



Effectiveness of E-Advertisement on Customer's Online Purchase Intention in Saudi

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Abstract

With the end goal to make customers happy, it is of incredible significance for the organizations to comprehend online customers' purchasing conduct and explore the factors that influence the customer's online purchase intention. The fundamental purpose behind why online purchase intention is of such significance for firms is on the grounds that it is a solid indicator of real online purchase. Therefore, it is important to conduct research on online purchase intention to gain a richer comprehension about internet business and customers' online purchase intention. However, in spite of the fact that the development is huge in internet shopping in Saudi Arabia, logical comprehension of the customers' online purchase intention in Saudi Arabia is inadequate. Thus, it is essential for e-retailers to comprehend the elements that may impact the choice of the customers in shopping on the web. This study tries to fill this current research gap by observationally discovering what factors are essential for them that influence in purchasing on the web in the setting of Saudi Arabia. The targeted sample for this study is the customers' who prefer online purchase in Saudi Arabia. The research distributed the questionnaire through online and obtained a total of 106 responses which were found valid for further analysis. This study employed multiple regression for data analysis and hypotheses testing. The results indicate that attitude towards design, information quality, influence of social networking, and perceived risk significantly influence online purchase intention among Saudi Arabian online consumers. Finally, the implications are discussed and future recommendations are proposed.

Keywords: e-advertisements, customer, online purchase intention

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Introduction

The development of web technology has made a lot of chances for the advertiser and each one of those organization which are engaged with the vertical condition to carry on their business base on site advertisement (Shu-Fen,2008). With the quick development of the Internet and the globalization of the world, organizations have acknowledged and embraced new data and correspondence innovations in playing out their exercises, and it isn't just to help their customary exercises, yet in addition to helping those new open doors that have emerged, which comes primarily from the Internet. Electronic or online advertisement emerges among these chances. Most organizations built up their Websites which are viewed as new channels for business exchanges and advertisement; in this manner, customers can make online purchases through the organizations' Websites as gave. They empower and enable organizations to get to the worldwide market at a low working expense. They additionally offer data at profundity, and to give customers electronic administrations (eadministrations) of predominant quality by methods for Internet intuitiveness, which has served to support up rivalry among organizations (Hongxiu Li and Reima Suomi, 2009; Sakalli, 2018).

Prior examinations talk about E-advertising and its foundation part which essentially alluding to buyer viewpoints and accordingly have charmed researchers to discover more about the attributes of customers. With this respect, numerous ideas have been made, for example, customer fulfilment, customer dependability, see of eadvertisement effectiveness, customer encounters, customer purchasing conduct, customer value, and others. In the meantime, the expanding number of online customers has made organizations change their structures with the end goal to consider both on the web and virtual conditions. They have been attempting to recognize the most essential components (identified with customer-based issues) which may have potential effects and advantages to their organizations. Both gatherings of online purchasers and additionally venders realize that utilizing on the web channels can facilitate the way toward obtaining and moving. Thinking about this imperative factor, numerous e-advertisers and organizations attempted to change their business base to the online methodology. They comprehended that the customary method for publicizing can't be the main method for catching their online customer, in this way, they have incorporated online advertisement through virtual condition and also their own site to showcase their item and administrations. Consequently, the requirements for fitting advertisement for their specific administration and item has emerged, in this way make it necessary for them to get appropriate advertisement base on their objective market. (Akar and Nasir, 2015; Saadeghvaziri and Seyedjavadin, 2011; Su and Huang, 2011).

Many previous types of research have conducted a various study on the online conduct of customers toward advertisement in the online space. This research is about people's perception towards online advertisement and the efficiency and impact of advertisement on customer purchase intention (Hoffman and Novak, 1996; Novak et al., 2000). Numerous scientists have completed a considerable measure into internet shopping and retail conduct of customers (e.g. Noble et al., 2005; Overby and Lee, 2006). In these examinations, how e-advertisement could change and shape customers' inclinations and their patterns towards purchasing reasons for existing were researched. An extraordinary collection of studies has demonstrated that online item networks have such one of kind qualities and offices that we have in actuality to go a long way past examining into basic "Web surfing" exercises and consider a comprehensive idea which could reclassify customer's online network understanding (Nambisan and Watt 2011).

