



The Effectiveness of Facebook Advertisements on Purchase Intention of Customers in Malaysia

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ABSTRACT

The purpose of this empirical study is to examine the effectiveness of Facebook advertisement on enhancing consumer purchase intention. Facebook, as a social networking site, has become very popular among the people of all ages around the world. Facebook advertising is becoming very popular as it can reach to the mass people as a medium of social sites. The study is hopefully help Facebook stakeholder provide their customers with more customized messages and offer rewards and promotions to encourage them for exposing their products and services.

KEYWORDS

Facebook Advertisement, Activity, Brand Loyalty, EWOM, Purchase intention

INTRODUCTION

According to the business encyclopedia website, Facebook limited to Harvard students used before only. It provides permit users to create their profile, interact with their friends, share the videos through internet. Through the progress of technology, Facebook has gradually been used by a wide range of people. Facebook's label: "social media" is because it is the most popular interactive internet platform in some English-speaking countries, where public can share ideas and discuss issues (Church S. Akpan, Nduka N. Nwankpa, Vivian O. Agu, 2015). Business encyclopedia website indicate that there are 3.2 billion users are active on Facebook monthly. Considering the huge of users and the benefits of the marketing, advertisers and marketers need to find effective ways to target the users because of the intense market competition.

According to the psychology encyclopedia website, the buying behaviour is a part of consumer behaviour, it involves from pre-purchase activities through to post-purchase consumption, evaluation and disposal activities. The researchers, Zeithaml, Schiffman and Kanuk stated that customers 'decision to buy a product (purchasing intention) depended largely on the product's value and recommendations that other consumers have shared on social media (Milad Dehghani, Mustafa Tumer, 2015). Facebook allows them to communicate with their family and friends whom they usually could not connect regularly. But most of the users prefer to choose or buy any product suggested by their friend because they will feel trust in it. Realizing the emergence of Facebook advertising for nowadays is important, this study aims to help advance a better understanding of the effectiveness of Facebook advertisements on purchase intention of customers.

LITERATURE REVIEW

Facebook Advertisement

Facebook is a social media which is a virtual media where people like to share and promote some interesting thing. They can share their opinion and thoughts to society and people and can comments on others thought (Weber, 2009). Facebook advertising help customers to share their interests, ideas, useful information about the brand, and experiences. Facebook advertisement is very useful because it allows sellers to get accurate feedback from their customer who is buying their product which will help them to improve their business. In the current business environment, Facebook advertising is an effective source of contact with target customers (Sendberg, 2010). The Facebook advertisement offers the opportunity to build brands and interact with customers on large social networks.

Advertising on Facebook provides users or customers the scope to actively communicate with the commercials on their Facebook page which allow the users to "like" and "share" as well as observe which other person or friends shared or reacted the similar adverts. In accordance with some study, social communication sites like Facebook plays a role as a look over on the band's credibility. It was

found by Lee and Kim (2011) that the customers watch messages which are customer-created on social communication sites, unlike commercials created by advertising firms, as being inspired by benevolence. In the current corporate trading market, a company's failure or prosperity relies on the perception of the public. Advertising success must be analyzed by considering customers' interest assessments created by the commercials. Facebook generates broad platforms for viral active social media suggestion (Smock, Ellison, Lampe, & Wohn, 2011), which inspires advertisers whose associations are eager to expend a fair portion of the company's budgets on measuring activities to identify possible consumers and point them with Facebook commercials (Falls, 2009). Nevertheless, advertisers are transferring commercials from push commercials to faith-based commercials, in which place advertisers connect their brands with their customers and arouse word of mouth (WOM) publicity (Patwary, Omar, & Tahir, 2020). Through Facebook, WOM is developed by advertisers, which places advertising on Facebook as a useful way of expanding the image of the brand of numerous services and products (Kaplan & Haenlein, 2010).

