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IMPACT OF ONLINE ADVERTISEMENT ON CONSUMER BEHAVIOR

Impact of Online Advertisement on Consumer Behavior

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Abstract – Today internet has become an ongoing emerging source that tends to expand more and more. So businesses are spending more on online advertisement than before. Online advertising, also called online marketing or Internet advertising is a form of marketing and advertising which uses the Internet to deliver messages to consumers. It includes email marketing, mobile advertising and display advertising etc. The growth of this particular media attracts the attention of advertisers as a more productive source to bring in consumers. The main aim of this research paper is to find out the reasons of growth of online advertisement, making effective online advertisement, to study the factors affecting online advertising, knowledge about online advertising spending in India in March 2015, consumer facts and figures towards online advertising and list of 10 ad agencies in India.

Keywords: Advertisement, Online Advertisement, Consumer, Buying Behavior, Making Online Advertisement Format Etc.

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INTRODUCTION

Advertising is a paid form of non-personal communication used to persuade an audience to take or continue some action Online advertising, also called online marketing or Internet advertising, is a form of marketing and advertising which uses the Internet to deliver messages to consumers. It includes email marketing, mobile advertising and display advertising etc. The growth of this particular media attracts the attention of advertisers as a more productive source to bring in consumers. Consumers or the Customers are valuable assets for any organization. Consumer is an individual or group of individuals who select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires. In other words, Consumers are the ultimate destination of any products or services. The study of these individuals, groups, or organizations is what we call Consumer behavior .In the present competitive global market, it has been seen that organizations are increasingly focusing on the retention of their existing customers. Thus, gaining knowledge about customers' switching behavior is substantively important for the sustainability of any organization. The success of any organization depends upon the satisfaction of the consumers, if not they will switch to other brands. When any organization loses a customer they are not only losing future earnings but also incurring the cost of finding new customers. Over time loyal customers become less price-sensitive therefore, losing loyal customer means giving up high margins. Thus, customer retention is the core concern of each and every organization. Now a day's consumers are moving to the online advertisement due to the cost effective, flexibility, brand awareness etc. there are so many types of online advertisement like popup advertisement, banner advertisement, floating advertisement, blog advertisement, wallpaper advertisement etc.

OBJECTIVES:

1. To study the reasons of growth of on line advertisement

2. To study the how to make online advertisement effectives.

3. To analyze the consumer perception, facts and figures and spending towards online advertisement

4. To study the 10 best and free classified ad website in India.

REASEARCH METHODOLOGY

This research is a descriptive study in nature. The secondary data was collected from various websites, magazines and journals.

LITERATURE REVIEW:

A literature review as defined by Wikipedia "is a body of text that aims to review the critical points of current knowledge including substantive findings as well as theoretical and methodological contributions to a particular topic. Literature reviews are secondary sources, and as such, do not report any new or original experimental work". Advertising provides information about products and services to intending consumers. This Information help consumers to make choices among different brands based on their needs, Wants and problems confronting them. The ultimate purpose of advertisers is to make their Audience purchase such products and services either immediately or in the near future. The American Marketing Association defined advertising as follows, and quoted by Divan that advertising is any paid form of non-personal presentation and promotion of ideas, goods, and services by an identified sponsor. Mcquail sees advertising as a paid publicity in media for goods or services Directed at customers. It has various aims including the creation of awareness, making brand Images, forming positive association and encouraging consumer behavior. Ayanwale, Alimi and Ayanbimpe were of the view that, advertising is a subset of promotion mix that is, Product, price, place and promotion. As a promotional strategy, advertising serve as a major tool in creating product awareness and condition the mind of potential consumers to take Eventual purchase decision. Belch & Belch (2001:506) described the internet as an advertising medium, According to Belch & Belch, web advertising are in a variety of forms. These are banner ads, sponsorships, pop ups, interstitials, push technologies or web casting and links. Advertising is like a traditional ad that promotes a product or service and steers potential customers either to more information or to a place to make a purchase. These ads are akin to those in magazines, Newspapers, radio and TV.

