

SOCIAL MEDIA ADVERTISING AS STRATEGY ON CONSUMER BUYING BEHAVIOUR: CONCEPTUAL PAPER

V. Kumaradeepan ✉

*Department of Marketing, Faculty of Management Studies and Commerce,
University of Jaffna, Sri Lanka*

Abstract

Social media advertising has rapid speed of change in the every industry generated the need to create, adapt and integrate conversations that will allow bridging the gaps between the brand and consumers. The objective of this study is to investigate theoretical evidences of the concept of Social media advertising and its impact on consumer buying behaviour in order to develop customer relationships. This is done by communicating, engaging, entertaining and triggering response through social media content to ultimately stage and develop a customer experience which will make sure the development a long-term relationship and immersing the brand within the consumer's lifestyle. Moreover the study has various properties of social media marketing in regards to media platforms.

Keywords: *Advertising, Buying Behaviour, Consumer Behaviour, Social Media*

Introduction

The social media plays a significant role in consumer behaviours. The mutual benefits of easy brand accessibility via Twitter, Facebook, YouTube, and others allow easy customer contact and engaging social interaction, providing brand building and wide scale contact through multiple channels.

Social media may be a recent development in our society that now influences our lives on a day to day. However, when it involves defining the term "social media", there's no official, universally applicable definition. Some authors employ a broad definition incorporating a social media platform, which allows users to upload and share content also on discuss these. Murthy, for example, states that "social media has been broadly defined to refer to 'the many relatively inexpensive and widely accessible electronic tools that enable anyone to publish and access information, collaborate on a standard effort, or build relationships'". Others don't make any regard to a correct definition, but rather

simply cite variety of examples, like Facebook, Twitter, YouTube and different sorts of blogs, in order to illustrate what social media essentially is. To some extent, rating platforms are also included in this field.

Social media is Computer-Mediated tool that allow people to attach, make, share, or exchange information, career interests, ideas, and pictures/videos in Virtual Communities and Networks.

Objective of the Study

To investigate theoretical evidences from recent literature and research article on the concept of Social media advertising and consumer buying behaviour.

Research Gap

Social media advertising play major role in current business. Only there were few researches done on social media as advertising. There were very lack in theoretical frame of social media advertising and its influence on consumer behavior. This

study would fill that gap attempt to draw a theoretical base of social media advertising on consumer buying behavior.

The significant of the study

This study would basically help to the researcher who intended to on this topic. A social media advertising on customer service would give a chance to communicate with consumers at a level that ensures they feel about the story, and encourages them to recommend your brand to others.

Methodology of the study

Number of Research papers, scholarly works, and research thesis were search through internet on the heading of Social media advertising on consumer behaviour and analysis critically. There were 70 articles download from index and referred journals and select only 47 articles were selected for the study based on its close relevancy. As the concept is very latest that articles were derived without limiting by duration.

Literature Review

Technological Advancement

Increasing focus on global development and the expansive use of technology in marketing, advertising and promotion have led to shifts in the way in which companies focus on consumers (Quelch & Jocz, 2008). Researchers have recognized that technology has become a major component in expanding markets and have defined entire marketing strategies around global access to technology. At the same time, advertising and promotion often focus on the psychological, emotional, and social factors influencing consumer behaviours, elements that must be incorporated into technology-based marketing (Quelch & Jocz, 2008). As a result, even in the presence of global expansion and new technologies, companies need to look at the four essential “Ps” of marketing: product, price, place, and promotion (Quelch & Jocz, 2008).

