

# **Dissertation Report**

## **EFFECTIVENESS OF ONLINE ADVERTISEMENTS IN RECALLING A PRODUCT**

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**Jan - May 2017**

## **CERTIFICATE**

This is to certify that dissertation entitled "**Effectiveness of online advertisements in recalling a product**" is the bonafide research work to the best of my knowledge carried out by Samar Saini (roll no: 2K15/MBA/48), a student of Master of Business Administration(MBA), Delhi School of Management, affiliated to Delhi Technological University, in partial fulfillment of the requirements for the award of the Degree of Masters of Business Administration and that the dissertation has not formed the basis for award previously for any degree, diploma, or fellowship.

**Signature of Guide**

**Signature of Head**

## **DECLARATION**

I, Samar Saini student of MBA 2015-17 of Delhi School of Management, Delhi Technological University hereby declare that the project work entitled "**Effectiveness of online advertisements in recalling a product**" submitted in partial fulfillment of Degree of Masters of Business Administration is a record of an original done by me.

This report has not been submitted to any other University for the award of any degree, diploma or fellowship.

**Place:**

**Samar Saini**

**Date:**

**2K15/MBA/48**

## **ACKNOWLEDGEMENT**

The research on Effectiveness of online advertisement in recalling a product" has been given to me as a part of the curriculum in Master's Degree in Business Administration. I have tried my best to present the information as clearly as possible using basic terms that I hope will be comprehended by the widest spectrum of researchers, analysts and students for further studies.

I wish to express my sincere gratitude to Professor Dr P.K. Suri, for providing me constant support and guidance throughout this project.

I sincerely thank Research Scholar Ms. Khushbu Madan, for her guidance, assistance and encouragement during my project.

Also a great thanks to my family, who tried their best to support me by giving me a lot of encouragement during my project.

## **ABSTRACT**

There has been a tremendous growth in Internet penetration in India during the past 10 years, things for which there was a whole day invested can now be done in few clicks thanks to the power of Internet. Looking at the immense opportunity, businesses have made this a good platform to advertise. The growing area of interactive advertising presents fresh new challenges for advertisers, who have adopted interruptive strategies. This paper explores various online advertisement factors that motivate consumers to recall a product or service by an online advertisements. Effectiveness of an online advertisement cannot be analyzed with a mathematical or empirical formula, some advertisers also argue that advertising efforts go in vain, but every advertiser is keenly interested in measuring or in evaluation of ad effectiveness for increasing the overall success rate. The basic objective of measuring advertising effectiveness is to prevent costly mistakes and to predict the relative strength of alternative advertising strategies and to increase their effectiveness and efficiency by increasing the recall of a product or service.

In measurement of advertisement effectiveness, feedback always play an important role, even if it costs some extra expenditure to the advertiser. Communication-effect research on advertising not only helps advertisers assessing the customers ability to recall a product or brand advertisement but also reveals little about its sales impact. Advertising's sales effect is generally harder to measure than its communication effect. A memorable online advertisement can offer many advantages to the brand in terms of sales and revenue. The objective is to identify the factors of online advertising that make customer to recall the product advertised and to find out the ability of online advertising of product in building the recalling ability of customers and influencing the purchase pattern. This paper studies the various online advertisement variables that motivate consumers in recalling an online advertisements of a product or a brand. The results discovered that motivation and price are the two most effective factors that enhance the viewers ability to recall a product or service by an online advertisement. The study showed sufficient evidence that the respondents agreed that animated advertisement has high recollection ability.

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## CHAPTER-1

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### INTRODUCTION

Over the past ten years, advertising budgets allocated to internet media have grown spectacularly. In 2018, the internet will represent 45% of total advertising expenditure worldwide and this figure could reach 60% in the next four years. Two trends are at boom : (i) tremendous hike in internet usage which strengthens the internet's role in providing recommendations and influencing consumers to make purchases (ii) evolution in targeted advertising formats and techniques which assist in shaping more communicative and relevant online campaigns .

In today's cut throat competition, the focus is on, price reduction and all companies are trying to reduce cost by whichever means possible. It is however reasonable to say that online advertising play a crucial role. The developing area of interactive advertising presents new opportunities & challenges for advertisers to influence customer. Online advertising has many benefits like it increases efficiency, reduces costs, provides more flexibility and as a global medium .

The internet helps buyers and sellers to interact and manage business transactions 24 X 7. The endorsement of online sales and advertising revenue has grown tremendously. From the buyer's perspective, the restrictions include the incapacity to touch, smell, taste and trial of tangible goods before making an online purchase. A recent survey of 410 marketing executives shows that insufficient ability to measure impact, a lack of internal capability, and difficulty in convincing senior management as the top three barriers to entry for large companies looking to market online. However, as the number of advertisers grow and shift to online, it is now overtaking radio advertisement in terms of market share. The main aim was to study the online advertisements and factors that motivate consumers to recall online advertisements .

Advertising on the internet has become a crucial component of marketing communication worldwide. Global marketers and advertisers are switching towards online advertising because of the unique and versatile capabilities of the Internet. Online advertising is a form of marketing



and advertising that uses the web to provide promotional marketing messages to potential consumers.

The ways consumers interact with each other have been changing dramatically over the last decade, and the same is true for, how consumers gather and exchange information about products and services and how they obtain and consume them. The growth of new media has provided consumers with extensive options for actively providing information on services and products: ‘The digital innovations of the last decade made it effortless, indeed second nature, for audiences to communicate effectively’ .

With the advent of the Internet, online advertising has become a topic of growing interest to academic research. In the past decade, online advertising has tremendously grown beyond simple banner advertising to include new advertising models and online channels (e.g., on-demand advertising like search engine advertising and price comparison website advertising) that make better use of the Internet's unique potential for communication between consumers and advertisers. The online advertising industry concerns buying and selling advertising space that is accessed by consumers through the Internet .

## **1.1 Industry profile**

India offers huge business opportunity for online advertising industry with rising population, increasing income level and changing lifestyle. With growing number of educated people and migration to urban spaces, growing adoption in internet and online advertising is being witnessed. Despite the growth, many problems continue to affect the industry such as underdeveloped infrastructure and lack of faith of both advertisers and audiences .

Online advertising is rising rapidly in the country but fall in advertising revenues have been noticed during 2009 due to the global economic slowdown. However, in 2010, a recovery in advertising revenue was witnessed, due to enhancement in market sentiments. Moreover, sectors like finance, IT and education, which are the largest contributors to online advertising, decreased their advertising budget during 2009 and from the second quarter of 2010 onwards again started expanding their advertising spending. In 2010, internet advertising surpassed growth rate of other

advertising formats like TV, print and radio. The factors that aided the industry growth were, growth in internet penetration, e-commerce, social networking and population growth .

Among the different online ad categories, display advertising has always been the leading segment. Sectors like travel, Banking, Financial Services and Insurance, telecom, auto and online publishers dominated the display advertising segment. Mobile advertising is also growing significantly in India and it includes banners, text, click to call, click to SMS, in-game among others. With growing demand for smart phones and 4G networks, mobile internet data usage is expected to be the growth driver, thereby leading to growth in mobile advertising. The role of social media is also rising due to increasing internet access and also on account of social media becoming a standard element of web use .

Growth and new business opportunities exists for the online advertising industry in India, due to a tremendous youth population, popularity of social networking sites, growing e-commerce trade, growth in educated population and broadband connectivity, as well as shrinking internet and telecom costs. Moreover, entry of foreign e-commerce companies is also expected to drive growth for online advertising. Mobile advertising will be one of the biggest growth stories by 2020. Mobile advertising is also have grown tremendously with the popularity of 4G services, which was recently introduced in the market, thereby driving the demand for online advertising services .

