Restaurants Facebook Advertising and Consumers Purchase Intention

MUHAMMED S. ALNSOUR¹
https://orcid.org/0000-0001-5610-2506

SAWSAN A. ALSHAER²*
https://orcid.org/0000-0002-6074-42690

ABDELHALIM AL-ZU‘BI³

¹Marketing Department. Al-Balqa Applied University. Alsalt, JORDAN
²Management Department. “The World Islamic Science & Education University”, Amman, JORDAN
³Marketing Department. Al-Balqa Applied University. Alsalt, JORDAN

Abstract: Purpose: This main aim of this study is to find out the effects of Facebook ads on Jordanian consumers’ purchase intentions in the restaurant industry. Design/methodology/approach: The design of this research takes a descriptive quantitative approach; a sample of 202 participants answered an online questionnaire, the collected data were analysed by Standardized “Multiple Linear Regression” and “Stepwise Multiple Linear Regression”. Findings: The study concluded that restaurants’ Facebook advertising dimensions (Informativeness, Entertainment, Perceived Relevance, Incentive) affect Jordanian consumers’ purchase intention, incentive was the most influential dimension, followed by Perceived relevance, while informativeness and entertainment, was not statistically significant. Research limitations/implications: Only Facebook advertising was considered, whereas future studies could examine other SNS such as YouTube, Google+, Twitter, and LinkedIn. Moreover, it is suggested to lengthen the study time later and have a more representative sample to get more generalizable results.

Keywords: Informativeness, Entertainment, Incentive, Perceived relevance, Purchase Intentions.

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1. Introduction

Although Social network sites (SNS) started as a social phenomenon, they acquired a major role in marketing communications [1], and they become a key component of any company strategy [2]; it is widely used to spread and share information through social network interactions [3]. Realizing its importance; firms are shifting from traditional to digital marketing. Therefore, social networking sites are becoming important and fast-growing advertising channel. Social media advertising including YouTube, Facebook, Twitter, LinkedIn, and others became of great importance to organizations, companies, and managers [4]. This indicates the significance of social media in establishing contact between the company and its consumers [5], and this led companies to spend lots of money on social media advertising using social networks and social media sites to achieve product dissemination and brand awareness worldwide [3]. Facebook is one of the major social networks with over 2.7 billion users worldwide as of second-quarter 2020 and 5.5 million subscribers in Jordan. As a result, more than 30 million businesses now have a Facebook fan page and 92% of social marketers are using it for advertisement. Recently, Facebook’s revenue from advertising increased 46 % generating a sum of US$3.32 billion (Internet World Stats). In this study we try to find out the effects of Facebook ads on Jordanian consumers’ purchase intentions in the restaurant industry. The current study is important because there is not much abundance of literature studying the Jordanian context. Moreover, social media marketing would be of benefit in a country with limited resources like Jordan especially for start-up businesses like new local restaurants since social media marketing is more cost effective. In addition, social media users in Jordan have increased exponentially throughout the last years.
2. Conceptual Background and Hypothesis Development

