

THE ANALYSIS OF DIRECT MARKETING MEDIA USAGE AND EFFECTIVENESS

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Abstract: *In the current business environment organizations are forced to find the most effective marketing technique in order to improve the results of their business. Since each company's goal is to achieve effective and efficient business, one of the most important decisions is the choice of direct marketing media actions that are most suitable for contacting existing and potential consumers. In order to obtain information regarding the effectiveness of direct marketing media, market research provides an overview of market factors. Research presented in this paper intends to reveal consumer habits and preferences in order to determine the usage and effectiveness of direct marketing media. Presented results and models show that, in terms of communication and sales effects, Internet is the most prominent as a direct marketing medium for all age groups that are surveyed. Also, leaflets are a very effective medium of direct marketing for respondents of all age categories, and newspapers have been proved to be a very effective medium for consumers who frequently buy them.*

Keywords: *direct marketing media; social media; usage; effectiveness; consumers.*

The JEL Classification: *M31; M37.*

INTRODUCTION

Commercial and non-commercial organizations use various forms of marketing communication to promote their offer and achieve their goals. Marketing communications are a means by which companies inform, persuade and remind consumers about the products they sell (Kotler & Keller, 2006: 536), and every company is responsible for assessing which promotional media will use to deliver an adequate and positive message to consumers (Projović & Popović Šević, 2013). The idea of mass marketing is believed to be outdated for the majority of marketing situations. The shift from mass marketing towards niche marketing has initially occurred, then towards individual marketing and today we have post-modern marketing which creates differences

rather than identifying similarities (Cluley & Brown, 2015: 115). Direct marketing provides tangible forms of targeting and competitive advantage which enables more precise and more accurate measurement of its effects (Kocić & Senić, 2010: 87). The most important targeting decisions regarding successful direct marketing campaigns is related to the assessment of most attractive, both active and inactive, consumers in order to segregate the best prospects which would direct promotional messages with the expectation of maximum results (Guido, Prete, Miraglia, & De Mare, 2011: 997). Direct marketing uses custom-made methods, and is guided by the fact that customers prefer personalized addressing in order to feel respect (Mesaroš, Đokić, & Fabijan, 2009: 157). The key of direct marketing is to have the right offer for the right person, resulting in the outcomes of sales that are enviable due to this way of promotion. In the era of social media, the number of entrepreneurial businesses is increased as well as the number of small businesses that recognize the benefits of “eliminating” the actions, i.e. agents in sales (Alsever, 2014: 27-31). Similar to this concept, effectiveness of direct marketing media should be used by sales and advertisers to choose the most effective media among different direct marketing media. When it comes to expressing the effectiveness of the media, both communication and sales effects are taken into account.

Since term effective means successful in producing a desired or intended result, it is important to choose the right direct marketing media to delivery promotional messages to a specific audience. It is necessary to have this information for media plan, since no advertiser has an unlimited budget, just as it would be irrational to use the budget for random advertising through certain direct marketing media or advertising in all available media. Therefore, it is crucial to know preferences of target groups toward different direct marketing media and how to use particular media to effectively deliver the advertising message is a task for advertising management (Gunina, Bina, & Kincl, 2018: 189).

The subject of the research is usage and effectiveness of direct marketing media which implies measuring customer/consumer reactions to promotional activities that could help in planning an effective marketing communication strategy. The problem is analyzed with special attention on changes in consumer behaviour considering different media usage (Internet and social media vs. traditional media). The aim of the research is to learn which direct marketing media are the most effective in order to get guidelines what media is the most cost-effective to invest and also to give a model that could be usefull for companies and reseachers. Republic of Serbia was selected as the central country of Balkan region because of constant increase of foreign investments in current decade. This is followed by strong increase of advertisement expenditure and percentages are especially high in digital advertisement that is annually 15-20% of which mobile advertisement went up to 327% high in 2017 compared to 2016 (IAB_Europe, 2017; IAB_Europe, 2018).

LITERATURE REVIEW

Reinold and Tropp (2012) dealt with the measurement of the effectiveness of integrated marketing communications (mass media and direct marketing) from the perspective of organizations. Strategic factors determining the nature of the operation of direct marketing are: product selection, goal definition, media selection, formulation

of the offer, the use of customer databases, definition of sales systems, organization and realization of the planned actions (Đokić, Panić, & Kolev, 2012: 51).

Testing the effectiveness of the media is of great importance because the share of the total costs of the media in marketing communications is very high. As for the media, initially the decision is made regarding the choice of media (traditional or new media, or a combination), and then the decision about the specific media within each of the above categories (for example, within printed media a decision is made on certain magazines, newspapers, catalogues) is made. After that, it is necessary to decide at what time the message will be sent, the frequency, the length of the ad, the duration of the campaign and the amount of the budget that will be spent on each medium (Kesić, 2003: 508).

The choice of media mix is one of the most complicated decisions in the marketing communication strategy. The choice of media is one of the factors which determines the effectiveness of the communication goals and it is influenced by the characteristics of the media, the scope and characteristics of the target group which it attains, the customization of the media to the product/service, the costs that different types of advertising media require. The scope and characteristics of the target group, reached by a particular medium are considered to be the most important factors in a group of important ones, from the point of view of effectiveness which directly depends on the target group. Kotler and Keller point out the characteristics of the target market as one of the factors influencing the choice of media (Kotler & Keller, 2006: 556-557) and the authors share the opinion with Kesić who says that “the most important factor in media selection is the identification of the target segment and his features”, (Kesić, 2003: 326). “The success of advertising depends largely on media research and consumers because it is predetermined by the right choice of media”, (Perić, 2008: 140). A significant factor affecting effectiveness is the effect of different media on the same audience, since people perceive a same message differently depending on the media it was sent and consumers have their favourite media to which they are exposed and which they follow.