2016 has seen tremendous growth and transformation for digital advertising. According to the 2016 PWC Internet Advertising Revenue Report, across desktop and mobile, digital video generated the largest gain of any format.

Internet advertising was evaluated at Rs 2900 crores (US\$ 435 million) in 2013, is anticipated to jump threefold to Rs 10,000 crores (US\$ 1.5 billion) in five years by 2018, increasing at a compound annual rate of 28 per cent, the full potential of the sector will remain unfulfilled, as consumers turn to ad-blocking to overcome their frustrations over ads' impacts on their loading times and data consumption .

## **1.2 Objectives**

The main objective of my study is to measure the "effectiveness of advertisements in recalling a product". Other objectives of my study are as follows :

- 1) To identify the factors of online advertising that make customer to recall the product advertised.
- 2) To find out the ability of online advertising of product in building the recalling ability of customers and influencing the purchase pattern.
- 3) To find out the consumer attitude towards online advertising.

## CHAPTER-2

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### LITERATURE REVIEW

Immense amount of efficient strategies are needed for reaching customers in online advertising. It is also a fact that the largest revenue arises within Internet advertising are generated through display-based and search-based advertising. The user's search engine queries determines which advertisement are to be displayed. Revenue on the basis of search-based advertising accounted for about \$8.1 billion in 2011, 51% of the total internet advertising revenue. Google followed by Yahoo and Bing are the leaders in search based advertising market (Goldberg & Gorn) .

Malte Brettel, and Andrea Spilker-Attig (2010), in their work on online advertising effectiveness found that spending and efforts in the various advertising channels be adjusted to reflect the product offered and the customers to whom it is offered Peter J. Danaher and Guy W. Mullarkey (2002) have published their research article entitled "Factors Affecting Online Advertising Recall : A Study of Students". In this research he examine factors that might impact on web advertising recall and recognition. These factors include the viewing mode, duration of page viewing, and web page context factors, including text and page background complexity and the style of the banner advertisement. It was found that the longer a person is exposed to a web page containing a banner advertisement, the more likely they are to remember that banner advertisement .

Novak and Hoffman (1996) empirical evidence suggests that consumers respond to much of the advertising on the internet in the same ways as they respond to advertising in traditional media, at least with respect to traditional measures of advertising effectiveness. Internet and other interactive media like television have been more powerful, responsive, and customizable than traditional media (Port, 1999) .

Drèze and Hussherr (1999) found response to the advertising on the internet to be similar to response to advertising in other media, except that advertising on the internet appeared to be easier to ignore. Caroline Cartellieri et.al (2004) the Internet has as big impact on advertising as

radio and television, it is just another emerging niche medium with some peculiar creative capabilities and constraints .

Lynch and Ariely (2000) found that consumers are less price sensitive when providers on the internet offer different rather than identical products, a finding that directly parallels findings in more traditional retail settings. Dreze (1998) considered internet advertising as a viable alternative to traditional media, reach and frequency are used as the standard measures for online ad effectiveness .

According to Preston (1985), the perfect advertising effectiveness measure should be related to the actual behavior. Most concrete measure of interactivity is looking at users' actual behavior of interactions, e.g., clicking, searching, book marking, etc .

Online advertising requires effective strategies in reaching customers (Zinkhan & Watson, 2004), these strategies may include personalization and integration of multimedia and real-time interactions. The largest revenue shares within Internet advertising are generated by display-based and search-based advertising. The latter utilizes the Internet user's search engine query to determine which advertisements are displayed. According to MacKenzie and Lutz (1989), consumer attitude towards online advertising can be indicated through consumer's favorable or unfavorable response towards a particular online advertisement. After consumer exposure to the online advertising, they will then form either positive or negative attitudes towards the advertising (Schiffman and Kanuk, 2000). Mehta (2000), consumer's attitude towards online advertising is one of the influential factors of effectiveness of online advertising as consumer's cognitive ability towards the online advertisement are reflected in their thoughts as well as feelings and subsequently will influence their attitude towards online advertising (Mackenzie and Lutz, 1989) .

Consumers have direct control over web based advertisements on what ads, when, where, and how long they would like to see them (Gallagher et. al., 2001). Bush and Harris(1998) continue to show that the number one barrier to online advertising continues to be no proof of ROI or other measure of effectiveness. Online advertising can be an effective branding vehicle that could provide marketers with powerful communication tools the web can present information in

numerous ways including text, images, videos, and sound and therefore, is a flexible medium. The marketplace is changing and it has been shifting towards online shopping, and virtual market businesses. Due to the changes in the environmental trend, the online business has to focus more on web-based advertisement. Briggs and Stipp (2000), share learning accumulated on the effectiveness of different types of ad formats. internet advertising is a commercial communication intended to generate a response over time .

A better understanding of the function of Internet advertising will not only help the development and use of various Internet advertising formats but also assist the effective integration of both traditional and internet advertising in marketing campaigns .

Anandam P. Kavoori and Kalyani Chadha (2001) studied the future of the internet in the developing world by exploring the discourse of advertising. On the basis of a visual analysis from records of New Delhi and newspapers and magazines, the study concluded that a rethinking is required for online advertising in developing word. It argues that the advertisement themes used in online advertisement used a vision of the future of internet which defies the issues of linguistic hegemony, technological innovations, a consumerist culture, support of sexism and class. The study suggests that the future of internet technology in the developing world is intimately connected with the issues of global capitalism and cultural hegemony .

The independent variables used in this study are:

### **H1- Motivation**

This factor is an effective tool in motivating consumers in recalling online advertisements and eventually making business transactions. The growing area of interactive advertising presents new challenges for advertisers to motivate customer. The motivating factors which affects the customer's decision making for purchase has been analyzed.

**H01-** Motivation negatively influences the effectiveness of online advertisement.

**HA1-** Motivation positively influences the effectiveness of online advertisement.

## **H2- Celebrity Engagement**

Celebrity Engagements are widely used in online advertising to enhance consumer's product recall and positively influence their brand choice behavior.

Celebrity bring with their endorsement, consumer recognition and image awareness of the brands they represent. Such endorsements are a key component in driving the sales of products and enhancing manufacturers stock value.

Regardless of the endorser's role, it is imperative that the advertisement creates in the consumer a memory of the celebrity endorsing a particular brand which acts as a recalling factor.

In a world where it is increasingly very difficult to catch consumer's attention, celebrity engagements are viewed as an integral part of an organization's overall marketing plan.

**H02-** Celebrity Engagement negatively influences the effectiveness of online advertisement.

**HA2-** Celebrity Engagement positively influences the effectiveness of online advertisement.

## **H3- Humor**

Humor in a advertisement makes it unique and unique advertisements in general are learned and remembered better than ordinary commercials. Some studies have demonstrated that humor enhanced response for advertisement, thereby increasing sales of a product or service. To be effective in an advertising context, humor must be geared to communication goals as humorous advertisements also enhance viewers ability to recall the advertisements. Earlier studies have shown that the humor's influence in recalling an online advertisement is high.

**H03-** Humor negatively influences the effectiveness of online advertisement.

**HA3-** Humor positively influences the effectiveness of online advertisement.

## **H4- Value associated**

Value of a particular product or service is derived from consumers perception and his experiences with the brand. Viewing an online advertisement could make a consumer recall that particular advertisement depending on the value of the product or service in consumers mind,

therefore value associated with the product or service can also be a factor that we can take into account for this research.

**H04-** Value associated negatively influences the effectiveness of online advertisement.

**HA4-** Value associated positively influences the effectiveness of online advertisement.

### **H5- Background Music**

Music can serve the overall promotional objective in one or more of several capacities.

Music can contribute to an effective online advertisement because it creates memorability.

