The impact of advertising on consumer’s buying behavior among undergraduate students in Universiti Utara Malaysia

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ABSTRACT

In the new era and the modern world advertising industry is experiencing fast extraordinary changes. Commonly, advertising is one of platform for communication that used to inform, persuade and remind consumers about the existence of certain products or services in the certain market. Advertising, shows as a favorite type of students in influencing their buying behavior, however, students tend to follow the perception and the buying pattern of the family. Moreover, student buying behavior affected by the family when they take control of the student’s economic situation by manipulating the amount of allowance and controlling the spending power. Thus, the main objective of the study is to examine the factors that influence students buying behavior, according to consumer opinion, such as qualities of product advertise, price of product advertise, the brand image of product advertise and celebrity endorsement. This study was conducted towards the opinion of undergraduate full time students in Universiti Utara Malaysia. As a result, the finding of this study shows that most of the respondents were agreed that quality, price, and brand of the product advertise can influence their buying behavior except celebrity endorsement which cannot influence on customer’s buying behavior.

Keywords:
Consumer’s buying behavior,
Advertising, qualities of product advertise, Price of product advertise, Brand image of product advertise, Celebrity endorsement

1. Introduction

According to Singal and Kumar [1], the marketers need to use one platform to persuade the group of people to take certain action such as by using the advertising to communicate. This form becomes a major element for improving economic development of the marketers as the element for companies to achieve competitive advantage in competition as stated by Ryan [2]. Regarding to Leiss et al. [3] and Srivastava et al. [4], some sponsor paid the ad as part of the publicity through
radio, television, newspaper, magazine mail, blogs, websites and text message. This promotional material is recognized as traditional media. Moreover, development and technological advancements have help advertising in its impact and affect to become more pervasive and powerful. On that, consumer behavior had been listed the meaning by Shiffman and Kanuk [5] as the behavior that consumer behave in the form of acquiring, consuming product and services also the idea to fulfill own need, make decision making on consume in spending resources and also need time and power for consuming product and services. Besides that, Ajzen [6] stated that consumers buying behavior always become important things in the literature study of effectiveness in impact on advertising. According Smith et al. [7] and Singal et al. [1], consumers buying behavior are influenced most of the time by love it or hating it towards the product advertised.

According to Malaysia statistics that show about the advertising expenditure from 2008 to 2015 is broken down by medium. Followed by the statistics, predict that the television advertising expenditure will reach nearly 1.6 billion U.S. dollars in 2015 because the economic impact advertising to touch just about every consumer-product industry. Moreover, based on Vinod Kumar Bishnoi [8] stated that sometimes the advertised product, some people don’t want to purchase it, but they will purchase the particular product or a service when the products that they already use are advertised. In reality the marketers are facing an extreme competition and unable to attract their consumers. On that, the advertisement is important for consumers to have the information about what product and service that they like and marketer need to influence and persuade their consumer to try their product other than competitor’s products.

From this statistic, it also proved that nowadays marketer always aware and spend with the heavy budget on promotion strategies to attract and influence the consumer purchasing behavior. Therefore, many consumers grabbed the information from advertising to analyze and convince their buying behavior. However, still sometimes advertising also failed to convince the consumer to the marketers’ products as stated by Aaker, Batra & Myers [9] and Feiz et al. [10]. According to that, the consumer does not really influence and incapable to create emotional feelings essentials to change their purchase intention.

However, Bishop [11] and Pirsch et al [12] mentioned that certain people view that they avoid advertising as a persuasive element because they saw that advertising is just annoying and misleading. Due to this issue, consumer’s psychological, sociological, aesthetic and political ground has been attacked regarding the advertisement. Moreover, advertising considers as giving very harmful impacts to collective behaviors of society from some critics even criticize view Barbara, J.P [13]. However, a strong argument for defenders view related to the advertising aim is always to sell the products rather than its effects on cultural values of the society as stated by Gold [14] and Amouzadeh [15].

Moreover, Burr & Burr [16] and Verbeke, W. [17] stated that many of societal members of view regarding advertising may have unintended or intended influence on consumer buying trends or habit, even though it’s had a negative impact. According to Barbara, J.P. [13] stated that the impact on advertising affects the beliefs and collective attitude of the consumers have been debating issues with the respect to the buying behavior. Robinson [18] expressed that in this era, it is very tough competition to persuade or affects the buying behavior of consumers, it’s very difficult to be successful. For that, the marketer or the companies need to use the success field like advertising, which has been considered as a universal factor in influencing the consumers’ behaviors as stated by Beil & Bridgewater [19].

