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'I hereby declared that I had read through this thesis and in my opinion that this thesis is adequate in terms of scope and quality which fulfil the requirements for the award of Bachelor of Technopremeurship'

Signature           : ...................................

Supervisor's Name : Eng.Dr. Mohd Fazli Mohd Sam.

Date               : ...................................

Signature           : ...................................

Panel's Name      : Mr. Albert Feisal @ Muhd Feisal

Date               : ...................................

THE EFFECTIVENESS USING BOOSTER IN ONLINE ADVERTISING AMONG
NEW ONLINE SELLERS

NOORFARIZA BINTI MOHD ZAINI

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Faculty of Technology Management & Technopreneurship
Universiti Teknikal Malaysia Melaka

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# DECLARATION

"I hereby declare that the work of this exercise is mine except for the quotations
and summarize that have been duly acknowledge"

Signature : …………………………….

Name : Noorfariza Bt Mohd Zaini .

Date : …………………………….

# DEDICATION

I would like dedicate the appreciation to my family members especially my parents Mr. Mohd Zaini Bin Kismin and Mrs. Rohana Binti Mohd Yasin who motivate me in completing this research. They continuously give me support and advice to fulfil the requirement of the research.

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Thank you

# ABSTRACT

Nowadays many online sellers were born where they are most preferred using the social media as a marketing platform. Most of them did not aware about the existence of boost ads where social media itself provided an advertising platform with lower cost as a marketing tools such as Facebook Ads, Twitter Ads, YouTube Ads, Google AdWords, and Bing Ads especially for new online sellers. The purpose of this research is to expose for online seller about the boost ads where they can use in their business as a marketing tool. In this research, Break-Even Point formula was used to show for online about the profit, duration taken and appropriateness of boost ads if the online sellers using in their business

Keywords: Online business, social media, booster advertising, Break-Even Point

# ABSTRAK

*Pada masa kini ramai peniaga online telah lahir di mana mereka paling gemar menggunakan sosial media sebagai platform pemasaran. Sebahagian besar daripada mereka tidak sedar tentang kewujudan iklan booster di mana media sosial itu sendiri menyediakan platform pengiklanan dengan kos yang lebih rendah sebagai alat pemasaran seperti Facebook Ads, Iklan Twitter, YouTube iklan, Google AdWords dan Iklan Bing terutama bagi peniaga online yang masih baru. Tujuan kajian ini adalah untuk mendedahkan kepada penjual online mengenai iklan ooster di mana mereka boleh gunakan iklan tersebut dalam perniagaan mereka sebagai alat pemasaran. Dalam kajian ini, formula titik pulang modal telah digunakan untuk didedahkan kepada peniaga online mengenai keuntungan, masa yang diambil dan kesesuaian iklan boster jika peniaga online menggunakan iklan ini dalam perniagaan mereka.*

*Kata kunci: Peniaga online, social media, pengiklanan booster, titik-pulang modal.*

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# LIST OF ABBREVIATIONS

IT      =      Information Technology

ADS      =      Advertising

FB      =      Facebook

BEP      =      Break-Even Point

B2B      =      Business to Business

B2C      =      Business to Consumer

INC      =      Incorporation

CPC      =      Cost per Click

CPM      =      Cost per Miles

CPE      =      Cost per Engagement

CVP      =      Cost Volume Profit

# LIST OF SYMBOLS

| | | |
|---|---|---|
| % | = | Percent |
| = | = | Equals |
| + | = | Plus |
| x | = | Multiple |

# LIST OF APPENDIXES

# CHAPTER 1

# INTRODUCTION

## 1.1    Background of the study

This chapter consists about the background of the study, problem statement, research objective and question, scope and limitation of study and summarization of this chapter. There are important researches to cover in this chapter. This research will be conduct to measure the effectiveness for online business in social media by using booster in online advertising among online sellers. Social media is one platform where can distribute the information to many participation users from social media in term of to create and sharing the information (Steenkamp and Hyde-Clarke, 2014). Social media is the best platform to doing online marketing especially for new online seller who want venture into business especially for online business. Nowadays, many entrepreneurs are using social media as a medium of online marketing in business online which one of the reason are very fast information and cut cost.