Activity

The Facebook "Like" button feature allows consumers to share websites and/or company pages back to consumer Facebook profiles with a single click. Consumers are likely to participate in Facebook because they trust their friend recommended (Harris and Dennis, 2011). Many retailers through the "transaction" application extension of the "Place" mobile functionality, the application provides check by providing incentives to purchase discounts. Facebook can replace traditional coupons and membership cards (Slutsky, 2010). Users are allowed by Facebook to put comments that are brief, and this message is exhibited to user's friend's web through the news feeds of their friend's (Debatin et al., 2009). Poynter (2008) investigated the way Facebook is altering conventional techniques by utilizing interactions like 'Facebook polling', that enables instant answers to normal questions. Organizations and investigators are enabled to develop a question, determine the size of the sample, expend a little fee and find the consequences emerge in users FB account after several hours. The activity's evolution among Facebook users and the power of social relations over the period was investigated by Viswanath, Mislove, Cha, and Gummadi (2009). Only around 30% intercommunications of Facebook among pairs of users move from a month toward another month in a consistent manner. Facebook systems like reminders of birthday, simplify plenty of this current activity. It is proof that users of Facebook utilize the social network plug-ins which Facebook possesses. Much lately, Alom, Patwary, and Khan (2019) researched how much valuable reach of Facebook was as a social platform of media. It emerges massive brand purchasers intend to become 'fans' of businesses' FB pages instead of small purchasers, insisting the necessity of using Facebook besides with different vehicles of media.

Brand Loyalty

Brand loyalty is one kind of loyalty where customers always want to use the same brand over another brand. This brand loyalty is all about trust in the company and love with the brand. Loyalty is extremely beneficial for any sellers as it leads to repeat purchases by consumers. Brand loyalty is effectively influencing consumers' behaviour leading to purchase or repurchase intentions (Bong Wan Zhung, 2017). Within the literature, brand loyalty is perceived through a couple of dimensions. It is proposed by the stochastic view that customers display random attitude in a manner that their behaviours of buying are not an action affected by previous ones. In opposition, the deterministic view gives the suggestion that loyalty of brand outcomes from the impacts of outside factors. Interestingly, this view intends to ignore the significance of consumers' intellectual actions in figuring the loyalty of the brand (Jacoby and Chestnut, 1978). Seeing the abovementioned, researches of brand loyalty, must regard not only external conducts but also attitudes or justifications customers possess toward this type of behaviours (Dick and Basu, 1994; Patwary et al. 2019). Thus, this research surpasses the previous research's gap by structuring brand loyalty's both dimensions of behaviour and attitude (Oliver, 1999; Chaudhuri and Holbrook, 2001; Kabiraj and Shanmugan, 2010; Jones and Taylor, 2007). It is defined by this research that behavioural brand loyalty as consumers' successive brand purchases, also their recurring tendency to buy in the near future (Chaudhuri and Holbrook, 2001). As attitudinal loyalty indicates consumers' commitment rate and their brand attitude, it thus possesses an element which is emotional (Chaudhuri and Holbrook, 2001).

EWOM

EWOM is known as Electronic Word of Mouth, which is a kind of buzz promoting and which may befall viral in case the contents' message is impressive or laughable enough. EWOM aim at individual-to-individual communications that occur on the network of the Internet. It may be viewed EWOM as a flow, one individual share a message, and after that, his online friends also share the message with different friends and goes on. EWOM interaction regards to any favourable or unfavourable comment created by, possible, real, or previous consumers of a goods or association, which is formed accessible to a crowd of persons and organizations through the internet network (Hennig & Thureau, 2004).

Chu and Kim (2011) stated that the improvement of user-created content by blogs, media networks and Wikipedia had given extra media administration to consumers adopting active part in their selections of purchase. The popularity and enhancement of social networking media elements have enlarged customers' choices for accumulating information of product, providing customers numerous paths to propose their personal consumption-connected suggestions through engaging within eWOM (Yayli and Bayram, 2012). Reviews online not only create the making of decision simple for customers by decreasing the mental capacity but also assist in increasing sales simultaneously (Ye et al., 2011). Though this impact on the making of the decision also relies on the products type and users'

characteristics of this kind of products. Based on video games consumers in research, it was found by Zhu and Zhang (2010) that the impact of eWOM relies on the characteristics of not only the product but also customers. This research exposed that eWOM remarkably affects the less famous video games, as well as the video games that have players who are very active upon the Internet. Much of the previous researches have displayed that the reviews' "valence" also affects customers' purchasing decisions. A review valence regards to the assessment approach of the review, which can be favourable, impartial or unfavourable (Lee and Youn, 2009). Making of decision is made based on the reviews of online-only in case the users believe the review is giving person (Xu, 2014). Upon platforms of eWOM, products having reviews which are positive receive greater suggestions to friends by comparing with products having reviews which are negative (Islam & Patwary, 2013). By comparing the negative and positive effect of reviews for choosing hotels by consumers, it was emphasized by Vermeulen and Seegers (2009) that hotels unfavourable reviews come to a change of attitude, which is negative. In contrast, reviews which are positive improve consumers' feeling toward that hotel. A research on the basis of shopping online viewed that eWOM which is positive not only creates the relationship among customers' cognitive faith and tendency to buy heavier but also develops customers' realized attitude and fairness (Cheung & Thadani, 2010).

