The Impact of Advertising on Consumer Buying Behavior

By

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DECLARATION

I hereby declare that this research is based on my original work and is written by myself except for quotations and citations that had been listed under the references. I also declare it has not been previously or concurrently submitted in whole or partly for any other degree at Universiti Tun Abdul Razak (UNIRAZAK) or any other institution.

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ACKNOWLEDGEMENT

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Abstract of the project paper submitted to the Senate of Universiti Tun Abdul Razak in partial fulfilment of the requirements for the Master in Management.

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Nowadays most businesses have shifted their business advertising from traditional to digital channels and abandon traditional advertising. Regardless of any business category, all businesses tend to move to the digital channel excluding the business in the financial sector. This research will try to identify which advertising has more influence on consumer buying behaviour. Besides that, this research will identify if human interaction can improve the impact of advertising. This lead to better influence on the consumer. This research will be relevant to all businesses in the financial sector to find the best advertising strategy for their product and service. The researcher used Microsoft Forms to develop an online questionnaire in collecting data from the respondent. The online questionnaire has been distributed to 350 potential respondents and the researcher manage to receive 105 complete questionnaires with valid answers. Data gathered had been analysed using SPSS and the result reveal that both advertising channels have a significant positive relationship with consumer buying behaviour. This research shows that the impact of digital advertising on consumer buying behaviour is greater than the impact of traditional advertising. Besides that, the researcher also finds that human interaction can improve that advertising impact on consumer buying behaviour. From the result, a recommendation has been made for further and more specific research on the subject by future researchers. For financial institutions, they need to increase their online presence as consumer nowadays has shifted their advertisement preferences to digital advertising

CHAPTER 1

INTRODUCTION

1.1   Background of Study

The purpose of this research is to study which type of advertisement channel or medium has a better impact on the consumer. It's either conventional traditional marketing or digital marketing that had more influence on the consumer when it comes to purchasing. Besides that, this study also tries to find out whether human interaction is still necessary for modern marketing. This study will focus on the marketing of products and services in the financial sector.

The American Marketing Association (2017), define marketing as an activity, set of instruction and process of creating, communicating, delivering and exchanging offering that has value to the customer, client, partner and society. They are two types of marketing which are traditional and online or digital marketing. Digital marketing is a type of marketing had been done online and traditional marketing is marketing that had been done offline like broadcast, billboard, phone call, letter, newspaper and radio.

As the number of internet users steadily increased, so did the digital marketing industry. Nowadays most businesses had opted for this marketing channel to advertise its product and service. Regardless of which sector are the business is in, most of them moving to use digital marketing to market their product and service. Lot of business has abandoning traditional marketing completely without realizing that their businesses are more suitable to use traditional marketing or a combination of both.

This study will identify which marketing channel is preferable and has a better impact on different categories of consumer, while identifying the necessity of human interaction in the

process. This would help businesses to identify the right marketing channel according to the target market and target customer.

The researcher focuses only on the financial sector due to the low online presence of financial institutions in Malaysia. Malaysian financial institutions focus on online transactions, a cashless society, and paperless practices but prefer to use traditional advertising in marketing their product and service. Financial institution prefers hybrid marketing with mainly traditional advertising strategy. In 2017, most financial institutions spent 50% of their media budget on traditional advertising and a large percentage of them doesn't reduce their traditional marketing budget (Jason, 2019). This is contrary to the current normal practice that most business reduce or shift their marketing digitally.

1.2 Problem Statement

Advertising is a medium that a business does to promote and attract the interest of the potential customer to buy its product and service. Advertising is the fastest way to promote a product to a larger crowd at one time. Fan (2022) mentions that through advertising businesses can engage the customer to develop an interest in its product and service. There are many forms of advertising, it can be in form of video, picture, word, printed, or even digital. According to Malik, Ghafoor, Iqbal, Unzila & Ayesha (2014), in today's era advertisement is so important as it has become essential for every product and brand. Nowadays, it's almost impossible for any product or service that doesn't have any kind of advertising. The business will focus either on the brand or its product or service. The author also mentions that the selection of advertising is depending on how the business wants the customer's perception of them. If the business is selling luxury goods, the advertisement can project that kind of image to ensure customers believe that the business brand is luxurious.

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As the world keeps changing and becoming modern, so does the advertising channel. Traditional marketing has slowly evolved and becomes digital marketing. According to titangrowth.com, in 2019 54.2% of advertisements is digital advertising while 45.8% goes to traditional advertising. Digital marketing and advertisement had become more popular since the pandemic hit in early 2020. Digital advertising in Malaysia had shown steady increase from 2015 to 2021. It estimated digital advertising market is Rm 2.3 billion in 2015 and became Rm 9.9 billion in 2021 (NASRIN, 2022). All of this digital advertising became more popular in Malaysia is because tremendous increase of internet user in Malaysia. According to report by Department of Statistic Malaysia, individual age 15 and above in Malaysia (2021), 95.5% has an internet access. This is 4% increase from the previous years. This is due to people nowadays tend to spend more time on the internet rather than on television.

Many companies had abandoned traditional marketing and shifted to digital marketing. Some of the businesses had spent a significant amount of money but still fail to attract new customers. There is an online article by Morgan (2019) that said that 70% of digital transformations fail and this is because businesses focus on the quantity of audience rather than the quality of customers. Businesses in Malaysia also might be facing the same problem if the correct marketing strategy has not been implemented.

Human intervention in the marketing process also slowly decreased. More and more company that uses digital marketing tend to minimize human interaction and has replaced it with robot advisor, chatbot, or AI customer service. Example of an organization that already use AI or robot advisor is Wahed invest, Hong Leong and Amanah Saham Nasional Berhad. Most businesses choose AI and the chatbot is that it will be available to help and answer customer inquiries 24/7. Robot adviser on the other is an automated investment platform that offers a handoff approach where it will make an investment decision on behalf of the investor.

Due to this reason, this study tends to find the advertising channel that has a better impact on consumer behavior and whether human interaction is still necessary for the marketing process. the type of advertising to be the focus is traditional and digital advertising as these two are independent variable in this study. this study will examine these 2 variables to determine which one has more influence on the customer's buying decision. the result of this study will be significant to all businesses in the financial sector to choose marketing strategy, thus leading to higher business revenue.

1.3   Research Objective (RO)

It's a well-known fact that advertising had an important role in marketing all products and services in the market. Since the first ever advertising discovers in 3000 BC in Egypt until the start of digital advertising in 2000, there are tremendous development in advertising. The general objective of this study is to identify which advertising channel has a better impact on consumer buying behavior and whether human interaction is still necessary for promoting financial products and services. This study will investigate through two independent variable namely digital advertisement and traditional marketing, while human interaction as moderating behavior.

RO1-   To investigate the impact of traditional and digital advertising on consumer buying behavior.

RO2-   To identify which advertising channel, have more impact on consumer buying behavior.

RO3-   To investigate the significant of human interaction in advertising financial product and service.

1.4   Research Question (RQ)

In order to provide the study a clear direction on what is intended to be researched, a clearly defined and carefully construct research question is very essential. A research question will ask respondent to answer question as below on the independent variable that had been mentioned in research objective and consumer buying behavior. Beside that research question also will answer the significant of human interaction between independent and dependent variable.

RQ1-   is there any significant impact of traditional and digital advertising on consumer buying behavior?

RQ2-   which advertising channel deliver better impact on consumer buying behavior?

RQ3-   is human interaction may moderate relationship between advertising and consumer buying behavior?

1.5   Significance of Study

This study would be significant for both consumers and organizations in the financial sector. For the organization, this could help the organization to create a good marketing strategy to advertise its product and service. Some businesses still maintain advertising through traditional advertisement, some business already shifts to the digital advertisement. Input from this study would be a huge interest in marketing managers in formulating their strategy to advertise and sell organization products and services. Based on this study outcome, can help marketing managers choose either to stay with traditional marketing or shift to digital marketing or a combination of both advertising channels.

Advertisements as we know would have a positive and negative side. For example, in prescription drug advertisements, the advertiser will only highlight what the drug can do

without mentioning any side effects. The advertisement also could create a false need in people's mind and this can provide the solution to the non-existence problem that consumer has. For the consumer, this study can help them understand how the organization in the financial sector advertises their product. The consumer can understand how advertisements can affect them, especially their buying behavior. Besides that, this study could create smart consumers to make use of the benefit of advertisement to them.

1.6 The Organization of The Study

This research will be organized into 5 chapters, starting with chapter 1 as an introduction. Chapter 1 has explained the background of the study and the research problem statement. This chapter also discusses the research objective, research question and the significance of the study.

The literature review is presented in Chapter 2 and is built by looking at previous studies that are relevant to the current topic, including definitions, concepts, and theories. The 2 independent variables and 1 moderating variable of traditional advertising, digital advertising and human interaction will be explored in detail along with the dependent variable of the study, which is consumer buying behavior. This chapter also will discuss the expected relationship between these 2 independent dependent variables and the impact on moderating behavior. Hypothesis development also will be discussed in this chapter.

