

# The impact of advertising in the smartphone environment on the intention of consumers to buy home appliances Case study: Selected stores of LG in Tehran)

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## **Abstract:**

The main purpose of this study is to investigate the effect of advertising in the smartphone environment on the intention of consumers to buy home appliances. The statistical population of this research includes all customers of LG home appliance stores in Tehran in 1398. In this study, 300 questionnaires were randomly distributed and collected among customers of home appliance stores. The results show that awareness, acceptability, perceived resentment and perceived motivation of advertising in the smartphone environment affect the value of advertising in home appliance stores, but perceived entertainment of advertising in the smartphone environment affects the value of advertising in Home appliance stores have no effect. Awareness, acceptability, perceived entertainment, and perceived motivation of advertising in the smartphone environment affect the fascination in home appliance stores, but perceived resentment of advertising in the smartphone environment does not affect the value of advertising in home appliance stores. Emotional value, value of advertising, fascination, quality of web design and brand awareness affect the intention of consumers to buy home appliances in home appliance stores. Emotional value and quality of web design affect brand awareness in home appliance stores.

**Keywords:** advertising, advertising in the smartphone environment, the intention of consumers to buy

## **Introduction:**

In a competitive environment, consumer buying intentions, it is very important that sellers pay attention to ways to improve the effectiveness of advertising. Today, marketers need a practical model to make the connection between the characteristics of successful advertising and the behavioral intent of customers (Hyun et al., 2011). Advertising has the effect of emotional responses on the intention of customers to buy home appliances (Chang, 2006). The intention of consumers to buy home appliances is people's perception of the performance of a product and whether consumers are able to buy more than a particular organization or minimize their purchases (Omidi et al., 2017). Advertising is made up of complex dimensions. Researchers have proposed different evaluations of the dimensions of advertising as well as its criteria (Hyun et al., 2011). Advertising has also been defined as the promotion and impersonal presentation of ideas, goods and services by a known official (Ismaili and Amani, 2017). Due to the growth of the smartphone industry and the development of new operating systems and applications, the number of smartphone users has increased significantly. According to Gartner (2016), for this reason, the purpose of this study is to examine the impact of advertising on the smartphone environment for consumers to purchase home appliances. So the main issue of the research is what is the effect of advertising in the smartphone environment for consumers to buy home appliances?

Theoretical Foundations: Advertising attraction is the subject (background-root) of an advertisement. In order for the recipient to receive the desired message, the advertiser places some stimuli in the message. This driving force is attraction. Each advertising attraction represents the attraction that Stimulates consumer desires (Behboodi et al., 2014). The most common attractions used in advertising messages are: logical, emotional, laughter, fear, sexual and moral attraction (Rahimnia and Rahimian, 2015). The emotional / logical framework has been extensively studied in the marketing and advertising literature and is probably rooted in Copeland's theory that people buy products for emotional or logical reasons (Myler & Stafford, 1999). Et al. (2014) in the article entitled "Study of variables affecting the choice of emotional and logical attractions in online advertising among Muslim customers" The effect of five variables of Internet motivation, electronic lifestyle, user type, advertising strategy and product engagement on the choice of attractions They examined advertising (emotional or logical). (Behboodi et al., 2014). Smartphone ads Mobile advertising helps vendors, media services and manufacturers to get a broad understanding of consumer offerings. The success of these groups depends on the following principles: better understanding of environmental conditions, consumer, technology variables, strong focus on advertising goals, taking into account market factors related to the nature of shareholders, market environment and the use of telephone advertising elements A suitable