It is one of the peculiarities of human tendency and cognition that music tends to linger in the listener's mind. Surprisingly, such musical lingering may happen even when the mind is an unwilling host. Thus, the association of music with the advertisement of a certain product may substantially aid product recall. Background music captures attention, evokes images, and creates ambience thereby significantly increasing recall.

**H05-** Background Music negatively influences the effectiveness of online advertisement.

**HA5-** Background Music positively influences the effectiveness of online advertisement.

### **H6- Video Used**

Whether video is being used in an online advertisement or not is very important today for a marketer. People now watch over 100 million hours of video on facebook each day and each moment counts for advertisers.

Some studies shows that the video ad whether you're measuring ad recall, brand awareness, or sales—happens quickly and increases with duration.

With people's growing control over what content they watch, a video ad captures viewer's attention more and in a better way.

**H06-** Video use negatively influences the effectiveness of online advertisement.

**HA6-** Video use positively influences the effectiveness of online advertisement.



## **H7- Price of the product/service**

Although it has been proposed that recall processes play a role in the product/service sales effects of 9-ending pricing, substantial effects of price & price endings on the level of recalled prices has not been demonstrated. It has been shown that this use of 9s is capable of having beneficial effects on sales & in remembering particular product or service. Apart from price endings with 9s, it has also been observed in some studies that a price shown in an online advertisement could also create some recall for the viewer in remembering the product.

**H07-** Price negatively influences the effectiveness of online advertisement.

**HA7-** Price positively influences the effectiveness of online advertisement.

## **CHAPTER-3**

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### **RESEARCH METHODOLOGY**

To achieve the objectives of this study, survey method was used by which data is collected within the region of Delhi NCR. The questionnaire consists of various recall online advertising factors such as motivation, celebrity engagement, background music, price of a product or service as well as socio-demographic variables such as age, gender and income. These questions in the survey were weighted as a five-point scale, six factors by (strongly disagree, disagree, neutral, agree, and strongly agree) and one factor by (very important, important, moderately important, not so important, and unimportant). In order to validate the data, respondents were asked whether online advertisement had anything to do with their online purchasing.

#### **3.1 Significance of the Study**

This study will contribute to the improvement of online advertisements in recalling a product or service not only in a particular industry but in all industries. I hope that this research will encourage the advertisers/marketers to execute their advertisement according to the findings of this study and to adapt it as an effective advertising strategy that will benefit the companies as well as the customers.

#### **3.2 Hypothesis of the independent variables**

This has been done by integrating the following independent variables:

- H1- Motivation
- H2- Celebrity Engagement
- H3- Humor
- H4- Value of the product

- H5- Background Music
- H6- Video used
- H7- Price of the product/service

### **Motivation**

**H01-** Motivation negatively influences the effectiveness of online advertisement.

**HA1-** Motivation positively influences the effectiveness of online advertisement.

### **Celebrity Engagement**

**H02-** Celebrity Engagement negatively influences the effectiveness of online advertisement.

**HA2-** Celebrity Engagement positively influences the effectiveness of online advertisement.

.

### **Humor**

**H03-** Humor negatively influences the effectiveness of online advertisement.

**HA3-** Humor positively influences the effectiveness of online advertisement.

### **Value associated**

**H04-** Value associated negatively influences the effectiveness of online advertisement.

**HA4-** Value associated positively influences the effectiveness of online advertisement.

### **Background Music**

**H05-** Background Music negatively influences the effectiveness of online advertisement.

**HA5-** Background Music positively influences the effectiveness of online advertisement.

### **Video Used**

**H06-** Video use negatively influences the effectiveness of online advertisement.

**HA6-** Video use positively influences the effectiveness of online advertisement.

**Price of the product/service**

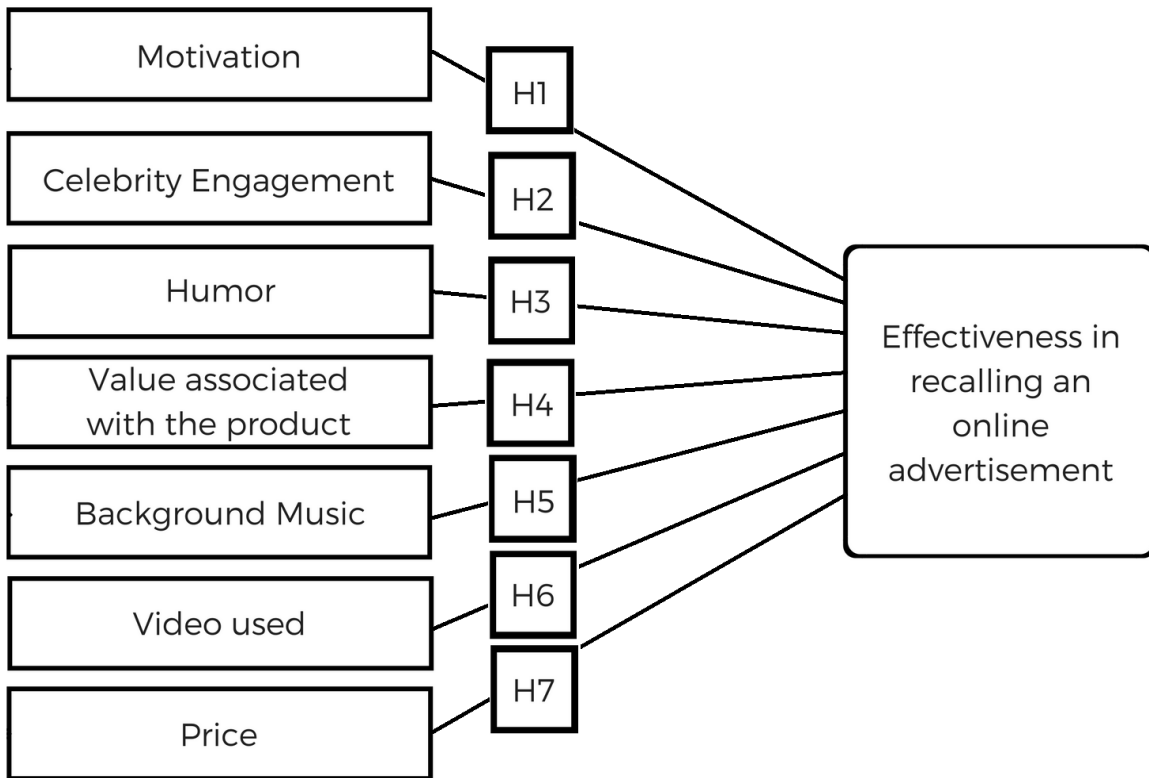
**H07-** Price negatively influences the effectiveness of online advertisement.

**HA7-** Price positively influences the effectiveness of online advertisement.

**3.3 Research Design**

Research design is the arrangement, structure, and methodology of examination imagined in order to get answers to research questions. Research design is absolutely a system or an arrangement for study that aides in the gathering of information. Distinct research design is embraced for breaking down the information.

**Fig3.1: Conceptual Framework of the Study**



### **3.4 Research Instrument**

Questionnaire was used as research instrument. The first part of the questionnaire consisted of the consumer's demographics including gender, age, household income and educational qualifications. The second part consisted of the dependent variable questions which included whether online advertisement have any influence on online purchase and if the respondents really could recall any online advertisement. . The third part of the questionnaire consisted of questions on factors which affect the viewer of an online advertisement to recall a product or service which includes factors like motivation, celebrity engagement, humor, value associated with the product, video used with the advertisement, background music and price. The questionnaire was further pre tested on doctoral students, faculty members and common people having knowledge about online advertisement's recalling ability.

### **3.5 Source Of Data**

#### **3.5.1 Primary Data**

Important information has been gathered specifically from clients through organized questionnaire.

