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A STUDY ON CUSTOMER PERCEPTION TOWARDS ONLINE ADVERTISEMENTS AN EMPIRICAL STUDY IN VIJAYAWADA

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ABSTRACT

Online advertising used to be synonymous with print and TV ads. But mobile, programmatic, and online advertising have created new ways to engage with consumers. Explore the latest digital advertising trends and insights from industry leaders to build a cutting-edge marketing strategy. Advertising has come a long way today. More and more new medium is being explored each day to make a successful advertising campaign. Internet that has in recent times picked up as advertising medium has become the favourite of the advertiser in no time. Online advertisement, also called internet advertising uses the internet to deliver promotional marketing messages to consumers. It includes email marketing, search engine marketing, social media marketing, many types of display advertising (including web banner advertising), and mobile advertising. Online advertising will help the customers to check the local businesses to their flexible time and no need to wait to see newspapers and TV for offers. This paper dives into the study on customer perception towards online advertisements an empirical study on Vijayawada.

Keywords: online advertising, newspaper and TV adv. Gross Domestic Product

INTRODUCTION

The Indian advertising industry has evolved from being a small-scaled business to a full-fledged industry. The advertising industry is projected to be the second fastest growing advertising market in Asia after China. It is estimated that by 2018, the share of ad spend in India's Gross Domestic Product (GDP) will be around 0.45 percent. The Indian government has given tremendous support to the advertising and marketing industry. Advertising expenditure is likely to increase in the financial sector, driven by Reserve Bank of India (RBI) policies which could result in a more favourable business environment. Also, proposed licenses for new banks and better market sentiments render the advertising and marketing industry in India a fertile space.

Research Problem

Review of literature and all the secondary data says about the gap between the customers and online advertising. The researcher came to know that there is no proper awareness among people in Vijayawada. India is focusing on digital India wants to every information and service reached to every citizen in India. Now Vijayawada is the capital city of newly formed state and here having high literacy rate. Hence that gap must be identified, if there is any awareness among them about the Online advertising in the locality of Vijayawada.

Objectives of the study

- To know the medium that educates a customer most.
- To compare the difference advertise medium in terms of their reach to the customer.
- To study the impact of online advertisements in creating the customer awareness.

Hypothesis for the study

H_{01}: There is no impact of online advertising on customer awareness

H_1: There is an impact of online advertising on customer awareness

H_{02}: There is no significant difference between customer awareness and demographic details of them

H_2: There is significant difference between customer awareness and demographic details of them

Delivery methods of online advertising

Different delivery methods are consisting in online advertising. They are

- Display advertising
- Interstitial
- Search engine marketing (SEM)
- Social media marketing
- Mobile advertising
- Email advertising
- Online classified advertising
- Adware
- Affiliate marketing
- Content Marketing
- Online marketing platform

Reasons for undertaking the research

To identify the people perception towards online advertisements. Most of the people having smart phones, laptops and desktops. But, how many are there aware of online advertising. They should know about the online advertising medium compared to all advertising medium. It is so quick and easy way to know the information. Vijayawada is the city which is being developed recently and also the seeding capital of newly formed Andhra Pradesh (2014). These reasons are behind this undertaking the research.

Market size

India's Advertising industry is expected to grow at a rate of 16.8 per cent year-on-year to Rs 51,365 crores (US$ 7.61 billion) in 2016, buoyed by positive industry sentiment and a strong GDP growth of 7 per cent and above. India's digital advertising market has grown at a fast pace of 33 per cent annually between 2010 and 2015, while spending as a percentage of total advertising increased to 13 per cent or nearly US$ 1 billion in 2015.Print contributes a significant portion to the total advertising revenue, accounting for almost 41.2 per cent, whereas TV contributes 38.2 per cent, and digital contributes 11 per cent of the total revenue. Outdoor, Radio and Cinema make up the balance 10%.Of the current Rs 2,750 crores (US$ 407.66 million) digital advertisement market, search and display contribute the most - search advertisements constitute 38 per cent of total advertisement spends followed by display advertisement at 29 per cent, as per the study. The Internet's share in total advertising revenue is anticipated to grow twofold from eight per cent in 2013 to 16 per cent in 2018. Online advertising,

which was estimated at Rs 2,900 crores (US$ 429.9 million) in 2013, could jump threefold to Rs 10,000 crores (US$ 1.48 billion) in five years, increasing at a compound annual rate of 28 per cent.

