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The influence of 4Cs factors on consumers' attitudes towards digital advertising of Dairy Products in Saudi Arabia

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Abstract: This study aims to investigate the relationship between 4Cs factors which are clarity, consistence, competitiveness and credibility as independent variables and the dairy products consumers' attitude towards digital advertising in Saudi Arabia relying on the previous studies. 4Cs model was firstly created in 2009 by David Jobber and John Fahy in their book "Foundations of Marketing" and it was found that these four factors have significant and positive effect on the attitude of consumers towards digital advertising. This study implements the same factors in Saudi dairy market to figure out whether they influence Saudi consumers' attitude or not. The study also explains in details 4Cs model and its applications internationally and locally as well. The 4 Cs of the marketing communication model can help in this research because the 4Cs is a customer-oriented model, which helps Dairy to focus on the relationship with consumers through digital ads.

Keywords: 4C; Dairy; consumer; Attitude; Digital, Advertisement, Saudi.

1. Introduction

Globally, it became undisputed that digital advertisement is taking over and any business in order to compete and survive must build strong strategy for digital advertising to grab more buyers. In 2014 Advertising spending for every capita was simply $38 per individual, contrasted with $520 in the U.S. and $313 in Japan, as indicated by the 2014 PwC report, "Worldwide Entertainment and Media Outlook 2014-18" (Statista, 2019).

Notwithstanding, the report anticipated that advertising spending in Saudi Arabia would ascend by 2.8 per cent per annum somewhere in the range of 2014 and 2018, contrasted with 2.7 per cent in the UAE and 2.5 per cent in the U.S. (Mordor Intelligence, 2019), in 2015 Saudi Arabia saw a complete promotion of $1.1 billion, the second most noteworthy in the Arab world after the UAE, excluding skillet Arab media, as indicated by the Pan Arab Research Centre; Although, this was down 11 per cent year-on-year and denoted a lessening from $1.28 billion in 2014 and $1.39 billion in 2013. Print ads totalled $775 million for the year, while TV ads represented $50 million, magazine ads $46 million and radio ads $25 million. Print advertising saw a drop in the estimation of 7 per cent year-on-year, in 2015, down from $831 million, while magazines declined by 14 per cent, from $54 million, and TV ads were down by 27 per cent from $69 million (Statista, 2019).

In Saudi Arabia, most of the studies commonly said that consumers' acceptance of technology in Saudi Arabia is low, and they have limited trust in digital advertising (Baabdullah et al., 2017). However, a recent report has identified that Saudi Arabia has been in a constant transition, particularly in digital usage (GMI, 2019) The importance of digital usage (ex: using e-commerce sites) in Saudi Arabia is significantly growing with a growth rate of 3.5% between 2016 and 2020.

This focuses on a changing scene challenging several media associations that depend vigorously on advertising income. "There is a move from paper advertisements as the conventional stage for advertising towards digital networking," Mohammed Al Khereiji, CEO of Al Arabia, the biggest Saudi-claimed home Advertising organization, said OBG (Statista, 2019). "Saudis are the absolute greatest clients per capita of digitalized media on the planet, which is changing how people communicate. Yet, additionally, how organizations and shoppers collaborate (Mordor Intelligence, 2019).

Despite this tremendous evolution in digital advertisement field in Saudi Arabian market, the findings of previous study which was conducted for figuring out the marketing and planning activities of dairy companies in Saudi Arabia revealed that 62% of dairy companies do not contain departments or units for marketing control and 66.7% of those do not contain units for strategic planning, and about 58.5% apply one or more steps of the marketing control process. However, it was found that Almarai company has got the largest market share of 79%;

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it also showed that it is the only one interested in applying one or more of the marketing control steps (Iyad, 2017). So that, the marketing strategies of Saudi Dairy companies need to be more social related in order to gain more competitive advantages.

2. Background

The dairy industry of Saudi Arabia is valued at $ 4,807 million as per the 2020 records (GlobeNewswire, 2020), and it is expected to grow at a CAGR of 4.71% between the period 2021 to 2026. These projections were made by considering the impact of COVID-19. Also, Report Linker (2020) revealed that the demand for purchasing dairy products from e-commerce significantly increased during COVID-19 due to a series of lockdowns of the stores. Dairy products are a major part of the Saudi Arabian diet and milk consumption usage of dairy products is significantly high in Saudi Arabia compared to other Gulf countries (Report Linker, 2020). For example, Almarai, a dairy company, has a 68.6% share in Saudi Arabia (Report Linker, 2020). Also, Saudi Arabia is the second-largest importer of processed cheese worldwide, after the United Kingdom, with imports amounting to a value of over USD 253 million as per 2020 records (Report Linker, 2020). The industry comprises large and small companies, but large companies have over 90% share of the market. The major brands are Almarai Company, Al Safi Danone Company (Alqaisi, Ndambi, Uddin & Hemme, 2010).

