

FACTORS OF FACEBOOK ADVERTISING AFFECTING THE PURCHASE INTENTION – A CASE OF PSYCHOLOGICAL CONSULTING SERVICE

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Abstract

The study aims to examine the factors of Facebook advertising on customer's purchase intention using psychological consulting service. The statistical sample included 306 participants through a simple randomized sampling. Data analysis was carried out using parametric statistical method of t-test, and the non-parametric Friedman test. The results of the study showed that name awareness, interaction and perceived benefit explain purchase decision intention. This study empirically contributes to the existing literature how Facebook advertising contributes to consumer purchase intention.

Keywords: Social media, Facebook advertising, Purchase decision, Customer behaviors.

1. Introduction

Purchase decision is the conversion point to any organization. It is controlled and affected by multiple factors, both subjective and objective. It can be utilized to test the implementation of a new distribution channel to assist directors decide whether the concept merits further development, which geographic markets and consumer segment to attack through the channel (Morwitz et al., 2007). From initiating a need to purchase to persuading a person to make purchase decision is a long way for any marketer to learn about, understand and fulfill it. To predict consumer behavior, it is necessary to know the attitudes, assessments, and internal factors that ultimately generate the purchase intent (Fishbein and Ajzen, 1977) Today, technology has developed as fast as never before, with the appearance and domination of social media and smart devices. Not only a place for entertainment or maintenance of personal life, but social media with the leading representative Facebook is also playing a very significant role in marketing plans of most brands.

Purchase behavior has been examined in various marketing fields besides traditional purchasing in physical stores. This research aims to find out the relationship and influence between factors relating to Facebook marketing with the customers' purchase decision of using psychological consulting service.

The research examines customer's perceptions towards the advertising posts and advertising content's impact on their purchase decision. Using a OLS linear model to analyze the data of over 300 participants conducted within 3 months, our findings revealed that Facebook advertising regarding out of the four variables (name awareness, interaction and perceived benefit has impact on purchase decision. On the other side, perceived risk was not a significant consideration to most customers in consideration of Facebook marketing's influence on their decision of purchase.

Based on the above, what are the factors relating to Facebook marketing that affect customer decision towards the psychological consulting service? And how does each factor under Facebook marketing impacts customer decision towards using psychological consulting service?

This research focused on offering some methods to improve quality and enhance the efficiency of Facebook marketing for the psychological consulting service. Our findings provide a practical significance to companies and enterprises in the sector that can be applied to reality to maximize the efficiency of online marketing tools and increase their market share and profits. this study provides useful information which helps start-up company that offer direct interaction services that significantly rely on Internet to viral for product and service to determine the social network related factors to meet customer needs, thereby to increase competitive advantages as well as to strengthen market share.

The remainder is as follows: section 2 reviews a

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related work on Vietnam digital situation, positive and negative aspects of Facebook marketing and derives relevant constructs from previous studies as well as corresponding hypothesis. Section 3 describes the data collection, items utilized in our questionnaire, the measurement and structural model evaluation. Section 4 outlines the descriptive statistic, regression results and discussion. Section 5 discusses our contribution to the existing body of literature, managerial implications, enumerates limitations and provides guidance for future research.

2. Related works and hypotheses

2.1. Vietnam digital situation

Vietnam Digital Assessment 2016 affirmed a continuous development and growth of digital and technology, not only in theoretical study but in practice also. The statistics of number of digital subscriptions of internet and digital devices also stimulated the social media usage and

appearance of online activities, online content and online shopping (Vietnam Digital Assessment, 2016).

Following the booming of hand phone, smart devices with the highlight of smart phones continued increasing in ownership and telecommunication service subscriptions. Smart devices have been replacing traditional information technology devices including desktop computers and wire phones for very low costs have made condition for people to spend more and more time living their life, doing their work and entertaining online. Facebook is performing as the leading platform with respect to social media in Vietnam right now, which has gradually perfect itself in giving Vietnamese customer sufficient resources and tools to maintain their social interactions. The Vietnamese customers are also significantly consuming online content and information, reflected through marketing and advertising posts of a brand, buying and selling stuff online, going viral of entertaining news and vides, etc.

