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Online Brand Awareness: Determining the Relative Importance of Facebook and Other Strategies among the Malaysian Consumers

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Abstract: The purpose of this study is to determine the relative importance of facebook with other strategies like affiliate marketing and word of mouth in creating online brand awareness. Both exploratory and confirmatory factor analysis is used in the study. The study chooses 303 Malaysian frequent internet users as the respondents. In confirmatory factor analysis, a structural equation modelling (SEM) approach is applied to determine the relationship among the exogenous and endogenous constructs. The study finds facebook as the most influential online brand awareness creating strategies followed by the affiliated marketing and online word of mouth. In creating the online brand awareness; all the strategies have positive influence, however. The study can be a useful guideline for managerial implication in practice.

Keywords: *Online Brand awareness, facebook, affiliates marketing, word of mouth, comparative importance*

1. Introduction

At the day before yesterday social media had no clue to become the popular strategy not only in the web marketing but also in the overall business perspective. However, it becomes most powerful media in every aspect of the life today. Among many social networking sites, facebook.com has the highest number of users. According to facebook.com, the total number of facebook users is reached 800 millions in 2011. A statistics demonstrate that facebook attains one trillion page views in the month of June 2011, which makes the portal most visited website in the universal (doubleclick.com). The use of facebook becomes such popular that in many instances, instead of using the corporate main websites consumers prefer to follow the facebook fan pages. It has also become the integral part of product and service promotion. Though there are several strategies to create the brand awareness online like affiliate marketing and word of mouth or viral marketing strategies, the emerging power of the social media like facebook makes the advertisers' choice quite strategic. Malaysia is a multicultural country having many of the races in its population. Internet penetration rate in Malaysia is very high in the region. Similarly, the number of facebook users is also significant here. According to Facebook.com its users reached up to 12,060,340 at December, 2011 in the country. 38.2 percent of them, meaning that the greater portion, are in between 18 to 24 years. Due to the lack of literatures in the aspect, the study will give a snapshot of the comparison of facebook, affiliated marketing and word of mouth strategies in creating brand awareness online among the different races of Malaysia. Having a clear idea on this issue may give the desired benefits to the concerned advertisers and the role players in practice.

2. Literature review

Essence of Brand awareness: In managing long term customer equity, brand awareness plays a very important role as an integral part of brand association in the memory of the concerned consumers. Despite the critical role of brand image in high involvement decision setting, brand awareness is being treated as sufficient where the customer involvement is low (Keller, 2008). Hence, to gain the desired differential response, the brand should create the awareness buzz in the consumer minds (Rios & Riquelme, 2010). Keller (2008) characterized brand awareness with two elements like brand recognition and brand recall performance. Brand recognition is treated as the consumers capacity to identify the brand whilst the brand itself is given as a cue. Brand recall is the consumer ability to remind the concerned items. Here, instead of the brand itself, purchase and/or usage situation is given as cue. Brand recognition is important in store based purchase decision while recall is important in other cases (Rios & Riquelme, 2010). Once brand awareness is established efficiently, it may have learning, consideration

and choice advantages (Booth & Matic, 2011). Repeated exposure should take place in branding efforts to increase familiarity. Brand names may need to reinforce visually and verbally. Shock advertising attached with the bizarre themes can also be used in creating the desired brand awareness (Keller, 2008).

