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### A STUDY ON THE IMPACT OF ONLINE ADVERTISEMENTS ON CONSUMER BUYING BEHAVIOUR

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#### ABSTRACT

*The users of internet in the world are increasing very rapidly day by day and it is used by all age and all types of people. Internet has become one of the major medium of communication. While surfing on web, it is difficult to unsee the advertisements. Online advertisement uses the internet facilities to deliver diverse promotional marketing advertisements to online consumers. It mainly includes e-mail advertising, search engine advertising, social media advertising, display advertising and mobile advertising. The present study is an attempt to evaluate the impact of online advertisements on consumer buying behavior. The questionnaire was used to collect the primary data from the respondents. The collected data were then analysed to reach the research objectives.*

**Key Words** – Online advertisements, internet and consumer buying behaviour.

#### INTRODUCTION

In present era of fast technological advancements, online advertising has grown rapidly in the last decade. The rise of new media platforms and communication channels has tremendously changed the advertisement business scenario throughout the world. Most of the companies and organizations now a days are relying in digital advertising and marketing techniques to improve their overall sales and revenue.

Online advertising also called online marketing and advertising uses the internet to deliver promotional marketing messages to consumers. Online marketing is so far proved to be effective and efficient when compared with other forms of advertising and marketing.

#### REVIEW OF LITERATURE

**Danaher and Mullarkey (2003)**, in their study, have mentioned that web advertisement has a large impact on consumers. It helps them to recognize the product and recall their memory about the product. They also mentioned that people like movable images instead of simple and rigid advertisements.

**Moshrefjavadi et al. (2012)** under their study, researchers close different factors that were affecting consumer buying behaviour. Under this study, they identified that there are financial and non-delivery risks that negatively affect the attitudes of consumers towards online shopping. But simultaneously it also affected some consumers positively. One of the factors was an online advertisement that was influencing the consumer buying decision. The online advertisement also helped to gain the trust of the consumers.

**Afzal and Khan (2015)** in their study show that online advertisements are only effective when the content, graphic design and quality are good. Consumer loyalty (one of the factors of attitude) towards a brand is one of the important factors that influence and has a direct and significant effect on their online buying behaviour.

**Kalia and Mishra (2016)**, have accepted that online ads are very effective. However, their findings have revealed other important aspects like online movable ads that include music, graphics, and animations are very effective. Online ads only help consumers to know about the

product. Because of trust issue, the most consumer prefers to buy through the official sites of the company instead of clicking on online ads.

**Bakshi G.** in his study “Online advertising and its impact on consumer buying behaviour” (2013) has mentioned the most important online advertising opportunities in 2013. These were Mobile marketing, Social Media Marketing, and Pinterest. He also concluded “With the increased adoption and fission of the Internet, World Wide Web is becoming gradually a standard advertisement platform. The Web is offering a business advertisement world with more rich media tools, interactive services, and global reach. The need is to understand the target consumers and then strategize wisely to gain the greatest out of this new medium”.

### **STATEMENT OF THE PROBLEM**

The problem under study is “the impact of online advertisements on consumer buying behavior”. Now a days company’s website is the most useful tool for promoting various products. Moreover there are advertisements of several products and companies everywhere in Facebook, Youtube, Instagram and other websites. The question now is “Are online advertisements more effective? Does online advertisements influences consumers buying behaviour? How do people perceive online ads?”The answers are of strategic importance.

### **SIGNIFICANCE OF THE STUDY**

The rapid advancement of the computer industry and incredible flow of information that the internet has made possible, has transformed the business of advertising. Many companies have made the internet as part of their advertising media mix to take advantage of the online technologies. So it is necessary for the companies to know the consumers purchase behavior. The study is very important to analyse at what extent online advertisement effects the consumer buying behavior.

### **SCOPE OF THE STUDY**

The present study is an attempt to highlight the perception of the consumer towards online advertisements. Hence it can be fruitful for online advertisers. This study will provide valuable insights to understand the impact of online advertisement towards consumer buying behavior and the factors that influence consumers buying behavior.

### **OBJECTIVES OF THE STUDY**

1. To study the impact of online advertisement on the consumer buying behavior.
2. To know the perception of consumers towards online advertisements.
3. To find out the factors influencing consumers buying decision.

### **HYPOTHESIS OF THE STUDY**

1.  $H_0$ : There is no significant relationship between online advertisement and consumer buying behaviour.