#### **3.5.2 Secondary Data**

Secondary data has collected from research papers, journals, textbooks, Newspapers, internet etc.

### **3.6 Sampling Technique**

The populace incorporates male and female students of MBA colleges, graduate colleges, people having heterogeneous demographics. In this project convenience sampling method is followed.

#### **3.6.1 Sample Size**

The population sample was taken from Delhi/NCR. The Sample size was 213.

### **3.6.2 Data collection**

Self-administered personal survey method was used to collect the necessary data. For this purpose appropriate questionnaire was designed. This questionnaire was then forwarded through various social media channels such as WhatsApp, Facebook etc. and also forwarded through mails.

### **3.6.3 Structure of Questionnaire**

The questions defined were organized and non-camouflaged. The questions were designed in such a way to get all the fundamental data and to see that the respondents could answer them with ease. This pattern helped in dissecting the information.

Multiple choice questions were asked. In this, many choices of responses are given and the respondent chooses one response. The advantage of this type is easy tabulation and quick response by the respondent.

## **3.7 TESTS USED**

### **3.7.1 T-test**

T test is a study of 2 populace methods using factual examination; a t-test with two specimens is ordinarily applied with little sample sizes, testing the difference between the samples when the fluctuations of two ordinary appropriations are not known.

A t-test takes a look at the t-statistic, the t-dispersion and degrees of freedom to determine the chance of contrast between populaces; the test measurement in the test is known as the t-statistic.

In this research we have used the **Independent Samples T-test**.

The independent samples t-test is utilized when two separate arrangements of autonomous and indistinguishably dispersed examples are acquired, one from each of the two populaces being looked at.

### 3.7.2 ANOVA

Analysis of variance (ANOVA) is an investigation device utilized as a part of insights that parts the total fluctuation found inside an informational collection into two sections: systematic factors and random factors. The systematic factors affect the given informational collection, yet the random factors don't.

Experts utilize the analysis of the variance test to decide the outcome autonomous factors have on the needy variable in the midst of a regression study.

Analysis of variance is useful for testing at least three factors. There are two sorts of examination of variance: one-way (or unidirectional) and two-way. A restricted or one-way ANOVA assesses the effect of a sole component on a sole reaction variable. It decides if every one of the samples are the same.

Two-way ANOVA enables an organization to look at specialist profitability in light of two autonomous factors. It is used to watch the cooperation between the two variables. It tests the impact of two variables in the meantime.

In this dissertation we have used the **One-Way ANOVA**.

### 3.7.3 Regression Analysis

Regression is a factual measure used to decide the quality of the connection between one dependent variable (more often than not meant by Y) and a progression of other evolving factors (known as independent factors).

The two fundamental sorts of regression are linear regression and multiple linear regression, despite the fact that there are non-linear regression techniques for more confounded information and analysis. Linear regression utilizes one independent variable to clarify or anticipate the result of the reliant variable Y, while multiple regression utilizes at least two independent variables.

$Y = a + bX + u$  is the general form of linear regression

Where:

Y is the dependent variable that we are seeking to estimate

X is the independent variable that we are using to estimate Y

a is the intercept

b is the slope

and, u is the regression residual

Regression takes a gathering of arbitrary variables that are able to anticipate Y, and tries to locate a numerical connection between them. This relationship is commonly as a straight line (linear regression) that best approaches all the individual information points.

In this research we have used the **Linear Regression Analysis**.

#### **3.7.4 Post-Hoc Analysis**

Practically speaking, post hoc examinations are generally governed towards discovering designs and additional connections between subgroups of inspected populaces that would somehow stay undetected and unfamiliar were an academic group to depend entirely upon a priori statistical strategies. Post hoc examination fortifies acceptance by constraining the likelihood that critical impacts will appear to have been found between subgroups of a populace when none really exist.



Post hoc investigation is an essential strategy that explain regression properly.

In this research we have used the **tukey's range test**.

- Tukey's strategy is appropriate for pair wise correlations.
- It assumes autonomy of the perceptions being tested, as well as equal variation across observations.

## CHAPTER-4

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### RESULTS AND ANALYSIS

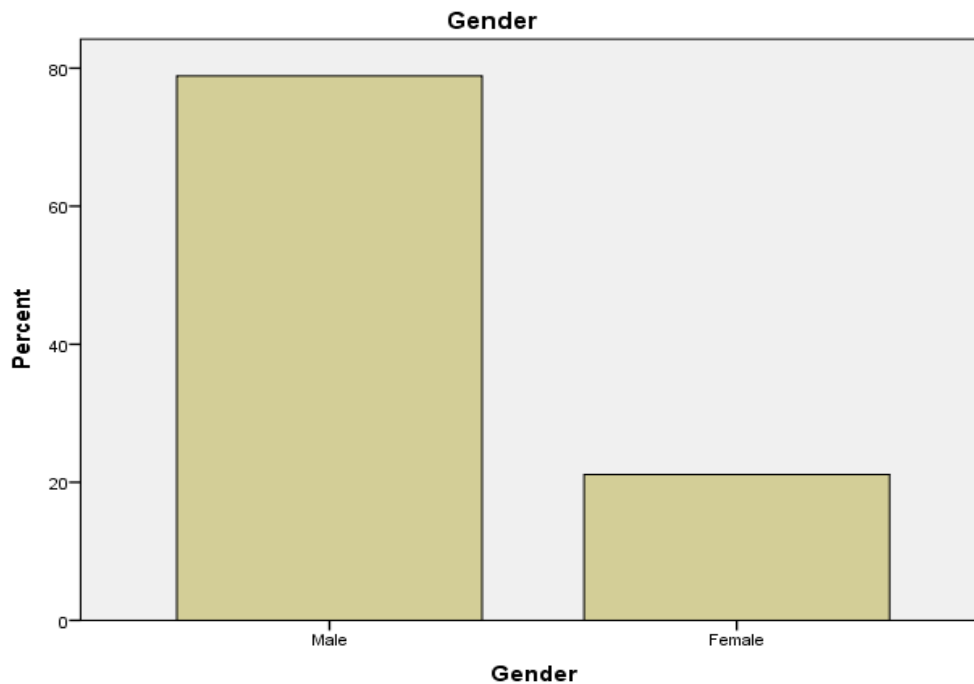
#### 4.1 DEMOGRAPHICS

##### DISTRIBUTION OF RESPONDENTS ACCORDING TO THEIR GENDER

Table No:4.1

Gender		
	No. of respondents	Percent
Male	168	78.9
Female	45	21.1
Total	<b>213</b>	<b>100.0</b>