Dann and Dann (2011) have shown the interconnected components of social media

i.e. social interaction, content, and communication media. Social media is converting and integrating into the new media (Solis 2010). Social media has bring a revolution in information sharing (Solis 2007), due to which the mode of communication became more convenient and the audience is increased as well firms can target more customers as well. (Smith and Zook 2011, 10)

First difference is the form of media, while traditional advertising tied with the “mass media” include television, radio, print, or outdoor, advertising by social media might mean both one-to-one advertising through permission-based, and targeted messages, or it could be mass coverage using a display ad, when defining advertising for online media, the size of the audience should not be used as a defining factor of advertising. Second, traditional advertising must be paid communications, it is the fact in each definition of advertising since this concept appears, on the other hand social media advertising could be totally free and unpaid or it can be indirectly paid as the case in some aspects of social network advertising like paid ads on Facebook. Third, traditional advertising has been viewed always as on-way communication from the marketers to the target audience through some traditional media, but with the world of web 2.0 it is become truly enable for two-way or even multi-way communication between firms and consumers, and this is the case in social media advertising and online advertising in general. Forth, traditional advertising relied on a model of interrupting consumers lives, but consumers accepted this interrupting sometimes because it represents a free tool to know about brands via television or radio ads.

Online community/ Networking

Social media is useful for people for different reasons as mostly people use it to stay in touch with relatives or friends which eases the communication (Ahuja and Galvin 2003). Consumer buying intent or consumer behavior may be affected or changed by reviewing online groups. Like social network

sites provide an open platform for consumers to post or share their own content and they can also search about the product details that help them in their purchase decisions. (Kozinets et al., 2014)

Social networking sites help customers to communicate with other and when individual talk about online communication mostly strangers talk to each other on these sites. Culture have a major impact on the presence of customer on social media platform and also effect customer purchase intentions (Laroche, Habibi and Richard, 2013.). Recently online businesses are giving more priority to social media as it facilitates online businesses to convey their message to their future customers and by taking the advantage of this, online businesses are trying to connect them straight to the end users within time and within low budget (Kaplan and Haenlein, 2010) and it has a great impact on consumer purchase intentions (Zai, 2015). Therefore, social media is becoming a necessary tool of advertising for most of the firms in this era.

Safko and Brake (2009) agreed with the theory of Kaplan and Haenlein (2009), as they consider social media as “one platform for people to perform activities among them to show up and share the photos, videos, files, information, data, knowledge, feedback and opinions with the help of effective two way communication.

Social media can be defined as “a group of internet-based applications that build on the ideological and technological foundations of web 2.0, and that allow the creation and exchange of user-generated content”. (Kaplan & Haenlein, 2010, P60).

Perceived usefulness and User-friendly network

Its depends on marketers, that how they use social media platform for advertising as they have a choice to exploit as much information as they can and fully optimize the resource according to the customer needs and motivation. Social media consumer can have two categories, either they can be contributor

or either they can be observer. Contributors are those consumers who frequently update their status or post comments while observers are those who only seek information from others post and observe it (Schlosser, White, and Lloyd, 2006). According to a study in 2009, almost 53 percent of social media users were found as an observer while rest of them were found as an active participator who frequently update content on social media. However nowadays this phenomenon has changed which means that most of the social media users are now becoming active contributor of social networking sites (Ngai et al., 2015).

Online advertising is widely used by companies and advertisers to promote their products and services. Online advertising features, therefore, play a significant role (Adam, 2003; Baltas, 2003; Kumar, 2008; Yoo et al., 2004; Taylor et al., 2008; Wise et al., 2008). According to Rowley (2001), internet’s high speed, user-friendliness, low cost and wide accessibility have contributed to its commercialization in the form of online marketing a new platform for generating attention and awareness among consumers through online advertising. Burke and Edell (1989) and Escalas and Rutgers (2003) had proposed Multimedia, Pictures and Content as three features of online advertising that would generate the highest influence on purchase intention.

Jang (1998) stated that the characteristics of Internet advertising include constant availability, low cost, fun, connectivity, internationalization, interaction and two-way communication. Online Advertisements can be classified according to seven characteristics: Unlimited Open-endedness of time and space, two-way communication, possible linkage with databases, free sponsorship and various forms of advertising. Therefore, web advertisements must be visually captivating, share interesting content and be easy to navigate (Brigish, 1993). Majority of studies have been limited to the impact of online advertising characteristics i.e. format, design, content and frequency on purchase

behavior (Campbell and Wright, 2008; Coyle and Thorson, 2001; Moe and Fader, 2004; Stevenson et al., 2000; Johnson et al., 2006).