### **RESEARCH METHODOLOGY**

This study is based on both primary and secondary data. Primary data is collected using questionnaire method, which has been created using Google forms and distributed to 180 consumers. Convenience sampling method has been adopted for this purpose. Secondary data is collected from newspapers, journals and websites. The collected data were analysed by using statistical techniques percentage analysis and chi-square test. Tables are used for systematic presentation of the data.

### **LIMITATIONS OF THE STUDY**

1. The sample size selected is small, so it may not represent the population.
2. Some of the respondents were not co-operative in filling the questionnaire.

## DATA ANALYSIS AND INTERPRETATIONS

**Table 1 - Demographic profile of the respondents**

Variables	Parameters	Frequency	Percentage
Age	Below 20	26	15
	21-30	65	36
	31-40	51	28
	Above 40	38	21
	<b>Total</b>	<b>180</b>	<b>100</b>
Gender	Male	98	54
	Female	82	46
	<b>Total</b>	<b>180</b>	<b>100</b>
Occupation	Govt. employee	32	18
	Private employee	82	46
	Business	35	19
	Others	31	17
	<b>Total</b>	<b>180</b>	<b>100</b>
Annual income	Less than 100000	32	18
	100000-200000	94	52
	200000-300000	38	21
	Above 300000	16	9
	<b>Total</b>	<b>180</b>	<b>100</b>

**Source: Primary data**

- It is clear from the analysis that 15 per cent of the respondents belong to the age group of below 20 years, 36 per cent of the respondents belong to 21-30 years, 28 per cent of the respondents in the age group of 31-40 years and the remaining 21 per cent of the respondents belong to age category above 40 years.
- It is obtained from the above analysis that 54 per cent of the respondents are male and the remaining is obtained 46 per cent of the respondents are female.
- It is observed from the analysis that 18 per cent of the respondents are govt. employees, 46 per cent of the respondents are private employees, 19 per cent of the respondents are doing business and 17 per cent of the respondents belong to other category.
- It is inferred from the above that 18 per cent of the respondents have annual income of less than 100000, 52 per cent have annual income of 100000-200000, 21 per cent have 200000-300000 and the remaining 9 per cent of the respondents have above 300000.

**Table 2- Online advertisement viewing habit**

Viewing habit	Number of respondents	Percentage
Viewers	180	100
Non viewers	0	0
<b>Total</b>	<b>180</b>	<b>100</b>

**Source : Primary data**

From the above table it is clear that 100 per cent of the respondents are viewing online advertisements.

**Table 3- Opinion about online advertisements**

Opinion	Number of respondents	Percentage
Informative	90	50
Attractive	40	22
Annoying	40	22
Waste of time	10	6
<b>Total</b>	<b>180</b>	<b>100</b>

**Source : Primary data**

From the above analysis it is clear that 50 per cent of the respondents are of the view that online advertisements are informative, 22 per cent reveals that it is attractive, another 22 per cent reveals that it is annoying and the remaining 6 per cent are of the opinion that it is waste of time.

**Table 4- Attitude towards online advertisements**

Attitude	Number of respondents	Percentage
Strongly like	30	17
Like	68	38
Neutral	32	18
Dislike	50	27
<b>Total</b>	<b>180</b>	<b>100</b>

**Source : Primary data**

From the above table it can be seen that only 17 per cent of the respondents strongly like the online advertisements, 38 percent like online ads, 18 per cent have neutral opinion and 27 per cent are disliked by online advertisements.

**Table 5- Most attractive factor in online advertisement**

Factors	Number of respondents	Percentage
Discounts and deals	46	26
Customer reviews	69	38
Celebrity endorsement	24	13
Animation & graphics content	41	23
<b>Total</b>	<b>180</b>	<b>100</b>

**Source : Primary data**

From the above table it can be inferred that discounts and deals are the most attractive factor in online advertisement for 26 per cent of the respondents, customer reviews for 38 per cent of the respondents, celebrity endorsement for 13 per cent and animations and graphics content for 23 per cent of the respondents.

**Table 6- Influence of online advertisement on buying behaviour**

Influence	Number of respondents	Percentage
Yes	147	82
No	33	18
<b>Total</b>	<b>180</b>	<b>100</b>

**Source : Primary data**

From the above table it is clear that 82 per cent of the respondents are of the view that online advertisement influences their buying behaviour and 18 per cent are of the view that online advertisement does not influence the buying behaviour.