Internet Users per 100 population

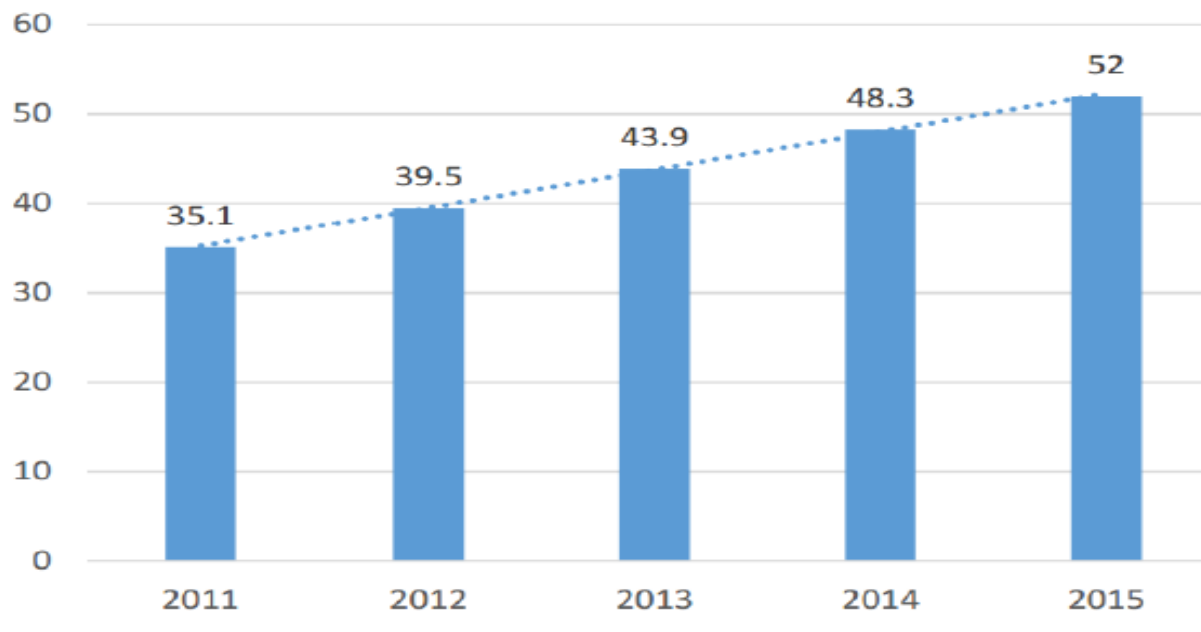


Figure 1. Internet Users in Vietnam, 2016
(Source: 2016 Vietnam Digital Assessment)

2.1.1. Internet and social media

From 2011 to 2015, there were approximately 17% of Vietnamese population assessed to Internet for the first time, making an accumulation of 52% of the whole population of Vietnam that have been using Internet. About 71% of internet page views

came from computers including desktops and laptops, which had been gradually, drop through years as people tended to replace these bulky devices with light and transportable smart devices. Page views by mobiles held for 24% and had been still increasing.

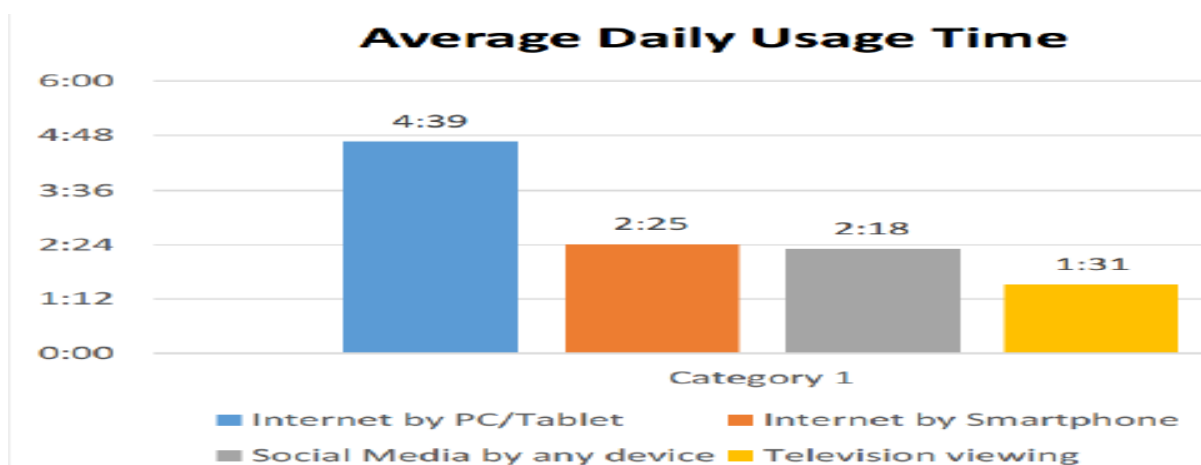


Figure 2. Average Daily Usage Time
(Source: 2016 Vietnam Digital Assessment)

Internet has been offered broadly in Vietnam, including free service at many areas, such as restaurant, public place at relatively low cost. Vietnam Digital Assessment that Vietnamese people in 2016 spent about 4,5 hours per day on their computers and tablets to access internet and half of such time was spent using smart phones. People spent averagely 2 hours and 18 minutes using social media platforms regardless of devices. Such time was nearly twofold the time people used to watch television. The survey also finds out that there were 96% of respondents to access internet at least once per week, and 78% of them used internet on a daily basis. The average monthly expense for broadband internet was approximately

\$11. The average expense was only \$3 for unlimited mobile broadband data and people could continue using the mobile internet at a lower speed whenever they run out of paid data.