The use of traditional media (newspapers, magazines, television and radio) declines from 2010, primarily due to the growth of Internet. Newspapers are the ones that suffered the most, followed by journals (Zenith, 2015). The effects of traditional marketing are also declining, which has been confirmed by Srinivasan, Ruts and Pauwels, who have investigated the impact of traditional marketing and online marketing on consumers' activity. They have reached the conclusion that online marketing (clicks on paid ads, website visits, Facebook likes) affect consumers significantly more than advertising on TV, for which it was found that only 5% of consumer activity originates from this form of promotion (Srinivasan, Rutz, & Pauwels, 2016: 440-453). The time spent on consuming online media is increasing continuously, while the time dedicated to consuming traditional media is continuously decreasing (Web_Strategies, 2016). According to Risselada, Verhoef and Bijmolt (2014: 52); Van den Bulte and Wuyts (2007), the effectiveness of traditional direct marketing media has declined in many markets and consumers are avoiding these types of media. “In the past, media monitoring covered mainly printed media and TV, while today the Internet and social media are gaining added value for organizations. Newspapers, TV, radio and magazines are still used for communication. However, interaction via social media is an important factor in the practice of monitoring social media”, (Strauß & Jonkman, 2017: 34-50).

With the introduction of new media, and especially social media such as Facebook, Instagram, LinkedIn and Twitter, marketers are increasingly interested in the effects of their impact on consumer behaviour. Dao, Le, Cheng and Chen (2014) tested the effectiveness of advertising on social media on student's sample (Facebook, YouTube) and concluded that they positively effect on online purchase. Canhoto, Clark and Fennemore (2013) interviewed the organizations about the degree of usage of social media as a means of reaching consumers and they concluded that the interviewers saw great potential in using social media to decide which segments to focus on, because social media can provide real time data (Canhoto, Clark, & Fennemore, 2013: 426-420). Today, a much larger number of consumers are being reached via Facebook ads, banners or display ads, paid or organic search ads (Batra & Keller, 2016: 122). „Not only does an internet marketing channel represent the state-of-the-art trend and a distribution method with growing consumer number, but also an opportunity to get to know own consumers, observe their environment, wishes and behaviour. The advantage of internet channel is that products may be ordered round the clock and delivered rather fast. Also, one might positively evaluate the experience which is very important to the company, direct feedback from consumers: it is easy to find out what consumers wish, what they expect and which products they are not satisfied with; it is easy to offer new products, carry out campaigns and it is not difficult to update information“, (Banyte, Gudonavičienė, & Grubys, 2011: 326). „The Internet has become a competing virtual “real world for advertising”, (Jian & Yazdanifard, 2015: 597-598). Social media can be simply explained as a group of free, online tools and platforms (blogs, online videos, photo sharing, social networking) used by people to publish, share online content (Reed, 2011: 7). “Just as the rapid growth of mobile phone acceptance has opened up new marketing communications and targeting opportunities, the ubiquity of social media has changed the way in which customers now share information and interact with brands“, (Lamberton & Stephen, 2016: 146). Social media had become really important gradient in today's marketing mix in general and in promotion mix in particular (Bashar, Ahmad, & Wasiq, 2012).

The essence of social networks lies in the people's interconnection and the exchange of information. Nowadays, social networks allow marketers to encourage consumers (followers) to show their reaction regarding an event, a post, and they have their expectations for the required answers to the questions asked. Social media and mobile devices create enormous possibilities for responding, i.e. establishing proactive contact with consumers in real time (Hazlett, 2013: 464-465). Digital media allow real-time advert adaptation. Personalization of an advert in real time can be described as dynamic adapting of advertising messages via digital media in real time frame based on information originating from targeted consumers or a situation caused by consumer and bidders' interaction, i.e. advertising system (Bauer & Lasinger, 2014: 64). Thanks to new media, companies can update their customer databases and create an offer that is in line with their needs and desires. According to research results, more than 90% of all consumers read online reviews before they actually buy a product – most commonly the company home pages are used, then e-mail and social media (Leeftang, Verhoef, Dahlström, & Freundt, 2014: 2). Appropriate social media content will generate positive effects on online users' participation and interaction with a brand (Zaglia, 2013). Managers invest in social media to create fans of their brands in order to achieve pos-

itive effects for their company through *worth of mouth* and loyalty (Leeflang, Verhoef, Dahlström, & Freundt, 2014: 1-2). Rishika, Kumar, Janakiraman and Bezawada (2013) suggested that customer participation in a company's social media efforts leads to an increase in the frequency of customer visits. The trend is rather obvious – marketers continuously invest more in digital media (Web_Strategies, 2016). The effectiveness via mobile phones is considerably higher compared to some other traditional media, in terms of the speed of reading a text message. According to a survey conducted by Danaher, Smith, Ranasinghe & Danahe (2015), only two minutes are needed in order to read the message via a mobile phone.

