# **CHAPTER-1**

# INTRODUCTION

## 1.1 INTRODUCTION:

Advertising is the best way to communicate to the customers, advertising helps to inform the customer about the brands available in the market and variety of products useful to them. Advertising is for everybody including kids, young and old. Advertising sales promotions, personal selling and public relation are mass communication tools available to marketers. Advertiser's primary mission is to reach prospective consumers and influence their awareness, attitude and buying behaviour. Advertising plays a very crucial role in todays of competition. Advertising is one thing which has become a necessity for everybody such as the producers, the traders and the customers in today's day to day life. Advertising plays a predominant role in customer life.



Customers are the people who buy the product only after they are made aware of the products available in the market. If the product is not advertised, no customer will come to know what products are available and will not buy the products even if the product was for their benefits. One more thing is that advertising helps people find the best products for themselves. When they come to know about the range of products, they are able to compare the products and buy so that they get what they desire after spending their valuable money.

Thus, advertising is important for the customers. Advertising is beneficial for companies producing the product. Obviously,

advertising plays a crucial role for the producers and the sellers of the products because: -

- ➤ Advertising helps increasing sale.
- ➤ Advertising helps crating goodwill for the company and gain customer loyalty after reaching a mature age.
  - ➤ If any company wants to introduce or launch new product in the market, advertising will make a ground for the product. Advertising helps in making people aware of the new product so that the consumer come and try the product.

Advertising is also necessary for the society. Advertising helps educating people. There are some social issues also which advertising deals with like child labour, liquor consumption, girl child killing, smoking and soon. Hence, advertising plays a very important role for a society.

### 1.1.1 CONSUMER BEHAVIOUR:

The term consumer behaviour is defined as the behaviour consumers exhibit in searching for, purchasing for, using, evaluating and disposing products and services that they expect will satisfy their needs. Consumer behaviour focuses on how individuals make decisions to spend their available resources such as time, effort, money, on consumptions related items. That includes what they buy, when they buy, why they buy, where they buy, how often they buy, how often they buy, how often they use, how they evaluate after the purchase and use it and impact of evaluations on future purchase and how they dispose it.

Consumer behaviour is defined as the decision process and physical activity individuals engage in when evaluating, acquiring, using or disposing of goods and services.



Consumer behaviour is the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires. Consumer behaviour is new issue and a controversy subject and challenging that includes individuals and what they buy, why and how to purchase them, marketing and marketing mix of marketing.

In globalizing world where economic crisis deepens and competition gets erect, consumers are becoming more and more important. Every individual is a consumer. There are rapid changes in demands and desires of the consumers who are centre of the modern marketing. Companies need to increase the rate of their research and development activities in order to be able to learn these changes and improvements relating to fulfilling the demands and need of consumers. Consumer satisfaction, which is widely accepted by developed countries and gaining importance day by day, can be achieved by perceiving the consumers and consumer behaviour.

Consumer behaviour is physical activity; mental and emotional people do when select, purchase, use and dispose of goods and services to satisfy their needs. Consumer behaviour is described as series of activities directly toward the acquisition use and disposal of goods and services occurs. These activities include the decisions that are made before and after the procedure.

### **1.2 STATEMENT OF PROBLEM:**

Through this research report we want to find out how consumers are influenced by the advertisement. Consequently, this study is an attempt to measure the effect of advertising on consumer in respect of consumer durable goods. In fact, this study will help to know the effectiveness of advertising on consumers, the attitude of consumers towards advertising and

the relationship between the demographic character of consumers and impact of advertisement on purchasing decision of consumers.

The study starts with the following questions:

- ➤ What are the factors influencing consumer buying decisions?
- ➤ Does advertisement have impact on consumer's buying decisions?
- ➤ Which advertising media is most effective to convince the consumer?

## 1.3 OBJECTIVES:

- To ascertain the effect of advertisements on consumer purchasing behaviour.
- > To identify the popular media of advertisement among people.
- ➤ To determine the significant elements of advertisements that influences consumers to pay attention to it.
- > To identify the demographic factors that impact the effectiveness of advertisements on consumers purchasing behaviour.
- > To identify the problems faced by consumers due to misleading advertisements.
- > To identify the purpose of advertisements.

### 1.4 SCOPE OF STUDY:

- ➤ The study is aimed to present the various modes of advertisement of the product.
- The study also aimed to analyse the awareness and buying behaviour of consumers.
- The study is confined to Coimbatore city only.

### 1.5 RESEARCH METHODOLOGY:

This study is based on the impact of advertisement on purchasing behaviour of consumers with reference to Coimbatore city. The methodology of the study includes:

- > Data collection
- ➤ Area of the study
- > Source of data
- > Sample size
- > Statistical tools

## 1.5.1 DATA COLLECTION:

The purpose for all data collection is to capture best proof that then translate to wealthy data analysis and provides the correct and credible solution to questions that has been put-forwarded.

There are two types of data collection they are:

- Primary Data
- Secondary Data

## **1.5.1.1 PRIMARY DATA:**

Primary data is collected directly from the people with the help of the questionnaire for the first time and that are original in nature.

#### 1.5.1.2 SECONDARY DATA:

Secondary data is collected from various sources such as books, journals, articles, newspapers, websites, published research papers in international journals and existing literatures.

### 1.5.2 AREA OF THE STUDY:

The area of the study is referring to Coimbatore city.

## 1.5.3 SOURCE OF DATA:

It includes both the primary data and secondary data. The questionnaire is prepared and issued to the consumers to get the responses and it is required for the research. Secondary data is collected from journals, articles, books, and websites.

### 1.5.4 SAMPLE SIZE:

150 questionnaires were collected from different consumers with reference to Coimbatore city.

1.5.5 STATISTICAL TOOLS:

Tools used for the study are:

> Simple Percentage method

> Rank analysis

> Chi square analysis

1.6 LIMITATIONS:

This study is confined to Coimbatore city.

➤ Only 150 respondents were selected for the purpose of the study. Idea of 150

respondents may not reflect the view of the whole universe.

The study may only capture the immediate effects of an advertisement on consumer

behaviour, and not the long-term effects.

Data may be subject to self-reported bias, as participants may not accurately report their

purchasing behaviour or recall their exposure to advertisements.

**CHAPTER SCHEME:** 

Chapter 1: Introduction

Chapter 2: Review of Literature

Chapter 3: Overview of Study

Chapter 4: Analysis and Interpretation

Chapter 5: Findings, Suggestions and Conclusions

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# **CHAPTER 2**

# **REVIEW OF LITERATURE**

## 2.1 REVIEWS

- 1. Alalwan A (2018) in their article "Investigating the impact of social media advertising "denoted that advertisers are adapting different techniques to create purchase decisions through effective commercial messages. Additionally, market advertisers use celebrities in commercials to sponsor their product image. The involvement of celebrities affects the buying intention of the consumer. This study has shown that advertisements have a positive effect on consumer buying intention.<sup>1</sup>
- 2. Hanif, M. I., and Asgher, M. U. (2018)" Service innovation and service innovation performance" this paper depicted that in online advertisement majority of the advertisements are occurring through the internet by using different platforms, like Email, YouTube, Facebook, Instagram, Daraz.com, and other advertisement supporting websites.<sup>2</sup>
- 3. Hanif, M. I., Malik, F., and Hamid, (2018a) in their study" The effect of knowledge management and entrepreneurial orientation on organization performance" concluded that an online advertisement was one of the most significant marketing tools in today's digital world, even though most organizations do not think of capturing the market share without advertisement. They stated that in the current era, the style of marketing research is becoming modernized because of the impact of upgraded communication technology on the advertisement factor which adds value to the buyer's choice.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Alalwan, A. A. (2018). Investigating the impact of social media advertising features on customer purchase intention. *Int. J. Inf. Manage*. 42, 65–77. doi: 10.1016/J.IJINFOMGT.2018.06.001

<sup>&</sup>lt;sup>2</sup> Hanif, M. I., and Asgher, M. U. (2018). Service innovation and service innovation performance: a study of banking services. Pak. J. Comm. Soc. Sci. 12, 670–694.

<sup>&</sup>lt;sup>3</sup> Hanif, M. I., Malik, F., and Hamid, A. B. (2018a). The effect of knowledge management and entrepreneurial orientation on organization performance. J. Entrep. Educ. 21:2018.

- 4. Hanif M S (2018b)" Growth prospects, market challenges and policy measures" a study on online advertisement and customer satisfaction depicted that brands used different advertisement channels to attract their customer as well as to satisfy their needs and desires. Nowadays, it is impossible to capture market share and satisfy their customer without advertisement. For this purpose, brands used different media for advertisement, and in today's world, online advertisements through social media and other websites, etc., are very popular to deliver products to their customers.<sup>4</sup>
- 5. M S Ullal &T Hawaldar (2018) "Influence of advertisement on customers based on AIDA model" analyzed that information used in the paper is a combination of store advertisements, customers' paths inside the store, and product information. The authors use this data to determine how advertising influences consumer behaviour while making choices. According to the findings, advertisements have a minor influence on shoppers within stores. The null effect is established, and one standard deviation in advertising has a 1.2 per cent influence on store traffic. However, the influence may be seen at the bottom end of the model. The impact of one standard deviation in advertising on retail sales was 8.4 per cent. Further data mining revealed that while there is no significant rise in the number of clients, the increase in revenues is due to the increased quantity of purchases made by current customers.<sup>5</sup>
- 6. Nazli, A., Siddiqui, R., and Hanif, I. (2018)" Trade reforms and productivity growth in manufacturing industries of Pakistan" analysed that the growth of media and communication networks has altered the business landscape of advertising, so an online advertisement becomes an essential approach to increase the profit margin of a company.<sup>6</sup>

<sup>&</sup>lt;sup>4</sup> Hanif, M. S (2018b). Growth prospects, market challenges and policy measures: evolution of mobile broadband in Pakistan. Dig. Policy Regul. Govern. 20, 42–61. doi: 10.1108/DPRG-04-2017-0014.

<sup>&</sup>lt;sup>5</sup> M S Ullal I T Hawaldar (2018) Influence of advertisement on customers based on AIDA model. Problems Perspect Manag201816428598

<sup>&</sup>lt;sup>6</sup> Nazli, A., Siddiqui, R., and Hanif, I. (2018). Trade reforms and productivity growth in manufacturing industries of Pakistan. Rev. Econ. Dev. Stud. 4, 199–207.

- 7. **Nunan D (2018) "social media: influencing customer satisfaction in B2B sales"** stated that customer satisfaction is an accumulated attitude based on his or her experiences. They stated that there must be a feeling of a customer that can be gauged directly. Customer satisfaction is directly related to a firm's profitability. Customers may be satisfied by different factors, e.g., product design, product advertisement, etc.<sup>7</sup>
- 8. Sofi S A (2018) "Impact of Subliminal Advertising on Consumer Buying Behaviour" stated that advertisement substantially predicts consumer buying behaviour, while such an association becomes stronger when advertisement actively produced positive outcomes. In the same sense, this study has proved the mediation effect of brand awareness between advertisement and consumer buying behaviour. It implies that consumer buying behaviour increases with an increase in an advertisement while such an increment becomes robust when brand association plays an active role.<sup>8</sup>
- 9. Yang W (2018)" the evolution of celebrity endorsement research." In his research he found that only when a well-known celebrity is supporting an advertisement will people buy the goods, regardless of whether or not they know anything about them. Popular celebrity endorsement affects buying intention more than unknown celebrity endorsement.

<sup>&</sup>lt;sup>7</sup> Nunan, D (2018). Reflections on "social media: influencing customer satisfaction in B2B sales" and a research agenda. Industr. Mark. Manag. 75, 31–36.

<sup>&</sup>lt;sup>8</sup> Sofi, S. A (2018). Impact of Subliminal Advertising on Consumer Buying Behaviour: An Empirical Study on Young Indian Consumers. *Glob. Bus. Rev.* 19, 1580–1601. doi: 10.1177/0972150918791378

<sup>&</sup>lt;sup>9</sup> Yang, W. (2018). Star power: the evolution of celebrity endorsement research. *Int. J. Contemp. Hosp. Manag.* 30, 389–415. doi: 10.1108/IJCHM-09-2016-0543

- 10. **Anusha K S (2019)**" **Brand a marketing mix**" analyzed brand knowledge was a newly introduced term, which refers to the experiences, thoughts, and feelings of a customer regarding the brand and its operating activities. According to the researcher, one of the most important objectives of product and brand management is to build a powerful brand and its loyalty factor within a customer market. This research concluded that strong brand results in greater income streams, both in short term and long term. <sup>10</sup>
- 11. Cheung M L (2019)" Developing a conceptual model for examining social media marketing effects on brand awareness and brand image" analysed that brand name was the most vital part. Brand recall and brand recognition are the components of brand awareness. Brand recall means the customer can recall a brand name accurately when they see a product, and brand recognition means the capability of a customer to detect a brand whenever there is a brand sign. <sup>11</sup>
- 12. **Kotler (2019)**" **Understanding Customer Satisfaction According to Experts**" stated that customer Satisfaction was a feeling of pleasure or disappointment of someone who appears after comparing the performance (results) of the product thought against the expected performance results. The dimension or indicator of Customer Satisfaction is if the performance is below the expectations of eating dissatisfied customers, if the performance meets expectations, then the customer is satisfied, if the performance exceeds expectations, then the customer is very satisfied or happy. <sup>12</sup>

<sup>&</sup>lt;sup>10</sup> Anusha, K. S. (2019). Brand a marketing mix: a review. J. Glob. Econ. 4, 1–4.