REVIEW OF LITERATURE

Rise of Online Advertising in India by Pallavi Mishra

Online advertising is a comparatively nascent phenomenon for Indian advertising industry but has shown immense potential in its early years and is envisaged to give all other advertising mediums a run for their money in the near future. Internet has inculcated various new and exciting dimensions to advertising providing advertisers with tools to capture attention of target audiences with greater accuracy and efficacy. The fact in favor of India is that most of the western developed economies have become saturated with negligible growth potential while India has vast untapped markets and enormous growth potential. Now to exploit the vast potential of internet. This is not an easy task given the complex demographic variables like socio-cultural, linguistic and religious diversity of India, highly skewed per capita income, urban rural divide, etc.

Online advertising and its impact on consumer behaviour by Dr. Parul Deshwal

The size and range of online advertisement is increasing dramatically. The purpose of this study is to analyze different types of online advertising and explore how online advertisements affect consumers purchasing behaviour. The study of consumer behaviour became a concern for marketers, as they may learn how consumers choose their goods and services required to meet multiple needs, which are the factors that are influencing their choice. As more and more sellers begin to doubt the effectiveness of broadcast advertising on the Internet that simply flashes banner advertisements, have to rely on different revenue sources. As a result, there will be reduced outlets for broadcast-based advertising in the future. An alternative is targeted advertising.

A Study on Impact of Online Advertising On Consumer Behavior (With Special Reference To E-Mails) by Srivastava Priyanka

The research study has focused on urban consumers of above 18 years of age. So that they can recall the reasons, which affect their perception of Internet advertisements. This research studied the psychology behind online consumer's behaviour & also their perception of Internet advertisements. It also seeks the effect of Internet ads on the attitude of online consumers. A cluster sampling has been used. A total number of 100respondents were surveyed. 50 respondents from RajajiPuram, Lucknow and 50 from Alambagh, Lucknow. The study has confined to urban areas as it assumed that the rural areas do not have Internet connection yet. Hence the entire findings are limited and refer to urban consumers only. Geographical coverage, as only two areas have been taken from Lucknow, India. It is not sure whether the findings will apply to the whole country. Respondents below 18 years of age were not included in the present study, as it was assumed that respondents of the age 18 years & above can answer questions relating to Internet advertising.

A Study on newspaper advertising and its advantages and disadvantages by Mike Brassil

Paid-circulation newspapers are a popular advertising medium for most local businesses. They are the oldest forms of mass media, and they continue to be one of the largest, as measured by volume of advertising dollars. Industry giants, as well as the local convenience stores, use newspapers to advertise. Even though the newspaper no longer enjoys its former role as the almost exclusive source of news, they still remain a strong factor in their specific sphere of influence.

METHODOLOGY

Research Design

This study was conducted in two stages. In the first stage, an exploratory study was carried out to identify the different age groups of people which are located in the area of Vijayawada. I consulted the people with my questionnaire for this survey. In the second stage, data collection was made by self-administering structured questionnaires to 100 respondents from different age groups located in the city of Vijayawada.

Data collection

Population of the Study

Population for this study can be identified as the different age groups of people located in the city of Vijayawada.

Sample Design

A sample design is the framework or road map that serves as the basis of sample selection. The sample for the study was respondents from different age groups.

Sampling Frame

All the people of different age groups are taken as the sample frame for this study.

Sampling Unit

Sample unit identified for this study is the different age group of people located in Vijayawada.

Sampling Technique

In this study judgmental sampling technique on the basis of geographical location was adopted for data collection. To ensure randomness in the sample 100 unit respondents were chosen as mentioned above.

