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Factors Influencing Customer Purchase Intention : Reference to Social Media Advertising

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Abstract

Social media plays a vital role in the lives of customers. Customer buying decision is influenced by social media advertising (SMA). It is a great challenge of marketers, to identify how customers' make purchasing decisions and what factors influence their purchase decision. Current study is conducted to identify factors of SMA influence customer purchase intention. Theoretical framework developed based on the UTAUT2 model (performance expectancy, hedonic motivation, & habit) including interactivity and informativeness. Data collected from 400 respondents through google forms with 81% of response rate. Data analyzed through correlation and multiple regression techniques. Results revealed performance expectancy, hedonic motivation, interactivity & informativeness impacted on purchase intention whereas habit was not a significant influencing factor. Facebook dominates in Sri Lanka and informativenss is the strongest influencer of purchase intention. Furthermore, SMA is more effective in advertising products to male, young, & educated customers.

Keywords-: Customer Purchase Intention, Social Media Advertising, Informativeness, Interactivity, UTAUT2

1. INTRODUCTION

In the Web 2.0 environment, people often meet online using technology rather than offline, face to face mode. According to Kemp (2021) internet users in Sri Lanka by February 2021 was 10.90 million. Internet penetration in Sri Lanka stood 50.8% in January 2020. Social media users in Sri Lanka were 7.9 million in January 2021. That was 18.9% increment compared to February 2020. According to Social Media Stats Sri Lanka - November 2020 (2020), Facebook dominates social media platforms in Sri Lanka amounting to 61.29% users. Other social media dominators are YouTube, 16.93%; Pinterest, 13.75%; Twitter, 6.57%; Instagram, 0.73%; and Reddit, 0.31% respectively. Social media creates a platform of people, organizations, and government interact socially, commercially and politically. Social media is becoming a hub for market intelligence where marketers could understand customer behavior and purchase intention (Balakrishnan *et al*., 2014).

Bandara (2021) reports there has been a remarkable development in SMA in the recent past decade.

Marketers need to be more aware about today's consumers as they are informed and critical compared with past consumers. Social media has given customers with plenty of information and more control, which is a great challenge faced by marketers (Nasir *et al.,* 2012). However, Web 2.0 is a strategic marketing tool, and has lot of opportunities for marketers as well as customers.

Organizations spend huge amount of money and effort to promote their products through social media platforms. Marketers use social media to understand the customer buyer readiness stage and influence them to purchase company products. Advertising, Electronic word of mouth, branding and customer relationship management are different marketing practices that organizations could use over social media. There is a significant concern over advertising through social media as advertising is more costly comparatively and heavily used by the organizations (Alalwan *et al*., 2017). Thus it is crucial to ensure the effectiveness of social media ads and how those ads could attract and retain more consumers.

According to the available literature there are some contradictions in the findings of different authors related to factors of SMA which shapes customer purchase intention (Plume *et al*., 2016; Dwivedi *et al*., 2017; Shareef *et al*., 2017). Thus it is obvious to find what factors of SMA and how those factors shapes customer purchase intentions (CPI) (Kapoor *et al*., 2017; Alalwan *et al*., 2017; Shareef *et al*., 2017). According to Oh *et al*. (2015) researchers should focus on identifying the dimensions of SMA which influence customer reaction and perception towards social media ads. Bandara (2021) also pointed out the gap in the Sri Lankan context which needs to be addressed on SMA. As per the research gaps, the current research aims to discover and examine the main factors which could predict the customer's purchase intention for the products which are marketed through SMA. Furthermore, current research attempts to answer the following questions:

1. What conceptual model could be used to provide a clear understanding about the main factors related to social media ads which influence customer purchase intention?

2. What are the main factors associated with social media advertising that could predict the customer's purchase intention?

