Investigating the Effect of Internet Advertising Activities on Word of Mouth Advertising in Cyberspace, Consumer Satisfaction and Commitment

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ABSTRACT

The main issue in the present research is whether internet advertising activities affect word of mouth advertising in cyberspace, consumer satisfaction and commitment? The present research is an applied and field research in terms of purpose, which is a descriptive of survey type in terms of data collection method. The statistical population of this research includes all customers of Dina Part Company. In this regard, the sample is equal to 384 people of all customers of Dina Safe Part Company, Dina Part brand. Also, the sample of the present research is simple and available. The data analysis method is partial least squares and by Smart PLS software. The research results state that internet advertising activities affect social cognition, perceived value, brand awareness and brand image. Also, social cognition and perceived value affect consumer satisfaction. In a way, brand awareness affects word of mouth advertising in cyberspace. On the other hand, brand image affects consumer commitment, and finally, word-of-mouth advertising in cyberspace affects consumer commitment
Key Words: Internet Advertising Activities, Word of Mouth Advertising, Satisfaction, Commitment

Introduction

- **Statement of the Problem**

Customers and consumers are always looking for suppliers who can offer them far better products or services. Many evidences and documents also show that in today's competitive world, discovering the needs and demands of customers and meeting them before competitors is a basic condition of success for companies. Therefore, organizations and business enterprises strive to achieve a distinctive position than other competitors by achieving unique advantages that can retain their customers. On average, companies

lose about 10 to 30 percent of their customers each year and are unable to retain customers that this important issue can be attributed to customers' dissatisfaction (Sudhakar and Kumara, 2016).

Customer satisfaction arises from all processes of selection and use, exclusion of products, services, experiences and ideas by individuals, groups and organizations in order to satisfy requirements (Hawkins et al., 2006). Having an accurate understanding of consumers and satisfaction with purchase and consumption has numerous advantages. These advantages include helping managers in making decision, providing a cognitive basis through consumers' analysis, helping legislation and regulators to set laws about buying and selling products and services, and ultimately helping consumers in making better decision. Successful advertising begins with understanding how to create satisfaction in customer (Venus et al., 2014: Sudhakar and Kumara, 2016).

In highly competitive conditions of current markets, one of the necessities of survival in any industry is to maintain and expand customer satisfaction and ultimately creating commitment in them. Today, customer retention in the organization is considered as the key of success of any business. By creating commitment in customers, the market share and profitability ratio of the economic enterprise increases and it creates long-term benefits for the economic enterprises. With the advancement of technology and more competitive market conditions in various service sectors, advertising is recognized as an important principle in creating consumer incentive towards the company (Mohanapriya and Anusuya, 2014).

On the other hand, internet advertising is as a method to publish as much information as possible to influence buyers and business transactions on the web environment. Schlosser et al. (1999) consider internet advertising as any kind of commercial content and theme available in internet that companies design to inform consumers about their products and services. Diverse organizations, in turn, want to use as much as possible the space created on internet context. On the other hand, they encounter consumers' distrust, consumers with different views and attitudes to internet advertising and trade (Seyed Salehi et al., 2015).

The effectiveness of advertising has always been one of the concerns of e-commerce and advertising domain activists. Activists in this field are always trying to measure the effectiveness of types of media in order to provide maximum profitability for their customers. One way to increase this impact is word of mouth advertising. Today, the issue of word of mouth advertising has received considerable attention in the field of management and advertising. In recently published researches (like, a study by Ouardighi et al. (2016) based on advertising and the quality of word-of-mouth on sales dissemination) in an environment where trust and commitment to organizations and advertisements have been reduced, word of mouth communication is a way to gain a competitive advantage. Word of mouth communication is a type of informal communication about the characteristics of a business or a product that is exchanged in a community. Word-of-mouth communication allows an individual to influence the evaluation and purchasing intentions of his/her similar consumers, in terms of information and normative (Suh, 2017).

