



e-ISSN: 2319-8753 | p-ISSN: 2347-6710

IJRSET

International Journal of Innovative Research in
SCIENCE | ENGINEERING | TECHNOLOGY

INTERNATIONAL JOURNAL OF INNOVATIVE RESEARCH

IN SCIENCE | ENGINEERING | TECHNOLOGY

Volume 12, Issue 5, May 2023

ISSN INTERNATIONAL
STANDARD
SERIAL
NUMBER
INDIA

Impact Factor: 8.423



Influences of Online Advertising on Young Adult Consumer Behavior

Armaan Gupta¹

Student, Pathways World School, Gurgaon, Haryana, India ¹

ABSTRACT: Young adult buying behavior is changing rapidly due to the retail environment that prioritizes customer needs. However, marketers face several challenges when targeting this demographic, such as commodity selection, pricing strategies, cost management, product functionality, customer acquisition attitudes, packaging design, market ranking, product generation, customer segmentation, and market behavior. Fashion and taste trends influence purchasing patterns, which are predominantly affected by the personal preferences of today's younger generation.

While online advertising provides retailers with global reach, it also presents numerous challenges, including high costs. Moreover, younger consumers are more inclined towards online shopping, and tech-savvy marketers must demonstrate acumen to persuade them through online advertisements.

KEYWORDS: Young adult buying behavior, Retail environment, Online shopping, Tech-savvy marketers, Online advertisements

I. INTRODUCTION

Through online advertisements, young people (Wachter, 2020) today are able to access information about various goods and services. It is impossible to ignore the enormous amount of media in our everyday lives because it affects everyone who is exposed to it. It is a portrayal of the culture of which we are a part. It significantly impacts young people's social, ethnic, and moral values. The goal of online advertisements is to persuade the viewer based on the novel advantages the product is said to offer. Many marketers have expanded their spending on online media to boost revenue generation.

Type of advertisement	Average length of advertisement (seconds)	Average time viewed (seconds)
Public service	45.8	18.5
Automotive	27.2	14.7
Financial services	20.5	16.3
Travel	18.0	13.0
Entertainment	27.8	10.8
Home furnishings	17.3	10.0
consumer electronics	15.3	7.1
Pharmaceuticals	16.6	6.3
Clothing	14.6	6.0
Other retail	21.0	4.5
Overall	22.4	10.7

Fig.1 Average length of online video advertisements.

The advancement of technology (Khan, Rehman, Zangoti, Afzal, Armi, & Salah, 2020) has also significantly altered the living standards of young people. One must reevaluate how much of an impact these advertisements have on young adults' perceptions, given the level of engagement the youth has with online media. One of the most effective forms of persuasive communication is online advertising. Such an advertisement provides knowledge of diversified cultures and lifestyles.

The preferences of (Teare&Taks, 2021) youth for goods and services are constantly evolving, and online advertising is paramount to this process. Presently, new media, primarily the Internet, has become a crucial source of information. Marketers worldwide covet the expansive opportunities offered by the Internet and are looking for more efficacious ways to reach their target audiences. The cost of online advertising (Ali, Foreman, Capasso, Jones, Tozan, & DiClemente, 2020), which includes web ads, has been rising steadily; it was 521.02 USD in 2021, 602.25 USD in 2022 and is expected to reach 876.1 USD in 2026. Additionally, the World Wide Web is gradually developing into a typical advertising medium. The Internet provides businesses with a rich media instrument, engaging series, and a global audience for their advertisements. Online advertisements are enjoyable to view, but they also extremely influence how people act and decide what to buy.