The Saudi Arabia dairy industry has been segmented into different product categories such as milk, cheese, yoghurt, curd, and butter and butter (Mordor Intelligence, 2020). Most dairy companies in Saudi Arabia use traditional advertising methods/platforms such as (TV, magazines, and advertising paper on the streets) to promote their products or attract consumers which is one of the issues in the industry (Said, 2020). Also, tighter profit margins, new technology, and increasing demand among young consumers are potential challenges in the industry. However, these challenges can be opportunities if organizations can understand and adopt appropriate strategies (Said, 2020).

Digital advertising is defined as "the practice of delivering promotional content to users through various online and digital channels" (McStay, 2016, p.15) such as search engines, display ads, video ads, and pay-per-click. It affects customer attitude in various ways, including invoking positive attitudes and behaviour, which makes buyers get attached to the brands of a given company (Guo, 2017). Advertising spending per capita has generally been similarly low in the Gulf Cooperation Council (GCC), and Saudi Arabia is no exception case (Statista, 2019). There is less attention to what factors of digital media impact the attitude of the young population of Saudi Arabia towards dairy products. Moreover, there is a lack of information of how dairy companies can communicate with young people to reach their demands in the digital era, and there is some evidence in other countries regarding how customers purchase the product in the digital era and how they are influenced by digital advertising. Over the years, several studies on digital advertising such as Ariffin et al. (2018), Sendure and Atabek (2019), Parimal and Shruthi (2021), Sohail and Al-Jabri (2014), explored the consumer attitude towards the technology, purchasing intention and digital marketing.

Digital advertising is becoming more popular in Saudi Arabia, with a growth rate of 3.5% between 2016 and 2020. The number of people who use digital technology has been growing quickly, and there are now 8 million buyers who use websites and apps to make purchases worth 29.7 billion Saudi riyals (Alotaibi, 2021). Saudi Arabia has already put in place a national plan to digitise the country with a strong infrastructure: "it has increased the speed of wireless internet by four times, increased the coverage of fibre optic networks by 50% to more than a million more houses, and given everyone in remote areas access to the internet, which has helped the spread of e-government" (GMI, 2020). These investments and projects to improve digital infrastructure have changed the way people talk to each other and see information, which is now almost a necessity in both personal and professional lives (McKinsey, 2020). The rapid growth of digital technologies in Saudi Arabia has caught the attention of academics, who want to find out why people use digital technologies (Deloitte, 2019), and because the value of the digital advertising market has gone up so much, many companies in Saudi Arabia have switched to digital advertising.

2.1 4Cs Marketing Communication Model

David Jobber and John Fahy, (2009) in their book 'Foundations of Marketing (2009)' created the Four Cs model, which contains four variables, namely, clarity, consistency, credibility, and competitiveness (Jobber &

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Fahy, 2009), a 4Cs marketing communication model is a customer-oriented approach to marketing communication that focuses on building relationships with customers through meaningful and relevant communication (Lim & Guzmán, 2022).

When it comes to the consumer's attitudes towards digital advertising, there are several factors to consider (Li-Ming et. al, 2012). While digital advertising can be an effective way to reach customers, it can also be seen as intrusive and annoying (Mittal & Kumar, 2022). Some consumers may appreciate personalized ads that are relevant to their interests (De Pelsmacker et. al, 2022), while others may feel like their privacy is being invaded. Additionally, the perceived quality of the ad and the credibility of the source can also influence consumer attitudes (Kurdi et.al, 2022). After understanding their consumers better, advertising agencies should be able to come out with more creative and innovative ads that could attract their consumers and thus giving them an added competitive advantage (Li-Ming, 2012).

Moreover, enterprises should provide clear and concise information that is easy for consumers to understand. They can also prioritize the most important information to make it easier for consumers to make informed decisions. Filtering unnecessary information according to consumer preferences can avoid overloading consumers' minds with too much unnecessary information (Qian, 2023).

Research has shown that consumers are more likely to engage with digital ads that are entertaining, informative, and visually appealing (Choi et. al, 2022). They also respond positively to ads that provide value, such as discounts, and samples. On the other hand, ads that are perceived as deceptive or irrelevant are likely to be ignored or even actively blocked by consumers (Ioannou, et. al, 2022). Overall, the 4Cs marketing communication model as shown in (Figure. 2) below can be a useful framework for designing digital advertising campaigns that resonate with consumers.