Sample size

As a result, of data collection out of 100 questionnaires circulated, only 100 fully filled in questionnaires were received.

Data Collection Procedure

The data collection process focused on all the different age of people with a structured and self-administered questionnaire. Below sections provide the process of scale adoption.

Survey Instrument

A structured and self-administered questionnaire is designed for collecting data from the respondents. This questionnaire comprises questions that can be easily answered on the five-point Likert scale and open ended questions.

Pre Testing of Questionnaire: The questionnaire was pretested to ensure to that all the questions were well understood. First we conducted on a group of 30 they were asked various questions and the answer was recorded. These were used to frame the questionnaire which was used in research.

Reliability the Scale: The reliability of the questionnaire is tested by Chronbach's Alfa which for the present study is found out to be 0.75 which is inacceptable range.

Statistical Software Used: To analyses the data and test the maintained hypothesis statistical software package SPSS was utilized

Research Gap: This study is undertaken to customer perception towards online advertisements an empirical study on Vijayawada.

Tools for data collection: For data collection I selected the source called primary data. I collected the data through questionnaire.

Tools used for data analysis: Descriptive, Frequencies, Histograms, Chi-Square test.

DATA ANALYSIS

Customer perception towards online advertisements:

Sample data:

As a result, of data collection out of 100 questionnaires circulated, only 100 fully filled in questionnaires were received.

Table 1: In this data the age group is different

0	20 people
20-40	63 people
Above 40	17 people

Descriptive Statistics:

Frequencies

    1.   Statistics for first five questions in questionnaire

Statistics

		Doyouthinkprom otionthroughsoci alnetworkingweb siteswillb	Companiesshoul duseonlineservic esintheirmarketin gefforts	Idontpreferthepri ntadsorTelevisio ncommercialsmu chtog	Onlytargetpeople willviewonlineadv ertising	Onlineadvertisin ghelpstoknowloc albusinessoffers acrossth
N	Valid	100	100	100	100	100
	Missing	0	0	0	0	0
Mean		1.800	1.880	1.820	1.890	1.960
Median		2.000	2.000	2.000	2.000	2.000
Mode		2.0	1.0	1.0	1.0	1.0
Std. Deviation		.8762	1.0472	1.0287	1.0337	1.1184
Variance		.768	1.097	1.058	1.069	1.251

Table **2** *statistics of questionnaire*

2. **Statistics for second five questions in questionnaire**

		Ifyouareusinginte rnetthenonlinead vertisingwilleffect on	SomuchofTVadv ertisinggettingirrit ation	WhenIwanttobuy anynewproductth enIpreferchecko nlineon	Doestheonlinead vertisingattractsy outopurchaseite msfrom	Ipreferonlineadv ertisingasitisSAF ESTtouse
N	Valid	100	100	100	100	100
	Missing	0	0	0	0	0
Mean		1.890	1.830	1.910	2.020	1.950
Median		2.000	2.000	2.000	2.000	2.000
Mode		1.0	1.0	1.0	1.0	1.0
Std. Deviation		.9939	.9955	1.0833	1.1369	1.1492
Variance		.988	.991	1.174	1.293	1.321

Table 3 statistics of questionnaire

3. **Statistics for third five questions in questionnaire**

		Onlineadvertisin gwillflexibleyourti metoseeoffers	Doyouthinkthefoll owingfactorsareb enefitstolocalbusi nes	Doyouthinkthefoll owingfactorsareb enefitstolocalbusi nes	Doyouthinkthefoll owingfactorsareb enefitstolocalbusi nes	Doyouthinkthefol lowingfactorsare benefitstolocalbu sines
N	Valid	100	97	97	96	96
	Missing	0	3	3	4	4
Mean		1.830	1.52	1.63	1.67	1.74
Median		1.000	1.00	1.00	1.00	2.00
Mode		1.0	1	1	1	1
Std. Deviation		1.0642	.779	.782	.804	.849
Variance		1.132	.607	.611	.646	.721

Table 4 **statistics of questionnaire**

Frequency Tables:

Table 5: Age groups of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-40	63	63.0	63.0	63.0
	above 40	17	17.0	17.0	80.0
	below 20	20	20.0	20.0	100.0
	Total	100	100.0	100.0	

From the above table, we can see that 63% of respondents are 20-40 age groups and 17% are above 40 years and 20% are of below 20.

