

The South African Women Purchasing Behavior and the Zero Moment of Truth

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Abstract: The decision-making process after online consumers have been stimulated through traditional advertising is a new and crucial part of the traditional three-phase marketing model. This paper was undertaken to understand the relevance of the Zero Moment of Truth (ZMOT) to women in Living Standard Measure (LSM) B in Durban, South Africa. The three questions that were the main focal point of this study aimed to assess the relevance of the ZMOT theory to women in Durban, South Africa within LSM B, the most frequented product categories as well as the platforms that were accessed to gain brand-related information in order to make the purchase decision. Data for this study was collected through mixed methods with a sample group of 100 women. The findings from the research suggest that there is a link between the relevance of core products like groceries and basic household items and the need to make smart purchases, as money needs to be spent wisely. The most frequently accessed category amongst women in LSM B was basic household items and groceries, this category was closely followed by skin care and cosmetics. The most widely accessed platform to search for brand information was the Google search engine.

Keywords: ZMOT, LSM B, South African Women, Products.

1. Introduction

In 2005 Proctor & Gamble (P & G) stated that shoppers make up their mind about whether to purchase a product in the first seven seconds after walking into the store and noticing the product or brand on the shelf, P & G called this the "First Moment of Truth. The second moment of truth then refers to the consumers having used and experienced the product themselves (Lecinski, 2011:10). The first moment of truth was labelled as the most important element to consider when marketing to consumers. This theory was challenged in 2011 by Google who said marketers needed to consider, what they referred to as, the "Zero Moment of Truth", which refers to the point at which consumers go online and make use of the internet and numerous sources of brand information to help them better understand the product or service they are researching and then to say yes I will buy the brand or no I will not. (Lecinski, 2011:10). In order to segment the South African market, South Africans make use of what is called Living Standard Measure or LSM groups (SAARF LSM, 2012). SAARF LSM is a unique way of segmenting the South African market. The market is segmented according to household income (McEvan, Hughes, Bek 2015). The population has been divided into 10 groups, 10 being the highest (households with the highest monthly income) and 1 being the lowest (households with the lowest monthly income). A household in LSM 1 would be earning roughly R1 363 a month, compared to a family in LSM 10 whose household income is roughly R29 512 a month (SAARF AMPS, 2012). Corporates usually make use of LSM supergroups, this is easier as you very rarely choose one LSM to focus your marketing efforts on. Grouping them up into two or three is a better way to go about defining your target market, LSM B refers to LSM 6 and 7 (McEvan, Hughes, Bek 2015).

The ZMOT theory was introduced in 2011 and is a relatively new theory to marketers worldwide (Lecinski, 2011:10). There are only two studies that have been done, assessing the relevance of ZMOT in two continents, these being the USA and Asia. This is problematic, as the ZMOT theory suggests a new way for all business to target consumers, assuming all consumers are making use of the ZMOT. Few people in South Africa are aware of ZMOT as a theory, (Lyu and Lim, 2017) and many people are not aware of the possibility that women within LSM B could be making use of ZMOT to influence their purchase decision (Hussain, Ghufuran, Chaubey, 2016). No information can be found surrounding the categories of products these women may be searching for online, nor can the platforms they use to search for these products be identified. Little information about the purchase behavior of women in South Africa within LSM B is available. This necessitates a rigorous investigation into establishing how the Zero Moment of Truth is being used in South Africa, more importantly to women in LSM B (or LSM 6 & 7). The categories of products they are accessing most frequently and the platforms they are using in which to search for information. This study is important is understanding the

marketability of products in certain target audiences that can be a benefit to the business sector as such. This may lead to particular strategy development with attendant benefits to concerned organizations.

