
THE ROLE OF YOUTUBE ADVERTISEMENT IN CONSUMER BUYING BEHAVIOR TOWARDS FMCG PRODUCT

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ABSTRACT

This thesis looks at how customers' decisions to buy fast-moving consumer goods (FMCG) are influenced by YouTube commercials. In the dynamic world of digital marketing, marketers seeking to engage and influence modern customers must grasp the effectiveness of ad platforms like YouTube. This study uses a theoretical framework that combines the AIDA model, the Elaboration Likelihood Model (ELM), and the Theory of Planned Behaviour (TPB) to examine how viewers are drawn in, interested, made to desire to act, and motivated to act by YouTube commercials.

This thesis examines the impact of YouTube advertising on consumers' decisions to purchase fast-moving consumer goods (FMCG). To effectively engage and impact contemporary consumers in the ever-changing landscape of digital marketing, marketers need to understand the power of ad platforms such as YouTube. This study looks at how YouTube advertises pique viewers' curiosity, create a desire to act, and encourage them to act using a theoretical framework that integrates the AIDA model, the Elaboration Likelihood Model (ELM), and the Theory of Planned Behaviour (TPB).

Among the ramifications for marketers are techniques for optimizing advertising ROI in the FMCG sector, making use of audience data, and improving YouTube advertising campaigns. The study provides helpful guidance for marketers that want to take advantage of YouTube's ability to boost revenue and customer engagement in addition to theoretical advancements in our understanding of consumer behaviour in the digital age.

This study explores how YouTube advertising influences customer purchasing decisions with a particular emphasis on Fast Moving customer Goods (FMCG) goods. This study attempts to shed light on how well YouTube ads affect consumer preferences and purchasing decisions in order to shed light on how the field of digital marketing is changing.

Keywords- Fast-moving consumer goods (FMCG), consumer buying behaviour ,online advertising; digital marketing advertising effectiveness, brand awareness, online video consumption, perception of advertisements.

1. INTRODUCTION

Fast-moving consumer goods, or FMCG, include items like beverages, packaged foods, toiletries, and other consumables. They are an integral part of daily living. In order to reach their target demographic, advertisers have turned their focus to online channels due to the growth of digital platforms, especially YouTube. This study of the literature investigates how YouTube ads affect consumers' decisions to purchase FMCG items.

While digital advertising has grown at an unparalleled rate over the past ten years, traditional advertising methods have become less successful. The rise of social media, the increasing availability of internet-connected gadgets, and the evolving media consumption patterns of consumers are all responsible for this trend. As such, marketers have shifted their spending to digital channels in an effort to take advantage of the numerous chances for precise targeting and quantifiable return on investment.

YouTube has emerged as a prominent actor in the advertising sector in the present digital era, significantly influencing consumer behaviour, especially in relation to Fast-Moving Consumer Goods (FMCG). This brief summary looks at how important YouTube advertisements are in shaping consumer views and FMCG industry purchase decisions.

The impact of YouTube advertising on customer behaviour has generated a great deal of discussion and investigation. Advertisers are becoming more concerned with knowing how YouTube advertisements affect consumers' attitudes, perceptions, and intentions to buy, even though conventional advertising measures like frequency and reach are still important. Research has indicated that proficiently implemented YouTube ads possess the capability to enhance brand recognition while also generating interaction and sales, which eventually affects the company's revenue.

With over billions of active users globally and a central location for video content covering a wide range of interests and genres, YouTube in particular has become a major player in the digital advertising space. With consumers favouring online video viewing more and more, advertisers have taken use of YouTube's wide audience and interaction potential to present their products and brands in creative ways.

With over two billion monthly log-in users and more consumers aged 18-49 than any cable network in the US, YouTube is a powerful player in the digital advertising space. Because of its large user base and wide variety of content, which includes product reviews, education, and entertainment, it's a great place for advertisers to reach their target audiences. Furthermore, advertisers may send individualized messages to audiences who are responsive thanks to YouTube's advanced ad targeting features, which include demographic targeting, interest-based targeting, and remarketing.