<sup>&</sup>lt;sup>11</sup> Cheung, M. L (2019). Developing a conceptual model for examining social media marketing effects on brand awareness and brand image. *Int. J. Econ. Bus. Res.* 17, 243–261. doi: 10.1504/IJEBR.2019.098874

<sup>&</sup>lt;sup>12</sup> Kotler (2019). Understanding Customer Satisfaction According to Experts.

- 13. **R Mumtaz (2019) in the research" Awareness and perspectives social media as new strategic marketing approach"** she examined that AIDA (Attention- Interest- Desire-Action) model was widely used by business owners and entrepreneurs worldwide. The cottage and small company owners in developing countries, on the other hand, are mostly unaware of the strategic use of this paradigm for social media. As a result, the primary goal of this article is to raise awareness of the strategic application of the AIDA model among underprivileged company owners and entrepreneurs who are struggling to manage their small enterprises in Pakistan's underdeveloped areas. The material was gathered through focus groups and personal interviews. The results reveal that the AIDA model is extensively utilized for marketing and promoting products and services through social media worldwide, with the proportion showing significant growth in this regard.<sup>13</sup>
- 14. Sürücü and Bilgihan (2019) "Brand awareness, image, physical quality and employee behaviour as building blocks of customer-based brand equity "the study has also confirmed the mediation effect of brand awareness between the association of advertisement and brand loyalty. In this regard, several prior research studies have stated that consumers become more loyal toward the brand when brand awareness substantially works. Therefore, this study has concluded that consumers become more loyal and demonstrate constructive buying behaviour because of the advertisement, and such association becomes robust based on brand awareness.<sup>14</sup>
- 15. Teo, L. X., Leng, H. K (2019)" Marketing on Instagram: social influence and image quality on perception of quality and purchase intention" have confirmed that when a brand offers substantial-quality products and increased awareness in the market, it predicts the consumers' higher purchasing behaviour. It implies that perceived quality can be taken

<sup>&</sup>lt;sup>13</sup> R Mumtaz (2019) Awareness and perspectives social media as new strategic marketing approach in minor industries; notion grounded on AIDA model J Content Community Commun201910521324.

<sup>&</sup>lt;sup>14</sup> Sürücü, and Bilgihan, A. (2019). Brand awareness, image, physical quality and employee behaviour as building blocks of customer-based brand equity: Consequences in the hotel context. *J. Hosp. Tour. Manag.* 40, 114–124. doi: 10.1016/J.JHTM.2019.07.002

as a moderator. Therefore, this study has considered perceived quality as a moderator and tested empirically.<sup>15</sup>

- 16. V Donthi, (2019) in the study "An invisible promotional tool "she concluded that promotion was an essential part of communicating the benefits of your product or service to clients. Marketing and well-designed promotional tactics promote long-term success, more consumers, and profitability for firms. Every promotional plan, whether it is advertising, a discount offer, or hoardings, is designed to boost its sales and profits. The purpose of this study is to determine the most effective Maruti Suzuki promotional offers and to assess the impact of promotional offers on Maruti Suzuki consumers' purchase decisions. Pie charts, percentage bar graphs, and chi-square are used to assess the data. According to the survey, the majority of respondents thought that successful commercials affect their buying choice and attitude toward a business.<sup>16</sup>
- 17. Von Wallpach and Kreuzer M (2019)" Purposive Action-Design and Branding "stated that two dimensions of brand knowledge have been previously examined in marketing research. The first one is brand awareness and the second one is the brand image. According to them, brand awareness is defined as the strong point of product bulge in memory, i.e., how easy it is for the customer to recall that brand. They have a point of view that brand recall is the most common way to measure brand awareness. They stated that comprising many brand knowledge and behavioural variables, using one product category like "candy bars," plays an important role in strengthening a customer's and company's relationship.<sup>17</sup>

<sup>&</sup>lt;sup>15</sup> Teo, L. X., Leng, H. K (2019). Marketing on Instagram: social influence and image quality on perception of quality and purchase intention. *Int. J. Sports Mark. Spons.* 20, 321–332. doi: 10.1108/IJSMS-04-2018-0028

<sup>&</sup>lt;sup>16</sup> V Donthi (2019) Aida model: An invisible promotional tool - Maruti Suzuki India limited perspective J Innovative Technol Exploring Eng2019812480713.

<sup>&</sup>lt;sup>17</sup> Von Wallpach, S., and Kreuzer, M. (2019). "Tapping embodied brand knowledge: a comparison of visual versus multisensory retrieval methods," in TransVisuality: The Cultural Dimension of Visuality: Purposive Action-Design and Branding, Vol. III, eds A. Michelsen and F. Wiegand (Liverpool: Liverpool University Press), 233–248.

- 18. Atulkar S (2020) "Brand trust and brand loyalty in mall shoppers "examined that to maintain and create a brand, companies must realize the increasing importance of unaided and aided awareness in customers and develop strategies related to it. Market communication should be made with different concerns on public relations and advertisement. Advertising options like radio, television, and social media create awareness.<sup>18</sup>
- 19. **Fennis and Stroebe (2020) "The Psychology of Advertising"** identified that advertising is a promotional marketing strategy to attract people to a product or service. People are in favour of those brands with which they resonate emotionally. The medium can be chosen by your own choice.<sup>19</sup>
- 20. Pooya A (2020) "Investigating the effect of perceived quality of self-service banking on customer satisfaction" determined that perceived quality describes the buyer's individual quality decisions about a brand's whole fineness or advantage. The important element of consumers' preferences and attitudes is the perceived quality, which is a significant issue in defining affective commitment.<sup>20</sup>
- 21. Zhang X (2020a) "Investigating the effect of message framing on event attendees' engagement with advertisement promoting food waste reduction practices "described that in a company, to meet communication and marketing objectives, mass media plays a vital role and maximum information is provided to the target market about the product.<sup>21</sup>

<sup>&</sup>lt;sup>18</sup> Atulkar, S. (2020). Brand trust and brand loyalty in mall shoppers. *Mark. Intell. Plan.* 38, 559–572. doi: 10.1108/MIP-02-2019-0095

<sup>&</sup>lt;sup>19</sup> Fennis, B. M., and Stroebe, W. (2020). The Psychology of Advertising. *Psychol. Advert.* 2020:9780429326981.

<sup>&</sup>lt;sup>20</sup> Pooya, A (2020). Investigating the effect of perceived quality of self-service banking on customer satisfaction. *Int. J. Islam. Middle East. Financ. Manag.* 13, 263–280. doi: 10.1108/IMEFM-12-2018-0440

<sup>&</sup>lt;sup>21</sup> Zhang, X (2020). Investigating the effect of message framing on event attendees' engagement with advertisement promoting food waste reduction practices. *Int. J. Hosp. Manag.* 89:102589.

- 22. Zhang X (2020b)" Expressive Brand Relationship, Brand Love, and Brand Loyalty for Tablet PCs: Building a Sustainable Brand "stated that a loyal consumer characterizes a basis for a price premium, a barrier to entry, protection against deleterious price accomplishment, and responding to competitors. The basic dimension of brand equity is brand loyalty. Similarly, the objective of brand management is brand loyalty. If the company needs to examine the strength and weaknesses of its consumer loyalty, whether the consumer is promoting its product more compared to competitors can be examined.<sup>22</sup>
- 23. **Zhao and Yan (2020)**" User acceptance of information feed advertising" The study examined the functions of advertisement in building company success and its effect on consumers' buying behaviour and brand loyalty. The aim is to know how the brand is perceived, especially the buying behaviour of young men and women. To reinstate a product as top-of-the-mind for consumers, organizations from all areas of the world spend huge amounts on advertisement.<sup>23</sup>
- 24. Adarsha D (2021) "IPO underpricing is affected by the external and internal factors "analyzed the influence of perceived social media marketing elements on consumer—brand engagement and brand knowledge. They concluded that such knowledge, which developed through some experiences, boosts the confidence level of the customers to use the services and products of a brand. According to the researchers, it is an easy way to strengthen a good relationship between the company and its targeted customers. <sup>24</sup>

<sup>&</sup>lt;sup>22</sup> Zhang, X (2020b). Expressive Brand Relationship, Brand Love, and Brand Loyalty for Tablet PCs: Building a Sustainable Brand. *Front. Psychol.* 0:231. doi: 10.3389/FPSYG.2020.00231

<sup>&</sup>lt;sup>23</sup> Zhao, J., and Yan, C. (2020). User acceptance of information feed advertising: A hybrid method based on sem and qca. *Futur. Internet* 12, 1–17.

<sup>&</sup>lt;sup>24</sup> Adarsha, D (2021). IPO underpricing is affected by the external and internal factors – evidence from Pakistan stock exchange. Int. J. Innov. Creativ. Change 15, 795–806.

25. Ahmad, I., and Gul, R. (2021) "Impact of online service-learning on civic and social justice the behaviour of undergraduate laboratory-based graduates" analyzed the histrionic increases in scope and diversity of online advertisement than conformist one. In stated businesses are extensively using such virtual advertisements to promote versatile products and services. Mediating Role of Supply Chain Integration and Intrapreneurship between Information Technology Infrastructure and Firm Performance in the Iranian Pistachio Industry. They concluded this one is hard for an advertiser to maintain the effectiveness of online advertisements to get a positive reaction from consumers.<sup>25</sup>

### 2.2 RESEARCH GAP

A research gap is essentially an unanswered question or unresolved problems in a field, which reflects a lack of existing research in that space. The previous research made in the field are, analyzing the celebrity value in advertisement, building brand loyalty, significance of advertisements in increasing profits. In the current study, analysis is done to prove the objectives of the study. The analysis is made on problems faced by consumers in buying products seen in advertisements which is not done in previous research.

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<sup>&</sup>lt;sup>25</sup> Ahmad, I., and Gul, R. (2021). Impact of online service-learning on civic and social justice the behaviour of undergraduate laboratory-based graduates. Hum. Arenas. 1–16.

# **CHAPTER 3**

# **OVERVIEW OF STUDY**

## 3.1 DEFINITIONS

As defined by **W.J. STANTON**— "Advertising consists of all the activities involved in presenting to a group a non-personal, oral or visual, openly sponsored message regarding a product, service or idea, this message, called an advertisement is disseminated through one or more media and is paid for by the identified sponsor".

**AMERICAN MARKETING ASSOCIATION** recognizes the term advertising as – any paid form of non- personal presentation and promotion of ideas, goods and services by an identified sponsor.

As defined by **COHEN**, 'Advertising is a business activity, employing creative techniques to design persuasive communications in mass media that promote ideas, goods and services in a manner consistent with the achievement of the advertiser's objectives, the delivery of consumer satisfactions, and the development of social and economic welfare.'

As defined by **BURT MANNING**, "Advertising is one of the important forces which serve the public interest. It is a form of open communication between those who sell and those who buy. It is a form of advocacy – open to any company or because that wants to argue its case. The jury is the public. Every purchase is a vote. "

**WHEELER** opines, "Advertising is any form of paid non-personal presentation of ideas, goods or services for the purpose of inducing people to buy."

According to **JOHN J. MYERS**, "Advertising is dissemination of information concerning an idea, service or product to compel the action in accordance with interest of advertiser".

**ROBERT W. SARNOFF** interestingly says that an "Advertising is the foot on the accelerator, the hand on the throttle, the spur on the flank that keeps our economy surging a head".

**R. V. ZACHER** "Advertising is a means of communicating information pertaining to product or ideas by other than direct personal contact and on an openly paid basis with intent to sell or otherwise obtain favourable consideration."

## 3.2 HISTORY OF ADVERTISEMENT



# 3.2.1 Early Origins of Advertising

Prior to the birth of Christ, early forms of advertisements estimated to be 3,000 years old and found in the streets of Papyrus where already discovered in the ruins of Thebes in Egypt. In the ruins of Babylon, in a thriving mercantile community in 3,000 B.C were found symbols made by tradesmen to indicate the nature of their business.

In Egypt, criers were used to announce the arrival of ships with fresh merchandise, and ancient Athenians placed signboards outside their shop doors.

The development of advertising had a direct bearing with trade and commerce. In ancient civilizations of China, Mesopotamia, Egypt, and Rome where trading and selling became recognized callings there were evidences of written communication, signs, pictorials, which became predecessor of today's trademark.

# 3.2.2 Development of Advertising in the 15th to 18th Century

In succeeding 3 centuries, there appeared an even increasing number of books, calendars, leaflets, newspapers and many printings movable letters allowed the distribution of an unlimited number of copies of an item.

