



11. A Study On the Impact of Internet Advertising On Purchasing Behavior of Consumers with Reference to Chennai City

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ABSTRACT

The purpose of this research is to study the impact of internet advertising on purchasing behavior of consumers. The objectives of the study have been to identify the perception of consumers towards internet advertisement; To understand the purchase pattern of the consumers; To study the overall satisfaction of consumers and identify the problems and suggest measures. The study has been conducted with a sample size of 120 respondents using both primary data and secondary data. Convenience sampling technique has been applied. The geographical area covered for the study is Chennai City.

The primary data has been collected through questionnaire. The data collected is represented through percentage analysis, graphical representation, cross tabulation and Chi square test. Appropriate statistical tools namely simple percentage and chi square test were used to analyze the data collected. Hypothesis is tested using SPSS. The findings states that customer's purchase decision is sometimes influenced by internet advertising and a satisfied customer possesses an intention to repeat purchase. The study suggests that through enhanced targeting of customers, the problems faced by customers through internet advertising can be reduced. The study concludes that internet advertising plays a major role in promoting a product and creating an impact in the purchasing behaviour of consumers.

KEYWORDS

Internet advertising, purchasing behavior, consumers.

Introduction:

Consumers are influenced by various factors to purchase a product. One such factor which influences the consumer's purchasing behavior is advertisements. Advertisements provide information to consumers about the products and services they require. In today's digital world, Internet has become unavoidable and most of the consumers have access to the internet advertisements. Internet advertising is a new type of advertising that has grown alongside the rapid development of the Internet and gradually becoming one of the most

important advertising medium. Such advertisements are preferred by most of the consumers as it can be watched at their convenience. Internet advertising is a technology used to send promotional messages to people all over the world through the Internet, which serves as a global advertising platform. It involves delivery of advertisements by automated software systems that operate across many websites, media services, and platforms. Technological advancements in the internet, combined with its increasing commercial use and the rapidly increasing number of internet users worldwide, have also influenced the evolution of internet advertising and produced various types of media advertising over time.

Objectives of the Study:

- To identify the demographic profile of the consumers.
- To identify the perception of consumers towards internet advertisement.
- To understand the purchase pattern of the consumers.
- To study the overall satisfaction of consumers and identify the problems and suggest measures.

Review of Literature

Theoretical Framework:

Theories of Consumer Behavior:

Learning Model of Consumer Behavior: The Learning Model of Consumer Behavior states that consumer behavior is driven by the need to meet both basic survival requirements, such as food, and acquired needs, such as fear or guilt, that develop from life experience. According to the Learning Model, customers initially purchase to meet their basic requirements, then go on to meet acquired needs.

Psychoanalytical Model of Consumer Behavior: The father of psychoanalysis is Sigmund Freud. This model is unique in terms of application. Individual consumers have deep-rooted impulses, both conscious and unconscious, that drive them to make a purchase. Hidden anxieties, suppressed wants, or personal longings are examples of these causes. As a result, people make purchases based on various stimuli such as social media

advertisements that appeal to their interests. Customers don't always understand why it appeals to them, they only know it feels right to have it.

Questionnaire using sample of 203 respondents. Various statistical tools like Regression, chi-square, descriptive, mean and standard deviation was used to analyze the data collected and obtained. The study found that respondents spend 1-2 hours on online advertisements in a day. Thus the study concluded that time spent on internet advertisement and impact of internet advertisement has significant relationship with consumer buying behavior. The study suggested that their shoulder liability and insurance of the product that is displayed online. The quality must be maintained as displayed online.