Word of mouth advertising is a process during which customers who have used a particular product or service, transfer their experiences through word of mouth advertising to customers for purchase (Alimardani, 2012). Customers who have not experienced the use of that product or services, or who have not had full understanding of the specific features of the product or service, typically depend on word-of-mouth advertising for obtaining information. In this regard, Chang et al. (2010) state that word of mouth advertising ultimately leads to consumers' satisfaction and commitment. Therefore, the main issue in the present research is whether internet advertising activities affect word of mouth advertising in cyberspace, consumer satisfaction and commitment?

Theoretical Foundations
- **History**

Nadia (2018) presented an article entitled "Price, Quality of Services, Brand Perceived Value, and Customer Loyalty (Case Study: Air Asia)". The results showed that there is a significant proportion between price and the quality of services in relation to customer loyalty and brand perceived value.

Madariaga and Riverab (2017) examined internet advertising, customer satisfaction, company reputation and company market value. Finally, the results showed that all research variables have direct relationship with each other and if a company can simultaneously implement and present the three variables

of internet advertising, customer satisfaction, company reputation for the company, it can improve the market value of the company.

Murali et al. (2016) examined the determination of the effect of social cognition on customer satisfaction, retention and loyalty with the mediating role of internet. Finally, the research results show a significant effect of social cognition with the mediating role of internet on customer satisfaction, retention and loyalty.

Thomas (2015) presented an article entitled "Influencing Customer Loyalty Programs to Build-Identify the Company". The results showed that the non-financial benefit of loyalty programs can affect the induction of customers' feelings of status and belonging to the company community.

Ivan (2015) presented an article entitled "Is There an Instruction for Customer Loyalty in the Field of B2B?" In this article, he examined high levels of customer loyalty under different configurations, management, and customer value and customer satisfaction.

Ketelaar et al. (2015) in a research examined social indicators and attitude toward the success of word-of-mouth advertising in the internet. The research method is applied in terms of purpose and survey descriptive in terms of method, so that using library and field information, data has been collected and a questionnaire has been used in the field section. The study population of the present research is all Xerox customers, and a sample of 384 people has been selected. The data analysis method has also been investigated using partial least squares. It should also be mentioned that the software used are SPSS and Smart PLS. Using social indicators and attitude indicators, in this respect they pointed out and stated that the indicators of advertising sender, the power of advertising sender and the time number of advertisement affect the success of word of mouth advertising.

- **Research Hypotheses**

Hypothesis 1: Internet advertising activities affect social cognition.
Hypothesis 2: Internet advertising activities affect perceived value.
Hypothesis 3: Internet advertising activities affect brand awareness.
Hypothesis 4: Internet advertising activities affect the brand image.
Hypothesis 5: Social cognition affects consumer satisfaction.
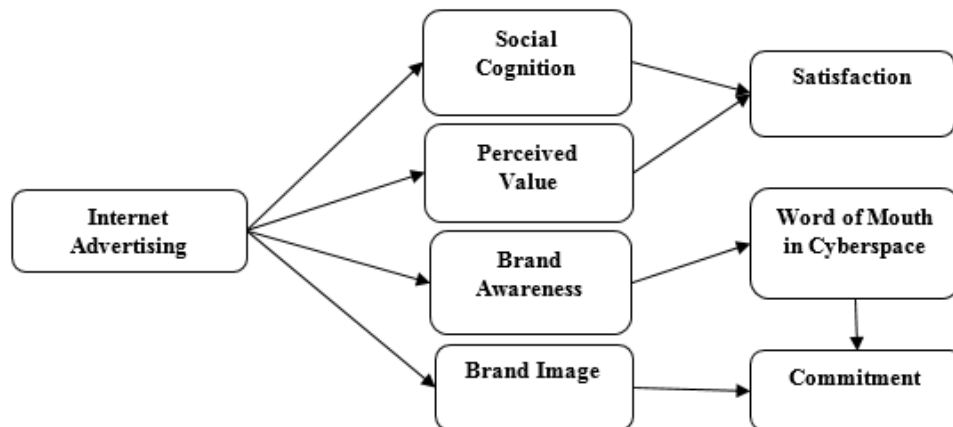Hypothesis 6: Perceived value affects consumer satisfaction.
Hypothesis 7: Brand awareness affects word of mouth advertising in cyberspace.
Hypothesis 8: Brand image affects consumer commitment.
Hypothesis 9: Word of mouth advertising in cyberspace affects consumer commitment.

