THE EFFECTIVENESS OF USING MARKETING AUTOMATION SYSTEM FOR ENTREPRENEURS IN MALAYSIA

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This report has been submitted in part fulfilment of the requirements for the Bachelor of Technology Management (High Technology Marketing) degree.

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DECLARATION

Except for the statements provided in the references, I declare that this paper named "The
Effectiveness Using Marketing Automation System for Entrepreneur in Malaysia" is the
result of my own effort.

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Date : 30 January 2023

APPROVAL

I thus certify that I have read this thesis and believe it to be adequate in scope and quality for the granting of Bachelor of Technology Management with Honours (High Technology Marketing).

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DEDICATION

God Almighty, my creator and source of inspiration, wisdom, knowledge, and comprehension, is the recipient of this endeavour. He has been my source of strength throughout this programme, and I have only been able to fly on His wings. As well as Dr. Sitinor Wardatulaina Binti Mohd Yusof, who served as my supervisor and gave me advice and pointed me in the right direction throughout the course of this study, I dedicate this work to my family, friends, and other members of my immediate and extended communities for their unwavering support, assistance, encouragement, and motivation throughout the completion of this research project. I would like to take this chance to express my sincere gratitude to all of my dear friends who have helped me so much with the writing of my thesis.
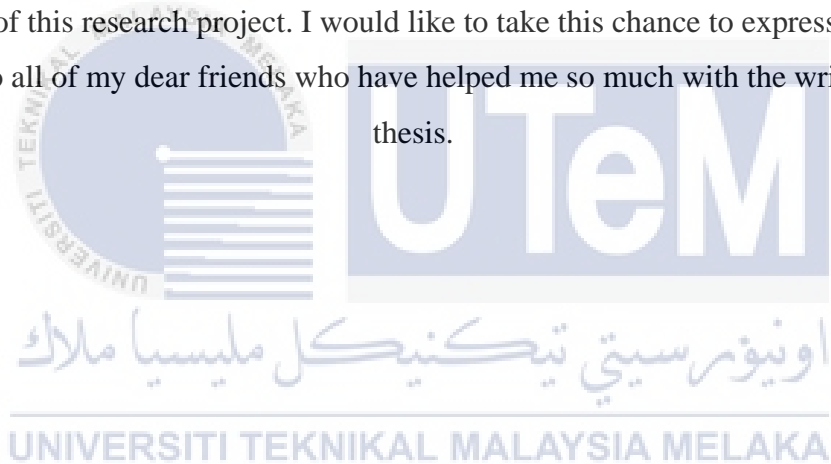
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The perseverance, passion, devotion, and sacrifices needed to finish this job. Along the path to completing this project, there were many pleasant and difficult times. I'd want to convey my appreciation to everyone who helped with the completion of this study project in anyway.

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ABSTRACT

More and more businesses are being impacted by digitization. This encompasses the emergence of new possibilities as well as new problems. As a result of this advancement, more businesses are beginning to adopt software tools and incorporate digitalization into their strategy. Marketing automation has become a buzzword in the marketing industry in recent years. Marketing automation is intended to be used as a tool to make a marketer's job simpler, not only to automate marketing tasks. This application allows you to monitor real-time data and discover marketing components that are and are not successful. Instead of guessing, these insights may be utilised to decide how to optimise future efforts. As a result, the purpose of this research is to look into the efficacy of implementing a marketing automation system for Malaysian entrepreneurs. The researcher also incorporates independent variables linked to marketing automation systems, such as technical knowledge, marketing automation system pricing, and marketing automation system kinds and features. A questionnaire is a structured written questionnaire that the respondent must complete, with their responses often recorded within a set range of alternatives. Entrepreneurs in Malaysia who employ marketing automation systems are given a set of questionnaires. The researcher anticipated to obtain the perspective or level of the users towards the efficacy of employing marketing automation system for entrepreneur in Malaysia at the conclusion of the study.