companion to improve the relevant outcome measures (Greival et al., 2016). Many factors can affect the usefulness and effectiveness of smartphone advertising. For smartphone marketing to be successful, like any other new innovation, customers must first accept it (Bauer et al., 2005). In 2019, Aramandia-Manta et al. Examined the factors influencing consumer attitudes toward mobile advertising. They have found entertainment to be the only variable influencing people's attitudes towards mobile advertising. Permission-based marketing is also on the rise due to the high consumption of consumers in advertising. Tsang et al. (2004) found that entertainment, credibility, resentment, and information value are significant factors influencing response attitudes toward mobile advertising. Common smartphone ads 1 - 3G: Zhang (2009) Explain the benefits of 3G in that 3G enables better and faster data transfer and provides a variety of services such as web browsing, video conferencing, business applications Provides electronics (video, voice communications, online media, mobile, etc.) and personal information services. One of the great benefits of smartphone marketing is the ability to place-based marketing. Location-based services are very useful for local advertising campaigns: for example, the customer may receive a short message about the nearest restaurant or bus stop (Scarl et al., 2005). Location-based advertising to get the customer to the location Special is used (Tsang et al., 2004). Location-based ads are time-sensitive, so ads are only sent to people when they pass through a specific location or purchase a particular product (Scarl et al., 2005). 2- Bluetooth: Sellers can use this feature to send rich content such as games, ringtones, clips, etc. to consumers. This method of advertising is generally cheaper than other methods (Bank et al., 2010). 3- SMS: SMS has been used mainly as a tool to communicate between social networks (Leung, 2007). SMS is not able to deliver very rich content compared to other forms of advertising, so advertisers focus on creating value for the consumer with these messages instead of using them as mere advertisements (Mack, 2007). Although SMS advertising has become a useful tool for marketers, the lack of media knowledge and trust indicates that this tool is underused (Grant and Stephanie, 2007). Conceptual model of research This research is based on the conceptual model of Matins et al.'s article (2018). The conceptual model of this research is presented in

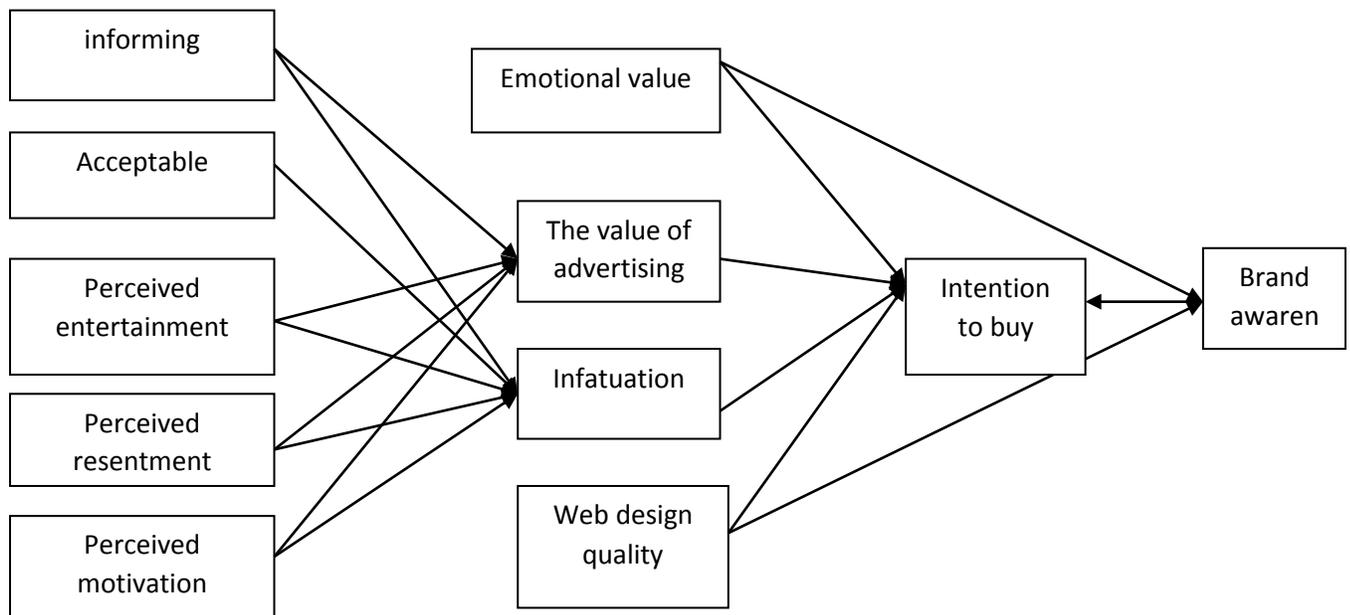


Figure 1- Conceptual model of research taken from Matins et al. (2018)