Social Media users have increased substantially in recent years. Among social networking sites, Facebook is the most widely used with 2.45 billion users. Furthermore, internet access in Jordan, as rest of the world, has lately increased exponentially reaching almost 67% of the whole population in 2019, and Facebook subscribers reaching more than 5.7 million. On average, Facebook users in Jordan spend considerable time interacting on social networks, 69% of them reported visiting companies’ pages, mainly for entertainment, being updated about the restaurant, its discounts & offers, and to get feedback (Internet World Stats). With the help of social media, marketing communications are becoming highly interactive. By facilitating the communication between customers and companies, social networking sites (e.g. Facebook) can be considered central in building brand equity and enhancing brand customers’ experience [6]. Also, companies can employ social media advertising to enhance brand awareness, changing customer’s attitudes and behaviors, and recall products [1]. Moreover, companies can utilize low-cost social media advertising to enhance brand awareness, expand geographic reach to customers, and build a long-term relationship with them. As a result, organizations are allocating more budgets for social networking sites. This leads to increase customer’s empowerment and control of the marketing communication process [1]. Restaurants are one of the main sectors that realized the importance of social media in marketing their brands and products. Feedback gathered on social media is very useful in building relationships and in monitoring and interacting with customers. As a result, nine out of ten restaurants reported some social media activity and 94% of restaurants reported using Facebook for advertising [7]. Consumers interact with restaurants' ads on Facebook to show support for their favorite restaurants, to learn about any updates, to have access to exclusive offers & promotions, showing support to the brand, search for feedback, and to have access to exclusive content, as restaurants’ Ad’s content include food menus, prices, new offers, new branches and information about companies’ social responsibility. Previous research emphasized the importance of advertising in developing positive attitudes and providing valuable source of information. ([9]; [10]; [11]; [12]; [13]).

2.1 Facebook Ads Diminutions

2.1.1 Informativeness

Marketers should carefully create their Facebook page advertisements because there is a false belief that creating an ad necessarily results in a sales increase, but this is not the case [1]. Informative content is defined according to [9] as content created by marketers and spread it with a view to providing consumers with certain information about products and services. The main reason behind visiting companies’ Facebook pages among social media users is to learn more about the brand, its exclusive offers & promotions, showing support to the brand, search for feedback, and to have access to exclusive content, as restaurants’ Ad’s content include food menus, prices, new offers, new branches and information about companies’ social responsibility. Previous research emphasized the importance of advertising in developing positive attitudes and providing valuable source of information. ([9]; [10]; [11]; [12]; [13]).

2.2.2 Entertainment

One wildly accepted conceptual definition of entertainment in the literature is that suggested by [12]. Ad entertainment is how consumers enjoy, are excited towards and how much fun they perceive an Ad; in other words, it is how an ad fulfils consumers' needs of enjoyment, fun, and emotional pleasure while viewing advertisements. Entertainment is very important for the success of the ad; as it can augment the social media users’ experience, thus, affecting the consumers’ attitude towards the ad. According to customers, pictures and up-to-date information are the most critical content in Facebook fan pages and advertisements. According to [9], entertaining content of an ad, such as funny pictures and polls for social media users, was the second common content after the informative content. The same study showed that ads with entertaining content along with the incentive content resulted in a better attitude in terms of likes and shares compared to other ad contents. Ad entertainment helped customers to consume and contribute to content online related to the advertised social media users. These dimensions towards Facebook ads and their purchase intention are studied in this research and thus were thoroughly reviewed from previous literature as follows, also the following hypothesis were developed:

H1: Restaurants' Facebook advertising on their dimensions (Informativeness, Entertainment, Perceived Relevance, Incentive) positively affect consumers’ purchase intention.
brand [14]. To sum up, advertising should not be only informative; advertising should include some sort of entertainment to better grab peoples’ attention [15].

2.2.3 Incentive
Social media helps marketers reach target markets, manage customer engagement with the brand and provide information about offers and discounts on new products; this in turn contributes to improving brand image [14]. Thus, it is recommended that companies aiming to promote social interaction on Facebook should introduce incentives such as prizes, benefits [3], promotions [16] discounts [9], and valuable tangible and intangible rewards [17]. Studies showed that incentives are effective in first trial and helping customers to choose a certain restaurant over others [18] and accelerate purchase [19]. It was found that monetary incentives have a temporary effect on increasing the number of customers seeking to save money. On the other hand, non-monetary incentives can be more beneficial in encouraging customer loyalty. For example, rewards can in the form of given priority of being served when restaurant is busy and invitations to attend the private events (i.e., openings and exclusive launch/dinner parties [8]. Moreover, many studies showed that incentives enhanced customer intentions toward purchase [20] and commitment towards the restaurant brand [18].