In Chapter 3, the study's methodology will be covered. The processes and methodology that were employed to collect and analyzed later be described in detail in this chapter. This chapter will also cover the theoretical framework, research hypothesis, research design, operational definition, research sampling and population, instrumentation technique, variable

measurement, data collection method, reliability test, conducted descriptive analysis, and conducted regression analysis.

The results of the data analysis and an explanation of the outcomes will be presented in Chapter 4. The questionnaires given to the selected sample were used to collect all the data. The reader will be supplied with the processed data in the form of text, tables, and figures using the SPSS software.

Chapter 5 will explain the conclusion and recommendations in detail. The researcher will highlight the study's findings and the conclusion. The recommendation will be made to enhance the study for future research. The researcher will conclude and provide an overall study summary based on the findings of the research.

CHAPTER 2

LITERATURE REVIEW

2.1   Introduction

This chapter will discuss the previous study and argument that had been done related to the impact of advertisements on consumer buying behavior. The purpose of the study is to assess and compare a few of the earlier studies that had been conducted, as described in the earlier chapter of this study. The sources were utilized on purpose to compile and carry out the research on how advertisement can impact consumer buying behavior. Furthermore, this chapter includes the hypothesis statement that defines the relationship between traditional and digital advertisement as the independent variable and consumer buying behavior as the dependent variable.

2.1.1   Advertisement

According to Cambridge, dictionary advertisement can be defined as some sort of media that is used to persuade the consumer to buy their product and service. Advertisement is a creative campaign in TV or magazine o build brand awareness (Buckley, n.d.). The advertisement also could be a non-personal device to educate a wide range of audiences about businesses' products and services (Rix, 2007). Business had been using advertisement to encourage customer demand for good and service (Kabarwala, 2019). Based on the paper by Fan (2022), advertisements enable businesses to reach a wider audience of consumers while gaining their loyalty through the quality of the product and services that their offer in the market. The same author also mentions that the main aim of advertising is to reach consumer and influence their perception, buying trend, and awareness of their product or service and his study find that TV, magazine and digital advertisement is associated with consumer behavior. This means that businesses will use advertisement as a tool to reach out to as many potential customers as

possible to influence their customer decision-making process. Consumer buying behavior can be influenced by the right advertising and by creating good customer perception with a strong marketing strategy (Malik, Ghafoor, Iqbal, Unzila, & Ayesha, 2014). The business use advertising as a medium for communication to manipulate and sometimes mislead consumers (Sunderaraj, 2018). Proctor & Stone (1982) mention that advertisement is an effective way for businesses to make consumer change their perception and attitude towards products or services. While Arens (1996) mentions that an advertisement's primary function is to influence potential customers and influence their purchase intention while increasing their awareness of the product and service. Advertisement is the wellspring of inspiration that drives the consumer to purchase a particular product or service (Rai, 2013).

2.1.2 Various Media Advertisement

Advertisement environment had changing through digital retailing (Rigby, 2011). From typical traditional marketing advertisement had move to digital due to online shopping and the advancement of the internet. Ayanwale, Alimi, and Ayanbimipe (2005) mention that traditional advertisement like newspaper, magazine, tv, radio and outdoor ads are very popular among business to advertise their product. However the advertisement trend had move to internet or digital advertising. Digital advertising had growing from time to time (Rix, 2007). Digital advertisement comprise of social media, video sharing , email and other various media platform (Sama, 2019). According to Nayak & Syah (2015), the advertisement in the newspaper can affect consumer purchasing decision on the brand. This been supported by Raju & Devi (2012), when their research find that newspaper advertisement is more reliable and truthful. Sorce & Dewitz (2007) find in their research that magazine advertisement is more effectiveness that tv commercial.

2.1.3   Factor That Make Advertisement Effective

An attitude that is formed toward advertising can influence consumer behavior in their purchasing decision toward the brand (Goldsmith & Lafferty, 2002). There is also an article by Peek (2022) that mention that marketing and advertising is a science or persuasion that can be used for business advantages in understanding and influencing consumer behavior. The author also mentions that the audience's emotional response, memories and brand imagery are three factors why advertising could influence consumer behavior.

2.1.3.1 Audience's Emotional Response

Advertising will create a positive response toward the brand until the consumer purchase that particular product because a positive attitude will create an emotional response in the customer's mind (Goldsmith & Lafferty, 2002). Advertisement is considered effective if they can cause the consumer to respond to them. The more responses received from the advertisement; the more people talk will. The more people talk about the advertisement, the product, or the service, the higher the possibility that people will buy the product.

2.1.3.2 Brand Imagery and Messaging

Using images or words that relate to the brand or product is an effective way to attract customer attention. Based on the business, the correct word or image needs to be used. Some businesses use media socials to troll current issues to attract the younger generation. The massage that the brand conveys in the advertising is involved in the customer purchase decision process this perception is owned by the customer. regardless of the message, the perception is what customers think about your brand (Bian & Moutinho, 2019). Brand image is the opinion of the customer and the thing that come into their mind when they think of a particular brand

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(Alhaddad, 2015). Brand image not only involves customer personal perception or awareness but also can create value for the organization. Besides that brand image and perception will affect customer decisions (Park, Jaworski, & Maclnnis, 1986). Brand image and advertising had solid relationship with consumer buying behavior (Malik et al 2013). Customer also have positive purchasing behavior towards brand that have a good positive image (Bendixen, Bukasa, & Abratt, 2004).

2.1.3.2 Audience's Memory

Some advertising became effective when there are touching our emotions like fear or nostalgia. A consumer might buy the product because of fear for safety. Another example is that McDonald's had Ronald McDonald as their mascot while KFC had tagged line "Finger Liking Good" as their tagged line. This will trigger customer nostalgia thus creating customer loyalty. Memory is being used as a priority in predicting either the advertisement can be considered a success by hierarchy-of-effects models such as the attention, interest, desire, and action model and the Advertising Research Foundation (ARF) model (Harvey, 1997; Lavidge & Steiner, 1961). Some media contexts are more powerful than others (Eun, Greg, Karen, & Leonard, 2018). This means that the impact on memory depends on the media and message that marketers use.

2.1.4 Consumer Buying Behavior

Customers will buy any product according to their own needs or cater to the combined need of their family members (Bergiel, 1989). So, businesses need to change their strategy and plan to attract customers based on their preferences, needs and buying pattern (Rajan, Sammansu, & Suresh, 2021). Furthermore, consumer buying behavior could be influenced by good marketing advertisements. Besides, that female customer buying behavior is positively affected by brand name, image, status, and other people's opinions. Now all consumer

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regardless of gender has more aware of branded fashion clothing (Harem, Harem, Sari, & Aydin, 2011).

2.1.5 Communication

Past research had mentioned that for businesses to make a profit by using effective communication with customers through advertisement, discussion, social media and customer feedback (Malik, Ghafoor, Iqbal, Unzila, & Ayesha, 2014). According to Joseph (N.A), effective communication could meet customer needs and constant communication with the customer will enable the business to continue to meet customer needs. Communication needs to be done before and after the purchase. The post-purchase advertisement will allow the business to collect consumer feedback on the product or service that has been sold is a good communication channel (Fan, 2022). According to Nisar et al (2013), he mentions that advertisement is an effective way to communicate with the audience for promotion awareness related to business products. The author also mentions that based on the communication in the advertisement, consumer buying behavior can be positively changed because of advertisement that they saw. Through this communication through advertisement, the business can influence the consumer to set a positive perception towards its product and service.

Communication between business and consumer also could create customer loyalty. According to the website business.gov.au, the more business communicates with the customer the more likely customer to remember the product or service. Good communication with the customer will enable the business to tell a story, gain trust, build a relationship and turn loyal customers into brand ambassadors (Riches, 2021). Continuously communicating with the customer will enable the business to grow together with customer change in preference, thus creating a long-term relationship and customer loyalty in the process. Successful communication will impact customer loyalty, increase innovation and contribute to business growth.

2.1.6 Customer Service

Parasuraman, Zeithaml & Berry (1988) define customer service as different between what customer expect and what they will receive from the firm. The same author also mention that reliability, responsiveness, assurance, empathy and tangible are service quality dimension that had been develop from interpersonal encounter. The excellence management of customer is through by ensuring customer have great experience when they experience the service (Kelly, Leslie, & Samuel, 2015). Ragulam & Rajapaksha (2016) in their study mention that Hilton business loss due to poor consumer buying behavior due to bad customer service. Many businesses have move from physical customer service to social customer service. Most of the business had their own customer service in social media like Facebook, whatapss and another digital channel. According to Good Rebel, the 3 pioneer in social customer service is Ikea, Toyota and L'Oréal.

