

THE IMPACT OF BILLBOARD ADVERTISING ON CONSUMER BUYING BEHAVIOUR**Jusuf ZEQRIRI***South East European University, Tetovo, North Macedonia
j.zekiri@seeu.edu.mk***Sadudin IBRAIMI***South East European University, Tetovo, North Macedonia
s.ibraimi@seeu.edu.mk***Rasim ZUFERI***South East European University, Tetovo, North Macedonia
r.zuferi@seeu.edu.mk***Abstract**

Billboard advertising is an outdoor advertising used by companies in open areas where a high traffic is found, exposed to passing pedestrians and drivers. Billboards are very visible in selected market segments which is expected to have its communicative effect on consumers.

The study tries to find out the effect of billboard advertisements on consumer buying behavior. It also sees factors like, lay out, size, visual appeal, texts, etc., that play an important role in consumer buying behavior.

The study uses secondary and primary data. The secondary data is collected from literature review, whereas the primary data is collected through a structured questionnaire with the Likert Scale (1 denoting consumer's "completely disagreed" position, and "5 denoting completely agreed" position, with 3 being a neutral position. The collected data is analyzed using the SPSS statistical software.

The results of the analysis show that consumers agree that billboard advertising is important and has an impact on consumer purchase decisions. So, the study offers some insights for companies in order to use them in their outdoor advertisements.

Key words: *Outdoor; billboard; advertisement; consumer; buying behaviour*

JEL Classification: *M3; M31*

I. INTRODUCTION

Outdoor advertising is a broad term that refers to any type of advertising that are exposed to consumers when they are outside of their homes.

Consumers nowadays are bombarded with ways of communication by companies and organizations. Companies in order to access and have presence on consumers mind, they use a variety of advertisements. There is a fierce competition in all segments of the market for promoting different goods and services by companies working in order to influence consumers during their buying behavior. Therefore, companies try to use an integrated marketing communication in order to require an attention by their current and potential prospects.

Outdoor advertising is used to capture the attention of motorists and pedestrians. All forms of outdoor advertisements is usually placed around high traffic areas to both automotive and foot traffic. Outdoor advertising is the only media that motorists and pedestrians cannot escape.

Outdoor advertising is better used for showing broad messages, for the purpose of branding products or companies, because it is seen as a mass-market medium, like TV, radio, and broadcast.

Companies use different strategies in their advertisements, one of which is outdoor advertisements. Outdoor Advertisement is related with any form of advertising that is in an open area. The idea behind outdoor advertising use is to increase the shoppers' traffic and increase purchase rates influenced by this form of advertisement (Woodside, 1990).

Organizations use billboard advertising because is relatively less expensive compared to other forms of traditional media advertisement but still it needs to be very well planned, to be read quickly, and not containing a lot of information. Advertising is cost efficient when it reaches a vast number of the targets at a low cost per person (Pride and Ferrell, 2009).

This paper tries to find out the impact of outdoor advertising on customer buying behavior in North Macedonia. The study shows how effective outdoor advertising is and whether it influences consumers on their buying behavior.

1.1. Objectives of the Study

This study tries to find out by analyzing the impact of outdoor advertising on customer buying behavior. The results will show whether independent variables such as: visual and verbal aspects and location have an impact on consumer buying intention.

Therefore, this paper tries:

- to identify some factors that have an impact on consumer buying behavior;
- to find out whether visual and verbal aspects on outdoor advertising have an impact on consumer buying behavior;
- to find out whether location as a factor on outdoor advertising has an impact on consumer buying behavior.

1.2 Research Questions

This paper tries to answer the following research questions:

1. What outdoor advertising factors have an impact on consumer buying behavior?
2. What is the effect of using verbal and visual on outdoor advertising on consumer buying decision process?
3. What is the effect of using location factor on outdoor advertising on consumer buying decision process?
4. How important are visual and verbal factors as well as location factor on consumer buying behavior?

1.3 Hypotheses

Based on the conceptual framework and the literature review, the study will be drawn by the following raised hypothesis:

- H1. There is a relationship between visual aspects and consumer buying behavior;
- H2. There is a relationship between verbal aspects and consumer buying behavior;
- H3. There is a relationship between location factor and consumer buying behavior.