Dominick (2009:342) remarked that "online advertising began in 1994 when Hotwired, the Digital counterpart to the hip wired magazine, started a web with about a dozen sponsors who Paid to have advertising banners embedded throughout the sites." Wikipedia (2012) defined online advertising as a form of promotion that uses the internet and Worldwide web to deliver marketing messages to attract customers. Example of online Advertising according to Wikipedia, include contextual ads on search engine results pages, Banner ads, blogs, rich media ads, special networking advertising, and interstitial ads, online Classified advertising, advertising networks and e-mail marketing, including e-mail spam. Many of these types of ads are delivered by an ad server. An estimated figure is around Rs. 100 crore worth of ad son the net.

Ads on the net are still not paid to the extent of 60-70 %. Even billed ads are at discounted rates. The real ad business on the net is still Rs. 25-30 crore. A lot of agencies are coming forward to do net advertising. Clients still are not comfortable with this new medium. On-line media planning is emerging as a new business. In the US, the leading firm is the Double-click. In India, firms are Micro media, Media cope and Intercept. A net can narrowcast and target ads at a sharply defined segment. Some sites have a revenue model based on ad income. Ad son the net has to buy audience rather than space or banners. Advertisers can approach his target through a variety of sites, but with one single media buy. Advertisers can select audience's location wise, say a BPL mobile ad in Mumbai and Bharti Telecom ad in Delhi. Ads can be targeted to editorial content of the web pages, say cosmetic ads to the heathen beauty pages. Ads can be targeted in terms of time; say does in the afternoon rather than in the morning. Research can increase the effectiveness of on-line communication. SHH Kazmi and Satish K Batra "Advertising and Sales Promotion"p.320, edition 2. ISBN 81-7446-394-1(PB) It was certainly a sad day for newspapers and magazines when eMarketer released a report early in 2012stating that this year would be the year that spending frontline advertising would surpass spending for print advertising. Print publishers, of course, knew that this day was coming. After all, in 2011, online ad spending grew23% in the United States, just passing the$32 billion marks. In 2012, spending on online ads will grow another23% to nearly $40 billion. Meanwhile, the more spending for online ads grows, the more spending for print ads shrinks. Spending for magazine and newspaper ads is anticipated to fall by 6.1% this year to a scant $36 billion.

ONLINE ADVERTISING:

Online advertising is a type of mass communication which is based on traditional form of advertising but develops its own communication strategies in correlation with the new technical and medium based requirements. Now a day on the advertisements are designed by web-designers. Internet has the features of both print media and broadcast media. On internet media advertising can be done in the following formats:

- **Banner ads:**

The most common form of online advertising is banner advertising. It have text and graphics. These ads are shown on popular websites. These were used firstly in 1994. These were shown at the top or bottom of computer screen these ads hinder the view of user.

- **Portals:**

It means doorway or entrance it direct surfers to find relevant information on net. These are starting points for net surfer. It is rectangular window that displays

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news headlines, share prices, sports score etc. In India rediff.com, yahoo.com.

- **Blogs:**

Blogs are used as online media for communicating market related message. On blogs, users are free to give their own comments which may be positive or negative.

- **Sky-scrapers:**

These ads are shown as moving clipping down the websites. These are similar to cable TV ads, such running ads on the web pages of internet are shown as sky -scrappers. These are different from banner ads.

Reasons of growth of online advertising are as under:

1. **Cost Effective:**

Online advertisement provides a low cost means for advertiser. It offers better returns than the other media. The low costs of electronic communication reduce the cost of displaying online advertisements compared to offline ads.

2. **Flexibility:**

Online advertisements have the feature of flexibility. Online advertising can be adjusted with a few clicks. You can adjust your strategy in minutes. This flexibility allows you to stay in front of your customers–anticipate customer needs.

3. **BrandAwareness:**
Online advertising can be used to build brand awareness Use the endless online display space to be creative with rich media, establish your online presence, make an emotional connection, and get online consumers excited about who you are and what you have to offer.

4. **Coverage.**

Online advertisement has a wide coverage. Online advertising can reach nearly every global market, and it influences offline sales and it means your ads can be working for you 24 hours a day. The options are practically limitless when it comes to you.

