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A Study on the Constituents of Advertisement That Manipulate Consumer Buying Decisions

Agatha Judith Caroline G¹, Dr.Tabitha Durai²

Ph.D Research Scholar, Department of Commerce, Madras Christian College, Tambaram, Chennai, India

Assistant Professor, Department of Commerce, Madras Christian College, Tambaram,

Chennai, India

ABSTRACT: Advertising is the process of informing the potential customers about the availability of various products and services, events and job vacancies etc. Advertisement is a paid form of non- personal presentation of ideas, product or service by the marketer to disseminate information of the same to prospective customers. Advertising is intended to create an interest on the part of customers and convert them into consumers. Since advertisement is a non- personal form, trust plays a very significant role in creating confidence among the consumers in guaranteeing the product performance and quality. And it is the morale responsibility of every marketer to keep up to their promises. Marketers use multiple techniques in their advertisements to emotionally appeal to their target groups. This paper attempts to bring out the various persuasive components of advertisement manipulating customer buying decision with respect to electronic products.

KEY WORDS: Advertisement, persuasion, electronic devices, manipulative marketing, advertisement ethics.

I.INTRODUCTION

Advertisement is a means of informing and recommending the products, services, etc to the customers by emphasizing only on positive aspects in order to make persuaded decisions. Advertisements are not always bad but using of manipulating techniques to trick potentials into buying is bad. With the advent of Information technology the process of communication has become ever the more easier which is being misused by marketers' to make false promises, deliberately ignoring the break of trust. The terms like customer satisfaction, customer delight and loyalty seem to be long forgotten concepts which are evidences to the lack of advertisement ethics. Even though it is said that marketing is lot more than mere selling concept of making money, the role of present advertisers appear to play a contradictive meaning. There are various means of advertisement e.g. television, internet, newspaper, movies, magazines etc. Advertisements as a non- personal promotional tool are pervasive in leaving lasting impact on potentials' mind. These advertisements stay in customers' mind and is often triggered by their curiosity, emotionally influencing them to experience the products and services. There are persuasion techniques in advertisement that can be rational, irrational or a combination of both to influence customer buying decisions. They are jingles, slogans, brand names, celebrity endorsements, repetitions, humor, shocks etc which can make the advertisements attractive and thereby memorable to the prospects. Manipulation of consumers through negative influential tactics has become an unending issue, the consumers are encountering in their day to day life. The deceptions adopted by some unethical marketers' defeats the principal objectives of meeting consumer needs and demands. This research paper is intended to identify which parts of persuasive components of advertisement acts as significant manipulators in customers buying decisions with regard to latest electronic devices.

II.RELATED WORK

Victor DANCIU (2014) in his paper Manipulative marketing: persuasion and manipulation of the consumer through advertising¹ emphasizes on certain vital principles to be observed by themarketers' in order to reduce the proportion of advertisement manipulation. The first and foremost requirement on the part of advertisers involves moving from the sole focus of corporate profits to achieving something that's larger than mere money. Every advertiser should be



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conscious of the impact of their advertisements and strive for a mutual benefit through honesty, authenticity, transparency and accountability. Further to earn enduring customer loyalty, every advertisers' message should align with consumers' values in every component and aspect of advertisements.

Dana Boşcor, Codruţa-Adina Băltescu and Anca Madar (2012) in their paper titled Manipulating Consumers Through Advertisingⁱⁱ have conducted quantitative marketing research on the adult population from Braşov so as to identify the opinions and attitudes of consumers from Braşov regarding the manipulation techniques used by commercial practices and advertising. The results of the research have shown that 82% of the respondents have bought products in promotional offers, and 18% chose not to make purchases and 61% of the respondents considered that they have not been manipulated not even once, while only 39% believed that they have been manipulated at least once through advertising or commercial practices. Advertisements on TV had a strong influence on consumers, 81% of the respondents considered that at least once they have bought a product because of a TV commercial.

Uchenna Cyril Eze & Chai Har Lee in their paper titled Consumers' Attitude towards Advertisingⁱⁱⁱ studied the influence of six independent variables namely consumer manipulation, product information, hedonic/pleasure, economic condition, social integration, and materialism on consumers' attitude towards advertising. They found that a negative belief towards consumer manipulation resulted in negative attitude towards advertisement, a positive effect of product information on consumer attitudes towards advertising, customers belief in hedonic/pleasure created positive attitude towards advertising, customers' positive perception on the economic condition had a positive influence on attitude towards advertising, social integration did not create a positive attitude towards advertisement. Finally materialism had a positive influence on consumers' attitude towards advertising.

Dr. D.Prasanna Kumar & K. Venkateswara Raju (2013) in their paper titled The Role of Advertising in Consumer Decision Making^{iv} have found that customers are likely to watch more of the advertisements which affect individual's opinions. Advertisements are the most effective medium to influence the target consumers. They have concluded that the impact of any advertisement will be influential only when the potentials are seeking for information on such brands being advertised. Since this results in saving of tremendous time and effort involved in seeking for information by themselves on their choice of brands.

