# THE EFFECTIVENESS OF ADVERTISEMENT TYPES TO STUDENT'S PERCEPTION IN FAST FOOD RESTAURANTS OF MCDONALD'S SDN. BHD.

NIK NURSYIFA BINTI NIK MOHD FAUZI

B060910023

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# VERIFICATION BY SUPERVISOR

I hereby declare that have read this thesis and in my opinion, this thesis is adequate in terms of scope and quality for the award Bachelor of Technology Management (Marketing High Technology)

Signature     :

Name of Supervisor : NOR RATNA BINTI MASROM
            Pensyarah
    Fakulti Pengurusan Teknologi dan Teknousahawanan
      Universiti Teknikal Malaysia Melaka

Date       : 28/06/2013

# DECLARATION OF ORIGINAL WORK

I, Nik Nursyifa Binti Nik Mohd Fauzi , (I/C Number: 890222-06-5334)

"I hereby declare that the work of this exercise is mine except for the quotations and summaries that have been duly acknowledge."

Signature  : ........................

Name  : NIK NURSYIFA BT NIK MOHD FAUZI

Date  : 2/7/2013

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# DEDICATION

This research paper is lovingly dedicated

To my respective parents

who have been my constant sources of inspiration.

They have given me the drive and discipline to tackle any task with more

enthusiasm and determination.

Without their love and support, this project would not have been made possible.

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# ABSTRACT

The progress of fast food restaurants is one of the most notable developments in Malaysia food industry. Then, the technology influx, the marketers use advertising to promote their product and service for customer. In this research, the advertising aspect of consumer in fast food restaurants in relationship to student's perceptions will be explained, as well as how each are directly correlated to each others. In addition, this research focus used for marketing fast food industry is how to sell their products according to specific groups of people, based on responses to type of advertisements their uses. This is based on the advertising techniques that are utilized by fast food restaurants such as print advertising, commercial advertising and internet advertising. The population of this research will be randomly respondents who use the fast food restaurants and questionnaire will distribute to 142 respondents in McDonald's at Bandar Hilir Melaka area. From the data, SPSS Version 16.0 will be used to analyzed and test the reliability and validity of the data. The researcher comes out with theoretical frame work for further study. The result of the research shows that student's are more influenced by commercial advertisement followed by internet advertisement and print advertisement. The paper also outlines the theoretical contribution, implication for practice and limitations of the research.

**Keyword:** Fast food restaurants, advertising, student's perception.

## ABSTRAK

*Kemajuan restoran makanan segera adalah satu perkembangan yang paling penting dalam industri makanan Malaysia. Kemudian, peralihan teknologi, penguashaa telah menggunakan saluran pengiklana untuk mempromosikan produk dan perkhimatan mereka untuk pelanggan. Dalam kajian ini, aspek pengiklanan pengguna di restoran makanan segere dalam hubungan dengan persepsi pelajar akan diterangkan, serta bagaimana setiap satu berkait rapat secara langsung antara sama lain. Di samping itu, tumpuan kajian ini digunakan untuk memberi gambaran untuk pemasaran industri makanan segere ialah bagaimana untuk menjual ptoduk mereka mengikut kumpulan tertentu berdasarkan kepada jenis iklan yang mereka gunakan. Populasi kajian ini akan dilakukan secara rawak responden bagi pengguna restoran makanan segera dan soal selidik akan diedarkan di McDonalds di kawasan Bandar Hilir Melaka dan Kampus Bandar di UTeM, Melaka. Daripada data, SPSS Version 16.0 akan digunakan untuk dianalisis dan menguji kebolehpercayaan dan kesahihan data. Penyelidik keluar dengan rangka kerja teori untuk kajian lanjut. Hasil kajian menunjukkan bahawa pelajar adalah kebih dipengaruhi oleh iklan komersial diikuti oleh iklan internet dan iklan cetak. Kertas ini juga menggariskan sumbangan teori, implikasi untuk amalan dan batasan kajian.* `

