# THE MEDIATING EFFECT OF THE BRAND ON THE RELATIONSHIP BETWEEN SOCIAL NETWORK MARKETING AND CONSUMER BEHAVIOR

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<u>Abstract:</u> : In this paper, we investigate the relationship between social network marketing and consumer behaviors. It is a descriptive study with primary focus on practical aspects. To do the task, we conduct a survey based on our proposed questionnaire. The Structural Equation Modelling (SEM) and Smart PLS software are used to evaluate the obtained dataset including more than 384 samples. The results indicate that the brand value has more impact on consumer response as compared to social networks marketing.

Keywords: social media marketing, consumer behavior, Telegram, Instagram, SEM, PLS.

## I. INTRODUCTION

Today, telecommunication networks have been widely developed all over the world [1, 2]. Emerging new technologies such as Cognitive Radio [3, 4], LiFi, and Software Defined Networks in 5G as well as developing the concepts such as the Internet of Things (IoT) draw a broad and unpredictable expansion of data networks in the near future. This implicitly means that worldwide and more available data networks may be provided with the highest Quality of Service (QoS) and also Quality of experience (QoE) to share varies data types such as image, video, voice, text, and interactive multimedia in large scales [5, 6]. This can lead to sharp changes in the Internet user population and their desirous behaviors to access media networks [3,4,7].

With the advent of virtual social networks, human relations on the Internet have taken a new form. Social media have merged into other forms of computer-based communications and consequently, have transformed the media prospects, interpersonal interaction practices, and meeting the user needs [8]. Both small and huge organizations have joined to social media and are trying to discover its benefits. Awareness of the components and dimensions affecting business success in cyberspace may help authorities both in right policy-making of the laws and infrastructure and providing a clear view for business owners about the attitudes, preferences, and concerns of the customers. That can eventually assist to improve the prosperity of domestic virtual markets and get the maximum benefit out of the available potentials in this area.

## II. RELATED WORKS

In [9], they argued that despite the growing importance of social media in the business world, researchers have not yet paid the deserved attention to this theoretical field. Therefore, managers direct content marketing strategies only by relying on speculations, trial and error without any scientific basis. Consequently, researchers have designed

and presented a comprehensive framework for content marketing initiatives on social media in their research [10] in which all the effective dimensions including supportive measures as well as interactive and communicative marketing have been considered. Finally, there are some tips to increase the effectiveness of such content marketing.

In [11], they examined the content strategy role in social networks on the quality of brand communities in Indian higher education institutions. Their results showed that the agility and type of content had a significant effect on the frequency of comments and likes, which reflect the level of users' engagement. Finally, this research provides marketing managers with practical guidelines to implement the content strategy effectively.

In [12], the researchers deployed the structural equation modeling in their work examining the role of "habit" and "website quality." The results show that the user intention for continuous use is determined by three key factors of perceived usefulness, trust, and habit. Furthermore, the qualitative dimensions of a website have a noticeable and significant impact on perceived usefulness and trust. In some researches, the impact of website qualitative dimensions of direct electronic sales on customer satisfaction was investigated. For example, in [13] they divided the system quality into two parts of web design and interactivity, the information quality into two parts of information capability and security, and also service quality into three parts of accountability, reliability, and empathy.

Furthermore, some researches defined different system quality categories. They [14] categorized the qualitative dimensions of websites into three categories of system, information, and service qualities. They concluded that all qualitative dimensions are correlated with customer satisfaction except for empathy, while others concentrated on perceived usefulness, trust, and habit [15]. Their results show that the user intention for continuous use is determined by three key factors of perceived usefulness, trust, and habit. Also, the qualitative dimensions of the website have a noticeable and significant impact on perceived usefulness and trust.

Guerrero et al. [16] introduced the dimensions of website design, reliability, accountability, assurance, and personalization, based on the traditional SERVQUAL model [18], in order to clarify the relative factors of the online service quality. They also examined the relationship between the dimensions of the electronic service quality, the overall quality of service with customer satisfaction. According to it, confidence is the most central factor in the quality of service and customer satisfaction, and the next important factors are reliability and accountability. The website design lies after these dimensions. Finally, the matter surprised them is that personalization lies at the bottom of the list as the least effective dimension.