Do you frequently visit local business?

Table 6 Frequency table for visiting local business

	Frequency	*Percent*	*Valid Percent*	*Cumulative Percent*
Maybe	20	20.0	20.0	20.0
No	18	18.0	18.0	38.0
Yes	62	62.0	62.0	100.0
Total	100	100.0	100.0	

From the above table, we can see that 62% of respondents said yes for frequent visits to the store, 18% said that they won't go and rest were neutral

*Table 7 **Frequency table for reason***

Reason for your visit				
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Discount Offers	49	49	49	49
	e-commerce	1	1	1	50
	Location of the Store	14	14	14	64
	Promotional Offers	23	23	23	87
	Range of Items	13	13	13	100
	Total	100	100	100	

From the above table, we can see that 49% of respondents are Discount offers, only 1% of the respondents opted for e-commerce and 23% respondents were for promotional offers

How do you come to know about offers?

*Table 8 **Frequency table for knowing about offers***

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Online advertising	32	32	32	32
	Through Advertisement	25	25	25	57
	Through Friends & Relatives	33	33	33	90
	Through Hoardings / Newspaper	10	10	10	100
	Total	100	100	100	

From the above table, we can see that equal number of respondents choose online advertising and friends as a media about offers and 25% through advertisements Promotion

Table 9 promotion through social networking sites

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	41	41.0	41.0	41.0
	Agree	45	45.0	45.0	86.0
	No opinion	9	9.0	9.0	95.0
	Disagree	3	3.0	3.0	98.0
	Strongly disagree	2	2.0	2.0	100.0
	Total	100	100.0	100.0	

Doyouthinkpromotionthroughsocialnetworkingwebsiteswillb

Mean = 1.8
Std. Dev. = .876
N = 100
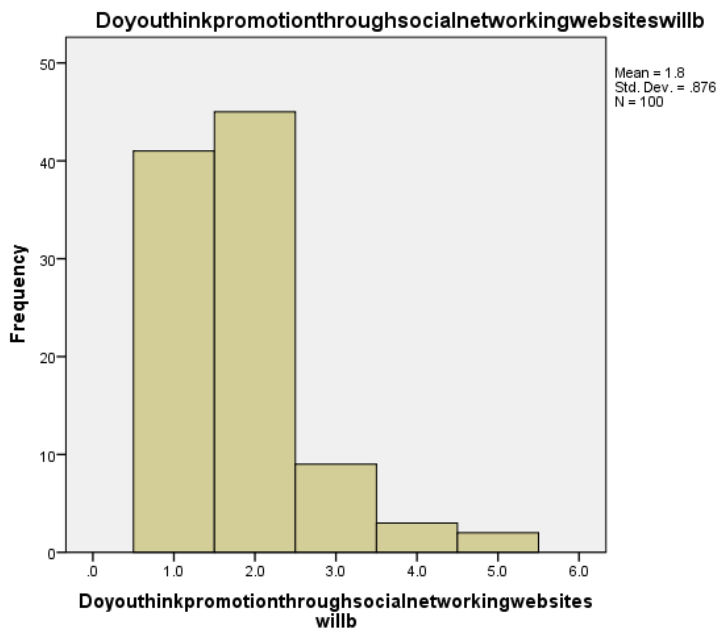
From the above table, we can see that 86% of respondents agreed that promotion through social networking sites will make an impact on costumer.