Figure 4.1



#### Inference-

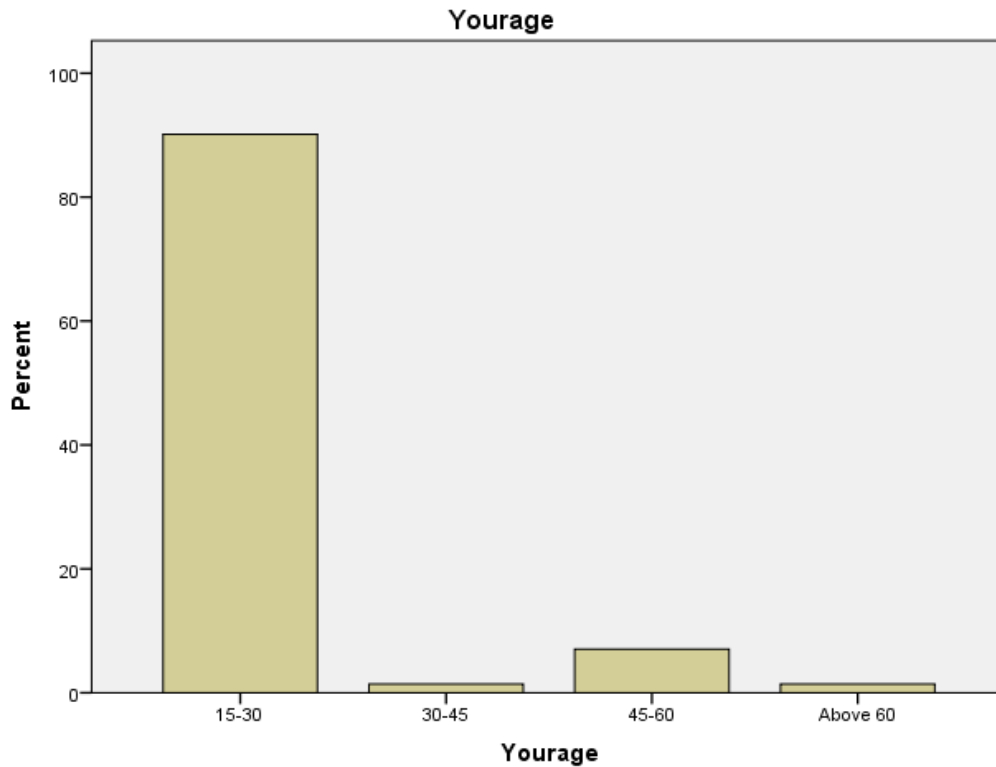
From the above table and figure, we can observe that 78.9% of the respondents were male and 21.1% of them were females.

## DISTRIBUTION OF RESPONDENTS ACCORDING TO THEIR AGE

Table No:4.2

Age	No. of respondents	Percent
15-30	192	90.1
30-45	3	1.4
45-60	15	7.1
Above 60	3	1.4
<b>Total</b>	<b>213</b>	<b>100.0</b>

Figure 4.2



### Inference-

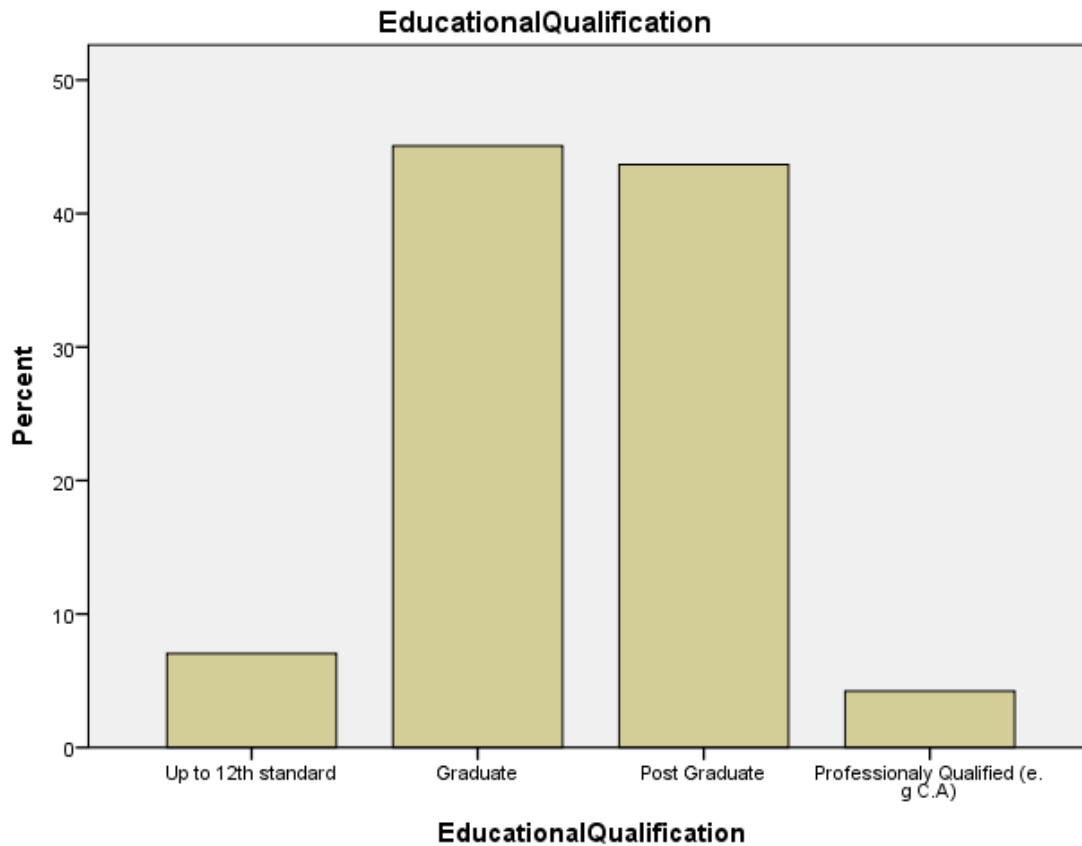
From the above table and figure, we can observe that 90.1% of the respondents belonged to 15-30 age group, 1.4% belonged to 30-45 age group, 7% belonged to 45-60 and 1.4% belonged to 60 and above age group category.

## DISTRIBUTION OF RESPONDENTS ACCORDING TO THEIR EDUCATION

Table No:4.3

Educational Qualification	No. of respondents	Percent
Up to 12th standard	15	7.0
Graduate	96	45.1
Post Graduate	93	43.7
Professionaly Qualified (e.g C.A)	9	4.2
<b>Total</b>	<b>213</b>	<b>100.0</b>

Figure 4.3



### Inference-

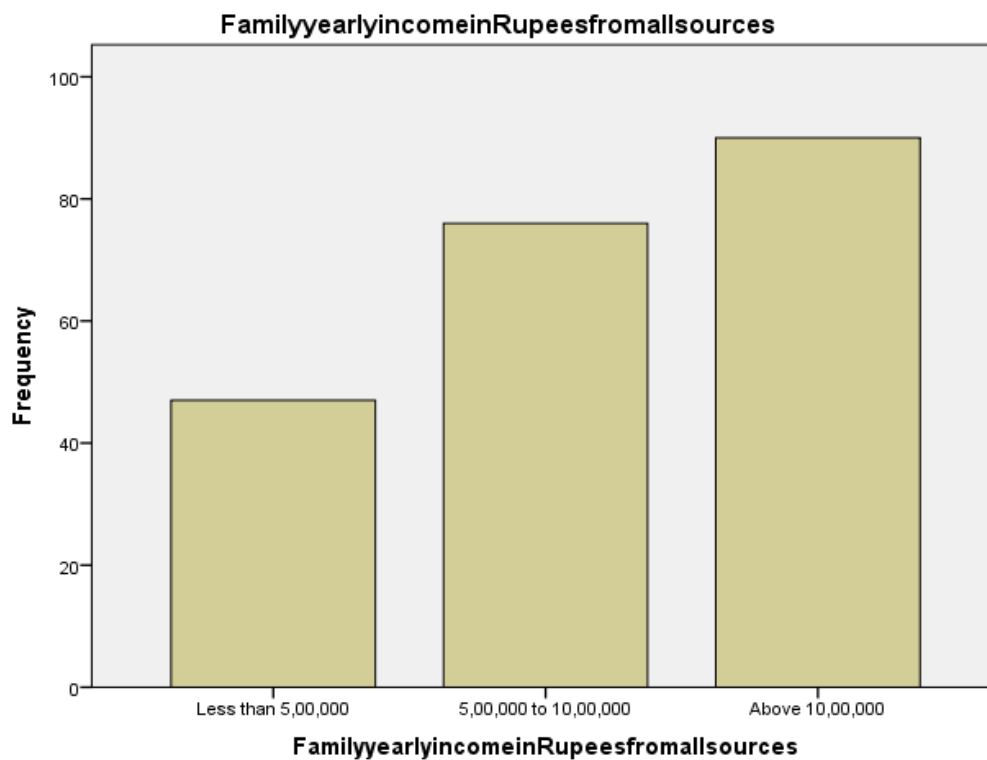
From the above table and figure, we can observe that 7% of the respondents are up to 12th standard, 45.1% of the respondents are graduates, 43.7% of the respondents are post graduates, while 4.2% of the respondents belonged to the professionally qualified category.

