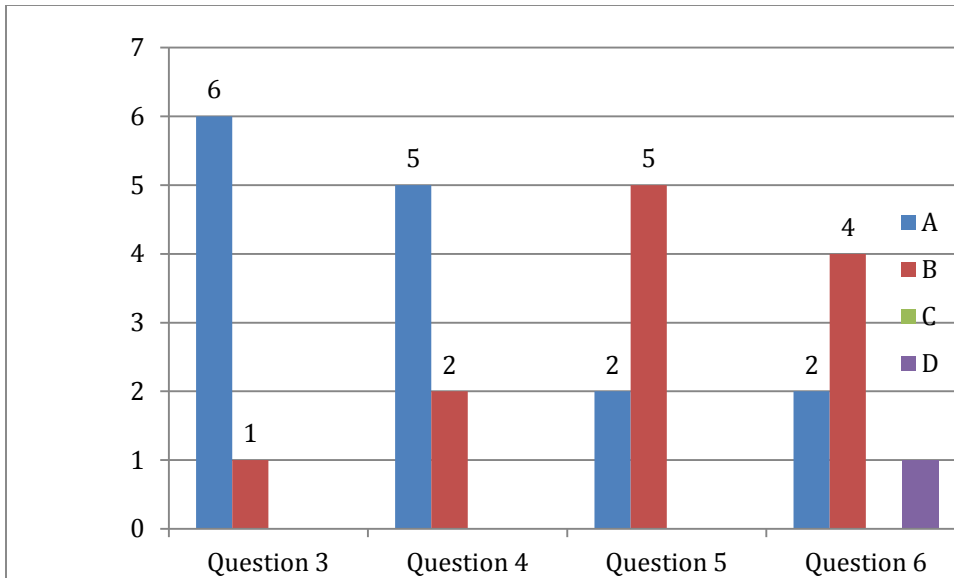
Chapter 4 – Findings

The following pages will consist of the research that was conducted through quantitative research. The quantitative research was entirely subjective and only been answered by entrepreneurs who were Basic Bananas clients.

We start off reflecting at the employees working at Basic Bananas. The aim of approaching it this way was to get familiar with how actual Australian marketers feel about online marketing. Once it has been established how they see the future of online marketing, seeing as they are actual professionals. We can then proceed to ask the clients of Basic Bananas on how they think marketing works, including its methodology.

Below given figure is the Familiarization stage (p. 10 Familiarization)

1. Your current position?
2. What is your education background?
3. In the time that you have worked at Basic Bananas have you become aware of more recent and modern marketing techniques?
4. Do you find modern marketing techniques such as Social Media, e-mail marketing, and digital marketing more efficient in comparison to older marketing techniques (print, TV, radio)
5. Would you agree that the future of digital & online marketing has a longer lifespan than previous marketing methods (print, TV, Radio)
6. What is the attitude of online consumers vs. offline consumers?



The seven positions related to question 1 were as follows; Director, Content Marketing Manager, Junior Manager, Marketing Account Manager, Relationship Manager, Graphic designer and Admin.

Question two was in regards to their educational background and all the employees had a bachelor, diploma or master degree in marketing.

As illustrated the research was filled out by 7 employees of Basic Bananas that each attain a different field of expertise (mentioned above).

All employees have been working at the company for a duration of 6+ months, gained marketing knowledge from previous jobs and share an interest in social media and the possibilities it offers for marketing related matters. They demonstrate the acknowledgment of online marketing, especially where questions four and five point out that online Marketing is far more reaching in this day of age, however it will not last as long as offline marketing or at least according to their opinion which will be interesting to compare to the results of the organizations clients.

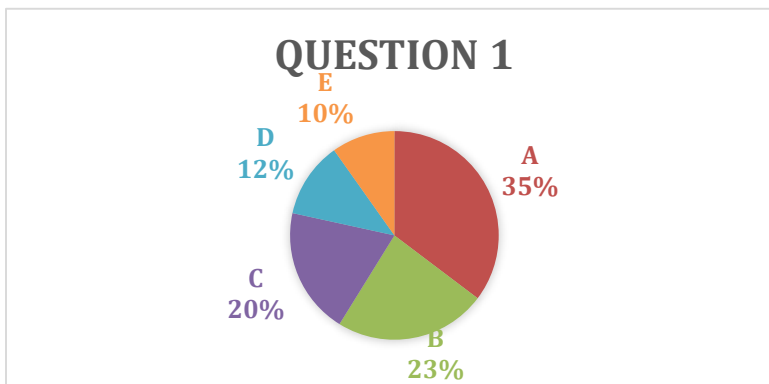
On the next few pages you will find the outcome of the questionnaire in the form a survey that was only answered by Basic Bananas' clients. Those clients are either small business or micro firm owners and are looking for new ways to generate more revenue and achieve company growth.