**3- Analysis:**

sampling method and sample size Because the statistical framework in this study is unlimited. The statistical sample is 30 people and considering that LG home appliance stores in Tehran include stores in the north, south, west and east of Tehran, the number of customers of stores LG home appliances in the north of Tehran - 75 and the number of customers of LG home appliances stores in the west of Tehran - 75, the number of customers of LG home appliances stores in the east of Tehran - 75 and the number of customers of LG home appliances stores in the south Tehran is 75. In this study, a total of 300 customers were selected from LG home appliance stores in Tehran, and

these stores were selected as a statistical sample by stratified random sampling from the statistical population. Gender As shown in Table 1, 156 of the respondents are male and 144 of them are female.

**Table 1 Frequency distribution of respondents by gender**

		Characteristic
Man	Female	Gender
156	144	Abundance
52	48	Frequency

**Reference: Author, 2020**

Check the sample characteristics in terms of age Table 2 shows how the sample is distributed in the three age groups.

**Table 2 - Age status of respondents**

Frequency	Abundance	Age status (year)
3	9	Under 30 years
41	123	30-50 years
56	168	Over 50 years

**Reference: Author, 2020**

Examining the characteristics of the sample in terms of education level Another question that arises in the demographic section is the educational status of the respondents.

**Table 3 - Educational status of the respondents**

Frequency	Abundance	Level of Education
0.00	0.00	Diploma and sub-diploma
48	145	Bachelor
23	68	MA
26	77	PhD student
3	10	P.H.D
100	30	Total

**Reference: Author, 2020**

Confirmatory factor analysis First, the KMO test is performed to ensure the adequacy of sampling. Momeni (2010) considers the appropriate value for this index above 0.6.

**Table 4 - Confidence statistics of research variables**

Variables	Sampling adequacy index	Significance factor
informing	0.825	0.00
Acceptable	0.849	0.00
Perceived entertainment	0.826	0.00

Perceived resentment	0.776	0.00
Perceived motivation	0.768	0.00
Emotional value	0.832	0.00
The value of advertising	0.720	0.00
Infatuation	0.789	0.00
Web design quality	0.767	0.00
Intention to buy	0.753	0.00
Brand awareness	0.854	0.00

**Reference: Author, 2020**

The value of sampling adequacy index for each of the variables is higher than 0.6 and also the value of KMO of the general model is higher than 0.6. Also, since the significance level of Bartlett test is less than (0.05), the adequacy of sampling is confirmed.

**Table 5- Statistics of adequacy of general model data**

0.800	Sampling quality index	
855,301	K-square	Bartlett spherical test
6	Degrees of freedom	
0.00	meaningful	

**Reference: Author, 2020**

**Investigating the quality of general model structures**

In this study, to investigate the extent to which independent variables have been able to explain their dependent variables, we have used the detection coefficient ( $R^2$ ), and redundancy criteria. Recognition coefficient The greater the number of exogenous variables of an endogenous variable, the higher its  $R^2$  is expected. Although  $R^2$  is considered equivalent to 0.25, 0.50 and 0.75, respectively, weak, medium and strong values, however, its optimal value depends on the subject of research on the one hand and the number of latent exogenous variables It has an endogenous variable whose  $R^2$  is calculated. As shown in Table 4-15.

**Table 6- Detection coefficients of model variables**

R Square	Variables
0.928719	Brand awareness
0.926676	Intention to buy
0.941593	The value of advertising
0.964964	Infatuation

**Reference: Author, 2020**

Criterion of redundancy The total redundancy is also equal to the mean  $R^2$  of the structures in the mean of their common values (square load factor) as shown in Table 7.

**Table 7 Criteria numbers of redundancy of latent variables**

Redundancy	Shared amount	$R^2$	Variables
-	0.738877	-	informing

-	0.736313	-	Acceptable
-	0.899513	-	Perceived entertainment
-	0.908298	-	Perceived resentment
-	0.926046	-	Perceived motivation
-	0.845608	-	Emotional value
0.278119	0.782807	0.941593	The value of advertising
0.666918	0.733703	0.964964	Infatuation
-	0.725944	-	Quality web design
0.722736	0.913745	0.926676	Intention to buy
0.803144	0.900337	0.928719	Brand awareness
0.617729	0.82829	0.940488	Average

**Refrence: Author, 2020**

Structural Equation Modeling Testing research hypotheses The present study has seventeen hypotheses: Hypothesis 1: Awareness of some advertising in the smartphone environment affects the value of advertising in home appliance stores. H0: Awareness of some advertising in the smartphone environment does not affect the value of advertising in home appliance stores. H1: Part of the awareness in the smartphone environment affects the value of advertising in home appliance stores.

