

The Impact of Facebook Advertising on E-Brand Loyalty in E-Commerce Industry

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Facebook advertising has become a powerful tool in digital marketing, enabling businesses to reach vast audiences with tailored messages and interactive content. As one of the most widely used social media platforms, Facebook offers businesses unparalleled opportunities to engage with consumers and build brand loyalty. With various ad formats ranging from simple image ads to engaging video content, businesses can create compelling advertisements that capture attention and drive results. This study examines the impact of Facebook advertising on e-brand loyalty within the e-commerce industry, focusing on how interactivity, informativeness, trendiness, customisation, and usefulness influence consumer loyalty. Addressing a critical gap in the literature, this research explores these relationships in Sri Lanka's rapidly growing e-commerce sector. While extensive research exists on social media advertising, the impact of Facebook ads on e-brand loyalty in Sri Lanka remains underexplored, with most studies focusing on India and Indonesia. This study seeks to fill this gap, highlighting Facebook's potential to enhance loyalty through targeted and strategic advertising. Through this investigation, the research provides actionable insights for businesses aiming to strengthen customer relationships and improve brand loyalty using effective Facebook advertising strategies.

A quantitative research design was employed to evaluate the relationship between Facebook advertising elements and e-brand loyalty. Data was collected through a structured questionnaire distributed to 385 respondents, with 375 valid responses retained for analysis. The sample comprised active Facebook users who engage with e-commerce platforms, ensuring the relevance of the data. Statistical techniques, including descriptive analysis, correlation analysis, and multiple regression analysis, were used to test the hypotheses and measure the significance of the identified advertising elements. The hypotheses examined in this study include the overall impact

of Facebook advertising on e-brand loyalty and the specific effects of interactivity, informativeness, trendiness, customisation, and usefulness on brand loyalty. This research provides a rigorous framework for understanding the nuanced dynamics of Facebook advertising and its influence on consumer behaviour.

The findings indicate that informativeness, interactivity, customisation, and perceived usefulness significantly contribute to e-brand loyalty. Among these, informativeness emerged as the most influential factor, demonstrating that consumers value advertisements that provide clear, accurate, and relevant information about products and services. Interactivity and customisation were also found to positively impact loyalty, emphasising the importance of engaging, two-way communication and personalised advertising content. Interestingly, trendiness did not exhibit a significant effect on brand loyalty, suggesting that while trendy content may attract attention, it does not necessarily foster long-term consumer loyalty. These findings partially align with previous studies while offering novel insights into the unique behaviours and preferences of Sri Lankan e-commerce consumers. The study is geographically limited to Sri Lanka, which may affect the generalisability of the findings to other cultural or regional contexts. Additionally, by focusing exclusively on Facebook, the study does not provide insights into the effectiveness of other social media advertising platforms. This study provides practical insights for e-commerce businesses, Facebook advertisers, and other stakeholders by highlighting the importance of creating ads that are informative, engaging, and personalised. For e-commerce businesses, the findings offer strategies to build stronger customer loyalty by focusing on relevant and interactive content. Facebook advertisers can enhance ad performance by aligning campaigns with user preferences, driving higher engagement and returns. Additionally, consumers benefit from ads that provide value through meaningful and relevant experiences, fostering trust and satisfaction. These insights offer a practical roadmap for leveraging Facebook advertising to strengthen consumer relationships and brand loyalty.

This study underscores the critical role of Facebook advertising in shaping consumer loyalty and offers a robust framework for businesses to harness the power of social media to build lasting customer relationships in an increasingly competitive e-commerce landscape.

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