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### The Study of Outdoor Advertisements Effects on Behavioral Mechanisms of Final Consumers in Food Industry of Iran

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#### **Abstract**

Considering the importance of the means of promoting the sales, diversity of advertisement, and complexity of human communication relations in this research environmental advertisement as an important and effective factor on the behavior of the consumer in the process of buying is studied. Also considering that food stuff industry devotes a share of families' income the issue of consumers' behavior in each of the levels of this process was studied and examined. In this regard thought manner technique which includes cognitive, emotional and behavioral aspects is used. This technique is six - stage model which was designed by Ivan Douglas. Regarding the extent of discussion and for reaching better results the researcher has used behavioral variables (awareness, knowledge and information, interest, preference, being convinced and purchase) for proposing some hypotheses. The statistical sample studied is 408 persons among men and women of the big city of Rasht which were collected simple randomly of 9 large city stores in which food products are supplied. According to the obtained results from T -Test exam by using SPSS 18 software and with 95% certainty it could be said that there is significant relation between purchasing food stuff products and environmental advertisements. In addition to that for the single questions of questionnaire the first hypothesis that is the relation between environmental advertisements with consumer's behavior is confirmed. And other hypotheses (3 subsidiary hypotheses) from demographic features (age, sex, income, education) age, gender, and income did not have considerable effects. But in terms of education there was a significant difference.

#### 1. Introduction

Considerable amounts of money for doing goods advertisements or different services are spent annually. But no one asks whether advertisements are really effective or not? To what extent is their level of influence? What is the nature of its influence? Does an effect proportionate to advertisements spends is obtained? And there are many other questions proposed in this field. Some of the managers felt satisfied only by their product's name proposed. Also some of the officials of commerce and marketing of companies consider change in sales as the criteria for the effectiveness of advertisements. But in the meantime some questions remain unanswered. What should unproductive

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companies do? So in order to measuring the effectiveness of advertisements in first place some goals should be defined for advertisements and evaluation of advertisements programs should always be carried out.

In this research attempt has been made to study environmental advertisements as an important and effective factor on consumers' behavior in the process of purchase. Consumers' behavior in purchase process includes behavior before purchase (consumer's mentality), purchase behavior, and after purchase behavior. In fact we have separated the consumers from demographic features like sex, education, and income. We are looking for measuring the effects of environmental advertisements on the behavior of each of sexual, educational, and income classes of consumers. Therefore the subject of the research is the study of environmental advertisement effects on behavioral mechanisms of consumers in food stuff industry ("Negin Naderi" food productions firm).

#### 2. Research Background

Regarding the theoretical principles that is the importance of marketing management and recognizing consumers' behavior and the fundamental role of advertisements in the present competitive market and also the presence of empirical evidence like the massive advertisements and its immense diversity many companies and agencies while following this flow annually spend a part of their budget and total revenue for advertising costs and expenses in order to introduce the product, gaining more market share, and attracting consumers' satisfaction. Certainly for agencies the effectiveness of this budget is very important [18] Intense competition exists within all market sectors for attracting the interest of consumers to different or similar goods and for influencing their purchasing decisions. Accordingly, for institutions or enterprises, advertising is of great importance in drawing the attention of the customers and affecting their choices among numerous products. [19] According to Lopez and Bassell, outdoor advertising will continue to grow and diversify over the next decades, not only because of its cost - effectiveness, but also because it seems to be the only unavoidable realm from which to reach progressively elusive consumers, and the ideal anchor of integrated marketing communication [9].

Criteria were developed to classify outdoor signs as either advertisements or signage. This classification was based on the City of Sydney Signage and Advertising Structures Development Control Plan [6]. Advertisements included standard commercial advertisements (billboards and posters), temporary advertising of special events, advertisements on outdoor furniture, and signs on buildings indicating the name along with additional branded product information [6]. Small companies and local merchants are estimated to purchase almost 80 percent of the media [2]. Products such as entertainment, packaged goods, and media now provide a significant portion of outdoor advertising revenues [17].

