

# Social Impact on Online Advertisement Strategies to Users in Coimbatore District, Tamilnadu

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**Abstract:** - Advertising is a form of communication that typically attempts to persuade potential customers to purchase or to consume more of a particular brand of product or service. "While now central to the contemporary global economy and the reproduction of global production networks, it is only quite recently that advertising has been more than a marginal influence on patterns of sales and production. The formation of modern advertising was intimately bound up with the emergence of new forms of monopoly capitalism around the end of the 19th and beginning of the 20th century as one element in corporate strategies to create, organize and where possible control markets, especially for mass produced consumer goods. Mass production necessitated mass consumption, and this in turn required a certain homogenization of consumer tastes for final products.

**Key Words:** *Purchasing Variations, Affiliate Marketing, Behavioral Targeting, Global Advertising & Trends*

## I. INTRODUCTION

Organizations that frequently spend large sums of money on advertising that sells what is not, strictly speaking, a product or service include political parties, interest groups, religious organizations, and military recruiters. Non-profit organizations are not typical advertising clients, and may rely on free modes of persuasion, such as public service announcements.

At its limit, this involved seeking to create 'world cultural convergence', to homogenize consumer tastes and engineer a 'convergence of lifestyle, culture and behaviors among consumer segments across the world'. Many advertisements are designed to generate increased consumption of those products and services through the creation and reinvention of the "brand image". For these purposes, advertisements sometimes embed their persuasive message with factual information. Every major medium is used to deliver these messages, including television, radio, cinema, magazines, newspapers, video games, the Internet, carrier bags and billboards. Advertising is often placed by an advertising agency on behalf of a company or other organization.

## II. ONLINE ADVERTISING

Online advertising is a form of promotion that uses the Internet and World Wide Web for the expressed purpose

of delivering marketing messages to attract customers. Examples of online advertising include contextual ads on search engine results pages, banner ads, Rich Media Ads, Social network advertising, online classified advertising, advertising networks and e-mail marketing, including e-mail spam.

One major benefit of online advertising is the immediate publishing of information and content that is not limited by geography or time. To that end, the emerging area of interactive advertising presents fresh challenges for advertisers who have hitherto adopted an interruptive strategy. Another benefit is the efficiency of advertiser's investment. Online advertising allows for the customization of advertisements, including content and posted websites.



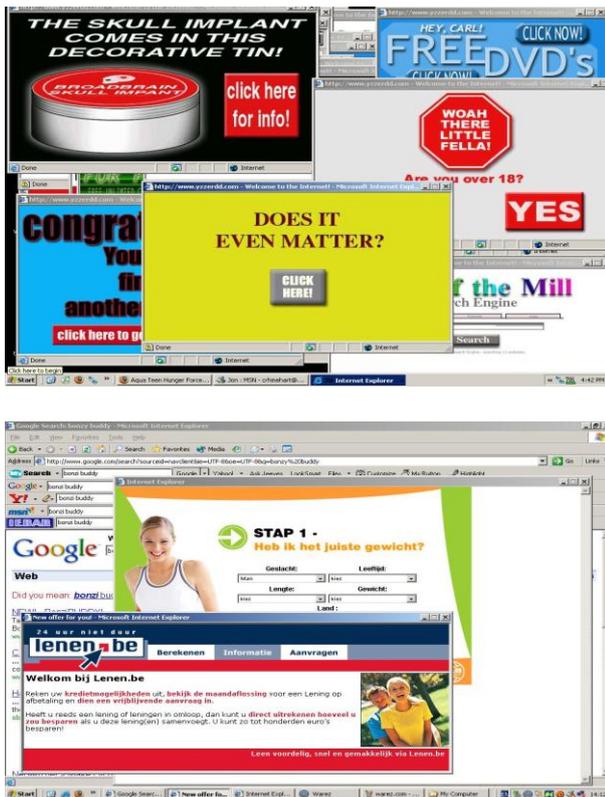


Fig.1: Snaps of Online Advertisement

### A. Purchasing Variations

The three most common ways in which online advertising is purchased are CPM, CPC, and CPA