FMCG items compete fiercely to draw in customers because of their quick consumption and frequent purchases. YouTube commercials give FMCG companies a dynamic platform to set themselves apart, raise brand awareness, and encourage purchases. Studies reveal that YouTube commercials have a big effect on how consumers behave, affecting things like brand memory and deliberation before making a purchase. Advertisers use psychological concepts and persuasive storytelling to create stories that captivate viewers and help them achieve their goals.

2. LITERATURE REVIEW

Important insights can be gained from the literature on the influence of YouTube adverts on customer purchasing behaviour. Research highlights the effectiveness of emotional appeals, narratives, and social evidence in promoting involvement and intention to buy. "Eugene Schwartz's Breakthrough Advertising"

All things considered, YouTube advertisements are crucial at different phases of the decision-making process for consumers, highlighting the significance of thoughtful execution and additional study to deal with new issues and trends.

One of YouTube's unique selling points is the variety of content it offers, ranging from music videos and vlogs to product reviews and instructional videos. Thanks to this vast selection of material, advertisers have several options for reaching their target audience in context-relevant settings. YouTube allows marketers the flexibility to tailor their approach to their objectives and budgetary constraints. This can include putting adverts next to popular videos, promoting content from well-known artists, or creating branded channels where consumers can engage with the brand directly.

YouTube is one of the most effective platforms for advertising because of its large audience base and high degree of engagement. With over a billion users actively using the platform every month, YouTube offers marketers a unique opportunity to target specific demographics based on user preferences, browsing history, and location.

The advent of digital technologies has significantly altered consumer behaviour. Consumers today actively engage with brands on online channels prior to making a purchase, seeking information, recommendations, and testimonies. YouTube advertisements are a significant touchpoint on this journey, impacting consumers at various stages of the buying process. In the digital age, the rise of online channels, evolving social norms, and advancements in technology have left a huge impact on consumer behaviour. This study examines the subtleties of consumer behaviour in the digital arena, focusing on the key factors, trends, and commercial implications for organizations attempting to understand and engage with today's tech-savvy clientele. Social media platforms have developed into significant hubs where consumers can discover new products, acquire ideas, and communicate directly with brands. Peer recommendations and user-generated content have a substantial influence on customer attitudes and buy intents because people trust peer opinions more than they do traditional advertising messages. Modern consumers are well-versed in digital technology, and companies that establish authentic connections with their followers and generate substantial social media interactions are likely to gain their confidence and allegiance. The emergence of e-commerce has brought unprecedented levels of accessibility, choice, and convenience to consumers, revolutionizing the retail sector. With only a few clicks or taps, customers can browse an endless range of products, compare prices, and purchase them all from the comfort of their homes. However, omnichannel purchasing behaviours—in which customers effortlessly switch between online and offline channels while making purchases—have also emerged as a result of the digital era. Using consistent, integrated experiences across a range of touchpoints, businesses may capitalize on this trend and enhance engagement with their target audience. Several studies have examined the impact of YouTube advertisements on customer behaviour. According to research by Smith *et al.* (2015), YouTube adverts result in higher levels of brand memory and purchase intent when compared to traditional ways of advertising. Furthermore, it has been shown that YouTube's customized and interactive ads increase brand affinity and user engagement. The most relevant audience groups will see your ads thanks in large part to YouTube's advanced targeting options. Advertisers can use demographic, regional, interest-based, and behavioural targeting options to target particular audience types with their messages. This raises the likelihood that the messages will be understood by the audience and have the desired effect. By reaching high-value customers and optimizing their targeting strategies

