



# Effectiveness Of Internet Advertising - A Study With Special Reference To Kannur District

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**Abstract:** In the coming years, advertisers are expected to shift and spend millions in internet advertising than, print ads, TV and other traditional advertising media. With the rapid growth in technology, the internet is becoming a very important one stop point for the consumers in solving most of their needs. Be it entertainment, communication, information search shopping, internet serves as a platform for all their requirements. Every day, many of the consumers are online for their personal work, but whether they notice the advertisements, banners displayed on that webpage, and most important their recall value is a matter to be checked out. The current study investigated the effectiveness of Internet advertising on Consumer behavior by conducting a study among consumers in Kannur district in Kerala. The study intended to determine the effectiveness of internet advertising on a reach. It also aimed at determining the relationship between internet advertising and purchase decision. The target population was the consumers from different parts of Kannur district in the state of Kerala. The study used stratified sampling technique to select 50 respondents. The primary data was collected using a well drafted questionnaire. Later it was analysed through means, percentages, frequencies and standard deviations. The study found that due to diverse usage internet advertising was effective on reach and creation of awareness, and established that internet has a wide scope in marketing products. Internet advertising has significant relationship with purchase decision of the consumers and therefore is a key determinant in influencing consumer behaviour. The study determined that there is a positive relationship between consumer purchase decision and internet advertising.

**Index terms - Internet advertising, World wide Web, Marketing**

## INTRODUCTION

Internet has grown tremendously in both its applications and number of users due to its unique characteristics of interactivity, flexibility, and personalization. It has become a very useful tool for entertainment, communication, electronic trade and education. (Ko et al., 2004; Koyuncu and Lien, 2003). Many companies have turned to the Internet to advertise their products and services; and it is deemed to be the most significant direct marketing channel for the global marketplace (Faber et al., 2004; Ko et al., 2004; Korgaonkar and Wolin, 2002).

The Internet has given consumers more control in accessing information on products and services. There are several factors that contribute to consumers pull for online content. The consumers are the one who decide where, when, what and how much commercial content they wish to view (Korgaonkar and Wolin, 2002). The internet enables the consumers in accessing an unlimited range of products and services from companies around the world, and it has also reduced the time and effort they spend on shopping (Ko et al., 2004).

With the rapid advancement in the area of computer industry, many of the corporate have made the internet as part of their advertising media mix in order to take advantage of the online technologies

(Calisir, 2003). The internet has become a popular advertising platform because marketers found that the internet possess a greater flexibility and control over the advertising materials (Ducoffe, 1996).

### **SIGNIFICANCE OF STUDY**

Now a days, the growth of internet advertising is both globally and locally outpacing offline advertising. While outdoor advertising is also experiencing growth, it is not growing as rapidly as Internet advertising. The study aimed at determining the relationship between internet advertising and purchase decision. It is on this basis that the study investigated the effectiveness of online advertising based on a consumer sample from the people of Kannur district to determine the relationship between advertising and consumer purchasing behaviour.

### **THE CONCEPT OF INTERNET ADVERTISING**

In order to attract customers, Internet advertising is used as a form of promotion by the Internet and World Wide Web by delivering marketing messages to them. Examples of online advertising include contextual advertisements on online classified advertising, search engine results pages, Rich Media Ads, banner ads, social network advertising, and e-mail marketing. Consumers can provide feedback content about the product, to the firm and to other consumers. Whether online or off, the main objective of advertising is sales increase. Advertising also aims at increasing brand awareness also. One of the greatest benefits of online display advertising is that the messages are not restricted by geography or time. One of the greatest benefits of online display advertising is that the messages are not restricted by geography or time. Online advertisements are also much more interactive than offline advertising

### **THE CONCEPT OF CONSUMER BEHAVIOUR**

The term "Consumer behavior" refers to actions and decisions that factor into a customer's purchase. Researchers, businesses and marketers study consumer behavior to understand what influences a consumer's shopping preferences and selection of products and services. There are lot of multiple factors which affect consumer behavior. Some of them are beliefs and values, economic status, age, personality, culture and education (Kotler, 2004). Findings on consumer behavior are used to develop methods and products that will boost company performance and sales. Advertising helps to attract consumers, provide product, services in a better possible manner, can create good environment and policies. These are very important in improving today's consumer experience and in retaining customers. This study seeks to determine and explain the effectiveness of internet advertising in stimulating consumer response.

### **RESEARCH PROBLEM**

In the coming years, advertisers are expected to shift and spend millions in internet advertising than print advertisements, TV and other traditional advertising media. With the rapid growth in technology, the internet is becoming a very important one stop point for the consumers in finding most of their needs. For all their requirements, be it shopping, communication, entertainment, information search, internet serves as a panacea. This has led more than half of the consumers started taking interest in the internet and access it for many purposes on a regular basis. The problem is that, large volumes of consumers are online every day for their personal work, but do they notice the banners, ads etc. which are displayed on that webpage. What about the reach of online advertising, is it effective across over all target groups? While a lot of research has been done on advertising, the effectiveness of online advertising, etc were the matters to be found out. So, through this study, a small attempt has been made to find out the influence of internet advertising on their purchasing decisions.

