



Study on measuring customer perception towards online advertising

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Abstract

One of the most efficient ways to expand their reach, attract new customers, and diversify their revenue streams is to advertise online. Online advertising may help businesses of all sizes because it allows them to send relevant, personalised, and timely messages to their customers at a fraction of the cost of traditional advertising. It's also a lot easier to track and quantify online marketing. People may connect with their friends and family all across the world through the internet, particularly social media platforms like Facebook. It can also assist you in reaching out to your audience via a variety of channels. Long after they've made a purchase, digital marketing automation allows you to stay in touch with these valuable customers. The present research attempts to study the customer perception towards online advertising.

Keywords: campaign, digital advertising, perception, materialism

Introduction

Online advertising is the practise of using the internet as a medium to deliver marketing messages to a specific and focused audience. It is good for generating website traffic and brand awareness, but the primary goal of online advertising is to urge the targeted customer to take a certain action, such as making a purchase.

Online advertising is one of the most successful ways for businesses of all sizes to expand their reach, acquire new customers, and diversify their revenue streams. You now have more options and channels to reach your target audience thanks to the ability to segment more precisely online. This enables you to have a greater influence on them. Online advertising campaigns can now be easily managed thanks to the tools accessible today. Digital advertising can assist you increase the performance of your organic marketing efforts in three ways. By presenting your content to individuals within and outside of your networks, digital ads can help boost organic performance by increasing brand awareness. You may gain a better understanding of your target audiences by using the targeting and analytics tools of ad platforms. Understanding which ad material contributes to your company's objectives and which does not allows you to generate more effective content. Advertising on social media has various advantages. A corporation can reach incredibly specific target audiences by utilising targeting tools and diversified audiences across all social media channels.

Today's digital world records and tracks users' every step, building complete profiles of them in order to display them relevant advertisements tailored to their interests. The thirst for data has created a significant incentive for all digital organisations, large and small, to collect as much information about individuals as

possible – and to design systems that maximise time spent online, even if this is potentially damaging – all in order to show us as many ads as possible.

In the online world, things haven't always been this way. In truth, online advertising has only been around for 25 years and has already established itself as the most important economic model in the digital economy. When online advertising initially debuted in 1994, it adhered to many of the same laws and concepts as traditional advertising. Advertisers had to pinpoint the exact internet venues where they could find an audience willing to buy their goods and services. Advertisers can now track individuals as they travel about the digital economy and target them wherever they are, which has changed the way online advertising works.

Literature Review

Mehta and Sivadas (1995)^[9] The results of a survey to determine views toward advertising and direct marketing on the Internet were revealed. According to the findings, respondents are less positive to untargeted "cyber-junk" and more favourable to targeted marketing communication initiatives. Marketers can also use the Internet to target and communicate with highly engaged and interested consumers on a national and international level. The benefits and drawbacks of using the Internet as a direct marketing tool are discussed.

Schlosser *et al.* (1999)^[10] studied a national sample of over 400 people and found that there was no consensus regarding Internet advertising (IA). According to a regression study, participants' opinions toward IA were influenced by their enjoyment of looking at Internet advertising, their informativeness, and their utility for making behavioural (purchasing) decisions. In addition, more respondents judged IA to be beneficial.

Results also have indicated that more respondents found IA to be informative and trustworthy. Sheehan and Doherty (2001) explores the extent to which advertisers integrate messages between traditional advertisements and websites. Over 180 advertisers' print ads and websites were analysed for this study. The study found components that advertisers appear to successfully integrate between the two media, as well as areas where advertisers need to improve integration. Jensen *et al.* (2003) ^[7] investigated the impact of including a reference price in an Internet advertisement on consumer price perceptions and price-search intentions both online and offline. Price perceptions and price-search intentions differ across the Internet and brick-and-mortar shopping channels, according to the findings. According to Shah *et al.*, (2007) ^[11], political communication researchers have paid close attention to the role of political advertising, the Internet, and political debate in civic and political life. In Malaysia, Haque *et al.* (2007) ^[6] did a study to determine gender and race differences in attitudes toward Internet advertising (Malays, Chinese, and Indians). Only when advertisers are able to recognise these disparities will they be able to benefit from Internet advertising. Results showed that Malaysian consumers have positive perceptions toward Internet advertising. The effects of three categories of integrity, according to Sojung and Choi (2012) ^[8], differ across the three types of consumer responses - perception of product quality, perception of risk, and buy intention. The reputation of an online merchant, in particular, revealed to be the most influential factor in online purchasing and advertising, influencing all three consumer reactions.

Ginosar (2014) ^[5] conducted a survey of 527 students to reveal a wide disparity between industry representatives' views and public positions on online advertising regulation. According to the essay, a new regulatory regime in the Internet arena should be introduced via a co-regulatory rather than self-regulatory manner in order to become recognised and feasible. According to Denis *et al.* (2015), users' beliefs about factors such as "information," "entertainment," "good for the individual," and "good for the economy" have positive effects on users' attitudes toward marketing communication on social networks, whereas users' beliefs about factors such as "materialism," "falsity/non-sense," and "value corruption" have negative effects. Vandana (2015) concentrated on the role and function of interactivity in an online tool, as well as how an organisation might have the correct combination of structural characteristics to support this role. Lu, Jansen, and Mattila (2012) ^[14] investigated the effects of advertising on web search engines, looking at brand image, brand knowledge, and brand connection.

In the context of online purchase intention, Erkan, I., and Evans, C. (2018) ^[4] empirically examine and

compare the influence of friends' recommendations on social media, online advertising, and anonymous reviews on shopping websites. The reasons why customers favour anonymous reviews and advertising over recommendations from friends were discovered. The synergistic effects of online multimedia are investigated by Dong, X., *et al.* (2018) ^[3]. Participants who were exposed to online media synergy message stimuli reported higher source credibility, cognitive responses (brand credibility and positive thoughts about the brand), attitude toward the brand, and purchase intention.

Zvonova (2020) ^[15] understand what impact advertising can have in different contexts. Result confirmed that with the advent of Internet technologies, the communication process in advertising has changed. Tretyakova (2021) ^[13] reported that studies relations between Internet advertising and companies' performance. As illustrated by the sample of Russian companies, study conclude that revenue growth rates for most companies under examination almost depend on growth rates of Internet advertising. Study has confirmed the relationship between companies' website traffic and growth in Internet advertising budgets.

After going through the literature in India and outside, it helped in finding out the research gap which helped in framing needs, scope and objectives of present study. It has been observed that substantial work has been done on online consumer behaviour, but such work has to be researched in the light of emerging challenges. Limited studies have been confined to assess online shopping behaviour of consumers of Northern states of India. Therefore, the present study has been undertaken to understand recent emerging and innovative trends and marketing practices in the field of online marketing. Study consumer Attitude towards online advertising. Identification and analysis of factors that effect of online advertising on shopping behaviour.

Methodology

The survey was conducted using primary sources, with respondents drawn from a convenient sample procedure. The demographical characteristics are included in the questions, as well as a closed ended 5-point Likert scale (Strongly disagree to strongly agree). Students, Business professional and entrepreneurs of small and medium firms has been selected for the study. For the purpose of current study, 300 respondents are selected from major cities of north India. The data were examined by using one sample t test via statistical software known as SPSS (version 21). The descriptive of demographic profiles of respondents are also shown in table 1 as under:

Table 1: Sample Demographics

Dimensions	Percent
Gender	
Male	66%
Female	34%
Age	
20-30	37%
31-40	43%
41-above	20%
Education	
Undergraduate or lower	32%
Post Graduate	68%
Experience	
0-5 years	35%
5-10 years	39%
>10 years	26%

Approximately 66 percent of the total responders are male, while 34 percent are female. It may be deduced that the bulk of respondents (43%) are between the ages of 35 and 40. Only 20% of clients are older than 41 years old, with 37% of responders being between the ages of 20 and 30. A high percentage of respondents have a master's degree, and 39% of respondents have 5-10 years of experience in the sector. Business professionals made up a larger share of the survey group. As a result, it is obvious that our sample contains a greater range of demographic profiles of respondents.

Result

This section analyzes the impact of online advertising on consumer's buying behavior. In present section, researcher attempt to study this impact and given table display the factors of online advertising. Scale items are listed in table 2 and following hypothesis has been formulated for measuring consumer attitude towards social media advertising.

H1: The customers have favourable attitude towards online advertising.

Table 2: Factors for online Advertising

Scale Item	Variable Name
Online advertising results in lower price products	Onl_Advt1
Online advertisements supply more information	Onl_Advt2
Online ads are entertaining	Onl_Advt3
Online ads are misleading	Onl_Advt4
I visit the pages which are liked/shared by my friends in internet	Onl_Advt5
I trust company advertisements displayed.	Onl_Advt6
I find customer reviews more reliable than company's advertisements.	Onl_Advt7
I prefer to buy products which are liked/shared on internet	Onl_Advt8
Receiving mobile ads is pleasant and enjoying	Onl_Advt9
Online ads helps to reduce time to search products	Onl_Advt10
Sometimes, marketing messaging might help you save money.	Onl_Advt11
Messages about app downloads, free memberships, and video sharing raise my interest.	Onl_Advt12

The internal consistency and reliability of the scale scores were examined through calculating cronbach's alpha reliability coefficients. The results also suggest that the scale is relatively robust.

Table 3: Overall Scale Reliability

Reliability Statistics	
Cronbach's Alpha	N of Items
.818	12

Gathered data for testing the given hypothesis is tested by one sample 't' test. Results are given below in table. SPSS-19 software was used to run a one-sample t-test with default 95% confidence interval. Following table and result display the descriptive statistics and result of one sample 't' test for online marketing.

Table 4: Descriptive Analysis and 't' test

One-Sample Statistics				
	N	Average	SD	Std. Error Mean
Onl_Advt1	299	4.0444	.93092	.04388
Onl_Advt2	299	3.8644	1.13727	.05361
Onl_Advt3	299	3.6711	1.25335	.05908
Onl_Advt4	299	3.7511	1.22349	.05768
Onl_Advt5	299	4.0667	.86506	.04078
Onl_Advt6	299	3.8600	1.09685	.05171
Onl_Advt7	299	4.0022	.97975	.04619
Onl_Advt8	299	3.8156	1.18048	.05565
Onl_Advt9	299	3.8956	1.08860	.05132
Onl_Advt10	299	3.7133	1.19392	.05628
Onl_Advt11	299	4.1911	.85413	.04026
Onl_Advt12	299	4.0667	.94150	.04438

Table 5

One-Sample Test						
	Test Value = 4					
	't' value	Degree of freedom	P-Value	Mean-Diff	95% Conf. Interval	
					Lower	Upper
Onl_Advt1	1.013	449	.312	.04444	-.0418	.1307
Onl_Advt2	-2.528	449	.012	-.13556	-.2409	-.0302
Onl_Advt3	-5.567	449	.000	-.32889	-.4450	-.2128
Onl_Advt4	-4.315	449	.000	-.24889	-.3622	-.1355
Onl_Advt5	1.635	449	.103	.06667	-.0135	.1468
Onl_Advt6	-2.708	449	.007	-.14000	-.2416	-.0384
Onl_Advt7	.048	449	.962	.00222	-.0885	.0930
Onl_Advt8	-3.314	449	.001	-.18444	-.2938	-.0751
Onl_Advt9	-2.035	449	.042	-.10444	-.2053	-.0036
Onl_Advt10	-5.093	449	.000	-.28667	-.3973	-.1761
Onl_Advt11	4.746	449	.000	.19111	.1120	.2702
Onl_Advt12	1.502	449	.134	.06667	-.0206	.1539

The statistical significance is displayed as 'Significance' in the table and results above, with the t-value in the 't' column and 'df' as the degrees of freedom. The majority of dimensions have a p value larger than 0.05. From the mean value analysis, it can be confirmed that majority of customers/ visitors are trust company advertisements displayed and prefer to buy products which are liked/shared on social media and other online platforms. Customers disagree with the fact that online marketing result to low pricing. However, they confirmed that online advertisements supply more information and entertaining but sometimes misleading. Customers are attracted with Messages regarding apps download, free membership, video sharing and believe that Marketing messages sometime save money. However, majority of customer online perceive receiving online ads not pleasant and enjoying and have not found the usefulness of ads helps to reduce time to search products.

Conclusion

Primary data for this study was gathered using a well-crafted questionnaire that represented client perceptions of social media advertising routes. The data were later analysed by using SPSS-19 Software. As a result of the survey's data analysis, it can be inferred that respondents are highly aware of advertisements online and find the ads useful for providing more information in shopping and decision making online. Online commercials provide more information and are interesting, but they can also be misleading. Customers are enticed by advertisements about app downloads, free memberships, and video sharing, and they assume that marketing messages can save them money. However, the majority of online customers do not believe that ads can help them save time when searching for products. Customers often have problems receiving products ordered online since they are not always the same size, quality, or colour as the object requested. Furthermore, another significant obstacle to online garment purchases is the huge variety of styles and designs offered, which can lead to shopping perplexity. Customers are also getting annoying with too many marketing advertisements on multiple social platforms. The results of this study can help advertisers to introduce new, innovative advertising over the Internet. In the first circumstance, data is crucial. It enables precise customer targeting through transactional advertising messages sent on the appropriate channel at the appropriate time. Human creativity is the basis of very effective advertisements that are perfectly matched to consumers' specific preferences and foster a strong bond between consumers and businesses. The majority of digital advertising is contextual. Automated systems choose and place ads based on ever-increasingly detailed user profiles and the content displayed. This tendency is being bolstered by the rise of mobile and location-based advertising. After print, traditional linear television takes a backseat. Through video on demand, social media, and messaging features, large digital platform companies may reach a similar audience. The concept of effective digital is founded on the idea that ROI (return on investment) always increases because the digital service must constantly lead to the creation of value.

Further research is needed to improve understanding of the ideas of online advertising and customer satisfaction, as well as how they are measured, because they are critical for businesses' profitability and growth. A larger sample size in future studies may be used in a comparable study so that the results could be applied to a larger population.

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