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## **Analyzing the impact of social media on consumer attitudes toward the brand and their intention to purchase**

Ali Akbar Farhangi, Professor Emeritus, University of Tehran, [farhangi@ut.ac.ir](mailto:farhangi@ut.ac.ir)

Abbas Abaspour, Associate Professor, Allameh Tabataba'i University, [abbaspour۱۳۸۶@gmail.com](mailto:abbaspour۱۳۸۶@gmail.com)

Soheila Bourghani Farahani, Faculty member, Ministry of Science, Research and Technology, [Soheil\\_۱۰۱۸۴@yahoo.com](mailto:Soheil_۱۰۱۸۴@yahoo.com)

Reza Abachian Ghasemi, PhD Student in Human Resource Management, University of Isfahan, [r\\_abachian@yahoo.com](mailto:r_abachian@yahoo.com)

**Introduction:** Information sources of customers have a significant influence on their attitude and behavioral intentions. Social media is now one of the most important information sources of customers. The purpose of current study is to investigate the impact of social media on customers' attitude towards brand and their intention to purchase. This study was done based on the theory of planned behavior. The target population for this research included the customers of IranKhodro Company in the area of Tehran. Using a self-administrated questionnaire and employing convenience-sampling method, ۲۱۰ respondents were asked to fill out the survey questionnaire. The results of structural equation modeling indicated that traditional advertising and social media would change customers' attitude towards the company's brand name. However, the impact of traditional advertising was less than social media. Further, brand attitude can lead to intention to purchase of firm products.

**Statement of Problem:** Mass media has confronted considerable changes during recent decades. Like social networks, traditional media have replaced social media increasingly. It seems that customers' verbal advertisement is focused on such new chances of endless marketing. The fact that customers have changed to advocates of social media, through using accessible sources of information, has resulted in formation of the following hypothesis that: in addition to being traditional instrument of marketing relationships, social media highly affect how a brand becomes a success. We consider social media to be social phenomena as they now get a wide range of Iranian population to be involved in what is happening in social media. Social media, as opposed to traditional media, have a high potential to transfer a great bulk of information to Iranian people like any other society. This is while rapid development of social media in recent years has posed the question as to whether such growth has resulted in reduction of marketers' control on brand management. This is especially true when one observes that social media provide the conditions for consumers from all over the world to communicate to one another. This means, the companies are not the only sources of information that provide communication materials on

goods and brands. Moreover, consumers are turning away from traditional media such as television, radio and journals and are increasingly using social media in search of information. Therefore, marketers can expect that brand communications, which are provided only by companies, will cease to exist in near future, whereas brand communications, which are developed by customers and social media, continue to grow increasingly. It is then fair to claim that the relationships between companies and users/consumers has taken a historical turn and formed two types of communication in social media that needs to be addressed here. It is worth mentioning that the company and the brand manager control the communications created by companies in social media. This is while communication formed by users in social media, are out of control of the company.

### **Application of Theory of Planned Behavior in Analyzing Impacts of Social Media:**

Ajzen and Fishbein developed the theory of planned behavior (or reasoned action) in 1985. This theoretical model predicts how a special behavior that a person intent to do can be understood. According to this model, the intention for showing a behavior is predicted by three factors: 1- attitude toward behavior, 2- mental norms; and, 3- conceptualized behavioral control. Attitude toward behavior is defined to be a positive or negative evaluation of a special behavior, which is composed of two subcategories namely behavioral beliefs, and evaluation of behavior consequences. This then results in obtaining attitude toward the behavior. In the same token, mental norms are referred to as social pressures conceptualized by the individual for showing or not showing target behavior. Conceptualized behavior control is a person's degree of feeling to what extent doing or not doing a behavior is in his intentional control. Behavioral intention refers to the intention's intensity and the personal intention to do the target behavior. Behavior is always shown after behavioral intention and is followed by it. We used the theory of planned behavior in order to study the impacts of social media on consumers' behavior. We also considered the two factors of attitude and behavioral intention to be the most important factors and we took them to be influenced by social media, and turn, influencing the customers' decisions. Results obtained from studies indicate that social media and traditional media have a considerable impact on users' attitudes toward a company's brand. Attitude toward brand is referred to general evaluation of a company's brand. According to the theory of logical act, synthetic attitude is obtained from communications about advantages and a characteristic of a brand, which assumes that attitude toward brand, is influenced by being aware of the brand and imagination of the brand. Negative and positive communications formed by users through social media and companies' traditional advertisements influence consumers' attitudes toward the brand. Moreover, some previous research on this issue indicates that consumers' attitudes toward a brand highly influence their purchase attention, because attitude toward a brand is considered as a good component for behavior intention. Behavioral intention for buying is a psychological variable, which acts as an intervening variable between attitude and real behaviors.