# 3.2.3 Development of Advertising in the 19th and Early 20th Century

Advertising began to make a more deliberate use of means of visual communication. The invention of lithography or chemical printing from stone in 1795 to 1798 greatly widened the scope of reproduction and printing. It was cheaper than letterpress printing. In 1827, colours lithography appeared. In 1826, Joseph Nicephore Niece produced a metal plate coated with

light sensitive asphaltum and thus invented photography. In 1903, the newspaper Le Matin printed the first tone block from a photograph.

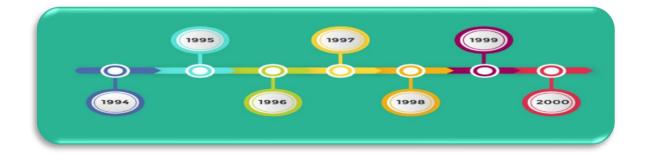
# 3.2.4 Development of Advertising in the 21st Century

Advertisement can pretty much be noticed anywhere and everywhere around us, though, its conception dates back even before the invention of different mediums like TV, Print, Radio, Billboards, Web and etc. Yes, we are referring here of "word of mouth advertising", which holds a good weightage till date. The advertisement field has undergone a paradigm shift in the 21st century, an endorsement of which is the digital world. This shift propelled many advertising agencies to map up with the changes in this pacey industry. Ad firms which started with the services of Print and Billboards have included TV, Web in their list today. While this has influenced these firms in increasing their manpower, on the counter side, because of the little investment needed it has also seen the dawn of start-ups in plethora, which intern gave birth to the strong competition amongst the agencies. One of the reputed and oldest firms called Ogilvy holds an upper hand in creating such ads which deliver a content that is appealing in visuals & riveting in terms of verbal. Considering the era that we are in right now where more of the creative aspects are being appreciated than ever before, it is the best time for all the creative minds to step into this beautiful yet competitive field and explore different aspects of creativity and make the viewers spellbound by their quality of content.

### 3.3 A BRIEF HISTORY OF ADVERTISING

Advertising is one of the oldest segments of business, save for currency and trade. Once products and services arose, so did the need to make them known. The oldest confirmed piece of advertising dates back to 3,000 B.C. Technically, it was a print ad from ancient Egypt promoting the capture and return of an escaped slave.

Let's fast-forward about 4,000 years. Here's a brief look at the past five centuries of advertising:



**1472:** The first poster advertisement is placed on church doors in London.

**1650:** The first newspaper ad — a reward for 12 stolen horses — is published. (What's with these reward-based advertisements?)

**1704:** The Boston News-Letter prompts its readers to place ads in its paper.

**1870:** The Powers style of ad copy is born. This style packed a punch — it was short, to-the-point, truthful, and convincing. Powers said the focus should be on why the consumer should buy your product or service — a message that still resonates for good reason today.

**1880:** Postcards become one of the hottest new ways to reach customers.

**1902:** Unilever creates the "longest client-agency relationship in advertising history" when it hires J. Walter Thompson Company to advertise its Lifebuoy Soap.

**1902:** Mellins Food advertises its brand on 25 airship flights, becoming the first brand to take this approach.

**1904:** The Campbell's Kids are created, piloting the change in advertisement focus from a single ad to an entire campaign.

**1922**: Radio ads are born, and businesses purchase 10 mins for \$100. Two years later brands would increase their investment by sponsoring an entire radio show, a concept that would eventually become known as "sponsored content."

**1925:** Advertisers start to appeal to emotions, focusing on what pleasure customers would receive from their product or service. This old Ford ad exemplifies this perfectly.

**1975:** VCRs are introduced, and consumers begin to record shows and, therefore, skip advertisements.

**1990:** Computers become more popular and accessible at home, with over 5 million homes connected to the internet.

**1994:** The first email spam campaign launches. Banner ads are also introduced.

**1995:** Search engines like Yahoo! and Alta Vista are born. Ask Jeeves and Google would follow in 1997 and 1998, respectively.

**2005:** YouTube and Facebook (for college students only) launch.

**2008:** Brands start to realize the importance of having an online presence for their potential customers.

2012: Online videos reach almost 170 million viewers.

**2013:** Sites like Pinterest and Instagram join the social network scene.

**2020:** Advertising soars on digital platforms including social media, podcasts, pay-per-click (PPC), and more. Customer data plays a larger role in advertising targeting and retargeting. Lastly, a rapid increase in mobile devices sees a boost in mobile ads and SMS marketing.

Whereas almost 140 years ago, postcards were the newest form of advertising, brands today are building chatbots for Facebook Messenger and integrating artificial intelligence into their marketing and sales platforms.

### 3.4 WHO ARE ADVERTISERS?

Advertisers are the people at a company who are responsible for advertising a product or service. They promote messages about a brand's products and services to build public preference for the brand.



"Advertiser" can also refer to the entity that's paying for advertising on a billboard, in a magazine, or through a website or mobile application.

Advertisers are important because the whole business of advertising is dependent on them. It's the advertiser that incurs the cost of advertisements, so if they decide it's not worth running ads, then the advertisement industry will be in big trouble.

All advertisers are marketers, but not all marketers are advertisers. Let's dig deeper into the differences between advertising and marketing.

#### 3.5 FEATURES OF ADVERTISEMENT

## 3.5.1. Provides Information

Advertising's primary purpose is to provide information about products or services to the prospective buyers. The details of products such as features, uses, prices, benefits, manufacturer's name, so on; are in the advertisements. The key message and brand name are also there. The information supplied educates and guide consumers and facilitate them to make a correct choice while buying a product.

# 3.5.2. Payment of Money

One of the features of advertising is to pay the money for the advertising. Advertisement appears in the newspapers, magazines, televisions, cinema screens and website search engine pages because the advertiser has purchased some time/ space to communicate information to the potential customers. The advertiser must pay money for the advertising activities. He also decides the size, slogan, etc. given in the advertisement. Advertising is always a paid form of communication and hence commercial in nature. Thus, advertising can clarify be distinguished from publicity which is not paid for by the sponsor.

# 3.5.3. Non-personal Presentation

Advertising is non-personal in character as against salesmanship, which is a personal or face to face communication. Here, the message is given to all and not to one specific individual. This rule is applicable to all media including the press. However, even in it, target consumers or target market can be selected for making an AD appeal.

# 3.5.4. Publicity

Advertising publicizes goods, services, ideas and event events. It is primarily for giving information to consumers. This information is related to the features and benefits of goods and services of different types. It offers new ideas to customers as its contents are meaningful. The aim is to make the popularize ideas and thereby promote sales. For example, an advertisement for family planning, family welfare, and life insurance is useful for placing new ideas before the people.

# 3.5.5. Target Oriented

Advertising becomes effective and result-oriented when it is target oriented. A targeted advertisement intensively focuses on a specific market or particular groups of customers (like teenagers, housewives, infants, children, etc.). Here, the selection of a particular market is called a target market.

# 3.5.6. Art, Science and Profession

Advertising is art, science and a profession, and this is now universally accepted. It is an art as it needs creativity for raising its effectiveness. It is a science as it has its principles or rules. It is also a profession as it has a code of conduct for its members and operates within standards set by its organized bodies. In its field, AD Agencies and space brokers function as professionals.

# 3.5.7. Creativity

Advertising is a method of presenting a product in an artistic, attractive and agreeable manner. It is possible through the element of creativity. The creative people (professionals) introduce creativity in advertisements. Without it, the Ads won't succeed. Therefore, creativity is called the 'Essence of Advertising.'

### 3.5.8. Entertainment

"Entertainment" is another critical aspect of advertisement. By comedy, you should not have to make the viewers chuckle by putting their stomach in their hands.

However, when I use the term "entertainment" in ads, I mean something that keeps the audience's attention and prevents them from flipping channels.

# 3.5.9. Consistency

All good advertisements have one thing in common, which is consistency in what they put out. An ad that stays consistent on a longer run can pull a success rate, unlike those poor ones that try to break the chain.

Such small point notes have become even more important to be followed now that the advertisement market is a saturated one.

#### 3.5.10. Personalization and a call to action

Advertising allows brands to personalize. Those ads that want to reach more consumers have to understand that personalization is necessary. Once you know that the person has gone through the advertisement of your product, it is then the right time to get into higher action. One cannot simply back off waiting for them to come back to the service on their own.

## 3.6 TYPES OF ADVERTISEMENT



# 3.6.1. Print advertising

Print advertising refers to printed advertisements, often seen in newspapers and magazines. However, this category also includes other printed materials, such as brochures, directories and flyers. Companies can place advertisements in local newspapers—whether throughout the paper or within the classifieds section—to target consumers within a geographic location.

For a more targeted audience, companies may seek advertising opportunities in magazines. Specialty magazines can help a company reach a specific group or type of people. For example, a company that sells golf equipment would place ads in magazines for golf enthusiasts because they know that audience is more likely to appreciate their product. Magazine advertising can also offer a better visual experience for consumers, as the full-page opportunities allow for more colour and high-production images than newspaper advertisements.

# 3.6.2. Direct mail advertising

Direct mail is a type of print advertising that sends advertisements to customers through the mail. Examples include brochures, catalogues, newsletters and flyers. This approach enables companies to identify an even more targeted market than other print advertising formats because it distributes ads via a direct mailing list.

For example, someone who opens a hair salon can create a flyer that announces their grand opening. They can then send that flyer to a list of residents located within five miles of the salon. To attract new customers, the owner can also include a discount coupon with the mailer.

# 3.6.3. Television advertising

Television advertising is a type of broadcast advertising where companies advertise their products or services through 20-, 30- or 60-second TV commercials. It can be costly but enables companies to repeat their advertisements regularly. The costs to air television commercials can vary due to the following factors:

- The ad length
- > The time of day
- ➤ The television shows
- > Frequency of airing
- > The geographic reach
- > The number of networks

For example, it is much more costly to air a commercial during a widely watched event, such as the Super Bowl. While consumers now have the ability to skip advertisements on their televisions, it still serves as an effective method of reaching a large audience. Repeating advertisements help build recognition and brand awareness, and even if consumers are not watching the ads, they may still be listening to them.

# 3.6.4. Radio advertising

Radio is another form of broadcast advertising that plays ads during programming breaks. Customers can listen to radio advertisements while conducting other activities, such as driving or doing household chores. Like television, radio enables the repetition of advertisements, which can give companies more recognition with consumers.

Companies can research what radio stations are popular with their target customers. They can also learn what times of day these customers listen to the radio most. For example, they may try to advertise during a morning time slot when they know many of their customers will be driving to work.

# 3.6.5. Podcast advertising

In podcast advertising, companies can sponsor podcasts or have advertisements for their products or services played during the episodes. Typically, podcasts play ads at the beginning, middle and end of episodes. Similar to radio advertising, companies can research which podcasts are most popular with their target audience.

Some podcast hosts read from a script provided by the company or create their own, which can be an entertaining way for listeners to consume advertising content. Often, companies will offer a discount code available to listeners of a podcast. Besides attracting new customers, this code can help companies assess how well this advertising strategy works based on its use.

## 3.6.6. Mobile advertising

Mobile advertising reaches consumers through any mobile device with internet connectivity, such as a cell phone or tablet. These advertisements may appear to consumers through social media, on web pages or within apps. For example, a customer playing a mobile game may receive ads for similar games between gameplay rounds. The benefit is that these advertisements can reach consumers no matter where they are. If individuals enable location settings, companies may even be able to target them via geographic location.



Another way companies conduct mobile advertising is by combining it with print advertisements using QR codes. When consumers see a QR code in a magazine, they can scan it using their mobile device. It could then take them to the brand's website or offer them a coupon.

# 3.6.7. Social media advertising

Companies use social media advertising to promote their products or services on various platforms. Social media advertising, like other digital advertising, enables companies to target specific audiences. They may focus on reaching customers based on their geographic location, age group or buying habits. They can either pay for the platforms to promote their advertisements, or they can use more organic methods.

For example, a small business can use organic social media advertising by asking its followers to like and re-share one of their posts. They then may pick a participant at random to receive a discount or gift. Today's businesses also utilize online influencers, bloggers or celebrities to create posts promoting their brands or products. Rather than full advertising campaigns, these methods may serve as more cost-effective techniques that enable the business to spread awareness of their brand.

# 3.6.8. Display advertising

Display advertising is a type of digital advertising that uses identifiable ads. These may include banner ads at the tops or sides of web pages and pop-up ads. Another example would be the video ads that appear before or during streaming video content. Display advertising encourages users to click on them to move to the company's website, often to make a purchase. These advertisements are very prevalent online, though sometimes that can make them easy for consumers to ignore.

One method used in display advertising is remarketing or retargeting. When users visit a brand's website, they often accept browser cookies that allow the site to track their journey. If the user decides not to purchase anything on the site, the brand may target that customer and place ads for their products on other websites to remind them to return and buy the item.

# 3.6.9. Outdoor advertising

Outdoor advertising refers to advertisements that consumers see outside their homes. As a result, this type of advertising is sometimes called out-of-home advertising. Examples include billboards and advertisements seen in public places or transit vehicles, such as on the sides of buses or inside subway cars.



Outdoor advertising aims to catch the attention of a large population. Usually, these ads help businesses build their brand awareness within a geographic location. The space allotted to outdoor advertisements may be limited, as can the amount of time a consumer takes to view the advertisements. Typically, these ads use bold images and fewer words so that the content is easily understood.

