

CONSUMERS' PERCEPTION AND ACCEPTANCE TOWARDS FACEBOOK ADVERTISING

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1.0 INTRODUCTION

Understanding consumer's attitudes toward advertising has always been one of the goals of advertisers. Advertisements that are successful in delivering its messages to its audiences can help to promote and build awareness on the company's offerings. With the rapid development of information technologies worldwide in the past decade, advertisers are increasingly relying on various modes of interactive technology to advertise and promote their products and services. Furthermore, the idea of executing a content that is current and entertaining could get consumers to interact electronically in an effective way. This powerful attribute can be seen as a future of advertising and may become more figurative in consumers' minds than television advertising as a marketing stimulus that stands out relative to others in the environment Yaakop, A and Hemsly Brown, J. (2001).

Social network sites such as Facebook, MySpace and others have become a medium for market practitioners to engage their marketing activities. However, research studies on these social network sites and how it is perceived by its users is relatively limited and unavailable. This statement is supported by Boyd and Ellison (2007) that stated that there is little research published in the area of consumer perceptions of advertising on social network sites although these sites faces rapid growth over a very short period of time. Besides that, although research exists in the area of online communications, not all of this work is easily transferable to the social media space (Bond, Ferraro, Luxton and Sands, 2010). Also, little is known about how online factors influence Internet users' attitudes toward online advertising (Campbell and Wright, 2008). Besides that, capitals investment in online advertising are often targeted wrongly due to lack of knowledge and limited research done on consumers' opinions of online advertising which caused advertisers chosen the wrong advertisement characteristics; sending unclear messages; and cannot clearly identify the target audience (Hadija, 2008). Hence, the aim of this study is to fulfil the gap by investigating the relationship between user perception and their attitude on online social networks advertising using the example of Facebook.

1.7.5 Perception

The ability to see, hear, or become aware of something through the senses.

1.7.6 Attitude

The way a person views something or tends to behave towards it, often in an evaluative way.

2.0 <u>LITERATURE REVIEW</u>

Issues of credibility, privacy trust, advertising avoidance, gender difference and interactivity have been the highlights of previous research on online advertising. However, literature in consumer perception of online advertising via social media is limited (Bond. et. al 2010). A previous study by Zeng et. al (2009) found that responses to online advertising via social network heavily depended on perceptions of advertising relevance and value, as well as being influenced by social identity and group norms. Unlike, Hadija (2008) found perceived interactivity as an important influence in consumers' responses to the same subject. Other dimensions such as advertising avoidance, credibility and privacy were used in the past to measure consumers' perceptions towards online advertising (Kelly, 200; Roberts, 2010).

Therefore, in congruence with the previous literature, this research is proposing that consumers' attitudes towards advertising on Facebook is presented as two-level structure depicting generalized perception of advertising on Facebook and the individual's perceptions with advertising.

2.2.4 Privacy

The online privacy debate has existed since the creation of the Internet (Roberts 2010). In social networking sites (SNSs), privacy concerns has also been an issue since users shares their information and preferences such as their personal details, images, statuses, hobbies and so on. Barnes (2006) stated that youth culture has embraced online social networking and they are now publicly sharing very personal information on these sites. On Facebook, however, it offers an access to user information and generates profile privacy settings in order to overcome the concern of privacy (Ragan 2009). While privacy policies are often criticized as difficult or time consuming to read (Bonneau and Preibusch, 2009; McDonald and Cranor, 2009; McDonald, reeder, Kelly and Cranor, 2009), there is evidence that if a website has a privacy policy, individuals are more likely to share personal information with the website (Cranor et al., 2000).

H4: There is relationship between privacy and attitude towards advertisement on Facebook.

3.0 RESEARCH METHODOLOGY

3.1 Research Design

Research design is just like a framework or blueprint for conducting the marketing research projects (Malhotra, 2007). For this research, exploratory research design is employed. It is to explore or search through problem or situation to provide insights and understanding of the relationship between variables that affecting user's perceptions and attitudes. From this research framework (Figure 1) shows the relationship of the variables. Focus group for this study is the working adults in Naim Holdings Berhad, Rock Commercial Centre, Jalan Green, Kuching, Sarawak. Articles and journals or research done, whether it is published or not are used in this research to find more on the consumers perception and attitudes towards Facebook advertising.

3.2 Data Collection

Basically there are two types of data namely primary data and secondary data. Primary Data refers to information that obtains originally from field on the variables of interest of this study. Questionnaires are distributed to the target groups that had been chosen as the sampling group to this study. Datas collected were demographic data,