### **RESEARCH OBJECTIVES**

The objectives of the study were to;

- i. To determine the effectiveness of the internet advertising and creation of awareness among the consumers.
- ii. To determine the relationship between internet advertising and purchase decision.

### **DATA COLLECTION**

The research made use of primary data, which were collected using well-constructed questionnaire and were distributed among 50 respondents sampled from the different parts of Kannur district. The administered questionnaires were collected after their completion on the same day and were taken for

analysis. The questionnaire contained open ended questions also. Questions were arranged so as to enable each respondent to mark their responses very easily. This helped the researcher to grab more information within a limited time.

### ANALYSIS OF DATA COLLECTED FROM THE RESPONDENTS

This area dealing with the analysis and interpretation of the study titled “Effectiveness of Internet Advertising – A study with special reference to Kannur District” places an important role in marketing of products and services. The opinion of 50 respondents was collected in order to understand the effectiveness of internet advertising. The sample collected for the study contained 50 respondents from different parts of Kannur district. So, the usage and effectiveness level was examined by analyzing the collected data using tools such as percentage, mean, standard deviation method etc.

Table 1  
Gender wise Classification

Gender	No. of respondents	Percentage
Male	26	52
Female	24	48
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary Data

From the table 1, it can be revealed that 52 per cent of the respondents are males and 48 per cent are females. From this it is clear that majority of the respondents from whom the data were collected belongs to male category.

Table 2  
Age Wise Classification

Age class	No. of respondents	Percentage
Below 30	32	64
31-50	12	24
51 and above	6	12
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary Data

Above mentioned table shows that out of 50 respondents, majority of them, that is 64 per cent of them belong to age group below 30 and 24 per cent of the respondents belong to age group between 31 and 50. Only 12 per cent of the respondents belong to age above 51. From this it is clear that young generation mostly prefer watching internet and thereby noticing advertising.

Table 3

Classification on the basis of place of residence

Place of Residence	No. of respondents	Percentage
Rural	28	56
Urban	14	28
Semi- Urban	8	16
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary Data

This table shows that out of 50 respondents interviewed, majority of them, i.e 56 per cent are living in rural areas. When 28 per cent of the respondents belong to Urban areas, only 16 per cent are residing in Semi-urban area. From this it is clear that majority of the respondents live in rural areas of Kannur district.

Table 4  
Time spent on various platforms of advertising

Category	Mean	Standard deviation
TV, Movies	2.4	1.2
Newspaper, Magazines	1.1	1.37
Radio	1.04	0.92
Internet	4.2	0.514

Source: Primary Data

From the table 4, it can be inferred that an ordinary person spends more than 4 hours on an average, in the internet during his free time, which is more than that of television and movies, radio and print medium. Hence, on an average the exposure of internet to an individual is around 40% more than that of other mediums. It means that the reach of the medium 'internet' is much better than that of others.

Table no. 5  
Opinion of respondents on various statements

Statements on Internet advertising and purchase decision	Mean	Standard deviation
Internet advertising influences customers' purchase decision	4.21	0.513
Duration of page viewing is a strong determinant of the ability to recall banner ads	4.13	0.746
Companies should aim to strengthen customer interactions with advertisements on the Web	4.11	0.62
When customers weigh benefits, they become emotionally involved with advertising and promotion.	4.05	0.673
Most companies provide a generic experience to all customers rather than relying on customer analysis to deliver a personalized experience	4.01	0.738
Repeated advertising messages affect consumer behavior. This repetition serves as a reminder to the consumer.	3.98	0.847
Animation content, the shape of the banner ad, and frequency of the ad (repetition) leads to higher advertising recall	3.92	0.841

From the study, it can be established that Internet advertising influences customers' purchase decision (Mean= 4.21) and duration of page viewing is a strong determinant of the ability to recall banner ads. (Mean= 4.13). Other factors such as repeated advertising messages, affect the behavior of the consumers. This repeated advertising serves as a reminder to the consumer (Mean=3.98), and that the shape of the banner ad, animation content and frequency of the repeated advertisement leads to higher advertising recall. This implies that the internet advertising is a key determinant of purchase decision of the customers because they consider it to be an interaction point between them and the company from which they buy their products from.

## DISCUSSION AND FINDINGS

The study established that the effectiveness of internet advertising on reach and creation of awareness was determined by the level of knowledge about the existing platforms of advertisements adopted by various respondents in Kannur district. Most of the respondents had a positive attitude towards advertising which was illustrated by their various perceptions about the usage of advertising. This

clearly showed a positive attitude towards the area of advertising and hence can be considered as a good indication for marketers. It can be said that Internet advertising is a key determinant of purchase decision of the customers of Kannur district because they consider it to be an interaction point between them and the manufacturing company.

## CONCLUSION

The objective of the study was to determine the effectiveness of internet advertising among the people of Kannur district. After analysis of the study findings, the study concludes that the effectiveness of internet advertising on reach and creation of awareness was determined by the level of knowledge about the existing platforms of advertisements done by various organizations. Internet advertising was effective in providing higher reach and creation of awareness. The study also concludes that internet advertising has got a significant relationship with purchase decision of the consumers of Kannur district. This implies that companies should invest more in internet advertising to increase their market share and conduct market research on the different markets in various countries.

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