- **Conceptual Model**

The conceptual model of the research is as follows:

Model Source: (Chen et al. (2019) and Duarte et al. (2018))

Internet: It is a way to establish connection with people online. In the last ten years, the popularity of internet among people has increased. Because in these media, users are placed in a social space where they can perform conversations, comment and other annotations and interact with others (Golism, 2018).

Customer Satisfaction: Customer satisfaction is the result of customer perception during a transaction with a value relationship, so that the price is equal to the ratio of the quality of performed services to the price and customer costs (Su et al., 2016).

Word-of-Mouth Advertising: Word-of-mouth advertising refers to interpersonal communication between consumers regarding their evaluations and personal experiences of a company or a product (Jason et al., 2010). Litvin et al. have also introduced word-of-mouth communication as a communication among consumers about a product, services, or company in which resources are considered independent of business influence (Litvin et al., 2017).

Brand Commitment: This means that the consumer refuses to buy or use a similar product from another brand (Sonar, 2017)

Research Methodology

The present research is applied in terms of the type and nature of the problem and the objectives of the research, meaning that it seeks to implement a scientific theory in an executive environment and to investigate its results. This research will be done by descriptive-survey data method. The data are all of quantitative type and the methods of analysis will also be quantitative and will use inferential statistical tool.

In this research, field method and questionnaire have been used to collect information related to answering research questions. Also, library method such as reading books, articles, journals, research projects and internet databases have been used to compile and write the literature section of the subject and theoretical foundations.

The main tool for collecting data and information in this research was a questionnaire that a standard questionnaire was designed after conducting library studies. The questionnaire consists of two parts that the first part is the questionnaire including demographic variables and the second part includes the questionnaire main variables.

The statistical population of this research includes the customers of Dina Part Company. Therefore, a population with an infinite member has been considered. In this regard, the sample is equal to 384 people of Dina Part customers.

In this research, Smart PLS software will be used for data analysis. Also, the following statistical methods have been used to analyze the obtained data and to convert it into usable information.

1) Descriptive Statistics: A set of concepts and methods used to organize, summarize, prepare tables, draw diagram and describe the collected data is called descriptive statistics.

2) Kolmogorov-Smirnov test; for measuring normality,

3) Confirmatory factor analysis,

4) Testing hypotheses: model fitness using structural equations.

Findings

Findings indicate (13.2%) people had under diploma, (24.2%) had diploma, (18.4%) had associate and (29.4%) had bachelor and (14.8%) also had master or higher education. The highest number of respondents is composed of men (55.4%) and women also compose (44.6%) of the respondents. Also, 12.7% of the respondents have been under 20 years old, 44.7% of the respondents have been 20 to 30 years old, 29.1% of the respondents have been in the age range of 30 to 40, and 13.5% of the respondents have had more than 40 years old.

- **Investigating the Variables Data Normality**

The Kolmogrov-Smirnov test is used to investigate normality. If the significance level of this test is less than the error value of 0.05, it indicates that it is not normal, and if the significance level of the test is greater than 0.05, it indicates that the data of that variable is normal.