**Table 8 Report on R2 criterion, Q2 criterion and GOF criterion**

GOF			Criterion Q <sup>2</sup>			R squares			Variable
.36 Strong	.25 medium	.01 Weak	.35 Strong	.15 medium	.02 Weak	.67 Strong	.33 medium	.19 Weak	
0.882608						-			informing
						-			Acceptable
						-			Perceived entertainment
						-			Perceived resentment

		-	Perceived motivation
		-	Emotional value
	0.730596	0.941593	The value of advertising
	0.704680	0.964964	Infatuation
		-	Quality web design
	0.814843	0.926676	Intention to buy
	0.831018	0.928719	Brand awareness

Reference: Author, 2020

Table 9 - Summary of hypothesis test results

Test result	T-value	Path coefficient	assumptions	Row
Confirmation of the hypothesis	9,743	0.243	Awareness of part of the advertising in the smartphone environment affects the value of advertising in home appliance stores.	1
Confirmation of the hypothesis	6,016	0.441	The acceptability of ads in the smartphone environment affects the value of ads in home appliance stores.	2
Reject the hypothesis	0.253	0.014	Perceived entertainment from the smartphone environment affects the value of advertising in home appliance stores	3

**Conclusion:**

The main purpose of this study is to determine the effect of advertising in the smartphone environment on the intention of consumers to buy home appliances in home appliance stores. The present study has seventeen hypotheses: Hypothesis 1: Awareness of some advertising in the smartphone environment affects the value of advertising in home appliance stores. The effect of awareness of a part of advertising in the smartphone environment on the value of advertising has been confirmed. In this hypothesis, the standard coefficient related to the relationship between the awareness of part of the ads in the smartphone environment and the value of the ads is 0.243. Therefore, the research hypothesis is confirmed. Hypothesis 2: The acceptability of advertising in the smartphone environment affects the value of advertising in home appliance stores. The significance number of the fourth hypothesis is 6,016. The impact of the acceptability of ads in the smartphone environment on the value of ads has been confirmed. The standard coefficient related to the relationship between the acceptability of ads in the smartphone environment and the value of ads is 0.441. Therefore, the research hypothesis is confirmed. Hypothesis 3: Perceived entertainment from smartphone advertising affects the value of advertising in home appliance stores The significance number of the third hypothesis is 0.253 and this value is less than 1.96, so H1 is rejected and hypothesis H0 is confirmed. The standard coefficient related to the perceived entertainment relationship of ads in the smartphone environment and the value of ads is 0.014. Therefore, the research hypothesis is rejected. The results show that the significance number of the first hypothesis is equal to 9.743 and this value is more than 1.96. In this hypothesis, the standard coefficient related to the relationship between the awareness of part of the advertisement in the smartphone environment and the value of the advertisement is 0.243. Therefore, the managers of LG home appliance stores are suggested to plan the

advertisement in the smartphone environment. To provide timely, relevant and up-to-date information about products or services to customers. The significance number of the second hypothesis is equal to 6,016. The standard coefficient related to the relationship between the acceptability of advertisements in the smartphone environment and the value of advertisements is 0.441. Therefore, the research hypothesis is confirmed. Therefore, LG home appliance store managers are advised to plan ads in the smartphone environment in a way that is convincing, believable and acceptable to customers. The significance number of the third hypothesis is equal to 0.253 and the standard coefficient is related to the perceived relationship between entertainment and advertising in the smartphone environment and the value of advertising is 0.014. Therefore, the research hypothesis is rejected. LG home appliance store managers are advised to plan ads in the smartphone environment in a way that is enjoyable, entertaining so that customers are attracted to ads through ads in the smartphone environment.

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