- CPM (Cost per Impression) is where advertisers pay for exposure of their message to a specific audience. CPM costs are priced per thousand impressions, or loads of an advertisement.
- CPV (Cost per Visitor) or (Cost per View in the case of Pop Ups and under) is where advertisers pay for the delivery of a Targeted Visitor to the advertiser's website.
- CPC (Cost per Click) is also known as Pay per click (PPC). Advertisers pay each time a user clicks on their listing and is redirected to their website. They do not actually pay for the listing, but only when the listing is clicked on. This system allows advertising specialists to refine searches and gain information about their market. Under the Pay per click pricing system, advertisers pay for the right to be listed under a series of target rich words that direct relevant traffic to their website, and pay only when someone clicks on their listing which links directly to their website. CPC differs from CPV in that each click is paid for regardless of whether the user makes it to the target site.

- CPA (Cost per Action) or (Cost per Acquisition) advertising is performance based and is common in the affiliate marketing sector of the business. In this payment scheme, the publisher takes all the risk of running the ad, and the advertiser pays only for the amount of users who complete a transaction, such as a purchase or sign-up. This is the best type of rate to pay for banner advertisements and the worst type of rate to charge. Similarly, CPL (Cost per Lead) advertising is identical to CPA advertising and is based on the user completing a form, registering for a newsletter or some other action that the merchant feels will lead to a sale. Also common, CPO (Cost per Order) advertising is based on each time an order is transacted.
- Cost per conversion describes the cost of acquiring a customer, typically calculated by dividing the total cost of an ad campaign by the number of conversions. The definition of "Conversion" varies depending on the situation: it is sometimes considered to be a lead, a sale, or a purchase.
- CPE (Cost per Engagement) is a form of Cost per Action pricing first introduced in March 2008. Differing from cost-per-impression or cost-per-click models, a CPE model means advertising impressions are free and advertisers pay only when a user engages with their specific ad unit. Engagement is defined as a user interacting with an ad in any number of ways.

Though, as seen above, the large majority of online advertising has a cost that is brought about by usage or interaction of an ad, there are a few other methods of advertising online that only require a onetime payment. The Million Dollar Homepage is a very successful example of this. Visitors were able to pay \$1 per pixel of advertising space and their advert would remain on the homepage for as long as the website exists with no extra costs.

- Floating ad: An ad which moves across the user's screen or floats above the content.
- Expanding ad: An ad which changes size and which may alter the contents of the webpage.
- Polite ad: A method by which a large ad will be downloaded in smaller pieces to minimize the disruption of the content being viewed
- Wallpaper ad: An ad which changes the background of the page being viewed.
- Trick banner: A banner ad that looks like a dialog box with buttons. It simulates an error message or an alert.
- Pop-up: A new window which opens in front of the current one, displaying an advertisement, or entire webpage.
- Pop-under: Similar to a Pop-Up except that the window is loaded or sent behind the current

window so that the user does not see it until they close one or more active windows.

- Video ad: similar to a banner ad, except that instead of a static or animated image, actual moving video clips are displayed.
- Map ad: text or graphics linked from, and appearing in or over, a location on an electronic map such as on Google Maps.
- Mobile ad: an SMS text or multi-media message sent to a cell phone.

In addition, ads containing streaming video or streaming audio are becoming very popular with advertisers.

#### *B. E-Mail Advertising*

Legitimate Email advertising or E-mail marketing is often known as "opt-in e-mail advertising" to distinguish it from spam.

#### *C. Affiliate Marketing*

Affiliate marketing is a form of online advertising where advertisers place campaigns with a potentially large number of small (and large) publishers, whom are only paid media fees when traffic to the advertiser is garnered, and usually upon a specific measurable campaign result (a form, a sale, a sign-up, etc). Today, this is usually accomplished through contracting with an affiliate network.

#### *D. Contextual Advertising*

Many advertising networks display graphical or text-only ads that correspond to the keywords of an Internet search or to the content of the page on which the ad is shown. These ads are believed to have a greater chance of attracting a user, because they tend to share a similar context as the user's search query. For example, a search query for "flowers" might return an advertisement for a florist's website.

