

Exploring Consumer Attitudes Towards Digital Advertising: Insights and Trends

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Abstract

E-commerce encompasses the process of transferring goods and services between buyers and sellers via the internet. With each passing year, new digital trends emerge, compelling marketers to stay abreast of these developments to efficiently adopt new technologies and maintain a competitive edge. Current trends include voice search, advanced graphing techniques, micro-interactions, virtual reality marketing, an increase in stories and live videos, as well as advancements in artificial intelligence and machine learning. Additionally, engagement-based email marketing, detailed lead profiling, browser push notifications, and personalized content are becoming increasingly important.

This study aims to explore the theoretical framework of consumer perception towards online marketing, evaluate the effectiveness of online marketing among rural consumers in Karnataka, and assess the performance of the online market while identifying various opportunities and threats. Karnataka is divided into six regions based on geographical and demographic factors: Mysore Region, Coastal Region, Bombay Region, Hyderabad Region, Central Region, and BBMP.

A sample design involving 1500 participants from these six divisions was utilized, with each division contributing 250 samples. The judgmental sampling method was employed for sample selection. Primary data collected from the respondents were coded, classified, and analysed using the Statistical Package for Social Sciences (SPSS Version 20). The analysis tools included descriptive statistics such as arithmetic mean and standard deviation.

Keywords

E-Commerce, Customer Insights, Purchasing Habits, Decision-Making Process.

Introduction

One of the most recent trends in marketing is online marketing, which leverages the internet to inform customers about a company'2s

s products and services. Often referred to as "internet marketing," this approach includes various strategies such as social media marketing, email marketing, and search engine marketing. In today's digital age, online marketing has become indispensable, surpassing traditional marketing methods in effectiveness. The internet has significantly transformed customers' shopping and purchasing behaviors. This study aims to uncover the factors that influence consumer attitudes and their propensity to make purchase decisions online.

According to the Organization for Economic Co-operation and Development (OECD), e-commerce involves commercial transactions between organizations and individuals that are facilitated by the processing and transmission of digitized data over open or closed networks that have internet gateways. Essentially, e-commerce can be defined as the exchange of goods and services between buyers and sellers using the internet as a trading medium. Unlike traditional commerce, e-commerce eliminates the need for paperwork and physical interaction.

E-commerce offers unique advantages such as the ability to shop anytime and anywhere, access to a wide variety of brands and products, multiple payment options (including credit cards, debit cards, electronic wallets, and cash on delivery), home delivery, easy return policies, and convenience. These features have revolutionized the shopping experience for e-shoppers, providing unmatched ease, selection, and affordability. As a result, retailers with physical stores can no longer ignore the potential of this medium.

Consumers are increasingly inclined to shop online, and e-commerce has become a significant and mature segment of the retail industry. Unlike traditional retail, where foot traffic is a key metric, online shopping does not provide the opportunity for customers to physically touch and feel products. Instead, the shopping experience is defined by the consumer's preferences and desires. Virtual stores, or "virtual malls," attract millions of visitors and have become an essential part of the retail landscape, now accounting for a substantial portion of total retail sales.

Current Status (Trends)

Each year, new digital trends emerge, compelling marketers to stay informed and adapt to new technologies to maintain a competitive edge. Keeping up with these trends is crucial for marketers to effectively leverage new tools and methodologies. Notable current trends include voice search, which allows users to conduct internet searches through voice commands, making it essential for marketers to optimize their content for voice queries. Advanced graphing techniques are being used to create more interactive and engaging visual content, enhancing user experience.

Micro-interactions, which are subtle animations or responses to user actions on a website or app, are becoming increasingly important in providing a seamless and engaging user experience. Virtual reality marketing is another significant trend, offering immersive experiences that allow consumers to interact with products and services in a virtual environment, thereby enhancing brand engagement.

The popularity of stories and live videos on platforms like Instagram, Facebook, and YouTube continues to grow, providing marketers with dynamic ways to connect with their audience in real-time. Advancements in artificial intelligence and machine learning are revolutionizing digital marketing by enabling more precise targeting, predictive analytics, and automated customer interactions, which improve overall marketing efficiency and effectiveness.

Engagement-based email marketing is becoming more sophisticated, focusing on creating personalized and interactive email content that encourages higher engagement rates. Detailed lead profiling, which involves gathering extensive data on potential customers to better understand their needs and behaviours, is increasingly used to tailor marketing strategies more effectively.

Browser push notifications are gaining traction as a way to re-engage users by sending timely and relevant updates directly to their devices. Content personalization, driven by data analytics, allows marketers to deliver customized content to users based on their preferences and past behaviour, significantly enhancing user experience and conversion rates.

These trends reflect the dynamic nature of digital marketing, emphasizing the importance of continuous innovation and adaptability. Marketers who stay ahead of these trends and incorporate them into their strategies are more likely to succeed in an increasingly competitive digital landscape.