2.2.4 Perceived Relevance
Personalized ads, which can be defined as customized messages to the target audience based on their characteristics, interests, and preferences, are more effective than non-personalized ads. Consumers tend to memorize and are affected more by personalized ads, which eventually leads the ad to be perceived as more relevant to them [21]. According to [22], perceived relevance is how consumers relate specific information to themselves; leading messages to grab more attention and is more likely to have higher influence on the receiver. Users share many of their personal information, preferences, and activities on Facebook, with the help of evolving data-gathering technology marketers can better understand customers and tailor advertising messages to them [23]. Previous studies show that personalization have a positive effect on attitude toward ads; consumers’ attitudes are positively influenced by the level of Ad’s perceived relevance and the extent it matches their interests [9]. Another research result also suggests that perceived advertising relevance has positive attention to the ad and positively affect ad evaluation [24]. [21] state that ads’ content and perceived relevance have high impact on customers’ attitudes and behavior. Despite this, marketers should take into consideration that it is possible that personalized advertising can have negative consequences and might backfire if perceived as disruptive and privacy violating.

2.2 Purchase Intention
The ‘purchase intention’ is described as the consumer's willingness to participate in online buying using social networking sites. Consumer's purchase intention is considered a valid proxy for buying behaviour according to many of the previous studies. Platforms are very vital for social interactions, providing useful content, and real-time communications that are very useful in the decision-making process [25]. Many factors affect consumers’ purchase intention. According to [26], consumers’ intention to buy a product depends mainly on the product’s value and other customers recommendations shared on social media (e-WOM). By using Facebook, companies can deliver their messages to customers mainly through their page and sponsored ads, enhancing brand awareness, getting information about the brand, and affecting customers’ intention to purchase [27]. Facebook is not a main driver of purchase as [28] found that number of likes on a fan page or posts do not necessarily reflect actual purchase behaviour. However, it can have critical effect on customers’ brand engagement and their intention to purchase it. As said before, Facebook is of high importance in affecting users’ attitude and behaviour towards brands. For instance, one out of five users respond to Facebook ads by buying the products promoted [1]. Understanding Facebook's major role in the interaction between businesses and consumers led restaurants in Jordan to start using Facebook as a marketing tool to increase brand awareness, engage customers and reach new customers. However, there are few studies that showed the impact of Facebook on the purchase intention of customers. The results of this study may help restaurant owners in Jordan to better understand how to use Facebook as a essential part of the overall marketing strategy and by helping them to increase the intention to purchase and achieve their marketing goals.

3. Methodology

3.1 ‘Research Design’
The main aim of this paper is to examine the effect of Jordanian restaurants’ Facebook ads’ informativeness, entertainment, incentive, and users’ perceived relevance of these ads, as four dimensions
of the independent variable. The dependent variable of interest is consumers’ intention to visit and try these restaurants (i.e., intention to purchase); as it is a crucial predictor for overt behaviour. The design of this research takes a descriptive quantitative approach; data collected through an online questionnaire were used to test the study Hypothesis which shows in the below graph.

**Figure 1: Study Model**

3.2 Sampling
The population of interest in this research is adult Jordanian Facebook users. A nonprobability convenient sample of 202 participated in an online structured questionnaire, studying items related to the relationship of the variables of interest. A Likert scale was used in answering the questionnaire. After collecting data, SPSS was used to analyze it.