The above literature reviews are few among the articles that were researched. From the literature review it is seen that researchers have stated that consumers' are influenced by not many but a few components of advertisement which positively influences the customers to make purchase decision. It's further revealed that customer' make purchases at least once due to their exposure to TV Commercials and promotional offers. Few researchers have concluded the study by stating that positive effect on product information had a positive influence on the consumer purchase decision of electronic products. In comparison with the previous study done by people, this research study emphasizes on identifying the component of advertisement manipulating customer buying decision with regard to electronic products.

III.OBJECTIVE OF THE STUDY

To identify the constituents of an advertisement that manipulates customer buying decisions with regard to latest electronic devices.

IV. RESEARCH METHODOLOGY

Data for the study was collected through primary data and secondary data. A sample population of 100 respondents was selected for the survey. The primary data for the study was collected with the help of a well-structured questionnaire, framed on the basis of the most persuasive factors of advertisement and administered to the selected group of frequent Electronic product purchasers. The target population was individuals in the city of Chennai. Secondary data was collected from various journals, newspapers and websites. The sampling technique used is convenience sampling.



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V. STATISTICAL TECHNIQUES AND ANALYSIS

Primary data was collected and entered into Statistical Package For Social Sciences (SPSS) Version 15 for analysis. The statistical technique used is Factor Analysis.

Analysis and Interpretation

In order to identify the constituents of an advertisement that manipulate customer buying decisions with regard to latest electronic devices, factor analysis has been conducted with the data collected.

Reliability

Cronbach's alpha

Cronbach's alpha is a measure of internal consistency, that isReliability, how closely related a set of items are as a group. It is considered to be a measure of scale reliability. It is most commonly used when we have multiple Likert questions in a questionnaire that form a scale and when we wish to determine if the scale is reliable.

Table 2 Cronbach's Alpha as reliability tool to validate the data				
Reliability Statistics				
Cronbach's Alpha	No. of Items			
.903	30			

Source: Primary Data

Table 2 shows the reliability for 30 items is 0.903, suggesting that anything above .80 is respectable. Whereby in this case, the items have relatively high internal consistency. Even if one of the 30 items is deleted the Cronbach's Alpha value will be reduced. This indicates that the reliability for all items is higher.

KMO and Bartlett's Test

Kaiser-Meyer-Olkin (KMO) Test is a measure of how suited the data is for Factor Analysis. The test measures sampling adequacy for each variable in the model and for the complete model. The statistic is a measure of the proportion of variance among variables that might be common variance. The lower the proportion, the more suited the data is for Factor Analysis. The Kaiser-Meyer-Olkin (KMO) and Bartlett's test measures strength of the relationship among variables.

Table 3 KMO and Bartlett's Test for				
Kaiser-Meyer-Olkin Meas	Kaiser-Meyer-Olkin Measure of Sampling Adequacy			
Bartlett's Test of Sphericity	Approx. Chi-Square	1795.561		
	Df.	435		
	Sig.	.000*		

Source: Computed Data

*denotes significance at .05 level

The KMO measures the sampling adequacy which should be greater than 0.5 for a satisfactory factor analysis to proceed.

From Table 3, it can be noted that Kaiser-Meyer-Olkin measure of sampling adequacy is 0.717 and Bartlett's Test of Sphericity and approximate Chi-Square value is 1795.561which arestatistically significant at 5% level. Therefore, it can be concluded that the sample size is adequate to derive the factors of advertisement manipulating customer buying decisions with regard to latest electronic devices.

Factor analysis has been used for identifying the most influencing components of advertisement manipulating customers' purchasing decision. Factor analysis is one of the statistical methods used to describe the variability among



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observed, correlated variables in terms of animaginably lower number of unobserved variables called factors.Factor analysis seeks for such joint variations in response to the unobserved latent variables. It investigates variable relationships for complex concepts.

Table 4 Total Variance Explainedforthe components of advertisement manipulating customer buying decisions with regard to latest electronic devices.

Component	I	nitial Eigenva	lues	Extraction Sums of Squared Loadings					ms of Squared Loadings	
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	
1	8.255	27.515	27.515	8.255	27.515	27.515	4.310	14.367	14.367	
2	3.339	11.129	38.644	3.339	11.129	38.644	4.041	13.471	27.838	
3	2.719	9.064	47.708	2.719	9.064	47.708	3.557	11.857	39.695	
4	1.803	6.009	53.717	1.803	6.009	53.717	3.221	10.735	50.430	
5	1.514	5.048	58.765	1.514	5.048	58.765	2.500	8.335	58.765	
6	1.360	4.534	63.298							
7	1.291	4.305	67.603							
8	1.130	3.767	71.370							
9	1.056	3.521	74.891							
10	.935	3.117	78.008							
11	.715	2.383	80.392							
12	.645	2.150	82.541							
13	.600	2.000	84.541							
14	.546	1.819	86.361							
15	.496	1.652	88.013							
16	.449	1.496	89.509							
17	.423	1.411	90.920							
18	.380	1.266	92.186							
19	.365	1.217	93.403							
20	.314	1.047	94.450							
21	.276	.919	95.370							
22	.247	.823	96.193							
23	.234	.780	96.972							
24	.208	.693	97.665							
25	.183	.609	98.275							
26	.148	.495	98.769							
27	.117	.390	99.159							
28	.105	.352	99.510							
29	.087	.291	99.802							
30	.059	.198	100.000							

Extraction Method: Principal Component Analysis

Source: Computed Data

From table 4 we see that all 5 extracted factors which are those with an eigenvalue greater than 1 account for 58.765 of the variance in the items' variance-covariance matrix. It can be noted that the 30 items are reduced to five predominant factors with cumulative values percentage of 14.367, 27.838, 39.695, 50.430 and 58.765.