Review of Literature

Sankaran (2014): conducted a comprehensive study on the effectiveness of internet marketing, also referred to as e-marketing. This research included both primary and secondary data to provide a thorough empirical analysis. The primary objectives of the study were to identify, measure, and evaluate the e-marketing of consumer goods through electronic media. Additionally, the study aimed to pinpoint the factors influencing purchase decisions in Favor of online shopping, considering consumer behaviour related to internet shopping.

The research delved into the online buying behaviours of consumers, examining demographic characteristics such as age, gender, income, education, and life stage. It aimed to understand consumer perceptions regarding website features and their levels of satisfaction with online shopping experiences. Furthermore, the study investigated the overall relationship between website features, customer satisfaction, and online buying experiences. Based on these insights, it sought to provide recommendations to enhance the efficiency of the emarketing environment.

The empirical testing conducted as part of the study revealed that age significantly influences customer perceptions of website features. Moreover, education was found to have a notable impact on how consumers perceive these features. This research underscores the importance of demographic factors in shaping consumer attitudes towards e-marketing and highlights the need for marketers to consider these variables when designing and optimizing their online platforms.

Shanthi and Kannaiah (2015): conducted a study to examine customer perceptions of online marketing. The study utilized primary data collected through questionnaires distributed to students from Madras University and Madras Christian College. The sample consisted of 100 respondents, and a direct survey approach was employed to gather the data. The primary objective of the study was to identify the types of products consumers purchase online and the factors that influence their online shopping decisions.

The study used descriptive statistics to test the hypothesis. The initial section of the questionnaire focused on respondents' internet usage patterns. It gathered information on how frequently they searched the internet, the amount of time they spent online, and their reasons for using the internet. This comprehensive approach aimed to provide insights into the behaviour and preferences of online shoppers, shedding light on the factors that drive online purchase decisions among students.

Mahmud et al. (2009): conducted a study to explore the factors that affect online shopping behaviour. The research utilized primary data collected through a questionnaire designed to address the study's research questions. This empirical data was gathered mainly from current internet users, using a convenience sampling method. Out of 650 distributed questionnaires, 617 were returned. Each response was meticulously checked for errors, incomplete sections, and missing information. Respondents were contacted via email for clarifications and corrections, especially regarding missing data. During the data analysis phase, it was found that over a quarter of the survey questions were either left unanswered or incorrectly answered. Ultimately, 602 responses were deemed complete and suitable for analysis.

Zoyawajidsatti., (2014): explores the scope of E-marketing by utilizing both primary and secondary data collected through a questionnaire. All participants in the study were internet users. The primary objectives of the study were to understand customer preferences for e-marketing, examine purchasing patterns, analyse changes in the interaction between sellers and buyers, and evaluate how customer perceptions of online marketing impact their trust in sellers. The data analysis was performed using NVIVO, a qualitative research analysis software. The study's main findings are illustrated with images. A key conclusion is that the internet is essential for e-marketing; without internet access, e-marketing is not feasible. This underscores that the growth of e-marketing is dependent on the internet's reach and availability.

Sanz et al. (2005): investigate how internet user shopping habits and demographics influence mobile purchasing behaviour. The study relies on secondary data from a survey conducted by the Spanish Association of Electronics Commerce (AECE) in 2004. This data was collected between March and April 2004 through the Computer Assisted Telephone Interview (CATT) method. The survey involved a random sample of 2,104 participants. The primary aim of the study is to develop a profile of mobile shoppers, focusing on sociodemographic and behavioural characteristics, and to identify the key factors that significantly affect mobile purchasing behaviour.

Research Objectives

- 1. To explore and understand the theoretical framework that shapes consumer perception towards online marketing, including:
- o Psychological factors influencing consumer attitudes and behaviours.
- Social influences and their impact on consumer perceptions.
- Economic considerations that affect consumer decision-making.
- 2. To analyse the effectiveness of online marketing strategies specifically among rural consumers in Karnataka by:
- Assessing the reach and penetration of online marketing in rural areas.
- o Evaluating the impact of online marketing on rural consumers' purchasing decisions.
- o Identifying the unique challenges and advantages of implementing online marketing in rural settings.
- 3. To evaluate the performance of the online market through a comprehensive analysis that includes:
- Measuring the current success and growth trends of the online market.
- o Identifying key performance indicators and metrics relevant to online marketing.
- o Conducting a SWOT analysis to uncover various opportunities for market expansion and innovation.
- o Identifying potential threats and obstacles that could hinder the growth and effectiveness of online marketing initiatives.
- o Providing strategic recommendations to leverage opportunities and mitigate threats in the online market.