I don't prefer the print ads or Television commercials much

Table 10 don't prefer

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	49	49.0	49.0	49.0
	Agree	31	31.0	31.0	80.0
	No opinion	12	12.0	12.0	92.0
	Disagree	5	5.0	5.0	97.0
	Strongly disagree	3	3.0	3.0	100.0
	Total	100	100.0	100.0	
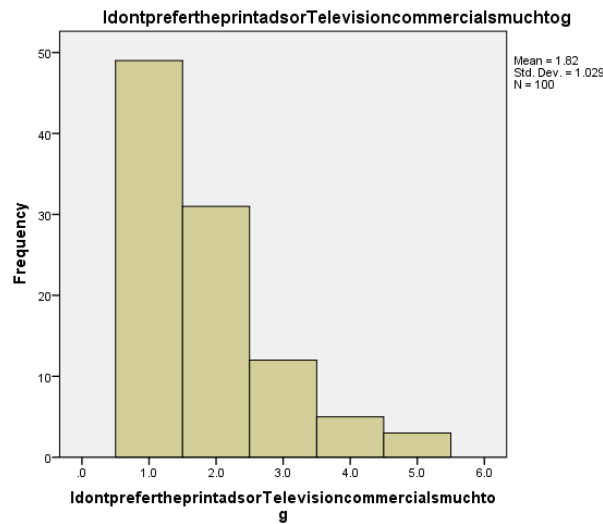
From the above table, 80% of respondents were accepting that they won't prefer television commercials much. So much of TV advertising getting irritation

Table 11 irritation

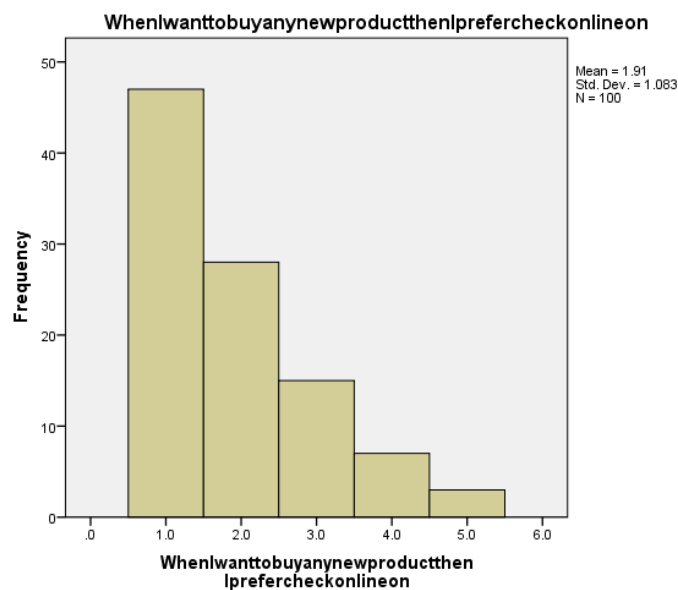|		Frequency	Percent	Valid Percent	Cumulative Percent
	Strongly agree	46	46.0	46.0	46.0
	Agree	35	35.0	35.0	81.0
Valid	No opinion	12	12.0	12.0	93.0
	Disagree	4	4.0	4.0	97.0
	Strongly disagree	3	3.0	3.0	100.0
	Total	100	100.0	100.0	
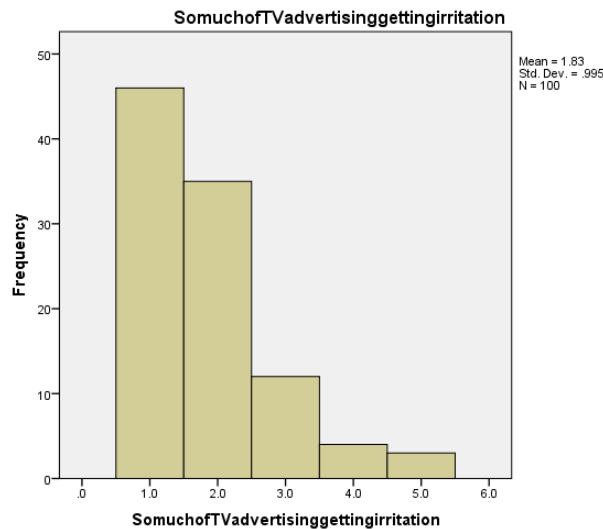
From the above table, we can see that 81% of respondents agreed that they are irritated by TV ads frequently. 12% were neutral and the rest disagreed

When I want to buy any new product then I prefer check online once.

Table 12 Prefer check online once

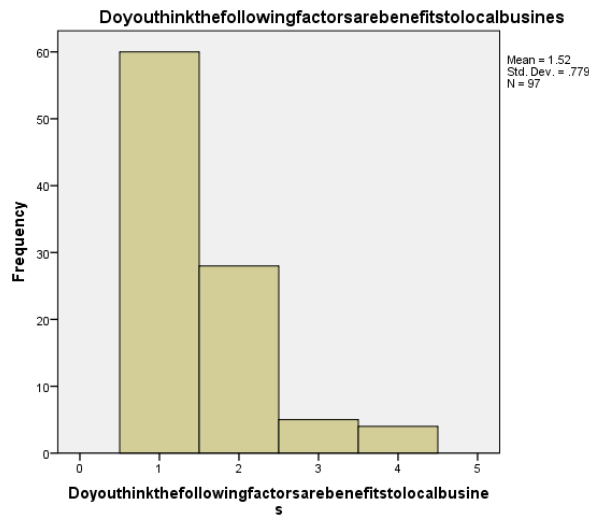|		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	47	47.0	47.0	47.0
	Agree	28	28.0	28.0	75.0
	No opinion	15	15.0	15.0	90.0
	Disagree	7	7.0	7.0	97.0
	Strongly disagree	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

From the above table, we can see that 75% of respondents agreed that they will check online for pre purchase of product for various reasons. 15% were neutral and the rest disagreed

      a)   Save time

Table 13 save time

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	60	60.0	61.9	61.9
	Agree	28	28.0	28.9	90.7
	No opinion	5	5.0	5.2	95.9
	Disagree	4	4.0	4.1	100.0
	Total	97	97.0	100.0	
Missing	System	3	3.0		
	Total	100	100.0		

Doyouthinkthefollowingfactorsarebenefitstolocalbusines

Mean = 1.52
Std. Dev. = .779
N = 97

From the above table, we can see that 88% of respondents agreed that they are having an impact by online advertisements due to various reasons. 5% were neutral and the rest disagreed
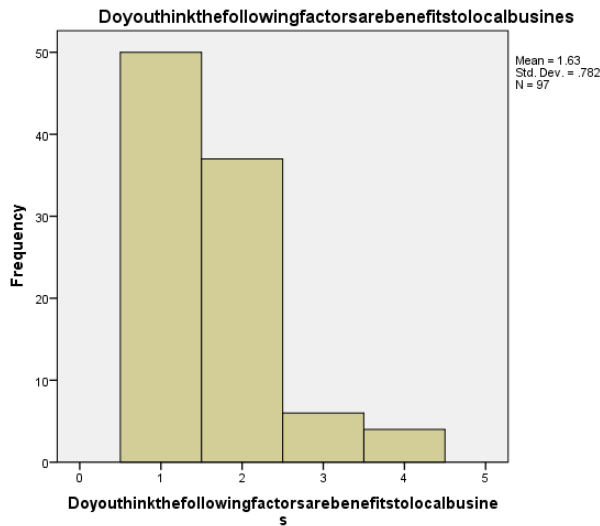
b) Save money

Doyouthinkthefollowingfactorsarebenefitstolocalbusines

Mean = 1.63
Std. Dev. = .782
N = 97

Table 14 save money

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	50	50.0	51.5	51.5
	Agree	37	37.0	38.1	89.7
	No opinion	6	6.0	6.2	95.9
	Disagree	4	4.0	4.1	100.0
	Total	97	97.0	100.0	
Missing	System	3	3.0		
Total		100	100.0		

From the above table, we can see that 87% of respondents agreed that they are having an impact by online advertisements due to various reasons. 5% were neutral and the rest disagreed

c) Convenience

KY Publications

Table 15 convenience

		Frequency	Percent	Valid Percent	Cumulative Percent
	Strongly agree	49	49.0	51.0	51.0
	Agree	33	33.0	34.4	85.4
Valid	No opinion	11	11.0	11.5	96.9
	Disagree	3	3.0	3.1	100.0
	Total	96	96.0	100.0	
Missing	System	4	4.0		
Total		100	100.0		
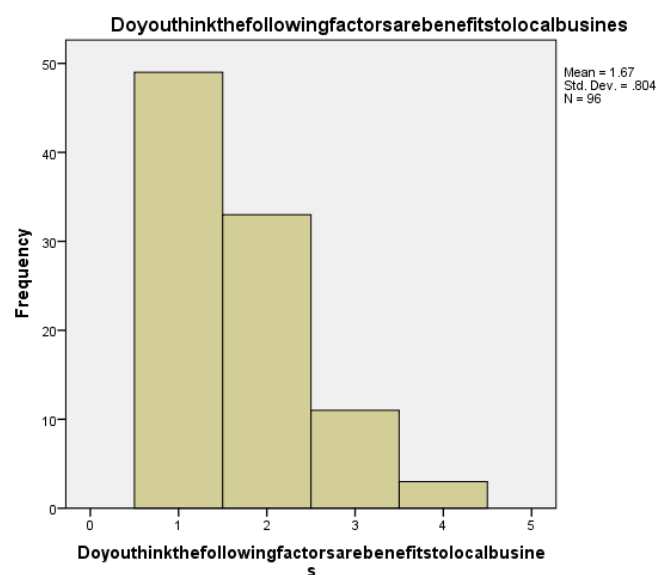
Doyouthinkthefollowingfactorsarebenefitstolocalbusines
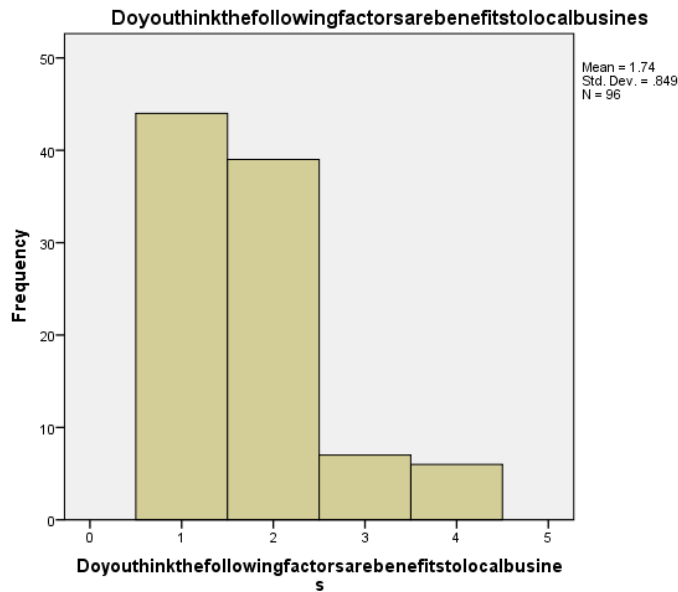
Mean = 1.67
Std. Dev. = .804
N = 96

From the above table, we can see that 87% of respondents agreed that they are having an impact by online advertisements due to various reasons. 5% were neutral and the rest disagreed.

d) Easy way

Table 16 easy ways

		Frequency	Percent	Valid Percent	Cumulative Percent
	Strongly agree	44	44.0	45.8	45.8
	Agree	39	39.0	40.6	86.5
Valid	No opinion	7	7.0	7.3	93.8
	Disagree	6	6.0	6.3	100.0
	Total	96	96.0	100.0	
Missing	System	4	4.0		
Total		100	100.0		

