



**PURCHASE BEHAVIOR TOWARD PRODUCTS AND SERVICES
ADVERTISED IN FACEBOOK**

A Thesis

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ABSTRACT

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This research was conducted to determine the factors that affect purchase behavior towards products and services advertised in Facebook and address the issues regarding the most appropriate ad-content that must be utilized when using Facebook platform for advertisement. In this study, the profiles of the respondents were described, the appropriateness, reliability and validity of each measurement indicators as well as the factors that determine purchase behavior toward items and services advertised in Facebook were determined. Moreover, the effects of normative beliefs to subjective norm, the effect of user's beliefs to attitude toward buying items advertised in Facebook, and the effect of self-efficacy on individual's purchase behavior were sought

Given the structural component and directional orientations of the variables, Structural Equation Modeling via Partial least squares modeling (PLS-PM) was employed in the data analysis using SmartPLS 2.0 (beta) in which both the measurement and structural model were analyzed. While SPSS was utilized in the preparation of data and descriptive analysis such as frequency distribution, arithmetic sum and percentages to profile the respondent's demographics and measure the accumulated amount of purchased items.

From the data that were sent and collected online via complete enumeration that was facilitated by an online survey service provider, SurveyMonkey.com and the field survey, result showed that out of the total 370 survey requests and questionnaire sent, there were 107 qualified responses suited for data analysis. The respondents who



answered the survey were mostly females comprising 64.5 percent while male respondents accounted to 35.5 percent. For the total accumulated amount of items purchased by respondents categorized according to items and/or services-the highest total amount (Php 303,385) fall within the laptop, cellphone and accessories category wherein 21 percent of the respondents has bought into that category. In terms of usage frequency, most of the respondents used Facebook from one to 18 hours per week.

During the first stage of the measurement evaluation; indicator reliability, convergent and discriminant validity showed satisfactory results that signified appropriateness of the measurement indicators for structural analysis. Consequently, the structural model evaluation result showed that beliefs towards advertisement in Facebook as being informative and one that provide entertainment, attitude toward purchasing items advertised in Facebook, normative structure and subjective norm showed positive influence towards purchase behavior. On the basis of individual path significance and effect; attitude has a higher a significant influence on purchase behavior and this is being enhanced by the belief in the Facebook advertisement as being informative and provide entertainment. Thus, a positive belief in Facebook Ad as being informative and entertaining will lead to positive attitude toward purchasing items and/or services advertised in Facebook. Furthermore, evaluation of paths and linkage between normative structures, subjective norms, self-efficacy, and perceived behavioral control showed that although respondents felt that they have the capability to do what they wanted to do, engaging in purchase activity with respect to buying things advertised in Facebook are still affected by other factors such as the influence of important referents and their motivation to respond to what their influencers would think.



For firms to maximize the capability of Facebook advertisement in promoting products or services and influencing people to purchase, it is recommended to focus on engagement ads that could drive more traffic by employing creative Ads based on information and entertainment content as well as social context with features aimed to compel “positive comments, stories and opinions”, “Liked”, “Fans” about the products or services. In terms of offering informative and entertainment content likewise affecting attitude, one of the recommended ways is to utilize the application of contests, sweepstakes and coupons, trivia, and quizzes. Other recommendations include improving the destination page or website, developing interactive free applications (Apps) and utilizing the page post in the form of sponsored stories most especially when the type of Ad employed is a premium type of advertisement since it could appear in the news feed and in the regular hand side of the users’ homepage.