By understanding the needs and preferences of the target audience, offering products at a reasonable cost and with convenient purchasing options, and delivering clear and consistent messaging across all channels (Rho et. al 2022), dairy companies can build stronger relationships with its customers and improve the effectiveness of their digital advertising efforts.
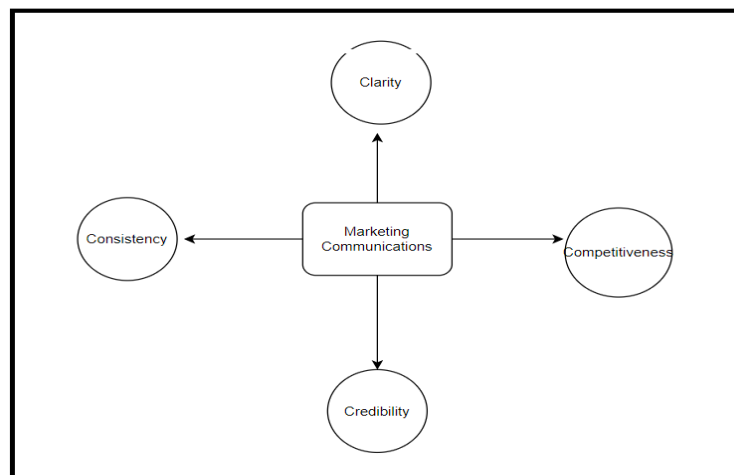

Fig 1: 4Cs Marketing Communications Model (Jober & Fahy 2009)

2.2 Definition of key terms

Attitude toward digital advertising is the consumers' view toward online advertisements. Consumers' attitude toward online advertising is the direct human reflection toward the online advertising, which comprise the web content and format. These include hedonics, utilitarian, and interesting content of online advertising. After exposing and attending to online advertising, consumers could either form positive or negative attitude towards the ad. (Li-Ming et. al, 2012).

Clarity refers to a judgment of audience that the message received is clear, lucid, and understandable, so the message should always be short and clear and easy to understand which make potential customer never feel uncertain about business's messaging (Barratt et.al, 2019).

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Credibility is how trustworthy and believable the advertisement is seen to be, consumers are more likely to recognize and recall a company as trustworthy when its communication is trustworthy and believable across all platforms (Jobber & Fahy, 2009). Also, consistent, clear, and succinct messaging aids in the credibility and trust-building of a company.

Consistency is defined as the target audience being exposed to the core message, visual branding that assists to solidify brand recognition (Kline, 2022), users in the digital landscape are inundated with information from a variety of channels; consequently, businesses must ensure clear and concise messaging across all of their channels, whether online or offline, to keep their brands top of consumers' mind (López García, Lizcano, Ramos & Matos, 2019).

Competitiveness refers to competitive advertising, which is an attempt to focus on what make company's products are different than other similar in the market which provides a unique and superior position in the market (Ferdous et al., 2019).

2.3 Objective of Study

As per Kunal (2016) in his study which used "Theory of planned behaviour" as the basic model to study the attitude of people towards digital advertising, people have positive attitudes towards various aspects of digital advertising and marketing. However, they remain worried about the technicality and authenticity of information available on digital channels. Digital advertising provide consumer a scope to compare various variables easily with its competitors. So that, this study's objective is to investigate what exactly aspects can influence consumers' attitude towards digital advertising and by relying on 4Cs model the study examines the influence of aspects, such as credibility, consistence, competeiveness and clarity on the attitude of consumers of dairy products in Saudi Arabia.

3. Methodology
Framework

The proposed theoretical framework for this research is presented in (Figure. 2) below, the independent variables are clarity, credibility, consistency and competitiveness while the dependent variable in this study is attitude of consumers towards digital advertisements.
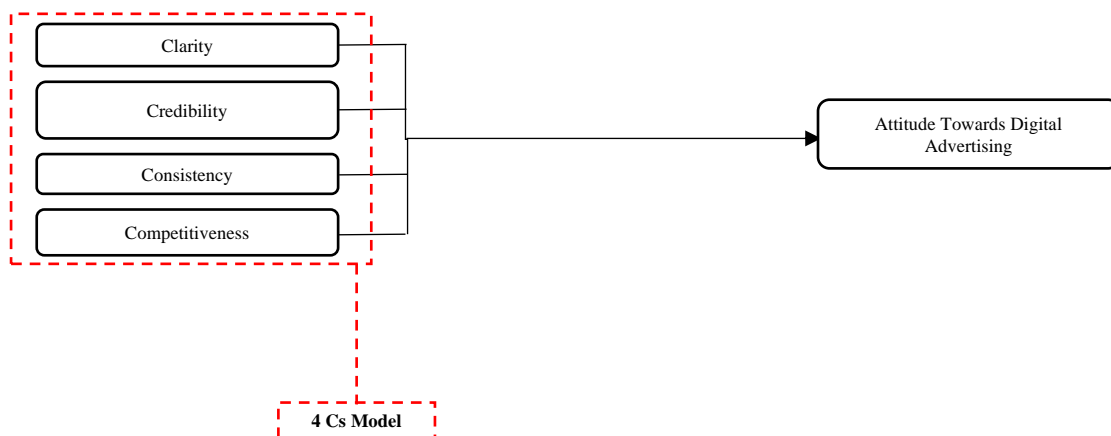