Method

This section provides the research approach available to be used for this research. The approaches discussed are the inductive and deductive methods.

Qualitative study is a technique of analysis used in numerous different conditions, usually in the societal sciences, and also in market study and further situations. The aim of researchers in qualitative study is to collect an exhaustive understanding of social manners and the causes that manage such manners. The qualitative technique

studies the why / how decision making is formed, not only what, where, when process of decision formed. Therefore, smaller but special samples are more necessary than big samples. All qualitative researchers seek to illumine social meaning. On the other hand, a number of researchers use qualitative approaches completely, others try to complete or better understand mathematical data, and some other researchers to create hypotheses for next quantitative researches. Several selections happened beside a range, where several researchers are more match to positivism and others are very far from it. Between the opposites there is a range of qualitative backgrounds that view their own. Generally, researchers use qualitative research for searching a phenomenon that nobody had been considered before and that can be later develop quantitatively, The other reason could be, to enhance rich element that explains current information of a phenomenon, created quantitatively, or greater understand an issue by studying it at the same time or concurrently with both techniques collaborating quantitative and qualitative techniques at the similar time or in rotations, which can be depends on the case. Some other reasons which could be considered consist of: i. To improvement a new perception of a phenomenon well considered quantitatively but not exactly understood for the reason that of the close perceptions used in the past; ii. To attempt to know some social phenomenon from the perception of the people, rather than clarifying it separate (from the outside); iii. To recognize difficult phenomena that are tough or unmanageable or to capture quantitatively; iv. To know any phenomenon in its complication, or terminated by normal study because of the problems to search it, or those have been rejected as unrelated, or considered as if merely reason about it was real; Qualitative research is complex technique in stress, connections an explanatory, realistic style to its issue. It means that qualitative researchers try to research effects in their normal locations, trying to make common sense of, or understand, phenomena in terms of the values people get to them (Newman & Benz 1998).

Results and Discussion

For this study, the questionnaires were distributed online among the consumers aware of the Internet and also have knowledge of using online buying in Saudi Arabia. The respondents were selected randomly. For this study, an online survey form was created and then shared the link with the respondents using Facebook, Twitter and WhatsApp. After a two weeks' period, a total of 111 responses were accumulated. Out of these 111 responses, total 106 questionnaires were found valid for further analysis.

Out of the 106 respondents, 55.7% were male and 44.3% were female, which shows that the majority of the respondents were male (table 1). Moreover, it is also clear that online shopping is popular among both man and woman in Saudi Arabia,

Table 1 Gender of the Respondents

	Frequency	Percent
Male	59	55.7
Female	47	44.3
Total	106	100

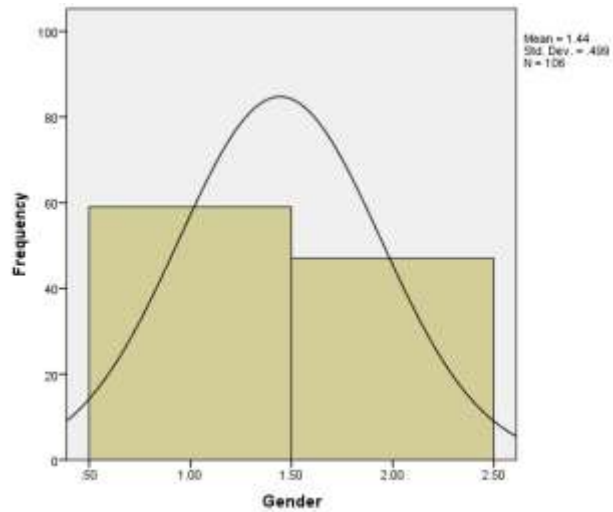
Figure 1
Gender

Table 2 represents the age group of the respondents. Majority of the respondents fall under the 31-40 years old category consists of total 51.9%. Totals 40.6% of the respondents are aged between 21-30 years while 2.8% are aged between 41-50 years old. Rest 4.7% is aged between 51 years old and above. From this table, it can be said that the online consumers in Saudi Arabia are young and energetic as most of the respondents are aged between 21 to 40 years old.