Besides the number of billboards and the duration of the campaign, the location of a billboard will affect the probability and frequency of exposure. The traffic patterns in any city are not random. There are geographic limits to where people tend to travel for work and shopping. For retailing companies, restaurants, and small businesses the total market may not be the effective market from which they draw their customers [9].

Outdoor advertisements, which were first used by advertisers in the United States during the 1850s, were applied in Turkey in 1985 [7]. The most frequently used instruments of outdoor advertisement are as follows [1]. Billboards composed of panels and posters that are immobile and separate, Street furniture such as racquet billboards, stations and cylindrical towers, Transit panels placed in airports, railways, subways, buses and taxis. Billboards are the most common and widely used forms among the outdoor advertisement media listed above. [12]. [4]. [3]. When compared to other media tools, the share of outdoor advertisements as a proportion of total advertising expenditure is increasing - albeit slowly. The requisite for attracting customers' satisfaction is the complete fulfillment of their needs, accurate recognition of their demands, expectations, desires, abilities and limitations in goods purchasing [5]. By accessing such information the effective factors on consumers' behavior could be recognized very well and used them in applying the decisions of companies marketing [13].

#### 2.1. The Consumer

Mc Knely defines the following features and characteristics for the customer: "We are depended to the customer but the consumer or client is not depended to us. The goal of companies is to attract consumers' satisfaction. The consumer constitutes the main element of every trade and business. The consumer presents his needs and expectations to us and we should recognize, study, and solve these needs." [14].

#### 2.2. Consumer's Behavior

The consumer's behavior deals with all the processes of choosing, usage, withdrawing products, services, experiences, and ideas by individuals, groups, and organizations in order to satisfy the needs and also the study of these procedures' effects on the client and society [10]. Movon defines consumer behavior as studying purchase units and exchange processes which include acquisition, goods consumption and withdrawal, services, experiences, and ideas [15].

#### 2.3. Advertisements

Generally advertisements are a phenomenon of capitalist period and its significant hallmark is the emphasis on the consumption ability of a product or one type of service [11]. Paul Hartman in defining environmental advertisements has said: "It is a specific activity in marketing of products that its goal is to notify people of products and services which are sold." [8]. The concepts of consumers' behavior for every author are applicable from advertisements and personal sales to sales promotion and public relations [15].

#### 3. Research Method

This research according to the manner of gathering desired data could be considered descriptive research. Because the desired data are gathered through sampling from community for studying the distribution statistical population features. This research is from survey branch which is done by cross sectional method. It was done in the third three - month range of 2014. The territorial place of research was in Guilan province, Rasht city among 9 large stores (including: Oscar, Ahmadi, Dolphin, Iranian, Kabir, Senator, Saberin, Hani, and Najm) that in these places all the produced food stuff of the province and country could be found. The background of these large stores is between one to three years. And advertisements agencies work more in these places by presenting media and non - media advertisements. The significant reasons for choosing Rasht city in the province as the studied statistical community including:

Having the largest population

The economic and political centrality of cities

Having the most tourism rate in these cities

Having the most consumers

Having the most food products in comparison to the total percentage of the province

In preparing the questionnaire in order to recognizing the key effective factors on consumers' behavior mechanisms while using the views of advertisements experts and professionals, producers, and also a thesis titled "The Effect of Commerce Advertisements on the Hygienic - Cosmetics Consumers' Behavior" was used [16].

#### 3.1. Research Goals

The present research is expecting to study the effects of environmental advertisements on the mentality and consumers' purchase behavior in the process of choosing and purchasing goods and services. Therefore the main goals of the research are as follows:

- 1. Theoretical analysis of environmental advertisements within the range of consumers' behavior, marketing, and advertisements.
- 2. The analysis of consumer's behavior in the process of goods purchase and services.
- 3. Evaluating the effectiveness rate of environmental advertisements on food products consumers' behavior in terms of consumers' gender, level of gender, level of education, and the rate of income.