Shareef *et al*. (2017) stated there is a critical role of intrinsic motivation and extrinsic motivation toward SMA. Extrinsic motivation can be explained through performance expectancy whereas intrinsic

motivation can be explained through hedonic motivation (Alalwan *et al*., 2017). Thus the researcher used the theory of "extended Unified Theory of Acceptance and Use of Technology" (UTAUT2) in the current study by considering three factors; performance expectancy, hedonic motivation, and habit from the theory of UTAUT2. However, the other factors in theory such as; effort expectancy, price value, and facilitating conditions of UTAUT2 theory have not considered in this study as they are not suitable to be considered in SMA (Venkatesh *et al*., 2003). SMA is free of charge as customers do not bear any cost to watch or read such ads. Effort expectancy and facilitating conditions are not important for social media ads as customers have rich experience (simple and little effort) in dealing with social media platforms. However, those factors could be important for other technologies such as internet banking and mobile banking. Interactivity is an important concept in social media as it is a web 2.0 technology (Alalwan *et al*., 2017; Sundar *et al*., 2014). Using social media ads firms could have more informative and interactive communication with customers compared with traditional mass media ads (Palla *et al*., 2013; Lee & Hong, 2016; Wu, 2016). The nature of the SMA empower customer engagement through liking, sharing, posting, commenting, and learning. Therefore, interactivity is added in the current study as a factor which shapes the CPI. According to Jung *et al*. (2016) and Lee and Hong (2016) customers are influenced by the degree of useful and adequate information provided by social media ads. Thus, informativeness is added to the current study as an important factor.

The major objective of current study was "to identify the factors of social media advertising which influence customer purchase intention related to the products advertised through social media advertising". The specific objectives of present study were as follows;

- To find out the impact of Performance expectancy on customer purchase intention of products advertised through social media
- To find out the impact of Hedonic Motivation on customer purchase intention of products advertised through social media
- To find out the impact of Habit on customer purchase intention of products advertised through social media
- To find out the impact of Interactivity on customer purchase intention of products advertised through social media
- To find out the impact of Informativeness on customer purchase

intention of products advertised through social media

The research examines the impact of factors of SMA on CPI of products advertised through social media advertisements. The remainder of the article is organized as follows. Section 2 explains the literature review along with the development of hypothesis, in section 3 there will be research methodology used in the present study, section 4 describes the results of the study, section 5 presents the discussion, and finally in the section 6 conclusion is presented along with theoretical implications, practical implications, limitations and future research directions.

2. LITERATURE REVIEW

La Press, the French newspaper (in June, 1836) was the first newspaper included paid advertisement which was copied over the time (Bakshi & Gupta, 2013). Hot Wire sold their first banner on their company website in 1994, which was the beginning of online advertising. Banner ads, interstitial ads, ads on search engine pages, rich media ads, social media ads, advertising networks, and email ads are some examples of online advertising. Bakshi and Gupta (2013) stated, social media will become an effective tool for efficient advertisers. U.S online ad spending increased from 19% to 54.2% in 2019 (Donnellan *et al.*, 2020). In current days, consumers obtain all important product information through online. Online platforms are capable of sharing customer personal experiences, knowledge and opinions.

Social media platforms provide remarkable development in human interactions in the 21st century. As cited in Sudha and Sathya (2020) social media has become as vital in 21st century. They studied the impact of social media on CPI. As cited in Palalic *et al.* (2020), 70% of customers use social media to get product information, 49% of consumers made product buying decision, and 60% users preferred to share information with others. Further, it is stated the users of social media platforms are becoming customers. Social media has changed the view of marketing and the consumer buying behavior. Further, the cyber world enables marketers to reach customers faster and more efficiently. Social media platforms have become vital marketing strategy to reach generation Y customers (Balakrishnan *et al*., 2014). Marketers have begun to understand customer buying behavior, and they understand the reason of consumer preferences to specific brands. Therefore, social media is considered as a hub for market intelligence (Balakrishnan *et al.*, 2014). Communicating with

the customer, amending the marketing message as to customer requirements, and maintaining company brand's presence are capable because of the opportunities available in social media platforms.

SMA is quick than other forms of advertisement as the day it is started is the same day the results starts to occur. Balakrishnan *et al*. (2014) stated, marketers can very quickly and easily launch social media advertisement promotions on various platforms. SMA platforms are becoming standard with the adoption of ad fission of the internet (Balakrishnan *et al*., 2014). SMA platform offers; interactive services, rich media tools and global reach. Balakrishnan *et al*. (2014) and Alalwan (2018) found SMA and CPI are significantly and positively related. They further stated advertisements done via online are effective in promoting company brand and products (goods and services) through company website as well as through social media platforms.