As direct marketing has been rapidly developing, companies face advertising problems due to information overload when it comes to any of the direct marketing media. For every e-mail newsletter that the consumer should be delighted to receive, he probably has dozens of unread or unwanted e-mails in the inbox. Then, when one pays for an advert to be seen on Facebook, it has to go through various other posts (Samuel, 2016). Potential consumers are exposed to various advertising messages, and in the sea of ads they barely see the one they are interested in because they are used to ignore ads. Therefore, millions of people refuse to let their devices impose intrusive ads. In the case of printed promo materials, they may end up in the waste bin without being looked at, while for online there are ad blockers. In the 2015, in Digital News Report, Reuters Institute for the Study of Journalism reported that 47% of respondents in the United States regularly use ad blocking software (Reuters Institute, 2015: 4). According to PageFair and Adobe's 2015 Ad Blocking Report, the number of people around the world who stop ads from reaching their computers exceeded 200 million in May 2015 (PageFair, 2015: 4). The reason for avoiding ads is the fact that people have noticed that companies were collecting and sharing their personal information with other companies (Searls, 2015) leading to major scandal compromising Facebook. So, the practice has showed that marketers combine online and offline communication activities (media) to achieve synergy (Batra & Keller, 2016: 127-128).

According to the research conducted by ZenithOptimedia Group, the use of the Internet in Serbia, was twice as high in 2015 compared to 2010, according to which people spend 109.5 minutes a day on average on the Internet. The time dedicated to traditional media declined, especially newspapers, due to the increase in the use of the Internet (from 402 to 376 minutes). Printed media were read four times less in 2015 compared to 2010 (Newsweek_Serbia, 2015). According to the forecasts of this agency, the use of the Internet will grow at a rate of 9.8% per year (Zenith, Internet use to drive 1.4% increase in media consumption in 2015, 2015). Also, according to research by ZenithOptimedia in 2016, 71% of Internet use was made via mobile phones (Zenith, 2016). According to the results of the research by the Statistical Office of the Republic of Serbia in 2016, when it comes to the time frame in which internet users purchased/ordered goods or services via the Internet, 26.3% of users made purchases/orders in the last three months, 12% more than three months ago, and 7.1% more than a year ago, while 54.6% of internet users have never bought/ordered goods/services via the Internet (Statistical Office of the Republic of Serbia, 2016: 27). Following the results of this study, 76.5% of households access the Internet by using a mobile phone, 72% by using computers, and 49.3% via the laptop. More than 90% of text messages are read within 15 minutes from the time a message is received on a mobile

phone, compared to an average e-mail campaign that generates less than 5% of clicks on e-mail (Ghadialy, 2016: 4-6).

Internet penetration in Serbia is growing – for example in 2016, 3 out of 4 citizens aged between 18 and 64 were using the Internet, mostly on a daily basis. Internet users were mostly younger persons, with a higher level of education and income than the average (MASMI, 2016). About 40% of those who do not use the Internet are potential Internet users (11% of Serbian citizens). The key obstacle for them, in addition to having no immediate need for doing so, is the lack of technical knowledge. The Internet is mostly rejected by older citizens, who will probably not be using it in the future (retired and aged 55+), as they do not feel the need at all. With the increasing use of the Internet, online shopping is increasing year by year (MASMI, 2016).

METHODOLOGY

The research was conducted in the period from second half of 2017, while the statistics was carried out during 2018 and 2019. The target group were the citizens of the Republic of Serbia – consumers aged 15 to 64 who belong to the category of labour-efficient population in order to examine their habits and preferences regarding the use of direct marketing media with the purpose of obtaining information about products/services, companies and ordering/online shopping. The questionnaire was used in two forms: an Internet questionnaire (a link was sent to the respondents) and a questionnaire of the same content in printed form (which was given to the respondents).

The sample was stratified – the members of the basic assembly, based on the selected criteria, were previously divided into stratum (homogeneous classes in relation to the criterion – age). The strata were created in proportion to the age groups of the population and then for each stratum independent random samples were formed. The random sample implies that each member of the basic assembly (in this case, the stratum) will be provided with the same probability of being included in the sample, with the mutual independence of drawing members of the basic set/stratum, in order to ensure the impartiality and representativeness of the sample. The structure of the sample also took into account criteria of the age of respondents ensuring that the sample is very similar to the structure of the actual demographics of Republic of Serbia: age 15-24 (sample: 20%, demographics: 17%), 25-34 (20%, 20%), 35-44 (20%, 20%), 45-54 (19%, 20%), 55-64 (21%, 23%).

The filed questionnaires were controlled, so the validity of the answers, the structure of the respondents and their number were taken into account. The sample consisted of 1,532 respondents and the sample error is 2.5%, with a confidence interval of 95% (the significance level of 0.95 is common, which means that the differences in the groups of respondents have 95% probability that they really exist – with the error risk of 5%, so it is believed that they reflect real differences in the population). Average response rate accounted both printed and online questionnaires is 43%. A five-step Likert scale was used to measure the frequency of consumer's habits and preferences regarding the usage of direct marketing media, ranging from: almost always, often, sometimes, rarely, never (the numerical values of these responses are 5, 4, 3, 2 and 1, respectively).

Systemic and comparable analysis of scientific literature and methods of questioning by a questionnaire are used research methods. In data processing and inter-

pretation of results, the SPSS software was used and quantitative statistical methods – descriptive statistics and comparative statistics (Kruskal-Wallis H test, regression and correlation) within it.