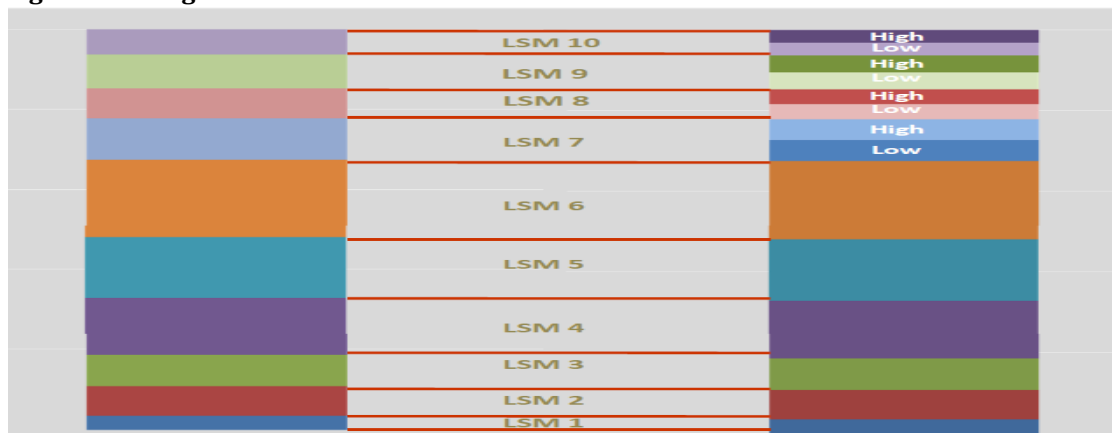
2. Literature Review

In 2005 the Wall street journal posted an article that in some opinions changed the way in which marketers consider marketing products today. The morning after the article was published blogs and websites all over the world were filled with comments about this 'new' type of marketing that was based purely on the strength of in-store executions. The article entitled "In a Shift, Marketers Beef Up Ad Spending Inside Stores" (Nelson, & Ellison, 2005) got people in the corporate world talking, as they considered this approach for their own businesses. The article stated that Proctor & Gamble (P & G) believed, that shoppers make up their mind about whether to purchase a product in the first seven seconds after walking into the store and noticing the product on the shelf, P & G called this the "First Moment of Truth". The "Second Moment of Truth" is harder to measure as this is when the consumer has purchased the product and begins using it. In view of the understanding of the role of importance of this moment, Prana (2016) contends that this is an especially important moment in turning the shopper into a buyer. In 2011 Jim Lecinski, the Managing Director of US sales for Google, wrote a book entitled Winning the Zero Moment of Truth (Le Beau, 2012). In order to turn Google's thoughts into quantitative data that they could then feedback to the rest of the world Google commissioned an independent research firm called US Shopper Sciences (USSC) to quantify the results (thinkwithgoogle, 2011:4). USSC surveyed 5,000 shoppers in the United States across 12 different sub-categories with the aim of finding out which sources influenced shopper buying decisions. Lecinski, 2011:12 suggests that the research produced results that led to the development of the ZMOT theory. The ZMOT came about by Jim focusing on three critical moments in both a consumer and a marketer's path to purchase (Wharton, 2011). These being:

Stimulus: This refers to any traditional media or advertising presented to consumers (Tabita, 2011:6), for example, mom is watching the 8 O' Clock news and sees an advertisement for the new GHD Titanium hair straightener and she thinks to herself "I need something like that to straighten my thick hair, in the convenience of my own home, no more trips to the hairdresser."

Shelf: This refers to the action of a consumer walking into the store, finding the product on shelf and proceeding to purchase it (Tabita, 2011:7), for example, mom walks into the nearest Hair on Edge salon and finds the new GHD Titanium on the shelf with a beautiful display, one of the hairdressers tells her how well the product works and how she uses it on all of her clients and she proceeds to purchase it.

Figure 1: Living Standard Measure chart



Living Standard Measure chart (SAARF AMPS, 2012:5)

Experience: This refers to the stage after purchase when the product is used by the consumer, for example, mom takes her GHD home, uses it to straighten her hair and finds that it works as well as the saleswoman said it would. And it was pointed out that the new critical moment for marketers is realizing that between

mom watching the television advert and proceeding to the salon to purchase she takes out her cell phone, tablet or computer, goes online and starts researching whether the new GHD Titanium really is the best straightener on the market (Cummings, 2013). She reads product reviews on Beauty insider as well as posting a status on Facebook asking if any of her friends have tried this product out for themselves. The South African Audience Research Foundation or SAARF, produces and directs information on media audience and product brand research, for the benefit of its stakeholders. SAARF looked for variables already measured in the SAARF AMPS survey that would be strong discriminators which one could use to segment (place into groups) the population. Once SAARF had chosen a set of indicators they labelled the scale Living Standard Measure or LSM (SAARF, 2012). LSM breaks the population up into groups under the assumption that people behaves similarly to one another (SAARF AMPS, 2012). The image below illustrates how the South African population has been broken up into 10 groups and shows what percentage of people live within each LSM segment.

