

# Effects of Online Advertisement on Consumer Buying Behavior of University Students of Pakistan

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## ABSTRACT

The most glamorous item of promotion mix is the advertising. Online advertisement is more attractive to the consumer as it uses various ways to advertise ideas. According to recent research on the consumer behavior of the internet users there are four distinct groups of consumer; exploration, entertainment, shopping, information. The purpose of the study is to see the impact of online advertisement on consumer behavior only from the university student perspective. There are five independent variables in the study and one is the dependent variable. For the study data is collected from 300 respondents and put into the SPSS to draw the conclusion through Multiple Regression. The study concludes that 56.4% change in dependent variable is due to independent variable and online advertisement has an significant impact on consumer buying behavior and it is a large segment.

**KEYWORDS:** Interactivity, Accessibility, Irritation, shopping, information, Display marketing

## INTRODUCTION

The most glamorous item of promotion mix is the advertising. In today's life people come in contact with several advertisement and advertisement are used as a way to create demand for the products. It is use as a medium to convey message (Ankita Shrivastava, 2014) [1]. Internet and web advertising provided advertisers a way to make product globally recognized (James Mathew & Peter M. Ogedebe, Segun M. Ogedebe, 2013) [2]. With the passage of time there is change in the way the worlds perceive towards advertisement. Advertisement has changed from conventional to electronic advertisement in 20<sup>th</sup> century (Aneeza & Malik, 2009) [3]. Internet is an emerging source and expanding more and more. The growth of internet forces the advertisers to use this to attract the customer. Online advertisement is more attractive to the consumer as it uses various ways to advertise ideas like through different websites, social media, pop up ad etc. It comprises all sort of banner, email, in game and keyword advertising. In today's market scenario ubiquitous advertising is a matter of importance because world has become global village and internet is a ubiquitous medium for advertising (Aziz & Brown, 2013) [4].

According to current research on the consumer behavior of internet users there are four distinct groups of consumer.

- Exploration
- Entertainment
- Shopping
- Information

This grouping is done on the base of study that is conducted on the adults. Due to increasing use of internet in adults they used internet to explore new things and to seek information about products; use internet to play games or to listen music and to shop.

There are different types of internet marketing.

- Display marketing
- Search engine marketing (SEM)
- Search engine optimization (SEO)
- Social media marketing
- E-mail marketing
- Referral marketing
- Affiliate marketing
- Content marketing

So these are the vast ways on the internet to attract the customers and to convey the message and to grasp the maximum attention from the customers because the online advertising is approaching customer from multiple ways so they can't avoid every way (Srivastava Priyanka, 2012) [5].

Internet is proving a great channel for marketers to create a buzz through newsgroups, chat rooms and blogs about products ranging from clothes to music (Neetu & Kaul, 2010) [6]. Customers' feelings of enjoyment are associated with the advertisement because the online advertisements are mostly visual and feature oriented. So internet is vastly used these days and plays an important role in transferring message through internet (Bibhas & Chouhan, 2012) [7]. Internet advertising can be effective and can also be irritating; this may be able to reduce the effectiveness of internet ads (Magdalena & Rettie, 2003) [8].

Web advertising is one of the most fundamental forms of advertising. Advertiser's website is a hyperlink with web advertisement. The users just click on the advertisement and shift to another website that contains all relevant useful information (Aasma, Jaafri, raja & shahzad, 2013) [9].

#### **Purpose:**

The study is conducted to see the impact of online advertisement on consumer behavior only from the university student perspective. The little research in Pakistan has been done on the area of inline advertisement and the domain of students is not studied yet.

#### **Objective:**

- To study the relation between online advertisement and buying behavior of university students of Pakistan.

#### **Literature review:**

Advertising is created for and targeted at the audience. It's just not only the medium of buying and selling; it makes us informed regarding the trends of the world. Advertising takes the responsibility to convey the commercial message to the audience. Advertising is a form of communication that provides useful and relevant information to the audience to act immediately or to use it at the time of purchase (Ankita Srivastava, 2014).

A study has been conducted on the effectiveness of traditional word of mouth and the advertisement through social media sites on female purchase behavior of Pakistan and the results show that they are more affected by the word of mouth rather than the ads on social networking sites but now the advertisement research style has been changed due to online ads that have more influence on the purchase decisions. Business advertisement world has more interactive tools and enriches that has more influence than traditional advertisement platform (Sadia & Khan, 2015) [10].