According to Aaker el. al. [9] cited by Shumaila Ahmed and Ayesha Ashfaq [20], the key element of effective advertising can be considered of brand personality or celebrity endorsement. Regarding of this, effective advertising needs to create, to build brand image through the right personality
creation or celebrity endorsement to develop the loyal consumers and building the powerful brand image. Therefore, all these factors, including price and quality of the product are the real contributors towards the consumers buying behavior to some extent. Moreover, based on the previous researcher’s study there are disagreeing that advertising gives the positive impact consists the quality of product, price of the product, brand image and celebrity endorsement on consumer buying behavior Bishop [21]; Barbara, J.P, [13]; Burr & Burr, [6]; Verbeke, W. [17]. On that, this impact needs to examine, what actually that contribute to consumers’ buying behavior. Likewise, this study is to generate the knowledge about the relationship that influences consumers’ buying behavior.

2. Literature review

2.1. Consumer’s buying behavior

Buying Behavior is a decision making on purpose to buy a particular product by the consumer as stated by Shah et al. [22]. Researcher Morinez et al. [23] defines the buying behavior about certain condition where the consumer tends to buy a certain product. According to Sciffman and Kanuk [5], consumers consider some attributes of the product before making a decision to purchase. Besides that, consumer perspective creates an overview of the product to collect some of the brands as was said by Hawkins, Best & Coney, [24]. Assael [25], view that consumers actually collects about the attribute product that contribute a lot of benefits to meet their needs and at the same time, consumer perception of product effect of irregularities or the superiority of the product that view by Cannon, Perreault and McCarthy [26].

Consumer buying behavior is defined by Guolla [27], as a process of activities that people select, purchase evaluate and consume the product and services. This buying behavior is tendency to act on the object Assael [25]. Besides that, buying behavior also is the stage of purchasing decisions Schiffman & Kanuk [5]. Furthermore, attitudes of consumers actually can be used to predict the behavior of interest by using the theory planned behavior that proposed by Aaker [9].

Due to this, it is important to the marketers have the knowledge about consumer behavior that allows businesses to predict consumer intention to purchase as was said by Zeugner & Roth et al., [28]. For that, the marketers need to test the element of this marketing mix that may influence consumer buying behavior every time Assael [25]. Moreover, consumer buying behavior indirectly can provide the clue that related to which product to survive and can determine which industry to be performed and which company to be succeeding Wang et al., [29]. So, when the consumer has a good attitude towards the product and services that delivered, customers tend to have a positive impact on their interest to behave and also can create the strong relation between consumers with the company as stated by Assael [25]. Due to this, Ghosh [30] tells the effective tools to predict purchase process is from the buying intention.

According to Keller, K.L [31] cites by Zhang Y. [32], the Brand Image of the product advertises leads to customer continuously buying behavior and also brand image driving force consumer buying behavior. Besides that, Delgado Ballester Munnueira- Aleman [33] cites by Achmad Yanu Alif Fianto [34], the brand image of product advertise can enrich the better understanding of buying behavior. Unfortunately, previous research results reveal that brand image of product advertises not directly effect on consumer buying behavior.

For celebrity endorsement, based on previous studies by Brajesh and Gouranga [35] shows the positive results of advertising and purchase buying behavior towards celebrity endorsement. Furthermore, most of previous studies supported that celebrity endorsement have a positive impact on consumer buying behavior. Even though, non-professional of celebrity that will give
negative effects, of buying behavior as said by White et al. [36] cited by Syed Rameez UL Hassan and Raja Ahmed Jamil [37].

Furthermore, in the previous studies, result of price become ones of important variables, and the other variables like product, brand image and quality are also important in the process of consumer buying behavior. However, the consumers are only able to differentiate between the few prices and the quality. Due to that, the advertising is not a guarantee of price and quality influence consumer buying behavior Giovanis et al., [38]. According to the previous study by Mirabi V. et al [39], the Brand Image of the product advertises and Quality of the product advertises give the positive impact on consumer buying behavior. Nevertheless, the hypothesis of the impact of Price of the product advertises was rejected.

2.2. Advertising

In this era of development and technology advancement also globalization, effective advertising is useful to influence consumer buying behavior. This show that, advertising becomes one’s of important role in persuading consumers to buy the product and services. Furthermore, companies need to promote their product in such way to attract the consumers become more interested in its product, in the challenging environment as stated by Hameed, et al., [40]. On that, the advertisement is become expenses of the companies to compare their activities with the other companies are very remarkable.