Social media platforms considered in this study were; Facebook, Instagram, LinkedIn, Twitter, and Pinterest. Facebook allows marketers to advertise promotional posts within the mobile environment where majority of the users access Facebook (Bakshi & Gupta, 2013). Facebook increases reach dramatically through likes, shares and comments. Offers promoted through Facebook spread virally as people accept and pushing it to friends where people will become brand advocates. Pinterest is another social media platform, which drives more customer traffic to business websites. Pinterest is growing massively as a promotion tool. Marketers use Pinterest in various ways such as; by posting images of their products, including a URL, including links and listing prices (Bakshi & Gupta, 2013). Average people spend 2 hours and 24 minutes per day on Facebook, 40 minutes per day on YouTube, 14.2 minutes per day on Pinterest (Donnellan *et al*., 2020).

As suggested by several authors (Lee & Hong, 2016; Shareef *et al*., 2017; Dwivedi *et al*., 2017; Zhu & Chang, 2016) there is an increased interest on studying the issues in SMA. In the modern era there is a concern related to the importance of SMAs on predicting customer reactions. Therefore, the researcher developed a conceptual framework (Table 1) to identify the factors contributing CPI of products advertised through SMA. The dependent variable of current study is "purchase intention". The researcher focused on the CPI with regards to the products advertised through SMA. The independent variables of the study are performance expectancy, hedonic motivation, habit, informativeness and interactivity. Performance expectancy, hedonic motivation, and habit were extracted from UTAUT2 model developed by Venkatesh *et al*. (2012).

Interactivity was extracted from the study of Jiang *et al*. (2010) whereas Informativeness was extracted from the study of Logan *et al*. (2012).

Purchase intention means "the subjective judgement of consumers which is reflected after general evaluation to purchase products or services (Balakrishnan *et al.*, 2014). He gives several meaning to the definition; customer willingness to consider purchasing, buying intention in the future, and decision to repurchase. Further, they stated purchase intention is "the degree of perceptual conviction of a consumer to buy a particular product.

2.1 Performance expectancy

Chang *et al*. (2015) discovered the role of usefulness as a similar variable for performance expectancy on customer preferences. Performance expectancy is the extrinsic motivation (usefulness). Thus, the current study consider performance expectancy as a concept of usefulness of social media ads. According to several authors (Venkatesh *et al*., 2012; Alalwan *et al*., 2017; Dwivedi *et al*., 2017; Shareef *et al*., 2017) it is argued that customers will engage in social media if they perceive that platforms as more useful and productive. Jung (2016) researched the way in which perceived relevance could predict perceived relevance or avoidance of social media ads. She argued, customers will pay a considerable interest on ads if they perceive a relevance. Lin and Kim (2016) found the impact of usefulness on customer purchase preference. According to customer intention to purchase online mall is considerably predicted by perceived usefulness of social media ads. Another study conducted by Shareef *et al*. (2017) found a significant relationship between usefulness of SMA and CPI. Accordingly, the first hypothesis is developed;

H_1: Performance expectancy positively impacts on customer purchase intention of products advertised through social media

2.2 Hedonic motivation

Hedonic motivation is the intrinsic motivation of fun and entertainment. Bandara (2021) argues when there is more entertainment, it is more attractive which impacts purchase intention through persuasion. Social media has a high recognition in people for experiencing entertainment (Alalwan *et al*., 2017; Hsu and Lin, 2008; Shareef *et al*., 2017). SMA are more attractive and creative which makes people more attention and attractive. recently Jung *et al*. (2016) and Shareef *et al*. (2017) discovered positive impact of hedonic motivation (entertainment) on CPI of products advertised through SMA. Accordingly, the second hypothesis is proposed;

H_2: Hedonic motivation positively impacts on customer purchase

intention of products advertised through social media

2.3 Habit

Venkatesh *et al*. (2012, p. 161) define habit as "the degree to which individuals are willing to act automatically because of learning". Alalwan *et al*. (2017) and Shareef *et al*. (2017) argue customers will have a habitual behavior towards social media platforms and ads posted on social media based on their daily interactions. Wu (2016) considered Habit as one of the most important factors in shaping customer perception, purchase intention and behavior toward SMA. Wang *et al*. (2015) considered habit in terms of previous usage experience on three main dimensions such as perceived ease of use, perceived enjoyment, and perceived usefulness. According to LaRose *et al*. (2014) discovered habit could concurrently obstacle the negative impact on social media usage and accelerate the positive impact of social media usage through the habitual behavior of continuous usage of such social media platforms. Users of social media platforms are becoming customers (Sudha & Sathya, 2020). As cited by Venkatesh *et al*. (2012), customers will be more engaged with social media platforms if they have a habit of using those. According to the arguments it could be proposed that the customers who have a habit of using social media will influence them to purchase the product which advertised through SMA. Accordingly, the next hypothesis is developed as follows;