Table 2. Age Group of the Respondents

	Frequency	Percent
21 - 30 years	43	40.6
31 - 40 years	55	51.9
41 - 50 years	3	2.8
51 years and above	5	4.7
Total	106	100

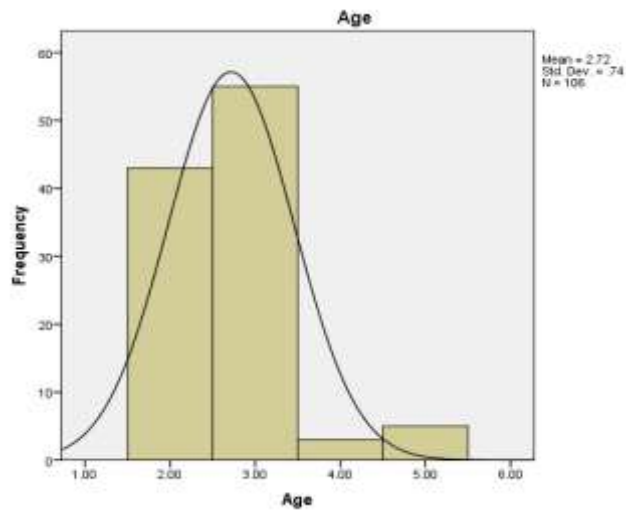


Figure 2.
Age

Under the marital status category, it was found that 62.3% of the respondents are married while 34% are still single. Besides, 1.9% of the total respondents are divorced and 1.9 are widowed (table 3).

Table 4. 3: Marital Status

	Frequency	Percent
Single	36	34
Married	66	62.3
Divorced	2	1.9
Widowed	2	1.9
Total	106	100

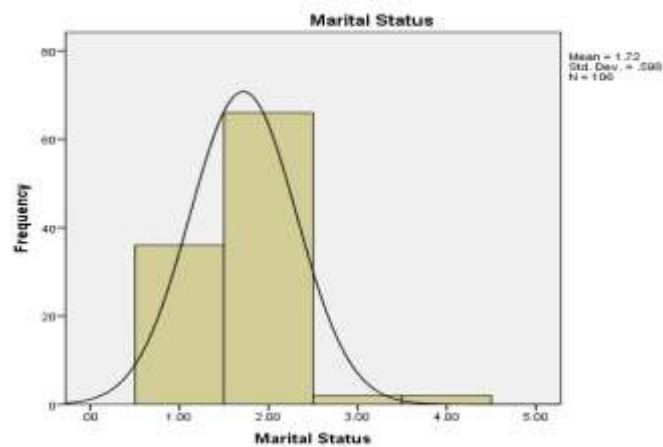


Figure 3.
Marital Status

The next category consists of monthly income level. Under this category, it can be seen from table 4.5 that majority of the respondents earn more t than 10,000 Saudi Riyal consists of total 38.7%. The second largest group consists of 5,001-10,000 Saudi Riyal (33%). Total 14.2% earns 2,001 - 5,000 Saudi Riyal a month while another 14.2% earns less than 2,000 Saudi Riyal a month.