Within LSM 7-10 divided into two groups. A number of requests were made to provide greater differentiation of the target markets at the top end of the scale. SAARF commissioned exploratory work to identify how these subgroups behave differently and the results were encouraging (SAARF AMPS, 2012:31). One of the variables that divide LSM 1-10 is household income. Below is a chart put together by SAARF that illustrates what the average monthly income is for each household?

Table 1: LSM Groups Monthly Income (SAARF AMPS, 2012:41)

	Average Household Income	
	Jun10	Jun11
LSM 1	R1,496	R 1 363
LSM 2	R1,732	R 1 929
LSM 3	R2,052	R 2 258
LSM 4	R2,829	R 3 138
LSM 5	R3,832	R 4 165
LSM 6	R6,398	R 6 322
LSM 7	R10,066	R10 255
LSM 8	R13,698	R 14 014
LSM 9	R18,414	R 19 654
LSM 10	R27,143	R 29 512

The introduction of the Zero Moment of Truth adds an important element to the traditional three-step marketing model and is being largely and positively received by marketers all over the world. Over 200,000 marketers have read the book 'winning the zero moments of truth' and have embraced this new customer journey. The importance of Zero moments of truth is well captured by Hyken (2016) who states that however remote the area of business is, consumers have often an opportunity to make an impression of a business.

3. Methodology

Mixed method research and comparative study with the aim to explore the relevance of the Zero Moment of Truth and the most frequented categories for Durban women in LSM B was employed in this study. Three semi-structured interviews with authority figures in the advertising and retail world and then a comparative assessment was done assessing similarities in results from this study with the study done in Asia. A mixed method approach was best suited to this study as the results from one method could inform or help the other method (Cresswell, 2003:16). The sampling method best suited to this study was probability sampling and in particular simple random sampling. Simple random sampling looks at all elements of the population as having an equal chance of being selected to partake in the study. This allows for the least bias and is the most generalizable sampling technique (Ruggunan, 2010:72). The sample group consisted of 100 women. Three interviews with authority figures in the advertising and retail world were conducted with Richard Barrow, Dale Tomlinson and Melanie Collins. All three figures provided useful insight into the purchase behavior of

women in South Africa that could not be found through secondary sources as well as helping to understand how this research could be beneficial to marketing and advertising departments in the country.

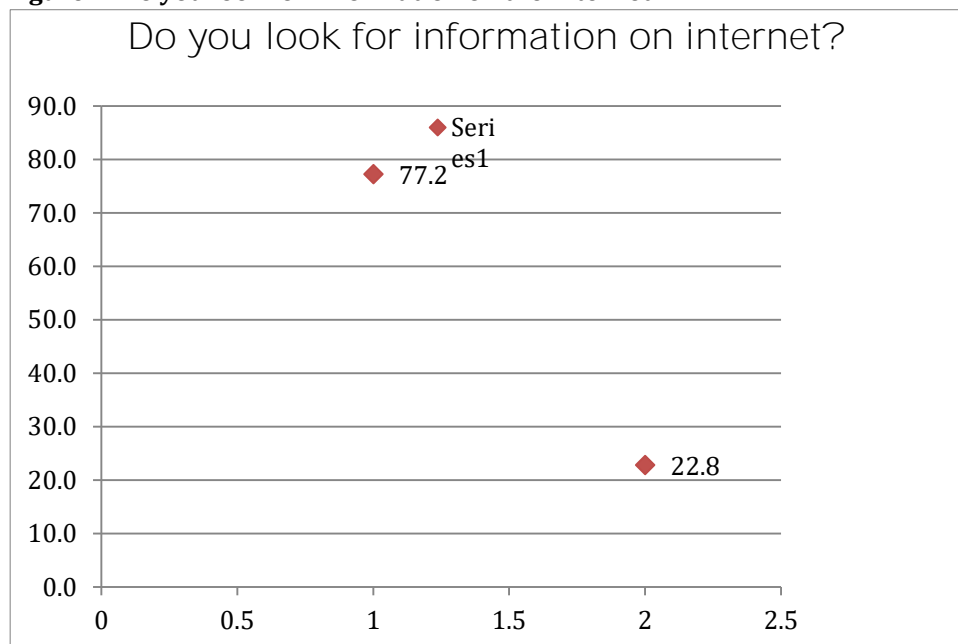
In order to make this research relevant to the marketers of products within South Africa quantitative research was employed as well. Quantitative percentages have been able to give the marketers an accurate number of consumers within their target market, in the Durban area making use of online platforms to inform their purchase decision, this information can then be used to determine whether utilizing ZMOT will be beneficial for their business. The final part of this action process was conducting a comparative assessment using the Zero Moment of Truth in Asia as well as the results collected in Durban, South Africa. Both Asia and Africa are emerging markets and possible similarities in results was expected. The sample chosen for this study was found appropriate due to the marketing styles noted as they were found to be connected to the internet in terms of their shopping habits. Those who were chosen for interviews were leaders in the field and had several years of experience.