2.2 Theoretical Foundation

In this research, the theoretical foundation or the key concept is business or brand communication with the consumer. Several earlier research had stated that advertising has a strong positive impact on consumer buying behavior while customer perception still has a positive impact but it weaker compared to the advertisement (Malik, Ghafoor, Iqbal, Unzila, & Ayesha, 2014).

The second research by Malik et al (2013) finds that advertisement is an effective way for a brand to communicate with the customer the awareness of a particular product and consumer buying behavior could be influenced by attractive advertisements. This study also finds a similar finding to the first one, advertisement has a positive impact on consumer buying behavior.

Later Fan (2022) later find that businesses that engage with the customer through advertisement can lead the customer to develop an interest in a product that has been offered by the organization. While another study finds that customer experience during advertisement interaction could drive brand attitude (Deshwal, 2016).

2.3 Empirical Research

This research will be quantitative study data and information will be made available through a questionnaire form. The respondent will fill up and answer the questionnaire that will be provided. All research objectives and the question of this research can only be answered after data has been provided by the respondent and then been evaluated by data analysis method that selected to be used. After getting the research result, the problem statement can be addressed based on scientifically rather on basis of perception and speculation that not considered valid and reliable.

2.4 Conceptual Framework

Conceptual framework is a heart of every research and played an important role in this research. The conceptual framework of this study is impact of between digital and traditional advertising with human interaction as a moderating behavior. The impact of advertising would be evaluate using 3 aspects, there are audience emotional response, brand image and messaging and audience emotional response.

Figure 2.1 show the concept of this study consists of digital advertising, traditional advertising, human interaction and consumer buying behavior. All this gave an idea for this research to begin with. The construct of this framework is accordance with the research question, research objective and problem statement. In this framework, consumer buying behavior will become a dependent variable while the independent variable is consisting of traditional and digital

advertising. Furthermore, human interaction will become and moderating behavior to find out whether it can increase the impact between independent and dependent variables. Based on previous research, advertisement is sure to have an impact on consumer buying behavior, but this research will identify which advertising had a better impact.

In order to identify the impact independent variable on the dependent variable and illustrate their relationship to each other. Then the conceptual frame is created. The literature review between each variable was explained in the previous section. There are 3 hypotheses that will be present under hypothesis development.
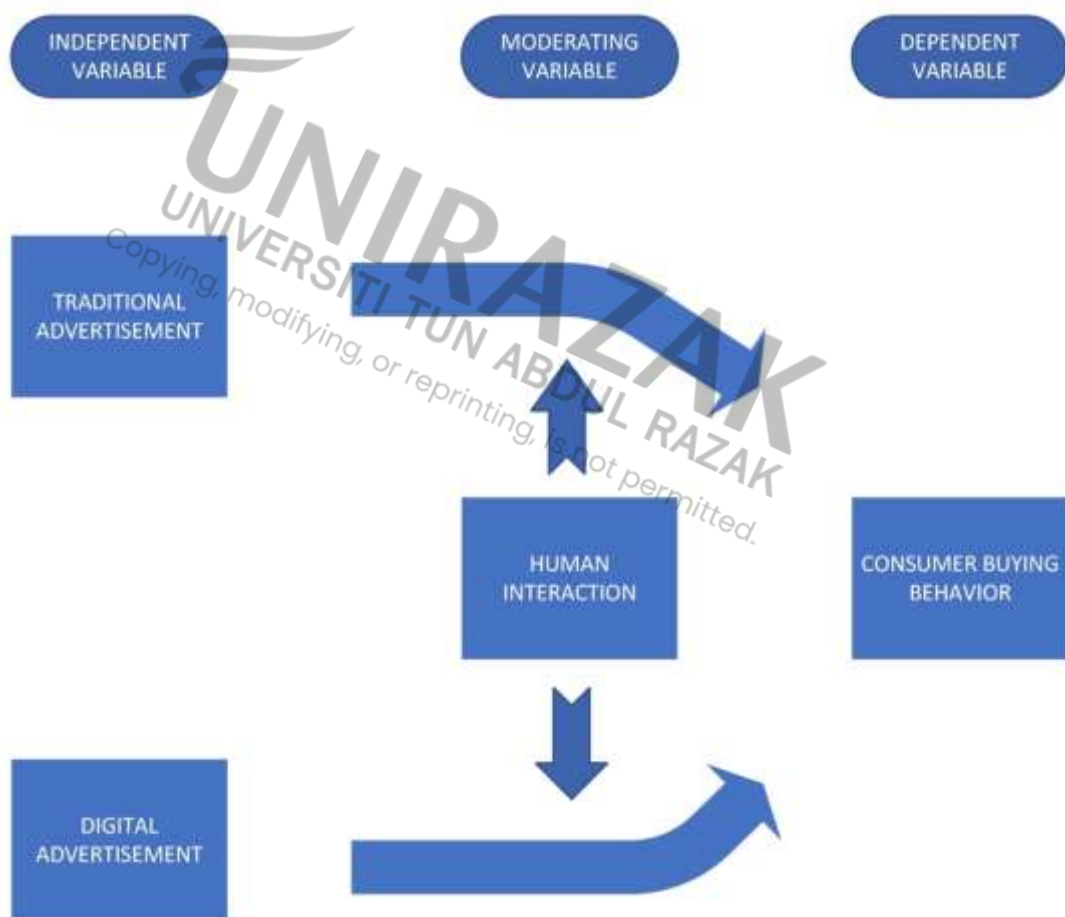
Figure 2.1 Conceptual Framework of the Study

2.4.1 Study Variable

1. Traditional advertising (independent variable)

2. Digital advertising (independent variable)

3. Consumer buying behavior (dependent variable)

4. Human interaction (moderating variable)

2.5 Hypotheses Development

2.5.1 Relationship Between Traditional Advertisement with Consumer Buying Behavior

Traditional advertising consists of newspapers, television, magazine, billboard and direct mail. Traditional media has become the root of advertising and business had been using it for decades proving that traditional media is very effective (Lopez-Pumarejo, 2020). The author also mentions that traditional media has vast experience to attract readers, listeners and viewers and it can send widespread information to the targeted audience in their ways. Scott Pelley in an interview with Forbes in June 2020 mentioned that there are ABC, CBS and NBC collectively had a 1 million new audience in their evening news segment as proof that traditional media still can be an effective advertising channel. Based on Word of Mouth Influence (2008), traditional media remained a steady influence on the consumer to purchase the electronic product. There is one research done by Talafuse & Brizek (2015) find that, stay home and working from home mothers in Montana United States prefer traditional media advertising rather than digital media advertising. There are two research in Australia and New Zealand reported there are higher influence of traditional advertisement than digital advertisement. 46% of the respondent prefer advertisement through television compared to other instrument of advertising.

H1:   Traditional advertising has significant impact on consumer buying behavior

2.5.2 Relationship Between Digital Advertising with Consumer Buying Behavior

According to a report by the Department of Statistics Malaysia, individuals aged 15 and above in Malaysia (2021), 95.5% has internet access. This is a 4% increase from the previous years. So, it is mean that the audience for advertising through digital channels would be bigger. Copeland (2009) mention that the growth of internet user has reduced overall customer attention to the traditional advertisement. Further on that, a huge increase in smartphone users allows businesses to have access to this consumer group (De Cesare & Aldin, 2011). Digital advertising enables businesses to target specific or smaller market segments of customers that have special purchasing interests rather than general blanket advertising for large groups (Truong, Mccoll, & Kitchen, 2010). There is a lot of target advertisement that identifies customer through their internet search and internet usage patent so that the advertisement is directed to the potential customer. the digital presence will allow the business to engage with the larger market segment. according to Taylor (2009), digital advertising that has interactivity is more effective rather than an advertisement that doesn't have interactive communication.

H2:   Digital advertising has significant impact on consumer buying behavior

2.5.3 Human Interaction Could Improve Impact of Advertisement on Consumer Behavior

Social interaction is one of the basic human needs. According to Yin et al (2019), social interaction is the motivation of behavior and this is in accordance with social interaction theory. The same author also mentions that some online shopping platforms provide interactive communication with sellers to help them make a purchase decision. Knowledge sharing can have an impact on consumer purchasing intention as with more knowledge of the product or service, the consumer can decide better (Ghahtarani, Sheikhmohammady, & Rostami, 2019). This knowledge sharing is through human interaction. Business needs to focus

its product or service on human interaction could provide an opportunity to build huge social and economic value (Waytz, 2019). This is because good communication could be able to persuade customer attitude and behavior in making a purchasing decision (Soehardi, 2022). Lucid Content Team (2021) mention that one of the five consumer decision-making processes is seeking and gathering information.

H3:   human interaction might moderate the impact of advertising on consumer buying behavior.

2.6   Summary

Chapter 2 critically explain all the variable related to this research and all the previous work that related to all the variables. Based on the previous research that had been done, it is hard to argue the impact of advertising on consumer buying behavior.