Prof. Anup Kumar Dhore & Dr. Snehal Godbole (2018)², conducted a study on the impact of internet advertising on consumer buying behavior, which raises the consumers' intentions towards the product and buying behaviors. The study is based on secondary as well as primary data. The primary data was collected from 100 respondents. The study used descriptive research. The technique used for primary data collection was simple random

sampling method. Secondary data was collected form Company's profile, journals and various literature studies are important sources of secondary data. The researchers found that the Internet users (all age groups people) have the similar perception towards the internet advertisements. The study established that internet advertising influenced purchase decision of the customers to a moderate extent as only nearly half of the respondents were influenced purchase decision. The study concluded that internet advertising is a key determinant of purchase decision of the customers and have also established that internet advertising has significant relationship with purchase decision of the consumers. Athma Jayaprakash and Dr. M.A Joseph (2018)³, made a study to investigate the effectiveness of internet advertising on consumer buying behavior towards mobile phones. The sample size of the study was taken as 50 internet users. The study was based on primary data collected from internet users by using a structured questionnaire. In order to study the role of internet advertisement attracting customers and for measuring advertising results AIDA Model and DAGMAR model was being combined. Data collected for the study was tested using T test and ANOVA. It was found out from the study that male and female are influenced by internet advertising but females are not more influenced than male. Similarly the age group and income group are not factors that determine how much internet advertisement is able to influence the consumer buying behaviour. The study concludes that proper methods of internet advertising must be used to attract new customers and retain existing customers. Prof. Anup kumar Dhore & Dr. Snehal Godbole (2018)⁴, conducted a study on the impact of internet advertising on consumer buying behavior, which raises the consumers' intentions towards the product and buying behaviors. The study is based on secondary as well as primary data. The primary data was collected from 100 respondents. The study used descriptive research. The technique used for primary data collection was simple random sampling method. Secondary data was collected form Company's profile, journals and various literature studies are important sources of secondary data. The researchers found that the Internet users (all age groups people) have the similar perception towards the internet advertisements. The study established that internet advertising influenced purchase decision of the customers to a moderate extent as only nearly half of the respondents were influenced purchase decision. The study concluded that internet advertising is a key determinant of purchase decision of the customers and have also established that internet

advertising has significant relationship with purchase decision of the consumers. **R. Mahalakshmi & D. Rajasekaran (2018)⁵**, made a study on the consumer perception on online advertising using convenience method of sampling with a sample size of 250. The study was done with the objective to know the level of consumer perception on online advertisements. In order to find the result, the study analyzed the data using statistical techniques such as simple percentage analysis and Chi-square. The study found that majority of the respondents found internet advertising more convenient than other methods of advertising. As a result, the study concluded that there is a significant relationship between respondents' age, gender, educational qualification, occupational status, non-earning members of the family, monthly income, and level of perception of online advertising.

Research Methodology:

Sources of Data:

It is necessary to collect appropriate data for any research. Data can be divided into the following categories based on the sources of the information gathered:

- A. Primary data
- B. Secondary data

Sampling Technique:

The sampling technique used for the purpose of data collection is convenience sampling method. Convenience sampling is one of the non-probability sampling methods. A convenience sample is made up of people who are easy to reach. It is a sampling method in which units are selected based on the ease of access/ availability.

Sample Size:

Given the short time frame for conducting the research, the city of Chennai in Tamil Nadu was chosen. The current study's sample size is 120 respondents, comprising men and women whose purchasing behavior is influenced by internet advertisements. The respondents were chosen from Chennai City for the study.

Statistical tools:

The data collected has been analyzed during the statistical tools namely;

- Percentage analysis
- Graphical representation
- Cross tabulation and Chi-square test

Limitations of the Study:

The following are the limitations of the study

- a. The study has been limited to Chennai city only.
- b. Due to time constraint, sample size has been restricted to only 120 respondents.
- c. The study can be generalized to long time as perceptions change rapidly.
- d. The result of the study depends upon the information furnished by the respondents and hence, information provided by the respondents through questionnaire is subject to personal bias.