Whereas, Ducoffe (1996) described the special quality of Internet advertising in terms of quick access to information, customer preference based information, flexibility to customer preferences and the changing environment, preference and purchase tracking and the capability of forming stronger relationships with customers and in later studies developed the model based on three antecedents of perceived value: entertainment, informativeness and irritation, as factors contributing to consumer's evaluations of advertising values and thus attitude toward advertisements.

Trust and purchase intention

Purchase intention is an important index for evaluation consumer behavior. It represents the degree or possibility the consumer would be willing to purchase. Purchase intention can measure the possibility of a consumer to buy a product, and the higher the purchase intention, the higher a consumer's willingness to buy a product. Consumers are more likely to have a stronger intention to purchase a product when they react favorably to an advertisement about that product (Haley and Baldinger, 2000; Mackenzie and Lutz, 1989).

Purchase intention indicates the marketers what consumer would buy. Intention is the buyer's forecast of which product they will buy. Raney et al., 2003 and Brown and Stayman, 1992 described Purchase Intentions as a key indicator of the success of online advertisements. While it indicates that this attitude relates positively to purchase intentions, the factors that mediate the relationship between attitudes and intentions are unclear. Many researches considered the attitude toward the advertising had the significant effect on consumer's purchase intention.

Credibility feature of Social Media Ads Yoo and MacInnis (2005) suggested that positive

feelings toward an online advertisement enhance the advertisement's credibility, while negative feelings result in negative evaluations of the advertisement. Brackett and Carr (2001) further validate Ducoffe's model and extend the model to include credibility and consumer demographics. Credibility is shown to be directly related to both advertising value and attitude towards advertising. Demographic variables such as college major, age, and gender are shown to effect only attitudes towards advertising. Purchase intentions can be defined as an individual's conscious plan to make an effort to purchase a brand.

Brand Awareness

According to Khan (2006) all of us are consumers, we consume daily regarding to our needs, preferences, and buying power, which open the door for too many questions about what to buy? How we buy? Where and when we buy? In addition, when we say consumer, we refer to two types of consuming unites, first one is the organizational consumers like business organizations, government agencies, or non-profit organizations, second one the final consumers like individuals, families, or households. For sure within this project, we are going to focus on the second type which represents the final consumers as the field we applied in is the fashion retail industry

Further, any organization, which puts resources into online business, will see countless in a matter of seconds. Observed development in online deals can be considered as a part of the Internet benefits because of plan of a high volume of sharp and reasonable data. So as to completely use the capability of this wonder, entrepreneurs, who use on-line based business as a conveyance channel need a unique comprehension of online purchasers, what they purchase on the web, their explanations behind internet shopping, and how a non-online purchaser can be changed into an online purchaser so as to expand their deals. When this data is accessible, retailers can plan clear procedures for holding existing

purchasers and drawing in future customers (Motwani et al., 2016).

Customer engagement

Moreover, Social Media Advertising can be defined as “An online Ad that incorporates user interactions that the consumer has agreed to display and be shared. The resulting Ad displays these interactions along with the user’s picture and/or name within the Ad content” (IAB, 2009, P4). Advertising is a very important tool in a promotion mix for all kinds of organizations usually it refers to one-way communication in any mass media.

The American Marketing Association defines it as “the placement of announcements and persuasive messages in time or space purchased in any of the mass media by business firms, non-profit organizations, government agencies, and individuals who seek to inform and/or persuade members of a particular target market or audience about their products, services, organizations, or ideas”. However, with the development of the internet and online world especially the social media environment, a lot of changes have happened in advertising, in its capabilities and functions which require a new paradigm (L.Tuten, 2008, P2). Regarding L.Tuten (2008, P3-5) there are many differences between traditional advertising and social media advertising.