Pie Chart Layer of Marketing Expenditure with Online Advertising

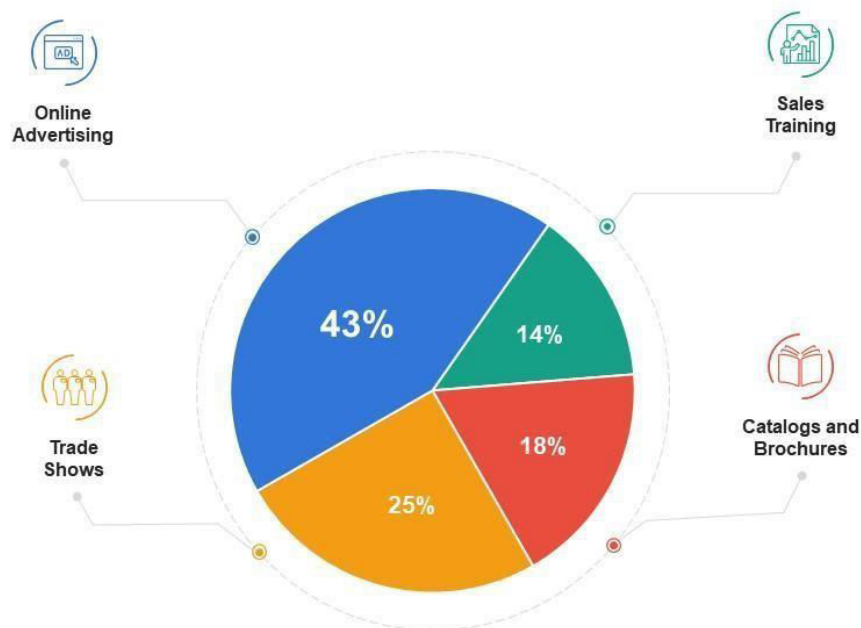


Fig. 2 The marketer spent most on online advertisement.

II. TOOLS USED IN ONLINE ADVERTISING

An online advertisement uses miscellaneous marketing strategies (Poutanen, 2020) to connect, interact, persuade, and reach consumers. The following tools influence customers in a way that compels them to make purchases:

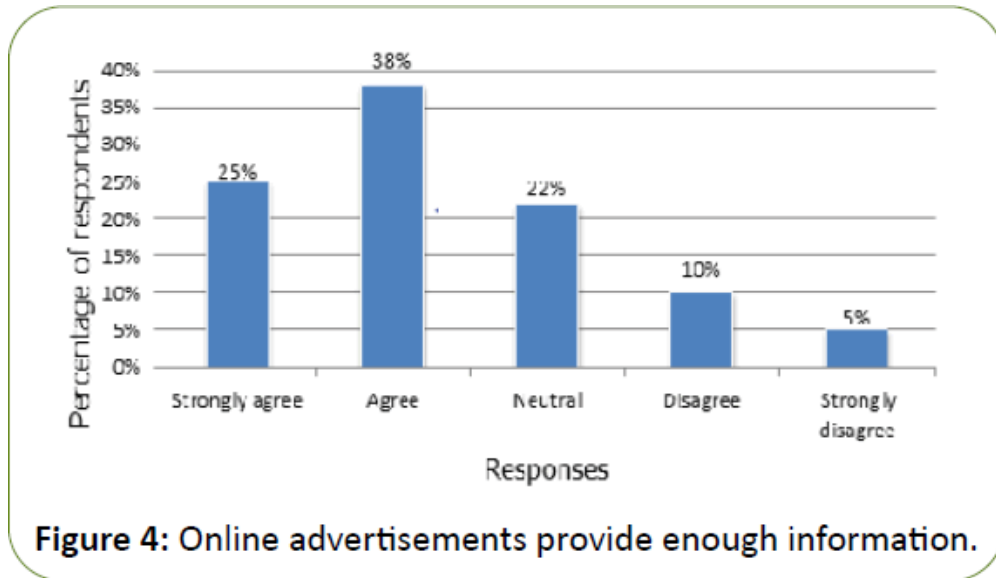


Fig.3 A significant percentage of respondents accepted that online advertisements provide abundant information, which is one of the reasons for their prominence.