The research hypotheses were formulated on the basis of literature review, available research of media usage in Serbia and author's assumptions:

H₁: The most effective direct marketing medium is the Internet, in terms of communication and sales effects – the most frequency of reading promotional ads and ordering products/services is over the Internet. New media based on the Internet are more effective than traditional direct marketing media.

H₂: There is a statistically significant difference in the answers of respondents of different age groups in relation to the variables regarding the frequency of reading promotional content placed through the medium of direct marketing and the frequency of ordering through them.

RESEARCH RESULTS

By observing the answers *almost always* and *often* as positive ones (respondents who generally respond positively to promotional messages-offers), we found that:

- While reading newspapers/magazines, 16.9% of respondents pay attention to the parts where products/services are promoted. The percentage of the respondents who collect parts of newspapers/magazines with an interesting offer of products/services with an intention to buy a product from newspapers/magazines one day (when needed or when a favourable opportunity is available) or become a user of a service accounts for 10.7%. Only 5.3% of respondents send coupons from newspapers/magazines hoping to receive a reward or to obtain a discount. A large number of respondents read what is written on the leaflet when they find it in their hands (45.3%).
- When it comes to direct mail, 14.9% of the respondents read the received letters which offer a product, of which only 1.7% respond positively to the post, i.e., order the product offered.
- When it comes to catalogue sales, 10.7% of respondents buy products from the catalogue.
- Very few respondents (3.6%) order products and/or become a user of the offered service when contacted by phone. About 10.6% of respondents respond positively to the promo message which they receive on the mobile phone.
- While performing some kind of activity, 39.5% of the respondents listened to radio at the same time and 10.2% listen carefully to promotional jingles on the radio.
- A small percentage of respondents (9.8%) buy products via TV shop.
- A large percentage (66.7% of respondents) use web sites on the Internet in order to obtain information about products/services. About 14.5% of the respondents read absolutely every promotional message which they receive on e-mails, and only 5.4% of the respondents buy products/use the services promoted via e-mail, while 35.6% of respondents buy products/services available on the Internet, 48.3% of respondents follow Facebook pages they like, and 10.9% of respondents order products/services via

Facebook; 33.3% of the respondents follow the pages on Instagram, and only 7% of them buy via Instagram.

Table 1. Descriptive statistics

Questions in the form of statements	N	Mean	SD	Median	Min.	Max.
I buy newspapers.	1526	2.19	1.31	2	1	5
I buy magazines.	1529	2.22	1.19	2	1	5
I pay attention to parts in newspapers/magazines where products/services are promoted.	1526	2.29	1.17	2	1	5
If I come across an interesting offer of products/services in the newspapers or magazines, I put aside that part of the newspaper and put it in a special place.	1526	1.79	1.13	1	1	5
I cut the coupons from the newspapers/magazines and send them hoping to get a reward, i.e. I use them for a discount.	1532	1.43*	0.89	1	1	5
When a flyer is found in my hand, I read what it says.	1524	3.34	1.26	3	1	5
When a flyer is found in my hand, I do not read what it says but rather immediately throw it in a trash bin.	1522	2.48	1.35	2	1	5
I am interested in envelope letters which offer products and I read them.	1517	2.22	1.16	2	1	5
I respond positively to the received letters (I order the offered product).	1526	1.42*	0.70	1	1	5
I buy catalogue products.	1526	2.10	1.04	2	1	5
I buy "proven" products (those that my acquaintances use and praise).	1526	3.26	1.14	3	1	5
I listen to what is offered to me and I buy some of the offered products, i.e. I become a user of the offered service by phone.	1526	1.54*	1.25	1	1	5
I have time to co-operate when I am contacted by phone.	1532	2.20	1.18	2	1	5
I use call centre services to get answers to questions about services and other technical issues.	1530	2.47	1.33	2	1	5
I read the SMS that arrives on my mobile phone within 15 minutes.	1531	3.38	1.42	4	1	5
I positively react to the promo message that arrives on my mobile phone (I am interested in more details).	1524	2.02	1.07	2	1	5
I use a mobile phone while shopping in order to get additional information (search for offers, prices, and locations).	1530	2.57	1.45	2	1	5
While doing something, I listen to the radio at the same time.	1531	3.02	1.39	3	1	5
I listen carefully to promotional jingles on the radio.	1522	1.95	1.10	2	1	5
I watch TV shop.	1527	1.49*	0.82	1	1	5
I order products offered via TV shop.	1522	1.59*	1.15	1	1	5
I use a computer.	1528	4.64	0.87	5	1	5
I use e-mail.	1531	4.44	1.06	5	1	5

I visit websites on the Internet in order to obtain information about products/services.	1526	3.83*	1.37	4	1	5
I click on banners on websites.	1521	2.14	1.15	2	1	5
I order products/services via the Internet.	1526	2.85*	1.36	3	1	5
Before buying something, I get informed on the Internet.	1527	3.83*	1.23	4	1	5
I only use the Internet to obtain information, and then I go to the store.	1521	3.68	1.14	4	1	5
For me, going to shopping is a real pleasure.	1526	3.28	1.26	3	1	5
I read absolutely every promotional message that I receive via e-mail.	1526	2.21	1.18	2	1	5
I like receiving and reading e-mails from preferred brands.	1523	2.39	1.27	2	1	5
I am happy to try new products/services of preferred brands that I am offered.	1528	2.47	1.19	2	1	5
I buy products/services promoted via e-mail.	1523	1.82	0.94	2	1	5
I agree to buy a product without having to see it, feel it, try it out or consult a salesperson regarding product features.	1530	1.92	1.19	1	1	5
I have a profile on Facebook and I visit this social network.	1530	3.58	1.68	4	1	5
I follow Facebook pages that I like.	1524	3.14	1.67	3	1	5
I order products/services via Facebook.	1524	1.72	1.15	1	1	5
I have a profile on Instagram and I visit it.	1528	2.67	1.80	1	1	5
I follow Instagram pages that I like.	1518	2.43	1.70	1	1	5
I order products/services via Instagram.	1518	1.46*	0.96	1	1	5
I access social networks from my smartphone.	1518	3.66	1.69	4	1	5