Ertemel, A.V and Ammoura, A (2016), stated that no changes in this relation regarding to consumer’s age, and education level. But there were changes between females and males in the relation with consumer need recognition, and search for information. In addition, another change regarding to income between social media advertising and evaluate the alternatives.

Voramontri, D. and Klieb, L. (2018) found that social media usage influences customer satisfaction in the stage of information stage and alternative evaluation with satisfaction getting amplified as the consumer moves along the process towards the final purchase decision and post-purchase evaluation. Harshini C S (2015)

Results showed that social media responses play a very important role but an uneven influence on consumer behaviour towards online ads.

Apart from public relation content, marketers share a large number of contents on social media to grab the attention of the customers (Heymann Reder, 2012). Nowadays marketers are focusing on social media marketing because it enables them to provide quick customer service through which they can resolve the queries of their customers in a personalized way. It has become very easy for marketers to share information and get response immediately as social networking sites are two way communication platforms. Furthermore, it also allows marketers to increase customer engagement and enrich interactive communication at low cost which also enhances the significance and usefulness of social media platforms. (Evans, 2012).

Consumer behaviour has been a standout amongst the most significant issues that dragged in marketing researchers’ consideration in ongoing decades (Soloman et al., 2014). Variety in consumer behaviour is because of different determinants of person’s attitude and behaviour towards buy. Presence of various buyer bunches for business sectors of a product demonstrates vast differences. These days, buyers are considered as the key of success or failure of an organization (Kardes et al., 2014).

In this manner, understanding of customer buying behaviour is significant. Concentrate on buyer behaviour forms is significant as a result of the complex worldwide development in all fields and promoting have limited for marketers to make their works deliberate. These days, on-line based business has been quickly extending as another communication channel and has been contending with traditional channels (Kim and Peterson, 2017).

Informative feature of Social Media Ads Informative means the ability of advertising to inform consumers of product alternatives so that purchases yielding the greatest

possible satisfaction can be made. Online advertisements featuring valuable and clear information are more powerful and stable than any other factor in influencing customer behavior. Therefore, marketing managers should consider the importance of quality and quantity of information on online sites while designing their websites for advertising. Entertainment feature of Social Media Ads Entertainment means the ability to full-fill an audience's needs for escapism, diversion, aesthetic enjoyment, or emotional enjoyment Authors demonstrated that an affective factor, such as entertainment, could play a significant role in influencing attitudes towards online advertising.

Proposed Conceptual Model

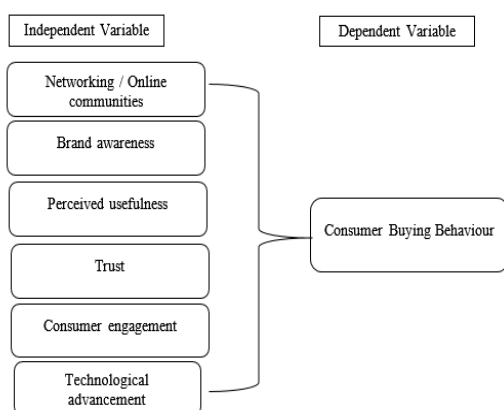


Figure 1: Proposed Model

Conclusion

From the various researches it has found that there are various important factors such as Networking and online community, Brand awareness, Perceived usefulness, Trust, Consumer engagement and Technological advancement of social media advertising and closely influence on consumer buying behaviour. This study would draw an outline to the further researchers about theoretical framework of social media advertising on consumer behaviour.

References

Adam, R. 2003. *www.advertising: Advertising and Marketing on the World Wide Web*. UK: Cassell Illustrated

Baltas, G. 2003. Determinants of Internet advertising effectiveness: An empirical study, *International Journal of Market Research* 45(2), 505.