Table 5. Monthly Income (in Saudi Riyal)

	Frequency	Percent
Less than 2,000	15	14.2
2,001 - 5,000	15	14.2
5,001-10,000	35	33
More than 10,000	41	38.7
Total	106	100

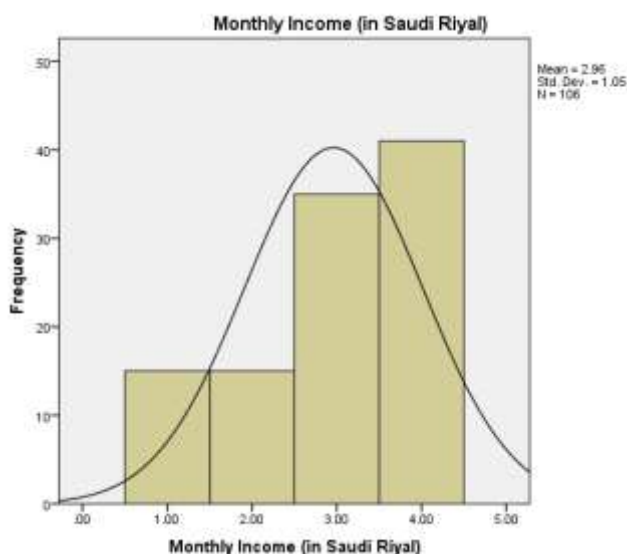


Figure 5.
Monthly Income (in Saudi Riyal)

The last category consists of job status. Under this category, it can be seen from table 6 that majority of the respondents work full time consists of total 61.3%. The second largest group consists of unemployed (32.1%) while the rest 6.6% works part time this is shown in table below.

Table 6. Respondents of Job Status

	Frequency	Percent
Full time	65	61.3
Part time	7	6.6
Unemployed	34	32.1
Total	106	100

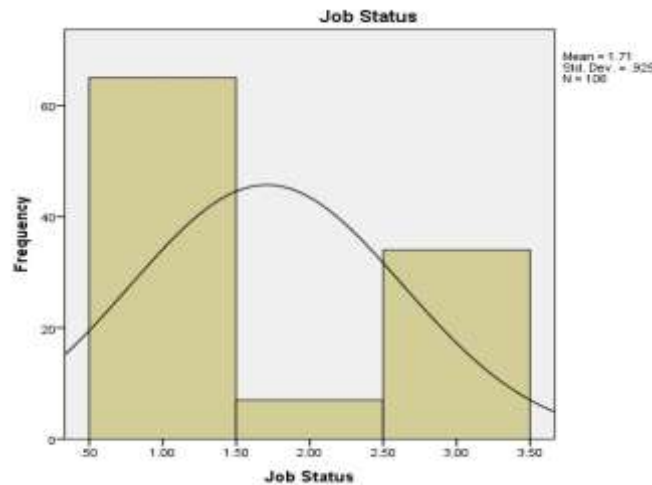


Figure 6
Job Status

Item Wise Statistics

Item wise statistics are presented in table 7. From the table, it can be observed that the item “Consumers prefer online advertisement due to the wide variety of information it offers them” consists the highest mean value (4.2170) with a standard deviation of 0.79288. This confirms that majority of the respondents are aware of Internet and also have knowledge of using online buying in Saudi Arabia. On the other hand, the item “Most of web based advertisement influence on my purchase intention” achieved the lowest mean score of 2.3208 with a standard deviation of 0.91075. This means that online consumers in Saudi Arabia are not much satisfied with the too many online ads those pops-up unexpectedly. Hence, there is a need for the companies in Saudi Arabia to redesign their online advertisement strategy that will increase online purchase intention among online consumers in Saudi Arabia this is indicated in table below.