Purchase Intention

The eagerness of a consumer to purchase a specific good or a particular service is acknowledged as intent to purchase (Patwary et al., 2018). Intention to purchase is one friendly element which can assure any business's long-life span. Intention to purchase points that customers will make a plan or be eager to buy a specific service or goods in the upcoming future days (Wu, Yeh, & Hsiao, 2011). Previous research has illustrated that a rise in purchase motive resemblances a rise in the purchase scope. In case customers possess purchase, intention which is positive, then that purchase will be promoted by a favourable engagement of brand. Considering the context of the smartphone, one requires to regard intention to purchase as the customers' desire to generate a buy by the application of mobile (Chen, Hsu, & Lin, 2010). In their latest study, few arguments were presented by Zubcsek, Katona, and Sarvary (2017) which support the presumption that customers' patterns of movement tend to illustrate customers' preferences for the product, which must be utilized by staffs of marketing to develop the given business offer. In accordance with Miniard & Cohen (1983), "Intention to purchase is a mediating variable of psychology among real behaviour and attitude". It has been affirmed by studies that in case a customer possesses an attitude which is positive toward a brand, this remarkably influences his purchasing goal and his preparation to expend a premium price (Keller and Lehmann, 2006). The attitude of the brand is considered to be an indicator of behavioural motives (Wu and Wang, 2011). Consumers' attitude to a brand possesses a remarkable impact on its intention to purchase because the

attitude of the brand is the highest significant determinant of intention to purchase (Abzari et al., 2014). Wu and Lo (2009) gave a conclusion that issues like the attitude of core-brand, awareness of brand and customer understanding affect customer purchase motive to expanded goods in a direct or indirect way. Regarding reasoned action theory, it was observed by Patwary (2017) that attitude to conduct the actual behaviour is one of the remarkable purchase intention predictors. This research also presented that intention to purchase is huge in case the attitude of a respondent toward real behaviour is friendly (Summers et al., 2006). It was examined by Tang et al. (2011) that attitude toward buying a desktop, which is customized effects intention of behaviour in a positive way.

METHODOLOGY

This study fully focusses on the existing works, to discover customers perception toward buying intention to throw Facebook advertising. This investigation has inspected the perspective of purchase intention in Malaysia. During the study, scholars directed a general search for consumers in Malaysia and more exactly examined purchase intention via Facebook advertising.

DISCUSSION AND CONCLUSION

Social media advertising is one kind of new trend for every retailer to sell their product and it is new to communicate and deal with customers, especially on Facebook (Logan, Bright, & Gangadharbatla, 2012). Customers among Malaysia are too much likely to use this Facebook advertising to choose their desire product. In the present study, the connection between variables are so significant on purchase intention of customers in Malaysia, and they like to use through Facebook Advertisements. By leveraging “Fan Page” and “Likes” through Facebook, thereby increasing the consumer's willingness to purchase. Obviously, the advertising phenomenon has changed from promoting advertising to trust-based advertising (Richard, J. E., & Guppy, S., 2014). Costumers pay more attention to the brand of advertising and product with the endorser. Successful advertising uses good publicity and finding people with visibility to promote it. In addition, the willingness of the consumer to buy a brand increases because they see the most “Fan Page” and “Likes” indicating that the brand has a good reputation. In order to survive in today's fiercely competitive market, the advertiser needs to understand the brand awareness of its consumers and develop the latest advertising strategies accordingly. Managerially, the study shows that this is very important for companies that use Facebook advertising as part of their overall advertisement strategy. In order to optimize their Facebook advertisement, they should provide their customers with more customized messages and offer rewards and promotions to encourage them to click on ads and share ads. I hope that the results of this research will provide the company with a unique guiding meaning to understand whether it is beneficial to its own brand and enhance its brand for the consumer. In future work, the researcher can study different types of social media and study what factors affect consumer purchases on different platforms.

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