

AN ANALYSIS OF THE EFFECTIVENESS OF NEW MEDIA ON MARKETING IN SRI LANKA

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University of Moratuwa

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DECLARATION

I declare that this is my own work and this thesis does not incorporate without acknowledgement any material previously submitted for a Degree or Diploma in any other University or institute of higher learning and to the best of my knowledge and belief it does not contain any material previously published or written by another person except where the acknowledgement is made in the text.

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ABSTRACT

The economy of Sri Lanka is booming after ending 30 years of civil war. Across industries, firms have adopted marketing initiatives using new media to use the power of interactivity, which interfaces with the environment, despite the fact that Sri Lanka has only 13% computer usage (Department of Census and Statistics of Sri Lanka, 2009). Marketing on the other hand had evolved from traditional Product, Price, Place, Promotion, to Consumer Value, Cost, Convenience and Communication (Robert F. Lauterborn, Stanley I. Tannenbaum, & Don E. Schullz, 1993).

In this study, a conceptual framework that captures the important aspects of marketer engagement, new media presence, customer engagement, achievement of new media objectives and macro environment is proposed and the data was empirically tested using data collected from respective marketing managers, business owners in one hundred and ninety five small, medium and large-scale industries. Applying a framework that captures the intensity of new media presence over marketer's engagement across customer engagement and achievement of new media objectives, the study finds that new media presence is more important. Furthermore, the study finds the relevance of budget allocation, type of media tools used, use of complementary media, and nature of business to the achievement of new media marketing objectives. For example, the type of industry is irrespective in relation to the success of new media marketing but increase in budget allocation for new media can increase in the achievements in new media marketing objectives. The study also explains the significant relationship of the two independent variables, marketer engagement in new media and new media presence to the variance in the achievement of new media marketing objectives.

The research findings provide the foundation for more specific studies of the impact of new media on marketing in the future.

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“I dedicate this thesis to my loving wife Sujani. I thank my Lord each time I think of you, and when I pray for you, I pray with Joy.”

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LIST OF ABBREVIATIONS

3-D	- Three Dimensional
ANOVA	- Analysis of Variance
CD-ROMS	- Compact Disc Read Only Memory
CIA	- Center of Intelligence Agency
CPA	- Cost per action/acquisition
CPM	- Cost per Mille or Cost per thousand Impressions
CRM	- Customer Relationship Management
CTR	- Click through Rate
DVD	- Digital Video/Versatile Disc
FB	- Facebook
GDP	- Gross Domestic Product
ICTA	- Institute of Communication Technology Agency
IMC	- Integrated Marketing Communication
ITU	- International Telecommunication Union
PPA	- Pay per action/acquisition
QoS	- Quality of Service
ROI	- Return on Investment
SEM	- Search Engine Marketing
SEO	- Search Engine Optimization
SPSS	- Statistical Package for the Social Sciences
TRCSL	- Telecommunication Regulatory Commission of Sri Lanka
UGC	- User Generated Content
UNCITRAL	- United Nations Commission on International Trade Law
W3C	- World Wide Web Consortium
WWW	- World Wide Web



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