#### 3.2. Theoretical Model of Research

In present research two important relations would be studied:

- A). The relation between environmental advertisements and consumer behavior that in this field there are theoretical principles and empirical evidence that have explained and determined the relation between the two.
- B). The relation between environmental advertisements and consumers' behavior regarding personal features.
- C). The theoretical model of the present study is taken from market's demand analysis which is presented in the following figure.

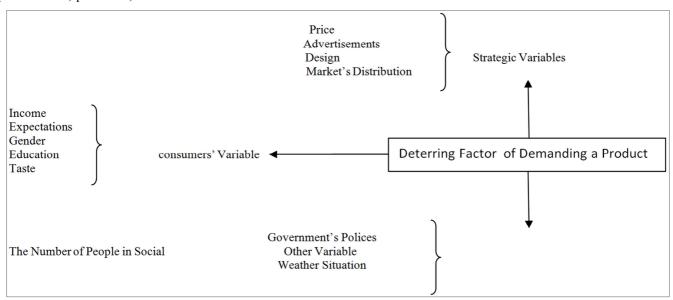


Figure 1. Market's Demand Analysis.

In this model the effective four factors on demanding a product (consumers' purchase behavior) is specified. Those

in this research of these factors are the role of advertisements on consumers' behavior (strategic variable) and the rate of this effectiveness regarding the features and consumers individual variables like main variables of this research including gender, level of education, and income. And also subsidiary variables of this research based on consumer's behavior models include, A) Awareness: consumers' awareness of new products' existence, B) Knowledge and Information: consumer's knowledge and information about features and properties of a product, C) Liking: consumer's interest to the product, D) Preference: preferring one commercial brand over other similar brands, E) Conviction: being convinced to purchase the intended product, F) Purchase: purchasing the intended product by consumer and also a thesis titled "The Effect of Commerce Advertisements on the Hygienic - Cosmetics Consumers' Behavior" was used [16].

# 4. Statistical Analysis of Research Results

For present research the researcher has done both descriptive and deductive statistical analyses.

Because SPSS software supposes exams as bilinear and the exam of this hypothesis is unilateral thus the decision in addition to the rate of Sig (significance level) which is multiplied in two is performed based on high and low limits. Regarding the rate of Sig and because numerical values of high and low limits are both positive we conclude that first mean (average statistical population) is bigger than second mean (compared value in Likert scale that is number 3). Consequently first hypothesis (researcher's claim) is approved and its zero assumption (opposite to researcher's claim) on the certainty level of 95% is denied. Thus the first research hypothesis about "environmental advertisements role on food stuff consumers' behavior" is approved.

## 4.1. The Main Influencing Factors on Consumers' Behavior

Also after performing the exams of four general hypotheses in present research by using Pearson correlation test all hypotheses were on the significance level of zero that this indicates the approval of all research hypotheses through mentioned test. In the table below the conclusion of all research hypotheses along with sample's number and Pearson's correlation test related to each hypothesis and also the level of significance relevant to them is shown.

First hypothesis: There is a relation between purchasing food industries goods and environmental advertisements. In addition for the questions of questionnaire the first hypothesis about the mean score of each question is smaller or equal to 3 (the lack of effect of environmental advertisements on consumers' behavior of food goods) is denied.

Also after calculating the total of obtained scores by questionnaire the effect of environmental advertisements on consumers' behavior in the format of 21 questions it turned out that the domain of gained scores of the questionnaire would be around 40 to 96. According to this the individuals based on obtained scores of (40 - 58) with low effect of advertisements, gained scores of (59 - 77) with medium advertisements effect, and gained scores of (78 - 96) with high effect of advertisements on consumers' behavior were considered.

Second hypothesis: The effect of environmental advertisements on consumers' goods purchase behavior is different by gender. Two methods of K2 and significance level of answered questionnaires were evaluated. By using Chi - Square test the rate of Sig. was more than 0.05 - the gender and advertisements effect are independent from each other. Or in other words there could not be seen any significant statistical relation between the condition of environmental advertisements effect on the gender and purchase behavior of the studied individuals (Sig.>0/05). And by using t - test the rate of Sig. was more than 0.05 - it was also found out that there is no significant statistical difference between the mean of gained numbers from the questionnaire of environmental advertisements effect on food goods purchase behavior in two sexes; man and woman.