Question 1 was to find out how long the entrepreneur was in business for. This is to establish their experience in both owning a business and any marketing knowledge that they may have obtained throughout those said years.

The question was phrased as the following:

1. How long have you owned a business for?

- a. 1-2 years
- b. 2-4 years
- C. 5-10 years
- d. 15-20 years
- e. 20+ years

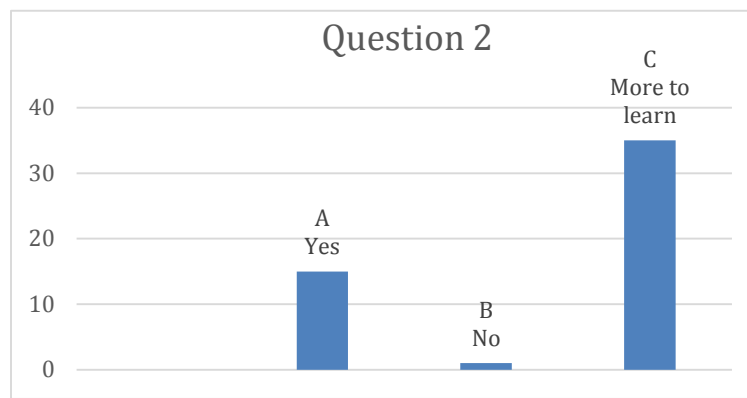


Many people in the program are just starting up their business and are unsure on how to properly strategize their marketing. As shown above, there is a large group of entrepreneurs that have only had a business for 1-2 years. The vast majority consist of business owners who've been in the business longer than 2 years. This gives the results more credibility knowing that they have been around for a while and have seen or perhaps used different marketing tools.

Question 2 was aimed at helping Basic Bananas pinpoint if they needed to improve and where.

2. Do you feel like you know your marketing because of Basic Bananas?

- a. Yes
- b. No
- C. I still feel like there is so much more to learn

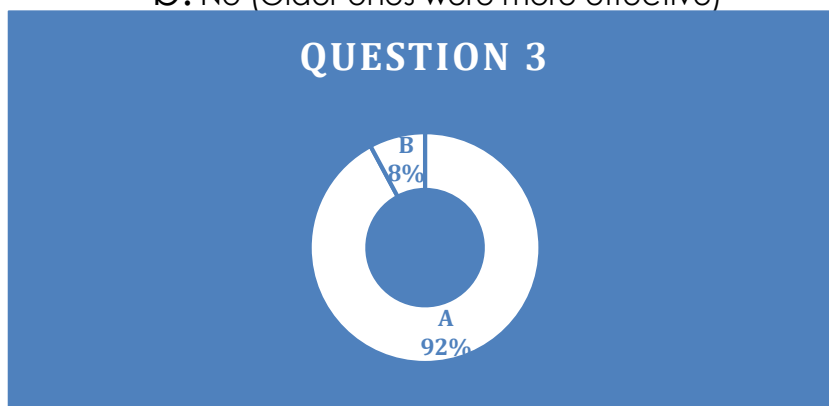


As can be seen by the figure above, 35 respondents felt like they could learn a lot more about Marketing, indicating that there is an opportunity for Basic Bananas to explore. The question remains as to what they would like to learn exactly, which is another question in the survey to get a better understanding of what is currently lacking in the Basic Bananas program. At the same time this graph is slightly worrying because there is only so much the program could offer, leaving it to question if most people are walking away from this program with complete satisfaction. Another opportunity Basic Bananas could look into is to ask for feedback as discussed in the Howard and Seth model to ensure that their clients walk away satisfied. And feel like they have gained as much knowledge as they possibly could have in those 10 months of training.

Question 3

The following question might be the most important one of the entire survey; this will be the base of the hypothesis and demonstrates how small business entrepreneurs feel about modern marketing methods vs. prevalent ones.

3. Do you find modern marketing techniques such as Social Media, e-mail marketing, and digital marketing more efficient and effective in comparison to older marketing techniques (print, TV, radio)?
 - a. Yes (Modern marketing techniques are more efficient)
 - b. No (Older ones were more effective)