*Kata Kunci: Restoran makanan segera, Pengiklanan, Persepsi pelajar*

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| | |
|---|---|
| % | Percent |
| Bhd | Berhad |
| FPPT | Faculty of Technology Management and Technopreneurship |
| McD | McDonalds |
| N | Number of Items |
| P | Level |
| R | Value that indicates strength and direction of correlation |
| Sdn. | Sendirian |
| SK | Sekolah Kebangsaan |
| SMK | Sekolah Menengah Kebangsaan |
| SPSS | Statistical Package for Social Sciences |
| UTeM | UniversitiTeknikal Malaysia Melaka |

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# CHAPTER 1

## INTRODUCTION

## 1.1    Background

The concept of the advertising begins simply, as a means to generate awareness of the product and getting the company's name into the public eye. Advertising is to keep it simple and the only real way early when through newspaper publications and over radio. Advertising has more core competencies to become more effective because effective marketing communication has become a successful introducing and an important part of promotion of products and services. Effective advertising depends on criteria that have been used by advertisers such as entertainments and likeability advertisings (Zhang *etal.* 2002). In addition to that, (tutor2u.net, 2009) websites stated, "Advertising information must be carefully targeted to affect the target customer audience".

Nowadays, the fast food industry is in an upward trend. The fast food restaurant is a special kind of restaurant characterized both by its fast food cuisine and minimal table service. The most important points is the fast food restaurant has fulfilled customers need where convenience and speed are becoming more and more important for those white and blues collar who are busy in their work nowadays (Yap, 2003).Malaysia consumers, more educated people and affluent, people tend to eating-out especially in fast food restaurants.

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According to Soloman (2006, p.27) consumer behavior is the study of the processes, when individuals or groups select, purchase or sale of products, services, idea or experiences. Consumer behavior focuses on how individuals make the project spend on consumption related decision of its available resources items. This includes what they buy, why they buy, when they buy, where they buy it, how often they buy it use, how they evaluate it after they purchase and the impact of such evaluations on future purchases, and how they dispose it. Schiffman and Kanuk (2004,p.8).

Customer perceptions are subjective judgments which are defined as consumers' beliefs about the service they received or experienced (Gale, 1994). In today's competitive market, the consumers' perceptions are becoming more important to gain a sustainable competitive advantage (Reckiles, 2006). Nowadays, consumer's eating habits have changed views (Harnack, Rydell, Oakes, Story, Jefferey & French, 2008). There are influences by the expectation of customers towards the fast food services, benefits and value added they received. Fast food and all interactions such as attitude of employees, the whole process of marketing activities or customer relationship management are involved. This is because consumer perception can be defined in the form of expectation and determining the post-consumption satisfaction (Blackwel, Miniard& Engel, 2006). So, products to the fast food restaurant will be change consumer's perception, if the restaurants are trying to develop or strengthen the relationship with their customers.

So that's, fast food restaurants along with the heavily promote through the media and information technology risk, customers perceive a wide selection of fast food pattern and restaurants.

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## 1.2    Statement of the problem

Nowadays, the advertisers have numerous ways to spread awareness of their products and promote sales to their consumer such as magazine advertising, commercial, newspapers and internet advertising. Advertisements in past few decades have become much cleverer in "luring" people into buying products and are designed to target specific demographics that would be most likely to buy the product in question. This problem with many of the advertisements in recent years is that they are almost too clever and it is almost as if they contain subliminal messages telling people that they "need" to buy these products. The advertisements have had a profound impact on the end-users of the advertised products, to the extent that some consumers have been overwhelmed by the power of modern-day advertisement. In industry food are capitalizing on their ability to pinpoint exactly what people of certain ethnic group, gender, ages and religions look for in products or service to create advertisements accordingly.

### 1.2.1    Research Question

The research questions of this research are:

1)    Which type of advertising fast food restaurant interest students?

2)    What is the relationship between print advertisement and student's perception at McDonald (McD) Sdn. Bhd?    `

3)    What is the relationship between commercial advertisement and student's perception at McDonald (McD) Sdn. Bhd?

4)    What is the relationship between internet advertisement and student's perception at McDonald (McD) Sdn. Bhd?

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## 1.3    Research Aim

This research aims to investigate student's perception for fast food restaurants advertising in Malaysia and further understand the relevant criteria that are used by them to make decision.

## 1.4    Objectives

The objectives of this research are:

1)    To identify the type of advertising interest student's perception.

2)    To examine the relationship between print advertisement and student's perception at McDonald (McD) Sdn. Bhd.