5. **Formatting**:

In online shopping advertisers have a wide variety of ways of presenting their promotional messages, including the ability to convey images, video, audio and links. Unlike many offline ads, online ads also can

be interactive ads and it can increase brand recognition and highlight your competitive edge.

10 best and free classified ad websites in India:

1. Olx
2. Quicker
3. Click. In
4. Sulekha
5. Craigslist
6. India list
7. Loeanto
8. Khojle
9. Vivastreet
10. Jag ran classified

Flowing are the top 5 advertising agencies:

- Mudra communication
- Jwt
- Lowe lintas
- Contract
- Dentsu India

HOW EFFECTIVE ONLINE ADVERTISEMENTS CAN BE CREATED:

1. **Establish Clear Goals and Objective**:

To make online advertisements effective we have to establish clear goals and objectives. An organization always wants to achieve the communication goals through its communication these are as under:

- Build brand loyalty
- Increase website traffic
- create sales
- Build a social media
- Improve customer satisfaction

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2. Define Target Audience:

An organization must want to know who their target audience is. . What is their age, likes, dislikes expectations, preferences and perception about the organization. Organization should convey the message according to the target audience so that they will easily accept the message. Tone and style of message depend on the nature of audience

3. Define Communication:

To making online advertisement effective we should define communication. The goal is to focus on a single benefit. In trying to communicate too many things, the consumer will only get confused so organization should focus on a single benefit.

4. Select Target Rich Websites:

Every organization wants to know who their audiences are. Organization wants to know everything about audience like their age, likes, dislikes, occupation etc. if any organization convey their message according to the audience will easily accept their message. So we should select the target audience and their rich web sites.

Online advertising spends in India:

Online advertising spends in India to touch Rs. 3575 crore by March 2015.

Indian consumer behavior facts and figures:

sources	percentage
Knowledge from people	80%
websites	70%
TV	68%
newspaper	66%
radio	60%
e-mail	55%
Ad before movie	50%

CONCLUSION:

From the above table it can be seen that most of the Indian consumer while shopping online consider "Word of Mouth" as reliable than other source.

Indian consumer perception towards online advertisement
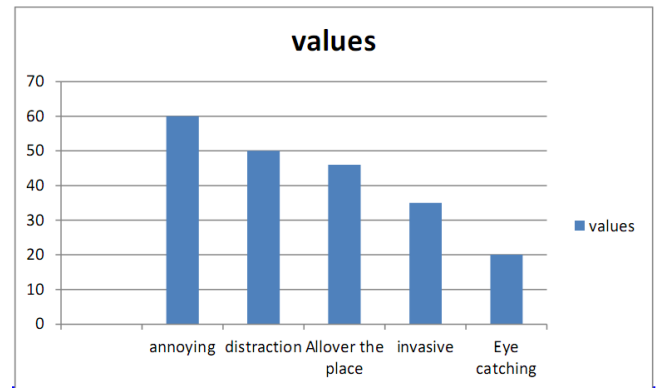
CONCLUSION:

Web advertising is a new form of advertising that many companies all over the world are venturing into, for the purpose of informing consumers of their products and services. Studies have shown that internet have influence on consumers than any other mass media when it comes to making purchase decisions. Internet is the most influential in the consumer purchasing decision process than advice from friends/family and any other medium such as Television, Newspaper… 66% of online consumers consider the internet helping them make purchasing decision compared to 61% from friends/family and 42% from Television". The influence of web advertising on consumers over other forms of advertising will continue to increase in many years to come because of its' interactive nature, the global platform it presents to companies that advertised on it and the opportunities it offers to consumers to make purchases through online. Online advertisement influence the behavior and attitude formation of consumers not only in India but also worldwide. The consumers are induced significantly by advertisements when the target is on quality and price. Purchase attitude and behavior is influenced by variety of advertisements which cover product evaluation and brand image. With the increasing use of internet The Web is offering business advertisement world with more rich media tools, interactive services, and global reach. The need is to understand the target consumers and then strategize wisely in order to gain maximum out of this new medium. In March 2015 online advertising spending in India will touch Rs. 3575 crore.

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