**Table 7- Influence level of online advertisement on buying behaviour**

Influence level	Number of respondents	Percentage
Large influence	46	31
Medium influence	69	47
Low influence	32	22
<b>Total</b>	<b>147</b>	<b>100</b>

**Source : Primary data**

From the above analysis it is clear that 31 per cent of the respondents have large influence of online advertisement on buying behaviour, 47 per cent have medium influence and 22 per cent of the respondents have low influence.

**Table 8- Frequency of purchase after seeing online advertisements**

<b>Frequency</b>	<b>Number of respondents</b>	<b>Percentage</b>
Very often	23	13
Often	47	26
Sometimes	45	25
Rarely	32	18
Never	33	18
<b>Total</b>	<b>180</b>	<b>100</b>

**Source : Primary data**

From the above table it is clear that 13 per cent of the respondents very often make purchase decision after seeing online advertisements, 26 per cent often make purchase decision, 25 per cent sometimes make purchase decision, 18 per cent rarely make purchase decision and the remaining 18 per cent never make purchase decision after seeing online advertisements.

### **CHI SQUARE ANALYSIS**

For testing the relationship between online advertisement and consumer buying behaviour, hypothesis has been framed and tested by Chi- square test. The test results are discussed in the following tables.

#### **Relationship between online advertisement and consumer buying behaviour**

**H<sub>0</sub>** : There is no significant relationship between online advertisement and consumer buying behaviour.

**Table 9 – Online advertisement and consumer buying behaviour**

<b>Influence of online ad</b>	<b>Consumer buying behaviour</b>					<b>Total</b>
	<b>Very often</b>	<b>Often</b>	<b>Sometimes</b>	<b>Rarely</b>	<b>Never</b>	
Influences	23(18.78)	47 (38.38)	40 (36.75)	23 (26.13)	14 (26.95)	147
Not influences	0 (2.8)	0 (7.33)	5 (6)	9 (3.87)	19	33
<b>Total</b>	<b>23</b>	<b>47</b>	<b>45</b>	<b>32</b>	<b>33</b>	<b>180</b>

**Source : Primary data**

Chi- square value = 53.2733

Degrees of Freedom = 4, Level of significance = 0.05

Table value = 9.488

Since the calculated value of chi-square is greater than the table value, the null hypothesis is rejected. Therefore there is significant relationship between online advertisement and consumer buying behaviour.

**Table 10- Most influencing factor of buying behaviour**

<b>Factors</b>	<b>Number of respondents</b>	<b>Percentage</b>
Online advertisements	32	18
Price	41	23
Quality	79	44
Brand image	22	12
Others	6	3
<b>Total</b>	<b>180</b>	<b>100</b>

**Source : Primary data**

From the above table it can be inferred that online advertisement is the most influencing factor for 18 per cent of the respondents, price is the factor for 23 per cent of the respondents, quality is the factor for 44 per cent of the respondents, brand image is the factor for 12 per cent of the respondents and other factors for only 3 per cent of the respondents.

### **FINDINGS**

- 36 per cent of the respondents belong to 21-30 years.

- 54 per cent of the respondents are male.
- Majority of the respondents are private employees.
- Majority of the respondents have annual income of 100000-200000.
- 100 per cent of the respondents are viewing online advertisements.
- 50 per cent of the respondents are of the view that online advertisements are informative.
- Majority of the respondents like the online advertisements.
- Customer reviews are the most attractive factor in online advertisement for 38 per cent of the respondents.
- 82 per cent of the respondents are of the view that online advertisement influences their buying behaviour.
- Majority of the respondents have medium influence of online advertisement on buying behaviour.
- 26 per cent of the respondents often make purchase decision after seeing online advertisements.
- There is significant relationship between online advertisement and consumer buying behaviour.
- Quality is the most influencing factor of purchase decision for majority of the respondents.

## CONCLUSION

The present era is witnessing a revolutionary change in the trend of advertising. In modern era of technological advancements and easy accessibility of internet facilities, online advertising has evolved as one of the most effective and prominent media of advertising.

The present study is conducted to know the impact of online advertisement on consumer buying behavior, perception of consumers towards online advertisements and to identify the factors influencing consumers buying decision. From the study it is found that online advertisement influences consumers buying behaviour. Majority of the respondents are interested to watch the online advertisement and of the view that online advertisements are informative. The respondents are influenced by variety of factors such as price, quality, online advertisements and brand image. It is also identified that quality is the most influencing factor of purchase decision.

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