
A STUDY ON IMPACT OF ONLINE ADVERTISEMENT ON CONSUMER BUYING BEHAVIOUR WITH SPECIAL REFERENCE TO MANGALORE CITY

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ABSTRACT

Advertising is one of the marketing strategies to promote products to consumers. Media plays a significant role in disseminating the positive and negative features of products to the audience. The emergence of new technologies and the demand from customers result in to producing local media in international level. This paper focuses on analyzing the impact of the different online advertising on consumer buying behaviour. An attempt is also made to ascertain the impact of celebrity endorsement on buying decisions. The result showed that there is no much impact of online advertisements on consumer buying decision and the celebrity endorsement also do not serve the purpose to the fullest extent.

Keywords: Online Advertising, Consumer Buying Behaviour

1. INTRODUCTION

Consumer buying behavior includes all internal and external factors influencing the decision making process. Consumer behavior is the study of the process involved when individuals or groups select, purchase, use, or dispose of merchandise, services, ideas or experiences to satisfy needs and desires” (Solomon 1995). Advertising is a form of communication which is utilized to persuade a specific group of people to take some new action. Advertising is considered as a major and important element in the economic growth of the marketers and different companies in competition (Ryan's, 1996). Advertising is usually a paid form of promotional material by some sponsor and which can be reached through various traditional media such as television commercial, radio, outdoor advertising, newspaper, magazine mail or modern media such as blogs, websites and text messages. Furthermore the developments and technological advancements have turned advertising more pervasive and strong in its impact and effect (Kriti Shah & Allen, 2001). Usually advertising is so expensive. For Some companies advertising is a kind of investment and for others is a kind of expense.

Internet has grown tremendously in both its applications and number of users due to its unique characteristics of flexibility, interactivity, and personalization. It has been a very useful tool for communication, entertainment, education, and electronic trade (Ko et al., 2004; Koyuncu and Lien, 2003). The revolutionary change brought forth by information technology has an important impact on the daily lives. On the business side, the Internet has transformed the way we do business. It allows retailers to offer unlimited range of products and services to all consumers from around the world at any point in time. The Internet has emerged as an advertising medium (Silk et al., 2001). Many companies have turned to the Internet to advertise their products and services and the Internet is deemed to be the most significant direct marketing channel for the global marketplace (Faber et al., 2004; Ko et al., 2004; Korgaonkar and Wolin, 2002). Companies are pouring billions of dollars into Internet advertising to obtain greater return on investment on ads (Edwards, 2005; Joines et al., 2003).

2. LITERATURE REVIEW

Korgaonkar and Wolin (2002) in their study made an attempt to examine the difference between heavy, medium, and light web users and concluded that “heavier users hold stronger beliefs about and attitudes toward Web advertising which likely lead to stronger purchase intent”. Comparing with lighter users, the heavy Internet users believed that web ads were more believable, entertaining, informative and helpful; but harder to understand. They perceived that web advertising was a good thing, moderately essential, and it reduced the cost of products. Marketers should include web advertising in their promotion efforts but the ads should be designed with the respective user groups in mind. For example, ads targeted to heavy web users should stress the price value relationship of the products, since they engage in more frequent purchasing and believe that web advertising helps to decrease the prices of products.

Miller (2012) in his study found that online advertising is a best way because it has different types with different technologies and recently has enhanced a lot and people are encouraged to use network more than before. He says that creativity can create a huge difference.

Consterdine (2005) in the study proved that online advertising has emerged to a greater extent and is taking the popularity of print advertising. Advertisers are trying to use email advertising to send their messages to their specific

customers. Email advertising is one of the most popular kinds of online advertising. However, most of internet users know email advertising as a spam and don't like to waste their time on it.

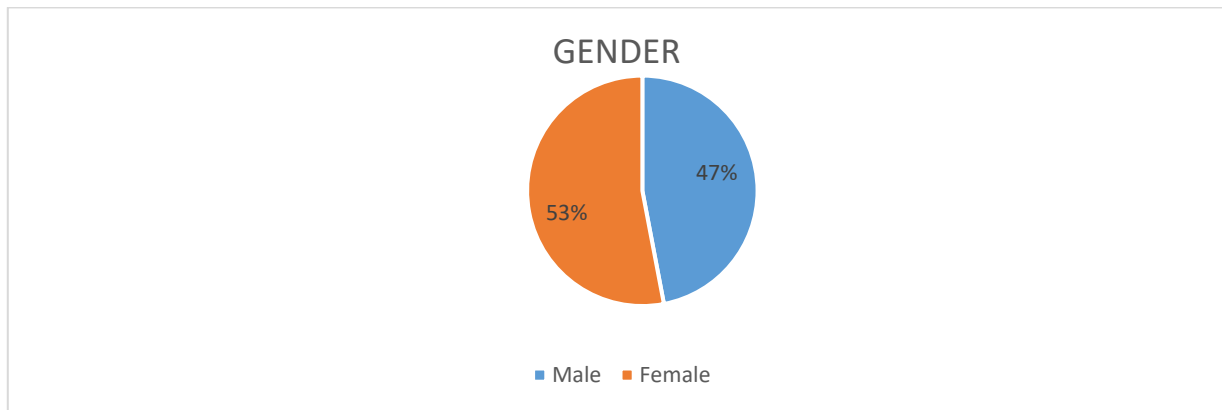
3. OBJECTIVES

- 1) To determine the effectiveness of online advertising on consumer buying behaviour.
- 2) To understand the relationship between celebrity endorsement and product purchase decision.