* In the Likert scale, never has a value of 1 (minimal value), rarely 2, sometimes 3, often 4 and almost always 5 (maximum value), thus based on these values the mean values have been calculated.

Source: Authors

Only 11.2% of respondents never visit websites in order to find information about products/services, 22.1% of them do not order products online, 46.8% never buy products promoted via e-mail. About 64.2% of the respondents never order products/services via Facebook (34.1% of the respondents have ordered a product via Facebook at least once in the last year) while 77.9% of respondents never order via Instagram (20.4% of respondents have ordered a product via Instagram at least once in the last year).

It can be concluded that direct mail, telemarketing and television (in the form of TV shop) are the direct marketing media with the lowest effectiveness as only 1.7% of respondents positively respond to the received letter and 3.6% order products by phone, and 9.8% of respondents buy products via TV shop, while online sales are the most effective way of selling (35.6% of respondents buy products/services that are available on the Internet). As has been assumed, online sales have proven to be one of the most effective direct marketing media today.

Taking answers to questions in Table 1 into account, it can be concluded that the most effective direct marketing medium from the consumers' point of view is the In-

ternet since the highest mean value is 3.83 which refers to communication effects, i.e. visits to websites on the Internet in order to obtain information about products/services, and that is the average value for informing on the Internet before buying, while 2.85 is the average value that relates to ordering of the product/services via the Internet and is the highest one in terms of media effectiveness of sales effects. The table confirms that the media with the weakest effectiveness (where the key ones, the sales effects were observed) are direct mail, telemarketing and television (in the form of TV shop), since their mean values are the 1.42; 1.54 and 1.59 respectively (where the maximum value is 5). There is a significantly low mean value for printed media – newspapers/magazines (1.43) which are used for reward or discount. This indicates that direct mail has the weakest effect.

Table 2. Usage and effectiveness of direct marketing media

Direct marketing media	Percentages
Newspapers	
• the percentage of those who frequently buy newspapers	19.58 %
• of those who frequently buy newspapers, frequently read promotional ads in them	42.67 %
Magazines	
• the percentage of those who frequently buy magazines	17.75 %
• of those who frequently buy magazines, frequently read promotional ads in them	38.60 %
Direct mail	
• the percentage of those who frequently receive an envelope with a letter in which a product is offered	14.23 %
• of those who frequently receive direct mail, frequently read the content of it	36.70 %
• of those who frequently receive direct mail, frequently give positive answer on it	4.58 %
Telemarketing	
• the percentage of those who are frequently contacted by phone about the offer of a product/service	42.95 %
• of those who are frequently contacted by phone, frequently give positive answer on the offer by phone	7.29 %
• of those who are frequently contacted by phone, frequently have time to cooperate in survey by phone	22.19 %
• the percentage of those who frequently receive promotional messages on their mobile phone	41.45 %
• of those who frequently receive promotional message on the mobile phone, frequently positively react on that message	18.90 %
Radio	
• the percentage of those who frequently listen to the radio while doing something else	39.49 %
• of those who frequently listen the radio, frequently carefully listen promotional jingles	18.84 %
TV shop	
• the percentage of those who frequently watch TV shop	3.19 %

• of those who frequently watch TV shop, frequently order via it	20.41 %
Internet	
• the percentage of those who frequently visit web for information about products/services	66.71 %
• of those who frequently use internet for information, frequently order via internet	43.44 %
• the percentage of those who frequently read every e-mail with promotional messages they receive	14.49 %
• of those who frequently read every e-mail, frequently order products via e-mail	17.12 %
• the percentage of those who frequently visit Facebook	62.01 %
• of those who frequently visit Facebook, frequently follow pages they like	74.95 %
• of those who frequently visit Facebook, frequently order via this social network	15.68 %
• the percentage of those who frequently visit Instagram	39.82 %
• of those who frequently visit Instagram, frequently follow pages they like	82.30 %
• of those who frequently visit Instagram, frequently order via this social network	15.57 %

Source: Authors

The effectiveness of direct marketing media in terms of the frequency of positive reactions to promotional ads by those who frequently use a particular medium can be expressed by calculating the percentage of those who frequently use a direct marketing medium (response values: 5 – almost always, and 4 – often), and then frequency of the positive response can be calculated to a particular promotional ad through a direct marketing medium, and by those who frequently use this medium (to calculate the percentage of fairly active consumers who respond to promotional messages). Relative values for each tested direct marketing medium are given in the Table 2.

Results show that social networks have the greatest communication effect, that 82.30% of the respondents who frequently visit Instagram, frequently follow the pages they are interested in, and that 74.95% of the respondents who frequently visit Facebook, frequently follow pages on this social network. Of those who frequently search via the Internet for information about products/services, 43.44% frequently order via the Internet. Newspapers surprised by their effectiveness – of those who frequently buy newspapers, 43.67% of them frequently read promotional ads in newspapers. Of those who frequently access to social networks, the frequency of following the pages on Instagram is relative to Facebook, while the percentages of orders via these networks is fairly even.