According to review of related literature and developed theoretical principles, the main hypotheses of the present paper are as follows (Fig. 1):

1- Main hypothesis: social media have no impact on customers' decision to buy a brand's products.

2- Traditional advertisements of the company have significant and positive impact on customers' attitudes toward buying a company's product.

3- Communications formed by other customers in social media has positive and significant impact on customer's attitudes toward company's brand.

4- Customers' attitude toward brand has significant and positive impact on buying a company's products.

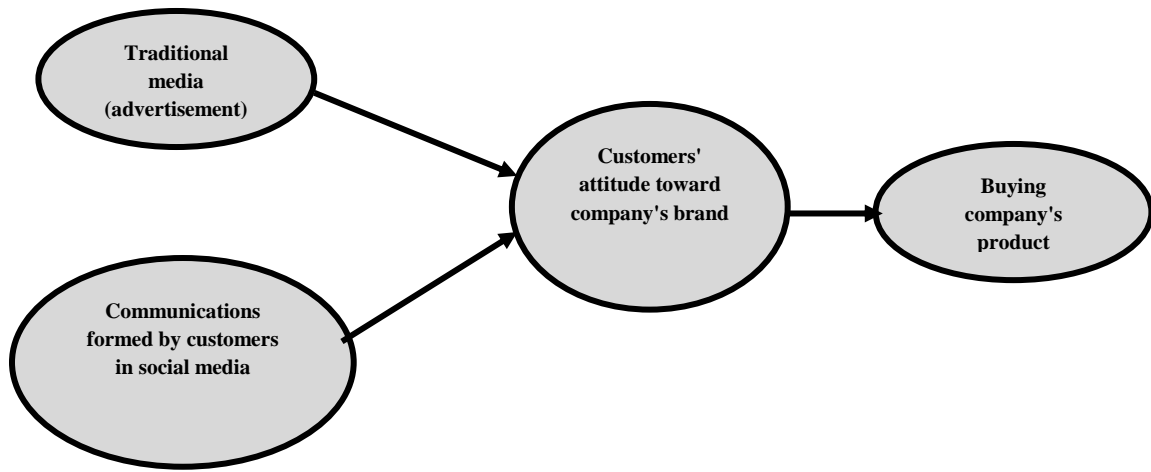


Figure 1- Conceptual model of the study

**Results analysis and reports::** Cronbach’s coefficients of all variables were calculated and indicated to be more than 0,79, indicating that research instruments had high scale validity. All factor loads were higher than acceptable level (0,5), indicating a high reliability.

Considering the results obtained from Pearson correlation test on all relations among research variables were significant and positive, indicates that there is a direct relationship among dependent and independent variables. Coefficient correlations of variables were relatively high. This also indicates that there is a direct relationship among social media, traditional advertisement, attitude toward brand and buying intention.

We used structural equation method to build a general model that can depict consumers’ attitudes and behaviors. In this study chi-square was twice more than 137,196 with 51 degree of freedom whose ratio (2,69) is in appropriate range. Fit indexes (AGFI=0,899, TLI=0,907, CFI=0,901, NFI=0,912, GFI=0,934) had acceptable values, being significant at level of 5%. RMSEA value was 0,076, which is less than proposed desired level (less than 0,08). In fact, results obtained from SEM indicate that there is a complete fitness of the suggested research model (Table 1 and figure 2 and 3).

Table 1- A brief data analysis results using maximal probabilities

Hypothesis	independent variables	dependent variables	path coefficients	standard coefficients	Standard error	critical ratio	P-value	result
1	traditional advertisements	attitude toward company's brand	0,474	0,271	0,144	3,305	**	confirmed
2	social media	attitude toward company's brand	0,877	0,789	0,141	6,231	**	confirmed
3	attitude toward company's name	buying intention from company	0,528	1,026	0,101	5,238	**	confirmed