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Data Analysis and Interpretation:

Table 1: Perception of Respondents About Internet Advertising

| Perception | No. Of Respondents | Percentage |
|-------------------------------------|---------------------------|-------------------|
| Interesting | 17 | 14 |
| Informative | 21 | 17.5 |
| Attractive | 14 | 12 |
| Creates awareness | 12 | 10 |
| Entertaining | 9 | 7.5 |
| Influences consumer attitude | 17 | 14 |
| Meets customer needs & expectations | 10 | 8 |
| Motivates to buy | 20 | 17 |
| TOTAL | 120 | 100 |

Source: Primary Data

Table 11.7 shows that 14% (17) of the respondents has interesting perception about internet advertising, 17.5% (21) of the respondents perception about internet advertising is

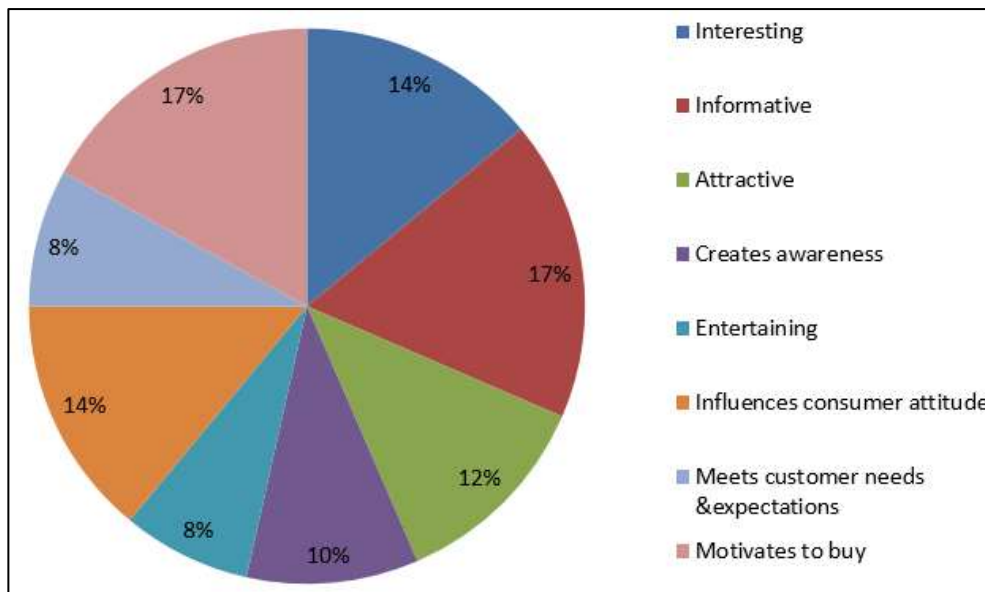
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informative, 12% (14) of the respondents perception about internet advertising is attractive, 10% (12) of the respondents perception about internet advertising is it creates awareness, 7.5% (9) of the respondents perception about internet advertising is entertaining, 14% (17) of the respondents perception is internet advertising influences consumer attitude, 8% (10) of the respondents perception is internet advertising meets customer needs and expectations and 17% (20) of the respondents perception is internet advertising motivates customers to buy.

According to the study, majority 17.5 % (21) of the respondent’s perception about internet advertising is informative.

These facts are diagrammatically represented in chart as follows.

Chart- Perception of Respondents About Internet Advertising



Perception of Respondents About Internet Advertising

Table 2: Internet Advertisements Motivates the Respondents to Buy a Product or Service

| Particulars | No. of Respondents | Percentage |
|-------------------|--------------------|------------|
| Strongly agree | 14 | 11.7 |
| Agree | 61 | 50.8 |
| Neutral/No idea | 35 | 29.2 |
| Disagree | 8 | 6.7 |
| Strongly disagree | 2 | 1.7 |
| TOTAL | 120 | 100 |