## DISTRIBUTION OF RESPONDENTS ACCORDING TO THEIR HOUSEHOLD INCOME

**Table No:4.4**

<b>INCOME</b>		
	<b>No. of respondents</b>	<b>Percent</b>
Less than 5,00,000	47	22
5,00,000 to 10,00,000	76	35.7
Above 10,00,000	90	42.3
<b>Total</b>	<b>213</b>	<b>100.0</b>

**Figure 4.4**



### **Inference-**

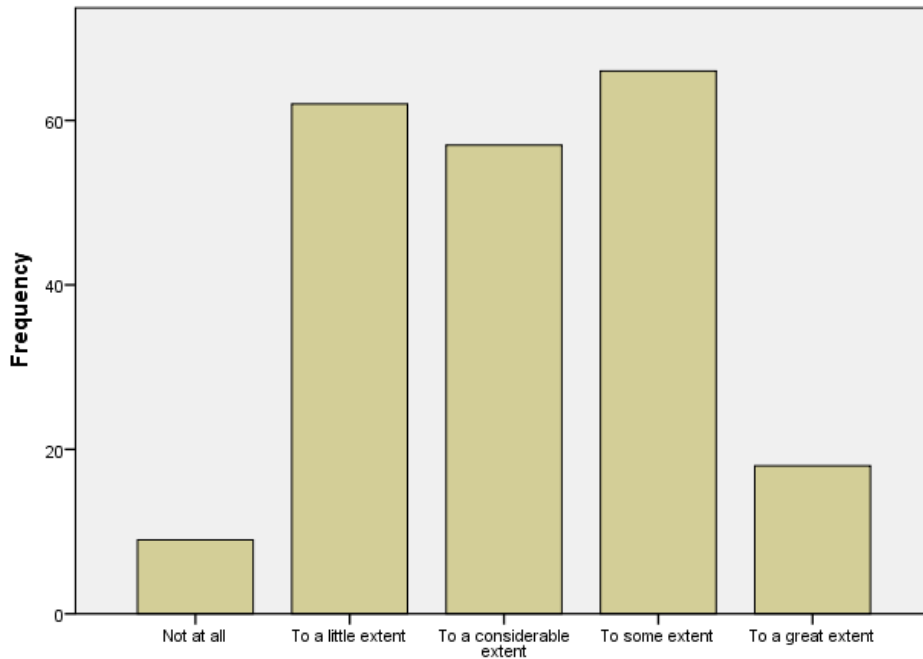
From the above table and figure, we can observe that 22% of the respondents belong to less than 5L income category, 35.7% belong to the 5-10L category and 42.3% belong to the 10L and above income category.

**DISTRIBUTION OF RESPONDENTS ACCORDING TO DOES ONLINE  
ADVERTISEMENTS HAVE INFLUENCE ON PURCHASE DECISIONS**

**TableNo:4.5**

<b>DOES ONLINE ADVERTISEMENTS HAVE INFLUENCE ON PURCHASE DECISIONS</b>		
	<b>No. of respondents</b>	<b>Percent</b>
Not at all	9	4.2
To a little extent	62	29.0
To a considerable extent	57	26.6
To some extent	67	31.8
To a great extent	18	8.4
<b>Total</b>	<b>213</b>	<b>100</b>

**Figure 4.5**



**Inference-**

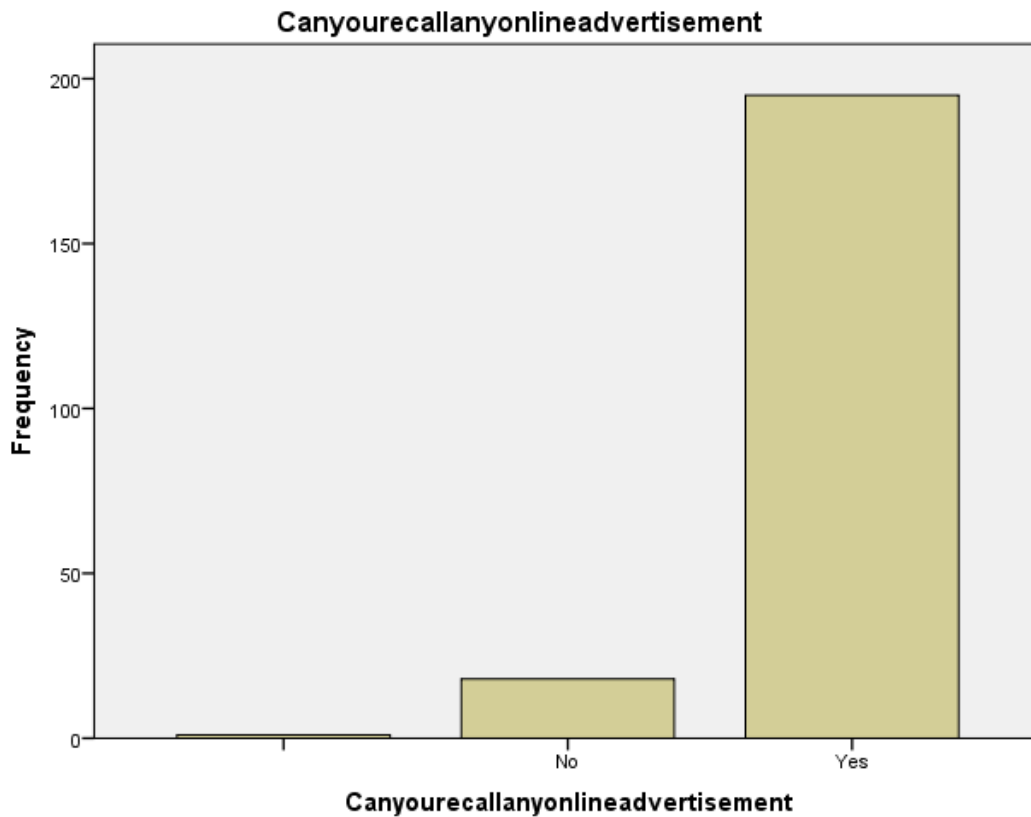
From the above table and figure, we can observe that 4.2% of the respondents say not all, 29% of the respondents say to a little extent, 26.6% of the respondents say to a considerable extent, 31.3% of the respondents say to some extent and 8.4% of the respondents say that it influences purchase decisions to a great extent.