II. LITERATURE REVIEW

In this rapid changing world of businesses, companies want to communicate with their prospects in order to influence their purchasing behavior. Companies use different methods to communicate their marketing offers to their segments and advertise their products and services. Even though nowadays companies have at their disposal many tools to use in order to address their consumers, but still people are bombarded from different media, such as, newspapers, magazines, journals, billboards, television and internet. Therefore, companies try to integrate different tools in order to grab attention to their potential prospects. Marketers use outdoor advertising not only as a communication tool for conveying messages effectively but they also use it as a means of influencing consumers in their purchasing decision.

Many scholars in their works denote that using outdoor advertising helps companies communicate with their target markets. In a study carried out by Gulmez, Karaca, et al, (2010) indicate that outdoor advertisements is effective in informing and persuading consumers and has a positive effect on them.

2.1 Advertisement

Advertising is a paid marketing communication that tries to promote a product, service, or cause with the aim of reaching people that are most likely to buy for a company's products or services. Advertisement is a paid nonpersonal communication about an organization and its products exposed to a target audience (Pride and Ferrell, 2009, pp.371). According to Kotler and Armstrong (2012) advertising is "any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor" (pp.436). Advertisement is defined as "a paid message inserted in a medium" (Blythe, 2005). During an advertising the space of the media is paid by the organization and the communication message appears in a newspaper, magazine, billboard or broadcasting medium. According to Richards and Curran (2002) "Advertising is a paid, mediated form of communication from an identifiable source, designed to persuade the receiver to take some action, now or in the future" (p.74). Advertising is a form of communication that is primarily used to influence a group or individuals to for eventual actions for the interest of a company (Ryans, 1996).

Advertising attempts to influence the buying behavior of prospects with a persuasive communication about their marketing offers in order to sell products and services. Therefore, businesses use advertising to attract as many clients and customers as possible by using influential messages and effective campaigns. Therefore, the main objective of an advertisement is how to reach existing and future potential customers to deliver to them information about the products and the services, in order to change their buying behavior (Adelaar, Chang, et al., 2003; Abideen and Saleem, 2011).

2.2 Outdoor advertisement

Many authors have tried to define outdoor advertisement in many ways. So, outdoor advertising consist of both traditional as well as interactive advertising, which represents a good way how to reach mobile consumer (Francese, 2003). There are many forms of outdoor advertising but billboard advertising is as the more dominant form of advertising. Organizations use billboards to communicate and inform the target segments (Chien, 2011, cited by Iqbal and Batool, 2011). According to authors Taylor and Franke et al., (2006), Billboards advertising among the others offers these benefits:

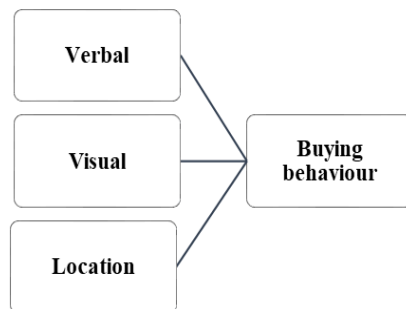
- Communicate appropriate messages with a low cost;
 - Advertisements can be placed in locations easily to be accessed;
 - Billboards are exposed to existing and to potential customers through 24 hour exposure;
 - Billboards can offer visual influence as well as a verbal influence.
- This kind of advertising can also improve sales.

Organizations use the following most common forms of outdoor advertising which include: billboard advertising, displays in point of sales, advertisements used on street furniture, mobile advertisement and guerrilla advertising. *OUTDOOR ADVERTISEMENTS* are more eye-catching and creative when compared to other *ADVERTISEMENT* types (Gulmez, Karaca, et al., 2010). Billboards are advertising forms for products and services and communicate messages effectively and with cheaper rates (Hussain and Nizamani, 2011). It is also important for consumers to understand the message send to them by companies. Therefore, communicating with consumers into their languages is of very importance (Zekiri, 2017).

2.3 Variables

Outdoor advertisement is an independent variable, whereas visual, verbal and location are used as independent variables.

Figure: 1 The conceptional framework of the study.



Dependent and Independent variables

2.3.1 Verbal aspects of billboards

Besides images, texts used on billboards play a crucial role on attracting customers’ sights. The message that is displayed on the billboard needs to be relevant, understandable and appealing to customers (Taylor and Franke 2003). For the billboard to be effective, its message must be relevant message clear, interesting, and easily readable to the appropriate audience (Taylor, Franke, et al., 2006).