4. Findings

The interviews were designed to gain qualitative knowledge that aimed to assist the development of the research instrument. Along with that, these questions assessed what authority figures in the advertising and retail world, currently familiar with the idea of ZMOT and consumer behavior, thought the outcomes to the study would be. The following questions are the opinion of the authority figures in terms of the ZMOT theory. How often would you suspect consumers would be accessing the Internet? The assumptions of all three respondents were that these women would be accessing the Internet weekly. None knew for definite how often they were accessing the Internet, yet all assumed it would be weekly. What proportion of women in South Africa within LSM 6 and 7 do you suspect are making use of ZMOT? Respondents felt that between 20-50% of women within LSM 6 and 7 would be making use of ZMOT in Durban, South Africa. What are the categories of products you think women in South Africa, within LSM 6 and 7, will be looking for online? Food preparation, health care as well as big-ticket items are what was suspected, women within this LSM would be searching for online.

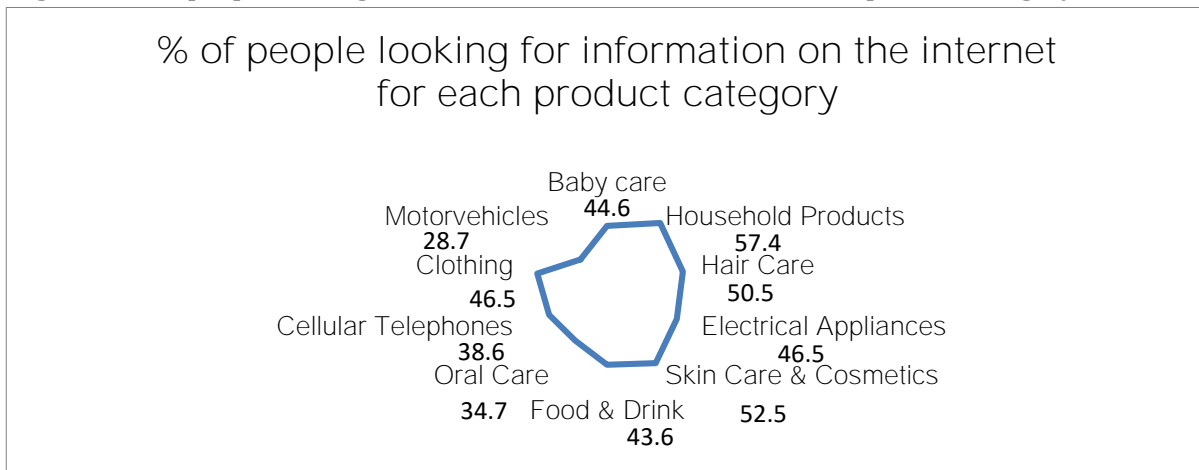
What platforms of information do you think women in South Africa in LSM 6 and 7 will be making use of to find information online? Both Melanie and Dale suspected Mxit as well as Google search would be the largest platforms made use of to search for brand information. The results of questions from the questionnaire are analyzed and discussed below. The responses to every closed-ended question was analyzed using IBM SPSS, a statistical analysis and data management based software. Respondents were allowed to choose more than one answer. To what extent is the purchase behavior of Durban women in LSM B influenced by the ZMOT? The image below represents the percentage of the sample that stated they do and do not make use of the Internet.