CHAPTER 3

RESEARCH METHODOLOGY

3.1   Introduction

In the earlier chapter, the conceptual framework and proposed hypothesis had been discussed. Each piece of information is the foundation of this chapter. In this chapter, the researcher will completely explain in detail all the method that later will be used to gather data so that hypothesis that had been mentioned in chapter 2 can properly be tested. The impact of each advertisement will be tested by the respondent's emotional response, respondent memory and image and message. In this chapter, research design, population, sampling, data collection method, variable and data analysis technique will critically discuss. The core of this study is to find an advertisement that had a better impact on the consumer buying behavior and human interaction can enhance the impact of advertisement. The study is descriptive and quantitative.

3.2   Research Design

Research design can be defined as a blueprint to manage a study or research with maximum control over a variable that can intervene with the viability of research (Burns & Grove, 2003). While Polit, Beck & Hungler (2001) define research design as "the researcher's overall for answering the research question or testing the research hypothesis". Research design is a very critical aspect of the study as it can demonstrate how research is being carried out appropriately and systematically to find the correct and precise result.

In this research, quantitative research will be done to measure the impact of advertising on consumer behavior. Allan (2017) mentions that the purpose of the quantitative method is to bring out knowledge or information and generate an understanding of the group called the population. Quantitative research has been used in this research due to the more suitable nature

of this research subject. Bandari (2020) mention that qualitative research is a process of gathering examines numerical data, finding a pattern, and testing causal relationship and generalized result.   The data will be collected using a Likert scale on an online questionnaire from people or respondents. The sampling method that will be used is the convenient sampling method in this study so that everyone will have an equal chance of getting selected.

3.3   Study Population and Sampling Procedure

Yount (2006) defines a population as comprised of all subjects that are under study and consist of the possible case that constitute a known whole. Based on the topic, getting a proper sample size to represent to targeted population is crucial in order result can be generalized the result that had been gathered.   As the objective of this study is to study the impact of advertisement consumers in the financial sector. The target population of this research is the consumer in the financial sector in Malaysia. According to MIDA, the financial sector is very broad in Malaysia. There is an institution under the authority of Bank Negara Malaysia and there is an institution under the regulation of the Security Commission.

The target respondent in this research is people living in Malaysia that have at least one financial product. The survey or questionnaire will be distributed using convenient sampling through internet channel like email, messaging apps etc. and there is no physical questionnaire being distributed.

3.3.1   Sampling Technique

Sampling in research can be defined as a group of people the researcher will collect data and generalize it to represent the whole research population. Sampling is very essential and important part of every research and the researcher needs to use the correct sampling method. The two primary sampling method is probability and non-probability. In the research,

nonprobability sampling had been selected to be used. nonprobability sampling means that it involves a nonrandom selection of respondents based on the convenience of the researcher. The nonprobability sampling method is used due to its easier to collect data, faster, cheaper, and doesn't require a large population. As the population of this researcher is very big, a convenience sampling technique had been selected to be used. Plus, this sampling technique is very convenient as it is easier to collect data cheaper even though there might be a possibility of bias. Convenience sampling is a sampling technique in which the respondent is the person that has most assessable to the researcher or the sample is selected due to convenience to the researcher (Aghdaie, Sanayei, & Etebari, 2012). convenience sampling technique will be utilized as the customer in Malaysia are considered very broad and the target respondents may be convenient to be reached. Mean that the most suitable sampling technique for this research would be a convenient sampling technique.

3.3.2 Sample Size

Sample size is the number of respondents from the population to be included in the research analytical analysis. Sample size usually will be mentioned by the letter N in the formula. The sample size is important in the research as it reflect the accuracy of the result and the power to draw a conclusion based on the finding. To determine this research sample size, the researcher will used Taro Yamane formula. Using His formulas for Malaysia population as 32 million or using KWSP total member of 14.8 million the minimum sample size with 90 precision is 100. So, this research minimum sample size in order to make the finding valid is 100. The complete table with different precision been show is figure 3.2 and detail formula as shown below in figure 3.1.

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$$n = \frac{N}{1 + N * (e)^2}$$

N= population

n= sample size

e= the acceptable sampling error

Figure 3.1 Taro Yamane formula

Size of Population (N)	Sample Size (n) for Precision (E) of:			
	±3%	±5%	±7%	±10%
500	A	222	145	83
600	A	240	152	86
700	A	255	158	88
800	A	267	163	89
900	A	277	166	90
1,000	A	286	169	91
2,000	714	333	185	95
3,000	811	353	191	97
4,000	870	364	194	98
5,000	909	370	196	98
6,000	938	375	197	98
7,000	959	378	198	99
8,000	976	381	199	99
9,000	989	383	200	99
10,000	1,000	385	200	99
15,000	1,034	390	201	99
20,000	1,053	392	204	100
25,000	1,064	394	204	100
50,000	1,087	397	204	100
100,000	1,099	398	204	100
>100,000	1,111	400	204	100

Figure 3.2 Taro Yamane formula table

3.4   Data Collection Method

Relevant data will be collected for analysis later in chapter 4 through a descriptive survey where qualitative data will be the center of this research. A questionnaire is a research technique or method in the form of a series of questions with the meaning to collect data from the respondent through a survey. A questionnaire can be open-ended where customers can answer freely without any restrictions or close-ended questions with some limitations like yes or no and agree or disagree. There is one more when the researcher will ask the respondent to rank the answer like a Likert scale, this also can be categorized as a close-ended question and the most popular type to be used in the questionnaire.

A questionnaire is very easy to manage by the researcher and by the respondent. Distribution of the questionnaire can be done through email by internet, mail to post either to the respondent's home or office address and can be returned to the researcher (Saunders, Lewis, & Thornhill, 2009). For a faster and better response rate, the researcher needs to give an introduction letter to the respondent to explain the study and the dateline to answer the study. A lot of Unirazak students use this technique to increase the number of respondents for their survey. Usually, they will have an introduction in their email regarding the study and ask them to answer the survey before the stipulated time.

This research choice to use a questionnaire because it is the best technique to gather qualitative data, easy to handle and answer by the respondent. The questionnaire is easier to administer in research, unbiased, less hassle and less error (Creswell, 2014). There are several disadvantages of using a questionnaire, respondent might find the question hard to understand and lead to wrong answers given. The second disadvantage is that due to low supervision, the respondent might answer the questionnaire facetiously especially when the question is too long.

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The questionnaire for this research likely will have 4 sections, Section A, B, C and D. Section A consist of demographic questions like gender, age and others. While sections B, C and D will be questioned related to the subject under investigation. The question in both sections will be answered on 5-point liker scale from strongly disagree to strongly agree. Table 3.3 show that 5-scale Likert scale from strongly disagree to strongly agree. Selection of instrument of questionnaire is by referring to previous research by Awan et al (2016). As the field is almost similar, this research will follow the instrument of questionnaire from their previous research.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Table 3.1 Five Point of Likert Scale's Measurement Level

3.5 Operational & Measurement

This research will be using two scales of measurement which are nominal and interval scales. The use of a nominal scale is to categorize that cannot be measured using a numerical value like gender or race that later will be sorted under separate small groups. Like female or male groups and races like Bumiputera, Chinese, Indian or other groups.

While interval scale is a quantitative measurement scale where their sequence or numeric score and has an equal distance between each attribute. This research will use the Likert scale of interval in section B and C and each attribute have 5 response categories which strongly disagree, disagree, neutral, agree and strongly agree.

3.5.1 Measurement of Variable

INDEPENDENT VARIABLE

Variable	Measurement	Question	Reference
Digital Advertising	Audience's emotional response	I enjoy digital advertising	Jakstiene, Suniene & Narbutas, 2008
		I will talk about advertising I see with others	Mangold and Faulds (2009)
		The advertising I see on a digital platform can evoke my emotional feeling (fear, anger, passion, etc)	Goldsmith & Lafferty, 2002
		Advertising I see on the digital platform is more reliable	Sorce & Dewitz (2007)
	Audience's memory	Sometimes I make a purchase because I remember advertising that I see on a digital platform	Klemm, 2014
		Advert that I see on the digital platform often stick in my memory	Eun, Greg, Karen, & Leonard, 2018
		Sometimes advertising I see on a digital platform can unlock my old memory	Kruse, 2021
	Brand image and messaging	Image and word associated with digital advertising is easier to remember	Tokunaga, 2011
		Digital advertising often gets my attention	Harvey, 1997
		I will pay attention to advertising that I see on digital channel	Harvey, 1997

Table 3.2 measurement of digital advertising

Variable	Measurement	Question	Reference
Traditional Advertising	Audience's emotional response	I enjoy traditional advertising	Jakstiene, Suniene & Narbutas, 2008
		I will talk about advertising I see with others	Mangold and Faulds (2009)
		The advertisement I see on the non-digital platform can evoke my emotional feeling (fear, anger, passion, etc)	Goldsmith & Lafferty, 2002
		Non-digital advertising is more reliable and truthful	Sorce & Dewitz (2007)
	Audience's memory	Sometimes I make a purchase because I remember advertising that I see on a non-digital platform	Klemm, 2014
		Advertisements I see on the non-digital platform often stick in my memory	Eun, Greg, Karen, & Leonard, 2018
		Sometimes advertising I see on the traditional platform can unlock my old memory	Kruse, 2021
	Brand image and messaging	Image and word associated with non-digital advertising is easier to remember	Tokunaga, 2011
		Non-digital advertising often gets my attention	Harvey, 1997
		I will read through advertising I see on non- digital channel	Harvey, 1997