# 3.6.10. Guerrilla advertising

Guerrilla advertising refers to less conventional methods that are generally low-cost and employ creative techniques to draw attention. A common strategy in this category is ambient advertising, in which a company places ads in public places but uses an unconventional manner. For example, rather than advertising on a bus stop, a company may paint a mural on the sidewalk advertising their services.

Guerrilla marketing sometimes invites public interaction or participation. For example, the advertisement may encourage individuals to take a photo with the ad and post it on social media

using a hashtag. That is why companies using guerrilla advertising aim for eye-catching ads—to entice consumers to interact with their content. Advertising via word-of-mouth can serve as an effective and less costly way for companies to build brand awareness.

### 3.7 ADVERTISING VS MARKETING

Advertising and marketing are terms that are often used interchangeably, but they actually have very different meanings. Advertising is the process of creating awareness of a product or service through paid mediums such as television, radio, print media, digital media, and outdoor signage. These campaigns can also be created to attract new customers and strengthen existing customer relationships.



Marketing, on the other hand, is a broader term that encompasses all activities involved in creating a brand and communicating with customers. This includes advertising but also encompasses strategies such as research, product development, pricing, distribution, sales promotion, and public relations.

### 3.8 HOW TO MAKE AN ADVERTISEMENT

Every ad campaign works to achieve different objectives. Awareness and desire campaigns help build a positive image of a brand. Interest and action campaigns have the more direct goals of encouraging the target audience to purchase a product or service. To develop your advertising campaign, take the following steps:

- 1. Establish your business goals
- 2. Determine your target market
- 3. Define your budget
- 4. Decide on media platforms
- 5. Build a creative strategy
- 6. Determine your advertising KPIs
- 7. Write the ad copy

## 8. Create a campaign landing page

# 3.8.1. Establish your business goals

Because each type of campaign achieves a different objective, the first step in developing an advertising campaign is to determine your business goals. Do you want to develop brand awareness, promote a new product or differentiate your company from the competition? This decision will help you determine ad distribution options, define your budget and develop the creative strategy.

# 3.8.2. Determine your target market

Define your target market (the consumer group most likely interested in your product or service) and use that insight to tailor your ad copy and distribution strategy. Age, gender and income bracket are important demographics in advertising, but education level and marital status are also useful.

# 3.8.3. Define your budget

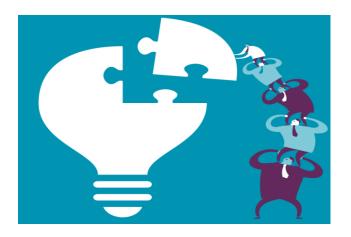
The goal of an ad budget is to figure out how to keep costs as low as possible while still meeting your goals. You'll need to look over you're bookkeeping to establish a reasonable limit. For example, holiday ads are more expensive, but they also offer a bigger payoff. If you advertise online, you will have to get a bit more granular with your budget.

## 3.8.4. Decide on media platforms

Once you have established your goals, audience, and budget, you can decide which advertising types will be the most impactful. Determine if you will go with more traditional advertising, such as radio or newspaper ads, or digital advertising, such as social media or video advertising.

# 3.8.5. Build a creative strategy

Narrow down your focus to a consistent message with effective visuals that meet your specific campaign goals. Add a clear call-to-action (CTA) that encourages viewers to take the next step. Make sure your tone and visuals align with your brand image.



# 3.8.6. Determine your advertising KPIs

Determining your KPIs, or key performance indicators, is an essential step in the ad development process. These metrics help you refine your advertising strategy over time. Some of the most commonly used advertising KPIs include:

- Cost per click (CPC) measures how much each ad clicks costs.
- Cost-per-thousand-impressions (CPM) tells you how much you spent on a thousand impressions, which refers to views or user engagement.
- Click through rate (CTR) measures the effectiveness of a campaign.
- Customer lifetime value (CLV) is the average amount a company earns per customer.
- Customer acquisition cost (CAC) tells you how much it will cost you to gain each new customer.
- Return on advertising spend (ROAS) tells you how much money you earned per dollar spent on an ad campaign.

# 3.8.7. Write the ad copy

Because the text in your ad is limited, every word counts. Marketers will spend days pouring over a single line of ad copy. Use language that will make your target audience feel like you're talking to them, and add emotional appeals whenever you can.

# 3.8.8. Create a campaign landing page

Landing pages are standalone web pages that have direct messaging and a specific intent. Your online advertisements will link to a landing page that helps potential customers understand your promotion and easily make a purchase.

### 3.9 ADVERTISING AGENCIES

An **advertising agency**, often referred to as a **creative agency** or an **ad agency**, is a business dedicated to creating, planning, and handling advertising and sometimes other forms of promotion and marketing for its clients. An ad agency is generally independent of the client; it may be an internal department or agency that provides an outside point of view to the effort of selling the client's products or services, or an outside firm. An agency can also handle overall marketing and branding strategies promotions for its clients, which may include sales as well.

Typical ad agency clients include businesses and corporations, non-profit organizations and private agencies.



Agencies may be hired to produce television advertisements, radio advertisements, online advertising, out-of-home advertising, mobile marketing, and AR advertising, as part of an advertising campaign.

#### 3.10 CONSUMER BEHAVIOUR

Consumer buyer behaviour is an inseparable part of marketing and Kotler and Keller state that consumer buying behaviour is the study of the ways of buying and disposing of goods, services, ideas or experiences by the individuals, groups and organizations in order to satisfy their needs and wants.

Buyer behaviour has been defined as "a process, which through inputs and their use though process and actions leads to satisfaction of needs and wants". Consumer buying behaviour has numerous factors as a part of it which are believed to have some level of effect on the purchasing decisions of the customers.

Alternatively, consumer buying behaviour "refers to the buying behaviour of final consumers, both individuals and households, who buy goods and services for personal consumption". From marketers' point of view issues specific aspects of consumer behaviour that need to be studied include the reasons behind consumers making purchases, specific factors influencing the patterns of consumer purchases, analysis of changing factors within the society and others.

### 3.10.1 MAJOR FACTORS INFLUENCING CONSUMER BEHAVIOUR

- 1. Psychological Factors
- 2. Social Factors
- 3. Cultural Factors
- 4. Personal Factors
- 5. Economic Factors

Consumer behaviour is influenced by many different factors. A marketer should try to understand the factors that influence consumer behaviour. Here are 5 major factors that influence consumer behaviour:

# 3.10.1.1. Psychological Factors

Human psychology is a major determinant of consumer behaviour. These factors are difficult to measure but are powerful enough to influence a buying decision.

Some of the important psychological factors are:



#### i. Motivation

When a person is motivated enough, it influences the buying behaviour of the person. A person has many needs such as social needs, basic needs, security needs, esteem needs, and self-actualization needs. Out of all these needs, the basic needs and security needs take a position above all other needs. Hence basic needs and security needs have the power to motivate a consumer to buy products and services.

## ii. Perception

Consumer perception is a major factor that influences consumer behaviour. Customer perception is a process where a customer collects information about a product and interprets the information to make a meaningful image of a particular product.

When a customer sees advertisements, promotions, customer reviews, social media feedback, etc. relating to a product, they develop an impression about the product. Hence consumer perception becomes a great influence on the buying decision of consumers.

## iii. Learning

When a person buys a product, he/she gets to learn something more about the product. Learning comes over a period of time through experience. A consumer's learning depends on skills and knowledge. While skill can be gained through practice, knowledge can be acquired only through experience.

Learning can be either conditional or cognitive. In conditional learning the consumer is exposed to a situation repeatedly, thereby making a consumer to develop a response towards it.

Whereas in cognitive learning, the consumer will apply his knowledge and skills to find satisfaction and a solution from the product that he buys.

#### iv. Attitudes and Beliefs

Consumers have certain attitudes and beliefs which influence the buying decisions of a consumer. Based on this attitude, the consumer behaves in a particular way towards a product. This attitude plays a significant role in defining the brand image of a product. Hence, marketers try hard to understand the attitude of a consumer to design their marketing campaigns.

## 3.10.1.2. Social Factors

Humans are social beings and they live around many people who influence their buying behaviour. Humans try to imitate other humans and also wish to be socially accepted in the society. Hence their buying behaviour is influenced by other people around them. These factors are considered as social factors. Some of the social factors are:

#### i. Family

Family plays a significant role in shaping the buying behaviour of a person. A person develops preferences from his childhood by watching family buy products and continues to buy the same products even when they grow up.

#### ii. Reference Groups

A reference group is a group of people with whom a person associates himself. Generally, all the people in the reference group have common buying behaviour and influence each other.

#### iii. Roles and status

A person is influenced by the role that he holds in the society. If a person is in a high position, his buying behaviour will be influenced largely by his status. A person who is a Chief Executive Officer in a company will buy according to his status while a staff or an employee of the same company will have different buying pattern.

### 3.10.1.3. Cultural factors

A group of people is associated with a set of values and ideologies that belong to a particular community. When a person comes from a particular community, his/her behaviour is highly influenced by the culture relating to that particular community. Some of the cultural factors are:

#### i. Culture

Cultural Factors have a strong influence on consumer buying behaviour. Cultural Factors include the basic values, needs, wants, preferences, perceptions, and behaviours that are observed and learned by a consumer from their near family members and other important people around them.

#### ii. Social Class

Each and every society across the globe has the form of social class. The social class is not just determined by the income, but also other factors such as the occupation, family background, education and residence location. Social class is important to predict the consumer behaviour.

## 3.10.1.4. Personal Factors

Factors that are personal to the consumers influence their buying behaviour. These personal factors differ from person to person, thereby producing different perceptions and consumer behaviour.

Some of the personal factors are:

## i. Age

Age is a major factor that influences buying behaviour. The buying choices of youth differ from that of middle-aged people. Elderly people have a totally different buying behaviour. Teenagers will be more interested in buying colourful clothes and beauty products. Middle-aged are focused on house, property and vehicle for the family.

## ii. Income

Income has the ability to influence the buying behaviour of a person. Higher income gives higher purchasing power to consumers. When a consumer has higher disposable income, it gives more opportunity for the consumer to spend on luxurious products. Whereas low-income or middle-income group consumers spend most of their income on basic needs such as groceries and clothes.

## iii. Occupation

Occupation of a consumer influences the buying behaviour. A person tends to buy things that are appropriate to this/her profession. For example, a doctor would buy clothes according to this profession while a professor will have different buying pattern.

## iv. Lifestyle

Lifestyle is an attitude, and a way in which an individual stay in the society. The buying behaviour is highly influenced by the lifestyle of a consumer. For example, when a consumer leads a healthy lifestyle, then the products he buys will relate to healthy alternatives to junk food.

### 3.10.1.5. Economic Factors

The consumer buying habits and decisions greatly depend on the economic situation of a country or a market. When a nation is prosperous, the economy is strong, which leads to the greater money supply in the market and higher purchasing power for consumers. When consumers experience a positive economic environment, they are more confident to spend on buying products.

Whereas, a weak economy reflects a struggling market that is impacted by unemployment and lower purchasing power.

Economic factors bear a significant influence on the buying decision of a consumer. Some of the important economic factors are:

#### i. Personal Income

When a person has a higher disposable income, the purchasing power increases simultaneously. Disposable income refers to the money that is left after spending towards the basic needs of a person.

When there is an increase in disposable income, it leads to higher expenditure on various items. But when the disposable income reduces, parallelly the spending on multiple items also reduced.

### ii. Family Income

Family income is the total income from all the members of a family. When more people are earning in the family, there is more income available for shopping basic needs and luxuries. Higher family income influences the people in the family to buy more. When there is a surplus income available for the family, the tendency is to buy more luxury items which otherwise a person might not have been able to buy.

## iii. Savings

A consumer is highly influenced by the amount of savings he/she wishes to set aside from his income. If a consumer decided to save more, then his expenditure on buying reduces. Whereas if a consumer is interested in saving more, then most of his income will go towards buying products.

#### 3.11 CONSUMER DECISION-MAKING PROCESS

Studying consumers' decision-making process helps advertisers finding a way to approach those consumers and how to influence their decision-making process. Consumers pass by a process in their decision making as following:

- 1. Problem recognition
- 2. Information search
- 3. Evaluation of Alternative
- 4. Purchase
- 5. Post-purchase satisfaction or dissatisfaction



This process shows the behaviour of a consumer while buying goods or services. Each of these stages reflects a different goal for the customer.

#### 3.11.1 Advertisement relation with consumer behaviour

Advertisement and consumer behaviour have a strong relation. The role of advertisement is to influence the consumer decision-making process and influence consumer decisions in all stages based on the marketing and advertising goals.

Advertisers use different channels to reach consumers at different times. They can use social media, television, radio, newspaper or even any printed material to appeal to the consumers. Each channel can have a different effect on consumers' behaviour based on the demographics and characteristics of the consumers. These different channels also have a different effect based on the consumer stage of decision making.

Advertisers also study consumers' behaviour not only to reach them but also to get their feedback and their reactions toward the sold products. By understanding these reactions, advertisers will be able to create more effective advertising for later campaigns and better targeting and message to the consumer.