Figure 2: Do you look for information on the Internet?



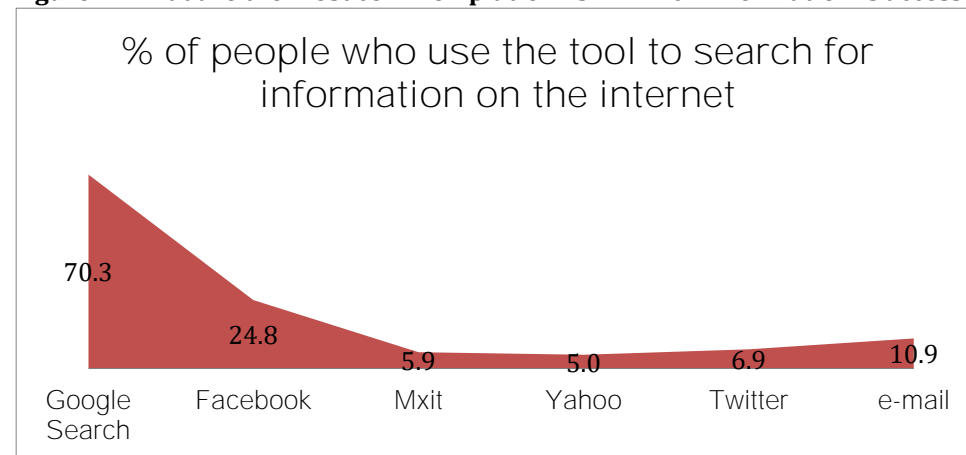
This image shows that, 77% of the sample accessed brand information on the internet with 23% not making use of the internet. This was expected as all of the respondents were employed and earning an income which suggests that they are more likely to own technology and access the internet. The data suggests that ZMOT is relevant to 77% of the sample's lives. This is a large percentage of the sample. It was expected that ZMOT would not be relevant to the entire sample and this data proves that 23% of the sample did not make use of ZMOT at all. Which categories of consumer products are most popular for Durban women in LSM B, when looking for information online? The following Babycare, Household Products, Hair Care, Electrical Appliances, Skincare & Cosmetics, Food & Drink, Oral Care, Cellular Telephones, Clothing, Motor vehicles were chosen. These categories were chosen according to the ZMOT study done in Asia, also a developing market, in order to be able to compare the results at a later stage. Dallas (2017) records how up to 80% of the customers look into the internet for products. This therefore supports the nature of the business that is apparent.

Figure 3: % of people looking for information on the Internet for each product category



As shown in figure 3, the largest percentage of participants with 57,4% are accessing household products, secondly with 52,5% skincare and cosmetics, 50,5% accessing hair care information, electrical appliances and clothing both at 46,5%, baby care 22,6%, food and drink 43,6%, 38,6% cellular telephones, 34,7% oral care and motor vehicles with the smallest percentage at 27,7%. The results suggest that basic household items are the most researched items on the Internet. This may seem strange because it is a low involvement category but it shows the relative importance of core product purchases like household detergents and groceries versus more personal items like skin care and cosmetics and hair care products. Maslow's Hierarchy of needs suggests that basic needs like food and shelter come first, then lastly things that help us achieve our personal goals, items like hair care, makeup and skin care (Campbell and Bickle, 2017). Which online platforms are utilized for seeking information on these popular categories? The responses were Google search, Facebook, Mxit, Yahoo, Twitter and e-mail.

Figure 4: What are the most common platforms in which information is accessed?



