

DETERMINANTS OF SOCIAL MEDIA INFLUENCE ON CONSUMER'S PURCHASING INTENTIONS: THE CASE OF FACEBOOK IN VIETNAM

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Abstract

This study aims to clarify the process of a buyer in their decision to buy a product as well as set out to unravel the effectiveness of social media. In other words, The research upholds the importance of the relationship between consumers' demographic, Facebook Ads characteristics, products characteristics with consumers' buying intentions. This study is particularly important for marketers who use social media channels to reach consumers. The study helps organizations understand consumer-buying intention in order to provide insights for marketers to make their advertisements more effective on Facebook. Specifically, the research objects is to help organizations use Facebook Advertisement to influence the purchasing intentions of Vietnamese.

Keywords: Consumer behavior, Purchase intension, Social media, Facebook, Vietnam

INTRODUCTION

Social media was developed during the evolution of the Internet – is a very evident tool and changing communication behaviour of people with the basic purpose for social interaction and to keep connected with their friends and colleagues. According to a Moore Corporation annual report (2015), many Vietnamese people spend their majority of daily time using social media,

which is higher than the time they spend in other online activities such as online news, online videos or online shopping (Nguyen, 2015). Social networks like Facebook or Twitter were born to take the advantages social media granted to make it easier in accomplishing the mission of elevating communication for the community. Social media tools, Facebook, in particular, have become superb channels for marketers to reach consumers which are undoubtedly potential for online marketing activities. As a tool for changing the way people communicate, Facebook shows its considerable advantages over other marketing activities thank to its wide reach of online users, inexpensiveness and ease of use.

LITERATURE REVIEW

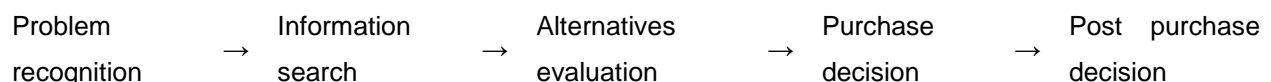
Consumer behaviour

The theory of consumer behaviour is applied to develop a marketing strategy influencing the desire of social behaviour. According to Hawkins et al. (2010) "Consumer behaviour is the study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society" (Hawkins & Mothersbaugh, 2010, p. 6). Consumer behaviour, as stated by Hoyer et al. (2012), "reflects the totality of consumer's decisions with respect to the acquisition, consumption, and disposition of goods, services, activities, experience, people and ideas by (human) decision-making units (over time)" (Hoyer, MacInnis, & Pieters, 2012, p. 4). Though there are several differences in the ways consumer behaviour defined, all those definitions share the common meaning relating to the environmental impacts of consumer perception and behaviour. Perceiving how consumers behave and applying to the marketing strategy could help a firm attract new consumers or satisfy the current ones.

Model of consumer behaviour

The five stages of a consumer who is making decision according to Hawkins and Mothersbaugh (2010) consisting of need recognition, information search, evaluation of alternatives, purchase decision and post purchase decision. The process is illustrated as the figure below (Hawkins & Mothersbaugh, 2010, p. 27)

Figure 1: Consumer decision-making process



Source: Hawkins & Mothersbaugh, (2010)

Initially, a customer will define his/her problem recognition in all of his/her decision. Problem recognition occurs “when a significant difference develops between a person's desired state and actual state with respect to a particular want or need” (Il & Pomazal, 1988)

Factor influencing buyer behaviour

Hawkins came up with the diagram illustrating the overall model of consumer behaviour (Hawkins & Mothersbaugh, 2010, p. 27). It demonstrates the relationship of external and internal influences on the decision making process of a consumers. All of the internal and external factors create great impacts on consumer self-concept and lifestyle results in their needs and desires for products or services which leads to make them perform a decision making process.

Advertisement characteristics

Advertisement characteristics could have a positive influence on behaviour of consumer who is in their process of buying intension. Size, design, content, place and type of an advertisement are all involved in those characteristics (Manchanda, Dubé, Goh, & Chintagunta, 2006)

The bigger advertisement attracts more attention and as a result, increases viewer response (Baltas, 2003). A foundation of Rick E. Bruner et al. showed that the larger the ad size the greater the click through rate of that ad which also results in greater purchase intension (Bruner & Gluck, 2006). In other words, it is better to make as visible an advertisement as possible so that the audience can easily absorb ads and make them more interactive with that ad.

An ad with rich media or video integrated appeals to consumers a better result than standard graphic (Bruner & Gluck, 2006). Also the more informative in an ad (Bansal & Gupta, 2014) results in the more influential impact on behaviour of consumer.