Table 1: Normality Results of Variables in the Research

Variables	Kolmogrov-Smirnov		Test Result
	Statistics	Significance Level	
Internet Advertising Activities	0.093	0.00	It is not normal
Word of Mouth Advertising	0.114	0.00	It is not normal
Social Cognition	0.133	0.00	It is not normal
Perceived Value	0.103	0.00	It is not normal
Brand Awareness	0.107	0.00	It is not normal
Brand Image	0.167	0.00	It is not normal
Customer Satisfaction	0.143	0.00	It is not normal
Commitment	0.119	0.00	It is not normal

As it is clear in Table (1), since the significance level of all variables has been obtained less than 0.05, it should be said that the data distribution of these variables is not normal (P <0.05).

- **Model Fitness**

The analysis by structural equation modeling method with partial least squares approach has three main stages including measurement model fitness (relationships between questions and the latent variable), structural model fitness (relationships between the latent variables) and general model fitness, and after confirming the mentioned models, the researcher will be able to test hypotheses.
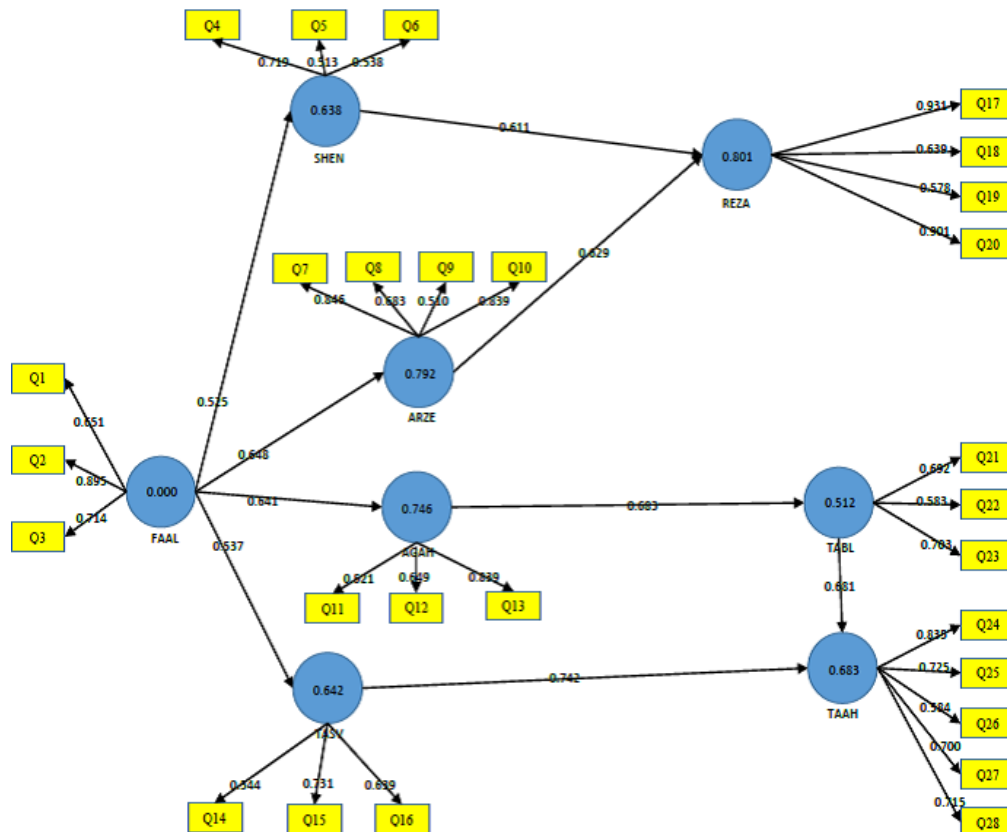

