



# A research on effectiveness of Facebook advertising on enhancing purchase intention of consumers



Milad Dehghani<sup>a,\*</sup>, Mustafa Tumer<sup>b</sup>

<sup>a</sup> Sapienza University of Rome, Italy

<sup>b</sup> Eastern Mediterranean University, Cyprus

## ARTICLE INFO

### Article history:

Available online 7 April 2015

### Keywords:

Facebook  
Social media  
Advertising  
Brand equity  
Brand image  
Purchase intention

## ABSTRACT

The present study aimed to examine the effectiveness of advertisements in enhancing consumers' purchasing intention on Facebook in 2013. It is an applied study in terms of its goals, and a descriptive survey one in terms of methodology. The statistical population included all undergraduate students in Cypriot universities. An 11-item researcher-made questionnaire was used to compare and analyze the effectiveness of advertisements. Data analysis was carried out using SPSS17, the parametric statistical method of *t*-test, and the non-parametric Friedman test. The results of the study showed that Facebook advertising significantly affected brand image and brand equity, both of which factors contributed to a significant change in purchasing intention.

© 2015 Elsevier Ltd. All rights reserved.

## 1. Introduction

Social media has quickly changed the contemporary marketing approach. It has established a connection between marketers and other consumers, creating new possibilities and opportunities with the aim of increasing consumer brand awareness (Comscore Media, 2009). In order to attract consumers' attention and address customization of their needs, advertising specialists have started using social networking website appeals in their ads. Their aim is to encourage users to share the brand image and to develop free advertising. Therefore, it is beneficial to investigate why there might be reason to have high expectations for the use of social media as a marketing tool, and what advantages a Facebook presence might have over more traditional marketing strategies (Waters, Canfield, Foster, & Hardy, 2011) (see Fig. 1).

Promoting even small firms and businesses using social media (such as Facebook) is a less expensive solution than taking the risk of paying large sums to advertise in non-virtual media. Companies and service providers have begun to research and investigation the usage and efficiency of digital communications in order to improve their brand awareness (Johns & Perrot, 2008). Kotler (1999) mentions that brands can speed up consumers' information dispatch. Additionally, brands can have negative and positive influences on the perception of the effectiveness of the associated products and services.

Rowley (2004) suggests that companies would do well to create a recommendation mechanism that allowed customers to connect with each other. This would result in a successful brand image. Social media has created opportunities for consumers as well as advertisers to benefit from the comments and observations that others post in social media (Chaffin, 2009). Inspired by the power of some types of social media (such as Facebook) to engage users in virtual relationships, various companies and services have sought ways to get involved in the "people's internet" and to leverage the "likes," "shares" and "comments" for their brands' profit (Andriole, 2010).

When most consumers join a brand group on Facebook, it is possible for the information that they receive from other users to influence their brand perceptions and purchase intentions (Zhao & Shanyang, 2008). Meanwhile, consumers have more opportunities to increase viral messages created by advertisers to their contacts through Facebook. These types of social engagement behaviors boost opportunities for consumers to view the augmented images that social media friends post on their profiles (Rodgers, Melioli, Laconi, Bui, & Chabrol, 2013). While consumers steadily choose brand groups on Facebook as trusted sources of information, new opportunities arise to build unique brand awareness and viral advertising platforms (Holzner, 2008). In the consumer behavior, adoption behavior links with how consumers can be more influenced to adopt new trends (Cress, Schwammlein, Wodzicki, & Kimmerle, 2014). This study is step forwards the better understanding of purchase intention of consumers to adopt new brands through Facebook advertising. Furthermore, this article focuses primarily on the aspect of

\* Corresponding author at: Via Ariosto, 25, 00185 Rome, Italy. Tel.: +39 3291668344.

E-mail addresses: [Milad.dehghani@uniroma1.it](mailto:Milad.dehghani@uniroma1.it) (M. Dehghani), [mustafa.tumer@emu.edu.tr](mailto:mustafa.tumer@emu.edu.tr) (M. Tumer).

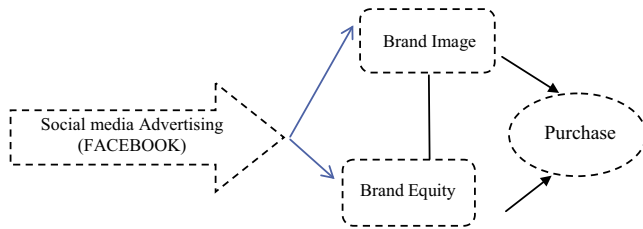


Fig. 1. The model of acceptance as a theoretical framework.

Facebook advertising by examining the potential link between brand image, brand equity and purchase intention of consumers.