At some website the traditional way of advertising is used and the product information is provided. These ads are similar to ads of other medium. So it means that web carries the ad (Mathew & Peter, Segun, 2013) [11].

"Online advertising began in 1994 when Hotwired, the digital counterpart to the hip wired magazine, started a web with about a dozen sponsors who paid to have advertising banners embedded throughout the sites" (Mathew & Peter, Segun, 2013).

Users cannot avoid reaching the web advertisements, at least they need to have the first view of them. They compulsorily have to take a first look at web advertising; this forced viewing disrupted their visual processing (Aasma, Jaafri, raja & shahzad, 2013).

Ads worth on net is approximately 100 crore. 60-70% ads are not paid on internet. Bill ads are also on discount and agencies coming forward to do net advertising. The real ad business on the net is still Rs. 25-30 crore (Srivastava Priyanka, 2012).

The behavior of the online consumer is fundamentally different from the consumer of physical world. Consumers find it easy to shop online and this trend is gradually increasing. To enhance the online shopping, advertiser uses different strategies such as its low cost to do shopping online (Ahmed & David, 2014) [12].

Researchers are agreed on these six fundamental principles on which advertising campaign runs: to secure attention; to arouse interest; to develop and sustain that interest; to create desire; to incite action and to create good will (Aneeza & Malik, 2009).

Consumer behavior is always been an important topic in the literature. Consumer buying behavior is affected by the consumer choice of advertisement (Shmaila & Ashfaq, 2013) [13].

There are two purposes of online advertising: communicate factor and content factor. Communicate factor is about featuring of ads and communicating information about the product. Content factor is about the shape of online advertisement, layout and graphics that are used in ads to attract the customer (Muhammad & Dwi, 2015) [14].

Irritation has a positive influence on the leaving of website that shows too much ads and the entertainment has a positive influence on the clicking on the ads on different websites to get pleasure and information regarding products (Ali, 2013) [15].

Organizations spend a large amount of budget on the advertisement to attract the maximum number of customers. Previous researchers have shown that TV is rated as the best medium because it provides instant display, image and text through which customers feel satisfied; that's why organizations are using internet for the purpose of

advertisement now because it has the same and more enhanced features to attract customer and a large segment of market both nationally and internationally are user of it (Sadia & Khan, 2015).

**Problem statement:**

This study is entirely new and the numbers of students are increasing in Pakistan and the use of internet is increasing among students.

**Research question:**

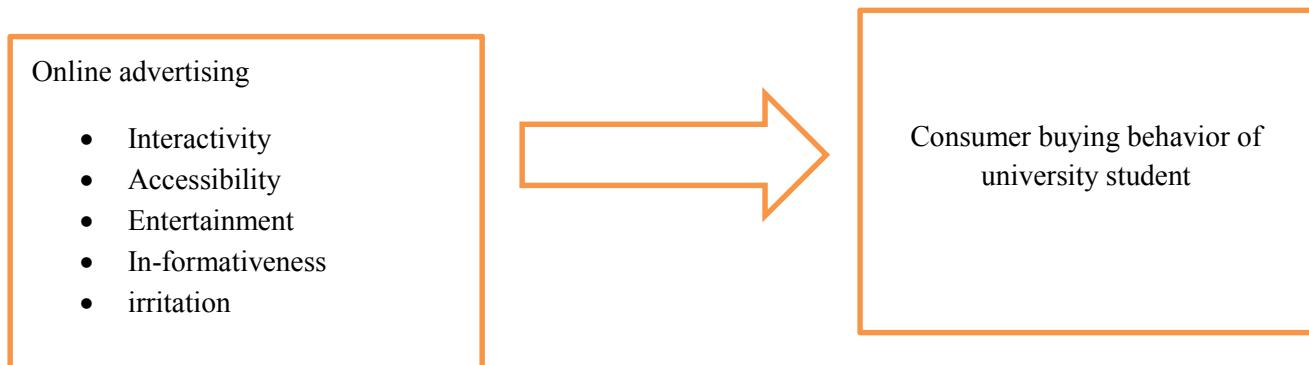
- What is the impact of online advertisement on consumer buying behavior?