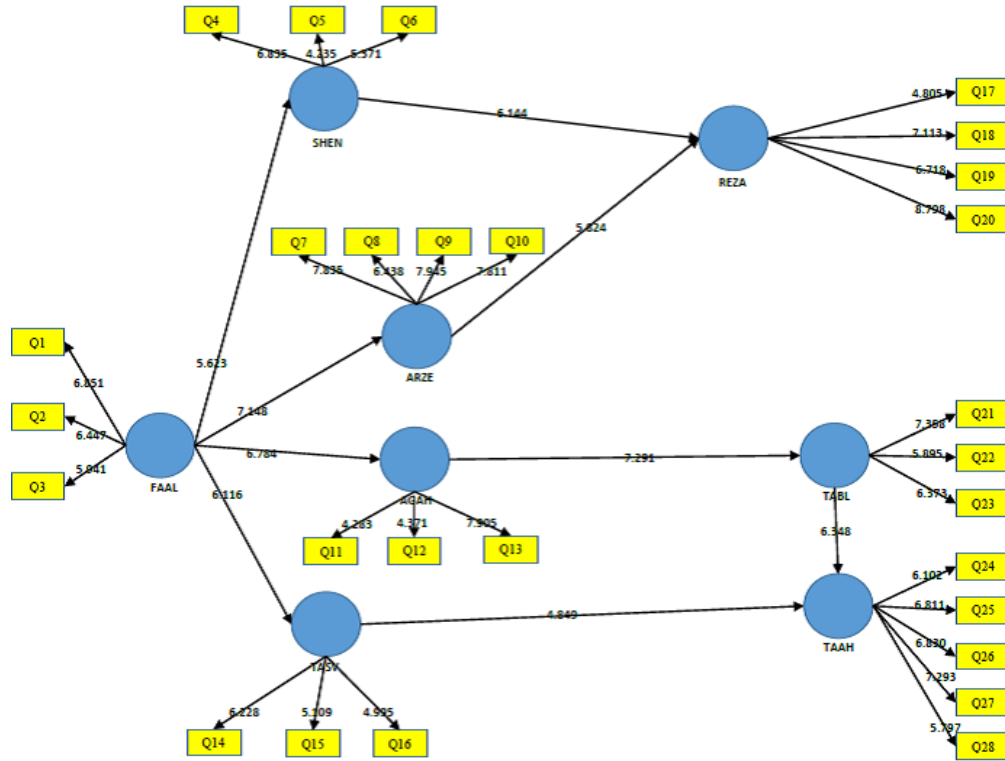**Diagram 2: Research Model with Standardized Coefficients**

Diagram 3: Research Model with Significant Coefficients

- **Reliability (Cronbach's Alpha Coefficient and Composite Reliability Coefficient)**

The results of these two criteria are presented in Table (2).

Table 2: Results of Cronbach's Alpha Coefficient and Composite Reliability Coefficient

Research Constructs	Cronbach's Alpha Coefficient (Alpha >0.7)	Composite Reliability Coefficient (CR>0.7)
Internet Advertising Activities	0.852	0.89
Word of Mouth Advertising	0.758	0.761
Social Cognition	0.738	0.745
Perceived Value	0.832	0.877
Brand Awareness	0.881	0.934
Brand Image	0.846	0.941
Customer Satisfaction	0.866	0.733
Commitment	0.853	0.863

As it is observed in Table (2), the results of Cronbach's alpha coefficient and the composite reliability of the variables have been presented, that according to the limits stated for both criteria, it is concluded that the coefficients value of Cronbach's alpha and composite reliability for all research constructs are acceptable.

- **Convergent Validity (AVE)**

The results of convergent validity are presented in Table (3).

Table 3: Results of Investigating Convergent Validity with AVE Criterion

Title in the Model	AVE >0.5
Internet Advertising Activities	0.54
Word of Mouth Advertising	0.64
Social Cognition	0.58
Perceived Value	0.54
Brand Awareness	0.59
Brand Image	0.61
Customer Satisfaction	0.58
Commitment	0.72

The results related to investigating the convergent validity have been presented in Table (3) and as it is observed, according to the limits stated for this criterion, it can be said that all research constructs are in the appropriate limit and confirm the desirability of measurement models.