The appearance of Internet marketing tools highlighted with social networks like Facebook, and the propitious growth of mobile application is opening up unlimited potential of new marketing methods in the upcoming time. Customer today tend to live with internet, search and fulfill their needs using internet services. The number of Facebook users in Vietnam was 34.7 million in 2016 and is expected to increase to 37.3 million in 2017 (Statista.com, 2017). This indicates one-third of the Vietnam population own their Facebook profile.



Figure 3. Number of Facebook users in Vietnam from 2015 to 2021

Source: Statista.com, 2017

2.2. Factors influencing consumers' behavior on Facebook

The behavior of consumers towards firm, brand and product posts on Facebook are significantly influenced by the content posted on Facebook

(Huang and al., 2013). Products that are redesigned also attract more online discussion than the new launched ones, and over the time high ratings will tend to decrease to lower ones in the future (Feng and Papatla, 2012; Hu and Li, 2011). Bernritter et al.

(2016) found that consumers are likely fond of brand or products that they consider as “warm” or tend to feel comfortable with non-profit organizations. Regarding the quality of a product, either it is considered very high quality or very low-quality customers’ reviews will be generated more than neutral quality products and services (Chen et al. 2011). Doing online business on social media channels requires very good content, in which “good” is defined as highly entertaining or very informative to target customers, especially Facebook (Shao and Ross, 2015). This principle is less important if Facebook users have been familiar with Facebook entertainment. Marketers must take the characters of target consumer into consideration. Engagement of consumers is controlled by extraversion and openness to experiences (Kabadayi and Price, 2014).

Packard and Wooten (2013) found that companies should learn about and understand their consumers because what people see will lead to further activity on Facebook. The content shared on Facebook must be attractive enough for everyone who is marked as the potential target customers. Their awareness of the content will define the behavior of consumers as well. People tend to be more reserved in promoting the advertising content on social media than in person for the fact that content shared on Facebook may cause them to be negatively recognized by other people; thus, word-of-mouth campaigns are not efficient to focus on regarding Facebook marketing (Eisingerich et al., 2015; Barasch and Berger, 2014).

Posts whose content does not relate to commercial element and which include emotional parts affect consumers’ awareness most (Swani et al., 2013). Consumers also reach and interact better with multisensory and interactive posts that include photos. They find it more willing to leave a feedback or expression, such as like leaving comments and sharing (Vries et al., 2012; Minton et al., 2015). Consumers also tend to share the kind of content which they got from other consumers and friends rather than from the companies or brands itself (Chen and Berger, 2016). The sharing of content about firm, brand and product on Facebook is recognized as “a mixture between brand-promotion and self-promotion” (Smith et al., 2012).

Gensler et al. (2013) indicated that companies may increase the sales process of products and get more potential customers using a variety of methods to attract a higher number of expressions and comments on the advertising posts on Facebook. 20 million people choose to like at least one Facebook brand page per day and

approximately 50% of social media users follow brand pages (Jeanjean, 2012). According to Williamson (2011), companies over the world have invested at least 4.3 billion USD in social media pages.

2.3. Characteristics and effect of Facebook marketing

User generated content on Facebook significantly influence factors such as loyalty, perceived brand quality, and brand associations (Schivinski and Dabrowski, 2015). When a brand or a particular post of a product or service is available on Facebook, it starts getting customers’ awareness. The more awareness customers have towards the post the more power and pressure that people put on the brand. Marketers can control this. Review video clips about particular products on Facebook are affecting the perception of customers of such products (Purnawirawan, 2012). Consumer gains power through customer engagement (Labrecque, 2013).

When a product or service gets none or very few negative reviews, then the potential consumers’ attitude towards that product or service was significantly influenced, especially for new and unpopular brands (Purnawirawan, 2012). Purnawirawan (2012) finds that positive reviews will improve the willingness of customers in sharing the information and recommending the product or service to others. Besides, a positive word-of-mouth recommendation will have the most favorable influence to others (Baker et al., 2016).