Consumers tend to notice the ads that they think are more creative in design than the ones whose designs are less creative (Bruner & Gluck, 2006). An ad that is designed with ad banner colour, animation and music that suits subconscious mind of consumers could create an influence on their behaviour (Lohtia, Donthu, & Hershberger, 2003). Audience may be various in the way they perceive, consequently depending on which type of consumer marketers want to target at, the ad design should be attractive to that type of consumer.

The author, based on characteristics of an ad, as a result, came up with the first statement relating to Facebook Ads: (1) there is statistically significant impact of advertisement characteristics on Facebook Ads that affect consumer buying intension.

(Hanafizadeh & Behboudi, 2012) Due to the dissimilarity in perception, attitude, belief, behaviour and stereotype; males and females are influenced distinctly by an advertisement. A

research by Wolin and Korgankar (2003) showed that, men consider online advertisement as more enjoyable, useful and informative than newspaper, magazines and radio ads. Whilst women see that online ad is more annoying than magazines, newspaper, radio and TV ads. Also, women find online ad more deceptive than TV ads. In other words, men perceived an online ad more positively than women (Wolin&Korgaonkar, 2003). Therefore, based on those statements, the author assumes that (2) “Men are easier impressed by Facebook Ads than women”

From (1) and (2), these are the first proposed hypothesis:

H1.1: There is more statistically significant impact of Facebook Ads size on online advertisement that affect males’ buying intension than females’

H1.2: There is more statistically significant impact of Facebook Ads design on online advertisement that affects males’ buying intension than females’

H1.3: There is more statistically significant impact of Facebook Ads content on online advertisement that affect males’ buying intension than females’

Product characteristics

Another product classification framework developed by Hahn & Kaufman took the advantage of Kotler and Gay et al. yet include consumer involvement level. This framework classifies products into high involvement goods and low involvement goods. With high involvement goods, consumers tend to go through the five stages of buying process when they make purchase decision. When buyers purchase low involvement goods, they may skip some of the stages in the buying process (Hahn & Kauffman, 2001). In the two product classifications, there are three sub-classifications namely convenience goods, searched goods and replenishment goods. While searched goods are high involvement and one-time purchased, convenience goods (one-time purchased) and replenishment goods (frequently purchased) are low involvement. Hahn & Kaufman (2001) also noted that replenishment goods can be classified as frequent and planned purchases, therefore it is to consider only researched goods and convenience goods (Hahn & Kauffman, 2001).

The table below illustrates the framework of Hahn & Kauffman with searched goods, convenience goods and replenishment goods linked to the characteristics of information goods, physical products and services.

Table 1. Hahn & Kauffman's Framework

	Information goods (digital media)	Physical products (tangible goods)	Services
Convenience goods (low involvement)	E-books, video, music...	Books, DVDs...	Website membership, subscription...
Researched goods (high involvement)	Operating systems, software...	Televisions, laptops, smartphones...	Insurance, travel tickets...

H2: Consumer is more likely to purchase convenience goods than researched goods

Influence of gender

The tendency to buy convenience products of women is higher than men while men's propensity for researched products is higher than women's (Dittmar, Beattie, & Friese, 1995). Men are more likely to purchase researched goods but less likely to buy convenience goods than women. The author, hence, came up with two hypotheses as following:

H3.1: The probability that men buy researched goods is higher than women.

H3.2: The probability that men buy convenience goods is lower than women.

Impulse buying

In 2002, Chingning Wang et al. took a consumer's perspective and examine consumers' perceptions of different types of ads. They believe that interactivity is a factor that contributes to consumers' perceptions so a better understanding of interactivity can also help to improve the effectiveness of interactive media such as the internet. In addition, the result also represent that the internet and web have the potential to better support goal-oriented consumers, thus providing a great potential for internet-based directional advertising (Wang, Zhang, Choi, & DiEredita, 2002)

In another research, Bibhas Chandra et al. (2012) revealed that online advertising helps in purchase decision and results in lower price and also demonstrated a strong favourable attitude towards online advertisement on the social media. (Chandra, Goswami, & Chouhan, 2012).