Note: \*\*level of significance= $P < 0,01$

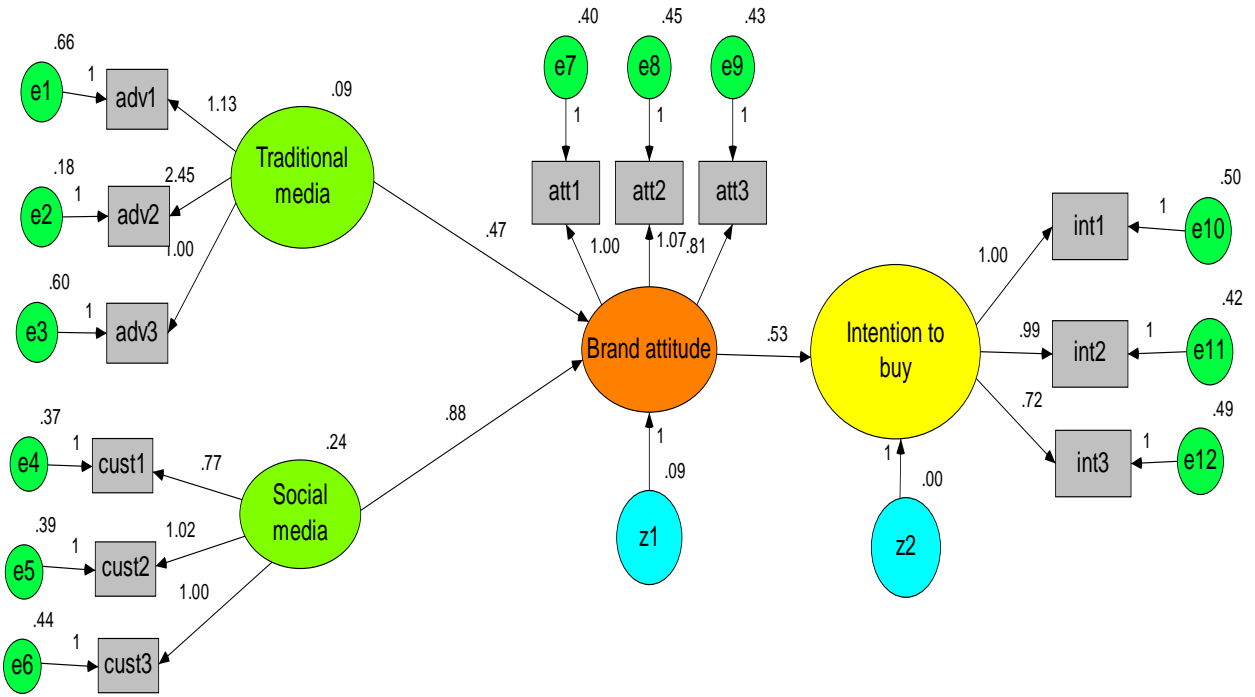


Figure ۷. The non-standard regression coefficients of proposed research model

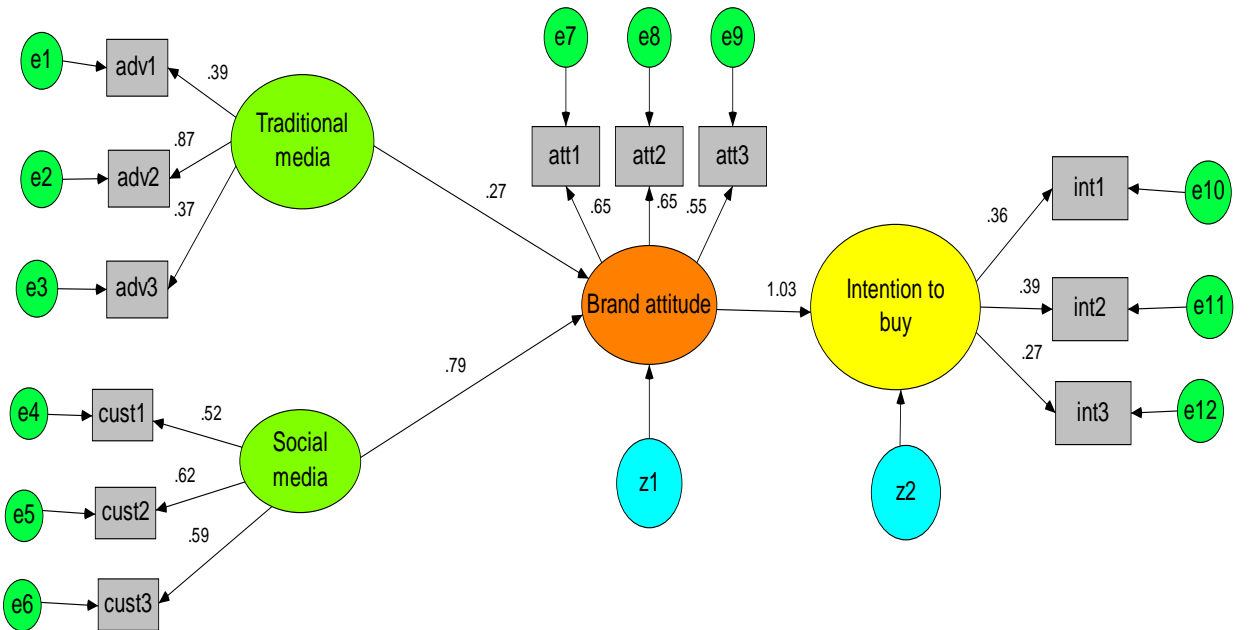


Figure ۷. The standard regression coefficients of proposed research model

**Discussion and conclusion:** Some of the findings indicate that the traditional advertising strategy on behalf of a company accompanied by advertising activities in social media influences customers' positive attitude formation toward IranKhodro Company. Moreover, results from the structural equation analysis indicate that positive attitude of the customers toward IranKhodro Company is one of the most important predictors of customers' buying intention towards actual purchase of the company's products. The research results were in balance with previous studies in the fields of the impacts of traditional

advertisement and social media (Stephan, Galak ۲۰۰۹, Trusov et.al ۲۰۰۹, Yoo et.al ۲۰۰۰) on consumers' attitudes toward a Brand. Three fundamental strategies of marketing which can be used to make changes in cognitive structure of consumers' attitudes are as follows: ۱- change in beliefs, ۲- change in importance level of characteristics; and, ۳- increasing beliefs. Most companies try to influence consumers' interest and feelings toward a brand positively, without having direct influence on consumers' beliefs and behaviors. Company managers can employ three methods to have direct influence on the increasing interest rate of consumers toward a brand, which are ۱- classical conditioning, ۲- stimulating interests; and, ۳- emotions of consumers toward self-awareness or website and mere confrontation. Moreover, marketers can use various types of attraction methods in their advertisements (such as threat attraction, comic attraction and comparison). The objective of the used attractions in advertisements is to influence formation and attitude change. Such advertisements are highly influential in processing message from audience/audiences' positive view towards a company's brand. This process increases the tendency towards buying a product and buying behavior of consumer. In some cases, audiences coldly welcome such advertisements, because they associate baseless claims of the company with the audiences' mind and this can result in negative attitude among audiences. Use of emotional advertisements is widely increasing. Emotional advertisements are the ones, which are mainly designed to stimulate positive feelings in the customers instead of giving them information, reasons or explanation. Such advertisements compared to neutral advertisements are