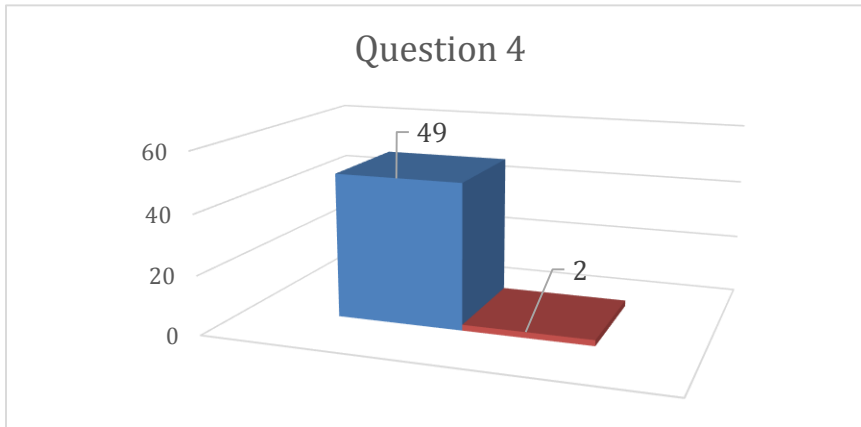


92% of respondents agree that "Yes" the modern marketing techniques are indeed more efficient than the prevalent ones. The given results are excellent material for further conclusions. They are also interesting enough to correlate with other questions to find any links based on their amount of expertise, experience, and what they are hoping to learn in the near future.

Question 4

This question will enhance previous results and emphasizes the current and upcoming trend of online marketing.

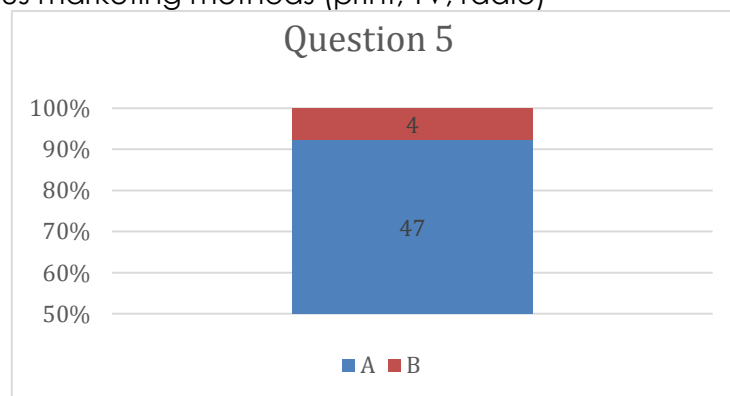
4. Would you agree that you have had a bigger reach and better brand awareness through the means of online marketing?
- a. Yes
 - b. No (Offline marketing gave me better results)



The results illustrate that online marketing is indeed more effective; however there is a small amount of respondents saying that it is not as effective, which can be linked to the results of Question 3. Whereas a small amount of participants also say that older methods were more effective. The result also enforces previous statements that entrepreneurs can see a significant increase in profitability when using online marketing.

Question 5 was aimed at getting an insight in people's mind on what they think concerning the lifespan of the current online marketing tools. Considering that preceding results show that current online marketing techniques are more effective than prevalent offline ones.

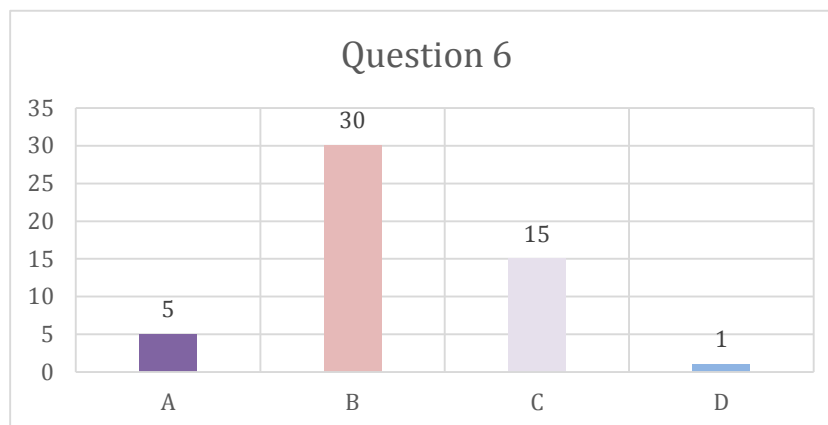
5. Would you agree that the future of digital & online marketing has a longer lifespan than previous marketing methods (print, TV, radio)?
- a. Yes
 - b. No



92% of the respondents think that digital & online marketing will indeed last longer than previous marketing mediums. The first commercial ever made was on the radio in 1922 ^(First Radio Commercial, 2012) which means it is over 90 years old by now. Which is quite a long time to overcome, perhaps the way we receive data might change in terms of shapes or transmission. Only time can tell how long online marketing will stay among us.

Question 6 was designed to find out the consumer behavior or the entrepreneurs perspective regarding their respects consumers.