- **Email Marketing**

Any electronic message sent to a database that includes a promotional offer to persuade customers to click on the ad and visit the business' landing page is referred to as email marketing. According to a study, 77% of marketers (Liu-Thompkins, 2019) noticed a rise in email engagement over the past year. Given that 45% of subscribers regularly check their email and 33% of email users open a mail because of the catchy subject line, email marketing practically influences consumer behavior. Email marketing is a popular and successful form of advertising that is 40 times more successful at luring new clients than Facebook and Twitter together for customer acquisition owing to its targeting and versatility potential.

- **Paid Social Media**

Paid social media is a technique for displaying commercials or sponsored marketing messages on well-known social media sites, and it aids in generating sales. Paid, received, and controlled social media are all choices that make social media a truly magnificent marketing medium upon their convergence.

- **Search Engine Marketing**

It is a type of online marketing that enhances the popularity of websites in search engine results pages (SERPs). Over half of online users arrive at a website via a search engine rather than a direct link from another website, giving search engines a dominant position in the online world.

- **Mobile Advertising**

It is a multi-channel online marketing strategy that concentrates on connecting with particular clients through their feature phones, smartphones, tablets, or other mobile applications. Marketers conduct this type of marketing everywhere, and to which consumers are always connected via personal mobile devices. Deshwal reveals that in mobile marketing, messages promoting a product or service are sent to customers irrespective of their interests or relevance to them, with the goal of influencing their purchase.

Rastogi and Khan (Rastogi, Stelmakh, Shen, Meila, Echenique, Chawla, & Shah, 2022) agree that companies using online advertising platforms to advertise benefit from being more effective and productive than businesses that use other types of media. Online advertising businesses must make payments for only qualified clicks, leads, or impressions.

The customer starts (Deng, Tan, Wang, & Pan, 2019) every advertisement, claimed Kumar and Gupta. A marketer also places a high value on the consumer. When to buy and how much to buy are decisions that a buyer makes. Knowing what consumers like and dislike is a fundamental aspect of being a skilled marketer. The study of consumer choice looks at how and when consumers make decisions about purchases as well as how and why they buy a specific product and further the utility of that product.

The consumption levels, according to Kalaiselvi and Murugananda (Gupta & Gupta, 2019), vary significantly from neighboring rural to urban households. Reputable businesses like Godrej, Kelvinator, Voltas, and Allwyn retained a sizable share of the market till the period of liberalization of the Indian economy in the Indian white goods sector. Since the industry's liberalization, several foreign players have entered, for instance, Whirlpool, LG, Sony, Samsung, IFB, and Aiwa. An extreme change resulted from the opening of the white goods industry.

According to Sonkusare (Daneva, Chen, Ta, Manchikalapudi, Bazaz, Laubach, & Sonkusare, 2023), the consumer absorbs goods and services. By running online advertising, marketer aims to meet and satisfy the expectations and desires of consumers. Online marketing prioritizes the customers under the new marketing definition. The focus of advertising principles is on reaching the target and the primary consumers, which establishes the criteria for evaluating each target consumer scenario.

III. BUYING PROCESS FOLLOWED BY YOUTH

Carefully considering the stages of purchasing (Omar & Atteya, 2020) can be a problem-solving task for youth regarding their decision to buy a good or service. They go through several stages in this effort to achieve the desired result. Therefore, the buying process begins long before the actual purchase and has effects for a very long time. There are generally five basic phases to making buying decisions, although customers can skip some of them when making small purchases. Below is the buying process cycle:



Fig.2 Phases of a purchase decision-making process

- **Recognition of Need**

The sale happens when the customers discover a possibility to solve problems they are encountering by utilizing a particular product or service. So, a marketer must make consumers cognisant of a problem that is worth solving and position a company's services as the apt solution.

● Information Search

The search for an appropriate product or service starts when the customers are (Rovetta & Bhagavathula, 2020) aware of the issues faced by them. To help prospective customers make informed purchasing decisions, marketers must provide them with valuable information that they can use to evaluate products or services. Customers must be familiar with services accessible they had not considered before. This is the best chance for a marketer or business owner to position the brand as a market leader or expert in the field.