## 2. Literature review

### 2.1. Advertising on Facebook

Facebook advertising offers users or consumers the opportunity to interact actively with the adverts on their page allowing them to “like” and “share” and also view who else or which friends liked or shared the same adverts. According to some research, social media such as Facebook act as a check on the credibility of brands. Lee and Kim (2011) found that consumers view consumer-generated messages on social media, unlike advertising generated by advertisers, as being motivated by altruism. In today’s corporate market, the success or failure of any company hinges on public perception. The success of advertising should be measured taking into account consumers’ evaluations of the interest aroused by the advertisements. Facebook creates wide platforms for viral online recommendation (Smock, Ellison, Lampe, & Wohn, 2011). This encourages advertisers whose organizations are willing to spend a reasonable portion of their budgets on analysing procedures to determine potential customers and target them with advertisements on Facebook (Falls, 2009). However, they are shifting advertising from push advertising to trust-based advertising, in which advertisers engage their consumers with their brands and stimulate word of mouth (WOM) promotion (Knight & Kristina, 2007). Advertisers develop WOM through Facebook, which positions Facebook advertising as an effective means of enhancing the brand image of various goods and services (Kaplan & Haenlein, 2010).

### 2.2. Brand image

A study by Blackwell and Miniard (2006) found that brand image is used as an alert for recalling information of brands; therefore, brand image may have real and virtual associations in consumers’ minds. Consumers try to access tangible and intangible product and/or service associations through the brand image via media channels, thereby gathering market intelligence (Story & Loroz, 2005). Although a brand may not possess intrinsic attraction or generate the trust required to make it sell, customers will buy based on the image associated with it (Rappaport & Stephen, 2007). The development of brand groups on Facebook and their potential for increasing brand awareness has been advanced by the rise of Web.2.0 in the past few years (Chu, 2011).

### 2.3. Brand equity

Brand equity has been clarified as the benefit endowed by the brand to the product (Farquhar, 1989). Aaker (1996) noted that a strong and reputable brand image enables customers to build up affirmative attitudes and feelings about the brand, thus enhancing its perceived value. The power or predominance of the brand image as a result of consumers’ attitude towards the product (Faircloth, Capella, & Alford, 2001) indicates that consumers’ attitudes to

brands and different brand affiliations can result in a positive brand image and greater brand equity (Dellarocas, 2003). Brand image and brand equity are mutually interdependent and effectual.

### 2.4. Purchase intention

Grewal, Monroe, and Krishnan (1998) defined purchasing intention as a probability that lies in the hands of the customers who intend to purchase a particular product. Zeithaml (1988) and Schiffman and Kanuk (2009, chap. 8, 9) discovered that customers’ decision to buy a product (purchasing intention) depended largely on the product’s value and recommendations that other consumers have shared, for example on social media. The application of firm-created advertising (viral marketing) together with user-generated word of mouth (WOM) leads to spontaneous forwarding and recommendations by users who find the brands worthy of consideration (Hoy & Milne, 2010).

## 3. Research methodology

The statistical society included 320 undergraduate students of Cypriot universities from which 100 students were selected through simple randomized sampling and were distributed among them through online platforms. A researcher-made questionnaire was used to examine the effectiveness of advertisements. At the beginning of the questionnaire, some demographic questions were asked from participants (gender, age, monthly income of family) and in the second part, they were posed with some Yes and No questions about their perception of advertising and brand groups shown on Facebook. Finally, 10 five-point Likert type scale (1 = strongly disagree and 5 = strongly agree) were selected to record their perceptions of variables (Facebook advertising, brand image, brand equity, purchase intention).

In order to evaluate the content and formal validities of the questionnaire, the opinions of course supervisors and advisors and other academic authorities were sought in addition to the most up-to-date published studies and existing scientific theories in the above-mentioned field all of which confirmed the validity of the questionnaire. The reliability coefficient of the questionnaire is 0.97 through Cronbach’s alpha coefficient. Statistical methods at both descriptive (mean, variance, SD) and inferential (*t*- and Friedman tests) levels were used to analyze data.

## 4. Result

Table 1 shows the description of factors contributing to the effectiveness of advertisements and the enhancement of consumers’ purchasing intention on Facebook in the sample studied. The individuals’ scores on the questionnaire were rated on a Likert scale. The mean in each of the aspects is presented.

Table 1 shows that, among the factors, all components have close means and SD’s among sample Samples.

**H1.** Consumers’ opinion on Facebook advertising will positively affect the Firm’s brand image.

As seen in Table 2, since the significance level is lower than 0.05 ( $p = 0.001$ ), the inclusion of the company’s trade name has a significant effect on consumers’ opinions, and, since the mean equals 3.11 and *t* equals 1.57 (a little higher than the test value of 3), it can be concluded that, in the opinion of the research sample, the inclusion of consumers’ opinions in Facebook advertising affects a firm’s brand image.

**H2.** Consumers’ opinion on Facebook advertising will positively affect Firm’s brand equity.

Download English Version:

<https://daneshyari.com/en/article/350357>

Download Persian Version:

<https://daneshyari.com/article/350357>

[Daneshyari.com](https://daneshyari.com)