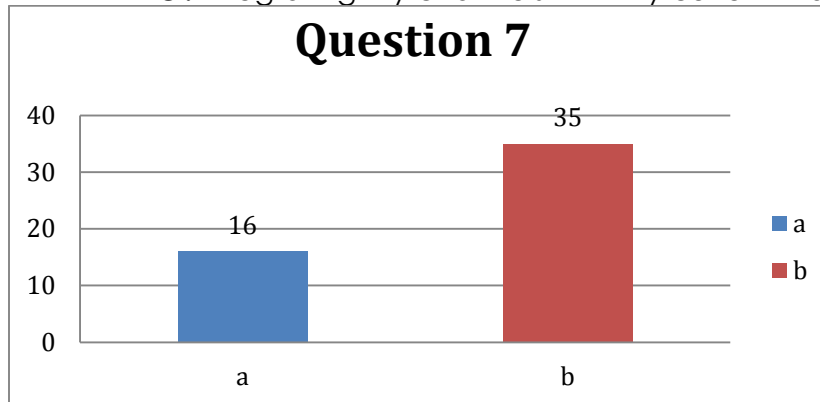
6. What is the attitude of online consumers vs. offline consumers?
- a. Online are more conservative than offline
 - b. Online are more progressive than offline
 - C. Offline consumers are more conservative than online
 - d. Offline consumers are more progressive than online



Most entrepreneurs find that the attitudes of online consumers are more progressive than offline consumers. This means that online consumers are more up-to-date with what's out there, both in terms of existing products/services and marketing mediums that they get exposed to. For an entrepreneur, this creates heavy competition in their respected market. Entrepreneurs therefore have to find different ways to reach out to their target group in order to increase sales/revenue. Offline consumers being more conservative entails that they don't easily switch brands that they are familiar and comfortable with. Creating difficulties for entrepreneurs to have them switch over to their business and its products. You often see that companies offer a cross-grade promotion giving you a certain discount if you switch over to their services instead of the competitors. This is only effective for certain business with particular business models and it is unlikely that all entrepreneurs/clients within the program are able to provide prospects with such a promotion.

Question 7 will uncover how clients feel about their social media channels and the way they prefer to handle it.

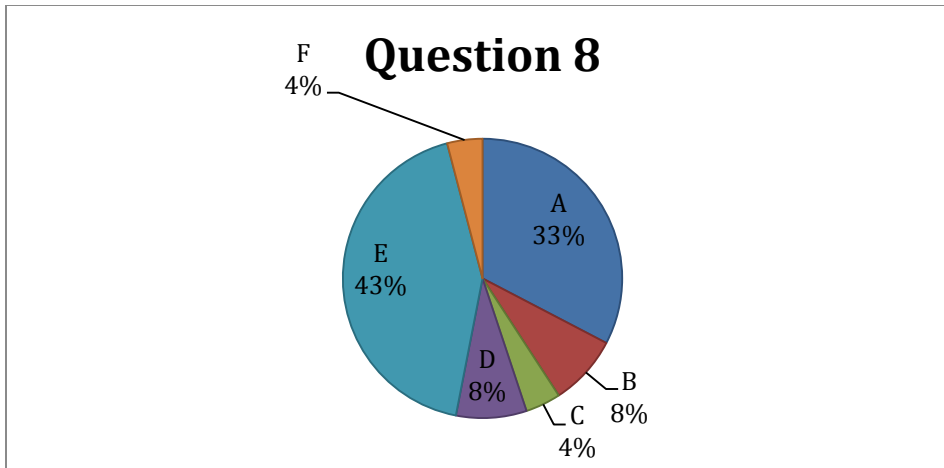
7. When it comes to your Social media channels, what works better; Optimization or Integration?
- a. Optimizing my channel(s)
 - b. Integrating my channels with my current marketing strategy



A majority of 35 respondents have said that integrating it with their current marketing strategy feels more useful to them and think it is probably more beneficial than just focusing on Social Media itself. These results show that entrepreneurs are aware that Social media is a useful platform but not the key marketing tool to use. But rather that it serves as one of the major pillars to the entire strategy. This correlates with the fact that they think that online marketing will have a longer lifespan than prevalent marketing techniques.

Question 8 is displaying what the entrepreneurs are currently interested in learning. Earlier on we asked them if they feel like they could learn a lot more and now we can pinpoint what subjects they are potentially interested in.

8. What marketing subject would you be interested to learn more about?
- a. Online (Social media, SEO, Mobile, Email, Google ads)
 - b. Offline (Print, radio, TV)
 - c. Design
 - d. Sales
 - e. Integration
 - f. Other,.....