Another newer technique is embedding keyword hyperlinks in an article which are sponsored by an advertiser. When a user follows the link, they are sent to a sponsor's website.

#### *E. Behavioral Targeting*

In addition to contextual targeting, online advertising can be targeted based on a user's past click stream. For example, if a user is known to have recently visited a number of automotive shopping / comparison sites based on click stream analysis enabled by cookies stored on the user's computer, that user can then be served auto-related ads when they visit other, non-automotive sites.

#### *F. Ads and Malware*

There is also class of advertising methods which may be considered unethical and perhaps even illegal. These include external applications which alter system settings (such as a browser's home page), spawn pop-ups, and

insert advertisements into non-affiliated WebPages. Such applications are usually labeled as spy ware or aware. They may mask their questionable activities by performing a simple service, such as displaying the weather or providing a search bar. Some programs are effectively Trojans. These applications are commonly designed so as to be difficult to remove or uninstall. The ever-increasing audiences of online users, many of whom are not computer-savvy, frequently lack the knowledge and technical ability to protect themselves from these programs.

## II. TYPES OF ADVERTISING

- Media
- Covert Advertising
- Television Commercials
- Infomercials
- Celebrities
- Media and Advertising Approaches

## III. FUTURE

### *A. Global Advertising*

Advertising has gone through five major stages of development: domestic, export, international, multi-national, and global. For global advertisers, there are four, potentially competing, business objectives that must be balanced when developing worldwide advertising: building a brand while speaking with one voice, developing economies of scale in the creative process, maximizing local effectiveness of ads, and increasing the company's speed of implementation. Born from the evolutionary stages of global marketing are the three primary and fundamentally different approaches to the development of global advertising executions: exporting executions, producing local executions, and importing ideas that travel.

### *B. Trends*

With the dawn of the Internet came many new advertising opportunities. Popup, Flash, banner, Pop under, advergaming, and email advertisements (the last often being a form of spam) are now commonplace.

The ability to record shows on digital video recorders (such as TiVo) allow users to record the programs for later viewing, enabling them to fast forward through commercials. Additionally, as more seasons of pre-recorded box sets are offered for sale of television programs; fewer people watch the shows on TV.

However, the fact that these sets are **sold**, means the company will receive additional profits from the sales of these sets. To counter this effect, many advertisers have opted for product placement on TV shows like Survivor.

#### IV. REVIEW OF LITERATURE

- Regarding the Internet, Breton, Pitt, and Watson (1996) and Lamb, Hair and Mcdaniel (1996) suggest that marketers need to understand the true nature of this medium to enhance its effectiveness. They add that “value” is a factor that plays an important role in the overall effectiveness of the web sites. Value relates to the quality of the data provided on the site.
- Barker and Groenne (1996) investigated the type of value strategies being used on the internet and concluded that value in Internet advertising is provided in three ways : information, entertainment and purchase facilitation .Furthermore, the authors argue that the level of customer involvement should be taken into consideration when selecting the type of value strategies to implement .This assertion is consistent with those of Rossiter , Percy, and Donovan (1991)., and with the Elaboration Likelihood Model (Chaudhuri &Buck,(1995).
- Traditional consumer behavior literature would suggest that intense product information is vital for high involvement product websites , while entertainment content may be more fit for low involvement product sites (Chaudhuri & Buck, 1995 ; Petty & Cacioppo, 1983). Additionally, the primary reason for distinguishing between high and low product involvement is that habit, intuition and convenience sometimes guide the actions of consumers rather than rational considerations (lamb, 1996),
- Ducoffe (1996) notes that the importance of value-based ads in the traditional media and defines an advertising message as an exchange of communication as well as an exchange of values between a company and potential consumers.
- Furthermore, Ducoffe suggests that “... from a consumer point of view, a satisfactory exchange is one where the value of the advertising itself is considered to meet or exceed expectations.
- According to Ducoffe (1996, p.22), “advertising value is an overall representation of the worth of advertising you the consumer”. (Ducoffe, 1996 , p.22) in their research , Stayman, Aaker, and Bruzzone’s (1989) revealed that 47 percent of television viewers watch an ad because of its information content and 45.6 percent, watch it because it is entertaining

#### V. RESEARCH METHODOLOGY

It is found that the online advertising is the effective mode for the selection of the products because the company satisfies the consumers in various aspects. The population

covers all the people in Coimbatore city and among them 170 samples were selected for the research.