## 3.11.2 Advertisement role in problem recognition

Problem Recognition phase of consumer decision making is the phase when the consumers realize their needs and look for satisfying these needs. The problem which creates the need and wants can be related to the human basic needs of food, water, shelter, clothing, sanitation, education, and healthcare. The problem usually realized by the consumer when they are dissatisfied by their current state in any of the basic needs. The problem can also be due to a seek of a higher level of satisfaction through a luxury wants.

Advertisers found that creating needs and wants is very useful especially with the innovative and new products in a market. An example of the advertisement in need and want creation is an advertisement role in transferring the concept of using a car as a way of transportation to be a better life need and a sign of social level. In this stage, the advertisers use both rational and irrational advertisements. The rational advertisement helps more in creating the needs of the advertised product while the irrational advertisement helps more in creating the wants.

#### 3.11.3 Advertisement role in information search

A consumer starts searching for information once a problem is perceived. The consumer's goal in this phase is to find all the required information to help in solving his problem. In this phase, advertisers focus on rational advertising to help consumers understand how the advertised products are serving their problems. Consumers in this stage are confused because of the many choices they see and comparing them to reach the best choice isn't an easy task. Advertisers target consumers through the informational advertisement to create a shortcut road to specific products. Advertisements can take place on TV, Radio, newspapers, any printed material or social media channels.

# 3.11.4 Advertisement role in evaluating alternatives

Evaluating alternatives and information search is like a continuous cycle stage in which a consumer keeps going forward and back between them before making the purchase decision. During evaluating alternatives phase of decision making, the consumer doesn't only compare how a product is satisfying his need against other products. Consumers usually have some other factors that take part in the comparing process, like a brand name or how the product would contribute to consumer social prominence. The psychological factors are usually attacked by irrational advertising. Through the irrational advertising, an advertiser will be able to form different other values than the core real value of a product or a service. A Nike shoe can be just something that protects your leg and makes you walk comfortably or can be a shoe that makes you look stylish in people's eyes. The previous example is showing the difference between the core value of a product and the irrational advertisement that a consumer can receive. The order winner in this phase is the advertiser who will manage to make his product to be superior over all the other products in the market. An advertiser role isn't only to show that his product is superior but also to convert all negative associations to a product to be a positive point. The advertiser should work on decreasing the uncertainty that a consumer has toward a specific product. That all makes transformational advertising plays an important role in the evaluation of alternatives stage.

# 3.11.5 Advertisement role in purchase decision

In the decision-making phase, a consumer shall have a well-defined idea about what exactly the product he wants to buy. This stage can be interrupted if the consumer received negative feedback through social media or a friend who has experience with such a product. Advertisers focus on this stage more on rational advertising to bring the core value on the table to persuade and influence the consumer purchase decision. They can also use the irrational advertisement here to make the wants have a higher power over the needs. Both transformational and informational advertisements can be utilized in this stage based on the message that the advertiser wants to deliver.

# 3.11.6 Advertisement role in post purchase

Post-purchase advertisement aims to build a relation and loyalty between a customer and a company. This advertisement can be just for promoting new relevant products, showing more information about a sold product to the consumer, or providing product care to the consumer. The advertisement role in this stage is also to collect feedback about a sold product and build a better communication channel, targeting message and customer experience. Informational advertising can be utilized in this stage to help in promoting new products or customer service. The transformational advertising can help in keeping the consumers loyal for a longer time to the product they bought and appeal them more to it.

## 3.12 EXAMPLES OF ADVERTISEMENTS

# 3.12.1 Burger King: Moldy Whopper

Burger king has one of the most exciting advertising examples. This company released a timelapse video to showcase its signature burger rotting over 34 days to prove it contains no artificial preservatives.

The idea of video was targeted at its long-time competitor, McDonald's, and the perception that its hamburgers have an excessive amount of preservatives.



# Is There Anything You Can Learn from This advertisement Example

Creativity, risk, and being comical are not always enough. Sometimes you should dare to target your competitors smartly and give your audience a good reason to opt for you.

# 3.12.2 Volkswagen: Think Small

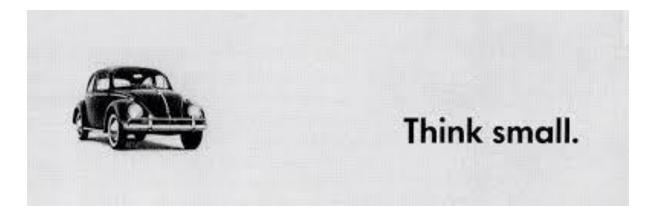
In 1960, an exceptional advertising and public relations firm was founded by Doyle Dane & Bernbach (DDB), which had one of the most successful ad campaigns of the twentieth century, as stated by Ad Age.

Among all ad campaign examples, the Think Small campaign focused on being modest, honest, and self-deprecating.

The biggest challenge in their campaign was to change the mind of their target audience, who believed the only superb vehicle was large.

Volkswagen manufactured a car that did not exceed 72 miles per hour, but it then proceeded to swing where it hit several benefits such as a decreased need for repairs and lower gas consumption.

This famous ad campaign paired with the VW label appealed to the American audience.



# Is There Anything You Can Learn from This advertisement Example

Do not hide your quality, your company, or your products and services. Consumers love authenticity and accessibility.

**CHAPTER 4** 

ANALYSIS AND INTERPRETATION OF DATA

Analysis of data is a process of inspecting, cleansing, transforming and modelling

data with the goal of discovering useful information, conclusions and supporting decision-

making. Data analysis is a process for obtaining raw data and converting it into information

useful for decision-making by users. Data are collected and analysed to answer questions, test

hypothesis, or disprove theories.

Statistician john turkey defined data analysis in 1961 as: "Procedures for

analysing data, techniques for interpreting the results of such procedures, ways of planning the

gathering of data to make its analysis easier, more precise, or more accurate, and all the

machinery and results of statistics which apply to analysing data."

The following tools were used:

1. Simple Percentage Method

2. Rank Analysis

3. Chi square analysis

4.1 SIMPLE PERCENTAGE METHOD

Percentage method refers to the specific kind which is used in making comparison

between two or more series of data collected. Percentage is based on descriptive relationship.

It compares the relative items. Through the use of percentage, the data are reduced in the form

with base equal to 100%, which facilitate relative comparison.

Formula:

Percentage = (No of respondents/Total no of respondents) \* 100

4.2 RANK ANALYSIS

Ranking is a dating among a fixed of gadgets such that, for any objects, the primary

is either "ranked higher than", "ranked lower than", or "ranked identical to" the second. In

arithmetic, this is referred to as a weak order or total reorder of items. It is not necessarily a

total order of objects due to the fact two unique objects may have the identical ranking. The

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ratings themselves are absolutely ordered. As an example, materials are absolutely reordered by using hardness, even as stages of hardness are absolutely ordered. If objects are the equal in rank it's far considered a tie. By lowering precise measures to a chain of ordinal numbers, ranking make it feasible to evaluate complex statistics in line with certain criteria. Therefore, for example, an internet seek engine may also rank the pages it finds consistent with an estimation of their relevance; making it possible for the user quick to choose the pages they're in all likelihood to want to look. Analysis of records acquired via rating typically calls for non-parametric facts.

# 4.3 CHI SQUARE ANALYSIS

The chi square analysis is commonly used for testing relationships between categorical variables. The null hypothesis of the chi-square test is that no relationship exists on the categorical variables in the population; they are independent. There are several important considerations when using the chi-square analysis to evaluate a crosstabulation. Because of how the chi-square value is calculated, it is extremely sensitive to sample size. This can be addressed by always using categorical variables with a limited number of categories.

#### Formula:

CHI-SQUARE VALUE ( $\Sigma$ )= (OBSERVED VALUE – EXPECTED VALUE) ^2

EXPECTED VALUE

EXPECTED VALUE = ROWS TOTAL \* COLUMN TOTAL

GRAND TOTAL

**DEGREE OF FREEDM** = (ROW - 1) \* (COLUMN - 1)

# 4.1 SIMPLE PERCENTAGE ANALYSIS

Table 4.1.1

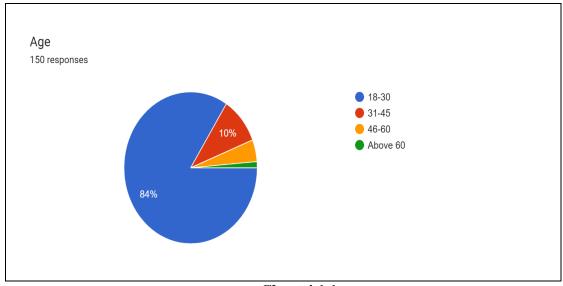
Table showing age of the respondents

Age	Frequency	Percentage
18-30	126	84
31-45	15	10
46-60	7	4.7
Above 60	2	1.3
Total	150	100

**SOURCE:** Primary data

## **INTERPRETATION:**

The above table showing 84% of respondents fall under the age group of 18-30, 10% of respondents fall under the age group of 31-45, 4.7% of respondents fall under the age group of 46-60, 1.3% of respondents are above 60.



**Chart 4.1.1** 

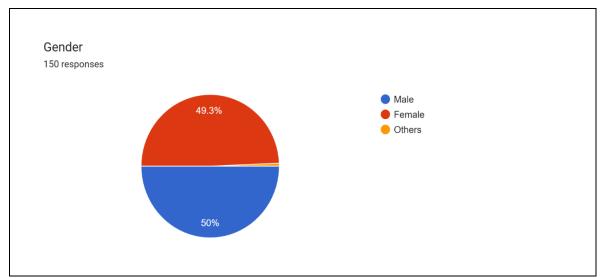
Table 4.1.2

Table showing gender of the respondents

Gender	Frequency	Percentage
Male	75	50
Female	74	49.3
Others	1	0.7
Total	150	100

## **INTERPRETATION:**

The above table indicates that 50% of the respondents are male, 49.3% of the respondents are female, 1.7% of the respondents are others.



**Chart 4.1.2** 

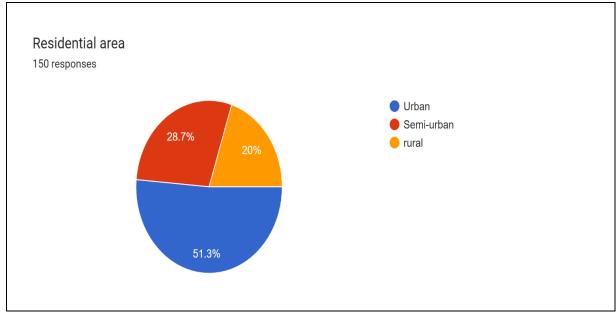
Table 4.1.3

Table showing the residential status of the respondents

Residential area	Frequency	Percentage
Urban	77	51.3
Semi-urban	43	28.7
Rural	30	20
Total	150	100

## **INTERPRETATION:**

The above table showing 51.3% of the respondents are from urban ,28.7% of the respondents are from semi-urban, 20% of the respondents are from rural.



**Chart 4.1.3** 

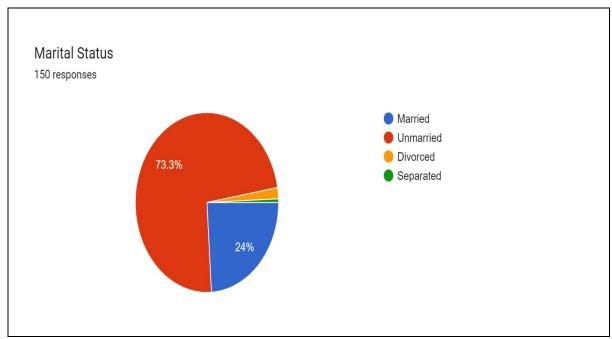
Table 4.1.4

Table showing marital status of the respondents

Marital status	Frequency	Percentage
Married	36	24
Unmarried	110	73.3
Divorced	3	2
Separated	1	0.7
Total	150	100

## **INTERPRETATION:**

The above table showing 73.3% of the respondents are unmarried, 24% of the respondents are married, 2% of the respondents are divorced, and 0.7% of the respondents are separated.



**Chart 4.1.4** 

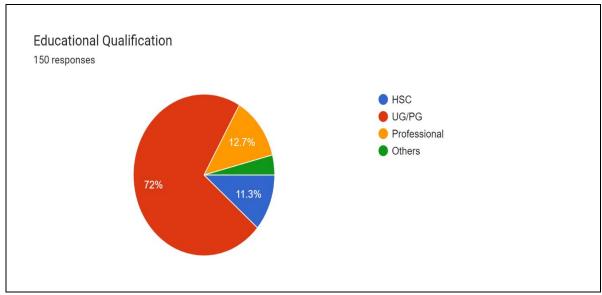
Table 4.1.5

Table showing educational qualification of the respondents

Educational qualification	Frequency	Percentage
HSC	17	11.3
UG/PG	108	72
Professional	19	12.7
Others	6	4
Total	150	100

## **INTERPRETATION:**

The above table showing 72% of the respondent's educational qualification is UG/PG, 12.7% of the respondents are professionals, 11.3% of the respondent's educational qualification is HSC, 4% of the respondents have other educational qualification.