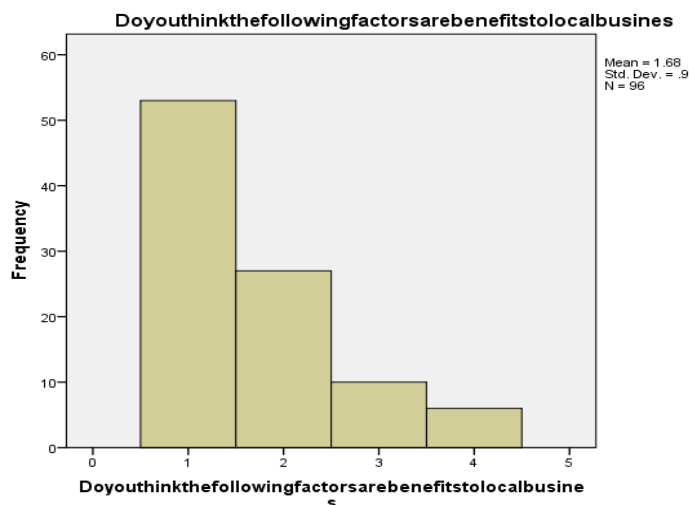Doyouthinkthefollowingfactorsarebenefitstolocalbusines

From the above table, we can see that 87% of respondents agreed that they are having an impact by online advertisements due to various reasons. 5% were neutral and the rest disagreed

e) Awareness

Table 17 awareness

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	53	53.0	55.2	55.2
	Agree	27	27.0	28.1	83.3
	No opinion	10	10.0	10.4	93.8
	Disagree	6	6.0	6.3	100.0
	Total	96	96.0	100.0	
Missing	System	4	4.0		
Total		100	100.0		

Doyouthinkthefollowingfactorsarebenefitstolocalbusines

From the above table, we can see that 87% of respondents agreed that they are having an impact by online advertisements due to various reasons. 5% were neutral and the rest disagreed.

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FINDINGS

The findings based on the primary data collected are listed here.

1. The numbers of respondents are says that online advertising is best to knowing information compared to other medium.
2. Most of the respondents prefer promotion through social media will helpful for companies.
3. Out of the types of advertisements, online advertisements are preferred most next to television advertisements.
4. Most of the respondents think online advertisements will reach more effectively compared to other media.
5. Most of the respondents think online advertising will effects purchasing behaviour and mindset.
6. Most of the respondents think online advertising contains lot of benefits.
7. Most of the respondents prefer advertised products more than non-advertised products.
8. Most of the respondents thinks online advertising will help to save their time, money and etc.

SUGGESTIONS

1. The number of companies advertising online is soaring, but even then fraud and deception may reduce consumer confidence. Therefore, it should be ensured that products and services are described truthfully in online advertisements.
2. Trust or confidence can be built in online business by using testimonials with the permission of customers.
3. To avoid interference in work, advertisements should be designed to meet the preferences of target customers or target audience.
4. Use of multi-media' and use of banner advertisements give viewers a chance to interact with banners which helps in online advertising.
5. All age group are getting awareness of online advertising it will gives boost for online advertising media. It comes up with new strategies to make online advertising as simple.
6. Now a people in India are changing to digital India. It is best time to capture the market.

RECOMMENDATIONS

1. Online advertising needs to attract the above 40+ age people they thinking other medium is best for advertising for products there percentage is very less but we need to find solution.
2. Respondents are attracts only for offers advertisements in online advertising. So, online advertising have to increase these type of promotions for companies
3. Most of saying they knowing information through friends and relatives. Increase more ways to engage people to online advertising.
4. Most of the people thinking online advertising is better compared to all medium. But, we have to maintain that standards to remove fraud advertisements.
5. Governments also increase their promotions through online advertising to aware of their schemes to people.

CONCLUSION

The study titled 'customer perception towards online advertisements' reveals that the most effective media of advertising is online advertising. Internet advertising offers increased awareness of companies, an easy method to distribute information, advanced methods of targeting consumers, an immediate and direct line to the customers, and reduced costs in performing these tasks. The main problem related to this is the interference of online advertisements in the work of people and the fear of falling prey to online advertising fraud and malpractice. As people get more accustomed to finding product information on the web, more and more readers will actively seek out Internet advertising sites.

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