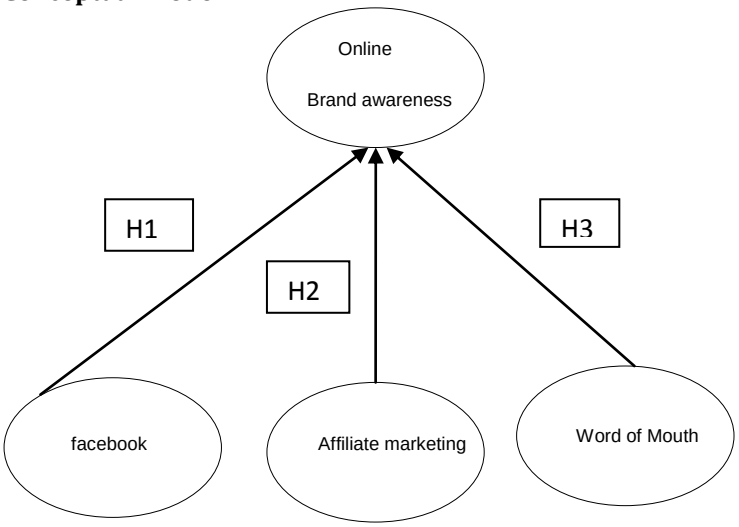
F**acebook and commercials:** Facebook is market leader among all the social media. The current valuation of facebook is over $85 billion and it is expected to earn over $22 billion of revenue and $234 billion of market value by 2015 (Rosoff, 2011). Facebook is free for the non commercial user. Therefore, they are free from any sorts of suffering and loss of economical capital. It is similar to the broadcast television, and nevertheless, advertisement are exposed to them like banner and targeted commercial. Moreover, it is a good place for the sales of many games and virtual goods. It contains some virtual product like cakes and champagne. The overall sale of virtual knick-knacks was growing up to $1.6 billion in 2010 (Sweeney et al., 2012). Facebook is an innovative organization to truck its user as a social capital. Instead of using any anonymity, facebook always encourage its addict to use the real name and the right descriptions. Advertiser can get the right customer with analyzing the actual profile of them. As a result, advertisers can customize the users for the right offer while they have the access of users' lives and their friends and family information. It gives an immense occasion to the corporate houses to access the exact demographic features and the true social ties and the networks they are attached with, for an instance, the information about the family, co workers, class mates and peers of the concerned individual or group of the users. The growing number of facebook users attracts the advertisers to display their promotion in the site. According to the interactive advertising bureau, the number of facebook users is greater than any of TV networks in the world (Rosoff, 2011). Furthermore, due to the exact information on users' demographic character like gender, age, interests and purchases situation, the site becomes truly important for the advertisers. Facebook is also professional and strategic to the interest of the advertisers and commercial users. It works jointly with Nielsen, a marketing researcher agency, to justify the impact of social networking on the issue like brand awareness. The users of the facebook are 30 percent more likely to share or comment and know the advertisers' message if they find any of their friends like or comment on it (Lilley, Grodzinsky, & Gumbus, 2012). Facebook fan page also gives the organization an ample opportunity to attach with the target users. It becomes so popular that people now preferring to migrate into the facebook fan sites and start leaving the main brand web site (Neff, 2010). Now a day, individuals are not comfortable to get email and text message from advertisers and more often find it as interruption (Lilley et al., 2012). With considering the issue, facebook becomes very tactical to know the kind of advertisement they prefer and the reasons to dislike the certain advertisements. Facebook becomes proactive to maintain both users and advertisers interest. Meaning that, it trucks the customer interest towards the specific commercial and let the advertiser customize their facts according to the choice of customers.

Affiliated Marketing in creating online awareness: After the frustration of traditional approach in on-line marketing where advertisers pay for per impressions, there was a hope for pay per click (PPC) and the marketing via email or e-mail marketing. But, these mechanisms were also collapsed. Pay per click (PPC) strategy became inutile due to the gigantic gap between the click and actual sales rate. Similarly, people started moving most of the commercial email into spam. Following this frustration, the importance of the affiliate marketing or using recommenders' agent become popular(Duffy, 2009). In affiliated marketing approach, the advertiser has little or no possibility to lose anything. The advertisers used to pay only when the product is sold. Many affiliates are equipped to join with the advertiser once they find the favourable framework and the right course of progression. In general, affiliated firms do not invest anything except the sales efforts in the return of negotiated amount of commission which is infact; give the e-marketing strategy a good prospect to live for long time than the other tools. Consequently, it confirms the real win- win situation and appeared as durable and most genuine strategy.

Spirit of Word of Mouth in business: Word of mouth is treated as one of the most effective tools both in traditional and online marketing. A justifies word of mouth is treated as the gigantic advantage for the organization that eventually triggers the effective and quick promotion efforts (Anderson, 1998). Typically the WOM is justified with the frequency level and the number of receiving people. However, the power and the scope of the message should also be considered with these two factors (Sweeney et al., 2012) . There are two category of WOM, one type is just share of thought among the people without the sales request while the other type is the link with the successive request to buy or follow the items (Bone 1992). All marketers want to increase the second type of WOM and try to convert the first type into the second type as efficiently as they can (Fang et al., 2011)**.** WOM is not same for every kind of product and services. It has much more influence in service market rather than the traditional product (Fang, Lin, Liu,

Lin, & Lin, 2011). In choosing consumer buying behaviour and attitude, some literatures on WOM are widely used. Godes and Mayzlin, (2004) shows the importance of WOM in the new product purchase decision. Quinton and Harridg (2010) showed the significance of WOM in food and service industry while Bansal and Voyer, (2000) reveal its necessity in a range of services. In depicting the notion of success in WOM, many requisites are viewed by the scholars. The types of product and service are the big issue for the success of WOM (Murray, 1991) while the relationship of specific social process with the success of WOM is also found (Chen et al., 2011). In the success of WOM, both the views of sender and receiver are important.