H_3: Habit positively impacts on customer purchase intention of products advertised through social media

2.4 Interactivity

According to Steuer (1992) interactivity is defined as "the extent to which an individual can control the context and information of the media platform". According to Liu and Shrum (2002) the concept is defined as "ability of a media platform to provide a synchronous communication". Several researchers believe interactivity is one of the most crucial factor associated with social media platforms and this concept has been deriving a significant interest by researchers (Kiousis, 2002; Kweon *et al*. 2008; McMillan & Hwang, 2002). The effectiveness of technological features provided by social media will enlarge the customer perception horizon and customers' ability to process more information. There are several studies in the literature which proved the role of interactivity on consumer intention toward various technologies. Lee (2005) proved a significant relationship between interactivity and customer intention toward mobile commerce. Another study conducted by Wang *et al*. (2015) found the impact of interactivity on customer online buying behavior. Therefore, based on the

arguments the fourth hypothesis is developed;

H_4: Interactivity positively impacts on customer purchase intention of products advertised through social media

2.5 Informativeness

Informativeness is defined by Rotzoll and Haefner (1990) as "the degree to which a firm can provide adequate information based on which customers can make better purchase decisions". Lee and Hong (2016) believe informativeness as "the ability of the sender to attract consumer response as influence the consumer to cognitively assess the adoption of information provided". Taylor *et al*. (2011) empirically validated the positive relationship between informativeness and customer attitude toward SMA. The positive role of informativeness on CPI to purchase products which were advertised through social media was empirically found by Lee and Hong (2016). Hewage (2019) studied the role of SMA as information search engine for consumer buying decision process. Considering all the facts in the available literature, informativeness factor of SMA will influence CPI. Accordingly, the final hypothesis of the study is developed;

H_5: Informativeness positively impacts on customer purchase intention of products advertised through social media

3. METHODS

Data were collected using Google forms through online questionnaires from sample of customers who already use social media platforms. Questionnaire was administered through Facebook and WhatsApp. Data collected within the time frame of three weeks. The questionnaires comprised of two sections. First section included 6 question items to collect demographic data from the respondents. The second section of the questionnaire included 23 question items to collect data about independent and dependent variables. Question items of Performance expectancy, hedonic motivation and habit were adapted from the scale of Venkatesh *et al*. (2012) which is validated and reliable. Question items of interactivity were measured using items from Jiang *et al*. (2010) which has been validated by Alalwan *et al*. (2018) in the area of SMA. Informativeness was measured through scale items of Logan *et al*. (2012) which was already validated by Lee and Hong (2016) in their study of SMA. The dependent variable, purchase intention was tested through the items of Duffet (2015). 5 point Likert scale utilized for the second section and the anchor ranges from 1 (strongly disagree) to 5 (strongly agree).

Quantitative research methodology was used by the researcher by developing hypothesis based on the literature. Study approach was deductive and as the data were collected only

by administering questionnaires, the mono method was applied. Researcher interference was minimal. The type of investigation was correlational as the study aimed at identifying the impact of one variable over the other. The unit of analysis was individual customers whereas the time horizon of the study was longitudinal as data collection was over a period of three weeks. Research strategy of the study was survey strategy. In Sri Lanka there are 6.40 million social media users by January 2020 (Social Media Stats Sri Lanka - November 2020, 2020). Convenient sampling, which is a non-probabilistic sample method was utilized as the population framework is unknown. Questionnaires were distributed to 400 respondents who are close contacts of the researcher (Facebook friends and WhatsApp contacts) and Response rate was 81% with 324 responses. 310 questionnaires were considered for final analysis after omitting the incomplete questionnaires.

In the step of data analysis, the data gathered was statistically analyzed using IBM's SPSS software to see if the hypotheses that were generated have been supported. Nature of the sample was identified through Descriptive statistics. Correlational analysis was used to determine the relationship between dependent and independent variables. Finally, multiple regression analysis was used to test the impact of factors of SMA on CPI of products advertised through social media.