The data were collected through direct interview using the convenient sampling method and descriptive research design in nature. The respondents were met face to face during the study. The respondents were very frank and supportive during data collection.

The secondary data has been collected from books and internet. With the help of analyzed data, interpretation Simple Percentage & Chi square test were made. It helped to know about the impact of advertising strategies. Some suggestions have been given in this study; if companies adopt these suggestions and take measures then more customers will be attracted.

#### VI. ANALYSIS & INTERPRETATION

##### *Tested Hypothesis by Chi Square Test*

##### *A. H<sub>0</sub> Series*

- There is no significant relationship between educational qualification and awareness of an online advertisement.
- There is no significant relationship between occupation and satisfaction level of an online advertisements.
- There is no significant relationship between factors and effectiveness of an online advertisement.
- There is no significant relationship between occupation and opinion of the respondents

##### *B. H<sub>1</sub> Series*

- There is a significant relationship between educational qualification and awareness of an online advertisement.
- There is a significant relationship between occupation and satisfaction level of an online advertisements.
- There is a significant relationship between factors and effectiveness of an online advertisement.
- There is a significant relationship between occupation and opinion of the respondents

## RELATIONSHIP BETWEEN EDUCATIONAL QUALIFICATION AND AWARENESS

FACTORS	HIGHLY AWARE	AWARE	NEUTRAL	UN AWARE	TOTAL
DIPLOMA	11	9	3	1	24
UNDER GRADUATE	8	26	16	6	56
POST GRADUATE	8	5	4	5	22
OTHERS	6	6	4	2	18
TOTAL	33	47	27	13	120

Table value = 16.919

Calculated value = 22.44

## RELATIONSHIP BETWEEN THE OCCUPATION AND SATISFACTION LEVEL OF AN ONLINE ADVERTISEMENT

FACTORS	HIGHLY SATISFIED	SATISFIED	NEUTRAL	DIS SATISFIED	HIGHLY DIS SATISFIED	TOTAL
BUSINESS MAN	4	14	8	10	11	47
PRIVATE EMPLOYEE	3	11	7	1	1	23
PUBLIC EMPLOYEE	4	5	5	10	7	31
OTHERS	2	5	5	2	5	19
TOTAL	13	37	25	22	23	120

Table value = 21.026

Calculated value = 13.40

## EFFECTIVENESS OF ADVERTISEMENTS IN MEDIA

FACTORS	EXCELLENT	VERY GOOD	GOOD	AVERAGE	POOR	TOTAL
ONLINE	17	39	26	23	15	120
TELEVISIONS	33	28	27	20	12	120
NEWS PAPERS	37	25	22	20	16	120
WINDOW DISPLAYS	11	17	32	41	19	120
TOTAL	98	109	107	104	62	480

Table value = 21.026

Calculated value = 58.43

## RELATIONSHIP BETWEEN THE OCCUPATION AND OPINION ABOUT WATCHING AN ONLINE ADVERTISEMENT

FACTORS	VERY EFFECTIVE	EFFECTIVE	NOT EFFECTIVE	NOT VERY EFFECTIVE	TOTAL
BUSINESS MAN	12	23	10	2	47
PRIVATE EMPLOYEE	5	8	9	1	23
PUBLIC EMPLOYEE	8	10	5	8	31
OTHERS	6	8	3	2	19
TOTAL	31	49	27	13	120