Brackett, L. K. and Carr, B. N. .Cyberspace Advertising vs. Other Media: Consumer vs. Mature Student Attitudes.. *Journal of Advertising Research*. (41:5), 2001, pp. 23- 33

Brigish, A, 1993. The electronic marketplace: evolving toward 1:1 marketing. *Electronic Market place Report* 7(9), 6-7

Brown, S.P., Stayman, D.M., 1992. Antecedents and consequences of attitude toward the ad: a meta-analysis. *The Journal of consumer Research* 19(1), 34-51.

Burke, M.C., and J.A. Edell. 1989. The impact of feelings on ad-based affect and cognition, *Journal of Marketing Research* 26(1), 69-83.

Campbell, D E., Wright, R T., 2008. Shut-up I don't care: understanding the role of relevance and interactivity on customer attitudes toward repetitive online advertising. *Journal of Electronic Commerce Research* 9 (1), 62-76.

Coyle, J.R., Thorson, E., 2001. The effects of progressive levels of interactivity and vividness in Web marketing sites. *Journal of Advertising* 30(3), 65-77.

Dann, S. and Dann, S., 2011. *E-marketing: theory and application*. Macmillan International Higher Education

Ducoffe, R.H., 1996. Advertising value and advertising on the Web. *Journal of Advertising Research* 36 (5), 21-35.

Ertemel, A.V and Ammoura, A (2016), The role of Social media advertising on consumer buying behaviour, *International Journal of Commerce and Finance*, Vol. 2, Issue 1, 2016, 81-89

Escalas, J.E., and B.S. Rutgers. 2003. Antecedents and consequences of emotional responses to advertising, In P.A. Keller and D.W. Rook (eds.), *Advances in Consumer Research*, 30,

- pp. 85-90, UT: Association for Consumer Research
- Evans-Cowley, J.S. and Griffin, G., 2012. Microparticipation with social media for community engagement in transportation planning. *Transportation Research Record*, 2307(1), pp.90-98
- Haley, R.I., Baldinger, A.L., 2000. The ARF copy research validity project. *Journal of Advertising Research* 40 (6), 114-135.
- Harshini C S (2015), Influence of social media ads on consumers' purchase intention, *International Journal of Current engineering and scientific research*, Vol 02, Issue 10, pp: 110-115
- Heymann-Reder, D., 2012. *Social media marketing*. Addison-Wesley Verlag
- IAB. (2009, May). *Social Advertising Best Practices*. From IAB.net. <http://www.iab.net/socialads> [Visit Date 21.07.2015]
- Jang, D., 1998. Positioning and effect of Internet advertising: Competitive effect of the Internet advertising on the existed medium advertisement and the management plan. *Broadcasting Advertisement Study Collection of Books* 14, 308-318.
- Johnson, G.J., Bruner, G.C., Kumar, A., 2006. Interactivity and its facets revisited theory and empirical test. *Journal of Advertising* 35 (4), 35-52.
- Kaplan, A. & Haenlein, M., 2010. Users of the World, Unite! The challenges & Opportunities of Social Media. *Business Horizons*. 53, PP. 59-68
- Kaplan, A.M. and Haenlein, M., 2010. Users of the world, unite! The challenges and opportunities of Social Media. *Business horizons*, 53(1), pp.59-68
- Kardes, F.R., 2014. Consumer judgment and decision processes. In *Handbook of social cognition*, second edition (pp. 415-482). Psychology Press
- Khan, M., 2006. *Consumer Behavior & Advertising Management*. New Delhi: New Age Publishers.
- Khan, M., 2006. *Consumer Behavior & Advertising Management*. New Delhi: New Age Publishers
- Kim, Y. and Peterson, R.A., 2017. A Meta-analysis of Online Trust Relationships in E-commerce. *Journal of Interactive Marketing*, 38, pp.44-54
- Kozinets, R.V., Dolbec, P.Y. and Earley, A., 2014. Netnographic analysis: Understanding culture through social media data. *The SAGE handbook of qualitative data analysis*, pp.262-276
- Kumar, A.K. 2008. Term paper: *Online Advertisement*, Hochschule Furtwangen University.
- Laroche, M., Habibi, M.R. and Richard, M.O., 2013. To be or not to be in social media: How brand loyalty is affected by social media?. *International Journal of Information Management*, 33(1), pp.76-82
- Mackenzie, S.B., Lutz, R.J., 1989. An empirical examination of the structural antecedents of attitude toward the Ad in an advertising pretesting context. *The Journal of Marketing* 53 (2), 48-65
- Moe, W.W., Fader, P.S., 2004. Capturing evolving visit behaviour in clickstream data. *Journal of Interactive Marketing* 18 (1), 5-19.
- Motwani, R.H. and Pangal, K., Intel Corp, 2016. Use of error correction pointers to handle errors in memory. U.S. Patent 9,250,990.
- Ngai, E.W., Moon, K.L.K., Lam, S.S., Chin, E.S. and Tao, S.S., 2015. Social media models, technologies, and applications. *Industrial Management & Data Systems*.
- Quelch, J. A., & Jocz, K. E. (2008). Milestones in marketing. *Business History Review*, 82 (4), 827-838.
- Raney, A.A., Arpan, L.M., Pashupati, K., Brill, D.A., 2003. At the movies, on the