Table 3. Testing the age groups of the respondents and the following questions

Questions	Kruskal-Wallis H	df	p
I buy newspapers.	225.10	4	0.000*
I buy magazines.	201.09	4	0.000*
I pay attention to parts in newspapers/magazines where products/services are promoted.	61.84	4	0.000*
If I come across an interesting offer of products/services in the newspapers or magazines, I put aside that part of the newspaper and put it in a special place.	66.14	4	0.000*
I cut the coupons from the newspapers/magazines and send them hoping to get a reward, i.e. I use them for a discount.	9.25	4	0.055
When a flyer is found in my hand, I read what it says.	16.17	4	0.003*
I am interested in envelope letters which offer products and I read them.	45.26	4	0.000*
I respond positively to the received letters (I order the offered product).	12.62	4	0.013*
I buy catalogue products.	12.82	4	0.012*
I buy "proven" products (those that my acquaintances use and praise).	66.87	4	0.000*
I listen to what is offered to me and I buy some of the offered products, i.e. I become a user of the offered service by phone.	37.82	4	0.000*
I have time to co-operate when I am contacted by phone.	5.36	4	0.252
I use call centre services to get answers to questions about services and other technical issues.	83.38	4	0.000*
I read the SMS that arrives on my mobile phone within 15 minutes.	80.58	4	0.000*
I positively react to the promo message that arrives on my mobile phone (I am interested in more details).	58.98	4	0.000*
I use a mobile phone while shopping in order to get additional information (search for offers, prices, and locations).	37.86	4	0.000*
While doing something, I listen to the radio at the same time.	11.45	4	0.022*
I listen carefully to promotional jingles on the radio.	4.99	4	0.288
I watch TV shop.	26.02	4	0.000*
I order products offered via TV shop.	155.67	4	0.000*
I use a computer.	143.74	4	0.000*
I use e-mail.	262.82	4	0.000*

I visit websites on the Internet in order to obtain information about products/services.	193.24	4	0.000*
I click on banners on websites.	74.16	4	0.000*
I order products/services via the Internet.	112.95	4	0.000*
Before buying something, I get informed on the Internet.	107.32	4	0.000*
I only use the Internet to obtain information, and then I go to the store.	22.83	4	0.000*
For me, going to shopping is a real pleasure.	58.59	4	0.000*
I read absolutely every promotional message that I receive via e-mail.	104.09	4	0.000*
I like receiving and reading e-mails from preferred brands.	31.66	4	0.000*
I am happy to try new products/services of preferred brands that I am offered.	77.95	4	0.000*
I buy products/services promoted via e-mail.	59.58	4	0.000*
I agree to buy a product without having to see it, feel it, try it out or consult a salesperson regarding product features.	47.39	4	0.000*
I have a profile on Facebook and I visit this social network.	322.54	4	0.000*
I follow Facebook pages that I like.	332.92	4	0.000*
I order products/services via Facebook.	117.79	4	0.000*
I have a profile on Instagram and I visit it.	373.03	4	0.000*
I follow Instagram pages that I like.	397.56	4	0.000*
I order products/services via Instagram.	150.98	4	0.000*
I access social networks from my smartphone.	315.05	4	0.000*

Statistically significant differences between the age groups of the respondents (15-24, 25-34, 35-44, 45-54 and 55-64) are marked with the asterisk ()

Source: Authors

Table 3 shows that the statistically significant differences between the age groups according to almost all tested questions except cutting the coupons from the newspapers/magazines and sending them with hope to get a reward ($\chi^2(2) = 9.25$, $p = 0.055 > 0.05$); having time to co-operate when he/her is contacted by phone ($\chi^2(2) = 5.36$, $p = 0.252 > 0.05$); and listening carefully promotional jingles on the radio ($\chi^2(2) = 4.99$, $p = 0.288 > 0.05$).

There is an influence of age of respondents to the frequency of buying newspapers ($R^2 = 0.150$, $F(1,1526) = 267.29$, B coefficient = 0.034, Beta coefficient = 0.387, $p = 0.00 < 0.05$; 15.3% of variability of the frequency of buying a newspaper is explained by the influence of ages of respondents), and to the frequency of buying magazines ($R^2 = 0.133$, $F(1,1529) = 232.16$, B coefficient = 0.029, Beta coefficient = 0.364, $p = 0.00$

< 0.05 ; 13.3% of variability of the frequency of buying a magazine is explained by the impact of ages of respondents). There is a statistically significant correlation between the mentioned variables (Spearman's rank correlation coefficient = 0.373; 0.365, respectively, $p = 0.00 < 0.05$, risk of error = 0.01), and these are moderate positive linear relationships which indicates that the frequency of purchases of newspapers and magazines increase as the respondents are older, but there is no statistically significant correlation between the age of respondents and the frequency of paying attention to promotional ads in printed media (Spearman's rank correlation coefficient = 0.176, $p = 0.00 < 0.05$, risk of error = 0.01), because the relationship between these variables is negligible. Older respondents have the habit of buying print media and they are not more focused on reading content from printed media than younger respondents.