In the research "Internet advertising and consumer in the purchase of products" Dr. Shahram Gilaninia et al. (2013) concluded that advertising is efficient on consumer behaviour in process of products purchase (Gilaninia, Taleghani, & Karimi, 2013)

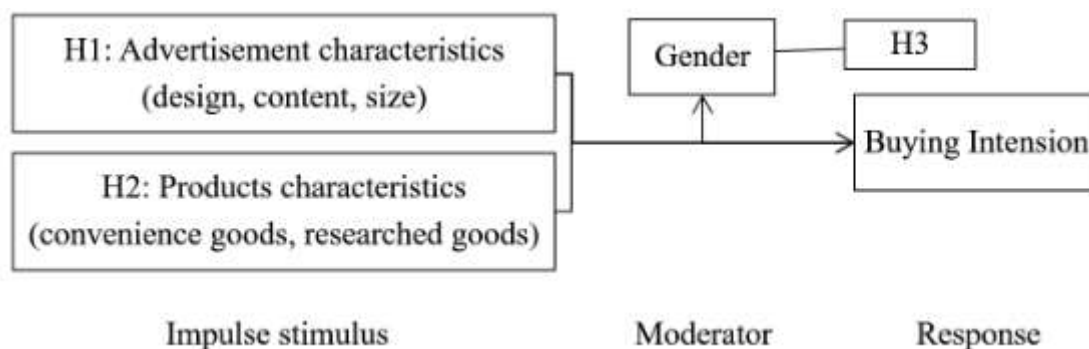
In other research of James Mathew, Peter M. Ogedebe and Segun M. Ogedebe (2013) investigates the influence of web advertising on consumers in Maiduguri Metropolis, Nigeria. The research result showed that the challenges encountered while purchasing what consumers see advertisement on the web as erratic electricity supply, lack of access to internet, services not provided as advertised, fraud and products were delivered in bad conditions. However, the result of this research showed that internet has influence on consumers than any other mass media when it comes to making purchase decisions (Mathew, Ogedebe, &Ogedebe, 2013)

Muhammad Aqsa and DwiKartini (2015) used a quantitative analysis as structural equation modelling (SEM) by the technique of purposive sampling method with a sample of 340 people to survey how online marketing advertising through a PC, laptop, mobile phones, tablets and other media impact on consumers' attitudes and interest buying online. The result showed that online advertising provides the highest influence on the attitudes and interests of consumers purchasing online (Aqsa &Kartini, 2015).

Conceptualization and research framework

The research is to examine how advertisement characteristics and product characteristics impulse buying intension of males and females. Therefore, a proposed framework identifies the response buyer towards stimulus of consumer buying intension. The framework below use the S-O-R model developed by Russell and Mehrabian (1974) with customization to fit in with the context of impulse buying towards Facebook Ads.

Figure 2: Research framework



S-O-R model developed by Russell and Mehrabian (1974), shows the relationship of stimulus (S) on behavioural responses (R) with the impacts of communicating with orgasm (O) (Mehrabian& Russell, 1974).

The hypotheses developed for this study are listed as following:

H1.1: There is more statistically significant impact of Facebook Ads size on online advertisement that affect males' buying intension than females'

H1.2: There is more statistically significant impact of Facebook Ads design on online advertisement that affect males' buying intension than females'

H1.3: There is more statistically significant impact of Facebook Ads content on online advertisement that affect males' buying intension than females'

H2: Consumer is more likely to purchase convenience goods than researched goods

H3.1: The probability that men buy researched goods is higher than women.

H3.2: The probability that men buy convenience goods is lower than women.

RESEARCH METHODOLOGY

Sampling and Data

Random respondents were then asked to fill the online survey. The purpose of this procedure is to create data collection as precise as possible. The survey will be completely performed online so that it could approach wider range of the suspects. All the data collected totaled 122 responses of which 100 valid responses and 22 invalid responses. Those valid data will be converted into an excel file for future evaluation. The other 22 invalid responses will be removed due to their inapplicability of use. The errors came from the coordinators during the process of filling the online survey form. Because there are 22 respondents' answer are not completed or their age is not in 15-30 range, there is only 100 utilizable responses. Apart from that, there is no error occurred.

Reliability

Developed in 1951 by Lee Cronbach, Cronbach's alpha is used to test the internal consistency of a scale (Tavakol, 2011). The questionnaires that have internal reliability is when the Alpha is higher than 0.6 (Easterby-Smith, Thorpe, & Lowe, 2006). This study applies Cronbach's Alpha for ad characteristics, convenience products and researched goods. All the tested Alpha values is higher than 0.6 which means that they have internal reliability.