## **III. RESEARCH MODEL AND ASSUMPSIONS**

A conceptual model is considered as an important step in the research process. The model is based on the research work of Godi et al. [20], which has been depicted in Figure 1. Furthermore, some important hypotheses are listed below Equations, tables and figures will be included in the text in the order of reference.



Figure 1. The conceptual model of the research.

**Hypothesis 1:** Social network marketing has a significant impact on brand value.

**Hypothesis 2:** Social network marketing has a significant influence on consumer response.

**Hypothesis 3:** Brand value has a significant effect on consumer response.

**Hypothesis 4:** Social network marketing through brand value has a significant impact on consumer response

#### **IV. RESEARCH METHODOLOGY**

Cronbach's alpha [21] is used in the present study to measure reliability. This method is applied to estimate the internal consistency of the instruments such as questionnaires and tests that measure different traits. The standard deviation of each subset scores of the questions in the questionnaire should be first appraised to estimate Cronbach's alpha; then, the alphabe obtained through the following equation:

$$\mathbf{r}_{\alpha} = \sqrt{\frac{\mathbf{j}}{\left\{ (\mathbf{i}-1) \times \left[ \sum_{j=1}^{\mathbf{S}_{i}} \mathbf{S}_{j} \right] \right\}}}$$
(1)

Validity is also used to evaluate content validity based on the opinion of experts and university professors. Both convergent and discriminant validities should be calculated to assess validity in the partial least squares (PLS) models [22]. These two types of validity are explained.

#### **Convergent validity**

In the partial least squares (PLS) method, the average variance extracted (AVE) is used in order to estimate the convergent validity of the constructs. The minimum acceptable value for convergent validity is 0.5 for each construct. The results of this test are presented in table 1.

| Table 1. Discriminant valid | ity | y |
|-----------------------------|-----|---|
|-----------------------------|-----|---|

| Variables                 | (AVE)  |
|---------------------------|--------|
| social networks marketing | 0.7894 |
| entertainment             | 0.8126 |
| interactional dimension   | 0.8293 |
| Timeliness                | 0.5611 |
| Customization             | 07434  |
| word-of-mouth marketing   | 0.7842 |
| brand equity              | 0.6334 |
| brand awareness           | 0.7064 |
| brand image               | 0.7129 |
| consumer response         | 0.6984 |
| consumer preferences      | 0.6340 |
| cost-effectiveness        | 0.6639 |
| Loyalty                   | 0.5940 |

In table1, the average variance extracted (AVE) value for the research variables is between 0.5611 and 0.8293. This value is higher than the minimum value of 0.5, indicating the acceptable convergent validity of the constructs.

## **Discriminant validity**

The correlation test was used to examine the discriminant validity of the constructs. For this purpose, the square root of the average variance extracted (AVE) for each construct should be higher than the correlation of that with other constructs. Table2 shows the appropriate discriminant validity of the constructs.