Table value = 16.919

Calculated value = 18.99

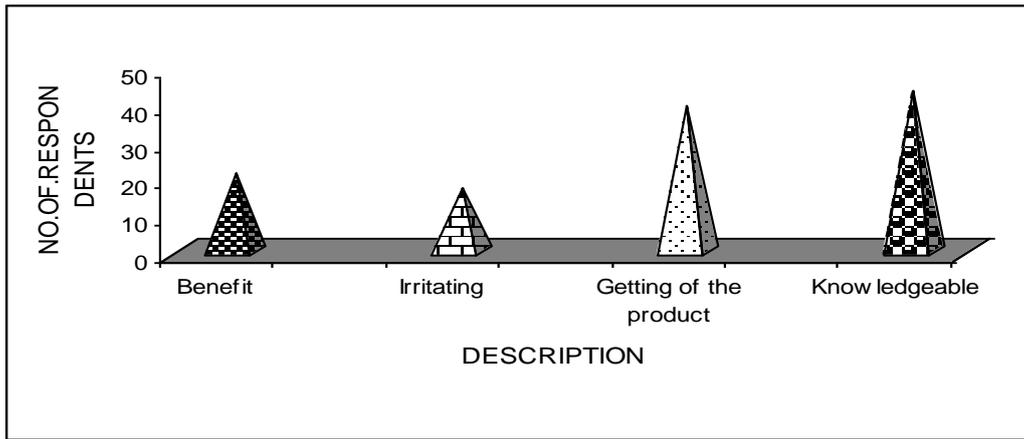


Fig. 2: Mind Set While Watching the Advertisements in an Online

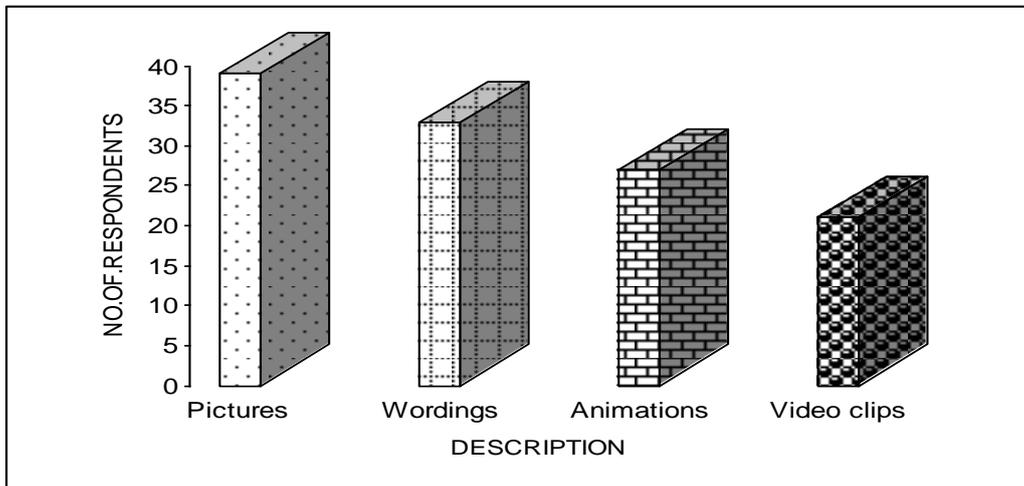


Fig 3:- Effects Using In Advertisements

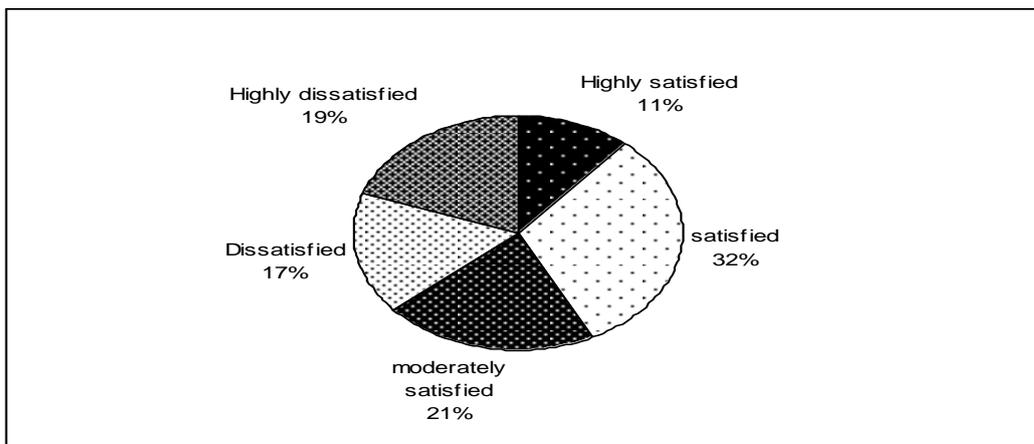


Fig.4: Satisfaction Level towards an Online Advertisements

## VII. INFERENCES

- Hence the calculated value is more than the table value, so the null hypothesis is rejected. So there is a relationship between the educational qualification and awareness of an online advertisement. So the result of the experiment not supports the hypothesis.
- Hence the table value is more than the calculated value, so the null hypothesis is accepted. So there is no significant relationship between designation and satisfaction level of an online advertisements. So the result of the experiment supports the hypothesis.
- Hence the calculated value is more than the table value, so the null hypothesis is rejected. So there is a relationship between the factors effectiveness of advertisements in media so the result of the experiment not supports the hypothesis.
- Hence the calculated value is more than the table value, so the null hypothesis is rejected. So there is a relationship between designation and opinion about watching the online advertisements. So the result of the experiment not supports the hypothesis.

## VIII. OBJECTIVES OF THE STUDY

- To determine the effectiveness of online advertisements.
- To know the customer preference towards online advertisements.
- To analyze the parameter of customers mindset towards watching online advertisements.
- To asses influence of advertisements to purchase the product.
- To identify the level of satisfaction towards online advertising.

## IX. SCOPE OF THE STUDY

- The study is mainly focused on the effectiveness of online advertisements.
- The study analyzes the customers view towards online advertisements.
- The study gives the detail reference of users.
- The study focused to be purchasing level of online consumers.
- The result of the study act as an instrument for improvisation.

## X. LIMITATIONS OF THE STUDY

This study has certain and inherent limitations as follows;

- The study has undergone in Coimbatore district only.
- The investigation is only with internet users.
- The findings of the study can be applicable to the particular period in which it has been done it need not be applicable as such other period.