Detailed information will help the reviews to be more useful, more attractive for product research and more credible. The connection between credible reviews and higher purchase intentions were studied and concluded by (Jimenez and Mendoza (2013). Consumers depend significantly also on average ratings (De Langhe, 2016). Findings of Hamilton (2014) shows that reviews under the form of user generated content can stimulate the payment willingness consumers.

Though companies are still active on Facebook, they tend to not keep continuous communication with their customers; instead, 93% of the online time, companies focused more on pushing communications (Barger et al., 2016; Kerns, 2016), through commenting on the posted content or sharing user generated-content with others, because sharing content on Facebook will result in more chances for customers’ awareness (Barger et al. 2016). The interaction between an organization and its customers on Facebook is illustrated in figure 2.

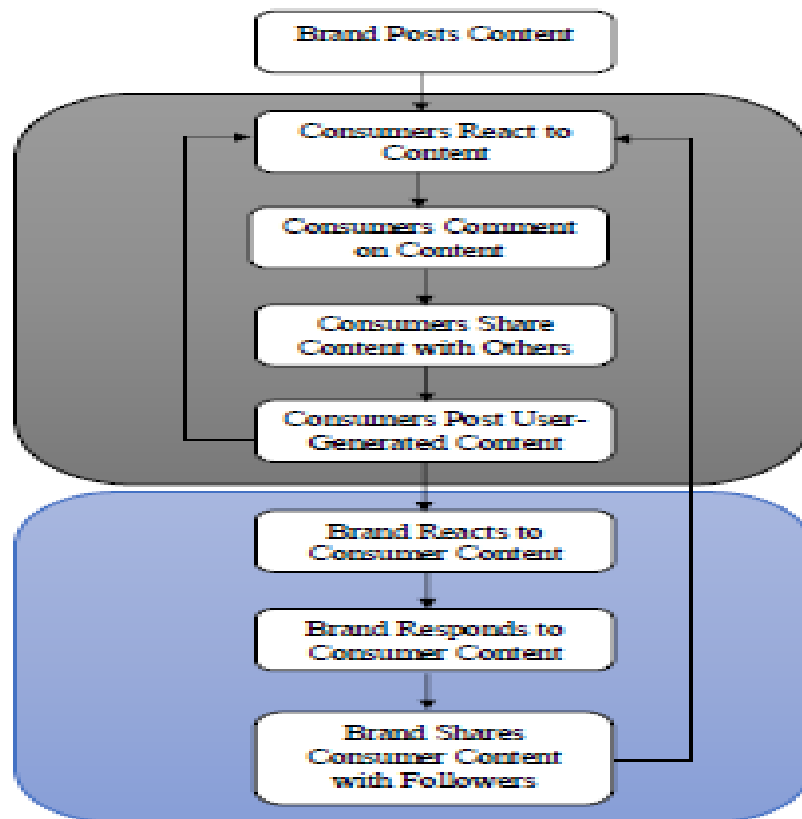


Figure 4. Interaction process on social media between firm and customers.

Source: Barges, 2016

Companies should be actively involved in the interactions on Facebook and react to negative posts and help to solve problems, that improves the attitude towards the brand and has positive impact on the consumer's sentiment (Van Noort and Willemsen, 2012; Coyle, 2012; Homburg, 2015). Also, there are some other main advantages which should make firms concentrating even more on Facebook marketing. First of all, the financial barriers to Facebook are low. Even for business use Facebook is mostly free to use and it can reach a huge number of people (Weinberg, 2009).

The interactivity of Facebook in particular and social media in general may aid to result in higher activity of customers toward the brand, product or service (Hill and Moran, 2011). Positive attitude toward a companies' product, service or reputation are usually originated from an effective awareness and interaction, which stimulates higher involvement (Bucy, 2003; Hill and Moran, 2011). High interactivity allows the consumers to decide and choose to see and interact with what kind of companies. marketers have to acknowledge this point and may control and take advantage of using Facebook powerful tools. Marketers may manage their database of potential consumers using Facebook classification algorithm of a variety of

factors, including demographics, sex, place, age, interest, language, etc. based on the content of the advertising or the objective of the marketing campaign, marketers may distribute the appropriate content to only the people who tend to be most interested in such particular offers. This analysis and selection help the marketing become much more effective (Bucy, 2003; Hill and Moran, 2011).