The findings of this study support the findings that state that 8 out of 10 Americans do shopping over the internet (Perez, 2016). This then shows that the amount of that shopping using the internet is astronomical. It is recommended that the ZMOT theory is more widely understood amongst the advertising and retail world, and special attention paid to pain and pleasure points found along the consumer journey by brand managers and marketing departments. There is a need for further research into the number of sources being used per shopper to inform their purchase decision as this will determine their confidence in specific sources. It is further recommended that further surveys be carried out in understanding the age and information sharing that customers have on the internet. Since the findings of this study have noted that the greater the age lesser the information sharing regarding the products gotten online, it is recommended that organizations concentrate on lower age groups in advertising their products. In addition to the above recommendation, it is also suggested that organizations, focus more on Google advertisements than facebook, given that 70% of the customers tend to use google. Figure 4 above depicts that 70,3% of respondents are using Google search to access brand information, 24,8% Facebook, 10,9% e-mail, 6,9% Twitter, 5,9% Mxit and 5,0% Yahoo. This suggests that Google search is the most commonly used platform to search for product/ service information, followed by Facebook and e-mail. Google is the largest search engine in the world and is set as a default option on all android Internet browsers on cell phones. Facebook at 24,8% suggests that accessing brand pages as well as conversation surrounding brand information on social networks is increasingly more common. The least used platforms were Mxit and Yahoo. Age * Do you look for information on the Internet on your cell phone, laptop, computer or tablet about different products or services?

Table 2: Crosstabulation

			Do you look for information on the Internet on your cell phone, laptop, computer or tablet about different products or services?		
			Yes	No	Total
Age	20-35	Count	27	4	31
		% of Total	27.0%	4.0%	31.0%
	35-50	Count	36	6	42
		% of Total	36.0%	6.0%	42.0%
	50-65	Count	12	8	20
		% of Total	12.0%	8.0%	20.0%
	+65	Count	2	5	7
		% of Total	2.0%	5.0%	7.0%
Total		Count	77	23	100
		% of Total	77.0%	23.0%	100.0%

Table 3: Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.119 ^a	3	.001
Likelihood Ratio	14.268	3	.003
Linear-by-Linear Association	12.550	1	.000
N of Valid Cases	100		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 1.61.

A Chi-square test for independence indicates a significant association between age group and the search of information on the internet because of Chi-square (3, n=100) = 16.119, p =.001. This means that people from 20 to 50 years old are more likely to search for information about products on the internet than people older than 50. Age * Do you share what you have learned online about the product or service with your friends or family members?

Table 4: Crosstabulation

			Do you share what you have learned online about the product or service with your friends or family members?		
			Yes	No	Total
Age	20-35	Count	25	6	31
		% of Total	25.0%	6.0%	31.0%
	35-50	Count	31	11	42
		% of Total	31.0%	11.0%	42.0%
	50-65	Count	10	10	20
		% of Total	10.0%	10.0%	20.0%
	+65	Count	1	6	7
		% of Total	1.0%	6.0%	7.0%
Total		Count	67	33	100
		% of Total	67.0%	33.0%	100.0%

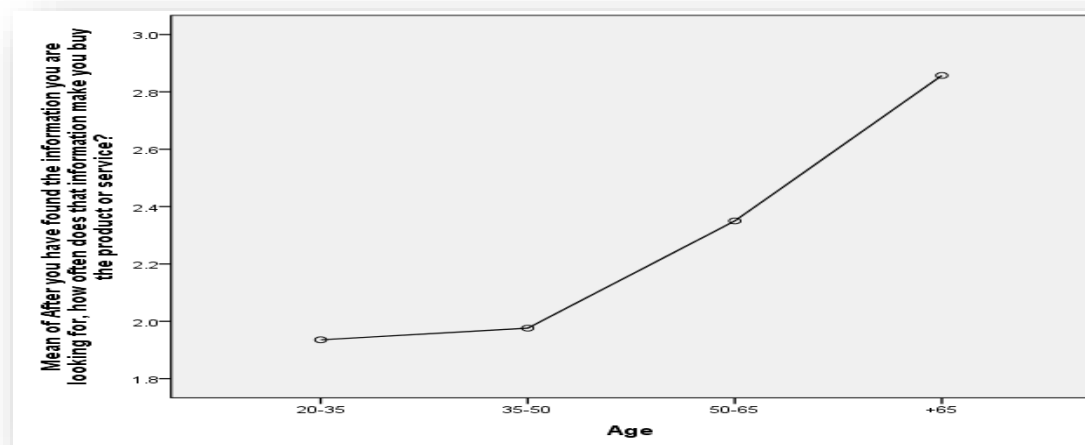
Table 5: Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.903 ^a	3	.002
Likelihood Ratio	14.603	3	.002
Linear-by-Linear Association	12.784	1	.000
N of Valid Cases	100		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 2.31.