**Chart 4.1.5** 

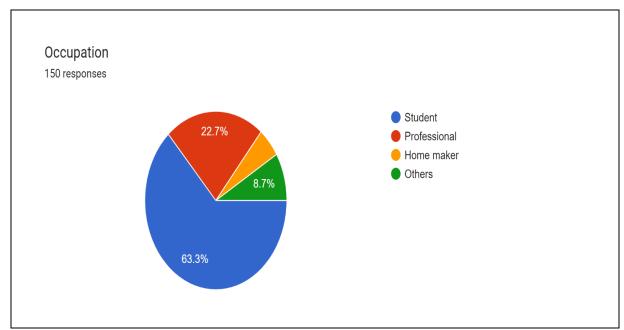
Table 4.1.6

Table showing occupation of the respondents

Occupation	Frequency	Percentage
Student	95	63.3
Professionals	34	22.7
Home maker	8	5.3
Others	13	8.7
Total	150	100

## **INTERPRETATION:**

The above table showing 63.3% of the respondents are students, 22.7% of the respondents are professionals, 8.7% of the respondents are others, and 5.3% of the respondents are home maker.



**Chart 4.1.6** 

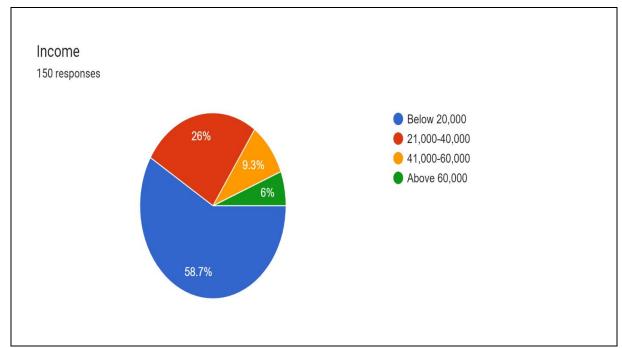
Table 4.1.7

Table showing the income of the responders

Income	Frequency	percentage
Below 20,000	88	58.7
21,000-40,000	39	26
41,000-60,000	14	9.3
Above 60,000	9	6
Total	150	100

## **INTERPRETATION:**

The above table showing 58.7% of the respondent's income is below 20,000, 26% of the respondent's income is 20,000-40,000, 9.3% of the respondent's income is 40,000-60,000, and 6% of the respondent's income is above 60,000.



**Chart 4.1.7** 

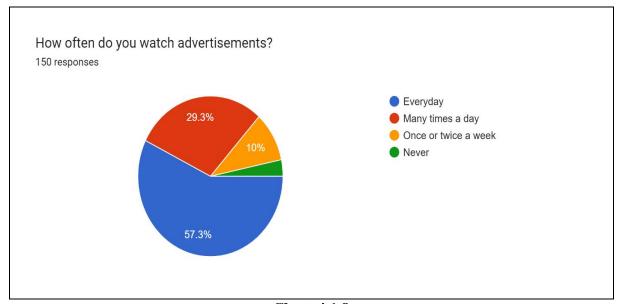
Table 4.1.8

Table showing frequency of watching advertisements

Particulars	Frequency	Percentage
Everyday	86	57.3
Many times, a day	44	29.3
Once or twice a week	15	10
Never	5	3.3
Total	150	100

#### **INTERPRETATION:**

The above table showing 57.3% of respondents watch advertisements every day, 29.3% of respondents watch advertisements many times a day, 10% of respondents watch advertisements once or twice a week, 3.3% of respondents never watch advertisements.



**Chart 4.1.8** 

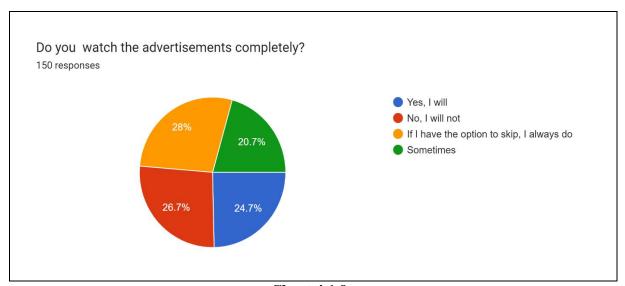
Table 4.1.9

Table showing classification of respondents based on watching advertisements completely

Particulars	Frequency	Percentage
Yes, I will	37	24.7
No, I will not	40	26.7
If I have the option to skip, I always do	42	28
Sometimes	31	20.7
Total	150	100

# **INTERPRETATION:**

The above table showing 28% of respondents skip the advertisements if they have the option to do so, 26.7% of respondents will not watch the advertisements till end, 24.7% of respondents watch the advertisements completely, 20.7% of respondents sometimes watch the advertisements completely.



**Chart 4.1.9** 

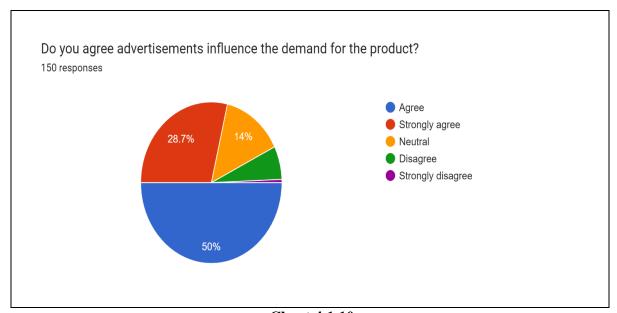
Table 4.1.10

Table showing the effect of advertisements on demand of products

Particulars	Frequency	Percentage
Agree	75	50
Strongly agree	43	28.7
Neutral	21	14
Disagree	10	6.7
Strongly disagree	1	0.7
Total	150	100

## **INTERPRETATION:**

The above table showing that most of the respondents (50%) agree that advertisements influence the demand for the products, and least respondents (0.7%) strongly disagree the statement.



**Chart 4.1.10** 

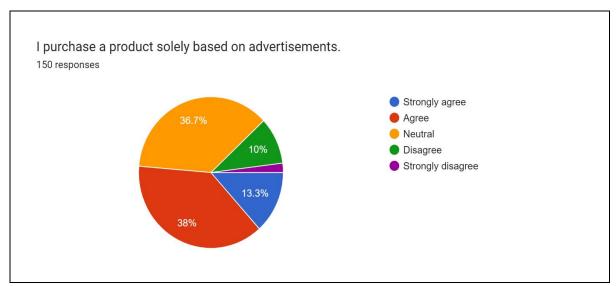
Table 4.1.11

Table showing purchase based on advertisements

Particulars	Frequency	Percentage
Strongly Agree	20	13.3
Agree	57	38
Neutral	55	36.7
Disagree	15	10
Strongly disagree	3	2
Total	150	100

## **INTERPRETATION:**

The above table showing 38% of respondents agree that consumers make purchase solely based on the advertisements, and least 2% of respondents strongly disagree the statement.



**Chart 4.1.11** 

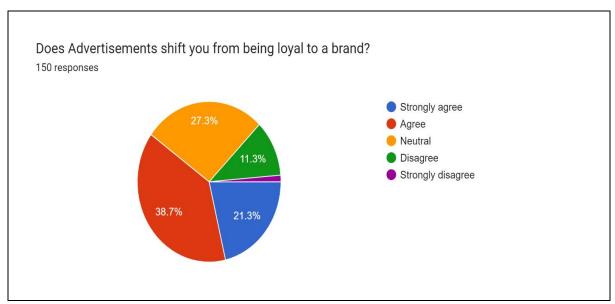
Table 4.1.12

Table showing shifting from brand loyalty

Particulars	Frequency	Percentage
Strongly Agree	32	21.3
Agree	58	38.7
Neutral	41	27.3
Disagree	17	11.3
Strongly disagree	2	1.3
Total	150	100

## **INTERPRETATION:**

The above table showing 38.7% of respondents agree that advertisement shifts the consumers from being loyal to brand and least 1.3% of respondents strongly disagree the statement.



**Chart 4.1.12** 

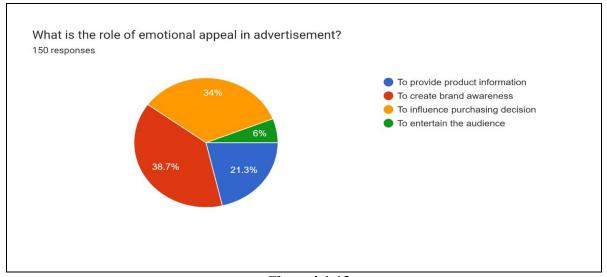
Table 4.1.13

Table showing role of emotional appeal in advertisements

32 58	21.3
58	38.7
58	38.7
51	34
9	6
150	100
	9

# **INTERPRETATION:**

The above table showing 38.7% of respondent's perception is that the role of emotional appeal in advertisements is to create brand awareness, 34% is to influence purchasing decision, 21.3% is to provide product information, 6% is to entertain the audience.



**Chart 4.1.13** 

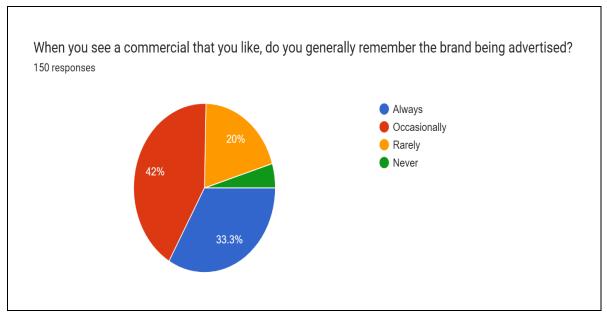
Table 4.1.14

Table showing frequency of remembering the brand being advertised

Particulars	Frequency	Percentage
Always	50	33.3
Occasionally	63	42
Rarely	30	20
Never	7	4.7
Total	150	100

#### **INTERPRETATION:**

The above table showing 42% of respondents occasionally remember the brand being advertised, 33.3 % of respondents always remember the brand being advertised, 20% of respondents rarely remember the brand being advertised, and 4.7% of respondents never remember the brand being advertised.



**Chart 4.1.14** 

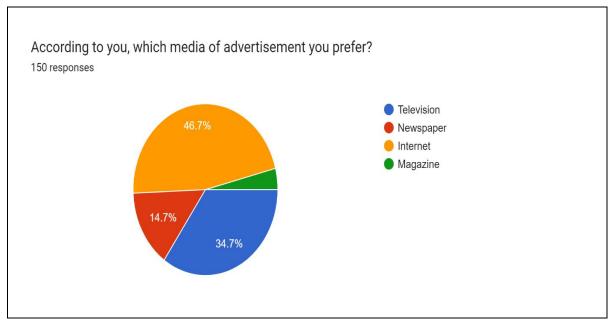
Table 4.1.15

Table showing media of advertisements

Particulars	Frequency	Percentage
Television	52	34.7
Newspaper	22	14.7
Internet	70	46.7
Magazine	6	4
Total	150	100

## **INTERPRETATION:**

The above table showing 46.7% of respondents prefer internet as best media of advertisements, 34.7% of respondents prefer television, 14.7% of respondents prefer newspaper, 4% of respondents prefer magazine as best media of advertisements.



**Chart 4.1.15** 

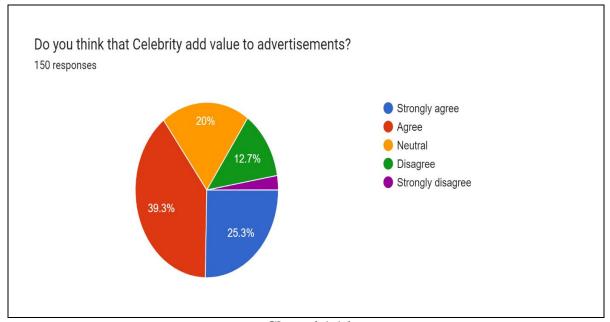
Table 4.1.16

Table showing celebrity value in advertisements

Particulars	Frequency	Percentage
Strongly Agree	38	25.3
Agree	59	39.3
Neutral	30	20
Disagree	19	12.7
Strongly disagree	38	25.3
Total	150	100

#### **INTERPRETATION:**

The above table showing most of respondents (39.3%) agree that celebrity add value to advertisements, and least (12.7) respondents disagree with the statement.



**Chart 4.1.16** 

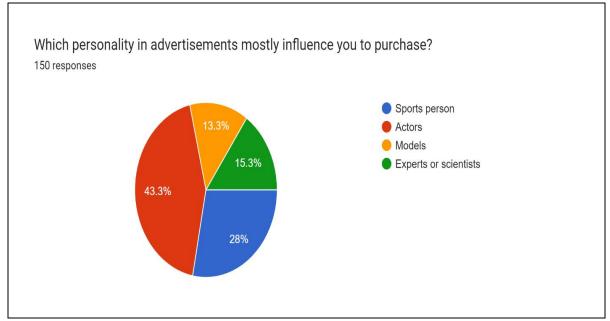
Table 4.1.17

Table showing most influencing personality in advertisements

Particulars	Frequency	Percentage
Sports person	42	28
Actors	65	43.3
Models	20	13.3
Experts or scientists	23	15.3
Total	150	100

## **INTERPRETATION:**

The above table showing 43.3% of respondents are influenced by actors, 28% of respondents are influenced by sports person, 15.3% of respondents are influenced by experts and scientists, 13.3% of respondents are influenced by models to make purchases based on advertisements.