Third hypothesis: The effect of environmental advertisements on the consumers' behavior of purchasing food goods is different by level of education. The statistical results indicate that there is a significant statistical relation between the condition of environmental advertisements on purchase behavior and the level of education of the studied individuals (Sig. < 0/05). But by using t - test it was also found out that there is no significant statistical difference between the mean of gained scores in the two groups of education (Sig.> 0/05).

Fourth Hypothesis: The effect of environmental advertisements on the consumers' behavior of purchasing food goods is different by income. By using Chi - Square test the rate of Sig. was more than 0.05 - the rate of income and the effect of advertisements are independent from each other. Or in other words there could be seen no significant statistical relation between the condition of environmental advertisements on purchase behavior and the rate of income of the studied individuals (Sig.> 0/05). By using t - test it was also found out that there is no significant statistical difference between the mean of obtained scores in the two income groups (Sig.> 0/05).

### 4.2. Other Effective Factors on Consumers' Behavior

The answers' analysis of the considered questions in the questionnaire about choosing other effective factors on purchase behavior of food goods indicate that from 408 persons of the sample individuals which have filled the questionnaire; some have chosen on an average of 74% quality (effectiveness), 58% (price), 80, 4% packing (including standard, having health certificate), and among the items of brand (including commercial name, seller's reputation, popularity, and access to product) 75% commercial name in advertising (including prior knowledge and friends' advice) 75% have considered prior knowledge as

the other effective purchase behavior for food goods. Also the analysis of the considered questions in the questionnaire about choosing the most effective means for advertisements in persuading to purchase food goods has been like that of 408 studied persons (those who have filled the questionnaire) 154 cases equal to 37, 7% TV and radio, 85 cases equal to 21, 1% brochures and catalogs, 85 cases equal to 20, 8% Internet, 39 persons equal to 9, 6% Mobile, 44 cases equal to 10, 8% magazines; have considered the advertising means as the most effective means for individuals and consumers for purchasing goods.

#### 5. Conclusion

In studying the relation between environmental advertisements and consumers' behavior of food industries goods the obtained results could be used for making advertisements more effective and its effectiveness on buyer's behavior. Therefore this research besides presenting theoretical and conceptual discussions in three main fields; consumer's behavior, marketing, and advertisements has examined the mentioned relation above in the framework of a main hypothesis and three subsidiary hypotheses including gender, education, and income through field research in the field of food industries products at the level of large stores (hyper market) of Guilan province (Rasht). Also according to research findings other effective factors on consumers' behavior to purchase food products namely packing products which includes standard sign and health certificate had the most effect. And radio and TV could be the most persuasive means for awareness of the consumers of food products. In case of consumers' dubiety towards purchasing products again the role of media advertisements (radio and TV) could be considered as the most important informational sources. The obtained results and the test of indicate that research's hypotheses environmental advertisements on purchase behavior of food products consumers has been effective but individual features of consumers in this research as subsidiary hypotheses were considered: gender and income were not effective in this effectiveness. But education carries out a considerable effect on the consumers' behavior of food products. Among the main reasons of the ineffectiveness of advertisements on consumer's behavior could be known in the lack of acceptance of consumers of advertisements or in other words the failure of advertising programs of advertisements companies. Unfortunately because of the lack of coherent and scientific connection between marketing studies and advertising industries of Iran the Iranian companies and industries cannot have an effective and efficient usage of their advertisements. In addition to that marketing and advertising studies' considering its specific problems has been less conducted until now in Iran. In the event that if marketing and advertisements managers become informed of reports and final results of behaviors and reactions of consumers in the process of purchasing goods and services they could, in the case of effectiveness on a low level, look

for resolving the deficiencies of their advertising programs. That is to change the advertising method of the types of their environmental messages more limited in order to make advertising programs more effective.

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