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Rotated Component Matrix

The rotated factor matrix table 5 shows which items load on which factors after rotation. The idea of rotation is to reduce the number factors on which the variables under investigation have high loadings.Rotated Component Matrix is the key product of principal components analysis. It contains estimates of both the estimated components and correlations between each of the variables.

The Rotated ComponentMatrix for the Factors of advertisement manipulating customer buying decisions with regard to latest electronic devices

Table 5Rotate	d Compo	nentMat	rix ^a		
	Component				
	1	2	3	4	5
Free Installation	.797				
Trouble Shooting	.785				
Packaging	.762				
Product Maintenance	.748				
Product Upgradation	.718				
Product Design	.655				
Film Celebrity Endorsement		.852			
Sports Celebrity Endorsement		.792			
Contests		.788			
Instalment Financing Schemes		.678			
Instant Draws and Assign Gifts		.652			
Brand Name			.819		
Reputation			.819		
Assurance/Promise			.674		
Standardization			.551		
Product Prize			.526		
Humour				.727	
Tag Line				.693	
Repetition				.680	
Jingles				.610	
Shocks				.580	
Discounts					.803
Rebate					.649

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. a.Rotation converged in 11 iterations. Interpretation: Source:ComputedData

From Table 5 it can be noted that five factor components have been generated. The first factor which can suitably named as "After Sales Terms And Conditions". The second factor with grouping of 5 variables can be named as "Sales Promotion Schemes". The third factor is formed with 5 variables which can be named as "Advertisement Credibility". The fourth factor can be named as "Advertisement Message" consisting of 5 variables. The fifth factor with grouping of 2 variables can be named as "Product Offering". This reveals the factor analysis results in 5 predominant factors.



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Table 6 Factors of an advertisement that manipulates customer buying decisions with regard to latest electronic devices					
AFTER SALES TERMS AND CONDITIONS	SALES PROMOTION SCHEMES	ADVERTISEMENT CREDIBILITY	ADVERTISEMENT MESSAGE	PRODUCT OFFERING	
Free installation	Film Celebrity Endorsements	Brand Name	Humour	Discounts	
Trouble Shooting	Sports Celebrity Endorsements	Reputation	Tag Line	Rebate	
Packaging	Contests	Assurance/ Promise	Repetitions		
Product Maintenance	Instalment Financing Schemes	Standardization	Jingles		
Product Upgradation	Instant Draws and Assign Gifts	Product Price	Shocks		
Product Design					

Source: Computed Data

Table 6 presents the five factor loadings that were derived from the factor analysis. The first grouping has six factors under it namely Free Installation, Trouble Shooting, Packaging, Product Maintenance, Product Upgradation and Product Design and is named as "After Sales Terms And Conditions". "Sales Promotion Schemes" is the second factor grouping consisting of five variables namely Film Celebrity Endorsement, Sports Celebrity Endorsement, Contests, Installment Financing Schemes and Instant Draws and Assign Gifts.

The third factor group consists of five factors namely Brand Name, Reputation, Assurance/Promise, Standardization and Product Prize. It has been named as "Advertisement Credibility". "Advertisement Message" consists of the five factors which are Humor, Tag Line, Repetitions, Jingles and Shocks.

The fifth factor group is "Product Offering" and has two factors that fall under it namely Discounts and Rebate

VI. RECOMMENDATIONS OF THE STUDY

From the study of identifying the components of an advertisement that manipulates customer buying decisions with regard to latest electronic devices, we were able to identify that consumers' perception about the major components namely After Sales Terms And Conditions, Sales Promotion Schemes, Advertisement Credibility, Advertisement Message and Product Offering plays a significant role in manipulating customer buying decisions. The choosing of influential advertisement components is not essential for the marketer to be successful rather the focus should be on the use of rational persuasion techniques to positively influence the consumers to make purchase decisions. Unethical marketing by using deceptive techniques which defeats the principal objectives of meeting consumer needs and demands should be abolished. The Government should act on these issues at the very initial level to protect the interest of the consumers.

VII. CONCLUSION

The purchase decisions of consumers are greatly influenced by the individuals' perception of the Constituents of an advertisement. From the Factor analysis, it could be concluded that the constituents of an advertisement like Brand Name, Reputation, Film Celebrity Endorsement and Discounts are major persuasive advertisement constituents. Frequent and Adequate awareness programs could be organized by the Government to protect the interest of the consumers from marketers' false promises and use of unethical means to lure customers intomaking purchases.



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