**DISTRIBUTION OF RESPONDENTS ACCORDING TO CAN THEY RECALL ANY  
ONLINE ADVERTISEMENT**

**Table No:4.6**

<b>Can you recall any online advertisement</b>		
	<b>No. of respondents</b>	<b>Percent</b>
No	18	8.9
Yes	195	91.1
<b>Total</b>	<b>213</b>	<b>100.0</b>

**Figure No:4.6**



**Inference-**

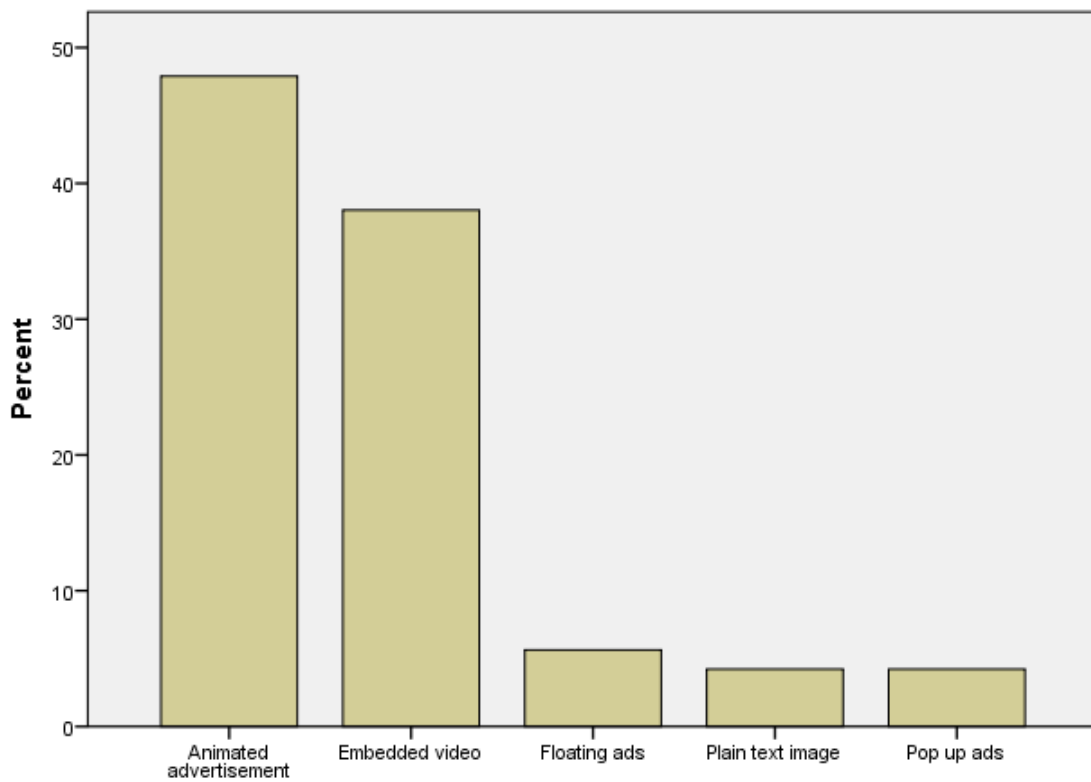
From the above table and figure, we can see that 91.1% of the respondents are able to recall an online advertisement while only 8.9% of the respondents are not able to recall an online advertisement.

**DISTRIBUTION OF RESPONDENTS ACCORDING TO WHICH ADVERTISEMENTS  
MAKES MORE RECALLING**

**Table No: 4.7**

<b>Which ad creates more recall</b>		
	<b>No. of respondents</b>	<b>Percent</b>
Animated advertisement	102	47.9
Embedded video	81	38.0
Floating ads	12	5.7
Plain text image	9	4.2
Pop up ads	9	4.2
<b>Total</b>	<b>213</b>	<b>100.0</b>

**Figure No: 4.7**





**Inference:-** From the above table and figure, we can observe that 47.9% of the respondents thinks animated ads creates more recall, 38% of the respondents thinks embedded video creates more recall, 5.6% of the respondents thinks floating ads creates more recall, 4.2% of the respondents thinks plain text image and 4.2% of the respondents thinks pop up ads creates more recall.

## 4.2 Regression Analysis

**Table 4.8: Regression analysis between independent and dependent variables**

IV	DV	R SQUARE	BETA VALUE	SIGNIFICANT VALUE	NULL HYPOTHESIS
Motivation	Effectiveness	0.393	.434	.000	REJECTED
Celebrity Engagement			.133	.040	REJECTED
Humor			.118	.047	REJECTED
Value			-.098	.089	ACCEPTED
Background Music			.125	.048	REJECTED
Video used			.061	.299	ACCEPTED
Price			.164	.004	REJECTED

### **Inference-**

- a) R-Square value is 0.393 (>0.25) This means that 39.3 percent of the Dependent Variable is explained by the coefficients of Significance (Independent Variables).
- b) According to P value, null hypothesis is rejected in case of Motivation, Celebrity Engagement, Humor and Background Music(P value<0.05) meaning that these variables have a significant contribution towards effectiveness in recalling a product. Hypothesis is accepted for Value associated with the product and video used (P value>0.05).
- c) From the Beta Value, it can be seen that Motivation is the most powerful contributor in the recalling a product through online advertisements ( $\beta=0.434$ ).

### 4.3 T- TEST ANALYSIS

**Table 4.9: T-Test analysis between GENDER and Independent Variables**

Dependent Variable	Independent variables	Significance Level	Null Hypothesis
Gender	Motivation	0.13	REJECTED
	Celebrity Engagement	.220	ACCEPTED
	Humor	.007	REJECTED
	Value	.629	ACCEPTED
	Background Music	.075	ACCEPTED
	Video used	0.867	ACCEPTED
	Price	0.581	ACCEPTED
	Effectiveness	0.96	ACCEPTED

#### Inference-

After doing the T-test, it can be inferred from the table that **Males and Females** perception for Motivation, Celebrity Engagement, Humor, Value, Background Music, Video used, Price and Effectiveness of online advertisement in recalling are same (Value of  $P > 0.05$ ), while Motivation and Humor are different (Value of  $P < 0.05$ ).

### 4.4 ANOVA ANALYSIS

#### ANOVA BETWEEN AGE AND INDEPENDENT VARIABLES

**Table 4.10: ANOVA between Age and Independent Variables**

Independent Variable	Dependent variables	Significance Value	Null Hypothesis
Gender	Motivation	.024	REJECTED
	Celebrity Engagement	.056	ACCEPTED
	Humor	.871	ACCEPTED
	Value	.003	REJECTED
	Background Music	.008	REJECTED
	Video used	.076	ACCEPTED
	Price	.003	REJECTED
	Effectiveness	.080	ACCEPTED

**Inference-**

After doing the ANOVA test, it can be inferred that Age and perception for Celebrity Engagement, Humor, Video used and effectiveness in recalling are same (Value of  $P > 0.05$ ), while in case of Motivation, Value associated, Background music and Price are different (Value of  $P < 0.05$ ). Further Tukey Test was applied on Motivation, Value associated, Background music and Price.

**ANOVA BETWEEN EDUCATIONAL QUALIFICATION AND INDEPENDENT VARIABLES**

**Table 4.11: ANOVA between Educational Qualifications and Independent Variables**

<b>Independent Variable</b>	<b>Dependent Variables</b>	<b>Significance Level</b>	<b>Null Hypothesis</b>
Educational Qualification	Motivation	.000	REJECTED
	Celebrity Engagement	.000	REJECTED
	Humor	.000	REJECTED
	Value	.299	ACCEPTED
	Background Music	.000	REJECTED
	Video used	.222	ACCEPTED
	Price	.007	REJECTED
	Effectiveness	.036	REJECTED

**Inference-**

After doing the ANOVA test, it can be inferred that Educational Qualifications and perception for Value associated, Video used are same (Value of  $P > 0.05$ ), while in case of Motivation, Celebrity Engagement, Humor, Background Music, Price and Effectiveness in recalling are different (Value of  $P < 0.05$ ). Further Tukey Test was applied on Motivation, Celebrity Engagement, Humor, Background Music, Price and Effectiveness and it was found that there was significant difference between Graduate, Post-Graduate and Others for Motivation, Celebrity Engagement, Humor, Price and Effectiveness, and between Graduate and Others and Post Graduate and Others for Background Music.