table 7. Item Wise Statistics

Code	Item	Mean	Std. Deviation
ATD1	I believe that a good advertise design can grab the attention of customer and make them satisfy	3.4340	.95637
ATD2	The ads which has applied sophisticated design will definitely influence customers towards purchase	3.5566	.80570
ATD3	Multimedia features in online advertisements give consumers a positive feeling toward the product or service	3.3962	.92251
ATD4	Multimedia features in online advertisements will stimulate consumers to learn more about the product or service	3.3679	.82028
ATD5	Pictures in online advertisements give consumers a positive feeling toward the product or service	3.3679	.95942
ATD6	Contents in online advertisements give consumers a positive feeling toward the product or service	3.4057	.89206
IQ1	I am more curious to those website which provide accurate information regarding the product	3.7830	1.10415
IQ2	Nature of information of the online advertisement influence consumer decisions to purchase	3.6604	.89322
IQ3	Consumers will consider purchasing the product or service based on the contents in the online advertisement	3.5849	.88229
IQ4	Information quality is significant factor for considering in web base advertisement	3.6415	.96795
ISN1	I do read product reviews through social networking sites before purchasing the product	3.3962	1.04817
ISN2	Social networking sites are a good approach to stimulate customer positive perception toward E-advertisement	3.4151	.87143
ISN3	There is sufficient advertisement about products and services on social networking sites which can improve the effectiveness of advertisement	3.4528	.89583
ISN4	Social networking is the best medium of e-advertisement at present	3.4811	.85335
PR1	I feel safe when a company provides a secure website	4.0000	.74322
PR2	Consumers prefer online advertisement due to the wide variety of information it offers them	4.2170	.79288
PR3	Issue of privacy of personal information affect adoption of online advertising	4.0849	.78216
PR4	Providing customers with control over their information sharing reduces customers perceived privacy risk	4.0849	.92703
PI1	I believe that online shopping is fun	3.8585	1.34829
PI2	Most of web based advertisement influence on my purchase intention	2.3208	.91075
PI3	I plan to continue to use online purchase frequently	3.4151	.88229
PI4	I intend to continue using online purchase in the future	3.3868	.87908

Relationship between attitude towards website design and customer online purchase intention.

The results in table 4.15 show that attitude towards website design do influence online purchase intention among Saudi Arabian online consumers. A significant positive effect of attitude towards design on online purchase intention is seen from the above mentioned table ($p < 0.000$). Moreover, the beta value of .462 indicates that attitude towards design and online purchase intention have positive correlation. The probability of getting a critical ratio is as large as .462 in absolute value is less than 0.000. In other words, the regression weight for attitude towards design in the prediction of online purchase intention is significantly different from zero at the 0.000 level

(two-tailed). This indicates that attitude towards design have significant positive influence on online purchase intention in the Saudi Arabian context. Moreover, the beta for attitude towards design predicts that for every single increase in the attitude towards design will increase 46.2% of online purchase intention. The finding also supports the past findings (e.g. Akar & Dalgic, 2017; Hans et al., 2003; Hausman & Siekpe, 2009; Ranganathan & Ganapathy, 2002; Zahid et al., 2017) where the authors agreed that the design of websites assumes a huge job in catching eye and conveying great impression of advertisement to invigorate online customers' purchase intention. Besides, websites that offers better quality can pull in customers' consideration and bait customers to return to the website again and again (Fazli & Nor, 2010; Ham et al., 2015). Hence, in order to increase online purchase intention among Saudi Arabian online consumers, the companies should redesign their online advertisements in such a way that online purchase intention among Saudi Arabian online consumers' increases. Hence, the attitude towards design facilitate online purchase intention among Saudi Arabian online consumers. Thus, H1 is accepted.

Conclusion

This study has presented various factors that incorporated in website quality in order to boost up customer' positive perception towards e-advertisement which appears in online or companies' website. The quality of website does enhance the customer's benefit as well as more essentially, it can convey an incentive to the customers that in the long run will expand customers' online purchase intention in Saudi Arabia. The other factors such as information quality, influence of social networking, perceived risk as well as demography also plays influential factors on customer online purchase intention. Providing good website, creating good brand by using the leverage of social network, the perception of customer can be changed positively towards E-advertisement and once the positive perception has been developed, the advertisement can be seen more effective and definitely it would effect on customers' online purchase intention in Saudi Arabia.

Finally, this investigation fundamentally added to the theoretical improvement of the present dimension of information that contemplated the one of a kind component towards online buy expectation among Saudi Arabian online shoppers. The examination discoveries will help both the academicians and the administrations engaged with this industry to get more information in dealing with their online customers in a better way.

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