Consumers can seek information during the information search stage, for instance, by reading reviews online, researching various options, or speaking with friends or family. This stage enables the person to proceed with the following stage with greater knowledge.

● Evaluation of Alternatives

At the end of this stage, the consumer will know which product will solve their problem. However, before that, they will compare their potential product or service of choice against alternatives based on quality, price, popularity, and reviews.

● Purchasing Decision

The consumer ultimately makes an acquisition decision during the purchasing stage after regarding the following factors:

- ◆ The necessity for the product
- ◆ Perceived benefits and risks of the product
- ◆ Ability to afford the product
- ◆ Any social factor that may influence the consumer's decision

If everything goes as planned and marketing efforts are successful, then the transaction is made.

● Post-purchase Evaluation

The customers evaluate their procurement decision and compare it to their expectations after buying the goods at the conclusion of the consumer buying cycle. This will either result in happiness or discontent. Subsequent to a successful purchase, a customer may:

- ◆ Repeatedly visit a business for future business deals
- ◆ Recommend a brand to friends or family
- ◆ Write positive feedback online

On the contrary, a dissatisfied customer might:

- ◆ Communicate their grievances to the business
- ◆ Express their frustrations with others in person or on social media platforms
- ◆ Lose trust in a particular venture
- ◆ Spread rumors or write negative reviews for a company

IV. CUSTOMER PURCHASING BEHAVIOR ON ONLINE ADVERTISEMENTS RUN BY NIKE

The world-famous sportswear juggernaut Nike (Bois, Purnama, & Hartono, 2020) is currently at the top of its game. Nevertheless, given that it is a well-known sportswear brand, its enormous success is not unexpected. The following outstanding Nike online advertisement from recent years demonstrates how the company has grown to be successful. It tells a unique story and takes the audience on a journey.

Nike introduced an advertising campaign, "Play New," in 2021. This campaign was developed by Wieden+Kennedy Portland, emphasizing the fun of trying something new. In essence, it depicts people who attempt sports but fail.

It was inferred from the aforementioned advertisement (Byun, Chiu, & Won, 2023) that professional or amateur athletes are Nike's target market. Additionally, they are men, women, or children who enjoy taking long walks, but demand is more amongst youth as they aim to be best in their style game, and fitness plays an important part for that matter. Hence, they require comfortable shoes. Likewise, they are not price-conscious, allowing the business to charge more for its goods than its competitors. The positive public perception of Nike's shoes, combined with the purchasing habits of young consumers and others and effective advertisement initiatives, has led to the brand garnering a plethora of loyal buyers. Youth choose this specific business for the comfort, value, and status it provides, whether they're engaging in sports like basketball, football, or running or simply taking a leisurely walk through the park.

In addition, the customers (Kim, Jang, & Shin, 2021) have creative mindsets and lead healthy lifestyles. They often have a unique sense of style that is reflected in the way they dress, and everything around them has a unique touch, in this case, the design of the shoes. They want to make their own way, be distinctive and do not want to conform to traditional designs of mass production.

Nike's management (Nica, Chiriță, & Ionescu, 2021) understood that customer behavior fluctuates over time. Customers' purchasing decisions vary depending on their intentions and preferences. Their habitual nature is to buy Nike's sports shoes regularly, and the comfortable product prompts them to spread the word about the product, which in turn increases the customer base of the brand.

Further, the consumer buying process significantly relies on valuable information accumulated from several sources. The top priority of customers is to evaluate the brand in light of its quality attributes. Attitudes and behaviors of others directly influence the buying decision of consumers. Nonverbal signals may prompt consumers to reconsider their choices to buy branded products.

V. CONCLUSION

A marketer in today's fiercely competitive economy must understand the unique mindset of the younger generation to efficaciously target them through online advertising. For marketers in this cutthroat market, online advertising poses significant risks. In order to maintain the current situation and meet the new demands while accounting for changing consumer behavior, marketers can develop competency in taking into account young people and creating effective advertising campaigns in the coming time. This will allow the company to attain excellent results from the contemporary customer-oriented advertising viewpoint.

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