The changing rapidly about the information technology (IT) has transformed the Internet into the most popular channel of communication in the world today. The internet's high speed, user friendliness, low cost, and wide accessibility have contributed to commercialization for the product or service in the form of online marketing where it is the best platform for generating awareness and attention among customer or target audience through online advertising ( (Rowley, 2001). According to Nielson Media Research (2008), Malaysia was spending approximately USD460 million in online advertising. In online advertising is needs require payment for daily or monthly based on budgeting capability. With investment that already did by online seller in online advertising for marketing ensure that it must give reasonable and profitable return.

Social media is much higher level of efficiency compare to other traditional communication channel prompted industry leaders to state that companies must participant in order to success in online environment such as Facebook and Twitter (Kaplan, 2010). Social media was providing one website page to promote the business of product or service where easier in searching the target market by updating the status, or share the web page on status, and that called as online advertising. Online advertising in social media is one platform to make good marketing especially for online business where does not spend a lot of cost or capital while marketing is very important and should consistent to attract public awareness about existence of a new business in online business. For online advertising by using page and website is one the great application where the owner of online business may did not mix up about the personal and business which that this applications can use separately but using the same account.

On online advertising has a booster in online advertising which the online seller can make the online advertising more effective to achieve the accurate target market and target sale (Rocket Fuel, 2016). All owner of online business might want to get a large coverage on target market in social media such as Facebook, Twitter, YouTube and etc. Many owner of online seller never exposed and know about booster in online advertising in social media who can help to achieve the sale target and get profit with short time period. With investment that already did by online seller in online advertising for marketing ensure that it must give reasonable and profitable return.

These are several booster in online advertising channels which as Facebook Ads, Twitter Ads, YouTube Ads, Bing Ads and Google AdWords where all this type of channel can boost the advertising by status, picture and video to attract more specific target market based on what the owner want in term of interest of people (Rocket Fuel, 2016). By using booster of online advertising, the new online seller could invest the cost in marketing where every boost in online advertising needs a require payment for daily or monthly based on budgeting capability of the business. By using the online advertising is important to evaluate the effectiveness and how the target market responded with advertising by boost.

## 1.2    Problem Statement

Social media marketing has become the newest form of advertising for companies and online seller (Ashley, 2015). Most online seller more prefer using social media to introducing and promoting the product or service but still lack of awareness to attract more audience or target market about the existence of new business. The purpose for this study is to research about online advertising by boost where is for to attract accurate target market by using social media such as Facebook, YouTube, Google, Twitter and Bing among online business seller. Even though, there a lot of type of online advertising but not all this channel can support the seller to attract the right target market. This issue is focus on appropriate using online advertising by using boost based on type of business and capability of new online seller in investing at this channel booster online advertising while it is a new in venture in business.

The booster where using in online advertising has a payment required for daily or monthly it is issue where online seller must taking a risk to invest in marketing cost where every boost needs a cost minimum RM8 in Facebook for daily budget to boost the status updated (Facebook Insight, 2016). For new online sellers can carry the load in the flow of capital and profits to be earned. This problem focus on break even analysis achievement in profit earned and time taking by using boost in online advertising. In business, consistence marketing is important to establish new branding and product while spending capital in marketing is higher rather than

managing of business especially in online business that really lowest cost because does not using much cost in fixed asset.

Nowadays, most fresh online seller more prefers using social media to doing promotion and introducing the business without doing payment even most of online had created the page or website already. The issue will be come out when lack of awareness for audience about the existence of a new business especially for fresh online sellers. The scope of audience or target market is limited because the acquired information is existing contact.

While without using boost the responded on the advertising it is take a long time to get the response from consumer. The wasting time also happened while the utility cost is running which data/quota cost of internet already expensed. The problem on this study is how long it will take to use this boost online advertising whether until very establish of business or profit earned after 1 year or for just starting the business.