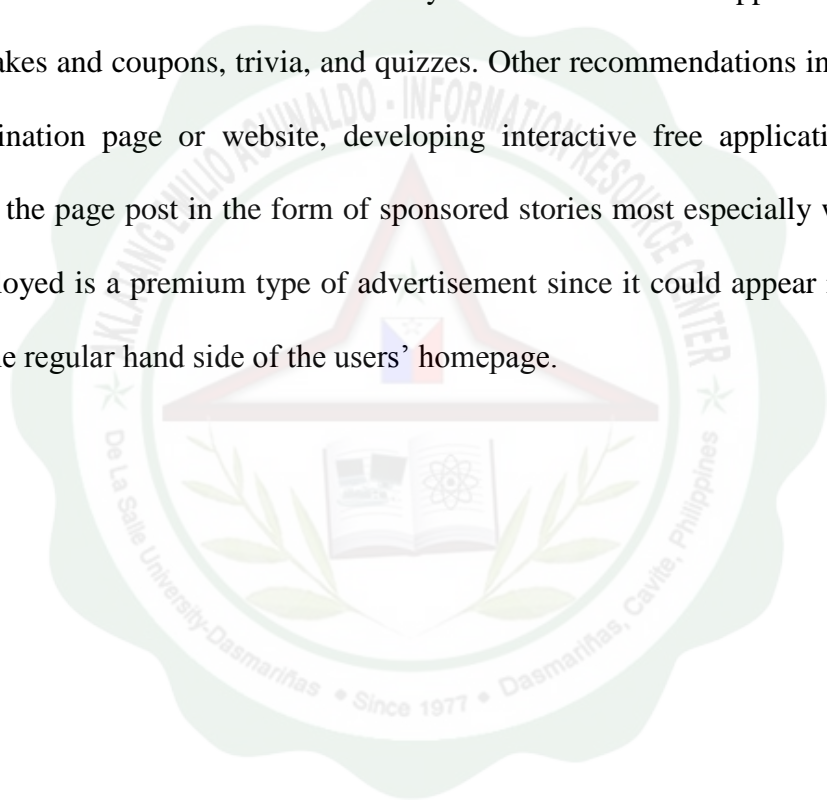




TABLE OF CONTENTS

	Page
TITLE PAGE.....	i
DEED OF DECLARATION	ii
APPROVAL SHEET.....	iii
BIOGRAPHICAL SKETCH	iv
ACKNOWLEDGMENT	v
ABSTRACT	vii
TABLE OF CONTENTS	x
LIST OF FIGURES.....	xii
LIST OF TABLES	xiv
INTRODUCTION.....	1
Background of the Study.....	3
Statement of the Problem.....	8
Objectives of the Study.....	9
Hypotheses of the Study	10
Significance of the Study.....	13
Scope and Limitations of the Study	14
Definition of Terms	17
REVIEW OF RELATED LITERATURE	19



THEORETICAL AND OPERATIONAL FRAMEWORK	41
METHODOLOGY.....	49
Research Design.....	49
Time and Place of Study	50
Data Collection Procedure.....	50
Validation of Research Instrument	52
Data Analysis	54
RESULTS AND DISCUSSION	82
Descriptive Statistics	82
Measurement Model Evaluation	89
Structural Model Evaluation	95
Assessment of the Hypothesis	107
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	114
Summary	114
Conclusions	118
Recommendations	119
REFERENCES	123
APPENDICES	130