According Hussainy et al. [41], to become the market leader the company requires to tons empower of their budget in their budget in their promotional strategies. Arens [42], define advertising as a communication process or a marketing process or economic and social process or public relation processor or information and persuasion process. Guolla [27] also stated that the aim of advertising in the marketing concept is to influence the buying behavior of consumers.

More often, Dunn et al. [43] defines advertising as a paid and non-personal communication by using the several of media. This definition is strongly agreed by Abideen, Farooq and Latif [44] because advertising from several media play an important role to influence people and also not only persuade on life cycles but also attitudes, behavior even culture of the country. Besides that, Clark [45] said that advertising becomes a tool to create a basic awareness of the product and also to peruse the consumer’s selection.

This also can create knowledge about the product or services to the potential consumer’s mind before taking the final purchase decision as was said by Morden [46]. According to the previous research, the major mission of the advertiser is to reach potential consumers and influence their awareness, attitude and buying behavior as stated by Ayanwale et al., [47] and Adelaar et al. [48]. Therefore, marketers need to use accessible tools of mass communication consists of sales promotion, public affairs and advertising because this mass communication will give a lot of benefit of reaching a lot of people with the valuable information and at the same time give advantages to the trade of personal’s selling as was said by Etzel, Walker and Stanton [49]. On that, Ayanwale et al., [47] and Adelaar et al., [48], conclude that, the primary mission of the advertiser is to reach potential consumers and influence their awareness, attitude and buying behavior in the technology advancement to give the consumer choice for new product by maximum in mass media and advertising effectiveness compares with the traditional mass media. On that, consumers are getting more control of what they want and what they need moving to the interactive marketing as stated by Newell & Merier [50].
2.3. Quality of the product advertises

According from customer perception, quality perceived as the superiority of the product or services by comparing with the other alternatives towards the high attention or expected goals to the tendency of the product or services as stated by Keller [31]. Furthermore, quality is based on three key dimension consists of product specification such as reliability, performance and brand. This main dimension will be useful to measure, however the quality is a general perception should be forgotten as said by Kiya [51]. On the other hand, Zeeshan [52] said that quality is one’s tools for creating the competitive advantage compare with the others competitors.

Based on previous studies that conducted to investigate the result of the impact of product quality in advertisement toward consumers’ buying behavior that collected by using the questionnaires, the result found that the product quality has a positive sign. It’s precisely the same result like previous studies that conducted by Levy and Guterman, [53]; Tariq et al., [54]; Gogoi, [55]; Tih and Lee, [56]; Dursun et al. [57]; Bao et al., [58]; Dick et al., [59] that found the significant relationship between the product quality has influence on consumers’ buying behavior.

2.4. Price of the product advertises

Price of the product advertises showed important factor influence customer buying behavior that has a significant impact by Hermann et al. [60]. This price also can influence customer satisfaction need directly. Lee et al [61], also do a researched the effect of the price of the product advertises towards a purchase decision. The other research also stated that the value that customers get from exchange their money is one of the criteria that customers take under their consideration Kurdshali & Bozjani [62]. Furthermore, Khraim [63], price also can affect consumers buying behavior positively. Result of Mirabi V. et. [39] study shows that, price influence consumer buying behavior with beta coefficient between two variables is 0.378. Besides that, Giridhar K.V. [64], indicates the price of product advertise have a natural influence on consumer buying behavior towards student, business class and service class.

According to Jerry F. Conover [65], price - quality shows the relationship of consumer buying behavior. The model assumes that consumers may be sensitive either to price or quality but not both. However, many consumers may value both that lowest price and high quality. Moreover, through the standard development of price response by this paper, advancement of knowledge of consumer price gives advantages to marketer because the price influence consumer buying behavior.

Moreover, based on previous studies by Salmi Mohd Isa and Wong K., Y. [66], the purpose of the study is to examine the moderating roles of age differences that influence the intention to use internet marketing in Malaysia and Taiwan. However, the result shows a very different situation for both countries from Malaysia and Taiwan. Based the PLS result indicate without age difference as the moderator the price was having significant relationship towards customer buying behavior in Malaysia but, the result for the Taiwan is not significant. Moreover, when the age difference uses as moderating effect, the result of price shows a negative relationship on consumer buying behavior toward Malaysian and Taiwan.