more welcomed by the audiences, and provide a positive attitude toward the product. Moreover, commercial use of internet is increasing and online shopping is becoming one part of daily life gradually. As positive attitudes toward internet grow consumers also develop more positive beliefs towards trusting internet. On the other hand, consumers' attitudes toward online shopping are the most prominent factor in motivating them in real shopping behavior. Designers and marketers can make more strategic advertisement designs through understanding consumers' attitudes toward advertisements. Better understanding of interactions can also help better efficiency of bilateral media including internet-social networks.

We believe findings of the present paper can be of use for the managers of IranKhodro Company. Considering the impact of social media on customers' decisions to buy company's products, the customers should be encouraged to consult with their friends, relatives and colleagues about company's products and services. Such consultations can happen either face to face or virtually by social media such as in chat rooms. This requires focusing on improving quality of products, company services and presenting them with logical and competitive process to the customers to attract customers' satisfaction of products and services, to form a positive attitude toward company and to broadcast positive verbal advertisement in social media. Such references in themselves can influence customers' decisions for buying company's products. The company should understand the importance of paying attention to the social media and take proper strategies to employ such media. Those companies that are facilitating customers' summit in social media are in fact giving them a chance to talk about company's products and services. Therefore, companies should consider social media as a part of their marketing communication tool. When integrated into other tools, it promotes commercial brand of the company. Growing trend among consumers towards using social media will influence companies' brand in near future. In conclusion, we can claim that considering the influence of social media on customers' attitudes toward brand is higher than the company's traditional advertisements, it seems reasonable to argue that employing social media for advertising is strategically an advantage for marketers. This is especially true when one considers the fact that it requires less capital compared to traditional tools of marketing such as Television.

**Keywords:** Social media, brand attitude, SEM, Irankhodro Company

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