4. Data Descriptive Analysis
“Figure 2” shows the percentage of the participated genders in the study which were approximately equal with a 53.5% of females and 46.5% of males. While Figure 3 describes the age groups of the participants as it was classified into 4 groups as the following 18-30 with a 78.2% which were the largest group, 31-44 with 16.8%, +45 with a 3% and the smallest group were the under 18 group with a 2%. In the same context Figure 4 shows more details about the participants’ education level that have been grouped into 5 classes as the following, bachelor’s degree that had the higher percentage with 69.3%. Diploma with 2.5%. Master’s degree with 23.8% which were the second higher percentage of participants. PhD holders with 1.5% and the secondary school students with a 3%. Figure 5 discussed the nature of the participants’ occupation that were classified into 6 groups as the following, “I do not work” with a 11.4%, NGOs with a 13.4%, Business owners with an 8.9%, Private sector with a 48 % which were the highest percentage, public sector with a 5.9%, Students with a 12.4%. Finally Figure 6 discussed how many hours the participants spend on Facebook daily and they were grouped as the following, 1-2 hours with a 34.2%, 2-3 hours with a 21.8%, 3-4 hours with a 10.9%, 4-5 hours with a 5.4%, Less than 1 hour with a 21.8%, more than 5 hours with a 5.9%. 

**Figure 2: Gender**

**Figure 3: Age**

**Figure 4: Education**

**Figure 5: Occupation**

**Figure 6: Facebook daily hours**
5. Results & Discussions

The research hypothesis was tested using Standardized Multiple Linear Regression and Stepwise Multiple Linear Regression, and its results were as shown below:

**H1: Restaurants' Facebook advertising on their dimensions (Informativeness, Entertainment, Perceived Relevance, Incentive) positively affect consumers’ purchase intention.**

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>B</th>
<th>Std. Error</th>
<th>B</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Informativeness</td>
<td>0.02</td>
<td>0.05</td>
<td>0.03</td>
<td>0.50</td>
<td>0.61</td>
</tr>
<tr>
<td>Entertainment</td>
<td>0.06</td>
<td>0.073</td>
<td>0.958</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Perceived Relevance</td>
<td>0.20</td>
<td>0.24</td>
<td>3.00</td>
<td>0.00</td>
<td>0</td>
</tr>
<tr>
<td>Incentive</td>
<td>0.34</td>
<td>0.36</td>
<td>5.14</td>
<td>0.00</td>
<td>0</td>
</tr>
</tbody>
</table>

It is noticed from the previous table that the value of the coefficient of determination (R²=0.254), which means that Facebook advertising explains a percentage (25.4%) of the variance in the consumers’ purchase intention, as it reached (F = 16.785) at the level of significance (Sig. = 0.000), Indicating the significance of the regression.

From the results of the parameter table for this hypothesis, it appears that the value of (B=0.205) for perceived relevance, Std. Error = 0.068, and the value of beta was (β = 246). Also, the value of (T= 3.005) was at (Sig. = 0.003), which is a statistically significant. While the value of (B=0.342) for Incentive, standard error = 0.067, and the value of beta was (β=362) and the value of (T) was (5.140) at (Sig. = 0.000), which is a statistically significant, however the value of B for informativeness & entertainment reached (0.027, -0.0557), a standard error (0.055, 0.060), and the value of β was (0.033, 0.073). Also, the value of (T) was (0.500, 0.958-) at a significant level (0.618, 0.339), which is not statistically significant.

To identify the most important dimensions of Restaurants' Facebook advertising (the independent variable) affecting the consumers’ purchase intention (the dependent variable), Stepwise Multiple Linear Regression was used, and the results were as follows:

<table>
<thead>
<tr>
<th>Model</th>
<th>B</th>
<th>T</th>
<th>Sig.</th>
<th>R²</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Incentive</td>
<td>0.435</td>
<td>7.353</td>
<td>0.000</td>
<td>0.213</td>
<td>54.060</td>
<td>.000</td>
</tr>
<tr>
<td>2 Incentive</td>
<td>0.337</td>
<td>5.118</td>
<td>0.000</td>
<td>0.258</td>
<td>33.161</td>
<td>.000</td>
</tr>
</tbody>
</table>