## 1.3    Research Questions

Research question that related of the study are:

1) What the achievement of Break-Even Point (BEP) analysis by using booster in online advertising in social media among new online sellers?
2) How long the duration taken if the online sellers using the online advertising in social media?
3) Whether it is appropriate for online seller to use booster in online advertising in social media for online sellers?

## 1.4    Research Objectives

The aims of the study are to examine the effectiveness using booster online advertising for online sellers in social media. There a few of objectives are arising in the study based on the problem statement above as follows:

1) To identify the Break-Even Point(BEP) by using booster online advertising in social media for online sellers
2) To determine the duration taken if the online seller using the online advertising in social media
3) To know the appropriate booster in online advertising for online business among online seller based on type of business

## 1.5    Scope and Limitation

### 1.5.1   Scope of study

The scope of this research was looking into the effectiveness using booster in online advertising in social media towards online sellers. This study is to identify the factor of effectiveness of boost online advertising in online business in term of cost, benefit and factor of booster online advertising. In booster, online advertising which is Facebook Ads, Twitter Ads, and YouTube Ads has range of budgeting from very cheaper until expensive price per day. The second scope is to investigate the appropriate of boost online advertising in online business where focus on how long time that can gain the profit in online business that using on that booster. In booster online advertising in social media, can attract many audience or target market to respond on that advertising but customer feedback could help to making a sale for monthly or not.

### 1.5.2    Limitation of study

The research has been focused on among online seller that using booster in online advertising at social media. The limitation happen on expectation by online seller that using on this booster in online advertising to make the seller think that it is very expensive cost to invest in marketing cost. The cost of budgeting in booster online advertising sometime fluctuate then can affect the BEP achievement.

## 1.6    Significant of study

This study provided the useful information for online seller which it can expose about booster in online advertising at social media that can help to improve the monthly sale where can earned of the profit. According Rocket Fuel (2016) websites, booster is one technology system to boost social engagement to promote the variety of type business. For booster in online advertising has a lot of benefit in term of cost and benefit In cost, the seller can choose the price based on what the seller want to achieve whether for increase the like page, customer respond in comment, and view in video for promotion where the customer aware about the discount sale. Other benefit, the scope on the target market might be the coverage is bigger where before this the business only aware from the surrounding people on seller living country but by booster can find the target market from outside living country sometimes this advertising can going the outside of peninsula of nation.

From online sellers perspective is sufficient to use social media to promote the product or service for existing friend list without using booster because need the cost that to spend in business. In put the selling price for product, the cost of product must add the percent of profit that the profit also can cover other cost with is rent, or etc. Firstly, must calculate the profit for one product whether the profit can support and cover the other cost or not. If the profit still not achieve to cover it, booster online advertising has range of budgeting from cheaper until expensive where the reaches of people based on cost that seller want it. But, if the cheaper price same with reaches people without using booster the seller can doing the advertising

without using the booster online advertising. It must do calculation on the selling price for using booster online advertising to achieve the effective the business.

This study is able to generate some knowledge about the existence of booster online advertising in social media. The type of booster online advertising also can be exposed to online seller which type that can help the business. With social media, many of things that can the online seller can do to doing the business by updated the status on personal wall where existing friend list may know about existence of the new business. But at the same time, the booster by web page also running the advertising on other people wall status that the owner seller is never know the target market really much but that customer can know about the existence of new business. Finally, this study is informative for the academicians where current study could provide as a reference and may serve particular guides for the upcoming researchers who would like to study about the similar issue.

## 1.7    Summary

In summary, this research is to examine the effectiveness of booster online advertising among online business. Booster online advertising is same with online advertising but has some of different where by booster need payment required and was getting faster response from target market. The scope of target market will larger than using online advertising by social media where the target market is only the existing friend list and does not need a  payment.

Unluckily, many online seller use social media to doing the marketing for business but the knowledge about existence of booster in online advertising is still lack. The expectation about booster online advertising is one of factor that bringing the seller feels that is one load cost need to invest without knowing about the range of price. In model booster online advertising which as Facebook Ads (Fb Ads), Twitter Ads, YouTube Ads, Google AdWords, and Bing Ads can show for seller online which one is available and suitable for the seller's business where it can bring the business will success.