Question 8 proves the credibility to support question 7. Over 40% of respondents want to learn more about Integration because they feel like it provides a better marketing strategy rather than just optimizing it. What could have been a follow-up question to this is: do you still use any offline marketing material? However due to the broad spectrum of marketing tools that are available it would have been a nuisance to correlate it with the current outcomes.

Now that the 8 questions have been briefly discussed and we have looked at the results, it is time to conclude them and link them back to the research questions.

Chapter 5 – Conclusions

The following conclusions are based on the previous chapters and have been researched on various levels before reaching this outcome. Every page shall be based on the previous graphs and the correlation between them; this is done to make matters both understandable and credible.

Question 1 and 3

Question 1 (p.29) and 3(p.33) are to find out how long entrepreneurs have been in the business for and determine if their years of knowledge are actually feasible. The majority have been in the business for 2+ years, which concludes that those business owners have been trying various marketing methods as an entrepreneur. This directly links to the overwhelming fact that 92% have said that they find online marketing methods more effective and efficient than the prevalent ones. It clearly relates to what kind of business and market you operate in hence to why there is still 8% saying that: No, the older ones are more effective. Some consumers are just easier to reach through those older methods, depending on the demographic segment and in Australia even geographic

factors which have been discussed at p. 17. It would have been interesting to see when they switched to online marketing and how much their business increased with it to make it more in depth. However, both graphs clearly demonstrate that entrepreneurs are more interested in using online marketing methods as opposed to prevalent marketing techniques.

Question 2 and 4

Whereas question 2 and 4 will illustrate the effect of online marketing and if entrepreneurs feel like they could achieve more results by learning about online marketing, 49 responders had said that they had a bigger reach with online marketing in compared to older marketing techniques but at the same time felt like that could learn a lot more about proper utilization. What has to be taken into consideration with that particular outcome is that every business has a different mission. They might be looking to expand; to generate a certain number of sales at the end of the year, or become the most popular brand in their market. Either way the Clever Bunch program explains how to use the tools. How a company implements it is their own doing and initiative. The program prepares them on how to do it, but if they choose to do their own way and tend to be unsuccessful it could cause frustration. This is why it is also important for the entrepreneurs to keep in mind that you can ever learn enough about marketing, and 35 people agreed with that statement.

Back to question 4, no matter how many different techniques, mediums or tools they've used the vast majority of respondents saw a big increase in brand awareness by using online marketing. This means that they are currently focusing more on online marketing than any other method. In the literature review it can be seen that online marketing does give a better attraction of consumers, perfectly aligning the outcome of the survey with the already existing preliminary research. With the added fact that older mediums are being transformed in a more digital matter, radio becomes a podcast, TV is becoming a stream service, and newspapers are becoming an e-mail newsletter. This shows that marketing is continually evolving and has found its way to re-use offline marketing tools by using online marketing channels.

5.1 Which marketing tools (Online/Offline) are currently most often applied for micro firms and small businesses in Australia?

The answer would definitely be online marketing. Based on both the literature review that has been conducted and the outcome of this survey it is feasible to say that entrepreneurs of small businesses are using, and preferring to use the wide spectrum of online marketing tools that are available for usage. The most common tools being used include social media or SEO and Google ads.

Question 5 and 6

Question 5 and 6 are purely made to find out whether respondents are genuinely feeling that online marketing is the future and that it does in fact have a longer lifespan with a wider area of effect when compared to prevalent marketing methods.

Given the results of question number 5 the entrepreneurs think that online and digital marketing will have a longer lifespan. Where it was shortly discussed it could potentially be true depending on the changes of technology and how we will be exposed to marketing messages in the upcoming future. However, that same future can also bring forth a big change and implement a new platform or medium through which a consumer receives and responds to messages. What we can say with the outcome of this result is that entrepreneurs will focus more on online marketing in the near future and tend to dispose of the older platforms due to its inefficiency. Answering the question:

5.1.1 The prevalent techniques are as effective as the more recent modern ones.

No they are not, they can be in certain areas where mobile or internet access is limited or next to non-existent.

For the provided information please refer to page 16.

There are still places in Australia where you can't get Internet or a landline making it hard to reach out to the people who live there. However, other than those places in the world, prevalent techniques won't be as effective anymore. Entrepreneurs are clearly looking to spend more time and resources on online marketing than they do on older marketing methods. They still tend to have a mixture of the two because it is still out there and being used (even if less) but with the future generations coming on board it won't be long until we all read our newspapers from a tablet or smartphone based on a subscription or a free version which contains ads. The question is, however, will society be able to put up with such ad placements seeing as there is no way around them?

Question 7 and 8

This was already briefly discussed on p. 36, but this shall be more in depth to answer one of the main research questions. Marketing agencies out there can't stress enough on how important it is to have your business on a social media platform. Depending on who you want to reach out to is the platform you go for.