- The questions for the research purpose are limited. So the respondents are unable to give their suggestions over the factors in the questionnaire.

## XI. RECOMMENDATIONS

- Advertisement is main part of the business it helps customers to identify the product to buy, so the company should take steps to give detail advertisements through online.
- Attraction is one of the main things to buy the product so the company should introduce new wordings with animations to attract the customers. Some of the advertisements are losing interest to watch online. So the company could take steps to decrease or stop that type of unimpressive advertisements.
- The company could choose correct search engines to advertise their product clearly and effectively.
- The customers would like to watch the advertisements in their own language. So the companies should give options to watch the advertisements in their mother tongue.
- The advertising company could give clear cut details about job & matrimonial advertisements.
- The customers prefer knowledgeable and useful advertisements in online. It increases sales and also reputation.

## CONCLUSION

Online advertising is an advertising method that allows webmasters to make their website financially profitable and cover the costs of hosting and domain names. It is also a special way of ensuring that the services and/or products that your website offers will be promoted. Specialized companies called "advertising firms" are generally the recommended channel for advertising campaign management. These companies are an intermediary between the advertisers (who want to run an advertising campaign) and the publishers (the owners of the websites that agree to reserve part of their advertising space for the posting of advertising banners). The advertising firms receive a percentage of the revenue earned in advertising campaigns, or "firm costs". Firm costs are generally between 30% and 60% of revenue and from the study, majority of the respondents are satisfied and benefited from online advertisements.

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## WEBSITES

- [www.advertising-in-india.com](http://www.advertising-in-india.com)
- [www.adgridwork.com](http://www.adgridwork.com)
- [www.businessweek.com](http://www.businessweek.com)
- [www.economywatch.com](http://www.economywatch.com)
- [www.contractadvertising.com](http://www.contractadvertising.com)
- [www.authorstream.com](http://www.authorstream.com)

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