International Journal of Engineering & Scientific Research

Vol.5 Issue 2, February 2017,

ISSN: 2347-6532 Impact Factor: 5.900

Journal Homepage: http://www.ijmra.us, Email: editorijmie@gmail.com

Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gage as well as in Cabell's Directories of Publishing Opportunities, U.S.A

<u>"A STUDY ON EFFECTIVENESS OF INTERNET</u> <u>ADVERTISEMENTS ON STUDENTS BUYING</u> <u>BEHAVIOUR IN THE COIMBATORE DISTRICT"</u> <u>Dr.S.Franklin John^{*}</u>

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Abstract:

The Internet enables consumers to access an unlimited range of products and services from vendors around the world, and it has reduced the time and effort they spend on shopping. Consumers play a much more active role in searching for information online with some goal in mind. The mind set will influence individuals buying behaviours and responses to online information and advertisements. With the rapid advancement in the virtual industry, many companies have made the Internet as part of their advertising media mix to take advantage of the online space. The Internet has become a popular advertising platform because marketers found that the Internet possess greater flexibility and control over the advertising information. The rapid use of smart phones among the students is leads to expose them towards the internet advertisements. The study has conducted among the students of Arts & Science, Engineering, MBA and MCA students in the Coimbatore District. The objective of this is to indemnity the influence of internet advertising on the students buying behaviour and also measures the satisfaction level of the students compared to the previous purchases. This study will thought some light on the growing space of internet revolution in the time of demonetisation. Government of India is giving more promotion for digitisation of India. This study focus on the present "Z" generation and who are going to be the professionals of tomorrow.

Keywords: Internet Advertising, Students, Buying behaviour, Z Generation.

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Introduction

Internet has grown tremendously in both its applications and number of users due to its unique characteristics of flexibility, interactivity, and personalization. It has been a very useful tool for communication, entertainment, education, and electronic trade. The revolutionary change brought forth by information technology has an important impact on the daily lives. It has transformed the way we do business by allowing retailers to offer unlimited range of products and services to all consumers from around the world at any point in time. The Internet has emerged as an advertising medium. Many companies have turned to the Internet to advertise their products and services; and the Internet is deemed to be the most significant direct marketing channel for the global marketplace. Companies are pouring billions of dollars into Internet advertising to obtain greater return on investment on ads. 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—consumers are the one who decide when, where, what, and how much commercial content they wish to view.

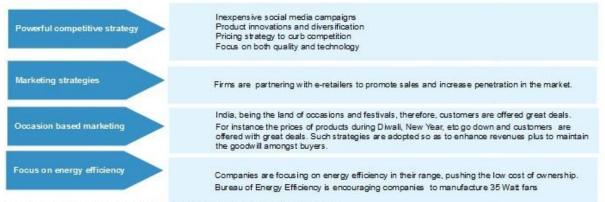
The Internet enables consumers to access an unlimited range of products and services from companies around the world, and it has reduced the time and effort they spend on shopping. Consumers play a much more active role in searching for information online with some goal in mind, and that goal can influence individual behaviours and responses to online information and advertisements. With the rapid advancement in the computer industry, many companies have made the Internet as part of their advertising media mix to take advantage of the online technologies. The Internet has become a popular advertising platform because marketers found that the Internet possess greater flexibility and control over the advertising materials. Since the Internet can be used as an efficient marketing communication tool, both scholars and practitioners are interested in understanding how to take full advantage and maximizing the value of this communication medium Consumers within Kenya have been largely exposed to the traditional advertising forms as the main media used by advertisers to provide information. However, over the years marketing strategies have evolved with technology leading to the internet creating unprecedented opportunities for digital marketers to connect with customers to create an immersive connected digital environment, influence and drive purchases, fuel new growth and create new market share. 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.

Internet Advertising in India

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 per cent.



Source: TechSci Research, Note: ISEER - Indian Seasonal Energy Efficiency Ratio

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 licences for new banks and better market sentiments render the advertising and marketing industry in India a fertile space. India's Advertising industry is expected to grow at a rate of 16.8 per cent year-on-year to Rs 51,365 crore (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 crore (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 crore (US\$ 429.9 million) in 2013, could jump threefold to Rs 10,000 crore (US\$ 1.48 billion) in five years, increasing at a compound annual rate of 28 per cent.

The country's digital advertising market is projected to grow at a CAGR of 35 per cent to reach Rs 7,044 crore by the end of this year, an IAMAI-IMRB report said today. The digital advertising market was pegged at Rs 5,200 crore at the end of December 2015, accounting for about 12 per cent of the total advertisement spends in the country, the report titled 'Digital Advertising in India' said.