The table indicates that the sequence of entering the dimensions of Restaurants' Facebook advertising in the regression model, that incentive was the most influential dimension in the consumers’ purchase intention, which explained (21.3%) of the variance in the purchase intention, and after adding perceptions perceived relevance to incentive in the second model, the percentage increased this interpretation amounts to (25.8%). This indicates that the most influential dimensions of Restaurants' Facebook advertising on consumers’ purchase intention is the incentive,
followed by the effect of perceptions perceived relevance, as for informativeness and entertainment, it was not statistically significant. From the researchers’ point of view, these results can be justified by that simple informativeness alone is not sufficient to motivate the consumers and leading them to purchase even if entertainment is included. Rather, it must be supported and enriched with pictures and details about goods and services, and clarification of everything they need about the brand, the available offers, and the prices. In addition, incentive, and perceived relevance should be provided, in line with [9], who recommended that ads with entertaining content alongside the incentive content had better attitudes in terms of likes and shares compared to other ad contents. Also, in line with [15] study which recommended that advertising is not a plain information delivery method; Marketers should include all necessary variables to better grab peoples’ attention to their advertising efforts. As well, the results are consistent with ([18], [20]) study which recommended that incentives enhance customer purchase intentions and commitment towards the restaurant brand. This explains how important Facebook advertising is in affecting customers’ attitudes. Referring to the results of this study, restaurants should focus on affecting customers’ purchase intention through Facebook being a very useful tool in achieving favourable attitudes and intentions.

6. Conclusions
This research helped highlights the important role of social media in customers’ communications. Especially those, consumers are lately avoiding traditional media due to advertising clutter. For certain customer segments, traditional marketing strategies are no longer effective in a highly competitive environment; this is where social media becomes an excellent choice for communication and advertising. This enabled companies to establish stronger relationships. This research also contributes by focusing on Ad design as a powerful tool in achieving brand awareness. Social media marketing practices are still developing in Jordan; this all can be helpful for restaurants. This paper focused on a very important sector in Jordan identifying why consumers use Facebook and what really attracts them to a Facebook page. The study showed that incentives and relevance are very critical aspects of Facebook Ad design. Facebook is the most widely used social media network in Jordan; the current study offers some insights to marketers in the restaurant industry. The findings of this paper provide useful guidelines for restaurant marketing communication. Restaurants must make sure to answer all customer inquiries posted on their Facebook page swiftly and sincerely. Engaging consumers can be very important in collecting customer feedback and gain access to important information. Furthermore, the findings offer insights for providing incentives to consumers to engage them even more.

To sum up; this study concluded that restaurants’ Facebook advertising effect Jordanian consumers’ purchase intention, where the study model was developed and examined and it was found that incentives were the most influential consumers’ purchase intention, followed by Perceived relevance, while informativeness and entertainment, were not statistically significant. This means that Facebook advertisement influences customer's purchase intention, but companies should be alerted that the idea of creating Facebook pages and posting content from time to time -on their own is not sufficient. Rather, this should be included in the overall strategy and in overall marketing communications activities, and the more companies implement this correctly, the higher their efficiency. This leads their marketing contacts to establish mutual psychological contracts between consumers and to be able to achieve their goals. Furthermore, the results of this research may help Jordanian restaurant owners understand how to use Facebook as an essential part of their marketing strategy by creating their pages and ads in the right way to maximize consumer purchase intention and achieve their goals.

7. Limitation and Directions for Future Research
Despite the contributions provided by this research; it has some limitations and lends itself to additional research and further investigation: First, the current study was conducted only on Facebook is the most popular social platform. More research is needed on other SNS such as Twitter, Google+, LinkedIn, and YouTube. Second, this study investigated consumers of only one industry, which is the restaurant sector in Jordan. It is suggested that other studies should be carried out in other industries. Further research in other industries could be conducted to determine whether there are differences in attitudinal effectiveness between the various advertising forms. Third, Future research could include other cities and not just the capital city of Amman since different cities can have different attitudes and patterns of behaviour; this would be more representative of Jordan as a whole. Fourth, tight timeframe and limited resources as well as limited participation by
respondents make it a necessity that further research should be carried out to assure results are generalizable.

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