Conceptual model



Hypothesis: Following null hypothesis are made based on the research model
H1: Social networking/ facebook has influence towards the customer brand awareness.
H2: Affiliate marketing has influence towards the customer brand awareness.
H3: Word of mouth has no influence towards the customer brand awareness.

3. Methodology

As the main purpose of this paper is to assess the relative importance and role of the brand awareness creating strategies like affiliate marketing, word of mouth and facebook among the concerned consumers, a self administered questionnaire was placed to obtain the required primary data from the general internet users. Data was collected on convenient basis. Though convenient sampling techniques was used in the study; Meyer (2000) suggested that a modest justification in convenient sampling can represent the characteristics of total population as well. First hand data was collected randomly from various places like Kuala Lumpur, Seang, Penang, Johor, Melaka and Perlis. Face to face customer survey was deployed in the collection of data. In some instances, data was also collected via email. Five point likert scale was used as the descriptors of the given answer ranged from strongly disagree, disagree, somewhat agree, agree, strongly agree. Among the 400 distributed questionnaires, 303 respondents are considered as complete and valid for the data analysis. 75% success rate in this regard is treated as modest in number considering the given cost, time and other constraints. To bring out the more prominent attributes of each constructs from many, factor analysis was conducted. Factor analysis is an effective statistical method that can combine the large amount of data into smaller amount with managing the minimum loss of information (Hair et al,. 1992). To justify the relative importance of the constructs and find out the overall relationship among the variables and constructs, structural equation modelling (SEM) was used in succession.

4. Results

Factor analysis: Factor analysis is deployed to sort out the items to the concerned constructs. Among the 16 items, the response of over 300 respondents is examined applying the principle component analysis (PCA). Table 1 gives the satisfactory reliability statistics of the analysis with the overall value of Cronbach's Alpha over .90. Constructs validity of the factor analysis is determined here by Bartlett's Test

of Sphericity and the Kaiser–Mayer–Olkin (KMO) test. KMO measures the sample adequacy while the value of Bartlett's Test of Sphericity should be significant for the construct validity. In both of the cases, the study contains adequate number of sample and the significant value in sphericity tests. KMO value more than .60 and the significant value of Bartlett's test show that there is no harm to use the factor analysis in the study (Table 2). After confirming the applicability of factor analysis the study needs to make sure the number of factor in the analysis. The study (Appendix, table 1) shows probable number of factors based on the Eigen value. To set the number of factor, the study set the value one or more as the benchmark here. According to Hair et al. (1992) variables with 0.30 or greater loading is significant while 0.40 and 0.50 or greater are incredibly considerable. Every item is loaded with more than .55 shows its real fit for factor analysis. The Following table (table 3) shows the association of items to each factor. The higher the loading is the higher of the affiliation. The value of the table demonstrates that all the items are loaded into four constructs and none of the loading is insignificant.

Table 1: Reliability Statistics

Reliability Statistics	
Cronbach's Alpha	N of Items
.901	29

Table 2: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.816
Bartlett's Test of Sphericity	Approx. Chi-Square	1714.952
	df	465
	Sig.	.000

Table 3: Rotated factor Matrix

Description	**F1**	**F2**	**F3**	**F4**
Brand awareness:				
Brand recognition	.779			
Brand recall if name is given as cue	.744			
Brand recall if logo is given as cue	.719			
Brand recall if slogan is given as cue	.668			
Facebook:				
Interactive Ad		.709		
Banner ad		.690		
Virtual product display(game, cake)		.745		
Facebook fan(like) page		.614		
Affiliated marketing:				
Good arrangement of information			.733	
Expectation of hassle free purchase			.712	
Interactive display			.648	
Value add services			.763	
Word of mouth:				
Email				.777
Search engine				.698
Blogger sites				.538
Other online rumour				.719