A Chi-square test for independence indicates a significant association between age group and the sharing of information learned online because Chi-square (3, n=100) = 14.903, p = .002. This means that people from 20 to 50 years old are more likely to share information learned online than people older than 50. The figure above indicates that the more the age increase the less the frequency of buying is. And lastly the comparative study regarding ZMOT in Asia versus ZMOT in South Africa. The study conducted in Asia looked at female shoppers across 8 different market categories within consumer-packaged goods or CPG.

Figure 5: Mean of Information



Both Asia and Africa are emerging markets, thus expecting similarities in data from both ZMOT studies. The top reasons for consulting the internet in Korea and Thailand is for Baby care products followed by skin care and cosmetics and then basic household groceries, (Lecinski, 2013:28) compared to this the results of this study show that basic household goods are the most searched for items on the internet, however followed closely by skin care and cosmetics and hair care. The top reason for looking up skincare and cosmetics information online in Asia is for special deals, coupons and rewards programmes (Lecinski, 2013:28).

Compared to this, in Durban South Africa the top reason for consulting the internet across all market categories is to compare price. Here we can see there is a link between basic grocery items and skincare and cosmetics being searched for online. Both product categories fall into the top two most searched for categories online in Both Durban South Africa and Korea and Thailand, Asia. According to Lecinski, ZMOT becomes even more important when money is tight.

He stated that many families in Asia cannot afford to waste money when buying everyday items like groceries because they need that money to get to work, pay bills, feed their families and send their children to school. This is even more apparent in developing economies (Lecinski, 2013:31). The same can be said for this study. It is apparent in the results that basic necessities like groceries are the most commonly searched for items online, this means that core products like these are hugely important to these women and that making the right product purchase decisions is a necessity for them as they cannot afford to waste money. It seems strange that core items like groceries are largely searched for online as well as more 'personal' or 'luxury' items like skin care and cosmetics. A reason for this may be that if these women do choose to spend money on themselves they need to make sure they choose the right product that is likely going to work for them as the likelihood them being able to repurchase if the item doesn't work is low as they cannot afford it. In Asia, search engines are ranked as the most used digital source in nearly 1 out of 3 shoppers. 70% of this study also made use of search engines to find product information online. Here we can see that search engines in both studies are the most commonly used platform to search for brand information. The link between core product purchases and accessing information online in emerging markets is apparent. Both the ZMOT study done in Asia as well as South Africa has evidently experienced similarities in results and this was expected.

5. Conclusion

This study is one of the first studies of its kind in South Africa and no studies regarding ZMOT in South Africa could be identified prior to this. The ZMOT study in Asia proved to have similarities in results. The data collected from this study will prove useful for marketers and advertisers involved in the marketing of CPG (Consumer Packaged Foods) and FMCG (Fast Moving Consumer Goods), Skin Care and Cosmetics, Hair Care, clothing, electrical and baby care products as they will be able to see that consumers within the areas of Umlazi and Kwa-Mashu in Durban are making use of the internet to research brand information in those product categories. A large majority of this study's respondents were not the first language, English speaking citizens and language did prove to be a limitation in this study as some respondents did not fully understand the questions asked and needed assistance. The areas of Kwa-Mashu and Umlazi were the two areas visited in Durban and geographic location was limited as the researcher was not able to visit more areas within Durban. The study's primary focus was to understand the relevance that ZMOT played in the lives of these women.

It also aimed to investigate which product categories were the most commonly accessed categories of brand information on the Internet as well as the most frequented online platforms in which brand information was searched for. This information is relevant to the marketing and advertising world in South Africa as understanding what when and how consumers are accessing the internet for brand information will help brands know how they should talk to their consumers and what information they need to provide consumers with at the ZMOT, in order for consumers to be more likely to purchase their brand over a competitor. Due to the fact that the ZMOT theory is a new theory and not widely recognised amongst South Africans, there is limited secondary knowledge of ZMOT theory. There have been no studies done in South Africa, available online, on the use of ZMOT and little to no opposing theories or arguments.

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