Billboards target usual people that are on the move, such as motorists, cyclists, and pedestrians. They usually look at billboards quickly and don’t have the time to read longer messages or texts. Thus, the content of billboards need to be with a short text in order to be memorable and provoke a certain behavior. Billboards are short phrases used by companies to deliver their messages to the target segment.

2.3.2 Visual aspects of billboards

Visual aspect is another important factor that has an impact on the success of outdoor advertising and buying behavior of consumers. The visual part should be eye catching to draw the attention and to appeal to customers' needs. The image on the product is important because it increases the attention for that given product (Hasani and Zeqiri, 2015). Therefore, the main purpose of visual part of an ad is to call the involvement of the recipient's sense of sight and attract the attention. Billboard should not include too many words but it needs to convey a simple, easy and a readable message.

2.3.3. Location of billboards

Targeting the audiences is an important part of marketing strategies. The goal of any forms outdoor advertising is to be exposed to the right audience. Good location ensures maximum exposure. For example: billboards need to be free of any obstructions that make it difficult to be seen by the audience. Billboards that are placed in clear visibility get noticed and have greater impact on influencing consumer buying behavior. Billboard location has an impact on buying behavior because it targets the audience that are targeted to be exposed to the message (Taylor and Franke, 2003). An appropriate location facilitates the exposure to be seen by the target audience. (Taylor, Franke, et al., 2006). Therefore, a well-planned message, visibility, and location are important factors associated with the effectiveness of billboard advertising.

III. METHODOLOGY

The main purpose of this paper is to identify/ analyze the impact of billboards advertising on consumer behavior while purchasing. The paper used both types of data, primary and secondary. The primary data was collected through a structured questionnaire. Whereas, secondary data was collected from books, textbooks, online articles, journals, etc. Gathering of data was done through a structured questionnaire delivered to many consumers randomly. The quantitative method needs to collect a large sample of population and as such the obtained results can be generalized.

A total of 306 respondents from North Macedonia participated in the study. The survey questionnaire consisted of two sections. The first section deals with demographic profile of respondents: age, gender, frequency, education and income. The second part deals with 11 items consisting the g variables related with: consumer purchase intention, visual aspects, verbal aspects and location as factors that have an impact on consumer purchase decision. Respondents were asked to select five-Likert-scale ranging from 1 (strongly disagree) to 5 (strongly agree) indicating their agreement with the 23 statements.

In order to test the reliability of the results, Cronbach alpha was used. Correlation analysis is used to see the strength of variables used in this study, and how much they correlate with each other, as well as to test the hypotheses in this study.

A Regression analysis is used to understand which among the independent variables are related to the dependent variable, and to explore the forms of these relationships. The statistical tools SPSS and Excel were used for data analysis.

Table: 1 Variable groups and number of Items

In order to check the reliability test, table. 1 shows that all variables had been qualified for reliability when the Alpha Cronbach's value was greater than 0.6., which means that the variables used in the research met the criteria of validity.

Variables	Cronbach's Alpha	N of Items
Visual aspects	.800	3
Verbal aspects	.801	4
Location	.813	2
Buying behavior	.786	2

The value of Cronbach's Alpha for visual aspects is .800, for verbal aspects is .801, for location is .813, and for buying behavior is .786. Based on these values, the instrument is reliable and further tests can be applied confidently to confirm the objectives of this study.

IV. DATA PRESENTATION

This part includes a systematic presentation of data obtained from the survey about the impact of outdoor advertisements on consumer behavior among consumers in Northern Macedonia.

4.1 Descriptive statistics

This section shows the empirical results from the questionnaire that consists of two parts. The first part deals with demographic data and the second part consists of respondents results obtained from the questionnaire that respondents responded of 11 variables.

Table 2. The recommended fonts

		Frequency	Percent
Gender	Male	231	75.5
	Female	75	24.5
	Total	306	100.0
Age	Less than 20	6	2.0
	21-30	132	43.1
	31-40	114	37.3
	41-50	39	12.7
	Over 51	15	4.9
	Total	306	100.0
Education	Secondary school	35	11.4
	Faculty	132	43.1
	Master	118	38.6
	PhD	21	6.9
	Total	306	100.0
Frequency	Very rarely	23	7.5
	Rarely	88	28.8
	Often	168	54.9
	Very often	27	8.8
	Total	306	100.0
Income	200-399 Euro	48	15.7
	400-599 Euro	73	23.9
	600-799 Euro	52	17.0
	More than 800 euro	133	43.5
	Total	306	100.0

Table. 2 shows the demographic profile of respondents. As it can be seen 75.5 % of respondents belong to male group, whereas 24.5 to female group. The table shows that age group 21-30 dominate the sample group with 43.1%, followed by the age group 31-40 with 37.3%, and the group less than 20 as the smallest sample participated in the survey with 2%. Concerning education characteristics faculty sample predominantly participated with 43.1 %, followed by master sample with 38.6, and high school and doctorate participants with 11.4% respectively with 6.9%.