2.5. Brand image of the product advertises

From the previous studies which is Keller [31] and Biel [67], there is positive relationship between brand images towards consumer buying behavior. From the observation from Blackwell et
Regarding the activities of consumer buying behavior, they found a set of possessing, consume and dispose product and services. According to Teng, Laroche and Huinhunag [69] all available brands need to serve an assessment to determine the consumer buying intention to the product. Moreover, the criteria of assessment that consumers experience in making a purchase decision consist of price, brand, features, quality, performance of the product or services, convenience and user friendliness as stated by Khan et al. [70]. Furthermore, the consumers’ past purchase actually can help them to decide in their purchasing in the future, moreover the marketers and companies also can predict the intention of that consumer in the future too by Conner & Armitage [71].

Muhammad Irfan Tariq et al. [72] also discovered the relationship between brand image and purchase behavior towards young adults in Pakistan and found that positive relationship between brand image that advertise and purchase intention of consumers. According to Malik et al., [73] observation towards brand image and consumers buying behavior showed strong positive influence and significant relationship, according to the data that they employed from 175 responses on questionnaire survey by utilizing the non-probability such as convenience sampling technique. Besides that, Rubini [74] stated that the knowledge regarding brand image has an influence on consumer buying behavior.

2.6. Celebrity endorsement

The image of celebrities’ project to consumers can be just as important as their ability to attract attention. Besides that, McCracken [75] had developed how celebrity endorsement gives impact on consumers’ buying behavior and an interesting perspective on celebrity endorsement. McCracken [75] stated that celebrity endorsement actually can influence the feelings of the consumers and can also influence the consumers buying behavior towards the advertisement and the brands which can increase the purchase intention and consequently, increase the sales.

Moreover, Tripp C Jensen T.D and Carlson L. [76] found consumers buying behavior influence when the trusty celebrity endorser to be credible and endorses one or two products shows the significantly consumers more trustworthy than a celebrity who endorse even more products. Granting, to the previous studies by Daneshvary and Schwer [77] stated when a company requires a consumer associate with the endorser product it shows the company needs to choose an endorser who use the product exactly reflection of professional expertise. Fact on that, consumers buying behavior have a connection towards the celebrity endorsement.

Furthermore, Qurat-UL-Ain Zafar et al. [78] studies indicate that, celebrity endorsement has a reasonable impact on consumer buying behavior with the selected people from different areas in Pakistan. In other hand, surveys that found respondents agree like to see their brand to be endorsed by celebrity in advertisement and also want select that the product endorser through celebrities. Due to that, celebrity endorsement has a positive relationship with consumer buying behavior as stated by Giridhar K., V. [64].

3. Conceptual framework
4. Research methodology

4.1. Sampling design

According to this research, the researcher has decided the only undergraduate full time students in Universiti Utara Malaysia, Sintok, Kedah was chosen to participate in this study because they still get the full allowance from their parents and make buying behavior of them still in controlled by their family and also their habit of buying. Besides that, the findings of this study might not be enough to generalize to other university students in Malaysia as each university student has its own intention, environment and objective that might lead to a different result. To achieve this probability, the researchers refer to Krejcie and Morgan [79] to identify the sample size from the overall population to analyze the sample size followed by a given population for easy references. This study used a random sampling technique to collect the data. Due to that, the questionnaire will distribute to undergraduate full time students in UUM. They will ask to give their view about the impact of advertising on consumer buying behavior.

Based on Table Krejcie and Morgan [79], a sample size of three hundred and seventy five (375) respondents considered to be representative of the entire undergraduate full time students of Universiti Utara Malaysia. But to get a more effective data, a total of 400 respondents was selected for this study. Questionnaires were used to collect data for this study. Questionnaires distributed personally by the researcher in Library Sultanah Bahiyah and undergraduate full time student accommodation in UUM.

5. Result and discussion

Table 1 shows that the convergent validity that showed the value of actual test rated between 0.79 to 0.84. The values have considered to meet the level of satisfactory stage because it fulfilled the prescribed estimation of 0.7 and above which indicated good results in supporting the convergent validity.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Actual Test (N=392)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer buying behavior</td>
<td>0.80</td>
</tr>
<tr>
<td>Quality of the product advertises</td>
<td>0.81</td>
</tr>
<tr>
<td>Price of the product advertises</td>
<td>0.79</td>
</tr>
<tr>
<td>Brand Image of the product advertises</td>
<td>0.80</td>
</tr>
<tr>
<td>Celebrity Endorsement</td>
<td>0.84</td>
</tr>
</tbody>
</table>

Table 2 shows the correlation between the variables such as all independent variables was significantly related to the dependent variable. Due to that, a positive correlation is strong and generally with the correlation between 0.51 to 0.53.
The first variable of hypothesis in this study is the quality of the product advertises. The result of Pearson’s Correlation indicates that there is positive relationship between the quality of the product advertises and consumer buying behavior and it is significant. The correlation coefficient is .513. Therefore hypothesis 1 was supported.