- **Results Summary**

According to diagrams (2) and (3), the results obtained from the hypotheses test are as follows:

Table 4: Summary of Hypotheses Test Results

Hypotheses	Standard Coefficient	Significance Coefficient	Result
Hypothesis 1: Internet advertising activities affect social cognition.	0.525	5.623	Confirmed
Hypothesis 2: Internet advertising activities affect perceived value.	0.648	7.148	Confirmed
Hypothesis 3: Internet advertising activities affect brand awareness.	0.641	6.784	Confirmed
Hypothesis 4: Internet advertising activities affect the brand image.	0.537	6.116	Confirmed
Hypothesis 5: Social cognition affects consumer satisfaction.	0.611	6.144	Confirmed
Hypothesis 6: Perceived value affects consumer satisfaction.	0.629	5.824	Confirmed
Hypothesis 7: Brand awareness affects word of mouth advertising in cyberspace.	0.603	7.291	Confirmed
Hypothesis 8: Brand image affects consumer commitment.	0.742	4.849	Confirmed
Hypothesis 9: Word of mouth advertising in cyberspace affects consumer commitment.	0.681	6.348	Confirmed

Discussion and Conclusion

Hypothesis 1: Internet advertising activities affect social cognition. Statistical analysis shows that the path coefficient between the two variables is (0.525) and considering that the significance number is equal to (5.623) and this value is greater than 1.96, therefore according to the performed analyses it can be stated that this hypothesis is confirmed and it can be stated that by increasing (decreasing) one unit of internet advertising activities, social cognition increases (decreases) by 52% ratio. The result of this hypothesis is in line with the results of researches by Mousavi et al. (2018), Parhizkar (2016), Nadia (2018), Madariaga and Riverab (2017), Thomas (2015) and Ketelaar et al. (2015).

Hypothesis 2: Internet advertising activities affect perceived value. Statistical analysis shows that the path coefficient between the two variables is (0.648) and considering that the significance number is equal to (7.148) and this value is greater than 1.96, therefore, according to the performed analyses, it can be said that this hypothesis is confirmed and it can be said that by increasing (decreasing) one unit of internet advertising activities, the perceived value increases (decreases) by 64% ratio. The result of this hypothesis is in line with the results of researches by Mousavi et al. (2018), Parhizkar (2016), Nadia (2018), Madariaga and Riverab (2017), Thomas (2015) and Ketelaar et al. (2015).

Hypothesis 3: Internet advertising activities affect brand awareness. Statistical analysis shows that the path coefficient between the two variables is (0.641) and considering that the significance number is equal to (6.784) and this value is greater than 1.96, therefore, according to the performed analyses, it can be said that this hypothesis is confirmed and it can be said that by increasing (decreasing) one unit of internet

advertising activities, brand awareness increases (decreases) by 64% ratio. The result of this hypothesis is in line with the results of researches by Mousavi et al. (2018), Parhizkar (2016), Nadia (2018), Madariaga and Riverab (2017), Thomas (2015) and Ketelaar et al. (2015).

Hypothesis 4: Internet advertising activities affect the brand image. Statistical analysis shows that the path coefficient between the two variables is (0.537) and considering that the significance number is equal to (6.116) and this value is greater than 1.96, therefore, according to the performed analyses, it can be said that this hypothesis is confirmed and it can be said that by increasing (decreasing) one unit of internet advertising activities, the brand image increases (decreases) by 53% ratio. The result of this hypothesis is in line with the results of researches by Mousavi et al. (2018), Parhizkar (2016), Nadia (2018), Madariaga and Riverab (2017), Thomas (2015) and Ketelaar et al. (2015).

Hypothesis 5: Social cognition affects consumer satisfaction. Statistical analysis shows that the path coefficient between the two variables is (0.611) and considering that the significance number is equal to (6.144) and this value is greater than 1.96, therefore, according to the performed analyses, it can be said that this hypothesis is confirmed and it can be said that by increasing (decreasing) one unit of social cognition, consumer satisfaction increases (decreases) by 61% ratio. The result of this hypothesis is in line with the results of researches by Mousavi et al. (2018), Parhizkar (2016), Nadia (2018), Madariaga and Riverab (2017), Thomas (2015) and Ketelaar et al. (2015).