Majority business owners worldwide know that the Internet has now become an essential tool when it comes to running their businesses successfully. However, you should also understand the role played by the Internet in the lives of their customers. You should be capable to locate people who are using the Internet; their key interests in the time spend on the Internet and their preferences to purchase products and services on a daily basis.

Business owners now have got various ways and websites to advertise about their company and offered products and services. Exchange media is a leading company that supports and specialises in providing services related to Internet advertising. Exchange media is a single stop information platform for Internet based advertising providing the latest news, views, analytical information, and in depth analysis of events. For updated news about Internet advertising.

Generation 'Z'

Generation Z also known as Post-Millennial, Founders, Plurals, or the Homeland Generation is the demographic cohort after the Millennials. There are no precise dates for when the Gen Z cohort starts or ends; demographers and researchers typically use starting birth years that range from the mid-1990s to early 2000s, and as yet there is little consensus about ending birth years. A significant aspect of this generation is the widespread usage of the Internet from a young age. Members of Generation Z are typically thought of as being comfortable with technology, and interacting on social media websites for a significant portion of their socializing. Some commentators have suggested that growing up through the Great Recession has given the cohort a feeling of unsettlement and insecurity.

Generation Z is the first to have Internet technology so readily available at a very young age. With the web revolution that occurred throughout the 1990s, they have been exposed to an unprecedented amount of technology in their upbringing. As technology became more compact and affordable, the popularity of smart phones in the United States grew exponentially. With 77% of 12–17 year olds owning a cell phone in 2015, technology has strongly influenced Generation Z in terms of communication and education. Forbes magazine suggested that by the time Generation Z entered the work place; digital technology would be an aspect of almost all career paths. Anthony Turner characterizes Generation Z as having a 'digital bond to the Internet', and argues that it may help youth to escape from emotional and mental struggles they face offline. According to US consultants Sparks and Honey in 2014, 41% of Generation Z spends more than three hours per day using computers for purposes other than schoolwork, compared to 22% in 2004.

In 2015, Generation Z comprised the largest portion of the U.S. population, at nearly 26%, edging out Millennials (24.5%), and the generation is estimated to generate \$44 billion in annual spending. About three-quarters of 13–17 years olds use their cell phones daily, more than they watch TV. Over half of surveyed mothers say the demo influences them in purchasing decisions for toys, apparel, dinner choices, entertainment, TV, mobile and computers. Among social media, only Instagram is in popularity in the demo.

In 2015, an estimated 150,000 apps, 10% of those in Apple's App Store, were educational and aimed at children up to college level. While researchers and parents agree the change in educational paradigm is significant, the results of the changes are mixed. On one hand, smart

phones offer the potential for deeper involvement in learning and more individualized instruction, thereby making this generation potentially better educated and better-rounded. On the other hand, some researchers and parents are concerned that the prevalence of smart phones will cause technology dependence and a lack of self-regulation that will hinder child development.

Teens are much more likely to share different types of information, as of 2012, compared to in 2006. However, they will take certain steps to protect certain information that they do not want being shared. They are more likely to "follow" others on social media than "share" and use different types of social media for different purposes. Focus group testing found that while teens may be annoyed by many aspects of Face book, they continue to use it because participation is important in terms of socializing with friends and peers. Twitter and Instagram are seen to be gaining popularity in member of Generation Z, with 24% (and growing) of teens with access to the Internet having Twitter accounts. This is, in part, due to parents not typically using these social networking sites. Snap chat is also seen to have gained attraction in Generation Z because videos, pictures, messages send much faster than regular messaging. Speed and reliability are important factors in how members of Generation Z choice of social networking platform.

In a study performed by psychologists it was found that young people use the Internet as a way to gain access to information and to interact with others. Mobile technology, social media, and Internet usage have become increasingly important to modern adolescents over the past decade. Very few, however, are changed from what they gain access to online. Youths are using the Internet as a tool to gain social skills, that they then apply to real life situations, and learn about things that interest them. Teens spend most of their time online in private communication with people they interact with outside the Internet on a regular basis. While social media is used for keeping up with global news and connections, it is mainly used for developing and maintaining relationships with people with whom they are close in proximity. The use of social media has become integrated into the daily lives of most Gen Z'ers who have access to mobile technology. They use it on a daily basis to keep in contact with friends and family, particularly those who they see every day. As a result, the increased use of mobile technology has caused Gen Z'ers to spend more time on their smart phones, and social media and has caused online relationship

development to become a new generational norm. Gen Z'ers are generally against the idea of photo shopping and they are against changing themselves to be considered perfect. The parents of the Gen Z'ers fear the overuse of the Internet by their children. Parents have a disliking for the access to inappropriate information and images as well as social networking sites where children can gain access to people from all over. Children reversely felt annoyed with their parents and complained about parents being overly controlling when it came to their Internet usage. Gen Z uses social media and other sites to strengthen bonds with friends and to develop new ones. They interact with people, who they otherwise would not have met in the real world, becoming a tool for identity creation.