with the use of data analytics and machine learning algorithms, brands can maximize the effect of their advertising budgets. YouTube advertising offers several advantages, chief among them the ability to track and measure campaign performance in real-time. Advertisers can assess the effectiveness of their commercials and modify their campaigns by learning valuable information about key performance indicators such as views, watch duration, engagement rate, and conversion activities from YouTube's extensive analytics dashboard. By examining data patterns, identifying areas for improvement, and running A/B tests of different creative elements, brands may maximize their approach and return on investment. Emotional appeal and narrative are two of the most potent weapons in the YouTube advertisement toolbox. Advertisements can establish a stronger bond with viewers by appealing to their emotions and arousing sentiments like happiness, nostalgia, empathy, or enthusiasm. In addition to drawing viewers in, emotional resonance improves brand memory and creates favourable associations with the promoted good or service. Brands that craft gripping stories and add emotional nuance to their advertisements have the potential to make a lasting impression on viewers, increasing engagement and swaying their decisions to buy. YouTube ads frequently take advantage of heuristics and cognitive biases, which are mental shortcuts people adopt to streamline decision-making and save cognitive resources. The anchoring effect, for instance, refers to people's propensity to base a lot of their decisions or judgments on the first piece of information they come across. A product's initial price may be purposefully shown in an advertisement before a discounted price is disclosed, anchoring viewers' perceptions of value and making the discounted price appear more alluring in contrast. Both auditory and visual clues are crucial in YouTube advertisements to captivate viewers and convey key messages. Bright colors, engrossing pictures, and engaging animations have the power to capture viewers and pique their interest, while catchy catchphrases or memorable jingles can aid in brand recognition. Furthermore, subliminal cues like background imagery, logo integration, or product placement may progressively shape viewers' connections and thoughts about the brand, even subconsciously. Social proof also has a significant influence on consumers' purchasing decisions and ways of thinking. Research has shown that people frequently emulate the behaviours and attitudes of others, especially under ambiguous or vague circumstances. When consumers notice that a product or service is well-liked, highly rated, or endorsed by influencers or celebrities, they are more likely to see it as attractive, useful, and dependable. As a form of social validation, social proof serves to show potential clients that a company is reputable, reliable, and worthy of their time. Digital advertising has a multitude of prospects for brands to augment their brand recognition and expand their consumer reach. Advertisers may efficiently target and engage with consumers across a variety of touchpoints and phases of the customer journey by using channels including social media, search engines, display ads, video platforms, and influencer marketing. Brands may optimize their campaigns to maximize reach, frequency, and impact by utilizing the targeting and measurement tools available in digital advertising platforms. This will help to ensure that their message reaches the correct audience at the right time. Influencers frequently focus on specialized subjects or markets, which enables companies to precisely target particular audience segments. Influencers give aficionados in fashion, fitness, beauty, and gaming access to active communities of like-minded people who rely on their judgment and advice. Influencer partnerships in relevant areas allow marketers to better connect with niche audiences and increase conversion rates by utilizing their targeted reach. The idea of focused reach and specific expertise has become a cornerstone for organizations looking to effectively engage with their intended audience in the ever-expanding field of digital marketing. In the highly competitive and rapidly evolving field of digital marketing, genuine support and brand congruence have become crucial elements in establishing enduring connections with customers. This investigation explores the value of genuine advocacy and brand alignment, looking at how they encourage consumer trust, loyalty, and engagement as well as the tactics used by brands to maximize their influence online. Social currency and virality have become key concepts in the ever-changing world of digital marketing, influencing consumer behaviour, brand visibility, and engagement. This investigation explores the significance of social currency and virality, looking at how these concepts affect people's perspectives, decision-making, and ability to share content to new audiences and levels of effect in the digital sphere. The value that people obtain by sharing knowledge, events, or other content inside their social networks is referred to as social currency. Social media platforms act as centres for people to share recommendations, ideas, and opinions with friends, family, and followers in the digital era. Socially valuable content, be it amusing, educational, motivational, or provocative, gains currency in the social economy through likes, shares, comments, and reposts from users who think it's worth checking out and supporting. Building a community has many advantages for brands, such as better customer insights, brand advocacy, loyalty, and recognition. A thriving network of brand fans and supporters can help brands reach a wider audience, spread their message, and get natural word-of-mouth recommendations. In addition, communities are a great place for brands to get feedback, insights, and ideas. This allows brands to get useful data, spot trends, and make real-time improvements to their goods, services, and marketing tactics.