## ACTA TECHNICA NAPOCENSIS

Electronics and Telecommunications

| variables               | 1     | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9      | 10     | 11     | 12     | 13     |
|-------------------------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| social networks         | 0.789 |        |        |        |        |        |        |        |        |        |        |        |        |
| marketing               | 4     |        |        |        |        |        |        |        |        |        |        |        |        |
| Entertainment           | 0.659 | 0.8126 |        |        |        |        |        |        |        |        |        |        |        |
| interactional dimension | 0.789 | 0.538  | 0.8293 |        |        |        |        |        |        |        |        |        |        |
| Timeliness              | 0.644 | 0.554  | 0.711  | 0.5611 |        |        |        |        |        |        |        |        |        |
| Customization           | 0.479 | 0.567  | 0.665  | 0.528  | 0.7434 |        |        |        |        |        |        |        |        |
| word-of-mouth           | 0.685 | 0.457  | 0.526  | 0.533  | 0.491  | 0.7842 |        |        |        |        |        |        |        |
| marketing               |       |        |        |        |        |        |        |        |        |        |        |        |        |
| brand equity            | 0.357 | 0.526  | 0.580  | 0.493  | 0.484  | 0.394  | 0.6334 |        |        |        |        |        |        |
| brand awareness         | 0.497 | 0.488  | 0.520  | 0.533  | 0.629  | 0.694  | 0.529  | 0.7064 |        |        |        |        |        |
| brand image             | 0.357 | 0.56   | 0.581  | 0.497  | 0.483  | 0.394  | 0.357  | 0.526  | 0.7129 |        |        |        |        |
| consumer response       | 0.497 | 0.485  | 0.526  | 0.537  | 0.622  | 0.698  | 0.492  | 0.484  | 0.523  | 0.6984 |        |        |        |
| consumer preferences    | 0.347 | 0.526  | 0.580  | 0.493  | 0.484  | 0.395  | 0.353  | 0.521  | 0.357  | 0.610  | 0.6340 |        |        |
| cost-effectiveness      | 0.411 | 0.466  | 0.521  | 0.553  | 0.656  | 0.602  | 0.497  | 0.488  | 0.357  | 0.526  | 0.580  | 0.6639 |        |
| Loyalty                 | 0.353 | 0.516  | 0.587  | 0.466  | 0.424  | 01.351 | 0.341  | 0.522  | 0.357  | 0.526  | 0.580  | 0.493  | 0.5940 |

Table 2. Extracted mean square variance

## V. RELIABILITY

Descriptive statistics are applied for displaying demographic information using statistical characteristics such as frequency, percentage, graph drawing, and consumer information analysis. The correlation test is used to examine the discriminant validity of the constructs. For this purpose, the square root of the average variance extracted (AVE) for each construct should be higher than the correlation of that construct with other ones. As can be seen, the Cronbach's alpha and the CR index for all structures are higher than 0.729, which means that the structures are

reliable. CR is a structural equation model that permits estimation of the reliability index and coefficient of a composite test for congeneric measures. The method is also helpful in exploring the factorial structure of an item set; its use in scale reliability estimation and

$$AVE = \frac{\sum Y_i^2}{\sum Y_i^2 + \sum_i var(\varepsilon_i)} , \ CR = \frac{\left(\sum_{i=1}^n Y_i\right)^2}{\left(\sum_{i=1}^n Y_i\right)^2 + \left(\sum_{i=1}^n \varepsilon_i\right)}$$
(2)

development is illustrated.

| variables                 | question | Cronbach's alpha | CR    |
|---------------------------|----------|------------------|-------|
| social networks marketing | 1-15     | 0.765            | 0.769 |
| Entertainment             | 1-3      | 0.863            | 0.861 |
| interactional dimension   | 4-6      | 0.729            | 0.727 |
| Timeliness                | 7-9      | 0.786            | 0.782 |
| Customization             | 10-12    | 0.794            | 0.799 |
| word-of-mouth marketing   | 13-15    | 0.765            | 0.768 |
| brand equity              | 25-30    | 0.873            | 0.870 |
| brand awareness           | 25-27    | 0.818            | 0.823 |
| brand image               | 28-30    | 0.839            | 0.837 |
| consumer response         | 16-24    | 0.798            | 0.800 |
| consumer preferences      | 16-18    | 0.799            | 0.797 |
| cost-effectiveness        | 19-21    | 0.890            | 0.888 |
| Loyalty                   | 22-24    | 0.824            | 0.826 |