3)    To explore the relationship between commercial advertisement and student's perception at McD Sdn. Bhd.

4)    To determine the relationship between internet advertisement and student's perception at McD Sdn. Bhd.

## 1.5    Limitation and key Assumption of the project.

There is several limitations status for this study. Firstly, the research is examined and explores the impact of advertisement types to student's perception in fast food restaurant of McD's Sdn. Bhd. Therefore, the result and the outcomes of the study are only reliable to students at Melaka only. Secondly, this research only does a research about types of advertising only. Therefore, the other sources in marketing mix will not be included in this research. Besides that, the outcome of this research will be analyses to examine the highest impact of advertising among the students itself. Then, the quantitative questionnaire will be distributed randomly at Bandar Hilir, Melaka will be the one who answering the questionnaire. Lastly, the researcher assumes that all respondents have provided honest and correct answer.

## 1.6    Scope of the project

1)    This research only involves students divided into three groups such as university or college, secondary school and primary school students in Melaka areas.

2)    This research focus more on advertising techniques that are utilized by fast food restaurants such as print advertising, commercial advertising and print media advertisings.

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## 1.7    Importance of the project

Nowadays, the advertisements in recent years is that they are almost too smart and it almost is if they contain subliminal messages to tell people that 'need' to buy these products.

Consumer's acceptance has been in fast food restaurants in the upward trend in Malaysia (Lee, n.d.). One of the reasons is because of the increasing popularity of consumptions of fast food and now the younger generations between the aged 7-25 years old.

## 1.8    Summary

This chapter introduces the background, statement of the problem, objectives, scope and importance of the project. It provides issues of the importance of understanding student's perception of advertisement type of the fast food restaurants.

# CHAPTER 2

## LITERATURE REVIEW

### 2.1    Introduction

The purpose of this chapter is to review the literature which is related to the factors are the impact advertisements type to consumer's perception in fast food restaurant. This chapter will begin by defining the advertisements and follows by the type of advertising used in fast food restaurants. Then, defining consumer perception and followed by fast food restaurants.

### 2.2    Advertising

Advertising is one of the most important factors in a company's marketing communication and therefore it is seen as a big business today. Advertising can be defined in many different ways. According to Kotler (2004), *"advertising is any paid form to determine the non-personal presentation and promotion of ideas, products or services by an identified sponsor"*. Based on Mansfeld (2000), *"advertising is also an objective meaning of mass communication meaning, it reached a lot of people at the same time, the lacks of the two-way-communication process because it is usually a one-way-communication"*. This means that the advertiser has control inputs, and

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non-personal presentation device there is no face-to-face contact between sender and recipient.

Advertising promotes features, benefits and advantages that are offered to a wide market (Francis, 2009). Based on Grullon et al, (2004), this has become known when economists said that advertising may affect product market demand but there has been no apparent recognition either by academic researchers or business professional that the visibility of such advertisings provided by a firm may have important in another market such as the stock market. This means that advertising can create a unique personality for a brand which is the key to sparking customer's desire. Finally, advertising can be used to reduce overall selling costs (Yeshin, 1998). Such as, many companies are successful in creating their own brand loyalty because of their quality, taste and especially advertising (Brierley, 2002). According to Tellis, (2005), Advertising is used primarily by the firms to achieve sales by informing the consumers about new or improved products. An advertiser strives to communicate with consumers properly and efficiently. Moreover, Ilango, (2009) also mentioned that it is the fact that businesses exit to sell products and service to the public for a profit.

So that, the simply advertising concept began advertising using advertiser a to generate awareness of products and getting the company's name into the public eye. In additional, advertising sales of a products or service which is based on customer's expectations. Advertising messages can become efficient if they follow the several characteristics such as meaningfulness, distinctiveness and credibility. These characteristics can guarantee advertisers to capture customers to become loyal to their product. There are several ideas that have been described about advertisements with describe by Piana (2005) as: Advertisements place a specific brand in the short list of a consumer's mind, the customer will answer with the most advertised 'know' brands that they are aware of advertisements are not only to increase sales products and service but to enrich the brand with symbolic value. Thus, advertising is aimed at a group of people, not individuals like single, worker, students and so on (Theren&Theren, 2010).