The need for the study

The study is focussed on the influence of internet advertising on the students belongs to Z generation in the Coimbatore city. The study focus on what kind of marketing tactics will be effective towards the community. Habitualization of social media of this generation created more use of facebook, whatsapp, etc. This study helps the marketer to identify the different ways to use social media to advertise their products since this generation seeks suggestions and guidelines from their peers through these social media. This study also focus on finding factors affecting the student's buying behaviour through internet advertising.

Limitations of the Study

The study covered only the students of Arts & Science, engineering, MBA and MCA students of Coimbatore, Tamilnadu. So the results cannot be generalized for the other states of India. Due to lack of time we were unable to cover a larger sample.

Objectives

- To study the influence of internet advertising on students purchase decision making
- To identify the suitable internet advertising for the Z generation.

Methodology

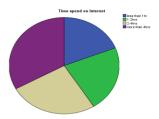
The structured questionnaire was developed after a detailed discussion with both academia and industries from Coimbatore. Stratified random sampling method is used for the study and the stratum is created based on the degree which the students are studying. From each stratum 25 students were selected randomly, altogether 100 samples were collected. The collected data was analyzed using percentage analysis.

Analysis and Interpretation

Partic	culars	Frequency	Percent	Valid Percent	Cumulative Percent
Vali d	less than 1hr	19	19.0	19.0	19.0
	1-2hrs	22	22.0	22.0	41.0
	2-4hrs	26	26.0	26.0	67.0
	more than 4hrs	33	33.0	33.0	100.0
	Total	100	100.0	100.0	

Source: Primary data

Chart 1: Time spend on Internet by the respondent



Inference: Table reveals that 33% of the respondents are using internet for more than 4 hours a day, 26% use 2 to 4 hours per day and 22% use 1 to 2 hours and rest 19% use less than one hour in a day.

 Table 2: Mode of advertisements influences the respondent

Particulars	Minimum	Maximum	Mean	Std. Deviation
Online Advertisements	1	5	2.55	1.690
News Paper, Magazines	1	5	2.86	1.128

Social media –Blogs,Forums,	1	5	2.96	1.188
Social Networking Sites	1	5	2.90	1.100
TV Commercial	1	5	2.97	1.439
Friends &	1	5	3.62	1.339
Relatives(Recommendation)	1	5	5.02	1.557
Valid N (listwise)				

Inference

The above table reveals that most of the respondent ranked no.1 recommendation by the friends and relatives as the mode of advertisement influences them the most. 2nd rank comes the TV commercials, 3rd rank goes to social media blogs, 4th rank for newspaper magazines and 5th rank for online advertisements.

Table 3: Use of Internet by the respondent

		Freque ncy		Valid Percent	Cumulative Percent
Valid	Yes	79	79.0	79.0	79.0
	No	21	21.0	21.0	100.0
	Total	100	100.0	100.0	

Source: Primary data

Inference

The above table reveals that 79% of the respondents are regularly using internet. Remaining 21% respondents are not regular internet users.

	=			Valid	
		Frequency	Percent	Percent	Cumulative Percent
Valid	Yes	84	84.0	84.0	84.0
	No	16	16.0	16.0	100.0
	Total	100	100.0	100.0	

Table 4: Viewing of advertisement while opening a web page by the respondent

Inference

The above table reveals that 84% of the respondents were seen an advertisement while opening a web page and remaining 16% marked them didn't see any advertisement while opening a web page.

Table 5: Purpose for which Internet is used by the respondent

Particulars	Minimum	Maximum	Mean	Std. Deviation
Entertainment	1	5	3.25	1.424
Social Networking	1	5	3.21	1.258
Information	1	5	3.03	1.210
Official Purpose	1	5	2.91	1.401
E-Commerce	1	5	2.57	1.635
Valid N (listwise)				

Source: Primary data

Inference

The above table shows that most of the respondent ranked 1 for entertainment, 2 for social networking, 3 for Information, 4 for Official purpose and 5 for E-commerce.