Table 3. Reliability of research structures

## ACTA TECHNICA NAPOCENSIS

Electronics and Telecommunications

| Table 4. Descriptive statistics of the social networks marketing |                            |               |            |                            |               |                              |
|--|----------------------------|---------------|------------|----------------------------|---------------|------------------------------|
| Variables  | word-of-mouth<br>marketing | customization | timeliness | interactional<br>dimension | entertainment | social networks<br>marketing |
| Mean   | 3.0833                     | 3.1302        | 3.5911     | 3.9635                     | 3.7708        | 3.5077                       |
| median   | 3.0000                     | 3.0000        | 4.0000     | 4.0000                     | 4.0000        | 4.0000                       |
| standard deviation   | 1.22136                    | 1.23851       | 1.20357    | 1.14656                    | 1.17839       | 1.27815                      |
| variance   | 1.492                      | 1.534         | 1.449      | 1.315                      | 1.389         | 1.634                        |
| skewness   | .073                       | .016          | 338        | -1.130                     | 539           | 383                          |
| kurtosis   | -1.001                     | -1.049        | -1.313     | .527                       | 922           | -1.173                       |
| minimum  | 1.00                       | 1.00          | 1.00       | 1.00                       | 1.00          | 1.00                         |
| maximum  | 5.00                       | 5.00          | 5.00       | 5.00                       | 5.00          | 5.00                         |

|  | Table 4. Descriptive | statistics of the | social networks | marketing |
|--|----------------------|-------------------|-----------------|-----------|
|--|----------------------|-------------------|-----------------|-----------|

| Table 5. Descriptive statistics of the brand equity |             |                 |              |  |  |  |
|---|-------------|-----------------|--------------|--|--|--|
| variables   | Brand image | Brand awareness | brand equity |  |  |  |
| mean  | 3.7630      | 3.3516          | 3.5573       |  |  |  |
| median  | 4.0000      | 4.0000          | 4.0000       |  |  |  |
| standard deviation                                  | 1.03141     | 1.30027         | 1.14798      |  |  |  |
| variance  | 1.064       | 1.691           | 1.318        |  |  |  |
| skewness  | 675         | 287             | 500          |  |  |  |
| kurtosis  | 017         | -1.113          | 603          |  |  |  |
| minimum   | 1.00        | 1.00            | 1.00         |  |  |  |
| maximum   | 5.00        | 5.00            | 5.00         |  |  |  |

### Table 6. Descriptive statistics of the consumer response

| variables          | consumer response | consumer preferences | cost-effectiveness | loyalty |  |
|--------------------|-------------------|----------------------|--------------------|---------|--|
| mean               | 3.5052            | 3.7161               | 3.4297             | 3.3698  |  |
| median             | 4.0000            | 4.0000               | 4.0000             | 3.0000  |  |
| standard deviation | 1.21134           | 1.45072              | 1.22219            | 1.18684 |  |
| variance           | 1.467             | 2.105                | 1.494              | 1.409   |  |
| skewness           | 406               | 760                  | 522                | 248     |  |
| kurtosis           | 754               | 937                  | 718                | 901     |  |
| Minimum            | 1.00              | 1.00                 | 1.00               | 1.00    |  |
| Maximum            | 5.00              | 5.00                 | 5.00               | 5.00    |  |
|                    |                   |                      |                    |         |  |

### **Inferential statistics**

Inferential statistics is used for data analysis and hypothesis testing. Cronbach's alpha is used to examine the reliability of the questionnaire, the one sample t-test is applied to examine the status of the research variables, the confirmatory factor analysis is utilized to assess the research validity, and hypothesis testing is done through structural equation [23]. Indeed, the ultimate goal of the inferential statistics is to estimate the characteristics of the population.

#### Determination of normality or non-normality through Kolmogorov-Smirnov test

Based on [24] the normality of the research variables should be confirmed before hypothesis testing. If the significance level is higher than 5 percent, the variable is normal; otherwise, data are abnormal.

#### Mann-Whitney U test

Mann-Whitney U test is a nonparametric test, which is used for assessing the difference between samples. It is a nonparametric alternative test for the independent t-test that is applied to compare the data obtained from independent groups. The test is used when the conditions of the variables for the use of parametric tests are not provided, i.e., the variables are not continuous and normal [20]. Partial least squares (PLS) method has been developed for coping with the problems of specific data such as lost data, non-normal data, and collinearity between independent variables.

