Corporate Brand Image as a Moderator of Social Media Advertising Responses

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1.1 Introduction:

The rapid progressive extension of subjects related to the internet in the last few years has enabled new forms of work and hence paved the way to develop new systems to facilitate business. Significantly, social interaction and community building through social media is one such vibrant example (Lu, Fan, and Zhou, 2016). The easy access and usability of the internet have provided an opening for people to use social media to facilitate communication, from making use of email to using a more vibrant way of interaction through Facebook and Twitter without the need for physical presence (Pattanachai, 2015). Interestingly, social media has earned popularity among the masses in a very short span of time (Knoll, 2016). With the emergence and growth of social media and online communities, people can now effortlessly acquire access to any form of information with the facility to share (Dwivedi, Kapoor and Chen, 2015).

The community system formed through social networking sites (SNSs) has constructed a lively web of frequent exchange of communication for social connections as well as information sharing (Ngai, Tao, and Moon, 2015). Due to such developments, consumers now have access to numerous sources of information and knowledge that have been provided by other consumers' experiences, feedback and recommendations. This indicates and signifies the critical role of consumer involvement through social media engagements and its influence on purchasing decisions as a key consideration in marketing (Al-Dmour et al. 2016).

1.2 Background of research:

Social media provides numerous avenues to business firms, which include enhancement of the corporate identity and brand image (de Vries, 2015). These avenues include the convenient mode of word-of-mouth communication (Chen et al. 2011b), progressive growth in sales (Agnihotri et al. 2012), spreading and targeting information from a business perspective (Dwivedi, Kapoor and Chen, 2015), and constructing supporting platforms through social media for consumers (Keller, 2016.; Ballantine & Stephenson, 2011). Furthermore, the connectivity between individuals through social media delivers mutual values, formulating a positive development of trust (Lemon and Verhoef, 2016). Thus, the previous methods of consumer engagement through conventional advertising have become less effective with the rise of social media networking (Schivinski and Dabrowski, 2016). A revolution has taken place in the methods of advertising, and social media has emerged as a new

advertising platform for brands that permits its users to associate with each other and engage with the brands. The underlying driving force in the market stays with the consumer's response and behavior toward the brands (So, King, Sparks and Wang, 2016.). Such responses activate a behavior that then generates demand for the goods and services that can enable organizations to fulfill the gaps in the market and satisfy the consumer. In the cluttered world of advertising, marketers today are faced with a grim set of circumstances and are eager to learn the factors that influence and activate consumer behavior. The current study examines consumers' responses, behavior, and attitudes toward social media advertising, triggering a behavioral effect that facilitates corporations to build a stronger brand image that can eventually generate buying or purchase intentions toward their brands.

1.3 Literature Gap:

A large number of studies have attempted to excavate the findings regarding social media and its impacts on consumer buying behavior. However, there are micro-level approaches that are more focused on either a singular social medium or a specific application based on consumer responses. Although these approaches are effective and answer the proper paradigm of confined resources, they cannot be attributed to drawing an overall picture of social media on the whole. However, studies involving the consumer's perception regarding social media advertising are relatively limited (Schivinski and Dabrowski, 2016).

Moreover, another study by Stephen (2016) discussed the role of social media in consumer behavior, but the study did not focus on the relevant variables to evaluate the research paradigms. The role of social media is understood, but the impact of social media advertising should be evaluated, too.

1.4 Research aim:

This study aims to discuss the significance of social media advertising on consumer behavior and response. It is also important to evaluate the circumstances which have a direct and indirect impact on consumer behavior. Nevertheless, it is essential to ascertain the positive and negative associations of social media advertisements on society as a whole. Moreover, the convincing factors that lead to enriching and developing consumer purchasing behavior would provide insight into the market development of corporations and brands.

1.5 Research objectives:

The research objectives of the study have elucidated the area of consumer response while activating behavior through social media advertisements. Moreover, it is critically examined how consumer behavior influenced by social media has an indirect influence on the decision-making of the consumer.

- To investigate the consumer's cognitive responses towards social media advertising.
- To analyze critically the relationship between consumer behavior with social media advertisement.
- To develop the relationship of decision-making with consumer response.
- To estimate the intensity of social media's impact on the behavior of the consumer.
- To investigate the strategy for influencing brand image towards social media advertising.

1.6 Research questions:

The research questions of the study are as follows:

Q:1 What is the parameter to quantify a customer's response?

Q:2 What are the direct and indirect factors that are involved in the setting of favorable environments for positive behavioral effects?

Q:3 Why has social media advertising become a serious concern for marketers?

Q:4 What is the strategy to influence the consumer's buying perceptions toward corporate image?