**Chart 4.1.17** 

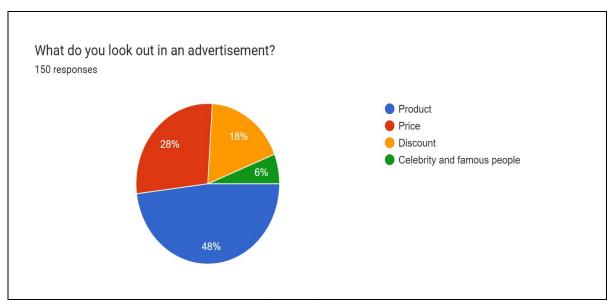
Table 4.1.18

Table showing information's looked out from advertisements

Particulars	Frequency	Percentage
Product	72	48
Price	42	28
Discount	27	18
Celebrity and famous people	9	6
Total	150	100

## **INTERPRETATION:**

The above table showing 48% of respondents look out for products in advertisements, 28% of respondents look out for price in advertisements, 18% of respondents look out for discounts in advertisements, 6% of respondents look out for celebrity and famous people in advertisements.



**Chart 4.1.18** 

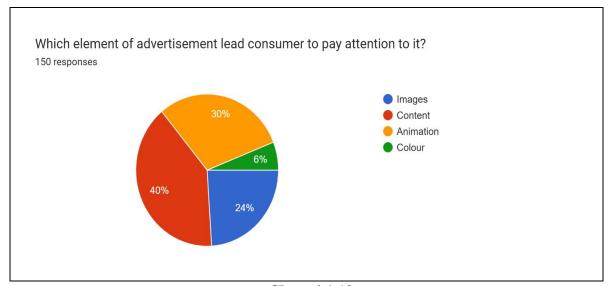
Table 4.1.19

Table showing element of advertisements leading consumers to pay attention to it

Particulars	Frequency	Percentage
Images	36	24
Content	60	40
Animation	45	30
Colour	9	6
Total	150	100

#### **INTERPRETATION:**

The above table showing 40% of respondents pay attention to content in the advertisements, 30% of respondents pay attention because of animation in the advertisements, 24% of respondents pay attention to images shown in the advertisements, and least 6% of respondents attracted to colours in the advertisements.



**Chart 4.1.19** 

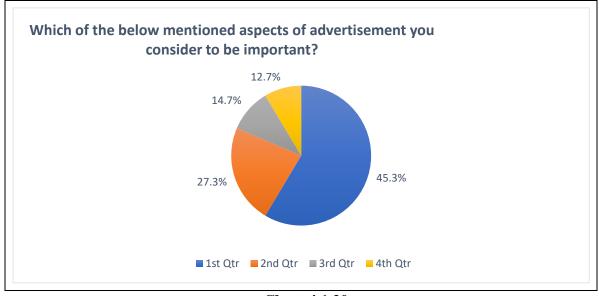
Table 4.1.20

Table showing important aspect of advertisements

Particulars	Frequency	Percentage
Information about price	41	27.3
Usage information	68	45.3
Expert opinion	19	12.7
Personalizing the brand	22	14.7
Total	150	100

#### **INTERPRETATION:**

The above table showing 45.3% of respondents consider usage information as the important aspect of advertisement, 27.3% of respondents consider information about price as the important aspect of advertisement, 14.7% of respondents consider personalizing the brand as the important aspect of advertisement, and least 12.7% of respondents consider expert opinion as the important aspect of advertisement.



**Chart 4.1.20** 

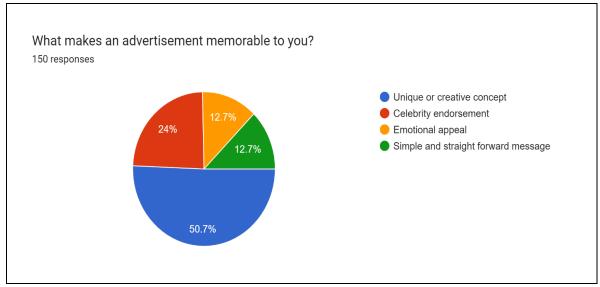
Table 4.1.21

Table showing attributes making advertisements memorable

Particulars	Frequency	Percentage
Unique or creative concept	76	50.7
Celebrity endorsement	36	24
Emotional appeal	19	12.7
Simple and straight forward message	19	12.7
Total	150	100

#### **INTERPRETATION:**

The above table showing 50.7% of respondents consider unique and creative concept makes the advertisement more memorable, and 12.7% of respondents consider emotional appeal and simple and straight forward message makes the advertisements less memorable.



**Chart 4.1.21** 

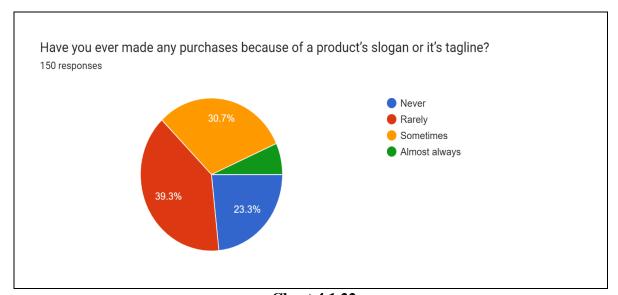
Table 4.1.22

Table showing purchases made because of product's slogan or it's tag line

Particulars	Frequency	Percentage
Never	35	23.3
Rarely	59	39.3
Sometimes	46	30.7
Almost always	10	6.7
Total	150	100

## **INTERPRETATION:**

The above table showing 39.3% of respondents rarely make purchases because of its slogan or tag line and least 6.7% of respondents always make purchases because of its slogan and its tag line.



**Chart 4.1.22** 

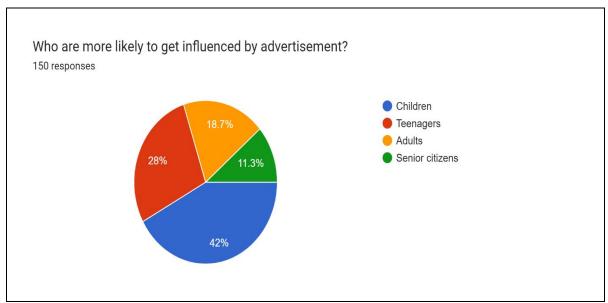
Table 4.1.23

Table showing category of consumers influenced by advertisements

Particulars	Frequency	Percentage
Children	63	42
Teenagers	42	28
Adults	28	18.7
Senior citizens	17	11.3
Total	150	100

## **INTERPRETATION:**

The above table showing 42% of children are more likely influenced by advertisements, 28% of teenagers are influenced by advertisements, 18.7% of adults are influenced by advertisements, 11.3% of senior citizens are influenced by advertisements.



**Chart 4.1.23** 

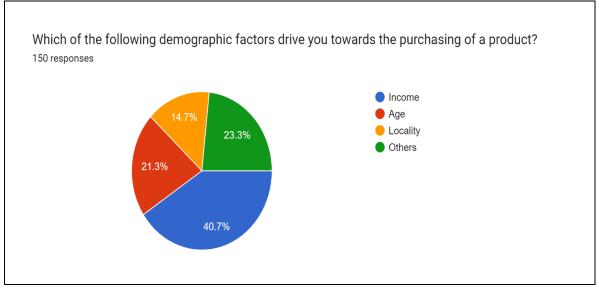
Table 4.1.24

Table showing demographic factors affecting purchasing behaviour of consumers

Particulars	Frequency	Percentage
Income	61	40.7
Age	32	21.3
Locality	22	14.7
Others	35	23.3
Total	150	100

## **INTERPRETATION:**

The above table showing 40.7% of respondent's purchasing behaviour is affected by income of consumers, 23.3% of respondents are affected by other demographic factors, 21.3% of respondents are affected by age, 14.7% are affected by location.



**Chart 4.1.24** 

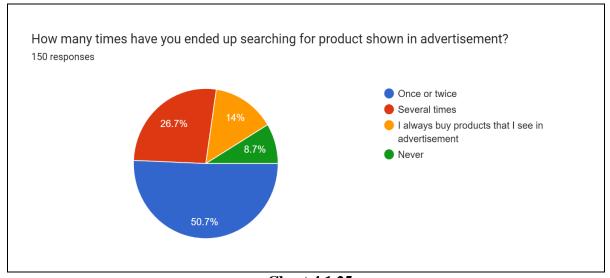
Table 4.1.25

Table showing frequency on searching for product shown in advertisement

Particulars	Frequency	Percentage
Once or twice	76	50.7
Several times	40	26.7
I always buy products that I see in advertisements	21	14
Never	13	8.7
Total	150	100

## **INTERPRETATION:**

The above table showing 50.7% of respondents had ended up searching for products shown in advertisements, and least 8.7% of respondents had never searched for products shown in advertisements.



**Chart 4.1.25** 

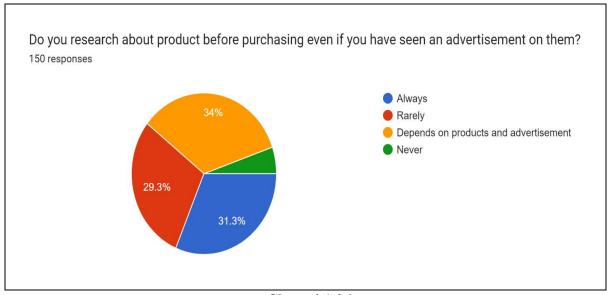
Table 4.1.26

Table showing consumers behaviour on research about products shown in advertisements

Particulars	Frequency	Percentage
Always	47	31.3
Rarely	44	29.3
Depends on products and advertisement	51	34
Never	8	5.3
Total	150	100

#### **INTERPRETATION:**

The above table showing 34% of respondent's behaviour may depend on the products being advertised, 31.3% of respondents always make research about the products before purchasing and least 5.3% of respondents never make research about the products before making a purchase.



**Chart 4.1.26** 

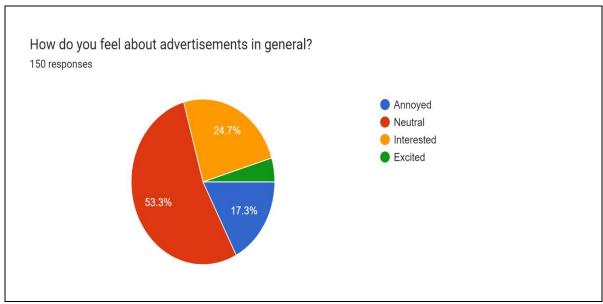
Table 4.1.27

Table showing opinion about advertisement

Particulars	Frequency	Percentage
Annoyed	26	17.3
Neutral	80	53.3
Interested	37	24.7
Excited	7	4.7
Total	150	100

## **INTERPRETATION:**

The above table showing 53.3% of respondents feel neutral about the advertisements being advertised, 24.7% of respondents feels interested about the advertisements being advertised, 17.3% of respondents feels annoyed about the advertisements being advertised, 4.7% of respondents feels excited about the advertisements being advertised.



**Chart 4.1.27** 

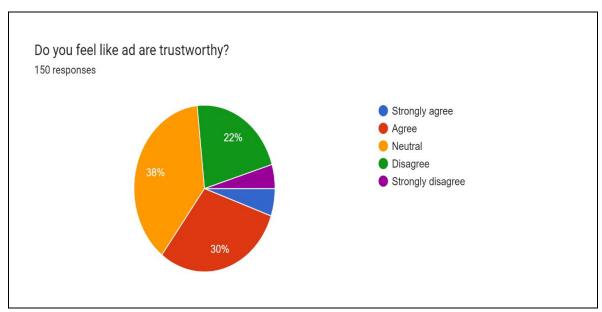
Table 4.1.28

Table showing advertisements are trustworthy

Particulars	Frequency	Percentage
Strongly Agree	8	5.3
Agree	45	30
Neutral	57	38
Disagree	33	22
Strongly disagree	7	4.7
Total	150	100

## **INTERPRETATION:**

The above table showing 38% of respondents feel neutral about trustworthiness of advertisements, and least 4.7% of respondents strongly disagree for the statement.



**Chart 4.1.28** 

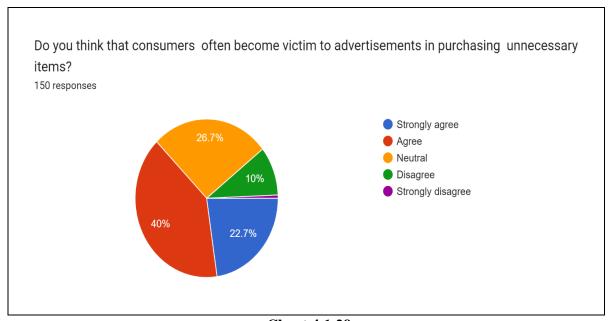
Table 4.1.29

Table showing consumers become victims to advertisement

Particulars	Frequency	Percentage
Strongly Agree	34	22.7
Agree	60	40
Neutral	40	26.7
Disagree	15	10
Strongly disagree	1	0.7
Total	150	100

## **INTERPRETATION:**

The above table showing 40% of respondents agree that consumers often become victims to the advertisements, and least 0.7% of respondents strongly disagree with the statement.