**Consumer involvement theory:**

This is a way of understanding consumer psychology and behavior. Involvement means the time, effort, attention and energy people spend on buying. There are four general categories of involvement. The categories are developed on the base of two scales. One is emotional and other is rational.

1. **High emotional involvement:** It's an expensive purchase where purchase are made of technological infrastructure whether high rational involvement refers to high cost purchase.
2. **High rational involvement:** There are business purchases that are related to office design, hiring and selection whereas high emotional refers to shopping of jewelry, travel plan and other things.
3. **Low rational involvement:** Things that we decide to buy when see at store.
4. **High rational involvement:** Things that we purchase for short-term emotional satisfaction (Oluwole and Joy, 2014) [16].

**Theoretical framework:**



**Variables:**

**Interactivity:** Ability of mutual communication between advertisers and consumers the response to the input they receive (Muhammad & Dwi, 2015).

**Accessibility:** Ability of user avail service provided by online advertising (Muhammad & Dwi, 2015).

**Entertainment:** Ability of advertising to give pleasure to consumer while inserting advertising information (Muhammad & Dwi, 2015).

**In-formativeness:** Ad ability to deliver information to consumer to give a true picture of product (Muhammad & Dwi, 2015).

**Irritation:** It's an online disorder means manipulation or fraud online ad that lead to bad experience (Muhammad & Dwi, 2015).

**Consumer buying behavior:** The process by which individuals search for, select, purchase, use, and dispose of goods and services, in satisfaction of their needs and wants (Business dictionary, 2016) [17].

**Hypothesis:**

**H1:** There is a relation between online advertising and consumer buying behavior of university student.

**H2:** There is an impact of interactivity on consumer buying behavior of university student.

**H3:** There is a relationship between accessibility and consumer buying behavior of university student.

**H4:** There is a link between entertainment and consumer buying behavior of university student.

**H5:** In-formativeness and consumer buying behavior of university student has relationship.

**H6:** Irritation and consumer buying behavior of university student has link.

## METHODOLOGY

The data collection method is quantitative and close ended questionnaire that is framed in terms of number is use. The approach that is use is deductive approach. The data is only collected from the university students to see the impact of online advertisement on them purchase behavior. . The sample size for carrying out this research is of 300 respondents.

The predesigned questionnaire has been adapted for the data collection. For interactivity use the questionnaire design by the Yuping Liu, for ad liking and credibility use the questionnaire design by the Aasma & Shahzad, for irritation use the questionnaire design by the Ali, for in-formativeness and entertainment use the questionnaire design by the Aziz & Brown, for impulse buying use the questionnaire design by the Wahida Shahan Tinne, for accessibility use the questionnaire design by the James Caverly.

### **Reliability analysis:**

To enhance the credibility of research first applied the reliability analysis to check the reliability of variables.

Variable	Cron Batch Alpha
Interactivity	.700
Accessibility	.717
Entertainment	.707
In-formativeness	.746
Irritation	.756
Impulse buying	.806

The reliability of each variable is more than .7 which is a good level of reliability which shows that if in the same conditions of the study again repeated than results would be same.

### **Multiple Regression:**

**Table 1**

Correlations		Total sum	interactivity	accessibility	entertainment	informativeness	irritation
<b>Pearson Correlation</b>	Total_sum	1.000	.251	.078	.351	.482	.283
	Interactivity	.251	1.000	-.011	.294	.280	.038
	Accessibility	.078	-.011	1.000	.001	.028	.011
	Entertainment	.351	.294	.001	1.000	.517	.130
	Informativeness	.482	.280	.028	.517	1.000	.070
	Irritation	.283	.038	.011	.130	.070	1.000
<b>Sig. (1-tailed)</b>	Total_sum	.	.000	.097	.000	.000	.000
	Interactivity	.000	.	.424	.000	.000	.265
	Accessibility	.097	.424	.	.491	.318	.427
	Entertainment	.000	.000	.491	.	.000	.015
	informativeness	.000	.000	.318	.000	.	.121
	Irritation	.000	.265	.427	.015	.121	.
<b>N</b>	Total_sum	280	280	280	280	280	280
	Interactivity	280	280	280	280	280	280
	Accessibility	280	280	280	280	280	280
	Entertainment	280	280	280	280	280	280
	informativeness	280	280	280	280	280	280
	Irritation	280	280	280	280	280	280