- web: an investigation of the effects of entertaining and interactive web content onsite and brand evaluations., *Journal of Interactive Marketing* 17 (4), 38-53
- Rowley, J. 2001. Remodeling marketing communications in an Internet environment, *Internet Research: Electronic Networking Applications and Policy* 11(3), 203-212
- Safko, L. and David, K., Brake. 2009." The Social Media Bible: Tactics, Tools & Strategies for Business Success".
- Schlosser, A.E., White, T.B. and Lloyd, S.M., 2006. Converting web site visitors into buyers: how web site investment increases consumer trusting beliefs and online purchase intentions. *Journal of marketing*, 70(2), pp.133-148
- Smith, P.R. and Zook, Z., 2012. *Marketing communications: integrating offline and online with social media/PR* Smith & Ze Zook. Philadelphia, PA: Kogan Page
- Solomon, M.R., Polegato, R. and Zaichkowsky, J.L., 2009 *Consumer behavior: buying, having, and being*. Vol. 6.: Pearson Prentice Hall Upper Saddle River, NJ
- Stevenson, J.S., Bruner II, G.C., Kumar, A., 2000. Web page background and viewer attitudes. *Journal of Advertising Research* 20 (1/2), 29-34
- Taylor, N.J., E.T. Loiacono, R.T. Watson. 2008. Alternatives scenarios to the banner years, *Communication of the Associations of the Computing Machinery (ACM)* 51(2), 53-58
- Tuten, T., 2008. *Advertising 2.0: Social Media Marketing in a Web 2.0 World*. United State of America: Greenwood Publishing
- Voramontri, D. and Klieb, L. (2018) 'Impact of social media on consumer behaviour', *Int. J. Information and Decision Sciences*, Vol. 11, No. 03, pp.1-25.
- Wise, K.; P.D. Bolls; H. Kim; A. Venkataraman; and R. Meyer. 2008. Enjoyment of advergames and brand attitudes: The impact of thematic relevance, *Journal of Interactive Advertising* 9(1), 27- 36.
- Yoo, C., MacInnis, D., 2005. The brand attitude formation process of emotional and informational ads. *Journal of Business Research* 58 (10), 1397-1406.
- Yoo, C.Y.; K. Kim; and P.A. Stout. 2004. Assessing the effects of animation in online banner advertising: Hierarchy of effects model, *Journal of Interactive Advertising* 4(2).
- Zai, R.Y., 2015. Social media-A new trend in e-marketing. *Business Dimensions*, 2(1), pp.27-32.