## ANOVA BETWEEN INCOME GROUP AND INDEPENDENT VARIABLES

**Table 4.12: ANOVA between Income Group and Independent Variables**

Independent Variable	Dependent Variables	Significance Level	Null Hypothesis
Income Groups	Motivation	.000	REJECTED
	Celebrity Engagement	.046	ACCEPTED
	Humor	.001	REJECTED
	Value	.268	ACCEPTED
	Background Music	.017	REJECTED
	Video used	.254	ACCEPTED
	Price	.000	REJECTED
	Effectiveness	.001	REJECTED

### **Inference-**

After doing the ANOVA test, it can be inferred that Income Group and perception for Value associated, Video used are same (Value of  $P > 0.05$ ), while in case Motivation, Celebrity Engagement, Humor, Background Music, Price and effectiveness in recalling are different (Value of  $P < 0.05$ ). Further Tukey Test was applied on Motivation, Celebrity Engagement, Humor, Background Music, Price and effectiveness.

## CHAPTER-5

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### FINDINGS, CONCLUSIONS AND SUGGESTIONS

#### 5.1 FINDINGS

With the help of literature review, 7 factors were identified and 14 questions were taken. These factors are the dimensions of effectiveness of online advertisements in recalling a product. There was one dependent factor on effectiveness in recalling.

ANOVA, T-test, Regression, F-test and Post-hoc was applied to these factors to understand their influence on consumer attitude.

The first factor which deals with Motivation i.e. does online advertisements motivate you to enhance your ability in recalling a product or service.. From regression, it was found to have a P value of 0.00 which means Null Hypothesis was rejected. Thus, it does have a significant contribution towards recalling a product through online advertisements.

The second factor which deals with Celebrity Engagement i.e. does celebrity engagement influence your ability to remember online advertisement of a particular product or service. From regression, it was found to have a P value of 0.040 which means Null Hypothesis is rejected and alternate hypothesis is accepted. Thus, it had a significant contribution towards recalling a product through online advertisements.

The third factor which deals with Humor i.e. does humor influence your ability to remember online advertisement of a particular product or service. From regression, it was found to have a P value of 0.047 which means Null Hypothesis is rejected and alternate hypothesis is accepted. Thus, it had a significant contribution towards recalling a product through online advertisements.

The fourth factor has which deals with Value associated with the product i.e. does value associated with the product influence your ability to remember online advertisement of a particular product or service. From regression, it was found to have a P value of 0.89 which means Null Hypothesis was accepted and alternate hypothesis was rejected. Thus, it had a significant contribution towards recalling a product through online advertisements.

The fifth factor which deals with Background Music i.e. does background music influence your ability to remember online advertisement of a particular product or service. From regression, it was found to have a P value of 0.048 which means Null Hypothesis is rejected and alternate hypothesis is accepted. Thus, it had a significant contribution recalling a product through online advertisements.

The sixth factor has which deals with use of video i.e. does video used influence your ability to remember online advertisement of a particular product or service. From regression, it was found to have a P value of 0.29 which means Null Hypothesis is accepted and alternate hypothesis is rejected. Thus, it had a significant contribution towards recalling a product through online advertisements.

The seventh factor which deals with Price i.e. is price also important in recalling online product or services advertisement. From regression, it was found to have a P value of 0.004 which means Null Hypothesis is rejected and alternate hypothesis is accepted. Thus, it had a significant contribution recalling a product through online advertisements.

## **5.2 RESULTS**

- a) 78.9% of the respondents were Males and 21.1% of the respondents were females.
- b) 90.1% of the respondents belonged to 15-30 age group, 1.4% belonged to 30-45 age group, 7% belonged to 45-60 age group and 1.4% belonged to 60 and above age group category.
- c) 45.1% of the respondents are graduates, 43.7% of the respondents are post graduates, 7% of the respondents are up to 12th standard category while 4.2% of the respondents belonged to the professionally qualified category.
- d) 22% of the respondents belong to less than 5L income category, 35.7% belong to the 5-10L category and 42.3% belong to the 10L and above income category.
- e) 4.2% of the respondents think online advertisements not at all have influence on purchase decisions, 29% of the respondents think online advertisements have influence on purchase decisions to a little extent, 26.6% of the respondents think online advertisements have influence

on purchase decisions to a considerable extent, 31.3% of the respondents think online advertisements have influence on purchase decisions to some extent, while 8.4% of the respondents think online advertisements have influence on purchase decisions to a great extent.

f) 91.1% of the respondents were able to remember an online advertisement, while 8.9% of the respondents were not able to recall a online advertisement.

g) 47.9% of the respondents think animated advertisement creates more recall, 38% of the respondents think embedded video creates more recall, 5.6% of the respondents think floating ads creates more recall, 4.2% of the respondents think plain text image creates more recall while 4.2% of the respondents think pop up ads creates more recall.

### **5.3 CONCLUSIONS & SUGGESTIONS**

In this day and age of highly competitive organizations, maintaining recall towards a brand is difficult. It can be concluded that Online Advertisements if executed suitably can be an productive tool. The emerging technologies are paving the way to a new form of interactivity and creativity. There are a different kinds of factors to be considered for online advertising that one can apply to attract a potential customer to the website. Consumers, products, technology and media are the factors which are to be given utmost importance. The collected data can be analyzed for finding the overall motivating factors which affect decision making for purchase. The research focused on the most effective factors which played a crucial part in customer decision and recalling ability. The essential factors identified were the celebrity engagement, humor, motivation, background music and price of the product as most of the respondents were able to recall the online advertisements because of these factors. Prices of the product displayed online also have a major role in enhancing viewers ability to recall the advertisement. Analysis shows that animated advertisement and embedded video in an online advertisement are the two most effective advertisement formats followed by floating advertisement, pop-up advertisements and plain text image. It is also important to note that online advertisement is considered significant to majority of the respondents and majority of the respondents are of the opinion that they recall the product by seeing the advertising of the product online. The study also found that there are several factors that inspire consumers' ability to recall online advertisements. The study showed sufficient evidence that the respondents agreed that animated advertisement has high

recollection ability. The study is concluded with the finding that advertisers need to advertise their product or service on the basis of the needs, wants and likeability of the consumers. Among the various modes of online advertisement viz., floating advertisement, pop-up advertisement, and plain text advertisements are not as effective as animated advertisements and embedded video advertisements .



## CHAPTER-6

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## CHAPTER-7

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### ANNEXURES

#### THE STUDY OF EFFECTIVENESS OF ONLINE ADVERTISEMENT IN RECALLING A PRODUCT

##### 1. Gender

- Male
- Female

##### 2. Age

- 30-45
- 45-60
- Above 60

##### 3. Education Qualification

- Up to 12th standard
- Graduate
- Post Graduate
- Professionally Qualified
- Others

##### 4. Family yearly income ( in Rupees from all sources)

- Less than 5,00,000
- 5,00,000 to 10,00,000
- Above 10,00,000

##### 5. Can you recall any online advertisement?

- Yes
- No

6. Does online advertisement have any influence on online purchase

- Not at all
- To a little extent
- To a considerable extent
- To some extent
- To a great extent

Please answer the following questions by marking the appropriate response on the following scale-

1-Strongly disagree, 2-Disagree, 3-Neutral, 4-Agree, 5- Strongly agree

### **Motivation**

7. Online Advertisement motivate me and enhance my ability to recall product or services.

### **Celebrity Engagement**

8. Celebrity engaged in online advertisement increases my ability to recall online advertisement of product or services..

### **Humor**

9. Humorous use of online advertisement increases my ability to recall online advertisement of product or services.

### **Value Associated**

10. Value associated with the product in online advertisement increases my ability to recall online advertisement of product or services.

### **Background Music**

11. Background music in online advertisement increases my ability to recall online advertisement of product or services.

### **Video Used**

12. Video used in online advertisement increases my ability to recall online advertisement of product or services.

### **Price**

13. Price is also important in recalling online product or services advertisement.

14. Which of the following advertisements makes more recalling?

Animated advertisement

Plain text image

Embedded video

Pop up ads

Floating ads

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