Table 3.3 measurement of traditional advertising

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DEPENDENT VARIABLE

Variable	Measurement	Question	Reference
Consumer buying behavior	Attraction and influence	I consider advertising a useful marketing tool for creating awareness of a product or service	Arens, 1996
		I find advertising will provide me with accurate, useful and up-to-date information	Sunderaraj, 2018
		I believe that creative advertising can change consumer mind	Malik, Ghafoor, Iqbal, Unzila, & Ayesha, 2014
		Advertising engages me to develop an interest in the products or service	Fan, 2022
		Advertising did have an influence on my purchase decision	Arens, 1996
		I often buy a product after I see its advertising	Rai, 2013

Table 3.4 measurement of dependent variable

MODERATING VARIABLE

Variable	Measurement	Question	Reference
Human interaction	Customer service	Human interaction is essential in marketing product or service	Waytz, 2019
		I would be attracted more toward the product if marketing involve human interaction	Rajan, Sammansu, & Suresh, 2021
		I prefer interaction with humans rather than artificial intelligence (AI)	Ghahtarani, Sheikhmohammady, & Rostami, 2019
		Human interaction can affect my purchasing decision	Soehardi, 2022
		Advertising would be better with human interaction	Waytz, 2019

Table 3.5 measurement of moderating variable

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3.6   Reliability and Validity

The questionnaire in this research had a reliable Cronbach alpha value and was valid for this research purpose. Before the questionnaire had been distributed on a large scale, the researcher conducted a pilot test to test either the statement consistency and reliability of the survey items in the questionnaire which result in a Cronbach alpha value is more than 0.9 which can be considered excellent for the independent, dependent and moderating variable.

3.7   Data Analysis Technique

Data analysis is the process of collecting, organizing and analyzes data to support our decision making. There 2 data analysis technique, qualitative and quantitative analysis technique. As this research this qualitative in nature so qualitative analysis technique will be used to test all the data that derived from later questionnaire. This research will do both descriptive and inferential data analysis and data will be analyze using SPSS software system.

3.7.1   Descriptive Data Analysis

This analysis method is very essential to this research. Descriptive data analysis gives the researcher information that explains and summarizes data in meaningful ways. It simply presented raw data that had to be visualized and simplify and made meaningfully. It usually will be presented using a graph or chart to make it easy to understand what the data is represent. This method is only used to make an analysis not to draw a conclusion.

3.7.2   Inferential Data Analysis

Inferential data analysis is used to draw and measure the validity of the conclusion on the population based on data that had been gathered from a sample of the population. This analysis

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allows the researcher to generalize the population based on the sample that had been analyzed. It takes data from a small sample of the population and concludes the whole group. Since not everyone in the population contributes to the data, the result will always be some level of uncertainty.

The analysis includes correlation analysis to test the correlation of each variable. Then regression analysis was conducted to analyze the strength of the relationship and the moderating effect. The table will be used to show the result of the survey.

3.8   Summary

Chapter 3 begins with an introduction to briefly explain the whole content of this chapter. Later proceed with research design, population and sampling before proceeding with the data collection method. This chapter explains how to collect the data and how to analyze it so that the researcher can test the validity of the hypothesis.

CHAPTER 4

RESULT AND DISCUSSION

4.1   Introduction

This chapter will include the data analysis of respondent demographic using Descriptive Analysis, Reliability testing for all variables, Multiple Regression analysis and Hypothesis testing. Data was collected using an online questionnaire created using Microsoft Forms. Data that had been gathered is analyzed and results are obtained using Statistical Packages for Social Science (SPSS) computation analysis software.

4.2   Descriptive Analysis

4.2.1   Gender

Items	Frequency	Percent	Valid Percent	Cumulative Percent
Female	53	50.5	50.5	50.5
Male	52	49.5	49.5	100
Total	105	100	100	

Table 4.1 Gender of Respondent

The table 4.1 above showed the respondent gender for this research. The respondent from both genders is almost equal. Of 105 respondents, 53 respondent is female while the male is 52 respondents. This means that 50.5 respondent is female and 49.5% is the male respondent.

4.2.2 Age

Items	Frequency	Percent	Valid Percent	Cumulative Percent
1946 – 1964 (Baby Boomers)	1	1.0	1.0	1
1965 – 1979 (Generation X)	23	21.9	21.9	22.9
1980 – 1994 (Generation Y)	64	61.0	61.0	83.8
1995 – 2012 (Generation Z)	17	16.2	16.2	100
Total	105	100	100	

Table 4.2 Respondent Age Group

The age group in this research be divided according to generation based on the year respondent were born. Based on the outcome of the questionnaire, there is a single respondent from the baby boomers (1946 – 1964) generation. 21.9 % or 23 respondents from Generation X (1965 – 1979), and 64 respondents, or 61 % are from Generation Y (1980 – 1994). The remaining 17 respondents or 16.2 % are from Generation Z that is born from 1995 to 2012.

4.2.3 Race

Items	Frequency	Percent	Valid Percent	Cumulative Percent
Chinese	23	21.9	21.9	21.9
Indian	6	5.7	5.7	27.6
Malay	70	66.7	66.7	94.3
Others	6	5.7	5.7	100
Total	105	100	100	

Table 4.3 Respondent Race

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The table 4.3 above shows the four group of races which is Chinese, Indian, Malays and other races. Most of the respondents are Malay which is 70 or 66.7%, followed by Chinese which is 21.9 % or 23 respondents. The remaining 12 % of the respondent equally fall under the categories of Indian and other races.

4.2.4 Marital Status

Items	Frequency	Percent	Valid Percent	Cumulative Percent
Married	74	70.5	70.5	70.05
Single	31	29.5	29.5	100
Total	105	100	100	

Table 4.4 Respondent Marital Status

Table 4.4 above show the respondent marital status, its either married or single. Based on the outcome, 74 respondents that equivalent to 70.5 % is married, while the remaining 29.5% is fall under single categories.

4.2.5 Education Level

Items	Frequency	Percent	Valid Percent	Cumulative Percent
Bachelor's Degree	50	47.6	47.6	47.6
Diploma	26	24.8	24.8	72.4
Postgraduate Degree	21	20.0	20.0	92.4
Secondary Qualification	8	7.6	7.6	100
Total	105	100	100	

Table 4.5 Respondent Education Level

For the education level, the highest number of respondents had a bachelor's degree 47.6% which consists of 50 respondents, while respondents with a diploma were 24.8% or 26 respondents. Postgraduate or higher recorded 20% with 21 respondents and there were 8 respondents with 7.6% who had secondary qualification or lower.

4.3 Reliability Analysis

Reliability analysis is very crucial to determine whether the researcher's method of research is producing a reliable result. To test it, the researcher is using Cronbach's alpha. It is to measure the consistency and reliability of the survey items in the questionnaire. For the reliability test, there are 20 respondents that had participated in answering the test questionnaire.

Technically Cronbach's alpha range is between 0 to 1. As 0 indicates there is no relation at all and each of the items can be considered independent. Usually, the benchmark value of 0.7 and above is considered acceptable. According to Sekaran & Bougie (2016), a scale near 1 is considered consistent and reliable if the items are high, while if it is more than 0.8 the items are considered good. Acceptable outcome if the reading is 0.7 and 0.6 can be considered low or poor.

Variable	Cronbach's Alpha	N of Items
Consumer Buying Behaviour	0.971	6
Traditional advertising	0.920	10
Digital Advertising	0.940	10
Human Interaction	0.948	5

Table 4.6 Reliability Testing for Variable

The table above shows the Reliability Testing for each variable. The result is generated from the data key in IBM SPSS on each respective variable. Cronbach's alpha will justify how reliable each item in the questionnaire is. For the dependent variable, it has been recorded that

Cronbach's alpha is 0.971. Since the result recorded is above 0.90 (>0.90), the value obtains can be considered excellent. For the independent variable, Cronbach's alpha has recorded 0.920 for traditional advertising and 0.940 for digital advertising. As all the variable has recoded above 0.90 (>0.90), the value obtained can be considered excellent. Moderating variable of human interaction also recorded excellent reliability as Cronbach's alpha is above 0.90 (>0.90) at 0.948. based on the result recorded, the researcher will continue to distribute the questionnaire without making any alteration to the statement on any variable.