Facebook advertising gives users the opportunity to interact actively with the other adverts on their page and to allow them to "like" and "share" and also view who else or which friends liked or shared the same adverts. Social media such as Facebook act as a check on the credibility of companies reputation. Lee and Kim (2011) found that consumers view consumer-generated message on social media, unlike advertising generated by advertisers, as being motivated by altruism. The success of advertising should be measured taking into account consumers' evaluations of the interest aroused by the advertisements. Facebook creates broad platforms for viral online recommendation (Smock et al., 2011). This encourages advertisers whose organizations are willing to spend a reasonable portion of their budgets on analyzing procedures to determine potential customers and

target them with advertisements on Facebook (Falls, 2009). However, they are shifting advertising from push advertising to trust-based advertising, in which advertisers engage their consumers with their brands and stimulate word of mouth (WOM) promotion (Knight & Kristina, 2007). Facebook advertising becomes an effective way for developing WOM and enhancing the brand image of various products and service (Kaplan & Haenlein, 2010).

2.4. Facebook marketing Disadvantages

Facebook is marketing platform, and it has not only advantages and benefits. Some disadvantages related to Facebook marketing may occur. Companies should assign responsible people to take care of all the concerns and questions that occur. Doing marketing and keeping interactivity with customers on Facebook and other social networks requires companies to invest significant time, money and efforts (Barefoot and Szabo, 2010). Facebook's failures in ensuring privacy for user data and harvested personal user data for targeted advertising. This may cause the fear for some people who may mistrust illegal personal data collection, privacy and other internet security issues.

Another negative aspect of Facebook marketing is unhappy customers can harm your brand and your reputation through their negative and bad reviews, their complains in a public manner. In fact, Facebook users are granted with a lot of rights and tools to fulfill all their social needs, including expressing personal ideas and reviewing brand pages. If one user responds negatively on some posts, this may cause potential people who read such negative comment to feel insecure and bad reputation of the company. There is not much for a marketer to fix or prevent such occurrences except for trying to deal with the angry users in person. Cheung et al. (2009) also determined that a lot of people concern about scam on Facebook thus tend to less involve in the awareness of advertising posts. Furthermore, advertisement on Facebook may be diversified. Vries et al. (2012) indicated that to increase the popularity of companies' brand on Facebook, marketer may consider to improve the vividness of content, entertainment level of content, advertising position, inveracity informational content, and valence of comment. It is shown that people tend to be attracted by posts on Facebook with high level of vividness expression including like love, laugh, surprise and angry are signs of supporting the message, being satisfied or hating it (Luarn et al., 2015). Video clips are taking

users more time to experience thus tend to receive less expression; however, the content of a video can easily catch users' mind as the will automatically play as default whenever the user scrolls to one of them (Luarn et al., 2015). This is both opportunity and challenge to marketers. Managing the diversification of facebook marketing will require skillful team and much time and efforts to completely control it.

A research conducted by Bannister et al. (2013) found that the attitudes of the college students in the United States about the Facebook advertising were significantly indifferent, or even negative. Facebook advertising was mainly considered as uninteresting, predominantly uninformative, irrelevant, , which discouraged them to pay enough attention to find it necessary to click in. Furthermore, services or products that have any correlation to Facebook advertising are not welcomed by the college students. Persuad (2013) adapted a controlled experiment among approximately 100 young adults about the influence of product involvement and interactivity on the attitudes of participants towards brands advertised on social networks like Facebook and their intention-to-purchase. The research's findings suggested that interactivity and product involvement did not reveal a significant effect on people's intention-to-purchase. Nevertheless, the study concluded that high levels of interactivity on Facebook were positively correlated to intention-to-purchase and favorable attitudes towards the brand.

2.5. Purchase intention

Grewal et al. (1998) determines purchasing intention as a probability that lies in the hands of the customers who intend to purchase a particular product. Schiffman and Knuk (2009) discovered that customers' decision to buy a product (purchasing intention) depended largely on the product's value and recommendations that other consumers have shared, for example on social media and word of mouth (WOM). The application of companies created viral marketing together with user-generated word of mouth (WOM) leads to spontaneous forwarding and recommendations by users who find the brands worthy of consideration (Hoy & Milne, 2010).

2.6. The relationship between advertising on social network and purchase decision

The emergence of social media has facilitated communication of consumer to each other. Mayzlin and Godes (2004) showed that social media are

cost-effective, and they are suitable option to access and collect information from other consumers. These communications have main outcomes for companies. Marketing communications have a positive influence on brand equity, brand loyalty, brand awareness and brand value. However, previous works on the relationship between marketing communications and brand equity had focused on traditional marketing communications.

Chevalier and Mayzlin (2006) found that increasing visits of a particular book, word-of-mouth referrals lead to increasing sale of the book (Chavalier et Mayzlin, 2006; Trusov et al., 2009; Long et al, 2019). Dellarocas et al. (2018) found that online reviews indeed help consumers make better purchase decision. Positive and negative communications of user through both social media (weblogs) and traditional media (television) impact significantly on sale performance.