Table 1: Alpha values

Variable	Cronbach's Alpha Value
Facebook Ads characteristics	0.784
Convenience products	0.765
Researched goods	0.771

ANALYSIS AND FINDINGS

Table 2. Correlation Analysis

Correlation Matrix				
		Ad design	Ad content	Ad size
Correlation	Ad design	1.000	.516	.520
	Ad content	.516	1.000	.605
	Ad size	.520	.605	1.000
Sig. (1-tailed)	Ad design		.000	.000
	Ad content	.000		.000
	Ad size	.000	.000	

Table 3. KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.697
Bartlett's Test of Sphericity	Approx. Chi-Square	83.724
	df	3
	Sig.	.000

“The Kaiser-Meyer-Olkin measure of sampling adequacy tests whether the partial correlations among items are small. Bartlett's test of sphericity tests whether the correlation matrix is an identity matrix, which would indicate that the factor model is inappropriate” (Principal Components Analysis And Factor Analysis, N.D.)

Table 4: Communalities

Communalities		
	Initial	Extraction
Ad design	1.000	1.000
Ad content	1.000	.807
Ad size	1.000	.798

Communality is the proportion of an item's variance in a factor analysis of a factor that is accounted by the common factor (Principal Components Analysis And Factor Analysis, N.D.).

The entire test using the extraction method with principle components analysis shows that there is statistically significant impact of advertisement characteristics.

Buying intention

Statistic data shows the domination of consumer impulse of convenience goods over researched goods. The mean for convenience goods and researched goods respectively is 2.7767 and 2.3600. Within the same level of involvement (convenience goods and researched goods), the level of purchasing convenience product is higher than the level of researched goods. It is experienced that in convenience good categories, physical products are easily affect the consumer to make purchase (3.450) than the other two categories with the mean respectively of 2.460 and 2.420. Table 9 depicts that consumers seem to be very carefully on selecting the researched goods, especially for service as the mean for this is the lowest in all of the categories (1.980).

The majority of co-operators agreed that the ad designs, contents, and sizes determine their buying intension. To be specific, the nicer the design and the more detailed the content and the larger the size result in the more likely the respondents are going to buy the products appeared on that ads. The charts furthermore show that the content is the most important characteristics of an ad with the mean of 3.670.

Using paired-samples t-test, buying intention for convenience goods on Facebook is higher than researched good with mean value of 2.7767 and 2.3600 respectively. Noted that in the paired-samples t-test, results is only noteworthy if significant value is no more than .05 (Hoang & Chu, 2008). And hypothesis 2 accordingly is supported.

H2 (accepted): Consumer is more likely to purchase convenience goods than researched goods

Nevertheless, the significant value, in this case, is .206 which is higher than .05 that means males' impulse buying for convenience goods on face is not too different than females' despite mean value of men is higher women which are 2.8776 and 2.6797 correspondingly. That means there are no statistical impacts on buying convenience good by gender.

H3.2 (rejected): The probability that men buy convenience goods is lower than women.

As a result, buying intention for researched goods of male on Facebook (Mean: 2.7007) is higher than women (Mean: 2.0327). For that reason, hypothesis 3.1 is accepted.

H3.1 (accepted): The probability that men buy researched goods is higher than women.

All the significant values in Table 14 are higher than .05 which is not quantified as significant at a 95% confidence level. Hence, the entire hypothesis in hypothesis 1 is rejected. Which means there is no statistically significant impact of advertisement characteristics on Facebook Ads that influence different gender?

H1.1 (rejected): There is more statistically significant impact of Facebook Ads size on online advertisement that affect males' buying intension than females'

H1.2 (rejected): There is more statistically significant impact of Facebook Ads design on online advertisement that affect males' buying intension than females'

H1.3 (rejected): There is more statistically significant impact of Facebook Ads content on online advertisement that affect males' buying intension than females'

DISCUSSION AND CONCLUSION

Our results indicate that there are no significant impacts on genders about how men and women being affected by different characteristics of Facebook Ads. The study from Wolin and Korgankar (2003) showed that men are more affected by online ad than woman but through reality test, the result from the survey conducted is not matching. Due to some differences of coordinators such as demographic, culture, geographical locations and some other aspects, the difference in between two researches is undeniable. Either way, his study clearly claims that the differences on how men and women acknowledge and evaluate Facebook Ads have no significant influence on purchase decision. What is more, the research once again supports and reaffirms other previous studies about buying intention for two types of goods (convenience and researched). To be specific, all of the studies found by the author including this research confirmed the statement that consumer intention for buying convenience good is higher than researched goods. Marketers are now able to use this data to adapt and develop their marketing strategy to attract customers at whom they are targeting.

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