

THE IMPACT OF ADVERTISEMENTS ON CONSUMER BEHAVIOR

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Abstract:

Advertisements assist consumers in becoming acquainted with the product and the brand as a whole. Most advertisements do not create an instant purchase decision but leave an impression in the consumer's mind about the brand. This impact helps the consumer make better purchase decisions in the future. In this project, we will investigate the effects of advertisements by statistically assessing them in light of the actions and viewpoints of particular consumers. Also we tried to understand the most effective mediums that help display advertisements. We analysed here whether educational ads can challenge and trigger a shift in societal norms and whether the mode of advertisement has any impact on purchasing behavior

Keywords: Digital advertisements, consumer behavior, ad platforms, Test for proportions, Chi-square test

Introduction:

In today's rapidly advancing digital reality, earning user commitment and purchases involves more than clever branding and far-reaching media. People are overwhelmed with advertisements. To encourage user engagement, brands must provide users with individually curated and valuable content on popular platforms. The advertisement industry involves personalized experiences which make brands closer to consumers. But at what cost?

Advertisements disseminate information regarding government schemes and policies, sanitation, empowerment, etc. Additionally, they inculcate in consumers a sense of quality consciousness and make us more informed as a society. However, since the internet became the mainstay, advertisements have split into two categories- traditional advertising and digital advertising. Traditional forms of advertising including billboards, newspapers, and magazines are progressively being replaced by online advertisements. Although it is indisputable that traditional commercials are based on prevailing fashions and consumer demand, online advertisements have fundamentally changed the information and communication technology sphere, causing "targeted advertising" to permeate the majority of technological fields. Businesses are rapidly creating the technological tools necessary to gather information about web users. Internet service providers can immediately display advertisements that are relevant to the consumer's tastes by tracking and monitoring the websites that we frequent. It can be argued that this violates our privacy.

Companies harvest the data they acquire based on our searches and whereabouts on the internet and capitalize on a consumer's insecurities to market their product. For example, companies frequently use celebrities to sell their services to create inflated standards of life. Since technology virtually surrounds us all the time, impressionable minds are constantly being bombarded with

commercials. We must understand how advertisements can sway public opinion so we can cultivate a healthy attitude toward consuming and processing these advertisements.

In a study conducted by Fatima, S., & Lodhi, S. (2015). *Impact of Advertisement on Buying Behaviours of the Consumers: Study of Cosmetic Industry in Karachi City* revealed that advertisements are very useful in creating awareness among people but they fail to build strong perceptions in the mind of consumers. Both of these variables such as consumer awareness and consumer perceptions motivate the consumer to buy a certain product, as there is a positive relationship present between them. A study on *Analyzing the Memory Impact of Advertising Fragments* by Michel Tuan Pham and Marc Vanhuele published in the 'Marketing Letters' has been referred to. This paper aims at showing that a key effect of advertising fragments is to revive established brand associations, even though these associations are not explicitly communicated. Using a reaction-time-based procedure, the results show that a key consequence of advertising fragments is to reawaken long-standing brand connections, even when these associations are not explicitly expressed this reactivation takes place when these names receive both non- focal attention and focal attention.

In a paper on "Digital Media: Rise of Online content to make a Digital India" published in the *International Journal of All Research Education and Scientific Methods* (2021) the impacts of digital technology to create a physical and digital space in the media sector as well as hurdles or difficulties for the public are introduced.

Objectives: To analyse whether educational ads can challenge and trigger a shift in societal norms, to analyse whether the platform of viewing ads affects the exposure to educational ads, to examine whether the platforms where people encounter advertisements vary across age groups, to ascertain whether the mode of advertisement has any impact on purchasing behaviour

The target population for our survey were people of ages 15 to 70. The sample drawn from this target population consisted of individuals who had access to the different forms of traditional (TVs, Radios, Newspapers) and digital advertising (Facebook, Instagram, Email) mediums.

The type of sampling technique used to understand the impact of advertisements is Subjective. Convenience Sampling is the method under Subjective Sampling that has been employed in this survey. In this method samples are selected from the population only because they are conveniently available to the researcher. Online polls, google forms and questionnaires distributed on crowded streets fall under this sampling method. A sample survey involving 319 individuals (respondents) was conducted, using a questionnaire. The data from the responses collected were organized and tabulated on Microsoft Excel, to analyze them efficiently.

Statistical Analysis: Statistical tests such as the Chi-Square Test for Independence of Attributes and Test for Proportions were used to analyze the data. Microsoft Excel and R were the software used to run these tests.

EXPERIMENTAL STUDIES AND DISCUSSION

Data Analysis and Interpretation: Analysis 1:

We tested whether exposure to educational advertisements and the belief that advertising reflects the norms of the society but does not influence them are independent or not, that is whether the educational ads can challenge and trigger a shift in societal norms

Using chi-square test for independence of attribute we came to the conclusion that the exposure to educational advertisements is independent of the belief that advertising reflects the norms of the society but does not influence them.

Table 1: Advertising reflects the mores of the society and Exposure to Educational Advertisements

Advertising reflects the mores of the society but does not influence them	Exposure to Educational Advertisements			
	Never	Often	Rarely	Sometimes
Yes	32	16	67	117
No	9	10	33	35

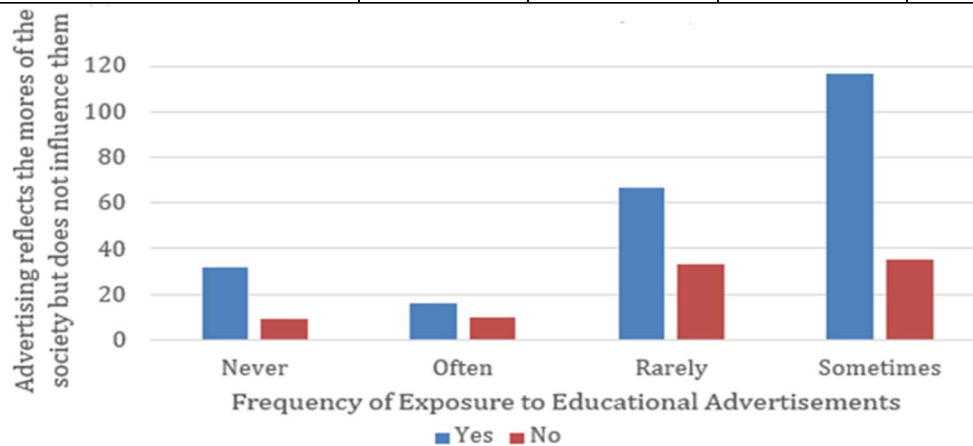


Figure 1: graph showcasing whether educational ads can challenge and trigger a shift in societal norms

Analysis 2:

We tested whether the platform of viewing ads and the exposure to educational ads are independent. Using chi-square test for independence of attribute we came to the conclusion that the exposure to educational advertisements is not independent of the platform that advertisements are encountered on.

Table 2: Where do you encounter advertisements most often and Exposure to Educational Advertisements

Where do you encounter advertisements most often?	Exposure to Educational Advertisements			
	Never	Often	Rarely	Sometimes
Digital Platforms	22	15	84	116
Traditional Platforms	12	10	14	30

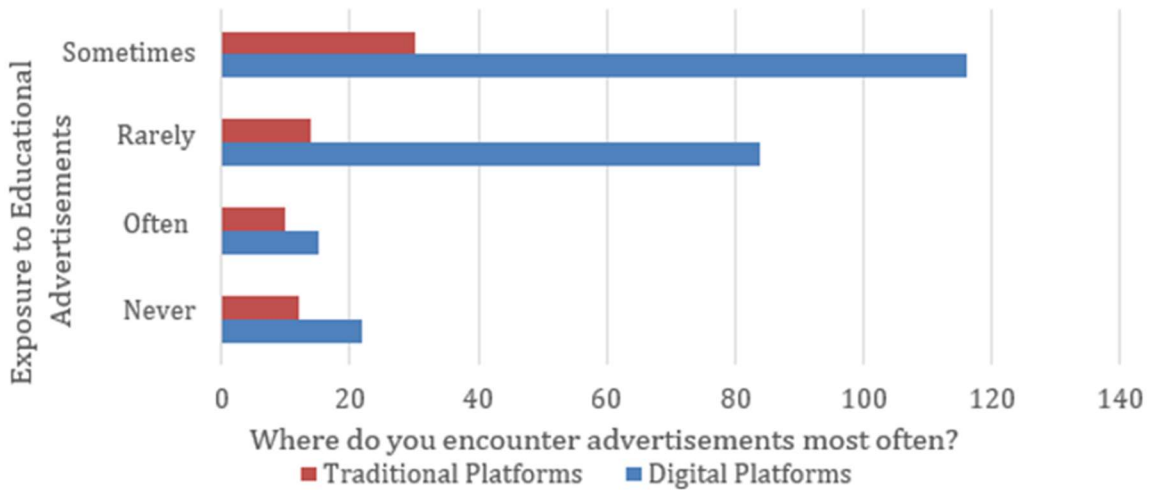


Figure 2: Graph showcasing whether the platform of viewing ads affects the exposure to educational ads.

Analysis 3:

We tested whether the platforms where people encounter advertisements vary across age groups and using chi square test we concluded that age is dependent of the platform that advertisements are encountered on.

Table 3: Age and Where do you encounter advertisements most often?

Where do you encounter advertisements most often?	Age		
	15- 25	26 - 40	41-55
Digital Platforms	90	91	55
Traditional Platforms	8	24	28

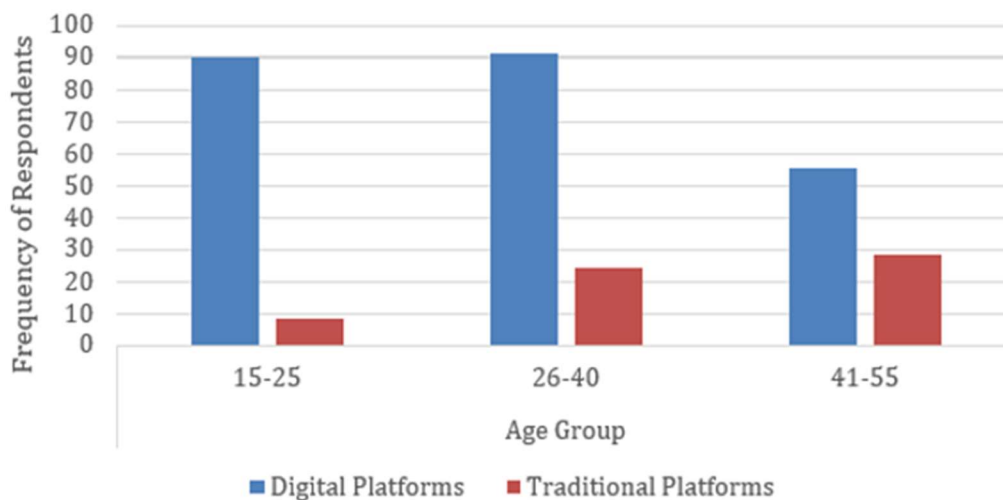


Figure 3: Graph showcasing whether the platforms where people encounter advertisements vary across age groups.

Analysis 4:

We wanted to test whether the mode of advertisement has any impact on purchasing behaviour and using test for proportions we concluded that the proportion of people who mostly encounter ads on the internet, who have purchased a product off an advertisement in the past year is the same as the proportion of those who mostly encounter ads on traditional platforms, who have purchased a product off an advertisement in the past year.

Conclusions:

Throughout the course of this presentation, our goal has been to demonstrate how advertisements influence consumer behaviour by means of statistical techniques and case studies. We must grasp how advertisements influence us, their strategies, and their target audience because we are practically inundated with them every minute. Only then, as active consumers of advertisements, can we process them in a healthy way. On the other hand, it is equally important for advertisers and marketers to make sure to use this tool effectively and responsibly to attain their organizational goals.

The project can be used to create awareness among people about how data is used by media houses and thereby educate them to be more careful of what they are sharing online, by social media apps to come up with options asking people whether they want to allow their data to be shared to receive targeted ads, by influencers and celebrities to ensure that they aren't misleading their followers into purchasing products by setting up unrealistic standards.

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