Variable	Cronbach's Alpha	N of Items
Consumer Buying Behaviour	0.955	6
Traditional Advertising	0.945	10
Digital Advertising	0.945	10
Human Interaction	0.968	5

Table 4.7 Reliability Assessment of Final Instrument

After the questionnaire has been distributed and data have been collected, all the data is once again analyzed by reliability analysis to confirm each item's consistency. A total of 105 data has been collected through a questionnaire has been run through reliability analysis.

The table above shows Cronbach's alpha value after all data from the questionnaire has been analyzed. For the dependent variable, which is consumer buying behavior, Cronbach's alpha value at 0.955. Traditional and digital advertising which is an independent variable both recorded 0.945. While moderating variable human interaction recorded 0.968 for Cronbach's alpha value. As the value recorded is above 0.90 (>0.90), it can be concluded that all statement in the questionnaire is excellent reliability thus acceptable for more analysis.

4.4   Correlation Analysis

Correlation analysis is a tool used to evaluate the strength of the relationship between 2 variables. A high correlation means that the variable has a good or significant relationship with each other's while a weak correlation can justify that the variable is not closely related and insignificant. So, researcher will use this analysis to justify the correlation between 2 types of advertising on Consumer buying behavior.

Correlations

		Digital Advertising	Traditional Advertising	Consumer Buying Behaviour
Digital Advertising	Pearson Correlation	1	.567**	.747**
	Sig. (2-tailed)		<.001	<.001
	N	105	105	105
Traditional Advertising	Pearson Correlation	.567**	1	.540**
	Sig. (2-tailed)	<.001		<.001
	N	105	105	105
Consumer Buying Behaviour	Pearson Correlation	.747**	.540**	1
	Sig. (2-tailed)	<.001	<.001	
	N	105	105	105

**. Correlation is significant at the 0.01 level (2-tailed).

Table 4.8 Coefficient Correlation

Based on the coefficient correlation table above, shows the relationship between 2 independent variables and the dependent variable. So, the table above already answers the RQ1 and RO1 in Chapter 1. The table also shows both independent variable is significantly affecting the dependent variable at <0.001. The Sig. value or p-value must be less than 0.05 (<0.05) to justify whether it is significant or not and <0.001 show that both independent variables are highly significant to the dependent variable. The correlation value for digital and traditional advertising is 0.747 and 0.540 indicate that the relationship is good at the significant level of <0.001. Furthermore, the table above shows that the correlation of digital advertising is 0.747, this means that every 1% increase in digital advertising brings 0.747 variances to the consumer

buying behavior at 55% (.7472) and 1% changes in traditional advertising bring 0.540 variances to the consumer buying behavior at 29% (.5402).

4.5   Multiple Regression Analysis

Multiple regression analysis is used to analyze which variable shows a better influence on this research. by doing so, the researcher can determine which independent variable significantly impact this research. on the other hand, this will also answer the second RO, which is "To identify which advertising channel, have more impact on consumer buying behavior".

Later in this chapter, the output on model summary or variance (R2) will show how much the independent variable influence on the dependent variable. Besides that, beta coefficients (β) also will show how much each independent variable influence on the dependent variable. A larger number of the beta will show a stronger contribution to the dependent variable, while a smaller number of beta show a lesser or weaker contribution to the dependent variable. Besides that, Sig. value (p-value) will indicate the significant effect of the independent variable on the dependent variable.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.302	.317		.951	.344
	Digital Advertising	.786	.094	.650	8.326	<.001
	Traditional Advertising	.227	.103	.171	2.195	.030

a. Dependent Variable: Consumer Buying Behaviour

Table 4.9 Coefficient Analysis

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The β analysis is to show the effect that the independent variable does on the dependent variable. The above table show that digital advertising has a strong influence on consumer buying behavior with β value at 0.650. This means that 65% of the variation in consumer buying behavior resulted from digital advertising which is significant at <.001. Another independent variable which is traditional advertising with β value of 0.171 or 17% influenced consumer buying behavior with a significance at .030.

Regression Coefficients In Moderation Analysis

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.034	.338		3.060	.003
	Digital Advertising	.810	.089	.670	9.070	<.001
	MV1	-.128	.060	-.158	-2.143	.034

a. Dependent Variable: Consumer Buying Behaviour

Table 4.10 Moderation Analysis for Digital Advertising

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.808	.375		4.814	<.001
	Traditional Advertising	.639	.109	.483	5.885	<.001
	MV2	-.211	.071	-.245	-2.979	.004

a. Dependent Variable: Consumer Buying Behaviour

Table 4.11 Moderation Analysis for Traditional Advertising

Regression coefficients table above show that there is strong relationship between dependent and independent variable as the P-value is less than ≤ 0.05. As the P-value is less than 0.05, the relationship between consumer buying behaviour with digital and traditional advertisement can be considered as significant. For the moderating effect result, the table 4.10 show the sig. or P-value for MV1 is 0.034. Since the value is less than 0.05, researcher find that moderating variable *human interaction* has an effect or relationship between independent variable *digital advertising* and dependent variable *consumer buying behaviour*. Same goes to MV2, as the sig. or P-value for MV2 is 0.004 in the table 4.11 and the value is less than 0.05. Researcher also find that moderating variable *human interaction* has an effect or relationship between independent variable *traditional advertising* and dependent variable *consumer buying behaviour*. From this output, the RQ3 and RO3 has been answered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin–Watson
1	.760^a	.578	.570	.77061	2.107

a. Predictors: (Constant), Traditional Advertising, Digital Advertising
b. Dependent Variable: Consumer Buying Behavior

Table 4.12 Model Summary

Based on the table above, the Model summary portrayed the value of R, R2, and adjusted R square (R2) as well as the standard error of the estimate. The table shows that the R2 is equivalent to 0.578 or 57.8%. This means that consumer buying behaviour as a dependent variable is 57.8% influenced by both independent variables. Durbin Watson was calculated to observe the type of correlation among the variables either positive, negative, or zero. The value of Durbin Watson is 2.107. Any value between 1.5 to 2.5 shows that there is an acceptable correlation between both variables and this range is where successive error differences are small.

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	82.975	2	41.488	69.862	<.001[b]
	Residual	60.572	102	.594		
	Total	143.548	104			

a. Dependent Variable: Consumer Buying Behaviour

b. Predictors: (Constant), Traditional Advertising, Digital Advertising

Table 4.13 ANOVA

The ANOVA table above shows that the significance level is <0.001 which is less than 0.05. This value is acceptable and shows the strong influence of digital and traditional advertisement as the independent variable and on consumer buying behaviour as a dependent variable.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.747[a]	.558	.554	.78477
2	.760[b]	.578	.570	.77061

a. Predictors: (Constant), Digital Advertising

b. Predictors: (Constant), Digital Advertising, Traditional Advertising

Table 4.14 Multiple Regressions (Stepwise Method)

Based on the table 4.14 above, the researcher has rerun the same data using the stepwise method. This method could indicate which independent variable is more significant than the dependent variable. Based on the output, the most significant independent variable would be digital advertising. The R2 in model 1 is 0.558 or 55.8% means that digital advertising is the most contributing factor to consumer buying behaviour. The adjusted R2 is 55.4% means that 44.2% of consumer buying behaviour is contributed to or explained by other factors.

While in model 2, the R2 is 0.578 or 57.8% showing that only 2% variance explained in consumer buying behaviour is contributed by traditional advertising. The 2% variance is generated from the difference in the value of R2 from models 1 and 2. 57.8% minus 55.8% which is equivalent to 2%. The adjusted R2 is 0.570 or 57%. This indicates that 43% of consumer buying behaviour is explained by another factor, besides traditional and digital advertising.

4.5.1   Analysis Summary

Based on the output from SPSS, the researcher had concluded that the relationship between both independent variable and dependent variable is strong and significant at <0.001. Between both independent variable, digital advertising show strong positive impact to consumer buying behaviour, while traditional advertising has positive but weak impact on consumer buying behaviour. On the other hand, human interaction as the moderating variable in this research has an effect between independent and dependent variable, thus can moderate the impact of advertising on consumer buying behaviour.

4.6   Hypothesis Testing

Hypothesis 1 (Traditional Advertising)

The first independent variable would be traditional advertising has been under study to see how the variable impact consumer buying behaviour on purchasing financial products or services. The regression model has been analysed and the variable relationship towards consumer buying behaviour is 0.747 with a significant value at <0.001. Besides that, ANOVA also indicates that the independent variable has a significant influence on the dependent variable. Thus the first hypothesis (H1) is accepted.

Hypothesis 2 (digital advertising)

The second independent variable would be digital advertising has been under study to see how the variable impact consumer buying behaviour on purchasing financial products or services. The regression model has been analysed and the variable relationship towards consumer buying behaviour is 0.540 with a significant value at <0.001. Besides that, ANOVA also indicates that the independent variable has a significant influence on the dependent variable. Thus the second hypothesis (H2) is accepted.

Hypothesis 3 (Human interaction)

Human interaction would be moderating variable that has been under study to see whether human interaction could moderate the impact of advertising on consumer buying behaviour on purchasing financial products and services. The regression model has been analysed and the output shows the human interaction relationship with both independent variables at significant values of 0.034 and 0.004. As the P-value is less than 0.05, human interaction has an effect on the independent and dependent variables. So the third hypothesis (H3) is accepted.

4.6 Discussion

At first, the researcher wants to understand the impact of digital and traditional advertising on consumer buying behaviour. Based on the data that had been collected and then analysed by using SPSS, the researcher had a clear picture of the said matter. The output help researcher understands the relationship between both the independent variable to the dependent variable.

To answer the first research objective, research has conducted coefficient correlation analysis to determine any relationship between the independent variable and the dependent variable. From the output, the researcher manages to identify that both independent variables show a correlation to the dependent variable register at 0.540 for traditional advertising and 0.747 for

digital advertising. To add on that, each independent variable is significantly affecting the dependent variable at <0.001. The Sig. value or p-value must be less than 0.05 (<0.05) to justify whether it is significant or not and <0.001 shows that both independent variables are highly significant to the dependent variable. Based on this the first research question and objective have been answered.

For the second research objective, the researcher wants to identify which of the independent variable have a better impact on consumer buying behaviour. The researcher has conducted coefficient analysis, correlation analysis and multiple regression (stepwise method). From these 3 analyses, researchers discover that digital advertising has a better impact on consumer buying behaviour rather than traditional advertising. Based on this, the second research question and objective have been answered.

For the last research objective, the researcher wants to identify whether human interaction can moderate the impact of advertising on consumer buying behaviour. From the data that had been collected, the researcher conducted a moderation analysis to identify the moderation effect result. The result shows that the sig. or P-value is 0.034 for digital advertising and 0.004 for traditional advertising. As the sig. or P-value is less than 0.05, the researcher finds that human interaction has an effect or relationship between traditional and digital advertising with consumer buying behaviour. Based on this, the third research question and objective have been answered.

CHAPTER 5

CONCLUSION

5.1 Recap Of The Study

After data has been collected and analysed using SPSS, the researcher managed to identify the relationship between the variable, which variable is more significant and also the impact of moderating variable. Later in this chapter, the researcher will further explain the result and finding in chapter 4. After that, a conclusion will be made and a few recommendations will be laid out based on the result that has been generated by SPSS. On the other hand, the research implication will contribute a solution to the problem and would be relevant to businesses, marketers and customers. This research limitation also will be identified and discussed. Lastly, the researcher will provide recommendations and conclude the study.

5.2 Implication Of The Study

As advertisement had entered a new era, in which the internet has played a major role in marketing a product or service. The finding of this researcher would be useful for businesses and marketers in the financial industry to find the best advertising strategy for marketing their products and service. As digital marketing has more influence on consumers rather than traditional advertising, financial institutions need to understand consumer preferences. Thus need to create a more diversified marketing strategy by shifting the current traditional media and marketing technic to a higher online presence.

Furthermore, this research finds that human interaction is important to consumers regardless is on digital or traditional advertising. So, to better market its product and service financial

institutions need to make sure human interaction need is present. Human interaction in marketing a product cannot be taken lightly as consumers prefer to have human interaction.

In addition, the improvement of advertising will benefit consumers indirectly. A better sale service experience can help consumers to have a better understanding of the product and service while helping them to make purchasing decisions.

5.3   Limitation Of The Study

It is a common thing in every research that there are some limitations. Limitation in the research is acknowledged and would not sway the finding of this research. Time constraints would be the first limitation of this research. Due to limited time, literature cannot cover all topics that are relevant to this research and the collection of data also is restricted to time. The next limitation would be sampling bias, due to time constrain, the researcher has selected convenience sampling. Due to imperfection in the selection of respondents, selection bias may occur as the selected sample might not represent the whole population. Besides that, the researcher manages to gather the minimum sample size of 100 respondents and with time limitations it might be not enough to represent the whole Malaysian population. The next limitation would be insufficient information. As there is not enough research that had been conducted locally compare to an outside country, foreign reference has been used and might not represent the local market climate. Further research needs to be made in the future to examine the topic in more detail.

5.4   Recommendation For Future Research

In this study, the researcher went through analysis to find which advertising channel had a stronger impact on consumer purchase intention. However, the scope of this study can be more

specific as this research only try to compare traditional and digital advertising. Both advertising channels can be broken down to get more specific results. For example, it focuses on the age group or location so that opinions on the research subject can be categorized based on the age group or location. Besides that, the future researcher can gather more respondents as it can generate more accurate and precise data by having a bigger sample size. 100 respondents are the minimum requirement to conduct this survey and the researcher manage to get 105 respondents. This can help increase the credibility of the research. Due to time and money limitations, the questionnaire has been distributed using an online platform only and there is no physical questionnaire has been distributed. Therefore future studies can use both online and offline questionnaires so that potential respondents can be expanded.

5.5   Conclusion

The main objective of this study is to determine the impact of traditional advertising and digital advertising on consumer buying behaviour and want to find out which advertisement has a better impact. Besides that researchers want to find out if human interaction could moderate the impact of advertising on consumer buying behaviour. Based on the finding of this research, both advertising channels have an impact but digital advertising have a stronger impact on consumer buying behaviour. Human interaction, on the other hand, can have an effect or relationship with an advertisement, thus it can moderate the impact of advertisements on consumer buying behaviour. This research can help financial institutions to understand consumer preferences in advertising. Without a doubt, to better market a product or service, businesses need to understand how to influence their potential customer first. By having this knowledge businesses could fully utilize their marketing appropriately. This research's finding is more important to the business and marketers so that they can develop or plan the best advertising strategy for marketing their products and service. Financial institutions need to

increase their online presence as consumer nowadays has shifted their advertisement

preferences to digital advertising.

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APPENDICES

APPENDIX A – QUESTIONNAIRE

Advertising Impact on Consumer Buying Behavior

I am a student of Universiti Tun Abdul Razak under going Master in Management program. I am conducting a research study to fulfill my final year thesis. The purpose of this survey is to find which advertising method, the digital or traditional channel is the best way to promote a financial product or service. **Digital advertising refers to marketing through online channels, such as websites, streaming content, social media and more. Digital advertisement could be in form of various media formats, including text, image, audio, and video. While traditional advertisement refers to any type of marketing that isn't online. This means printed media, TV, radio, direct mail, phone call, and outdoor advertising like billboards.**

Please answer all questions to the best of your knowledge. There are no wrong responses to any of these statements. All responses are completely confidential.

Your participation is fully appreciated. Thank you for your precious time.

* Required

Consumer Demographic
This section would be personal detail of the respondent

1. Gender / Jantina *

   ○ Male

   ○ Female

2. The year you were born / Tahun kelahiran Anda *

   ○ 1946 – 1964 (Baby Boomers)

   ○ 1965 – 1979 (Generation X)

   ○ 1980 – 1994 (Generation Y)

   ○ 1995 – 2012 (Generation Z)

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3. Race / Bangsa *

○ Malay / Melayu

○ Chinese / Cina

○ Indian / india

○ others / lain-lain

4. Status / Taraf Perkahwinan *

○ Single / Bujang

○ Married / Berkahwin

5. Educational Qualification / Tahap Pendidikan *

○ Secondary or below qualification / Sijil

○ Higher secondary / Diploma

○ Bachelor's degree / Ijazah

○ Postgraduate degree or higher / Sarjana

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This section is seeking consumer opinion on advertising influence to their buying behavior.

Respondent are asked to indicate the extent which they are agreed or disagreed with each statement using 5 likert scale

6. Consumer Buying Behaviour *

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
I consider advertising a useful marketing tool for creating awareness of a product or service	○	○	○	○	○
I find advertising will provide me with accurate, useful and up-to-date information	○	○	○	○	○
I believe that creative advertising can change consumer mind	○	○	○	○	○
Advertising engages me to develop an interest in the products or service	○	○	○	○	○
Advertising did have an influence on my purchase decision	○	○	○	○	○
I often buy a product after I see its advertising	○	○	○	○	○

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Digital advertising

This section is seeking consumer opinion on digital advertising. Digital advertising refers to marketing through online channels, such as websites, streaming content, social media and more. Digital advertisement could be in form of various media formats, including text, image, audio, and video.

Respondent are asked to indicate the extent which they are agreed or disagreed with each statement using 5 likert scale

7. Audience's emotional response *

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
I enjoy digital advertising	○	○	○	○	○
I will talk about advertising I see with others	○	○	○	○	○
The advertising I see on a digital platform can evoke my emotional feeling (fear, anger, passion, etc.)	○	○	○	○	○
Advertising I see on the digital platform is more reliable	○	○	○	○	○

8. Audience's memory *

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Sometimes I make a purchase because I remember advertising that I see on a digital platform	○	○	○	○	○
Advert that I see on the digital platform often stick in my memory	○	○	○	○	○
Sometimes advertising I see on a digital platform can unlock my old memory	○	○	○	○	○

9. Brand image and messaging *

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Image and word associated with digital advertising is easier to remember	○	○	○	○	○
Digital advertising often gets my attention	○	○	○	○	○
I will pay attention to advertising that I see on digital channel	○	○	○	○	○

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Traditional advertising

This section seeking consumer opinion on traditional advertising. Traditional advertisement refer to any type of marketing that isn't online. This means **printed media, TV, radio, direct mail, phone call, and outdoor advertising like bill-boards.**

Respondent are asked to indicate the extent which they are agreed or disagreed with each statement using 5 likert scale

10. Audience's emotional response *

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
I enjoy traditional advertising	○	○	○	○	○
I will talk about advertising I see with others	○	○	○	○	○
The advertisement I see on the non-digital platform can evoke my emotional feeling (fear, anger, passion, etc)	○	○	○	○	○
Non-digital advertising is more reliable and truthful	○	○	○	○	○

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11. Audience's memory *

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Sometimes I make a purchase because I remember advertising that I see on a non-digital platform	○	○	○	○	○
Advertisements I see on the non-digital platform often stick in my memory	○	○	○	○	○
Sometimes advertising I see on the traditional platform can unlock my old memory	○	○	○	○	○

12. Brand image and messaging *

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Image and word associated with non-digital advertising is easier to remember	○	○	○	○	○
Non-digital advertising often gets my attention	○	○	○	○	○
I will read through advertising I see on non-digital channel	○	○	○	○	○

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This section seeking consumer opinion on human interaction impact on advertising

Respondent are asked to indicate the extent which they are agreed or disagreed with each statement using 5 likert scale

13. Human interaction *

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Human interaction is essential in marketing product or service	○	○	○	○	○
I would be attracted more toward the product if marketing involve human interaction	○	○	○	○	○
I prefer interaction with humans rather than artificial intelligence (AI)	○	○	○	○	○
Human interaction can affect my purchasing decision	○	○	○	○	○
Advertising would be better with human interaction	○	○	○	○	○

~ END of Appendix A ~

APPENDIX B – IBM SPSS DATA OUTPUT

Frequencies

Statistics

		Gender / Jantina	The year you were born / Tahun kelahiran Anda	Race / Bangsa	Status / Taraf Perkahwinan	Educational Qualification / Tahap Pendidikan
N	Valid	105	105	105	105	105
	Missing	0	0	0	0	0

Frequencies table

Gender / Jantina

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	53	50.5	50.5	50.5
	Male	52	49.5	49.5	100.0
	Total	105	100.0	100.0	

The year you were born / Tahun kelahiran Anda

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1946 – 1964 (Baby Boomers)	1	1.0	1.0	1.0
	1965 – 1979 (Generation X)	23	21.9	21.9	22.9
	1980 – 1994 (Generation Y)	64	61.0	61.0	83.8
	1995 – 2012 (Generation Z)	17	16.2	16.2	100.0
	Total	105	100.0	100.0	

Race / Bangsa

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Chinese / Cina	23	21.9	21.9	21.9
	Indian / india	6	5.7	5.7	27.6
	Malay / Melayu	70	66.7	66.7	94.3
	others / lain–lain	6	5.7	5.7	100.0
	Total	105	100.0	100.0	

Status / Taraf Perkahwinan

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married / Berkahwin	74	70.5	70.5	70.5
	Single / Bujang	31	29.5	29.5	100.0
	Total	105	100.0	100.0	

Educational Qualification / Tahap Pendidikan

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bachelor's degree / Ijazah	50	47.6	47.6	47.6
	Higher secondary / Diploma	26	24.8	24.8	72.4
	Postgraduate degree or higher / Sarjana	21	20.0	20.0	92.4
	Secondary or below qualification / Sijil	8	7.6	7.6	100.0
	Total	105	100.0	100.0	

Reliability

Case Processing Summary

		N	%
Cases	Valid	105	100.0
	Excluded[a]	0	.0
	Total	105	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.955	.955	6

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.687	3.267	3.914	.648	1.198	.057	6
Inter-Item Correlations	.779	.587	.927	.340	1.578	.012	6

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.945	.945	10

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.445	3.267	3.714	.448	1.137	.017	10
Inter–Item Correlations	.633	.430	.830	.400	1.930	.011	10

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.945	.945	10

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.199	3.076	3.295	.219	1.071	.005	10
Inter–Item Correlations	.633	.495	.855	.361	1.729	.008	10

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.968	.969	5

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.720	3.657	3.800	.143	1.039	.003	5
Inter–Item Correlations	.861	.826	.884	.059	1.071	.000	5

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Regression

Correlations

		Digital Advertising	Traditional Advertising	Consumer Buying Behaviour
Digital Advertising	Pearson Correlation	1	.567**	.747**
	Sig. (2-tailed)		<.001	<.001
	N	105	105	105
Traditional Advertising	Pearson Correlation	.567**	1	.540**
	Sig. (2-tailed)	<.001		<.001
	N	105	105	105
Consumer Buying Behaviour	Pearson Correlation	.747**	.540**	1
	Sig. (2-tailed)	<.001	<.001	
	N	105	105	105

**. Correlation is significant at the 0.01 level (2-tailed).

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.760[a]	.578	.570	.77061	2.107

a. Predictors: (Constant), Traditional Advertising, Digital Advertising
b. Dependent Variable: Consumer Buying Behavior

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	82.975	2	41.488	69.862	<.001[b]
	Residual	60.572	102	.594		
	Total	143.548	104			

a. Dependent Variable: DV
b. Predictors: (Constant), IV2, IV1

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.302	.317		.951	.344
	Digital Advertising	.786	.094	.650	8.326	<.001
	Traditional Advertising	.227	.103	.171	2.195	.030

a. Dependent Variable: Consumer Buying Behaviour

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
MV	105	1.00	5.00	3.7429	1.08334
IV1	105	1.00	5.00	3.4667	.97139
Valid N (listwise)	105				

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.760[a]	.577	.569	.77143

a. Predictors: (Constant), IV1, INTER

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	82.847	2	41.423	69.606	<.001[b]
	Residual	60.701	102	.595		
	Total	143.548	104			

a. Dependent Variable: DV

b. Predictors: (Constant), IV1, INTER

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.034	.338		3.060	.003
	MV1	-.128	.060	-.158	-2.143	.034
	Digital Advertising	.810	.089	.670	9.070	<.001

a. Dependent Variable: Consumer Buying Behaviour

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
MV	105	1.00	5.00	3.7429	1.08334
IV2	105	1.00	5.00	3.2429	.88826
Valid N (listwise)	105				

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.590[a]	.348	.335	.95792

a. Predictors: (Constant), INTER2, IV2

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	49.952	2	24.976	27.219	<.001[b]
	Residual	93.595	102	.918		
	Total	143.548	104			

a. Dependent Variable: DV

b. Predictors: (Constant), INTER2, IV2

Coefficients^a

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1.808	.375		4.814	<.001
	Traditional Advertising	.639	.109	.483	5.885	<.001
	MV2	−.211	.071	−.245	−2.979	.004

a. Dependent Variable: Consumer Buying Behaviour

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.747^a	.558	.554	.78477
2	.760^b	.578	.570	.77061

a. Predictors: (Constant), Digital Advertising

b. Predictors: (Constant), Digital Advertising, Traditional Advertising

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	80.113	1	80.113	130.082	<.001^b
	Residual	63.434	103	.616		
	Total	143.548	104			
2	Regression	82.975	2	41.488	69.862	<.001^c
	Residual	60.572	102	.594		
	Total	143.548	104			

a. Dependent Variable: DV

b. Predictors: (Constant), IV1

c. Predictors: (Constant), IV1, IV2

Coefficients^a

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.630	.285		2.208	.029
	IV1	.904	.079	.747	11.405	<.001
2	(Constant)	.302	.317		.951	.344
	IV1	.786	.094	.650	8.326	<.001
	IV2	.227	.103	.171	2.195	.030

a. Dependent Variable: DV

~ END of Appendix B ~

BIOGRAPHICAL SKETCH

Ahmad Zulhelmi Bin Ahmad Shukri was born on 6th October 1989 in Alor Setar Kedah. He attended Penang Free Scholl in 2002 and finish his SPM in 2006. The following year he attended UITM and graduated with a diploma in accountancy (2010) and a degree in business administration majoring in Islamic banking (2013). He is currently working in Amanah Saham Nasional Berhad. With more than 10 years of experience in operation, compliance and customer service.

APPROVAL PAGE

TITLE OF PROJECT PAPER : THE IMPACT OF ADVERTISING ON CONSUMER BUYING BEHAVIOR

NAME OF AUTHOR   : AHMAD ZULHELMI BIN AHMAD SHUKRI

The undersigned is pleased to certify that the above candidate has fulfilled the condition of the project paper prepared in partial fulfilment for the award of the degree of Master in Management

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