- a. Facebook biggest demographic 18-29
- b. Twitter's biggest demographic group 18-29
- c. Instagram's biggest demographic group 18-29
- d. LinkedIn's biggest demographic group 30-49

(Social media demographics, 2015)

43% of the entrepreneurs feel like they could learn even more about integrating their social media with their current marketing strategy. This might be a problem for Basic Bananas due to the complexity of a business's uniqueness. The program talks about integration and demonstrates how to do it for every platform but it still requires a more in depth approach which is something Basic Bananas can't offer at this stage. It would take too much time to map out every social media approach; however Basic Bananas could act as a tutor once they've setup a plan for it.

Now when we look at the research question which reads as the following;

5.1.2 How does Social Media marketing benchmark vs. those specific strategies?

- a. Social Media Marketing works better than any other marketing technique.

When looking at the amount of time that people are spending on Social media (1.72 hours per day (Time spent online, 2015)) it gives you a high percentage of reaching your target group. And with the different amount of advertisements that go on social media sites whether it be; Twitter-, Facebook ads or Instagram posts any consumer gets a decent amount of exposure to certain marketing posts when browsing on their favorite social media channel. With the illustrated graph on p.14 we can safely say that Social Media was indeed the best marketing medium to use in 2014. However many predictions (Content Marketing is going to change 2015, 2015) have been going around that Content Marketing (Blogs) will be catching up on Social Media and might even overtake its popularity and effectiveness. And at the same time there are predictions that the print advertising market will increase its revenue again after a consistent drop in expenditure (Statista, 2015). Giving online marketing another shift in paradigms, but that has yet to be proven so until then we can conclude that; **Yes, Social media marketing works better than any other marketing technique.**

5.2 Discussions

Basic Bananas' strengths

Thinks local and acts local, they want to expand and have a vision but aren't trying to become another giant company. They are small and prefer it that way so they know what other small businesses and micro firms struggle with when it comes to marketing. Basic Bananas is only using online marketing by using Facebook and Google ads to attract new customers. When they are bringing on board new clients they schedule a "strategy session" which entails that they will talk directly to the entrepreneur over the phone and get some background information about their company so they can help plan their marketing strategy in a short term period. They would be unable to host so many one-on-one sessions if they were to become a large business, which could potentially take away from part of their market niche.

Basic Bananas' weakness

Their capacity, they want to grow and expand but are finding it hard to let other employees take the lead on certain parts of the program. It often so happens that if the directors are unprepared they delegate it off to the employees without really having their consent or providing them with much preparation, making certain fun activities feel more like a chore, and therefore lowering the levels of enthusiasm.

Some clients also require more attention due to the complexity of their business or its target group; however the directors of Basic Bananas are minimally available for such consultancies. Instead they tell clients to just wait because their questions will be answered in a certain chapter within the provided book. This frustrates their clients who have paid money to attend the program and can sometimes lead to these quitting the program prematurely.

Basic Bananas current location is also a weakness, although it is running workshops in Melbourne, Brisbane and Sydney it should look also into the surroundings of Sydney itself. Right now they are based upper part of North Sydney, which is not always a place that clients will gladly travel to due to limited public transport and not being a significant CBD area or hub for businesses.

5.2.1. Basic Bananas & Reaching Target Market

The ideal target market for Basic Bananas encompasses business owners from startup to established mid-sized businesses nationally. According to the Australian Bureau of Statistics, 47% of Australian businesses held a sufficient web presence in the years 2013/2014, with 30.8% recording a social media presence specifically (Bureau Of Statistics, 2015). With these figures growing significantly each year, the importance of Basic Bananas' engagement on social media and through their website is paramount in achieving a successful capture of modern small businesses.

Conversely, the percentage of Australian businesses with a social media presence is highly dependent on business size. The Australian Bureau of Statistics data suggests that micro firms and small businesses recorded significantly lower rates of online presence in comparison to larger corporations. Therefore, Basic Bananas implementation of both online and offline marketing is imperative.

Recommendation: with Facebook's temporary increase in effectiveness of business advertising, Basic Bananas might want to look into using other channels. These channels could include Instagram and Twitter which are powerful social media tools to communicate with their target market, boost awareness and drive customer interaction / brand participation. Engaging with influencers and the existing Basic Bananas community on Instagram and Twitter would be an effective method for organically growing these social platforms for Basic Bananas. Plus the combination of using older offline methods such as becoming a guest speaker or attending certain events to network.

The implementation of both offline and online marketing strategies are essential in building a cohesive and targeted reach of audiences. The importance of online presence is dependent on factors including industry sector, target market, branding and the nature of services.