There is insignificant influence of age of respondents to the frequency of on-line ordering ($R^2 = 0.018$, $F(1,1526) = 27.09$, B coefficient = -0.012, Beta coefficient = -0.133, $p = 0.00$), then, to the frequency of ordering via Facebook ($R^2 = 0.038$, $F(1,1524) = 59.93$, B coefficient = -0.015, Beta coefficient = -0.196, $p = 0.00$), to the frequency of ordering by phone ($R^2 = 0.011$, $F(1,1526) = 17.18$, B coefficient = 0.006, Beta coefficient = 0.106, $p = 0.00$) and to the frequency of ordering via TV shop ($R^2 = 0.089$, $F(1,1522) = 148.34$, B coefficient = 0.022, Beta coefficient = 0.298, $p = 0.00$). There are no statistically significant correlations between these variables (Spearman's rank correlation coefficient = -0.120; -0.204; 0.128; 0.273, respectively, $p = 0.00 < 0.05$, risk of error = 0.01), where the relationships between variables is negligible. The only statistically significant correlation is between the age of respondents and the frequency of ordering via Instagram (Spearman's rank correlation coefficient = -0.301; $p = 0.00 < 0.05$, risk of error = 0.01, $R^2 = 0.080$). The younger the respondents are, the higher is the frequency of ordering via Instagram.

However, it is important to point out that the results show that there is an influence of the age of the respondents on the frequency of using social networks to follow likable pages on Facebook and Instagram. 17.9% of the variability in the frequency of following pages on Facebook explains the influence of the respondents' age ($R^2 = 0.179$, $F(1,1524) = 328.41$, B coefficient = -0.046, Beta coefficient = -0.423, $p = 0.00$). There is also a statistically significant correlation between these variables (Spearman's rank correlation coefficient = -0.409, $p = 0.00 < 0.05$, for a confidence interval of 99% and a risk of error of 1%). The correlation is negative and medium by strength, which means that the frequency of following Facebook pages increases, the younger are the respondents. And in case of Instagram, 26% of the variability in frequency of following pages on Instagram explains the influence of respondents' age ($R^2 = 0.260$, $F(1,1518) = 528.35$, B coefficient = -0.057, Beta coefficient = -0.510, $p = 0.00$). There is a statistically significant correlation between these variables (Spearman's rank correlation coefficient = -0.517, $p = 0.00 < 0.05$, for a confidence interval of 99% (and a risk of error of 1%) which is negative and medium by strength – the frequency of following pages on Instagram increases as the age of the respondents decreases.

TESTING THE RESEARCH HYPOTHESES

Analysis of the results presented in Table 2 clearly indicates that the most effective direct marketing medium is Internet, in terms of communication and sales effects, and thus the hypothesis H_1 has been confirmed.

The hypothesis H_2 has also been confirmed – there is a statistically significant difference in the answers of respondents of different age groups in relation to the variables regarding the frequency of reading promotional content placed through the medium of direct marketing and the frequency of ordering (Table 3).

MODELS

Table 4 was compiled based on the mean values.

Table 4. Communication and sales effects of direct marketing media in relation to the age groups

Communication and sales effects of direct marketing media	Age groups of consumers in Serbia				
	15-24	25-34	35-44	45-54	55-64
<i>Communication effects of printed direct marketing media</i>					
Reading promotional contents in newspapers/magazines	-	-	-	2.65	-
Reading promotional contents on flyers	3.19	3.50	3.46	3.35	3.28
<i>Communication effects of Internet-based direct marketing media</i>					
Obtain information about products/services on the Internet (websites)	3.55	4.32	4.40	4.13	2.96
Obtain information on the Internet and then going to the store	3.44	3.72	3.74	3.89	3.76
Reading promotional messages received via e-mail	-	-	-	2.85	-
Following promotional contents via Facebook pages	3.64	3.90	3.56	2.50	-
Following promotional contents via Instagram pages	3.63	2.89	-	-	-
<i>Sales effects of the Internet</i>					
Ordering products/services via the Internet	2.68	3.23	3.31	2.59	2.50

Source: Authors

All age categories use Internet to a large extent for obtaining informations about products and services within the purchasing decision-making process, as well as to order products/services. The oldest age group (55-64) uses these advantages of the Internet the least, and the respondents of the age group 35-44 the most and they mostly order via Internet. Based on the possibility of achieving good communication effects within promotional campaigns, Facebook can be very useful and cost-effective for placing promotional content for age groups 15 to 54 years. The benefits of Instagram can be well used to place promotional content for age categories 15-34 years. Regarding the investment of money and other resources in traditional printed forms of direct marketing media, it can be seen in Table 4 that good communication effects can be achieved in the age group 45-54, who carefully read promotional content placed through newspapers and magazines in print form. This age group also pays the most attention to the content of e-mails with promotional content and advertisements. Also, very good communication effects can be achieved through flyers, since all surveyed age categories read their content, which is proof that traditional direct marketing media do not disappear, but often serve as a supplement to some new forms of media.

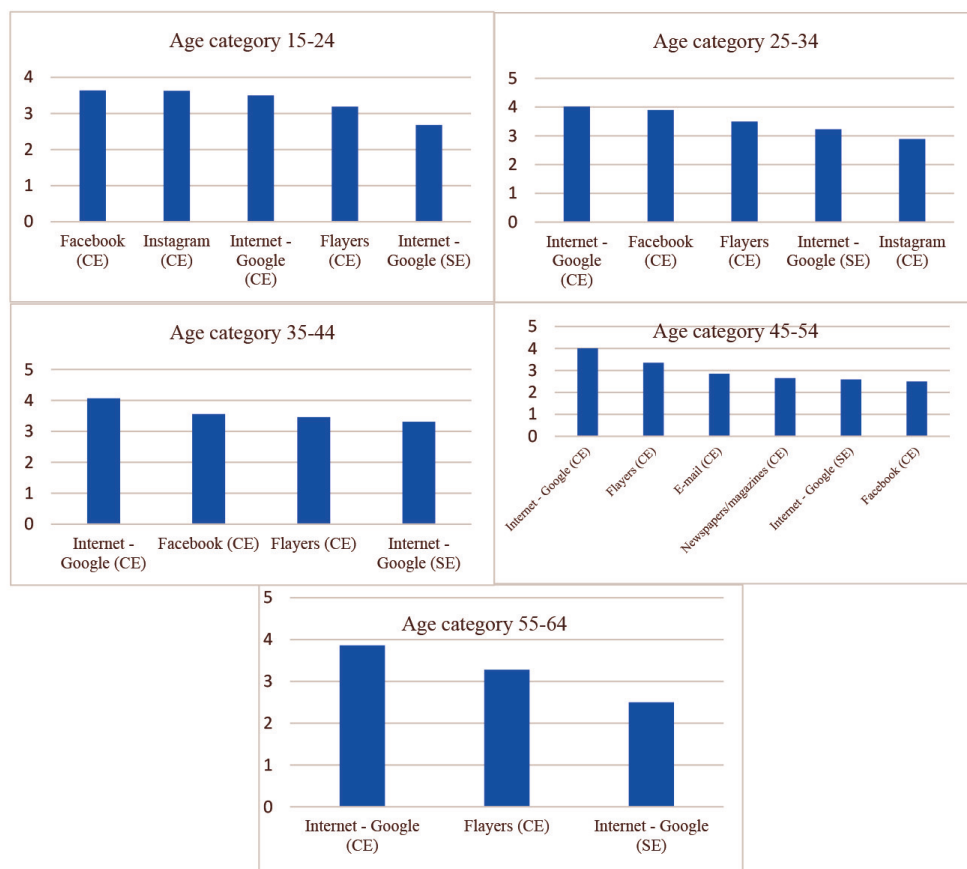


Chart 1. Models for age groups of consumers (CE – Communication effects; SE – Sales effects)

Source: Authors

Based on Table 4, charts are derived that show which are the most effective direct marketing media for each age category. The chart shows model according to the age category, and it can be seen that the most effective media of direct marketing for age 15-24 are: Facebook (with communication effects – CE), Instagram (with CE), internet search (CE and sales effects – SE) and flayers (CE). The most effective media of direct marketing for the age group 25-34 are: internet search (CE and SE), Facebook (CE), flayers and Instagram (CE). Conclusion is that the best investment in promotional content is on Google ads, Facebook and leaflets, for the age category 35-44, because it is shown that age category most often pays attention to the content that is placed through the mentioned media of direct marketing. For age group 45-54, it would be the most profitable to invest in like the mentioned media for the age category 35-44, with possible promotional content in printed newspapers and magazines and e-mails. Respondents of the oldest category (55-64) the most often read promotional content on leaflets and the Internet.

CONCLUSION

Direct marketing enables sales improvement, better contact with consumers, lower costs of promotional campaign as well as many other positive effects. Getting in touch with consumers without intermediaries allows lowering the contact costs, while the obtained information is better and safer due to the immediacy. Savings created in this way allow lower prices and thus providing competitive advantage. Direct marketing addresses a closely segmented auditorium, personalizes the communication process, it is easily controlled and it is simple to perform an evaluation of activities. Nowadays, consumers spend a lot of time using their mobile phones and they prefer to interact with a brand outside the “real world”, which means that it is a must to have an integrated digital marketing strategy. Using smartphones and applications is merely one way to achieve digital interaction. Firms’ digital marketing engagement can be categorized according to perceived benefits and digital marketing usage (Tiago & Verrisimo, 2014: 703). These digital strategies place consumers in the centre and are created to be reached on the basis of their habits, preferences and behaviour. Although there is no universal formula on how to create digital communication for reaching consumers, and certainly it cannot be achieved overnight, focusing on digital marketing efforts should not lag behind (Armitage, 2015: 22-23). Based on the research results, it is concluded that, in terms of communication and sales effects, Internet (including social networks) is the most prominent as a direct marketing medium. The results show that the Internet is a very effective direct marketing medium (in terms of communication and sales effects) for all respondents’ categories according to age. Social networks – Facebook and Instagram are most common among respondents aged 15-35, and Facebook is still frequently present among consumers under the age of 55, and via these social networks it is possible to achieve good communication effects for mentioned age categories. Also, the leaflet has remarkable communication effects for all respondents’ groups. Considering the percentage of attention and reading to promotional ads in them, printed newspapers have been proved to be a very effective medium, by consumers who frequently buy newspapers. These results may be used to model optimal for different target groups of consumers, not only in Serbia, but also in neighbouring countries that have similar aspect of social, cultural and economic development. This study examined general consumer usage and effectiveness of direct marketing media in Serbia with big and representative sample. Authors are aware of the limitations that the study did not include an examination of the effectiveness of a given media considering a specific advertisement as a part of a promotional campaign. A deeper study would include an examination of the usage of a specific direct marketing medium in terms of the form, content and promotional appeals of the ad.

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