Rodney (2015) found about the relationship between Facebook marketing and the intention-to-purchase and purchase decision of customers. The findings confirmed that advertising on Facebook has a positive influence significant on the behavioral attitudes, particularly intention-to-purchase decision of the participants. Besides, people's perceptions of advertising posts on Facebook tend to be affected positively with usage characteristics, demographic status, online duration and uses' incidence of profile update. Organizations are suggested to invest more on Facebook strategy to target the potential customers more properly.

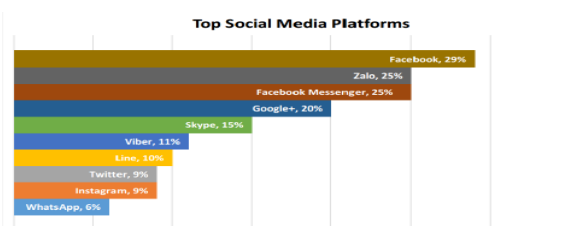


Figure 5. Top social media platforms
(Source: 2016 Vietnam Digital Assessment)

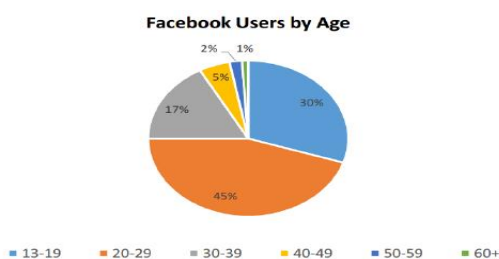


Figure 6. Facebook Users by Age
(Source: 2016 Vietnam Digital Assessment)

The majority of Facebook users were the young one, ranging from 13 to 29 years old. There were only 25% of users were among 30 years or older ones. Besides interacting with other people, Facebook users in Vietnam tended to use social networks to read news, watch video clips, assess to the fan pages of celebrities, listen to music online, and learn about services and products especially in the fields of food and travel.

Customer engagement is an intimate long-term relationship with the customer. As a result, companies found it beneficial from customer engagement which encourages them to boost proper tactics to form and maintain a bond between them and their customers. Today users can create their profiles on the social network, post some content, share the information they post and communicate with other users of the same network; consequently, social networks are becoming increasingly more popular among people due to its convenient access and the environment they have provided for the users, including privacy enhancement, mutual interaction experience, and process daily activities online. The quantity of users all over the world and the large time that they spend online are mandatory to companies. Such high potential of business has forced any marketing managers to expose the company's goods or services in front of thousands or even millions and billions of people who are engaged in these social networks, community groups, community and private blogs, and forums (Parson, 2013).

Nevertheless, literature providing a comprehensive understanding of the determinants of consumers' purchase behavior for using psychological consulting service is still scarce. We thus derive advertising awareness, advertising interaction, perceived benefits, perceived risk as a basic framework for our model to investigate the phenomenon of purchase decision of using psychological consulting service.

Hypothesis 1: advertising awareness will have a significant favorable effect on service purchase decision.

Hypothesis 2: advertising interaction will have a significant favorable effect on purchase decision.

Hypothesis 3: perceived benefits will have a significant favorable effect on purchase decision.

Hypothesis 4: perceived risk will have a significant effect on purchase decision.

3. Research methodology

3.1. Data collection

To analyze the underlying constructs and their relations, we used an online questionnaire. Before,

conducting the main study, the questionnaire was pretested with 10 experienced participants to assess completeness, wording, clarity, structure and appropriateness of the measurement items. After implementing minor modifications, the final questionnaire consisted of four major sections.

The statistical society included 400 customers coming and using the psychological consulting service. 400 customers received a questionnaire and 306 of them replied. The response rate is 75.5%.

3.2. Methods

The researcher-made questionnaire was used to examine the effectiveness of advertisements of Facebook and was treated as anonymous questionnaires to assure the convenience for respondents as well as improve the requirements of being straightforward, objective oriented and highly reliable answers. At the beginning of the questionnaire, we did not require customer to provide their personal information. Finally, five-point Likert type scale (1 = strongly disagree and 5 = strongly agree) were selected to record their perception of variable (advertising awareness, Advertising interaction, perceived benefit, perceived risk).

In order to evaluate the content and formal validities of the questionnaire, the opinion of supervisors and advisors were sought in addition to the most up-to-date published studies and existing scientific theories in the above-mentioned field all of which confirmed the validity of the questionnaire. Statistical methods at both descriptive (mean, variance, SD) and inferential (t- and Friedman tests) levels were used to analyze data.

