

**THE EFFECT OF MARKETING DECEPTION ON CONSUMER BUYING DECISION ON FACEBOOK. AN EMPIRICAL STUDY ON UNIVERSITY STUDENTS IN LIBYA**

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**ABSTRACT:** *This paper investigates the effect of marketing deception on the consumer behavior. Specifically, it investigates deceptive practices related to the product, price, place and promotion on the consumer purchase process. Since Facebook has become an important social media platform that is widely used in marketing in Libya, this study explores consumer perception of deceptive practices on that social networking site. The data was collected through an online questionnaire that was posted on several groups on Facebook in Libya. The researchers were able to collect 418 complete questionnaires. The findings indicated the marketing deceptive practices has a negative impact on consumer buying purchasing process. This article contributes to the academic knowledge by highlighting the damaging effects of marketing deception on consumer behavior. Moreover, it contributes to practice by providing some guidelines to companies to follow when using Facebook in marketing in Libya. By getting away from marketing deceptive practices, companies will be able to yield the best outcomes from marketing on Facebook. The study is limited by the sample size and the sample nature which consisted of Libyan students. Future research can focus on different social networking sites and different age groups.*

**KEYWORDS:** Marketing Deception, Consumer Buying Decision, Facebook, Libya

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## **INTRODUCTION**

Marketing is considered one of the most important activities that any organization performs. Performing an effective marketing is critical to business success and for achieving their objectives (Keller & Kotler, 2016). In the recent years, the marketing field has faced dramatic development with the introduction of the internet and the social media (Gaber & Wright, 2014). Despite, the usefulness of these new media in marketing, many organizations have used deceptive marketing which can be considered unethical advertising. This have impacted the relationship between the organization and consumers negatively on the short run as well as on the long run (Wilkins et al., 2016).

There is no doubt that the recent developments in the internet world, and the increase in the variety of services and information on products, have influenced the increasing interest of institutions in studying consumer as a basis for the design of their marketing strategy (Keller & Kotler, 2016). This confirms the fact that marketing begins and ends with the customer, where making the selection process for the customer a difficult and complex process, which may facilitate the deception of marketing in all ways.

The marketer may manipulate the quality of the product, and may also manipulate the promotion methods used, all of which is an attempt to deceive the consumer and generate high profits, which may lead to financial loss to the marketer, and losing its competitive position in the market in the long run, as well as in the short run (Riquelme et al.,2016). The loss of

confidence is not only between the consumer and the marketer, but extends to many other consumers as a result of the word of mouth, where the consumer talks about his negative experience to others directly or indirectly (Limbu et al., 2011). Deceptive marketing can take many forms where organizations can deceive consumers or hide important information about the product, the price or even in their promotion. Recent literature highlights the damaging effects of deceptive advertising (Hayder,2017).

The subject of marketing deception has received great attention from researchers and practitioners, as well as the official interest of consumer protection organizations in most countries of the world, while the subject has not received such interest in the Arab world, even academically, there are very few studies on the subject. As a whole, or dealt with some dimensions, so it can be said that the role played by official bodies and consumer protection associations in this area locally compared to the role played by those bodies in many countries of the developed world is still limited and below the level of ambition. There are many marketing practices that reflect the existence of such a deception, and consumers are aware of this, but they are unable to detect it, and consequently they are unable to avoid it, so they are exposed to it and affect their purchasing decisions one way or another, and this results (Kamlot, 2018). Table 1 summarizes some of the marketing deceptive practices in some of the marketing mix elements.

**Table 1: Example of Some Deceptive Practices in Marketing**

<b>Marketing Field</b>	<b>Deceptive Practices</b>
<b>Product</b>	<ul style="list-style-type: none"> <li>- Use of trademarks and brands close to famous brands.</li> <li>- Blocking important information about product characteristics.</li> <li>- Mix high quality products with inferior quality products and sell them together as high quality.</li> <li>- The information described on the products is insufficient to judge them.</li> <li>- The product is poorly packaged and may be damaged.</li> <li>- Hide the country of origin and the claim of another country of origin.</li> <li>- To manipulate the date of validity of the products without regard to consumer interest.</li> </ul>
<b>Price</b>	<ul style="list-style-type: none"> <li>- Offer fake discounts on prices of products offered.</li> <li>- Reduction in the prices of goods whose validity is nearing completion.</li> <li>- Put a high price on some products to inspire the consumer that they are of high quality.</li> <li>- Add sales tax on some non-taxable products from the base.</li> <li>- Offer some products without mentioning the price on them, to be able to sell at a high price.</li> <li>- Put excessive price of some products on the basis that they are famous brand.</li> </ul>
<b>Advertising</b>	<ul style="list-style-type: none"> <li>- Advertising products with misleading and insufficient information.</li> </ul>