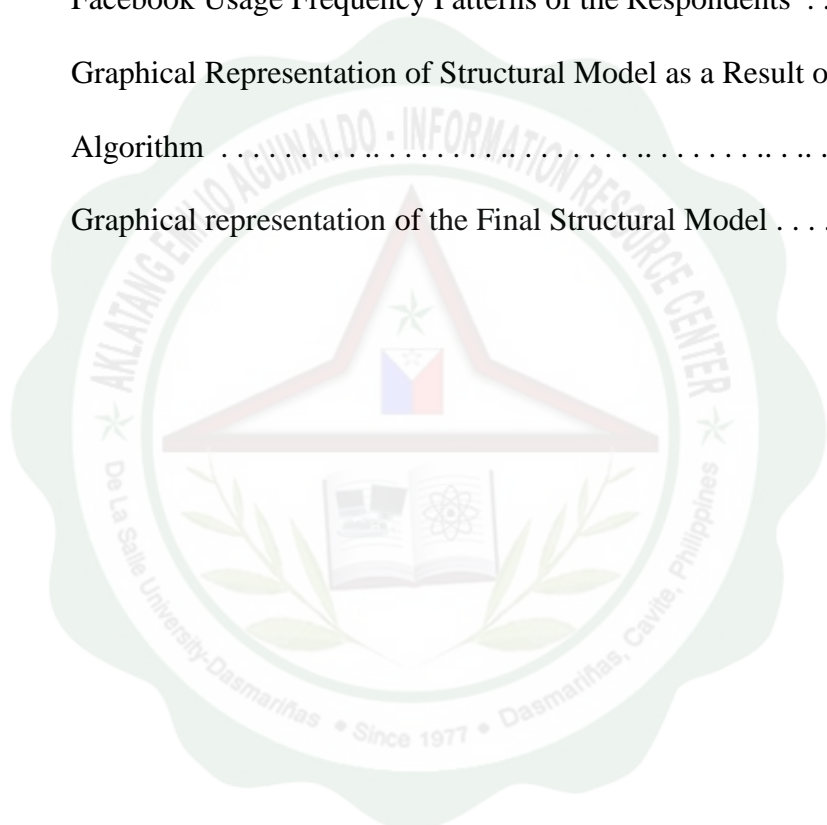


LISTS OF FIGURES

Figure	Page
2.1 Sample Positions of Premium Ads Format Embedded in a Facebook Page	26
2.2 Sample Figure of Market Place Ads found Elsewhere within Facebook Site.	27
2.3 Sample Figure of Page Like Sponsored Story	28
2.4 Sample Figure of Application Sponsored Story	29
2.5 Sample Figure of Place Check-In Sponsored Story	29
2.6 Sample Figure of Page Post Sponsored Story.	30
3.1 Schematic Diagram of the Theory of Planned Behavior	44
3.2 Operational Framework	46
4.1 The Structural Model Showing Reflective Measurement Mode for each Block of Manifest Variables Related to Corresponding Latent Variables.	62
4.2 One Block of Manifest Variables taken from The Structural Model.	63
4.3 Matrix of Outer Weights W used in PLS Algorithm.	64
4.4 Causality Model Describing Causes and Consequences of Purchase Behavior towards Products and Services Advertised on	



	Facebook.....	68
4.5	The Flowchart For The PLS algorithm	70
5.1	Accumulated Amount of Items and/ or Services Purchased by Respondents	86
5.2	Accumulated Amount Purchased per Category	87
5.3	Facebook Usage Frequency Patterns of the Respondents	88
5.4	Graphical Representation of Structural Model as a Result of PLS Algorithm	101
5.5	Graphical representation of the Final Structural Model	103





LISTS OF TABLES

Table		Page
2.1	Summary of Related Studies.	42
4.1	Research Questions, Objectives, Hypothesis, Survey Questions or Indicators and Statistical Tools Used	58
4.2	7-point Rating Scale utilized in Assessing Attitudes Towards Products and Services Advertised in Facebook.	60
4.3	7-point Rating Scale Utilized in Assessing Items number 17.1, 17.2 and 17.3 that Described Self-efficacy.	61
4.4	Visual Banded Label for Purchase Amount.	62
4.5	4-point Rating Scale Utilized in the Questionnaire that Pertain to Purchase Frequency.	62
4.6	7-point Rating Scale Utilized Pertaining to Entertainment, Informative, Invasiveness , Peer influence, Self-brand congruity, Normative structure, Subjective norms, PBC and Number 16.1, 16.2 and 16.3 of Self-efficacy..	63
4.7	PLS Features for Structural Equation Modeling	65
4.8	Adjacency Matrix for The Measurement Model which is Employed in the PLS Initialization.	73
4.9	The Adjacency Matrix D for The Structural Model.	75
5.1	Distribution of Respondents	83
5.2	Data on Gender, Age and Occupational Status of the Respondents.	83
5.3	Indicator Loadings and Reliability of the Measurement Model.	91
5.4	Matrix table for Convergent and Discriminant Validity..	93



5.5	Cross-loading Output	94
5.6	Outer Model Evaluation Data	98
5.7	Inner Model Evaluation Data	99
5.8	Effect size of Latent variables Attitude, SubjNorm and PBC to purchase behavior.	105
5.9	Predictive Relevance Evaluation of The Final Structural Model Obtained from Blindfolding	106
5.10	Total Effects, Path Coefficients and Normalized Weights for Expected Value Analysis	107
5.11	Evaluation of the Hypothesis	109