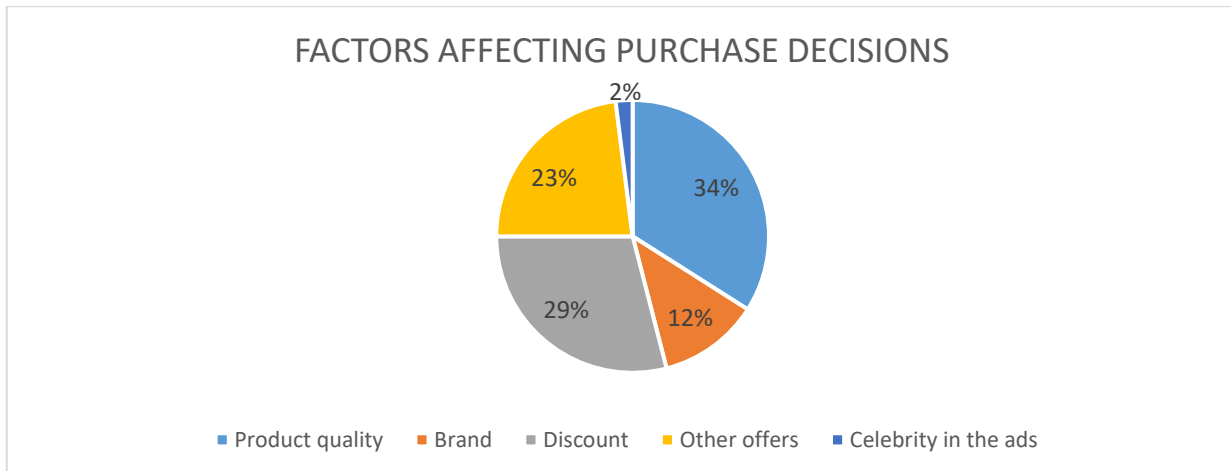
4. RESEARCH METHODOLOGY

The study uses both primary and secondary data. Primary data was collected from 150 respondents in Mangalore city. Structured questionnaires were used to collect the data. Convenience sampling technique was used. Secondary data like various journals were used for the purpose of literature review.

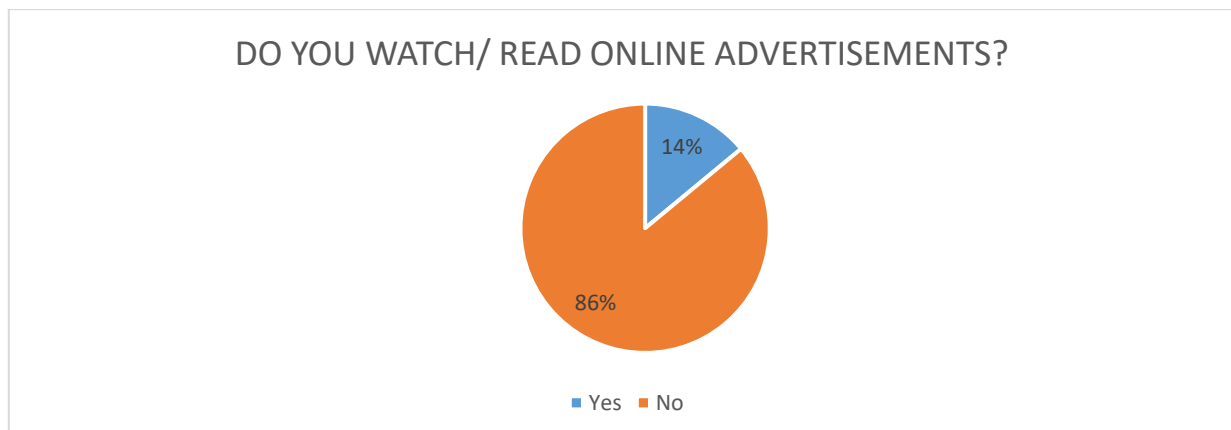
DATA ANALYSIS



The above graph depicts that 53% of the respondents were female and 47% were male.



The above graph says that 34% of the respondents purchase products based on its quality and only 2% respondents opt to buy a product on the basis of celebrity endorsed in the advertisements.



The above graph says that 86% of the respondents do not watch / read online advertisements.

5. FINDINGS

The data analysis proves that the quality of the product influences the purchase decisions followed by brand, discount and other offers. Only 2% of the respondents purchase products based on the celebrity involved in the advertisements. Majority of the respondents ignore online advertisements. Only 14% of the respondents watch/ read online advertisements.

6. SUGGESTIONS AND CONCLUSION

Companies need to concentrate more on the quality of the product and its features which can lead to the higher consumer satisfaction and thereby leading to the increase in the sales and goodwill of the firm. Investing too much on online advertisements is not worth as very little importance is given to it. Celebrity endorsement also may not serve the purpose to the expected extent.

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