	<ul style="list-style-type: none"> <li>- The heavy advertising of some products as an attempt to promote them in various ways, to drive the consumer to buy them regardless of need.</li> <li>- Most competitions are advertised as fake and non-genuine, whose primary purpose is to attract the consumer.</li> <li>- Hide important information about the consumer through advertising.</li> </ul>
<b>Sales Promotions</b>	<ul style="list-style-type: none"> <li>- Fake competitions organized for consumers.</li> <li>- Fake cuts in prices.</li> </ul>
<b>Distribution</b>	<ul style="list-style-type: none"> <li>- Increase the prices of some products and claim to increase prices from the source.</li> <li>- The monopoly of the commodity for a certain period of time to get the product at high prices to increase profits.</li> <li>- Display products in a manner that inspires consumer to think it is luxurious while it is not.</li> <li>- The price of some products increased because they are sold in high-end stores.</li> </ul>

Despite that many companies across all sectors have used the deceptive marketing practices which is considered unethical in the marketing field, there is a strong limitation in understanding it and its effect of consumers. Thus, this paper aims to:

1. Closing the gap in the academic research that investigates the deceptive marketing practices and its effect on the buying behavior of students, therefore, this study is considered a step further in understanding the effect of deceptive buying on students buying behavior and to investigate its effect on the elements of the marketing mix.
2. Exploring the concepts of the deceptive advertising and its implications on the Libyan environment.
3. Providing some guidelines for companies to follow to avoid deceptive marketing practices.

This article is organized as follows: firstly; a literature about deception in the marketing field is provided. This is followed by the methodology that was adopted in the current study. Then an overview of the findings is provided. Finally, a discussion of the originality of this article is presented together with the managerial implications as well as the directions of future research.

## LITERATURE REVIEW

Marketing deception has been defined as a misleading technique used by marketers to increase sales and earn more, but these profits are only in the short term, because the consumer will soon discover this misleading method and it will not be easy to fall into it again (Piccolo,2017). Every marketing practice or transaction between the marketer and the consumer involves the creation of a negative impression (consumer judgment) on the consumer at or after the deal, often accompanied by the structure of the marketer in deception resulting in an improper purchase decision that harms the consumer. The literature reports some damaging effects for deceptive marketing such as consumer frustration and loss of confidence (Sconyers,2017).

Also, consumers become more skeptical about the marketing practices of different organizations as a result of these practices. Moreover, business organizations that engage in marketing deception will suffer large losses in the long term. In summary, these practices are a waste of consumer resources and the economic resources for society as a whole (Sina et al., 2017).

Companies have been engaging in deceptive practices for several reasons including the lack of awareness of the marketers of the concept of deception and practices, and the possible damage to the organizations that focus only on short term profits while ignoring long term profits. Another reason includes the weakness or ineffectiveness of the role played by consumer protection associations in Arabic world, especially when compared with the role played by associations in foreign countries that protect consumers more effectively. Also, the negligence of consumers in reporting what they have experienced or perceived as deception, and demanding action to compensate for the harm or other harm caused by marketing fraud have facilitated these practices. Moreover, the lack of legislation and laws governing the activities of business organizations, whether in terms of marketing deception, crime and penalties imposed on those found to resort to deception from these organizations, as well as slow legal procedures in this area. Finally, the lack of awareness of consumers' methods of marketing deception, and their inability to detect, and their inability to learn and benefit from the situations in which they were deceived in one way or another.

Marketing deception can include deception on the product, price, place and promotion. Deception on the product can include using a trademark similar to the original trademark to deceive the consumer, or modifying the name to resemble a similar pronunciation with a famous brand. Also, the of information included in the labeling of the packaging, especially with respect to food products, so that all the information written on it is supposed to be clear and accurate so that the consumer can understand everything related to the product such as fat, protein, calories, salts, etc.

On the other hand, the deception on the price can include the following:

price cheating which is defined as any practice that causes customers to believe that the price they pay for one unit of the product or service is less than it actually is. Moreover, deceptive practices in the field of distribution overlap with those related to price and product. The poor transfer and distribution of a product which is not in accordance with criteria that drives some marketers to reduce its price or change its identification in case of damage or expiry. In addition to some retailers that deceive the consumer through the process of presenting products and displaying them in ways and techniques that appear contrary to reality. Finally, deceptive practices in the area of promotion can include false advertising and sales promotions (Smith,1995).

In the current study, we consider deceptive marketing and as the failure to fully disclose all pertinent information to a customer or to provide all agreed upon services (McAlister,2003).