ABSTRAK

Semakin banyak perniagaan dipengaruhi oleh pendigitalan. Ini merangkumi kemunculan kemungkinan baru serta masalah baru. Hasil daripada kemajuan ini, lebih banyak perniagaan mula menggunakan alat perisian dan menggabungkan pendigitalan ke dalam strategi mereka. Automasi pemasaran telah menjadi kata kunci dalam industri pemasaran sejak beberapa tahun kebelakangan ini. Automasi pemasaran bertujuan untuk digunakan sebagai alat untuk menjadikan kerja pemasar lebih mudah, bukan sahaja untuk mengautomasikan tugas pemasaran. Aplikasi ini membolehkan anda memantau data masa nyata dan menemui komponen pemasaran yang berjaya dan tidak berjaya. Daripada meneka, cerapan ini mungkin digunakan untuk memutuskan cara mengoptimumkan usaha masa hadapan. Hasilnya, tujuan penyelidikan ini adalah untuk melihat keberkesanan pelaksanaan sistem automasi pemasaran untuk usahawan Malaysia. Penyelidik juga menggabungkan pembolehubah bebas yang dikaitkan dengan sistem automasi pemasaran, seperti pengetahuan teknikal, penetapan harga sistem automasi pemasaran, dan jenis dan ciri sistem automasi pemasaran. Soal selidik ialah soal selidik bertulis berstruktur yang mesti dilengkapkan oleh responden, dengan jawapan mereka selalunya direkodkan dalam julat alternatif yang ditetapkan. Usahawan di Malaysia yang menggunakan sistem automasi pemasaran diberikan satu set soal selidik. Pengkaji menjangkakan untuk mendapatkan perspektif atau tahap pengguna terhadap keberkesanan penggunaan sistem automasi pemasaran untuk usahawan di Malaysia pada akhir kajian
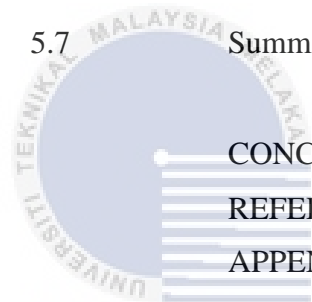
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CHAPTER 1

INTRODUCTION

1.1 Introduction

The effectiveness of using a marketing automation system for Malaysian business owners is covered in the first chapter. A thorough background study, problem statement, research objectives, research scope, study significance, organizational research, and a summary are also included in this chapter. Along with discussing the value of the study, this chapter also discusses the investigation's limitations and scope.

1.2 Background of study

Business Wire reported in a piece dated June 17, 2022 that the global market for marketing automation was worth $5.45 billion in 2021. By 2026, the market is anticipated to increase to $8.58 billion. The marketing process is streamlined by marketing automation software. To put it another way, marketing automation enables marketers to send customers automated messages. Automating repetitive tasks and boosting overall marketing process effectiveness are the main goals of marketing automation software. To generate sales leads, marketing teams frequently use marketing automation software. These channels include email, websites, social media, and text messaging. On June 17, 2022, business wire reported that marketing automation would benefit the entire company, but especially the marketing team.

Customers' expectations and interactions will continue to shift in 2020, according to the Digital Marketing Institute, and more hard effort will be required to match consumers' expectations. In 2020, the importance of personalized experiences will grow, and customers will seek for brands that are one-of-a-kind and individualized. Companies compete fiercely for customers, and only the most effective marketing approach triumphs. Marketers want a toolkit that allows them to engage clients via digital channels in order to satisfy customers, increase revenues, and minimise end-to-end service costs. (The Digital Marketing Institute's 20/20 Vision was published in 2019.)

Sales and Marketing Automation (S&MA) solutions are one of these technological systems; they are used to enhance the efficacy of marketing operations through automated, customised, and data-driven activities (Mero et al., 2020). The complexity of the current business environments is driving a greater need for sales and marketing automation (S&MA) systems. These solutions can assist with a variety of tasks, including customised communications, email marketing, social media marketing, lead management, CRM integration, and marketing analytics.

In spite of an estimated $11.4 billion in global investment in 2017 (Sweeney, 2018), marketing automation platforms have received relatively few academic studies. It shouldn't be surprising that different users cite various advantages of using a marketing automation platform. Everyone can gain from improved sales and marketing alignment (Redding, 2015; Sandell, 2016), increased revenue generation overall (Jena & Panda, 2017), accurate measurement of marketing strategies and their effectiveness, and cost savings from reducing marketing teams. It's odd that, even in the fields of artificial intelligence, very few

definitions, if any, include the unquestionably automated but more sophisticated personalization, segmentation, and analytics features offered by marketing automation platforms (AI). Even though only 1 in 4 businesses there have automated at least one sales process, this trend is furthered in Italy, where 72% of businesses have indicated they will invest in sales and marketing automation in the coming months (Dawson, 2020). (Baig et al., 2020).

In a lecture at a marketing conference in 2001, John D.C. Little used the term "marketing automation" to describe the backing of online marketing decisions (Little, 2001). In the United States, the first marketing automation (MA) software was created after 2000, and by 2010, more than 30% of major American corporations were using marketing automation (Baewicz, 2012). Current financial statistics show that $11.4 billion USD was invested globally in MA tools in 2017. (Sweeney, 2018). In Poland, suppliers of these systems report yearly revenue increases of 50%, demonstrating the market's expansion (Peszko, Chrchol-Barczyk, 2015).