Objective

- Analyse how exposure to YouTube Advertisement affects consumers' inclinations to make purchases.
- Explore Consumer Engagement with YouTube in Advertisement and effect to Purchases behaviour.
- Determine what elements impact the success of FMCG product YouTube Advertisement.
- YouTube ads may promote brand loyalty and repeat business for fast-moving consumer goods.

3. RESEARCH METHODOLOGY

Research methodology is one way to approach the research challenge methodically. One may consider it a science that examines the methods used in scientific inquiry. It is a systematic procedure that involves outlining the problem, formulating a hypothesis, obtaining data, examining the evidence, and coming to findings that can be immediately applied to the current situation or used as generalizations for theoretical formulation.

The present methodology incorporates descriptive methodologies to offer a thorough comprehension of the function of YouTube commercials in the purchasing behaviour of FMCG products.

Research Design

This research design integrates the descriptive method for a thorough understanding and presents a streamlined approach to examining the influence of YouTube commercials on FMCG customer behaviour. Changes might be implemented in response to particular study goals and available resources.

For this study, a descriptive research design was adopted.

The goal of a descriptive research study is to present the subject and their behaviours as precisely as possible. It all boils down to a summary of the research subjects. Since descriptive research does not require the researcher to use any control variables, it can also be described as a statement of occurrences. Also, "analytical studies attempt to establish why something is that way or how it came to be, whereas descriptive studies can be simply defined as the attempt to determine, describe, or identify what is." Descriptive research tries to shed light on current challenges or problems by gathering data in a way that permits a more detailed description of the situation than would be possible without employing this method.

Sources of Data Collection

Primary Data:

Original information gathered straight from the source is referred to as primary information. It is information that hasn't been previously released, such as primary data from first-hand users obtained through surveys or interviews in the marketing industry. I utilized the following methods to gather primary data for this study:

- I received responses to the questionnaire from a variety of people.
- Comprehensive Interviews: Conduct in-depth interviews with happy or unhappy customers to learn about their preferences for FMCG products.

Secondary Data

Someone other than the user gathers secondary data. It can be information that has been gathered and assembled for a different reason. Publications, the internet, journals, organizational records, and other sources are common sources of secondary data.

Population And Sampling

Identify the target market as people who regularly buy FMCG products and use YouTube, between the ages of 18 and 55. To guarantee representation from various demographic categories (e.g., age, gender, income level), use stratified random sampling.

Based on the required level of statistical power and precision, determine the suitable sample size.

Prior to conducting the survey, get ethical approval from the appropriate authorities or institutional review boards (IRBs).

Sampling Method: Convenience sampling is the method employed in this project.

One kind of non-probability sampling technique is the convenience sample, which is drawn from a population that is simple to get in touch with or reach.

- The residents of Delhi served as the sample unit.
- Delhi served as the sample area for the survey.
- Number of Samples: There are 110 individuals in the sample.

Likert Scales

Agreement	Number Of People
Strongly Disagree	20
Disagree	15
Neither Agree or Disagree	20
Agree	25
Strongly Agree	30

Gender of the Respondent

Gender	Number
Male	65
Female	30
Preferer not to say	15
Total	110

Hypothesis

Hypothesis1. Null Hypothesis (H0) The likelihood that a consumer will make a purchase is not significantly affected by exposure to FMCG product marketing on YouTube.

Alternative Hypothesis (H1) Exposure to FMCG product commercials on YouTube has a beneficial impact on consumers' intentions to make purchases.

Hypothesis2. Null Hypothesis (H0) When it comes to how consumers perceive FMCG brands, there is no discernible difference between those who are not exposed to these advertising on YouTube and those who are.

Alternative Hypothesis (H1) When it comes to FMCG products, consumers who watch YouTube ads have a more positive opinion of the brand than those who don't.