Based on the previous assumptions, the researchers propose the following hypotheses:

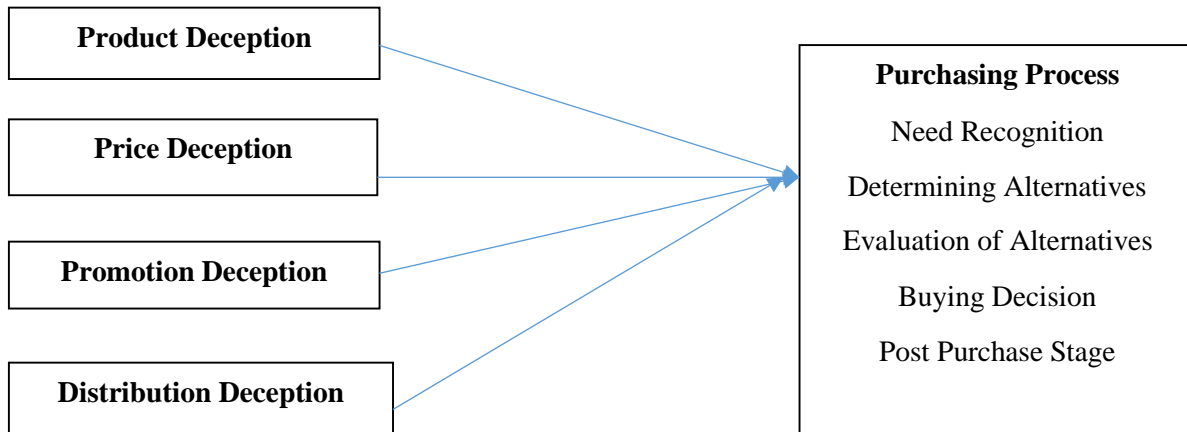
**H1:** The marketing deception related to the product has a significant effect on the consumer purchasing process.

**H2:** The marketing deception related to the price has a significant effect on the consumer purchasing process.

**H3:** The marketing deception related to the promotion has a significant effect on the consumer purchasing process.

**H4:** The marketing deception related to the distribution has a significant effect on the consumer purchasing process.

Figure 1 demonstrates the proposed conceptual model.



**Figure1:** Research Model

## METHODOLOGY

Due to the unstable political situations that face Libya, data collection was conducted through posting a link of an online questionnaire on several Libyan groups on Facebook. The population consisted on all Libyan university students. The researchers were able to collect 418 complete questionnaires. The advantages of the online questionnaire are the easiness and rapidness of data collection. Additionally, it is the most effective method for data collection. The data analysis was conducted with the aid of SPSS with the aim of testing the research hypotheses. The questionnaire was conducted by reviewing the existing marketing literature. The deceptive practices related to the product was measured by using 9 statements. The deceptive practices related to the price was measured by using 12 statements. The deceptive practices related to the promotion was measured by using 8 statements. The deceptive practices related to the distribution was measured by using 8 statements. The need recognition was measured using 4 statements. Determining alternatives was measured using 4 statements. Evaluating alternatives was measured using 4 statements. The buying decision was measured using 5 statements. Finally, the post purchase process was measured using 5 statements.

## FINDINGS

In this article, the simple linear regression technique was used to test the research hypotheses.

**H1:** The marketing deception related to the product has a negative effect on the consumer purchasing process. ( $\beta=0.827$ ,  $R^2=0.68$ ,  $Sig=0.01$ )

The findings showed that the hypothesis was supported and that the deception on the product has a significant relationship on the consumer purchasing process.

**H2:** The marketing deception related to the price has a negative effect on the consumer purchasing process. ( $\beta=0.754$ ,  $R^2=0.569$ ,  $Sig=0.01$ )

The findings showed that the hypothesis was supported and that the deception on the price has a significant relationship on the consumer purchasing process.

**H3:** The marketing deception related to the promotion has a negative effect on the consumer purchasing process. ( $\beta=0.740$ ,  $R^2=0.548$ ,  $Sig=0.01$ )

The findings showed that the hypothesis was supported and that the deception on the promotion has a significant relationship on the consumer purchasing process.

**H4:** The marketing deception related to the distribution has a negative effect on the consumer purchasing process. ( $\beta=0.465$ ,  $R^2=0.216$ ,  $Sig=0.01$ )

## Discussion and Managerial Implications

This article provides some insights related to marketing deceptive practices such as increasing the marketing awareness in the Libyan society for commodities through Facebook to spread the technical awareness about it so that everyone can choose the suitable item of size, quality and quality through the Ministry of Supply and Consumer Protection Associations. Also, it is important to not rely on the consumer to buy from marketing pages specialized in mastering marketing tricks to bring the buyer, but better to search for the official Facebook qualities of these goods first to learn more about them before making a decision to buy through the media and consumer protection associations. Finally, it is important to spread the awareness about the importance of post-purchase service in maintenance and availability of spare parts especially for long-life goods and relying on longevity within the family through the associations of consumer rights protection.

## Limitations and Directions for Future Research

Despite that this paper provides some useful insights regarding the research topic, it is not without limitations.

Firstly, this research is limited by the nature of the participants where it was conducted on Libyan students who are regular users in Facebook. Another limitation is the sampling technique where this study depended on a convenience sampling technique. This hinders the ability of the findings to generalize on other social networks.

Recommendations to researchers in marketing on future studies:

1. Conduct a comparative study of marketing in Facebook and other communication sites and the impact on the purchase decision.

2. To study the causes and effects of advertising in Facebook on the clients of those companies.
3. To study the relationship between marketing in various social communication sites and increase the market share of companies.

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