4. RESULTS

The 01st section of the questionnaire represented the nature of the sample. Accordingly the sample consisted of 67.9% male and 32.1% female. Most of the respondents were in the age group of 20-30 who were young customers amounting to 94% of the sample. 3% of the customers were in the age group of 31-40 whereas 3% of the customers were in the age group of 41-50. But the sample did not represent customers in the age group of more than 50 age. According to the sample 74.2% of the customers were degree holders and 19.6% of the customers had an education up to A/L. 97.3% of the respondents think social media advertising is beneficial. Only 2.7% of the respondents think social media advertising is not beneficial.

According to responses most of the customers have Facebook accounts, and least of the customers have Pinterest accounts. 90.2% of respondents have Facebook accounts, 69.6% use Instagram, 50% have LinkedIn, 37.5% have Twitter accounts and 30.4% customers use Pinterest. According to the question no. 06 of section no. 01, "What social media platform/s you use to get product information", 91% of the respondents use Facebook to get product information to make product purchase decision. 50.5%

use Instagram, 18.9% use LinkedIn, 9% use Twitter, and 16.2% use Pinterest. Thus it is clear, Facebook dominates in Sri Lankan market within social media advertising platforms amounting highest number of customer accounts and as a source of product information. The second place was obtained by Instagram as a mean of social media advertising platform. The study results of the second part of questionnaire is discussed in the next section.

The Table 1 shows the validity results of the dependent and independent variables. According to the Table 1, all the variables considered in the research can be concluded as valid with 95% confidence (P value = 0.000) as the KMO & Bartlett's test values are greater than 0.5.

The instruments used for the research was reliable with good values as Cronbach's alpha value for all the variables are greater than 0.8 (Refer Table 2). According to Sekaran (2003) the reliability values above 8 are good whereas the general acceptance level is greater than 0.7.

Correlation acts as a precursor for regression (Field, 2009). Therefore, correlation is tested prior to test regression. The results shown in the Table 3.

According to the Table 3, all the factors of social media advertising (performance expectancy, hedonic motivation, habit, interactivity, & informativeness) have a significant relationship with PI with 95% level of confidence (0.000 level of significance).

Multiple Regression Analysis conducted using SPSS to test the hypothesis developed by the researcher, to find out the whether the factors of social media advertising (Performance Expectancy, Hedonic Motivation, Habit, Interactivity, and Informativeness) influence customer purchase intention of the products advertised through social media advertising. The Regression Model is depicted as follows;

$$E(Y_i / X_1, X_2, X_3, X_4, X_5) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon_i$$

Y_i = Purchase Intention

B_0 = Constant (Regression Coefficient)

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5$ = Slope (Regression Coefficient)

X_1 = Performance Expectancy

X_2 = Hedonic Motivation

X_3 = Habit

X_4 = Interactivity

X_5 = Informativeness

i = i th observation

ε_i = Random Error Term

H_1: Performance expectancy positively impacts on customer purchase intention of products advertised through social media

The regression results are depicted in the Table 4. Accordingly when referring the value of Performance Expectancy, since the significance value is less than 0.05 (0.017) it can be concluded with 95% level of confidence, performance expectancy positively impacts on customer purchase intention of products advertised through social media.

H_2: Hedonic Motivation positively impacts on customer purchase intention of products advertised through social media

As per the data in the Table 4, since the p value for Hedonic motivation is less than 0.05 (0.031) it can be concluded with 95% level of confidence that hedonic motivation positively impacts on customer purchase intention of products advertised through social media.

H_3: Habit positively impacts on customer purchase intention of products advertised through social media

When referring the Table 4, since the significance value is greater than 0.05 (0.230) it can be concluded with 95% level of confidence, there is no impact of Habit on customer purchase intention of products advertised through social media.

H_4: Interactivity positively impacts on customer purchase intention of products advertised through social media

Further considering the Table 4, since the p value of Interactivity is less than 0.05 (0.045) it can be concluded with 95% level of confidence that Interactivity positively impacts on customer purchase intention of products advertised through social media.

H_5: Informativeness positively impacts on customer purchase intention of products advertised through social media

As shown in Table 4, since the level of significance is less than 0.05 (0.000) it can be concluded with 95% level of confidence, there is a significant positive impact of Informativeness on customer purchase intention of products advertised through social media.