**Chart 4.1.29** 

Table 4.1.30

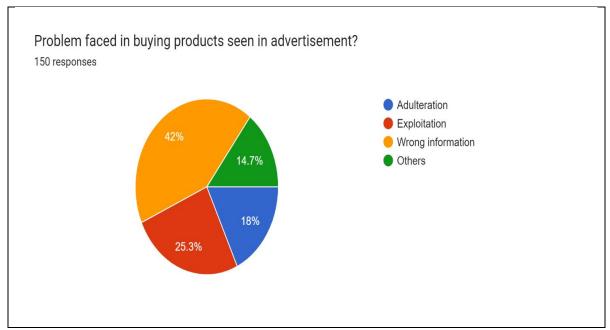
Table showing problems faced by consumers

Particulars	Frequency	Percentage
Adulteration	27	18
Exploitation	38	25.3
Wrong information	63	42
Others	22	14.7
Total	150	100

**SOURCE:** Primary data

#### **INTERPRETATION:**

The above table showing 42% of respondents find the information provided in advertisement to be wrong, 25.3% of respondents feel being exploited by advertisements, 18% of respondents feel products are adulterated, 14.7% of respondents had faced other related problems.



**Chart 4.1.30** 

#### **4.2 RANK ANALYSIS**

Table 4.2.1

Table showing the purpose of advertisement

Purpose	R1	R2	R3	R4	R5	Total	Rank
To inform customers about product and service	41	36	30	24	19	394	5
To persuade customers to buy product or service	19	47	41	34	9	427	4
To create brand awareness	25	26	54	34	11	430	3
To build company's image	30	25	35	47	13	438	2
To increase sales	34	23	26	32	35	461	1

#### **INTERPRETATION:**

The above table depicts that advertisements are predominantly done to increase the sales followed by the company's aim to create an image, then to create brand awareness, then to persuade customers to buy products and services, and finally to inform customers about the products and services.

Table 4.2.2

Table showing the industry advertisement according to consumer preference

Industry	R1	R2	R3	R4	R5	R6	Total	Rank
Food	50	20	30	23	7	20	427	5
Education	25	52	35	20	12	6	410	6
Clothing	24	26	48	31	10	11	460	4
Cosmetics	27	18	47	41	6	11	464	3
Medical	25	31	39	22	24	9	466	2
Electronic goods	29	24	34	23	12	28	499	1

#### **INTERPRETATION:**

The above table depicts that majority of respondents prefer advertisements on electronic goods, followed by medical, cosmetics, clothing, education, and food.

#### **4.3 CHI SQUARE**

**Table 4.3.1** 

# Table showing relationship between educational qualification and important information from advertisement

#### **HYPOTHESIS:**

 $H_0$ : There is no significant relationship between educational qualification of the respondents and important aspect of advertisement.

 $\mathbf{H_{1}}$ : There is a significant relationship between educational qualification of the respondents and important aspect of advertisement.

	Im	Important aspect of advertisement				
Educational qualification	Information about price	Usage information	Expert opinion	Personalizing the brand	Total	
HSC	5	7	3	2	17	
UG/PG	30	51	13	14	108	
Professional	4	8	2	5	19	
Others	2	2	1	1	6	
Total	41	68	19	22	150	

#### Calculation of $X^2$

О	E	(O-E)	(O-E) <sup>2</sup>
5	4.64	0.36	0.1296
30	29.52	0.48	0.2304
4	5.19	-1.19	1.4161

2	1.64	0.36	0.1296
7	7.7	-0.7	0.49
51	48.96	2.04	4.1616
8	8.61	-0.61	0.3721
2	2.72	-0.72	0.5184
3	2.15	0.85	0.7225
13	13.68	-0.68	0.4624
2	2.4	-0.4	0.16
1	0.76	0.24	0.0576
2	2.49	-0.49	0.2401
14	15.84	-1.84	3.3856
5	2.78	2.22	4.9284
1	0.88	0.12	0.0144
150	149.96	0.04	17.4188

### CHI-SQUARE VALUE ( $\Sigma$ )= (OBSERVED VALUE – EXPECTED VALUE)<sup>2</sup> **EXPECTED VALUE**

=17.4188/149.96

=0.116

**DEGREE OF FREEDM** = (ROW - 1) \* (COLUMN - 1)

= (4-1) \* (4-1)

= 3\*3

= 9

CALCULATED VALUE  $x^2 = 0.116$  TABLE VALUE =16.919

Level of significance = 5% or 0.05

Degree of freedom = 9

Chi-square value  $x^2 = 0.116$ 

Table value = 16.919

#### **INTERPRETATION:**

In the above analysis, the calculated value (0.116) is less than the value (16.919) at the level of 5% significance. Hence, null hypothesis is accepted by rejecting the alternative hypothesis, thus there is no significant relationship between educational qualification and important aspect of advertisement.

#### **CHAPTER-5**

#### FINDINGS, SUGGESTIONS AND CONCLUSIONS

#### **5.1 FINDINGS**

#### 5.1.1 PERCENTAGE ANALYSIS

- ➤ 84% of the respondents fall under the age group of 18-30.
- > 50% of the respondents are male.
- > 51.3% of the respondents are from urban areas.
- > 73.3% of the respondents are unmarried.
- > 72% of the respondent's educational qualification in UG/PG.
- ➤ 63.3% of the respondents are students.
- ➤ 58.7% of the respondents fall under the income level of below 20,000.
- > 57.3% of the respondents watch advertisements every day.
- ➤ 28% of the respondents skip the advertisements if they have the option to do so.
- > 50% of the respondents agree that advertisement affect the demand for the product.
- ➤ 38% of the respondents agree that they purchase based on the advertisements.
- ➤ 38.7% of the respondents agree that advertisements may result in shifting brand loyalty.
- ➤ 38.7% of the respondents feel that the role of emotional appeal in advertisements is to influence the purchasing decision.
- ➤ 42% of the respondents occasionally remembers the brand being advertised.
- ➤ 46.7% of the respondents find internet as a best media of advertisements.
- ➤ 39.3% of the respondents agree that celebrity add value to the advertisements.
- ➤ 43.3% of the respondents find actors as the most influencing personality in advertisements.
- > 48% of the respondents look out for product information in advertisements.
- ➤ 40% of the respondents feel content as an important element of advertisements leading consumers to pay attention to it.
- ➤ 45.3% of the respondents think that usage information is most important aspect of advertisements.
- ➤ 50.7% of the respondents think that unique or creative concept makes the advertisements more memorable.
- ➤ 39.3% of the respondents rarely make purchases based on the tagline or slogan of the product being advertised.
- ➤ 42% of the respondents find that children are most likely influenced by advertisements.

- ➤ 40.7% of the respondents reveal income as the demographic factor affecting the purchasing behaviour of consumers.
- > 50.7% of the respondents ended up in searching for products shown in advertisements.
- ➤ 34% of the respondent's behaviour on researching the product before purchasing may depend upon the product being advertised.
- > 53.3% of the respondents have neutral opinion about advertisements.
- > 38% of the respondents have neutral opinion on trustworthiness of advertisements.
- ➤ 40% of the respondents agree that often consumers become victims to advertisements.
- ➤ 42% of the respondents face the wrong information as the problem of purchasing the products being advertised.

#### **5.1.2 RANK ANALYSIS**

- ➤ The study indicates that the main purpose of advertisements is to increase sales.
- > The study depicts that the respondents prefer advertisements on electronic goods.

#### **5.1.3 CHI SQUARE ANALYSIS**

➤ In the analysis, null hypothesis is accepted, thus there is no significant relationship between educational qualification and important aspect of advertisement.

#### **5.2 SUGGESTIONS**

- ➤ To give attention on the weak media of advertisement so that the consumers come to know about the product.
- Advertisements should be attractive and provide clear content to maximize consumer interest on advertisements.
- ➤ Whatever the medium is selected, advertisements should be ethical and truthful.
- Advertisements can focus on all age category of people.
- Advertisements can be made as short as possible to be effective.

#### **5.3 CONCLUSION**

This study clearly indicated that advertisements have a significant impact on consumers buying behaviour by attracting their attention, creating desire for products, and finally make them decide to purchase the products. Advertisements create awareness of products by providing the information about product's benefits, price, ingredients, product names, product colors and attract more buyers. Selecting proper media of advertisement could help in building a good image of the product and increase the market share. People generally don't buy products with their emotions, they buy a product a product after having a proper knowledge about the product instead, and a proper advertisement can create good perception in the consumer's minds which ultimately influence the purchasing behaviour of consumers.

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#### **ANNEXURE**

# A STUDY ON THE EFFECT OF ADVERTISEMENTS ON THE PURCHASING BEHAVIOUR OF CONSUMERS WITH REFERENCE TO COIMBATORE CITY

#### 1. Age:

- a. 18-30
- b. 31-45
- c. 46-60
- d. Above 60

#### 2. Gender:

- a. Male
- b. Female
- c. Others

#### 3. Residential area:

- a. Urban
- b. Semi-urban
- c. rural

#### 4. Marital Status:

- a. Married
- b. Unmarried
- c. Divorced
- d. Separated

#### 5. Educational Qualification:

- a. HSC
- b. UG/PG
- c. Professional
- d. Others

#### 6. Occupation:

- a. Student
- b. Professional
- c. Home maker

#### d. Others

#### 7. Income:

- a. Below 20,000
- b. 21,000-40,000
- c. 41,000-60,000
- d. Above 60,000

#### 8. How often do you watch advertisements?

- a. Everyday
- b. Many times a day
- c. Once or twice a week
- d. Never

#### 9. Do you watch the advertisements completely?

- a. Yes, I will
- b. No, I will not
- c. If I have the option to skip, I always do
- d. Sometimes

#### 10. Do you agree advertisements influence the demand for the product?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

#### 11. I purchase a product solely based on advertisements?

- a. Strongly Agree
- b. agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

#### 12. Does Advertisements shift you from being loyal to a brand?

- a. Strongly Agree
- b. agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

### 13. According to you, how would you rank the following based on the purpose of advertisements?

- a. To inform customers about product and service
- b. To persuade customers to buy product or service
- c. To create brand awareness
- d. To build company's image
- e. To increase sales

#### 14. What is the role of emotional appeal in advertisement?

- a. To provide product information
- b. To create brand awareness
- c. To influence purchasing decision
- d. To entertain the audience

### 15. When you see a commercial that you like, do you generally remember the brand being advertised?

- a. Always
- b. Occasionally
- c. Rarely
- d. Never

#### 16. According to you, which media of advertisement you prefer?

- a. Television
- b. Newspaper
- c. Internet
- d. Magazine

#### 17. Do you think that Celebrity adds value to advertisements?

- a. Strongly Agree
- b. agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

#### 18. Which personality in advertisements mostly influence you to purchase?

- a. Sports person
- b. Actors
- c. Models
- d. Experts or scientists

10 What	do vou look out in an advertigement?
	do you look out in an advertisement?  Product
a.	
	Price
	Discount
d.	Celebrity and famous people
20. Rank	the following industry advertisement according to your preference.
a.	Food
b.	Education
c.	clothing
d.	Cosmetics
e.	Medical
f.	Electronic goods
21. Which	n element of advertisement lead consumer to pay attention to it?
a.	Images
b.	Content
c.	Animation
d.	Colour
22. Which	n of the below mentioned aspects of advertisement you consider to be
impor	tant?
a.	Information about price
b.	Usage information
c.	Expert opinion
d.	Personalizing the brand
<b>23.</b> What	makes an advertisement memorable to you?
a.	Unique or creative concept
b.	Celebrity endorsement
c.	Emotional appeal

### d. Simple and straight forward message

- a. Never
- b. Rarely
- c. Sometimes
- d. Almost always

24. Have you ever made any purchases because of a product's slogan or it's tagline?

25. Who are more likely to get influenced by advertisement?					
a.	Children				
b.	Teenagers				
c.	Adults				
d.	Senior citizens				
26. Which	of the following demographic factors drive you toward				

### 26. Which of the following demographic factors drive you towards the purchasing of a product?

- a. Income
- b. Age
- c. Locality
- d. Others

### 27. How many times have you ended up searching for product shown in advertisement?

- a. Once or twice
- b. Several times
- c. I always buy products that I see in advertisement
- d. Never

### 28. Do you research about product before purchasing even if you have seen an advertisement on them?

- a. Always
- b. Rarely
- c. Depends on products and advertisement
- d. Never

#### 29. How do you feel about advertisements in general?

- a. Annoyed
- b. Neutral
- c. Interested
- d. Excited

#### 30. Do you feel like ad are trustworthy?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

## 31. Consumers can often become victims to advertisement in the purchase of in necessary items?

- a. Strongly Agree
- b. agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

#### 32. Problem faced in buying products seen in advertisement?

- a. Adulteration
- b. Exploitation
- c. Wrong information
- d. Others

#### 33. Suggestions: