



A study on the impact of digital advertising on consumer buying behavior of fast-food

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Abstract

Fast-food industry is one of the most diverse business when it comes to different brands and companies. Digital advertising is one of the best way to communicate to the customers in this modern world. Internet advertising adopted in fast-food industry paved the way not only for the development of business but also the expansion of target audience globally. In this study, a total of 200 respondents were taken and data was collected through a structured questionnaire, various statistical tools were applied to arrive at the result. Thus this paper outlines the effectiveness of digital advertising in fast-food industry. This finding may be used to analyze advancement of advertisement.

Keywords: Digital advertising, food industry, social media

Introduction

Digital advertising which is also known as internet advertising or web advertising is one of the most effective ways for all businesses adopted to promote their products, reach out new customers, development and diversification. As technology continues to boost up, consumers are increasingly connected to digital platforms like social media, E-Commerce., etc. by creating new opportunities and challenges for the marketers. Fast-food production encompasses a diverse range of activities and products, and most companies within the fast-food industry focus on just one or a few of the many specialties sold by certain restaurants, concession stands, and convenience stores. Major fast-food industry Include: McDonald's, Starbucks, KFC, Burger King, Dominos, Pizza Hut, Subway, etc.

Statement of Problem

The evolution of digital advertising has immensely made difference in the marketing part. It has given all organizations, especially fast-food industry a chance to promote and advertise their brand on a global platform, majorly growing their possible target audience. Through targeted online campaigns, brands can reach specific demography, creating increased awareness and configuring preferences. As the widespread presence of digital platforms like Social Medias, E-Commerce websites continues to increase, understanding how digital advertising influences consumers' taste in the fast-food industry is important for both marketers and businesses. This study aims to looks into the specific ways in which digital advertising strategies shape consumer perceptions, and ultimately drive purchasing decisions in the fast-food sector.

Objectives of the Study

- To identify how digital advertising influences consumers' awareness and perception of fast-food brands, and promotions.
- To examine the effectiveness of different digital advertising platforms in capturing the attention and interest of the target audience for fast-food products.

- To analyze the feedback and reviews generated through digital channels, that shapes the consumer perceptions and influencing others in the decision making process.

Scope of the Study

- Promotion of newly introduced fast-food items and creating brand popularity.
- Increasing awareness among the targeted audience by running campaigns promotions and product offerings.
- Enables business to refine strategies based on customer preferences.
- Global reach of audience through online food delivery services.

Limitations of the Study

- The study is limited to 200 responses from Coimbatore city.
- Some of the respondents were hesitant to share information.
- Cultural and other type of personal biases were faced.

Research Methodology

Research methodology is a specific procedure, logical tool or technique used to identify, select, process, and analyze information. It is a way of explaining how a researcher as well as a reader intends to carry out their research. In a research paper, the methodology section allows the researcher to critically evaluate a study's overall validity and reliability.

Method of data collection: The data collected for this study is

Primary Data: The primary data are collected afresh through structured questionnaires.

Secondary Data: Secondary Data is a data collected from the internet, books, journal, etc.

Area of Study: The area of study is through Coimbatore city.

Sample size: 200 respondents residing in Coimbatore city were selected for the study.

Tools used for Analysis: Data analysis tools are simple percentage and Chi- Square test.

Review of Literature

W Sardjono, A Cholidin, J Johan Applying Digital Advertising in Food and Beverage Industry for McDonalds with Marketing 5.0 Approach, Research Gate - E3S Web of Conferences-2023: Digital Marketing and Advertising 5.0 has the potential to completely change how Food and Beverage (F&B) companies connect and interact with their target audiences. F&B companies can gather and analyze enormous amounts of data in real-time thanks to the integration of cutting-edge technologies like artificial intelligence, machine learning, and block chain into their marketing strategies. It enables them to develop individualized and targeted marketing campaigns that cater to specific consumers' needs and preferences. Additionally, F&B companies may automate and optimize their marketing initiatives thanks to the utilization of cutting-edge technologies in Digital Marketing and Advertising 5.0, giving them the ability to react swiftly to shifting consumer behavior and market conditions. By utilizing data-driven decision- making and cutting-edge technologies, the adoption of Digital Marketing and Advertising 5.0 has the potential to completely transform how F&B businesses connect and interact with their target customers. McDonald's delivers campaign, promotion, and menu adaption for various countries using Marketing 5.0.

Dr. Tahir Salim Zari-Digital advertising and its impact on Consumer Behavior, International Research Journal of Humanities and Interdisciplinary Studies Volume 2 - 2021: The present research work explores the importance of digital advertising in this competitive era. The customers prefer online shopping which is secured through digital payment. The empirical results from this study contribute to understanding of impact of digital advertising on buying behavior and its psychological and sociological perspectives. Digital advertising has no boundaries. It is suggested that smart phones, tablets, laptops, televisions, game consoles, digital billboards, social media, SEO (search engine optimization), videos, content and e-mail plays an important role in promoting the products and services

because of its easy availability. It is recommended that the digital advertising strategies should be formulated and implemented effectively in order to build brand value and easy availability of the products.

Data Analysis and Interpretation
Percentage analysis

Table 1: Age of the respondents

Age (years)	Respondents	%
Below 20	28	14%
21-25	85	42.5%
26-30	59	29.5%
Above 30	28	14%
Total	200	100%

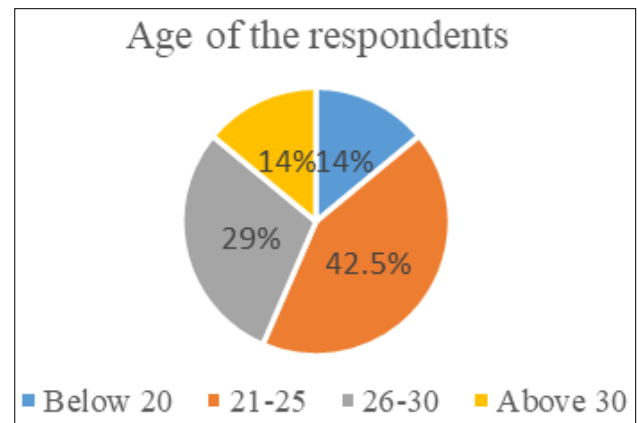


Fig 1: Age of the respondents

Interpretation

It is interpreted that majority (42.5%) of the respondents are in the age group of 21-25 years.

Table 2: Strategy that influence the purchase of the respondents

Strategy	Respondents	%
Brand loyalty	22	11%
Celebrity endorsement	64	32%
Online recommendations	78	39%
Food trends	36	18%
Total	200	100%

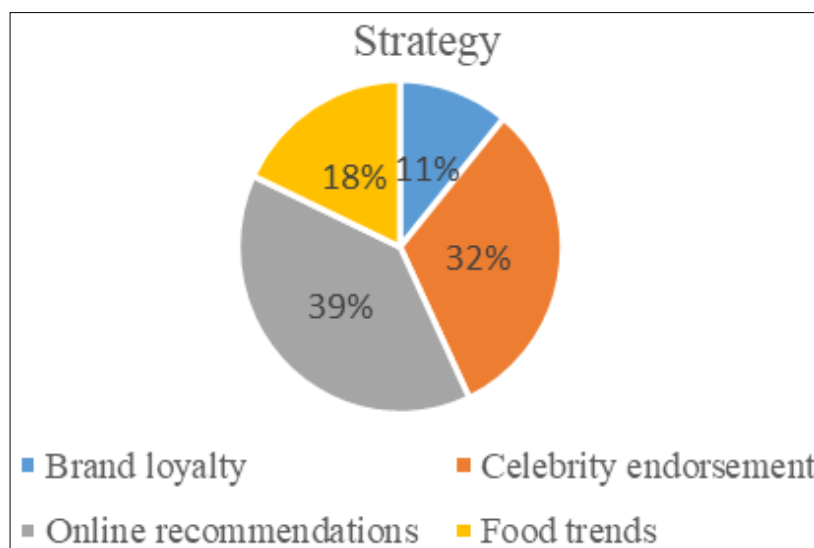


Fig 2: Strategy that influence purchase of the respondents

Interpretation

It is interpreted that majority (39%) of the respondents say online recommendations influence them to purchase the fast food.

Chi-square analysis

Chi-square analysis formula: $\chi^2 = \sum (O_i - E_i)^2 / E_i$

Degree of freedom = (r-1) (c-1).

H₀: There is no significant relationship between frequency of digital ads and increase in purchase level.

Particulars	Almost everyday	Frequently	Occasionally	Rarely	Grand total
Yes	41	49	18	6	114
No	12	31	33	10	86
Grand total	53	80	51	16	200

Table 1: Chi-square

O	E	(O-E) ²	(O _i -E _i) ² / E _i
41	30.21	116.4241	3.85
49	45.6	11.56	0.25
18	29.07	122.5449	4.22
6	9.12	9.7344	1.07
12	22.79	116.4241	5.11
31	34.4	11.56	0.34
33	21.93	122.5449	5.59
10	6.88	9.7344	1.41
200	200	520.5268	21.84

Result: Calculated chi-square value is (21.84) higher than (7.81) table value. So the null hypothesis (H₀) is rejected and the alternative hypothesis (H₁) is accepted. Therefore it is interpreted that there is a significant relationship between frequency of digital ads and increase in purchase level.

Findings

- It was found that the majority (42.5%) of the respondents are of the age group of 21-25 years.
- Majority (63.5%) of the respondents are male.
- It was found that the majority (47.5%) of the respondents are employees.
- The monthly income of majority (34.5%) respondents are between ₹10,001-₹15,000.
- It was found that the majority (38.5%) of the respondents buy fast food occasionally.
- It was observed that the majority (51.5%) of the respondents buy fast food using food delivery apps.
- Average monthly expenses spent on fast food consumption by majority (41.5%) of the respondents is between ₹501- ₹1000
- From the study it is observed that the majority (36%) of the respondents are attracted by the taste of fast food.
- Majority (39%) of the respondents frequently come across fast food ads on digital platforms.
- It was found that the majority (62.5%) of the respondents click on digital ads when they use digital platforms.
- Frequency of fast food purchase of the respondents has increased with the majority of 57.5% on exposure to digital ads.
- It was found that majority (34%) of the respondents find Instagram as the most effective platform for fast food ads.

- Respondents' states that online recommendations has majorly (39%) influenced their fast food purchase.
- Majority (31.5%) of the respondents come across fast food promotions in TV commercials.
- It was found that the majority (36%) of the respondents find influencers and food bloggers as the most appealing digital promotions.
- It was found that the majority (34.5%) of the respondents choose Dominos' as the most liked fast food brand.
- It was analyzed that the majority (40%) of the respondents are moderately influenced by the reviews and ratings.
- Majority (39.5%) of the respondents opt to try new ones depending upon the offers and discounts.
- The study interprets that the majority (35.5%) of the respondents' states that awareness level for different fast food brands through online ads are high.
- Realistic portrayal of digital ads is needed as an improvement by majority (42.5%) of the respondents
- It was interpreted that there is a significant relationship between the frequency of digital ads and an increase in purchase level.

Suggestions

- Digital advertisements of fast food should concentrate more on realistic portrayal rather than mere attractive visual representation.
- Online advertisements have to focus on health consciousness by promoting healthier fast food choices.
- Refining strategies by analyzing data adjustable to evolving consumer trends.

Conclusion

It is concluded that the impact of digital advertising on consumer buying behavior in the fast-food industry is unquestionable. It has shaped how brands connect with their target customers, imposing actualization, and real-time involvement. Traditional advertising channels, such as television ads and telemarketing, are facing obstacles due to the overpower dominance of digital advertising. Fast-food brands are apportioning more of their marketing budgets to online platforms, considering the changing environment of consumer attention and behavior.

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