Q:5 What can be the brand implications in social media advertising?

1.7 Delimitation of the research:

As indicated by Dane (2011), this is a fundamental concern for the researcher to look into that can confine the research. Thus, care is to be taken to minimise the effect of the limitations and hence uncover reality. Though the limitations can be lessened to an insignificant sum whose results or impact ends up impracticable, they can't be limited to zero. While carrying out this study, the researcher was presented with various impediments from the corporation in the gathering of information regarding the customer's loyalty programs. The principal reason for that was that customer loyalty data programs are the chief driving elements for the corporation's competitiveness. Despite the fact that there was a probability of information control of certainties acquired through real customers, the researcher had to account for this limitation. Besides, the analyst needed to handle the restrictions of time, budget, and lack of experience, which manage the sample size and adroitness of information.

1.8 Purpose of study:

This study is designed to unearth the intentions and factors that can instigate and influence consumer behavior through social media advertising. It is anticipated to discover the applicable related factors and reasons that are successful and have criticalness in changing a consumer's reaction towards the

purchase choice. Today, online social networking is an extensive platform that performs an effective role successfully in connecting consumers with corporations and within the community circles of consumers (Oni and Oni, 2018).

In this way, the researcher has considered it fundamental to inspect the positive and negative parts of online social networking media advertising in enacting a customer's reaction driving its particular conduct. Hence, this will encourage and help in planning a narrative identified with exhibiting pre-consumer and post-consumer behavioral examples.

Chapter 2: Literature Review

2.1 Introduction:

The emergence of social media has intensely altered and redesigned the communication landscape (Edwards, 2011). Predominantly, it has transformed the consumer's approach to thinking (Mir and Zaheer, 2012). Social media communication exchange channels have brought about a deep impact on human attitudes and behavior. In recent times, the democratic spring movements in the Middle East have validated the claim of the ground-breaking impact of social media communication. It was mainly due to connectivity through social media that unified the common man in the region against the decades-old dictatorial regime and hence facilitated them in bringing down such dictatorial regimes (Eltantawy and Wiest, 2011; Marzouki et al., 2012). Hence, due to such impactful influence over people, social media has become a channel of absolute interest for marketing communication and is also among the most preferred mediums of corporate communication today.

Through social media, businesses are now able to interact directly with their consumers in real time at an economical cost (Kaplan and Haenlein, 2010). Web-based social networking is composed of a broad-based umbrella with diversified online interconnectivity systems like, for instance, community networking. There are certain platforms that enable users to connect efficiently through Facebook, Twitter, LinkedIn etc. For knowledge encyclopedia access, there is Wikipedia; for experiencing the mode of pictures, sound and videos, there are certain platforms like YouTube, Soundcloud, Flickr, Pinterest etc. For education, there are virtual online universities like Second Life; for bookmarking links or information, there is Digg and del.icio.us. Web-based social networking allows individuals all around the globe to interact with ease and exchange information with each other at different times and events (Edwards, 2011; Heinrichs et al., 2011).

Unlike traditional media, where the user has limited control, web-based social networking content is controlled and generated by users themselves (Dickey and Lewis, 2011). The rise in the phenomenon of the use of social media across countries around the world caused companies to look at it with keen interest to convert such a platform for their advantage to augment interest in their offered services or products in community networks (Mathur et al., 2012). Presently, marketers put to use several different social media platforms to highlight and deepen their corporate and brand integration among

the lives of consumers. Hence, marketers use social media platforms to promote their products or services by placing adverts on display within social media sites to influence the users and activate their behavior to buy their offerings (Neti, 2011). Regardless of the rise of social media around the world and its effects on people's attitudes and behavior, the research in this sphere of web-based social communicative advertising is still at the investigative stage. Most of the research studies that have been carried out evaluating consumer responses toward social media advertising are conducted in the West, particularly in the US. The present study proposes to examine consumer insight into social media advertising and how it influences the behavior to make a purchasing decision. More importantly, it will focus on the consumer perception of social media advertising and its impact on consumer behavior.