Hypothesis 6: Perceived value affects consumer satisfaction. Statistical analysis shows that the path coefficient between the two variables is (0.692) and considering that the significance number is equal to (5.824) and this value is greater than 1.96, therefore, according to the performed analyses, it can be said that this hypothesis is confirmed and it can be said that by increasing (decreasing) one unit of perceived value, consumer satisfaction increases (decreases) by 69% ratio. The result of this hypothesis is in line with the results of researches by Mousavi et al. (2018), Parhizkar (2016), Nadia (2018), Madariaga and Riverab (2017), Thomas (2015) and Ketelaar et al. (2015).

Hypothesis 7: Brand awareness affects word of mouth advertising in cyberspace. Statistical analysis shows that the path coefficient between the two variables is (0.603) and considering that the significance number is equal to (7.291) and this value is greater than 1.96, therefore, according to the performed analyses, it can be said that this hypothesis is confirmed and it can be said that by increasing (decreasing) one unit of brand awareness, word of mouth advertising in cyberspace increases (decreases) by 52% ratio. The result of this hypothesis is in line with the results of researches by Mousavi et al. (2018), Parhizkar (2016), Nadia (2018), Madariaga and Riverab (2017), Thomas (2015) and Ketelaar et al. (2015).

Hypothesis 8: Brand image affects consumer commitment. Statistical analysis shows that the path coefficient between the two variables is (0.742) and considering that the significance number is equal to (4.849) and this value is greater than 1.96, therefore, according to the performed analyses, it can be said that this hypothesis is confirmed and it can be said that by increasing (decreasing) one unit of brand image, consumer commitment increases (decreases) by 74% ratio. The result of this hypothesis is in line with the results of researches by Mousavi et al. (2018), Parhizkar (2016), Nadia (2018), Madariaga and Riverab (2017), Thomas (2015) and Ketelaar et al. (2015).

Hypothesis 9: Word of mouth advertising in cyberspace affects consumer commitment. Statistical analysis shows that the path coefficient between the two variables is (0.681) and considering that the significance number is equal to (6.348) and this value is greater than 1.96, therefore, according to the performed analyses, it can be said that this hypothesis is confirmed and it can be said that by increasing (decreasing) one unit of word of mouth advertising in cyberspace, consumer commitment increases (decreases) by 68% ratio. The result of this hypothesis is in line with the results of research by Mousavi et al. (1397), Parhizkar (1395), Nadia (2018), Madariga and Rivera (2017), Thomas (2015) and Kettler et al. (2015).

Therefore, it is suggested that:
- ✓ The company's advertising activities should be better and more than other competitors to be better and more than other competitors.
- ✓ The company should grant gifts to those who participate in the field of suggestions and criticisms.

✓ The company should put clear business goals on its agenda that are obtained through customer achievement, customer retention, and customer relationship programs development.

✓ The company should consider gifts for innovative and new ideas so that people are encouraged to do so and the company can benefit from new ideas too.

✓ The company should put the main axis of its activities based on brand development.

✓ The company should use the best raw materials and the most up-to-date technologies in the world to make its products, and also the products should be in accordance with all standards.

✓ The company by using new and updated technologies of the world should bring new and innovative products to market.

✓ The company should plan for its future years and make converting to a brand one of its basic principles.

✓ Using promotional tools such as public relations and media interviews, and so on to introduce new products.

✓ The company's advertising activities should be better and more than other competitors to be better and more than other competitors.

✓ The quality of the products should be such that the customer feels that the real price of the product is higher than its current price.

✓ The new and innovative products of this company should use the latest technologies in the world to produce the least environmental pollutions.

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