It is obvious to ensure the strength of the fitted model. The Adjusted R Square gives some ideas of how well the model generalizes (Field, 2009). It explains the variation in dependent variable through the model taken for the sample. According to the Table 5, the Adjusted R Square value is 0.500 which means 50% of the

variability of the dependent variable (Purchase Intention) could be able to explain through the fitted regression line. Furthermore, for any two observations the residual terms should be uncorrelated. That is known as randomness of residuals. It could be tested through Durbin Watson test value. Significance value of this test should be very close to +/- 2. The value for the current model is 1.918 (Refer Table 5). Therefore it can be concluded that the residuals are randomly distributed. According to Saunders *et al*. (2009) nonexistence of any relationship between independent variables is called as multicollinearity. Multicollinearity is low when the VIF values are less than 10. All the VIF values for independent variable of the current study are less than 10 (Refer Table 5). Therefore, it can be concluded that there is no problem of multicollinearity.

Analysis of variance tells whether the model is significant fit of the data (Field, 2009). When referring the Table 6, since the significance value is less than 0.05 (0.000) it can be concluded with 95% level of confidence the fitted model is significant.

As per the regression results obtained, it is concluded that there is a significant positive impact of Performance expectancy, hedonic motivation, Interactivity, & informativeness on CPI of products advertised through social media. Therefore the hypothesis, H_1, H_2, H_4, and H_5 were accepted. However, the Hypothesis H_3 is rejected since the regression result is insignificant. The fitted Regression equation is as follows;

E (Purchase Intention) = 0.634 + 0.193 (Performance Expectancy) + 0.091 (Hedonic Motivation) + 0.081 (Interactivity) + 0.463 (Informativeness)

According to the fitted model, it is clear that the CPI of products advertised through social media is greatly impacted by Informativeness of SMA (0.463) compared with Performance Expectancy, hedonic motivation and interactivity. Second highest impact is created by Performance expectancy factor of SMA. In other words customer purchase intention of products advertised through social media is impacted by usefulness of social media ads. The least impact on CPI is created by the interactivity of SMA.

5. DISCUSSION

The main objective of the research was to identify the factors of SMA which shape the CPI. Results of the current study revealed performance expectancy, hedonic motivation, interactivity and informativeness impact on purchase intention, whereas habit

does not impact on CPI of products advertised through SMA. This finding is mostly similar with past studies as well as contradicts with some available literature.

Informativeness was the first strongest variable impact CPI of products advertised through SMA as per the current study results. This result is consistent with the previous study conducted by Hewage (2019) and Sarathchandra *et al.,* (2020) in Sri Lankan context. This implies customers are more likely to buy products when SMA provide valuable product information. Customers use social media as a platform to find worthy information related to products. According to the existing literature several studies have proven the role of informativeness in CPI (Pavlou *et al*., 2007; Jung *et al*., 2016; Lee & Hong, 2016). Further, Social media ads provide product information from two important sources, from the organization as well as from the customer (Taylor *et al.,* 2011). According to Logan *et al*. (2012) SMA provide timely, up to date and comprehensive information in a convenient way to customers. Ariely (2010) as cited in Donnellan *et al*. (2020) has a contradictory viewpoint. They stated seeing repeating ads and information overload makes the customer frustrated instead of making them purchase the product. They suggest to use consumer friendly advertising instead of overloaded information.

Performance expectancy was the second strongest variable which impact CPI according to the findings of the current study. In other words customers who perceive SMA as useful are more likely to purchase products advertised through SMA. This finding is similar with other studies conducted by some researchers such as Lin and Kim (2016), and Shareef *et al*. (2017). Furthermore, study result is consistent with the previous study conducted by Sarathchandra *et al.,* (2020) who argued usefulness as a strongest influencer of purchase intention.

Hedonic motivation was another factor which influence CPI of products advertised through SMA. According to the findings of Hsu and Lin (2008), Alalwan *et al*. (2017), and Shareef *et al*. (2017) more creative and novel social media ads will give customers more entertainment and fun which will influence them to purchase the products. Similar findings have been obtained by several researches in the existing literature (Dwivedi *et al*., 2017; Hsu & Lin, 2008; Jung *et al*., 2016; Lee & Hong 2016; Shareef *et al*., 2017). Furthermore, current study consists with the findings of Bandara (2021) related to entertainment feature of SMA.