Online

The growing eCommerce demand in Australia has allowed for international expansion where offline marketing activities fail to target audiences en masse. In addition, social media is a cost effective and proven technique to engage target-markets for brands of all sizes.

The online, 24/7 availability of content expands the opportunities for businesses to achieve exposure with niche audiences. For example, Startupdaily.com.au is an online news platform showcasing the startup community in Australia. Therefore, the availability of highly targeted news and information platforms has allowed for micro businesses and small businesses to compete on a national and international scale.

Offline

Strategies such as direct mail, signage, events and seminars, referral strategies and networking are key elements to growing any business, particularly within micro firms and small business. In my opinion, offline marketing is implemented to achieve one of two goals; to reach an older demographic, engaging the percentage of a target market not engaging online, or, to achieve a 'cut-through' from the highly saturated and promotional online space.

Big businesses often successfully implement offline strategies on a grand scale, particularly when the offline activities drive traffic to the brands' social media and online presence. For example, Australian Sportsgirl implemented a change-room campaign to engage and incentivize in-store buyers to participate on social media (Selfies do the marketing, 2014).

Ultimately, a balance between online and offline, particularly when each activity drives awareness and exposure of additional marketing platforms, is key to successful marketing strategies.

5.3 Recommendations

Should Basic Bananas adapt their strategy to exploit their current market?

In short, **yes**. Based on previous statements and research we can conclude that Basic Bananas should look at their current market approach and make the proposed adjustments in order to expand and utilize this opportunity accordingly. The recommendations are as following:

- Add more Online marketing content
- Offer more Clever Bunch Sessions
- Offer a separate online program
- Hire more facilitators
- Offer an integration session
 - Implementation session

Many clients feel like integration would be an added benefit to the program, however as it currently stands the program didn't offer that kind of guidance. After the survey and feedback that the clients provided Basic Bananas the directors felt like they should seize this opportunity and make the required change. Therefore, due to the survey and its results the directors added an extra session to the 10 month program, now being an 11 month one, the extra session is to help guide the clients implement their marketing strategies. Basic Bananas already has a few new groups with this renewed program, but has yet to have an official implementation session with any of them. If they market the new program properly they could attract even more potential clients and increase their market share seeing as not only teaches them marketing, but also helps these clients in implementing the programs advice, giving them the required edge to stay ahead of their competition.

5.3.1 Will these results be beneficial and applicable when approaching a new market such as the US?

Yes, with the new program they definitely have a bigger chance of a solid market penetration. Basic Bananas might have to alter some words within the material that they use and it would be more cost effective to have someone in USA running the workshops rather than one of the directors flying over every month. However, they do have a high potential of establishing a market position in the US. The question is just when they will be able to set it up properly; due to the increase in market growth of Australia neither of the directors has capacity to manage the US market.

5.4 Financial aspects of the recommendations

Add more online content, can be done by any employee and is just a matter of starting a project and finalizing. No additional financing required beyond employee's normal hourly rate.

By implementing another Clever Bunch session which will bring in another \$870 per client, meaning the program will go from being \$8700 for 10 months to \$9750 for 11 month program per client.

\$9570 for 11 months per client	15 Clients per class
$\$9570 \times 15 = \143.350	8 classes per week
$\$143350 \times 8 = \$1.148.400$	\$1.148.400 per 11 months for all classes

This would be their total revenue but they would need to hire some staff to increase its capacity.

Hiring another facilitator would be a good first step, a minimum salary of \$45.000 a year, plus additional flights to either Brisbane or Melbourne since they run workshops there as well.

o Melbourne \$120 return x12 =	\$1440
o Brisbane \$160 return x12=	\$1920
Total: \$ 48360	(1440+1920+45000)

This is what Basic Bananas would have to pay themselves; of course that facilitator will prove their usefulness and cost effectiveness by contributing to the expansion of Basic Bananas. At the moment they are utilizing 3 different facilitators but are looking for a fourth resulting in the following formula;

4 facilitators x \$ 48360 = \$ 193.440 total wages
\$ 1.148.400 – \$ 193.440 = \$ 954.960 left after paying for 4 facilitators.
\$ 945.960 – \$ 193.440 = \$ 752.520 after paying the remaining team members.

Above calculations are in the most optimized scenario, but has the potential to be even better but also worse. Don't forget taxes, potential drop-outs and refunds (20-30%), monthly expenses, additional expenses, and other unexpected expenses. This will affect the total amount of \$752.250 to drop, however it is clear that the business has the potential to grow. As long as they are flexible and keep growing with the technology of marketing.