Electronics and Telecommunications



Figure 2. Conceptual model of the research standard numbers of research questions.



Figure 3. Significant numbers of research questions

Then, the confirmatory factor analysis for the questions of the research variables in the standard estimation mode should be done.

The accuracy of the questions related to the research variables should be confirmed before hypothesis testing. Hence, the confirmatory factor analysis is used in this stage. Factor analysis is applied to report the markers selected for the latent variable; it shows that, to what extent, the selected markers define or fit the latent variable. In PLS software, it is necessary to connect all latent variables to each other for doing factor analysis. The accuracy of the questions related to the research variables should be confirmed before hypothesis testing. Hence, the confirmatory factor analysis is used in this stage. Factor analysis is applied to report the markers selected for the latent variable; it shows that, to what extent, the selected markers define or fit the latent variable. In PLS software, it is necessary to connect all latent variables to each other for doing factor analysis.

The observed variables are turned into the latent mode for displaying the output better; the '+' sign inside the circles indicates this issue. Factor loads are significant for the interpretation of the results of factor analysis. These loads show the correlation between each manifest variable (questions) and the related loads. It means that the questions with factor loads lower than 0.4 are not sufficient to remain in the model and they should be omitted. As the model shows, all numbers are higher than 0.4; therefore, no question is omitted (Figure 2).

In addition, confirmatory factor analysis for the questions of the research variables in the significant number mode. The values in this figure assess the relationships between latent variables in terms of significance. If the t-value is higher than 1.96 in a relationship, it will be considered significant at the level of 5 present, and if it is higher than 2.58, it is significant at the level of 0.01(Figure 3). Besides, investigation of the structural modelling fit by the goodness-of-fit (GOF) criterion should be done. The goodness-of-fit criterion is associated with the general part of the structural equation models. It means that the researcher can use this criterion to control the fit of the general part after examining the measurement and the structural parts. This criterion is calculated according to the following formula:

$$Gof = \sqrt{communalities} \times \overline{R^2}$$
(3)

Where represents the average common values of each construct and is the average explained variance of the endogenous constructs of the model. The GOF value related to the structural research model has been calculated in table

9. In the recent formula,  $R^2$  is the average determination coefficient of the endogenous constructs of the model. Three values of 0.01, 0.25, and 0.36 have been introduced as weak, moderate, and strong values for GoF. The GoF value for the present model was 0.603, indicating a solid general fit of the model.

Table 9. Review the GOF criterion

| variable                     | Variance | Communality | GOF   |
|------------------------------|----------|-------------|-------|
| social networks<br>marketing | 0.825    | 0.788       |       |
| entertainment                | 0.819    | 0.815       |       |
| interactional dimension      | 0.837    | 0.830       |       |
| timeliness                   | 0.574    | 0.564       |       |
| customization                | 0.745    | 0.741       |       |
| word-of-mouth marketing      | 0.766    | 0.781       | 0.603 |
| brand equity                 | 0.833    | 0.797       |       |
| brand awareness              | 0.854    | 0.785       |       |
| brand image                  | 0.818    | 0.817       |       |
| consumer response            | 0.835    | 0.834       |       |
| consumer preferences         | 0.576    | 0.569       |       |
| cost-effectiveness           | 0.748    | 0.749       |       |
| loyalty                      | 0.751    | 0.711       |       |
| mean                         | 0.794    | 0.760       |       |

#### VI. CONCLUSION AND FUTURE WORKS

In this paper, the relationship between social network marketing and consumer behaviors is investigated. It is suggested to carry out future studies by larger samples and in other similar companies in the country in order to extend the work. Experimental and quasi-experimental studies could be useful to investigate this issue. In addition, identification and ranking of the factors affecting instant online shopping by applying multi-criteria decision-making techniques are recommended. It could also be interesting to investigate the relationship between social network marketing and consumer behavior with the mediating role of attitudes to brand. Finally, analyzing the role of social networking in the development of word-of-mouth marketing in (Telegram and Instagram) social networks and presentation of a marketing model through them are essential items that can be targeted.

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