Structural Equation Modelling Approach: Structural equation modelling is a comprehensive approach to find the relationship among the factors. In SEM, prior to examine any specific relationship, researcher must determine the overall model fit (Hair et al., 1992). The researcher must either accept or reject the entire model. Hence, before to set off to the path analysis, the study went for measurement model to justify if the model defines the constructs adequately. The similarity between measurement model and the full (path) model is also necessary for depicting the different sorts of validity of the analysis. Among the many statistical evidences, some are treated as relatively important in seeking the overall model fit

for complete structural model (path analysis). In depicting the overall model fit, the research should report $\chi 2$(Chi square) and the degree of freedom with p-value along with incremental index (at least one) such as CFI or TLI) and one absolute index like RMSEA (Hair et al., 1992). $\chi 2$is treated as the fundamental tools used to assess the overall fit measures. The calculated chi square value depends on the sample size and the difference between the observed and model covariance matrix. Meaning that, the lower the value is the better at certain degree of freedom and given "P" value. In the study, Chi Square value is closed to the standard value at the given degrees of freedom and p value shows the good fit. The number of items used in a model is also considered to justify the p value of the model. For an instance, if the number of item is more than twelve with the 250 or greater respondents, significant p value is expected. Comparative fit index (CFI) is one of the mostly used incremental indexes used to examine the baseline comparison. Fundamentally, it measures the correlation and their average size in the given data. Higher the correlation between the variable is higher the CFI value. The expected CFI value is .90 and higher (close to 1). Root mean square error of approximation (RMSEA) is a kind of absolute index to assess the overall model fit. The value of .05 and less is expected for the good model fit while the value of .1 or more usually indicates the poor model fit. A complete path model is shown in the following which is depicted from an alternative model attached in appendix (figure 1). Some items are overlooked here due to the insignificant relationship with the concerned constructs.

Figure: 1 degree of association between brand awareness with facebook, affiliated marketing and word of mouth techniques

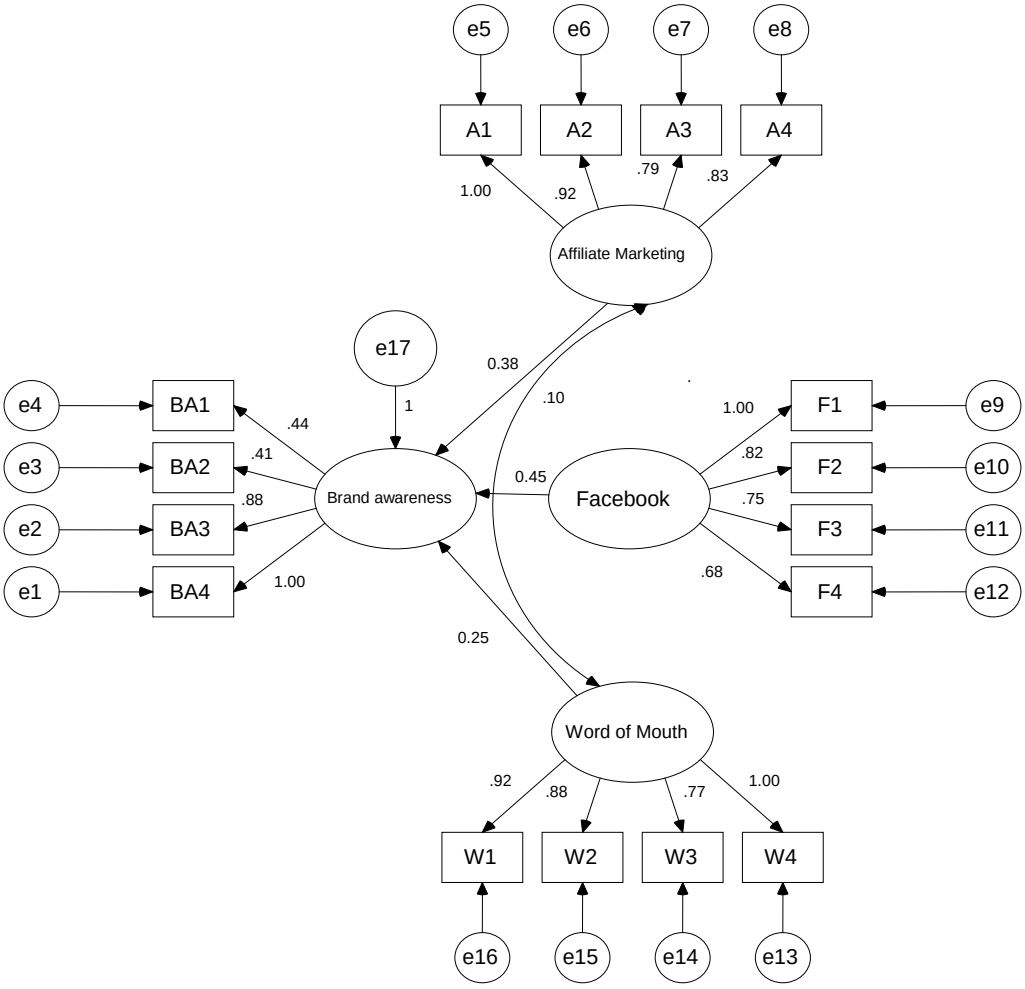


Table 4: fit measures of main model:

Fit measures	Main Model
X2	9.922
Degree of freedom (df)	10
P	0.00
Root mean square error of approximation (RMSEA)	0.32
Comparative fit index (CFI)	0.987
Goodness-of-fit index (GFI)	0.977
Adjusted Goodness-of-fit index (AGFI)	0.950

Table 5: Standard Estimation of the Main Model

Standardized Regression Weights	Estimate	S.E.	C.R	P
Facebook	.212	.100	6.867	***
Affiliate Marketing	.192	.093	4.683	***
Word of Mouth	.204	.106	3.195	***

Hypothesis testing: In the given standard estimation of the main model, C.R value is used to test the hypothesis in SEM. Its value over 1.96 is treated as the benchmark to establish the relationship (Hair et al, 1992). CR value of the study suggests that (table 5) for every specific cases, facebook, affiliate marketing and word of mouth has the significant impact in creating the overall brand awareness of the business. Meaning that, alternative hypothesis H1, H2 and H3 are not rejected. $\chi 2$, the df with p-value along with the incremental index like CFI, absolute index such as RMSEA show the absolute overall model fit of the study. Overall, the endogenous variable has the direct and straight significant relationship with the given exogenous variables. Since .20 and more value is considered as the significant number for defining the relationship from construct to construct (Hair et al., 1992), the path model shows that the relationship between facebook to brand awareness, affiliate marketing to brand awareness and word of mouth to brand awareness is significant.

Validity of the Analysis: Besides the main path model, the study should also consider the measurement model to test the model validity. Usually structural equation modelling needs to test three types of validity named as convergent, discriminant and nomological validity. In the final analysis, all the items attached with the constructs, have the factor loading of .70 and more. Meaning that, it satisfies the requisites of convergent validity of the value of factor loadings. In terms of testing discriminant validity, the study needs to consider the significant squared correlation value. All the values in the model seem quite fit at the level of 0.001. Considering the Overall fit indices, number of samples and other measures, the nomological validity appears to be satisfactory in the study as well.

Relative importance of the online brand awareness creating activities: The respective value of factor loading from figure one shows that sequentially facebook, affiliate marketing and word of mouth has the significant attachment in creating brand awareness with the factor loading of o.45, 0.38 and 0.25 respectively. Meaning that, the values of all path coefficients are significant, however, the levels of attachment are different. The model identified facebook as the most contributing factor in creating brand awareness online. It is the similar types of results of Giles (2010). The study showed that among all the tools, facebook has become the number one choice for creating online brand awareness. The result is the reflection of the recent dominance of facebook in social and business arena. Affiliate marketing is found as the next important strategies to create the online buzz among the users. This is also the reflection of people's attraction towards the relatively more organized affiliated business entity. The result is the similar to the study of Duffy (2009) that indicates users attraction toward the affiliated organization those are giving extra value add service and provide customer utility towards the specific group of customers. The model shows that traditional online word of mouth has also significant relationship in creating brand awareness though it is place behind the facebook and affiliate marketing activities. It is supports the recent literature of online marketing to show the downward trend of popularity of email and other traditional rumour in web and blogs.

5. Conclusion and Limitations

The emergence of social media gives a breakthrough in the online advertisement and branding. Particularly, with the highest traffic in the web, facebook attracts the advertisers a lot to rethink and reorganize its online marketing and branding strategies. The study gives a snap shot to the advertisers and key role players, the comparative importance of facebook with other online marketing tools in creating brand awareness among the Malaysian users. It identifies people recent destruction about the email and other general awareness created activities. Rather, it finds the consumer attraction towards the customized and more relevant commercials. Since facebook provides the specific target group before the advertisers, they can customize their message and promotion according to the specific choice of the concerned group, the study revealed. Conversely, facebook becomes impressive to the users for let them allow only the commercials they prefer and interested in while they also like concerned affiliates for providing the reach information and lucrative value add services. For the use of word of mouth online, however, the study finds the downward popularity in creating the brand awareness online. The study examines the comparative importance of facebook, affiliated marketing and word of mouth to create online the brand awareness comprehensively, however, other factors like the corporate web site the brand, online purchase hub (like eBay, amazon.com) could have been considered in the study. Fundamentally, the research has virtually very few similar types of study to compare every parts of the theory. Moreover, as Malaysia is the multicultural country with many of the races, a future study can be done with considering race like Malay, Chinese and Indians as the moderating variables of the analysis.

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