According to the current study results interactivity was the least significant factor predicting CPI. However, customers use SMA as

a most effective media in communicating with organizations. Interactivity feature of social media allows customer and organization two way communication (Sundar *et al*., 2014). Jiang *et al*. (2010) finding reveals interactivity gives more emphasis to customer opinions as SMA are capable of receiving customer feedback. Several other researchers (Palla *et al*., 2013; Wang *et al.*, 2015; Barreda *et al*., 2016) found a strong and significant impact of interactivity on customer purchase intention of products advertised through social media ads though the current study results reveal its least impact. According to the studies conducted by Palla *et al*. (2013), Wang *et al*. (2015) and Barreda *et al*. (2016) Interactivity is the strongest predictor of CPI. However, informativeness is the strongest predictor of CPI according to the current study results.

Study result reveals habit does not significantly impact on CPI. This finding is consistent with the existing literature findings of some other researchers (Campbell & Keller, 2003; Rau *et al*., 2014). Campbell and Keller (2003) discovered advertising message could lose its attraction if it repeatedly seen by customers. Rau *et al*. (2014) discovered a negative relationship between habitual watching of SMA and the effectiveness of advertising.

6. CONCLUSION & RECOMMENDATION

6.1 Conclusion

The present study conducted to discover the factors of social media advertising which influence customer purchase intention of products advertised through social media advertising. Researcher developed a conceptual framework for the current study based on the past literature on the concepts. As per the results of the current study researcher found; performance expectancy positively impacts on customer purchase intention of products advertised through social media advertisements, hedonic motivation positively impacts on customer purchase intention of products advertised through social media advertisements, habit does not significantly impact on customer purchase intention of products advertised through social media advertisements, interactivity positively impacts on customer purchase intention of products advertised through social media advertisements, and informativeness positively impacts on customer purchase intention of products advertised through social media advertisements.

6.2 Theoretical implications of the research

The current study provides a theoretical contribution in the related area based on Sri Lankan context. The conceptual model used three factors from UTAUT2 model developed by Venkatesh *et al*. (2012). They invited researchers to apply and expand

their findings in new systems and applications. Those three factors (performance expectancy, hedonic motivation, habit) also used by Alalwan (2018) in his study. Further, as suggested by several authors (Kiousis, 2002; Kweon *et al*. 2008; McMillan & Hwang, 2002) this study added interactivity in the model which is an important and significant contribution in the relevant field. Further, the study included informativeness in the current study as suggested by Taylor *et al*. (2011), Lee and Hong (2016), and Alalwan (2018). Thus the current study was capable of explaining the current understanding of SMA and discovers the important factors of SMA which shapes the CPI on products advertised through social media ads.

6.3 Practical implications of the research

Markers will gain a great knowledge from the results of the current study with relates to the designing of SMA. The main factors of attention in designing SMA in Sri Lankan context is somewhat different compared with other countries. Informativeness seems to be the most important and the strongest factor contributing CPI other than other factors of SMA. However, according to previous findings in other countries interactivity was the strongest predictor of CPI. Marketers should design their marketing strategies by more emphasizing informativeness which will influence CPI in Sri Lankan context. Marketers should design SMA according to the customer preferences and interest as performance expectancy (usefulness) also predicted by the findings of the present study. Mohammed *et al*., (2003) as well as Zhu and Chang (2016) suggest to use Survey Monkey to discover the main aspects which drove customer attention and accordingly marketers will be able to design their SMA. Further, marketers also could tailor their SMA based on past customer experience in SMA.

In today's context customers are motivated through fun and entertainment. According to the study results marketers are suggested to consider about creativity and entertainment concept in designing SMA which will influence customers to purchase the products. Hedonic motivation can be increased by utilizing a rich multimedia mix (audio, video, and pictures) which will also emotionally attract customers. Customers are more inclined toward SMA over traditional ads because of the capability of social media ads for interactivity (two way communication). Though interactivity is not the strongest contributing factor of CPI, it is also one of the important and significant contributor according to the present study results. Marketers should actively involve in responding to customer feedbacks, comments and questions posted over social media. Mohammed *et al*. (2003)

suggest to use live chats and chat rooms which will enhance the interactivity. Further, descriptive statistic results reveals Facebook as the most utilized SMA by Sri Lankan community. Thus, prioritizing Facebook as a SMA platform will provide better outcomes. Further, according to descriptive statistics, most of the customers in the sample are young, male degree holders who think social media advertising as beneficial. Therefore, marketers who market products targeted to male, young customers and or educated customers could get desired outcomes by using social media advertising.