5.4.1 Recommendations for an implementation strategy

1. Hire more facilitators to handle the work load and amount of groups
2. Every new group starts with an 11 month session which includes the 1 implementation session
3. Update current work book content and keep it relevant and recent
4. Market the new updated Clever Bunch program properly to attract more clients, or re-capture clients who dropped out due to various reasons.
5. Make sure that every group has a minimum of 15 clients

All these steps are obtainable by running more blast-off sessions, generating more revenue and brand awareness leading into obtaining new clients in the future to expand their business. Basic Bananas has to stay on top of what their clients (micro firms and small businesses) desire to learn and what is most effective and relevant (seeing as marketing trends every year). This can be done by utilizing their personnel in order to provide the clients with a more personal touch to maintain and enhance their services and gain further market potential. Once these steps are implemented then Basic Bananas should see a difference in revenue at the end of this financial year. If they see a decline at one stage in the near future they should conduct some more research on what their clients' preferences are. The most important key lesson that Basic Bananas has to learn from this thesis is that no matter how much knowledge you contain as an agency. It is never enough to know what the customer wants and it seems that Basic Bananas forgot that key element at one point and never bothered to step back, reflect and refurbish. Hopefully this research has shown them that they too require feedback in order to grow their business and revenue. And wish them the best of luck doing so in the upcoming years.

Appendix:

To provide some additional information such as who've I've spoken to (informally) during my stay at Basic Bananas. This is to give the average participant a profile on what they are like, how they think, and how do they operate.

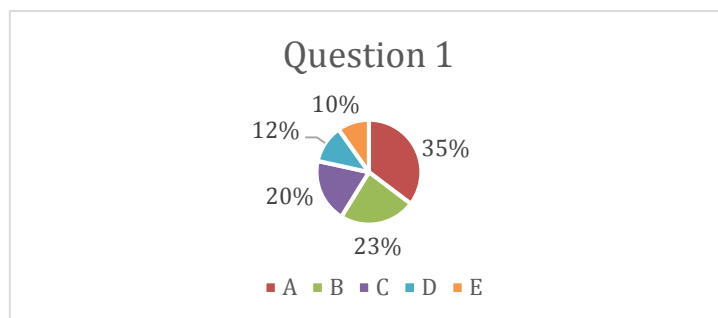
- Wants to increase revenue and establish business growth
- Interested in new marketing approaches
- Either a startup company or been in business for a short while
- Struggling with their own marketing strategy or have yet to start on it
- Find online marketing an interesting topic
- Own a local business
- Both male and female
- Aged 21-64

These were the most generic qualities that all of the clients that I spoke to possessed. They often asked questions for feedback regarding online content or any new ideas on what to do with their online strategies. And were hardly interested in offline marketing methods, the ones that were interested had a story of their own to tell on how unsuccessful it was in relation to online marketing.

Below you can find an example on how the graphs were made. These were then processed to find any correlation that would help improve the conclusion. Because the answers were quantifiable it was easier to prove how entrepreneurs felt about online marketing and its success. Which is positive news considering that most clients were generally more interested in obtaining websites and doing inbound marketing.

Question 1

A	18
B	12
C	10
D	6
E	5



The SMART method was used to make sure the actual research was measurable and obtainable within limitations. While making sure that this research could be of beneficial help to Basic Bananas. Overtime this model shall show its usefulness and creditability

The SMART method provides an easy overview and can help create clarity to see what needs to be done (Kotler, 2010) (Virginia EDU, 2009).

Specific: Basic Bananas will find out which marketing technique will be more efficient after proving the hypothesis. Afterwards Basic Bananas can make the choice of putting in a new strategy in order to attract more clients and be more profitable. Implement a new strategy based on the outcome of the research and adjust the program accordingly.

What= Implement a new strategy based on the outcome of this research.

How = Starting new Clever Bunch groups with a new and improved program.

Why = It will help Basic Bananas gain a stronger market position plus a potential to increase their revenue. Plus

Measurable: How many = having a least fifty respondents out of 97 can make it measurable and generalizable to the program. Makes the questionnaire credible and helps decide if it would be worthwhile for Basic Bananas to implement a new strategy.

How to measure it = when Basic Bananas measures their goals for 2015 and compare it with 2014 it should prove if the new approach is successful or not.

Attainable: How soon = Refurbish the goals for 2015, compare them to previous set goals and compare them to previous years. Implement the new strategy as soon as possible and measure its results directly as opposed to same quarter/months to last year.

Realistic: It can provide Basic Bananas with a new insight that could push their business forward and help them attain new clients and penetrate new markets. The outcome could also prolong the lifespan of the Clever Bunch program by adding new up to date content.

Timely: As soon as the outcomes have been measured, analyzed and demonstrated the directors of Basic Bananas should revise their strategy and implement a new one accordingly. This can be done within a months-time and receive feedback throughout the program to further optimize this opportunity.

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