As regards to the frequency of billboard exposure, 54.9 of respondent are exposed often to billboards, followed with those that are exposed rarely with 28.8. The purchasing power is very much related with purchasing intention, therefore the sample collected data related with household incomes. As it can be seen from the table: 2, the majority of respondents are with more than 800€ representing 43.5% of the sample, than with 23.9% those with 400-599 €, followed by the sample group 600-799 €, and finally the smallest sample group 15.7 that participated with income of up to 200-399 €.

Table: 3 Mean and standard deviation of respondents

	Mean	Std. Deviation	N
Ver1 I watch billboards only to be informed	3.5817	1.05342	306
Ver2 Information on billboards are persuasive	2.9477	1.06688	306
Ver3 Billboards content has an impact on consumer buying behavior	3.5359	1.11046	306
Ver4 The scripts used on billboards have an impact on consumer buying behavior	3.6373	1.06315	306
Vis1 Billboard design has an impact on consumer buying behavior	3.6503	1.0858	306
Vis2 Images and figures used on billboards have an impact on consumer buying behavior	3.4967	1.07199	306
Vis3 The visual aspects on billboards have an impact on consumer buying behavior	3.4216	1.01887	306
Loc1 Attractive billboards are important factors that impact consumer buying behavior	3.5686	1.10596	306
Loc2 Billboard location influences consumer buying behavior	3.6405	1.14011	306

Table. 3 shows the mean and standard deviation in each category of variables. It can be noted from the results, the mean of location is 3.6405, meaning that this variable impacts more consumer during their buying behavior. Thus, location is very important for reaching customers by the side of organizations, since location is linked with mobile customers, motorists, and pedestrians.

4.2 Testing Hypotheses

Consumers were expected to answer the structured questionnaire about the impact of billboard advertisement on consumer buying behavior.

4.2.1 Correlation

Table: 4 Correlation analysis

Pearson correlation technique is used to check the relationship between dependent variable and independent variables.

Hypothesis	R-value	Result
Visual effect → Consumer buying behavior	.576	Accepted
Verbal effect → Consumer buying behavior	.602	Accepted
Location → Consumer buying behavior	.616	Accepted

According to table. 4, the correlation values show that there is a strong positive correlation of independent variables (.576**), (.602**), and (.616**) with the dependent variable, i.e., consumer behavior. The correlation analysis show that visual effect, verbal effect, and location are correlated positively with the purchase intention.

Thus, the three hypotheses are accepted denoting that there is a relationship between variables, visual effect, verbal effect, and location on consumer buying behavior at significance level of 0.000.

4.2.2 Regression

Regression analysis is a statistical technique used to find the relations between two or more variables. In regression analysis measures the independent variable and its impact on the other dependent variables. Regression analysis is also used to understand which among the independent variables are related to the dependent variable, and to explore the forms of these relationships. In restricted circumstances, regression analysis can be used to infer causal relationships between the independent and dependent variables.

Table: 5 Regression analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.712 ^a	.507	.503	.77690

a. Predictors: (Constant), Location, Visual, Verbal

b. Dependent Variable: Buying behavior

From the summary model can be obtained the value of R square = 0.507, and the value adjusted R square = 0.503. This indicates that the 3 independent variables of visual effects, verbal effects and location, can explain the dependent variable of purchase behavior to be influenced by these variables by 50% while the remaining 50% is explained by other variables.

Table: 6 ANOVA table

The Analysis of variance (ANOVA) table below determines the overall significance of the model. Since the P value in the table is <0.05, we can say that the model is significant.

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	234.027	3	78.009	129.244	.000 ^a
Residual	227.548	377	.604		
Total	461.575	380			

a. Predictors: (Constant), Location, Visual, Verbal

b. Dependent Variable: Buying behavior

Table: 7 Coefficient table

The results from the co-efficient table show the level of significance for each variable. From the results on the table.7, it can be seen that all the independent variables have a significant impact on the dependent variable as the p-value for all three independent variables are p<0.05.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.164	.186		.880	.379
	Verbal	.363	.065	.276	5.598	.000
	Visual	.246	.057	.211	4.285	.000
	Location	.345	.043	.356	7.940	.000

a. Dependent Variable: Decision

The standardized Beta value shows that among the three independent variables, Location has the most significant impact with 35.6%, followed by verbal aspects with 27.6%, and visual aspects with 21.1%.