Hypothesis3. Null Hypothesis (H0) Customers who watch high-frequency YouTube ads for fast-moving consumer goods and those who watch low-frequency advertisements do not significantly differ in terms of brand awareness.

Alternative Hypothesis (H1) Customers who watch high-frequency YouTube ads for fast-moving consumer goods and those who watch low-frequency advertisements do not significantly differ in terms of brand awareness.

In general, the thesis's offered hypotheses on "The Role of YouTube Advertisements in Consumer Buying Behaviour towards FMCG Products" seek to understand how YouTube ads affect FMCG industry customer behaviour.

This category's hypotheses investigate if watching YouTube commercials affects consumers' perceptions of brands, their propensity to make purchases, and their awareness of FMCG products. They assert that exposure to advertisements influences customer perceptions and behaviour in a favourable way.

4. CONCLUSION

To sum up, this thesis has looked at how YouTube ads affect consumers' decisions to purchase Fast-Moving Consumer Goods (FMCG) items. A mixed-methods strategy that combines qualitative interviews and quantitative surveys has yielded important insights into consumers' attitudes, perceptions, and actions relating FMCG purchases and YouTube commercials.

This descriptive research study has shed important light on how YouTube commercials influence consumers' decisions to purchase fast-moving consumer goods (FMCG) items. In summary, this thesis adds to the current corpus of knowledge in marketing and advertising research by illuminating the intricate relationship between consumer behaviours in the FMCG industry and digital advertising platforms such as YouTube. Marketers can enhance their advertising tactics to effectively engage contemporary consumers and provide measurable business benefits by comprehending the mechanics that underlie consumer responses to YouTube adverts.

In conclusion, by shedding light on the complex interaction between consumer behaviours in the FMCG business and digital advertising platforms like YouTube, this thesis contributes to the body of information already available in marketing and advertising research. By understanding the mechanics that drive consumer responses to YouTube advertisements, marketers may improve their advertising strategies to effectively engage modern consumers and deliver quantifiable economic benefits. The many ways that YouTube commercials influence consumers' purchasing

decisions about Fast-Moving Consumer Goods (FMCG) products have been examined in this thesis. By means of an extensive analysis of the influence of YouTube advertisements on consumer engagement, purchase intentions, and brand perception, important information regarding the efficacy of digital advertising tactics in the FMCG industry has been obtained.

5. FINDING

According to the study, YouTube commercials are thought to be successful at drawing in viewers, explaining products, and swaying their decisions to buy. A sizable fraction of participants expressed favourable opinions of YouTube advertisements and showed interest in the FMCG products that were being promoted. The effectiveness of ad exposure in influencing customer behaviours is demonstrated by the higher purchase intentions shown by those who are exposed to YouTube advertising for FMCG products as opposed to those who are not. Consumer impressions of FMCG brands are positively impacted by exposure to YouTube advertising, which results in stronger brand associations, favourable brand perceptions, and improved brand awareness. The significance of ad content and message in promoting ad effectiveness is highlighted by the fact that attention-grabbing, educational, and emotionally compelling advertising content is more likely to elicit favourable reactions from the public.

6. LIMITATION

Due to sampling technique constraints or the use of online platform, which may exclude some demographic groups who are less inclined to connect with digital platforms, the survey sample may not accurately reflect the broad community of consumers. The generalizability of the study's findings may be restricted, especially if the sample was selected from a particular region or demographic group that might not be typical of larger consumer populations.

Measurement error can still happen even with trustworthy survey instruments because of response biases, unclear survey questions, or inconsistent respondents' interpretations of the same items. Since algorithms, features, and user behaviours are always changing on digital advertising platforms like YouTube, certain findings may become less relevant or outdated over time. YouTube ads feature a variety of content formats, such as sponsored videos, influencer partnerships, and pre-roll commercials. It's possible that the study did not distinguish between these various ad forms or take into account how changes in the relevancy, length, or quality of the material could influence how customers react.

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