2.2 Theoretical Framework:

2.2.1 Consumer's perception:

In broad-spectrum, the conviction regarding the persuasiveness of advertising in a consumer's mind is a common phenomenon (Bauer and Greyser, 1968). Researchers have submitted and shared conflicting ideas concerning the connection between consumers' perceptions and their behavior toward advertising. According to one school of thought, it is considered that the consumer's viewpoint and attitude are substitutable as they both form theoretically and operationally (Mehta, 2000; Schlosser & Shavitt, 1999). Consequently, the other school of thought illustrates that consumer beliefs or viewpoints and attitudes are distinctive psychological components (Brackett and Carr, 2001; Ducoffe, 1996; Pollay and Mittal, 1993). By and large, the perception encourages the consumer's behavior toward advertising (Bauer and Greyser, 1968). The empirical indication within the perspective of Internet and internet-based social network advertising has supported this impression. Young-generation consumers are expected to evade internet-based social media advertising if they presume the communication message is negative, they identify the communication message as unimportant, or they have a certain view about the advertising channel (Kelly, Kerr, and Drennan, 2010). Like the conventional form of advertising, social media network advertising has brought about the same divergent observations (Chu, 2011; Kelly et al., 2010).

Consumers' perception concerning advertising is a multi-dimensional build. Bauer and Greyser (1968) distinguished two dimensions of core consumers' perceptions: one is economical, and the second is communal. Polly and Mittal (1993) categorized consumers' perceptions as regards advertising based on two dimensions: individual uses and communal impacts. An individual method comprises three dimensions: product knowledge, shared role and reflection, and hedonic joy; shared effects comprise usefulness for the economy, greediness, value corruption, and falsity/no intellect. Ducoffe (1995) recognised four factors: usefulness, deceptiveness, annoyance, and amusement as an initial spot meant for how consumers consider the worth of advertising. Concerning the case of online advertising, Wang and Sun (2010) distinguished five conviction scopes: information, amusement, reliability, economy and value.

The most familiar dimensions recognized in conventional and online advertising settings are “information,” “entertainment,” “good for the economy,” and “value corruption.” The present study centers on these four components of consumer perception of advertising from a social media perspective. Consumers’ perception of advertising as “informative” is a central belief dimension influencing consumer behavior toward online advertising (Ducoffe, 1996; Wang and Sun, 2010; Wolin et al., 2002). The present study presumes the aim of consumers taking social media advertising as a vital and positive resource for product knowledge. Consumers believe advertising is a sufficient supply of information for the precise reason that product information exposed in advertisements assists them in making informed and right purchase decisions.

2.2.2 Consumer’s Behavioural Response

Consideration of consumers’ behavioral reactions is crucial since behavioral responses/buying intentions help in anticipating the consumers’ buying behavior (Flew, 2007). Consumers’ affirmative demeanors toward advertising are anticipated to facilitate consumers towards recalling the brands exposed in the ads and persuade their behavioral motives (Flew, 2007). The green theory of consumption has predicted the behavior of consumers. In this regard, the green theory of buying explains the three “casual recipes” for consumption behavior. These combinations are social, emotional and conditional values combined with the functional value. When the green theory is applied, it affects the functional value of the consumer, which affects the consumer’s behavior (Gonçalves, Lourenço, and Silva, 2016).

Existing studies indicate that consumers’ positive approach concerning social media advertising has an evident effect on their behavioral response. Behavioral reaction comprises two effect variables: consumers may click on the banner ads, watch/read them, and purchase the products/brands shown in those ads. Ad clicking is a valuable instrument to assess the efficiency of online advertising (Dreze and Zufryden, 1997). The identical technique can be connected to evaluate the usefulness of social media advertising since, on the whole, social media advertising is similar to online advertising (esp., poster ads/display ads on SNSs, YouTube etc.). Nonetheless, the background in which these ads are displayed is discrete.

2.2.3 The social media Advertising:

To illustrate the social media advertising method, we depend on the side of an arrangement of theories in the field of media research (social presence, media richness) and social methods (self-presentation, self-disclosure), the two fundamental components of Social Media. Concerning the media-related element of Social Media, social presence theory (Short, Williams, & Christie, 1976) states that media contrast in the extent of ‘‘social presence’’, defined as the audio, visual, and bodily contact that can be achieved, which they consent to appear, connecting two communication accomplices. Social presence is influenced by the relationship, either interpersonal or mediated.

Additionally, instantaneousness, such as asynchronous vs. synchronous use of the medium, can be anticipated to be lessened for mediated (e.g., telephone talk) than interpersonal (e.g., face-to-face conversation) and for asynchronous (e.g., e-mail) than synchronous (e.g., live chat) communications.

The superior the social presence, the bigger the social influence that the communication accomplices possess on each other's behavior. Intimately connected to the notion of social presence is the concept of media richness. Media richness theory (Daft & Lengel, 1986) relies on the hypothesis that the purpose of any communication is the clarification of vagueness and the reduction of ambiguity. It states that media vary in the level of richness they possess, that is, the sum of information they permit just before being transmitted during a specified point in time, and that consequently, a quantity of media is more efficient than others in settling uncertainty and vagueness. Connected to the background of Social Media, we believe that a first distinction can be formulated based on the richness of the medium and the extent of social presence it permits (Kaplan and Haenlein, 2010).