	-	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	84	84.0	84.0	84.0
	No	16	16.0	16.0	100.0
	Total	100	100.0	100.0	

Table 6: Viewing of advertisement while opening a web page by the respondent

Inference

The above table reveals that 84% of the respondents were seen an advertisement while opening a web page and remaining 16% marked them didn't see any advertisement while opening a web page.

Table 7: Respondents made purchase after seeing online advertisements

	-	Frequency	Percent	Valid Percent	Cumulative Percent
Valic	l Yes	71	71.0	71.0	71.0
	No	29	29.0	29.0	100.0
	Total	100	100.0	100.0	

Source: Primary data

Inference

The table shows that 71% of the respondents made purchase after seeing an online advertisement. The remaining 29% noted that they didn't made any purchase after seeing online advertisements.

Table 8: The kind	of internet advertisemen	t most influenced the respondent	

	Minimum	Maximum	Mean	Std. Deviation
Others	1	5	3.78	1.779
Display Advertisements	1	5	3.00	.921

Google Ad-Word(Pay per Click)	1	5	2.94	1.118
Social Media Advertisements	1	5	2.84	1.516
Banner Advertisements Valid N (listwise)	1	5	2.40	1.206

Inference

The above table shows that the banner advertisements ranked 1 as the most influenced type of internet advertisements by the respondent. Social media advertisement ranked 2, Google ad-word ranked 3 and display advertisements and other type of internet advertisement ranked 5 and 6 respectively.

				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	Informative	59	59.0	59.0	59.0
	Annoying	27	27.0	27.0	86.0
	create awareness	6	6.0	6.0	92.0
	Entertaining	8	8.0	8.0	100.0
	Total	100	100.0	100.0	

 Table 9: Perception on the Internet Advertisement

Source: Primary data

Inference

The above table reveals that 59% of the respondents perceived the advertisements as Informative, 27% respondents perceived as annoying, 8% as entertaining and 6% perceived internet advertising as it create awareness.

	-	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	84	84.0	84.0	84.0
	No	16	16.0	16.0	100.0
	Total	100	100.0	100.0	

Table 10: Preference of online purchase

Inference

The above table reveals that 84% of the respondent willing to prefer online purchase again. 16% of the respondents noted that they don't prefer online purchase anymore.

	Minimum	Maximum	Mean	Std. Deviation
Easiness	1	5	3.39	1.563
Convenience	1	5	3.16	1.098
Speed of Delivery	1	5	2.92	1.245
Lower Price	1	5	2.78	1.626
Product Quality	1	5	2.76	1.408
Valid N (list wise)				

 Table 11: Factors for prefer online purchase

Source: Primary data

Inference

The above table reveals that Product quality is at no.1 factor to prefer online shopping by the respondent. Lower price of the product noted second rank by the respondents. Speed of delivery, convenience, and easiness comes to 3rd, 4th, and 5th rank respectively.

Interpretation and Discussion

From the above analysis and interpretations and the help of the literature review, we form the following discussions to understand why this results has occurred.

• Friends and relatives play a vital role and major mode of the influencing factors which influence the purchase of a product or services. 2^{nd} rank comes to the TV commercials, 3^{rd} rank goes to social media blogs, 4^{th} rank for newspaper magazines and 5^{th} rank for online advertisements.

• Social networking and entertainment are the two major factors which motivates the students to use internet than any other reasons like news, business, etc,.

• The banner advertisements ranked 1 as the most influenced type of internet advertisements by the students. Social media advertisement ranked 2, Google ad-word ranked 3 and display advertisements and other type of internet advertisement ranked 5 and 6 respectively.

• Product quality is the number one criteria for the preference of online shopping by the students. Lower price of the product, Speed of delivery, convenience, and easiness are the other criteria for the online shopping.

• Majority of the respondents used to click and look into the ads while opening a web page since it is attractive. They used to consider the internet ad as an informative one and they use internet ad as a good source of information on products and services.

Conclusion

The study concludes that internet advertising influenced purchase decision of the students to a large extent the half of the respondents were influenced purchase decision. However, internet advertising is a key determinant of purchase decision of the students as they consider it to be an interaction point between them and the company from which they buy their products from. Facebook and whats app are famous app among this Z generation so if the marketer use these apps in an effective way to market the products and services. Participative ads and the ads which make the students to understand about the ad with a short time is most preferred. In addition, there is a positive relationship between consumer behaviour and internet advertising. This implies that companies should invest more in internet advertising to increase their market share and conduct a market research on the different markets in various countries to ensure that the internet advertising initiatives being implemented suits the targeted markets to improve product purchases.

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