3.3. Variables

Independent variables are service purchase decision. Dependent variables are advertising awareness, advertising interaction, perceived benefit, perceived risk,

3.4. Validity of instrument

The validity of both the motivations of service purchase decision and advertising awareness, advertising interaction were assessed by maximum likelihood in factor analysis.

3.5. Reliability of instrument

The service purchase decision scale consisted of 3 items ($\alpha = 0.704$) (see table 2). The Facebook advertising consisted 4 subscales. The advertising awareness consisted 4 items ($\alpha =$

0.744). The advertising interaction consisted 5 items ($\alpha = 0.741$). The perceived benefit consisted 4 items ($\alpha = 0.803$). The perceived risk consisted 4 items ($\alpha = 0.746$) (see table 3).

3.6. Data analysis

Frequencies were used for age, gender, occupation, educational level, monthly income level. Factor analysis and regression analysis were conducted for advertising awareness, advertising interaction, perceived benefit and perceived risk.

4. Results and discussion

4.1. Descriptive statistics

In the total 306 samples of investigated customers, most of them are in age group of 18 to 24 years old that accounts for 54.9%. female (76.1%) were more than male (23.9%). There were about 76% of respondent are students and officers, followed by worker, housekeeper and businessman. The most of respondents owned a bachelor degree (41.5%), followed by high school student (32.4%) and vocational or college student (22.2%). The most of respondents (42.2%) have low income ranging from 3 to 7 million VND. There were only 23.2% have high income from 15 to under 25 million VND.

4.2. Table 4 shows the description of factors contributing to the effectiveness of advertisements on Facebook and the enhancement of consumer's purchasing decision in the sample studied. The individuals' scores on the questionnaire were rated on a Likert scale. The mean in each of the aspects is presented. Table 1 shows that, among the factors, all components have close means and SD's among sample Samples. **Factor analysis results**

The factorability of the 17 Facebook advertising scale items was examined. Two well-recognized criteria for the factorability of a correlation were used. The Kaiser-Meyer-Olkin measure of sampling adequacy was 0.669, above the commonly recommended value of 0.6 and Bartlett's test of sphericity was significant ($\chi^2(306) = 1294.898, p \leq 0.01$).

For examining the factorability of the 3-service purchase decision scale items two criteria were used. The Keiser-Meyer-Olkin measure of sampling adequacy was 0.637. And Bartlett's test of sphericity was significant ($\chi^2(306) = 177.517, p \leq 0.01$).

Internal consistency for each of the scales was examined using Cronbach's alpha. The alphas were showing the high levels of reliability: 3.049 for adv.

Awareness (4 items), adv interaction (5 items), perceived benefits (4 items) and perceived risk (4 items).

Table 1. Cronbach's α and factor analysis results for Facebook advertising.

Items	Cronbach's α	Factor 1	Factor 2	Factor 3	Factor 4
Advertising awareness	0.744				
The Ad helped me to quickly learn about the Service at the company	0.649	0.815			
I find the Service introduction content of the Ad interesting	0.652	0.800			
I can easily see the Ad of the service when using facebook	0.678	0.815			
Advertising Interaction	0.741				
The presentation of the ad of the service is attractive enough to click	0.672		0.765		
I like to contact the company at the moment	0.710		0.660		
I like the Ad of the Service	0.706		0.673		
I like to leave a comment in the Ad of the service	0.729		0.604		
I like to share the Ad of the service to my facebook wall			0.788		
Perceived benefit	0.803				
I believe to have a fun time coming to the company to experience the Service after seeing the Ad	0.703			0.874	
I find that the service charge at company as seen on the ad is favorable compared to other psychological consulting service providers	0.719			0.865	
I believe that I need to do a psychological consulting session after learning about the Service as seen on the Ad	0.742				
I believe to have a better feeling after doing a psychological consulting session as seen on the Ad of the service	0.833				
Perceived risk	0.746				
I worry that the service will require me to provide my personal information, which I do not want to do.	0.646				0.828
I'm not sure if I really need to purchase the service after seeing the ad	0.635				0.865
I have not known about this kind of service before and am afraid of doing an unnecessary purchase	0.667				0.805
I worry that my personal information will be sold to a third party of illegal used	0.777				0.777

Note: bold indicates a significant factor loading identifying the item and factor associated with it. N = 306. All items shared a common prompt: "Indicate how much you agree with each option by making the appropriate response" and were measured with a 5-point Likert-scale ranging from "Strongly Disagree" to "strongly agree".