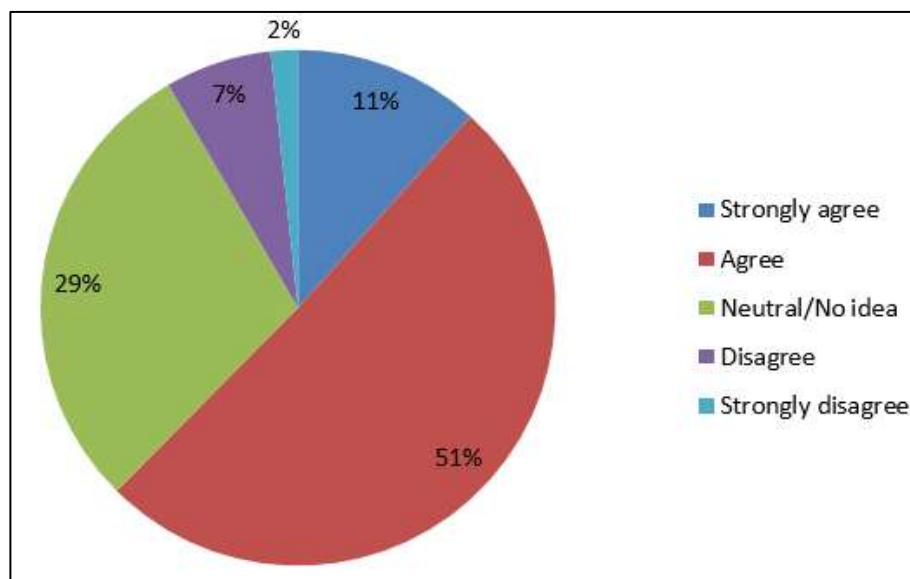
Source: Primary Data

Table 3.16 shows that 11.7% (14) of the respondents strongly agree that internet advertisements motivates them to buy a product or service, 50.8% (61) of the respondents agree that internet advertisements motivates them to buy a product or service, 29.2% (35) of the respondents have no idea if the internet advertisement motivates them to buy a product or service, 6.7% (8) of the respondents disagree with the fact that internet advertisements motivates them to buy a product or service, 1.7% (2) of the respondents strongly disagree with the fact that internet advertisements motivates them to buy a product or service.

According to the study, majority 50.8% (61) of the respondents agree that internet advertisements motivate them to buy a product or service.

These facts are diagrammatically represented in chart as follows.

Chart- Internet Advertisements Motivates the Respondents to Buy a Product or Service



Internet Advertisements Motivates the Respondents to Buy a Product or Service

Findings of The Study:

- According to the study, majority 17.5 % (21) of the respondent’s perception about internet advertising is informative.
- According to the study, majority 30% (36) of the respondents prefer internet advertisements as it gives exposures about a new product.
- According to the study, majority 80% (96) of the respondents use social media platform to watch internet advertisements.

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- According to the study, majority 68% (82) of the respondents spends less than an hour to watch internet advertisements.
- According to the study, majority 42% (50) of the respondents check internet advertisements when they are interested in buying a product.
- According to the study, majority 35% (42) of the respondents watch pop up advertising.
- According to the study, majority 60% (72) of the respondents watch shopping goods related internet advertisements before purchase of a product or service.
- According to the study, majority 47% (57) of the respondents purchase decision is sometimes influenced by internet advertisements.
- According to the study, majority 50.8% (61) of the respondents agree that internet advertisements motivate them to buy a product or service.
- The study has indicated that there is an association between overall satisfaction of respondents with internet advertisements after making purchase and their repeat purchase intentions.
- According to the study, majority 55% (66) of the respondents have stated that they will recommend their family & friends to make purchase of product or service based on internet advertisements.

Suggestions of the Study:

- A. According to the study it is suggested that internet advertisements should be more creative, attractive and can avoid exaggerations about a product so that it stimulates the customers to search for a product and procure it. Each advertisement must specify the benefits of a product motivating and attracting consumers to make purchase.
- B. Finally, the study suggests that regular feedback from customers regarding internet advertising can be collected in order to understand the level of influence of internet advertisements on purchasing behaviour of consumers and make necessary change to meet customer requirements.

Conclusion:

The important feature of internet advertising is that it allows immediate publication of information about a product that is not hindered by geography or time. Thus consumers get exposure about new product through internet advertisements, they are kept inter active through frequent pop up advertisements. According to the study, it has been identified that customer's purchase decision is sometimes influenced by internet advertising. If marketers work on the interaction level, internet advertisements can highly impact the purchase decisions of consumers. It is identified that a satisfied customer through word of mouth promotes the product purchased through internet advertisements to his family and friends. A satisfied customer also possesses an intention to repeat purchase. One can conclude that internet advertising plays a major role in promoting a product and creating an impact in the purchasing behavior of consumers.

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