Fig 2: Research Conceptual Framework

Hypotheses Development
H1: There is a positive relationship between clarity and attitude towards digital ads.
H2: There is a positive relationship between the consistency of advertising and attitude toward digital ads.
H3: There is a positive relationship between the credibility of advertising and attitude toward digital ads.
H4: There is a positive relationship between competitiveness and attitude toward digital ads.

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Population

A population is a group of people who share a common set of characteristics (Banerjee and Chaudhury, 2010). In this research, the target population is a group that consists of existing dairy consumers in Saudi Arabia. Convenience sampling was employed because of the rarity of statistics on the target group.

Sample size

The sample is a collection of individuals, objects, or items selected for measurement from a larger population (Mugo, 2002). A self-administered survey is adopted as the survey instrument for this research. The target population focuses on participants who reside in Saudi Arabia. There are no restrictions gender and ethnicity. Respondents were cordially invited to participate in this survey. The hyperlink to the web-based survey site will be embedded in an email, with the statement of the research purpose, and will be sent to dairy consumers residing in Saudi Arabia.

All Saudi people aged over 18 years were eligible to be included in this study. We use Raosoft sample size calculator to calculate the minimum required sample size. By assuming that 50% of the population would have good information with a 5% margin of error and a confidence interval of 95%, the minimum sample size of 377 was determined.

Data Collection

The data collection process for this research will be achieved by directly collecting from the field. Data will be collected from the sample population through online survey which will be distributed within Saudi dairy products consumers as mentioned above, electronically via social media different types of channels, such as, WhatsApp communities' groups, Facebook, Twitter and Snapchat.

4. Discussion

4.1 Implication of Study

Since this is deductive approach-based research, this research integrated the theory of 4Cs Marketing Communication model to support the theoretical framework of this study. This theory will help in deeply understanding consumer behaviour toward digital advertising in Saudi Arabia, and provides valuable insights into how digital advertisements contribute to forming consumer purchase intention helps Dairy to focus on the relationship with consumers through digital ads.

Moreover, the contributions of this research are threefold. Firstly, it will be a guideline for marketers and advertisers to understand the factors that play an important role in digital advertising. The major implications of this study provide greater the companies which have been relying on traditional marketing communications and want to embrace digital advertising communications. This study helps companies to its focusing on digital ads of dairy companies, and will help to understand how consumer attitudes have changed over the years.

Also, when companies know which media has credibility to consumers and actively use it more than other types of media, their advertisement promotions can be shifted to those platforms (Russmann & Hess, 2020). So the factors of this study, such as, clarity, credibility, consistency and competitiveness as independent variables; and attitude towards digital advertisement as dependent variables, could be helpful for dairy company marketing programs and ads techniques if they adapted them to be usable for their business.

4.2 Limitations and Further Research Directions

This study is applied on a wide range of population which may need to limit the population to include only certain range of age, degree of education, level of monthly income or certain region in Saudi Arabia because these factors may play vital roles in changing the study's results which gives more knowledge about the relationship between variables. Also, this study focused only on one product while it is essential to examine the effect of the same variables on other type of products which is related to food industry as well.

So that, future studies should consider segmenting this study's population into smaller group for deeply investigating the influence of 4Cs factors on the attitude of dairy product consumers. Moreover, the future studies should add more variables to this study's frame work to examine their effect and whether the overall results will change or not.

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5. Conclusion

Overall, this research aims to examining the relationship among clarity, credibility, consistency and competitiveness; and consumer attitude toward digital advertising in the Saudi Arabian dairy industry. To achieve the research objectives, a fundamental theory which is 4Cs Marketing Communication Model was adopted and integrated. The findings of this research will have both theoretical and practical significance, that will expand the understanding of 4Cs theory by implementing it in dairy business in Saudi Arabia as well as the practical implications to improve the effect of digital ads on customer purchasing decision.

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