Table 1 show that interactivity has weak positive correlation with total sum, entertainment, in-formativeness, irritation and weak negative correlation with accessibility. Accessibility has weak positive correlation with total sum, entertainment, in-formativeness, irritation and weak negative correlation with accessibility. Entertainment has weak positive correlation with total sum, entertainment, irritation and moderate positive correlation with in-formativeness. In-formativeness has weak positive correlation with total sum, entertainment, irritation and moderate positive correlation with entertainment. Irritation has weak positive correlation with total sum, interactivity, accessibility, entertainment and in-formativeness.

Total sum has significant correlation with interactivity, entertainment, in-formativeness and irritation. It has non-significant correlation with accessibility. Accessibility has non-significant correlation with all variables. Entertainment has significant correlation with total sum, interactivity and in-formativeness and non-significant correlation with accessibility and irritation. In-formativeness has total sum, interactivity and entertainment and non-

significant correlation with accessibility and irritation. Irritation has significant correlation with total sum and non-significant with rest of variable.

**Table 2**

<b>Model Summary</b>				
<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
1	.564 <sup>a</sup>	.318	.305	4.68117
a. Predictors: (Constant), irritation, accessibility, interactivity, informativeness, entertainment				

Table 2 shows that 56.4% change is occurring in dependent variable due to independent variable which is a major change of independent variables in consumer buying behavior. 56.4% is a remarkable change.

**Table 3**

<b>ANOVA<sup>b</sup></b>						
<b>Model</b>		<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
1	Regression	2796.642	5	559.328	25.525	.000 <sup>a</sup>
	Residual	6004.269	274	21.913		
	Total	8800.911	279			
a. Predictors: (Constant), irritation, accessibility, interactivity, informativeness, entertainment						
b. Dependent Variable: Total_sum						

Table 3 shows that model is valid because p-value is less than 0.05.

**Table 4**

<b>Coefficients<sup>a</sup></b>						
<b>Model</b>		<b>Unstandardized Coefficients</b>		<b>Standardized Coefficients</b>	<b>t</b>	<b>Sig.</b>
	B	Std. Error	Beta			
1	(Constant)	13.247	2.535		5.226	.000
	Interactivity	.216	.105	.108	2.050	.041
	accessibility	.130	.099	.065	1.305	.193
	entertainment	.142	.098	.087	1.453	.147
	informativeness	.562	.086	.388	6.575	.000
	Irritation	.389	.082	.240	4.762	.000
a. Dependent Variable: Total_sum						

Table 4 shows that by increasing by one unit of interactivity the dependent variable consumer buying behavior increase by .216, by one unit of increase of accessibility dependent variable increase by .130, by entertainment increase by .142, by in-formativeness increase by .562 and by irritation increase by .389. All the independent variable has positive relation with dependent. By the increase of one unit of each independent variable there is an increase occur in consumer buying behavior.

Interactivity, in-formativeness and irritation are significant variables while accessibility and entertainment are significant variable.

Buying behavior of university students = 13.247 + .216 (interactivity) + .130 (accessibility) + .142(entertainment) + .562 (in-formativeness) + .389 (irritation)

## RESULTS

The study shows that 56.4% change in dependent variable is because of independent variables. All the independent variables have positive relation with dependent variable. By each unit increase of independent variable there is a positive increase occurs in dependent variable. The study shows that model is valid because P-value is less than 0.05.

## DISCUSSION

The items are valid and questionnaire is adopted for the study from previous researches. To check the reliability of each item applied the reliability test. The reliability of each item is more than .7 which shows a good consistency of results. Except accessibility all the independent variables has significant correlation with consumer buying behavior.

All the independent variables has positive relation with consumer buying behavior. The increase in one unit of each item leads to a positive increase in buying behavior.

**Conclusion:**

The study concluded 56.4% change in dependent variable is due to independent variables. The study also concluded that online advertisement has an impact on the buying behavior of the university students of Pakistan and it's a considerable segment that should be targeted and a lot of revenue can be gain from this segment.

**Recommendation:**

There are some other variables that can also be studied are studying the relation that can be the use of graphics in ad, animation and others. The study can be conducted on the professionals.

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