

Chapter 9

A Systematic Review of Digital Marketing in South Africa


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ABSTRACT

This chapter investigates the extent of digital marketing usage in South Africa, its perceived impact, and factors that influence its adoption in the South African context. The methodology adopted is the systematic review using the preferred reporting items for systematic reviews and meta-analyses (PRISMA) framework. The results show that digital platforms currently used include mobile marketing (SMS) and social media platforms. The findings suggest that SMS-based marketing may be appealing to other market segments but not to young adults. The findings further suggest that social media marketing has had a significant influence on the purchase intentions among South African millennials (Generation Y). Moreover, the findings suggest that marketers, in their quest to influence customer purchasing decisions, should consider the knowledge that social media followers have regarding a subject matter (such as a product), and make an effort to educate those followers on the subject (or product) before suggesting a purchase.

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INTRODUCTION AND BACKGROUND

The Evolution of Digital Marketing

Over the years, the Internet has evolved into one of the most significant marketplaces for businesses to sell their services and products worldwide. For instance, in the United States, online consumers spent over \$100 billion in 2007. Goods such as software, magazines, and books have an average online demand growth rate of 25% to 50% (Leeflang, Verhoef, Dahlström, & Freundt, 2014). In November 2012, Amazon had over 26.5 million items ordered by customers all around the globe, that is, 306 items bought every second. Digital platforms have undoubtedly enabled the success of Business-to-Business (B2B), Business-to-Customer (B2C) and Customer-to-Customer (C2C) markets such as YouTube, eBay and Lulu. There has also been an increase in the use of online source of information over the years, thus resulting in the decline of shares of hard copies of magazines and newspapers (Leeflang et al., 2014). More people are relying on digital platforms to seek information.

Digital technologies, as we know them today, were developed over numerous years and are still being enhanced. In 1991, the first search engine called Gopher emerged and allowed users to search and use queries to search for information. Businesses started to optimise their websites' ranking after Yahoo's launch in 1994. Yahoo and Google took over the search optimisation market after the dot. com crash in 2001. In 2006, search traffic on the Internet grew and as a result companies like Google increased their investments in Search Engine Optimisation (SEO). The Internet usage increased drastically in 2007 due to the increase in the adoption and use of mobile devices. Consistently, digital platforms like social media has enabled people to conveniently connect with each other globally (Malik, 2017).

The online world has become more and more populated over the years, due to people's need to connect with each other. In January 2018, there were over 4 billion Internet users worldwide of which over 3 billion were social media users. There were 50 million Facebook users just 2 years after it was created. Recently, there were 2.167 billion active monthly users on Facebook worldwide (Chaffey, 2018). In addition, 42% of the global population is active on at least one social media network (Chaffey, 2018). Interestingly, social media has become an attractive medium for advertisements. In 2011, \$4.3 billion was spent globally on advertising on social media. According to Leeflang et al. (2014:1), companies aim to make "brand fans" by investing in social media advertising to recruit brand loyal customers who will then advertise the brand through word of mouth. There are many online marketing creators that produce content regularly. These include not only brand managers who seek to attract customers by creating messages about the brand but also customers now have the platform (social media) to also create and disseminate messages about brands (Leeflang et al., 2014; Chaffey, 2018). This could be the reason why advertising through social media has become very attractive to marketers.

The Concept of Digital Marketing

Digital marketing is defined by Malik (2017) and Kumar and Verma (2017) as the marketing of services and products through digital channels. Digital marketing is a strategic process that marketers use to build relationships with their target audience across digital platforms. Organisations can create loyal customers by improving their relationships with them, thus increasing the lifetime value of their customers. Digital marketing can positively affect an organisation's revenue if properly executed (Rishika, Kumar, Janakiraman, & Bezawada, 2013). The term digital "refers to a number of different channels, all used

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