6.4 Limitations and future research directions

The study focused on the main factors of SMA which contributes to CPI of products advertised through social media platforms. However, there could be other factors influencing customer purchase intention. Therefore, future researchers could test the current model as well as test other factors of importance such as technology readiness, privacy concern, image, and advertising creativity. This study utilized questionnaire to collect data from the respondents. However, it is worthwhile if the future researchers could use new techniques such as Netvizz as it allows to analyze customer behavior and perception (Alalwan A. A., 2018). Though the current study collected demographic data from the respondents, the study does not analyze the impact of demographic factors over customer purchase intention. Therefore, it is suggested to study the impact of demographic factors over customer purchase intention of products advertised through social media advertising.

APPENDIX

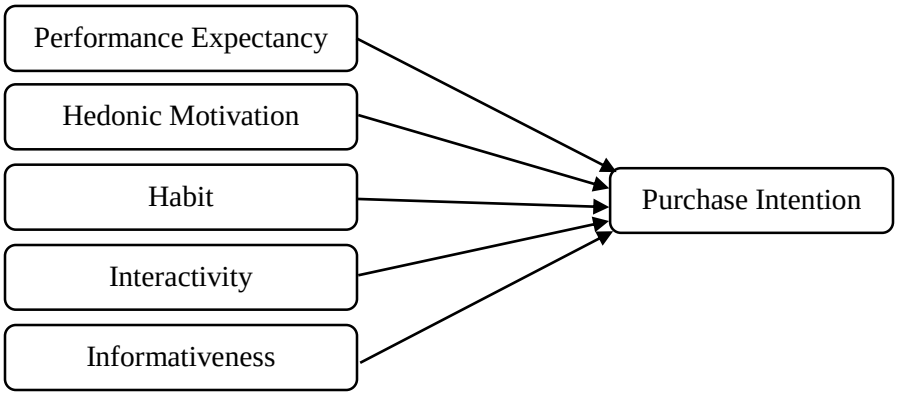

Figure 1: Conceptual Framework

Source: Developed by the researcher based on Venkatesh *et al*. (2012); Jiang *et al*. (2010); Logan *et al*. (2012); Duffet (2015)

Table 1: Test of Validity

Variable	P Value	KMO & Bartlett's Test Value
Purchase Intention	0.000	0.810
Performance Expectancy	0.000	0.838
Hedonic Motivation	0.000	0.771
Habit	0.000	0.704
Interactivity	0.000	0.908
Informativeness	0.000	0.853

Source: Survey Data, 2021

Table 2: Test of Reliability

Variable	Cronbach's Alpha Value
Purchase Intention	0.937
Performance Expectancy	0.918
Hedonic Motivation	0.947
Habit	0.890
Interactivity	0.955
Informativeness	0.953

Source: Survey Data, 2021

Table 3: Test of Correlation

Variable	Purchase Intention	
	P value	Coefficient
Performance Expectancy	0.000	0.601
Hedonic Motivation	0.000	0.432
Habit	0.000	0.502
Interactivity	0.000	0.631
Informativeness	0.000	0.691

Source: Survey Data, 2021

Table 4: Multiple Regression Analysis

Model	β	Sig.	VIF values	Hypothesis
(Constant)	0.634	0.027		
Performance Expectancy	0.193	0.017	2.599	Accepted
Hedonic Motivation	0.091	0.031	1.853	Accepted
Habit	0.102	0.230	1.752	Not Accepted
Interactivity	0.081	0.045	3.526	Accepted
Informativeness	0.463	0.000	3.426	Accepted

Source: Survey Data, 2021

Table 5: Strength of the model

Model	R-Square	Adjusted-R Square	Durbin Watson
	0.523	0.500	1.918

Source: Survey Data, 2021

Table 6: Analysis of Variance

Model	Sum of Squares	df	Mean Square	F Value	P Value
Regression	61.046	5	12.209	23.222	0.000
Residual	55.731	305	0.526		
Total	116.777	310			

Source: Survey Data, 2021

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