The second variable of hypothesis in this study is the price of the product advertises. The result of Pearson’s Correlation indicates that there is positive relationship between the price of the product advertises and consumer buying behavior and it is significant. The correlation coefficient is .527. Therefore hypothesis 2 was supported.

| Table 2 |
|-----------------|-----------------|-----------------|-----------------|-----------------|
|                | IV_QPA | IV_PPA | IV_BIPA | IV_CE | DV_CBB |
| IV_QPA Pearson Correlation | 1 | .634** | .365** | .330** | .513** |
| Sig. (2-tailed) | .000 | .000 | .000 | .000 | .000 |
| N | 392 | 392 | 392 | 392 | 392 |
| IV_PPA Pearson Correlation | .634** | 1 | .498** | .418** | .527** |
| Sig. (2-tailed) | .000 | .000 | .000 | .000 | .000 |
| N | 392 | 392 | 392 | 392 | 392 |
| IV_BIPA Pearson Correlation | .365** | .498** | 1 | .430** | .478** |
| Sig. (2-tailed) | .000 | .000 | .000 | .000 | .000 |
| N | 392 | 392 | 392 | 392 | 392 |
| IV_CE Pearson Correlation | .330** | .418 | .430** | 1 | .298** |
| Sig. (2-tailed) | .000 | .000 | .000 | .000 | .000 |
| N | 392 | 392 | 392 | 392 | 392 |
| DV_CBB Pearson Correlation | .503** | .516 | .478** | .283 | 1 |
| Sig. (2-tailed) | .000 | .000 | .000 | .000 | .000 |
| N | 392 | 392 | 392 | 392 | 392 |

**. Correlation is significant at the 0.05 level (2-tailed).

<p>| Table 3 |
|-----------------|-----------------|</p>
<table>
<thead>
<tr>
<th>Hypothesis Testing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H_1</strong> There is a significant relationship between Quality of the product advertises and Consumer’s Buying Behavior.</td>
</tr>
<tr>
<td>Supported</td>
</tr>
<tr>
<td><strong>H_2</strong> There is a significant relationship between Price of the product advertises and Consumer’s Buying Behavior.</td>
</tr>
<tr>
<td>Supported</td>
</tr>
<tr>
<td><strong>H_3</strong> There is a significant relationship between the Brand Image of the product advertises and Consumer’s Buying Behavior.</td>
</tr>
<tr>
<td>Supported</td>
</tr>
<tr>
<td><strong>H_4</strong> There is a significant relationship between Celebrity Endorsements and Consumer’s Buying Behavior.</td>
</tr>
<tr>
<td>Not Supported</td>
</tr>
</tbody>
</table>

The third variable of hypothesis in this study is the brand image of the product advertises. The result of Pearson’s Correlation indicates that there is positive relationship between the brand image of the product advertises and consumer buying behavior and it is significant. The correlation coefficient is .478. Therefore hypothesis 3 was supported.

The last variable of hypothesis in this study is the celebrity endorsement. The result of Pearson’s Correlation indicates that there is no relationship between the celebrity endorsement
and consumer buying behavior and it is not significant. The correlation coefficient is .298. Therefore hypothesis 4 was not supported.

Quality of product advertises (QPA), Price of product advertises (PPA), Brand Image of product advertises (BIPA), Celebrity Endorsement (CE), Consumer Buying behavior (CBB)

6. Conclusion

This research is carried out to identify, examine, determine and investigate the factors that influence consumer buying behavior that impact of the advertising. Besides that, undergraduate full time students in Universiti Utara Malaysia, Sintok, Kedah are respondents for this research. The results of this research show that Quality of the product advertises, Price of the product advertises, and the Brand Image of the product advertises are found to be the most influential factors on consumer buying behavior. However, the finding show Celebrity Endorsement doesn’t give any impact to consumer’s buying behavior.

Due to that, this study finally able to accomplish its objectives in considering the impact of advertising on consumer buying behavior and this study also provides significant implication for both theoretical and managerial. The aim of this research is to achieve the significant results that provide invaluable information for academic researchers, students, reader, businessman and business woman, advertisers or marketer and policy maker in order to develop the best advertising either to restructure, improve the technique of advertising method according to the consumer specific needs.

References