Two groups of marketing automation are possible. On the one hand, it assumes the integration of all consumer contact channels, including social media, email, and content, as well as the automation of relationship maintenance. The third option presupposes that it is software, a system that optimises marketing and sales efforts through the use of data. It enables relationship development, offering segmentation and automation, monitoring, and analysis (Prószyski & Szarras, 2016). It should be emphasised in this regard that MA streamlines and improves the process of screening leads, or potential customers, in order to tailor the offer (Järvinen, Taiminen, 2016). Marketing automation (MA) makes it relatively simple to acquire customers. Use of Marketing Automation (MA) platforms that control crucial data and offer the necessary accuracy in the pertinent areas is therefore even more essential (Kauffman et al., 2018; Mero et al., 2020).

1.3 Problem Statement

The worldwide automation industry is anticipated to grow at a CAGR of 12.1% over the anticipated period, reaching a market value of roughly USD 12,178 million by 2030, according to the Worldwide Newswire on June 13, 2022. Recently, marketing tools have drawn a lot of attention, and it seems that trend will persist. For effective and profitable marketing, many organizations are starting to adopt and expand their operations using such

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technologies. Many organizations are currently overburdened with concerns about, to name a few, tracking engagement and pursuing the incorrect leads. Automation may make it easier to deliver messages that are more individualized and targeted, align with sales, and measure performance. Digital marketing is seeing an increase in the use of marketing automation tools, which helps marketers work more efficiently. Process automation can help with time savings, marketing optimization, engagement improvement, and financial gain by implementing it. It gives clients individualized attention by sending emails that are thoughtful, honest, and have the tone of a conversation with a friend.

Small and mid-sized businesses will experience the fastest rate of growth during the forecast period, according to Forbes News, which also states that "customer retention is one of the factors driving SMBs to adopt marketing automation solutions." Some of the journalists claimed that marketing automation is necessary for artificial intelligence (AI) to fully utilize itself in order to read and understand a prospect.

Nowadays, with more market rivals, it is difficult to retain solid client connections, particularly in the retail industry. And, in order to compete, the entrepreneur must fully understand the demands of the client. Ignoring the demands of the client might reduce engagement. The companies will be unable to forecast which consumers are likely to buy their products again, how much income comes from new (vs repeat) customers, and how to convert occasional purchases into habitual buyers (Hamad Murad, 2021).

The changing level of technology that develops every year makes many ideas and innovations generated by various parties to help improve the living standards of the world community. There is no denying that the development of this technology directly helps in improving the yield and quality of goods produced by the authorities. In Malaysia alone there are many entrepreneurs who use technology to increase sales revenue. Recently, entrepreneurs in Malaysia are increasingly using the Marketing Automation System in marketing their products. Awareness is increasing among Malaysian entrepreneurs after study after study that proves that this Marketing Automation system is very helpful for companies to promote their products to customers. Alford and Page (2015) discovered that small business owner-managers adopt marketing technologies by using effective reasoning.

Despite the fact that email marketing is the most effective marketing channel in terms of ROI, according to Econsultancy's annual Email Marketing Industry Cencus, 33% of respondents thought their automated email marketing programme was unsuccessful

(Gilliland, 2018). (Moth, 2017). In a similar vein, Act-On (2016) reported that 15% of respondents to their state of B2B Marketing Automation report gave their marketing automation activities a negative rating, while 85% gave them a positive rating. In addition, only half of the 2061 businesses surveyed for LeadMD's 2016 report indicated that using marketing automation had increased their number of qualified leads.

Marketing executives and practitioners are becoming more interested in marketing automation as spending is predicted to more than double to $25 billion by 2023. Sweeney (2018). (2018). (2018). More than 2.5 million websites are supported by 292 platforms at this time (Brinker, 2018). (2018) (Made With) (Built With). Software behemoths can build their own marketing automation products or acquire existing platforms. With the recent addition of Oracle, Adobe, Salesforce, and IBM, the market for marketing automation platforms has increased from just ten platforms in 2011 to more than 20 platforms in 2019. 2018 (Brinker).

One of the earliest examples of this optimism is Doyle's opinion piece from 2000 on brand-new marketing automation solutions. He predicted that if email and SMS were used as marketing communication tools, the volume of messages sent to clients would increase 100-fold. Similar to how Redding (2015) saw marketing automation, with the caveat that success depends on proper implementation, as the glue to bring sales and marketing together and create a customer-focused business.