Table 2. Cronbach's α and factor analysis results for service purchase decision

Items	Cronbach's α	Factor 1
Service purchase intention	0.704	
I will continue to find more about the company and the service after seeing the Ad	0.703	0.445
I will definitely use the Service after seeing the Ad the ad	0.599	0.533
I will purchase and recommend others to use the Service	0.499	0.607

Note: N = 306. All items shared a common prompt: "Indicate how much you agree with each option by making the appropriate response" and were measured with a 5-point Likert-scale ranging from "Strongly Disagree" to "strongly agree".

Table 3. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std Deviation
AI	306	1.20	4.80	3.5895	0.61106
PB	306	1.00	5.00	3.3889	0.73836
AA	306	1.00	5.00	2.9270	0.76497
PR	306	1.67	5.00	3.4673	0.74108
Valid N (listwise)	306				

4.3. Regression analysis results

The results of scale testing shows that all scales obtain permitted value and reliability. However, the findings determined that customers did not tend to care much about the risks that they might perceive when seeing the Ad. The other factors including advertising awareness, advertising interaction and perceived benefit have direct impact on customers' purchase decision. This result is consistent with Persuad (2013) which showed that the interactivity between people on social network and purchase decision was correlated.

Hypothesis 1: H1 predicts that advertising awareness will have a significant favorable effect on service purchase decision. As seen in table 2, since the significance level is lower than 0.05 ($p \leq 0.01$), advertising awareness was positively associated with service purchase decision ($\beta = 0.199, p \leq 0.01$) ($R^2 = 0.140$).

Hypothesis 2: H2 states that advertising interaction will have a significant favorable effect on purchase decision. Advertising interaction was negatively associated with purchase decision ($\beta = -0.134, p \leq 0.05$) ($R^2 = 0.140$).

Hypothesis 3: H3 propounds that the perceived benefits will have a significant favorable effect on purchase decision. The perceived benefits was positively associated with purchase decision ($\beta = 0.197, p \leq 0.01$) ($R^2 = 0.140$).

Hypothesis 4: H4 introduces that perceived risk will have a significant effect on purchase decision. The perceived risk was not significant with purchase

decision ($\beta = -0.956, p \geq 0.05$) ($R^2 = 0.140$).

4.4. Discussion and managerial implications

The result of descriptive statistics indicated customers' intention of purchasing the service at the company. Most factors have their means level of lower than 4 which reflected a neutral state of most items. In order to take advantage of the high potential of marketing at low cost and high effectiveness of Facebook marketing, the company needs to try it best to make the message in the advertising post go viral further in the next time. Some question gained more customers' agreement than other, such as the stimulation effect of the Ad to customer to come and experience the service, or their willingness to express their feeling when seeing the Ad, etc. this is the foundation for the marketers of the company to issue more attractive and more appropriate content for the Ad to further gain awareness from potential customers. There were 4 components explaining the customers' purchase decision in term of Facebook marketing effectiveness.

5. Conclusion

Social media advertising contributes a whole new dimension of advertising, as it allows interactivity to the users, especially on Facebook (Logan, Bright & Gangadharbatla, 2012). In the current research, the high percentage of relation between variables shows that the process of obtaining and exchanging information through

Facebook facilitates public participation. Facebook, by leveraging WOM and viral marketing, can enhance consumers' intention to purchase.

It is obvious that the phenomenon of advertising has changed from push advertising to trust based advertising. Although Facebook advertising offers this advantage, the nature of such advertising includes gestures such as participation, realization, personalization and feedback. This can be happened by companies planning on boosting their budget in Facebook to customize advertise for their consumers. It is now more critical than ever that successful companies use engagement advertising to determine for successful engaging their customers before, during and after their purchase cycle.

The results of scale testing indicated that all scales obtain permitted value and reliability. However, the study also determined that customers did not tend to care much about the risks that they might perceive when seeing the advertising. The other factors including advertising awareness, advertising interaction and perceived benefit all have significant effect to customers' purchase decision. This result is consistent with Persuad (2013) which showed that the interactivity between people on social network and intention to purchase a service was correlated. The research also gives a good suggestion to further enhance the quality of the Ad to improve the conversion rate of customers from seeing the advertising posts in the future. The main limitation of studies is their small sample sizes that could not completely apply to the whole population on Facebook' users. In this study, we focused on the limit number of factors which involved in purchase intention of consumers as means to improve a company's advertising performance. Therefore, they are exploratory in nature and offer fundamental framework for further studies. For future researchers, there will be a steady development regarding the effect of digital mobile advertising such as apps platforms on consumers' perceptions and motivation. In addition to this new marketing possibilities on Facebook will come up for companies or private users which enables new fields to study for researchers.

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