2.2.4 Corporate brand image

Brand image is the realization, opinion and perception that individuals possess concerning an organization and through which they recognize, explain, recall, and connect to that organization. Brand image characterises the arrangement of affiliations a consumer has amid a brand (Huang and Ku, 2016). As markets expand competitively, organizations have to mold their metaphors to be competitively appealing. A positive brand image has a positive influence on brand equity and consumer behaviour (Huang and Ku, 2016). Earlier studies have long-established the constructive association between the brand image and consumers' buying plan (Chang & Liu 2009; Khan et al. 2015; Wang and Tsai 2014). Similar to for-profit firms, non-profit brands can originate recognition and segregation characteristics in a competitive background, build up confidence in their conduct and accordingly assure their size of contributions (Voeth & Herbst 2008). Past studies have revealed that the non-profit's brand image has a substantial blow on donors' plans to contribute (Michel & Rieunier 2012).

2.4 Conceptual Framework:

The conceptual model has drawn upon past research that evaluates the relationships between consumer responses and behavior, impacting social media advertisements by mediating corporate brand image. This model has helped in drawing the hypotheses of the present study.

2.5 Hypothesis:

The hypotheses have been designed by secondary literature, which has been found to be relative to the consumer's response to cognitive behavior. The following are the proposed hypotheses.

H1. The positive attribute of the consumer response influences the worth of social media advertising.

H2. The external environment affects the consumer's behavior regarding social media advertising.

H3. Social media advertisement is becoming a new hybrid in marketing for brand image.

H4. The key strategies encode the contribution of consumer behavior and consumer response toward the brand image.

H5. The brand image positively mediates both the response and perception of social media advertising.

Chapter 3: Research Methodology

The research methodology comprises a qualitative design with a pragmatic approach. Further, it will elaborate on the practice of the quantification of the impact of advertisement. However, it will also draw a successful response regarding the consumer's buying behavior. Further, the research questions will also be evaluated.

3.1 Sample Selection

The sample will be selected after evaluation of the population size of the certain region. The sample size would be calculated by the formula which has been described:

3.2 Population frame

A non-random sampling method will be used to evaluate the data, and hence a representative portion of the population will be selected. As this sampling is concerned with the experimentation, judgment, and preferences of the researcher, the overall population has not been reflected. The selection of the whole population becomes difficult to assess and would require a large period and resources. It would also require the funding and volunteers to design the research.

3.3 Unit of analysis

The unit of analysis will be the impact of negative and positive advertisements on the consumer's buying behavior, which will ultimately describe the societal norms and culture.

3.4 Type of study

The study will be conducted on different population quadrants to analyze the variation in different

selected areas. Further, the research will be of an applied nature, and the results will be used to assess the impact of social media advertisements.

3.5 Time horizon

The study period will be three months, that is, May to July 2018. Throughout the specific time, the researcher will gather the data and encrypt it into a digital format.

3.6 Researcher's strength

The researcher has effective communication and verbal skills. Also, the researcher can comprehend the English language effectively along with the native language. Further, the observatory and analytical skills of the researcher are proficient regarding the evaluation of the different responses.

3.7 Instrument development/selection

The survey questionnaire will be designed and distributed in the form of a hard copy along with a consent form. The questionnaire will contain closely relevant questions. Further, the questions will be assumed to be close-ended. The questionnaire entails a small section for recommendations and suggestions that will be analyzed and further incorporated into the research. The development of the questionnaire will be appropriately designed to avoid further ambiguities. Also, the option of re-designing the questions will remain open during the research.

3.8 Data collection procedures

The quantitative nature of the data will be used to explain the design of the semi-structured interviews. It will use the primary research and secondary research methodology in which the primary research includes surveys and questionnaires while the secondary research will use the reviewed scientific journals. These interviews will be helpful in the evaluation of the knowledge regarding the design and structuring of the concepts of advertisements and consumer buying behavior. Furthermore, it has been assessed that the advantage of semi-structured interviews is that they can be modified at any point of the research for elaboration and specificity of the research. However, the generalized structures of the questionnaires are not evaluated with peculiar specificity. Further, the variety of intellectual perspectives and entrepreneurs' responses is therefore unable to explain the core of the research theme.

3.9 Data analysis techniques

The data will be analyzed using the statistical tool SPSS v.20. The reliability and validity of the data

will also be assessed and evaluated. Further, the responses will be evaluated regarding the intervention of supervisor observation and analysis. Also, the statistical analysis will explain the quantification of the influence of the consumer's behavior.

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