Anyone thinking about using marketing automation must first determine whether it is effective. With the biggest brands and top marketing minds in the world pouring so much money into it. As technology advances, costs come down, and marketing automation becomes more accessible to businesses of all sizes and financial capacities, this issue is more important than ever. Doyle, 2000; Järvinen & Taiminen, 2016; Redding, 2015; Sandell, 2016; Wang, Malthouse, Calder, and Uzunoglu, 2017;).

1.4 Research Questions

The issue statement in the preceding subtopic is used to generate research questions, which will be addressed at the conclusion of this study. As a result, the research topics for this study are:

1) What is the elements or tools of marketing automation system for entrepreneur in Malaysia?

2) What is characteristic of marketing automation system practised by entrepreneur in Malaysia?

3) What is the components are required for the marketing automation system to be implemented for entrepreneur in Malaysia?

1.5 Research Objective

Marketing automation system is getting more popular in the industrial sector and is being utilized more often. It's one of the ways to boost the market's sales revenue effectiveness. Using this method has a number of advantages. The study's major goals are as follows:

1) To explore what the elements or tools of marketing automation system for entrepreneur in Malaysia.

2) To investigate the characteristics of marketing automation system practices by entrepreneur in Malaysia.

3) To examine which components are required for the marketing automation system to be implemented for entrepreneur in Malaysia.

1.6 Scope of Research

The main objective of this study is to determine how effective marketing automation systems are among Malaysian business owners. The question of increasing productivity and effectiveness was included in the study's scope. Peninsular Malaysia's southern region, which includes Perlis, Kedah, Penang, and Perak; eastern region, which includes Kelantan, Terengganu, and Pahang; central region, which includes Selangor; and southern region, which includes the Federal Territories of Kuala Lumpur, Putrajaya, and Negeri Sembilan; (Malacca, and Johor). An entrepreneur from Malaysia who is a part of the study's target audience was chosen for the research response because they are currently involved in this

situation. With a total of about 250 respondents, the ideal respondent age range is between 20 and 50 years old and above.

1.7 Significant of study

The effectiveness of employing a marketing automation system was investigated in this study (MAS). The three primary areas of interest are academic, industry, and government.

1.7.1 Academic

This study can assist students increase their knowledge and expertise with marketing automation systems in the classroom (MAS). Students can improve their level of thinking and understanding about the system by conducting extensive study. Entrepreneurs may target customers with automated messaging across email, online, social media, and SMS utilizing a marketing automation system.

1.7.2 Industry

This research can be used as a reference for the Malaysian entrepreneur business. With the results of this survey, the industry will be able to determine how effective marketing automation systems are among Malaysian entrepreneurs. As a result, entrepreneurs who wish to employ a marketing automation system (MAS) in their firm can use this research as a reference.

1.7.3 Government

Before entrepreneurs begin using a marketing automation system (MAS), the entrepreneur must be aware of the regulations that must be followed. Completing the e-commerce business's Terms of Service is one of the tasks that must be completed. The terms of service, often known as the terms of use, terms and conditions, or disclaimer, are a set of rules that govern how entrepreneur use the internet. As a result, the client will agree to the applicable terms and conditions. Aside from that, privacy policies play a role in informing customers about data breaches, appointing data protection officers, and getting consent for data processing. All of this information will be utilised by the corporation to disseminate the information in order to market a product via email, advertisements, social media, and text.

1.8 Organization Research

The first chapter introduces the research and is intended to explain the background of marketing automation systems (MAS) among entrepreneurs as well as to show the issue statement. Find out more about the research topic and the goals of the study.

The researcher may locate journal articles and book literature reviews in Chapter 2: Literature Review. Based on these results, the researcher can find a source of knowledge on marketing automation, marketing automation system, and entrepreneur in Malaysia.

Methodology is discussed in Chapter 3. In answer to the research question, the researcher focused mostly on the study design for data collection and the attainment of the research aim. In addition, data gathering methods such as primary data and secondary data were used to analyse the results.

The researcher discusses the research findings in Chapter 4. Begin with a pilot test and real-world research data. The researcher analyses data using the SPSS system to determine Cronbach's Alpha, cross tabulation, standard deviation, Pearson Correlation Analysis, and Multiple Regression Analysis. This chapter includes hypothesis testing.

The final chapter contains a discussion, recommendation, and conclusion. This chapter contains a discussion of the analysis from Chapter 4, as well as implications, limitations, and recommendations.

1.9 Summary

The final objective of this study was to evaluate the efficacy of marketing automation systems adoption among Malaysian business owners. The background, problem statement, research purpose, research questions, research scope, and study importance are all described in this chapter. This background has already been used to analyse the data and form a solid hypothesis about how well marketing automation systems are used by Malaysian business owners. The next chapter is a review of the literature.