V. CONCLUSION

Billboard advertising remains an effective tool for marketers because of its vast reach and cost effectiveness. It can be seen that billboard advertising has the ability to influence customers in their buying behavior.

The research reveals that image, texture and location are the key fundamentals of any billboard advertising and have strong impact on catching customers' attention. Firms should strategically place billboards along high ways, busy roads and high traffic areas where they can easily be seen by pedestrians and or potential customers.

Furthermore, firms should lay more emphasis on the attributes of products in their billboard ads. In other words, billboard ads should easily offer information on the benefits of products being advertised. The results show that attractive images, figures and clear words should be used for the designs and write-ups on billboards.

Finally, organizations should consider mounting more billboards at strategic locations to create more awareness for their products and services.

VI. REFERENCES

1. Abideen, Z.U. and Latif, A. (2011) 'Do Brand Extensions Affect Consumer Attitude: An Empirical Experience-With Reference To Pakistani Consumers.' *The Journal of Applied Business Research*, vol. 27(2), March/April, pp. 19-36.
2. Adelaar, T., Chang, S., Lencendorfer, K. M., Lee, B., & Morimoto, M. (2003). Effects of media formats on emotions and impulse buying intent. *Journal of Information Technology*, 18(4), 247-266.
3. Blythe J. (2005) *Essentials of Marketing*, 3rd edition, Prentice Hall Pearson Education
4. Chien, C. (2011) "Billboard Evolution," *The Four Peaks Review* 1.1, pp. 86-97.
5. Francese P. More homeless, *American Demographics*. Oct. 2003, Vol. 25 Issue 8, p40- 41. 2p.
6. Gulmez, M., Karaca, S., Kitapci, O. (2010). The Effects of Outdoor Advertisements on Consumers: A Case Study. *Studies in Business and Economics*, 5(2), 70-88.
7. Hussain, J., & Nizamani, R. K. (2011). Factors Affecting Consumer Attention in Billboards Advertising. *South Asian Journal of Management Sciences*, 5 (2), 60-64.
8. Iqbal R. and Batoool S. (2016) Impact of billboard advertisement on customer buying behavior: A study on Islamia university of Bahawalphurl *International Interdisciplinary Journal of Scholarly Research*, 2 (1), 9-15
9. Kotler Ph. and Amstrong G. (2012) *Principles of Marketing*, 14th edition, Prentice Hall Pearson Education
10. K. Khan, S.K. Hussainy, A. Khan, H. Khan, (2016), *Billboard Advertising and Customer Attention: A Pakistani Perspective*, "International Journal of Scientific and Research Publications" 6/3 p. 504.
11. Richards, J. I., & Curran, C. M. (2002). 'Oracles on "advertising": Searching for a definition.' *Journal of Advertising*, vol.31(2), pp. 63-77
12. Ryans, C. (1996). *Consumer Resources*. *Journal of Small Business Management*, 34 (1996), 63-
13. Taylor C. R., Franke, G.R. (2003) "Business perception of the Role of Billboards in the U.S Economy", *Journal of Advertising Research*, June, pp. 150-160.
14. Taylor, C. R., Franke, G. R., & Bang, H. K. (2006). Use and effectiveness of billboards: perspectives from selective-perception theory and retail-gravity models. *Journal of Advertising*, 35(4), 21-34.
15. Hasani, V.V. and Zeqiri, J., (2015). Using Factor Analysis Tool to Analyze the Important Packaging Elements that Impact Consumer Buying Behavior. *International Journal of Academic Research in Business and Social Sciences*, 5(6), pp.267-276
16. Woodside, A. G. (1990). Outdoor Advertising as Experiments. *Journal of the Academy of Marketing Science*, 18(3), 229-237
17. William M. P and Ferrell O. C. (2009) *Marketing Express*. Houghton Mifflin Company.
18. Zekiri, J. (2017). THE IMPACT OF ETHNOMARKETING ELEMENTS ON CONSUMER PURCHASE DECISIONS IN THE BALKANS: THE CASE OF MACEDONIA. *EcoForum*, 6(1).