Research Hypotheses

- 1. H1: Consumer perception towards online marketing varies significantly with age.
- 2. H2: Consumer perception towards online marketing differs based on education level.
- 3. H3: Consumer perception towards online marketing is influenced by occupation.
- 4. H4: Consumer perception towards online marketing is affected by income level.
- 5. H5: Consumer perception towards online marketing varies with marital status.

Research Methodology

This section provides a comprehensive overview of the research structure employed in the current study, detailing key aspects such as the sample size, the procedures used to select participants, and the methods of data collection and analysis. The study is primarily based on primary sources of information, which were gathered directly from the participants through various data collection tools.

The sample size was carefully determined to ensure that it is representative of the population being studied, thereby enhancing the validity and generalizability of the findings. Participants were selected using a systematic procedure designed to minimize bias and ensure a diverse and inclusive sample.

To ensure the accuracy and appropriateness of the data collected, the reliability of the research instruments was thoroughly assessed. This involved testing the instruments for consistency and stability over time, as well as verifying their ability to accurately measure the variables of interest. The assessment of reliability was a critical step in confirming that the tools used for data collection were suitable for the study's objectives and capable of providing reliable and valid results.

Sources of Data Collection

- a) **Primary Data:** An empirical research design was employed to gather primary data. A structured research instrument, such as a detailed questionnaire or survey, was utilized to collect data for analysis. This primary data was crucial for testing the research hypotheses and drawing conclusions relevant to the study.
- b) Secondary Data: Secondary sources were extensively used to provide context and relevance to the study. This involved reviewing and analysing previous research in the field. The secondary data was collected from a variety of sources, including research journals, working papers, books, and various reports and project works. These sources included both published and unpublished materials, offering a comprehensive understanding of the existing literature and background information pertinent to the study.

Selection of the Field

Karnataka, with its diverse landscape and demographic makeup, is segmented into six distinctive regions, each with its own unique characteristics and cultural identity.

- 1. **Mysore Region**: Nestled in the southern part of Karnataka, the Mysore Region is renowned for its rich heritage, vibrant festivals, and architectural marvels like the Mysore Palace. It serves as a cultural hub, preserving age-old traditions while embracing modernity.
- 2. **Coastal Region**: Stretching along the Arabian Sea, the Coastal Region of Karnataka boasts stunning beaches, lush greenery, and a thriving seafood industry. Mangalore, Udupi, and Karwar are prominent cities in this region, celebrated for their picturesque landscapes and delectable cuisine.
- 3. **Bombay Region**: Situated in the northern part of Karnataka, the Bombay Region is characterized by its bustling urban centres, industrial development, and cosmopolitan culture. Cities like Hubli, Belgaum, and Dharwad are major contributors to the state's economy, with flourishing trade and commerce.
- 4. **Hyderabad Region**: The Hyderabad Region, located in the northeastern part of Karnataka, shares its border with Telangana. It is influenced by the rich heritage of the erstwhile Nizam's dominion and is known for its architectural landmarks, culinary delights, and diverse populace.
- 5. **Central Region**: As the heartland of Karnataka, the Central Region encompasses cities like Bengaluru, the capital city, and its surrounding areas. This bustling metropolis is a melting pot of cultures, economic activities, and technological innovation, serving as the nerve centre of the state.
- 6. **BBMP** (**Bruhat Bengaluru Mahanagara Palike**): BBMP represents the urban core of Karnataka, primarily comprising Bengaluru city. As one of the fastest-growing cities in Asia, Bengaluru is synonymous with IT innovation, start-up culture, and a vibrant nightlife scene. It attracts people from all over the world, contributing significantly to Karnataka's global standing.

These regions collectively form the tapestry of Karnataka, each playing a vital role in shaping its identity and contributing to its socio-economic fabric.

Sample Design

In this study, a total sample size of 1500 has been meticulously selected, ensuring representation from all six divisions of Karnataka. Each division has been allocated a sample size of 250 individuals, totalling to a comprehensive and balanced sample distribution across the state. The methodology employed for sample selection is judgmental sampling, a technique chosen for its ability to incorporate the expertise and discretion of the researcher in identifying suitable participants who possess the desired characteristics or insights relevant to the study. This approach ensures that the sample accurately reflects the diversity and nuances present within each division, thereby enhancing the validity and reliability of the research findings.

Tools used for data analysis

The analysis of primary data, gathered from 1500 respondents, was conducted using the Statistical Package for Social Sciences (SPSS Version 20). This software facilitated the coding, classification, and comprehensive analysis of the data.

Various descriptive statistics such as arithmetic mean, standard deviation, variance, and frequency were employed to gain insights into the dataset's characteristics and distributions. These statistical measures provided a clear understanding of the central tendency, variability, and distribution of the collected data.

Additionally, hypothesis testing was carried out using one-way ANOVA (Analysis of Variance). This statistical technique allowed for the comparison of means across multiple groups, enabling the evaluation of potential differences or relationships between variables of interest.

By leveraging these analytical tools, we were able to derive meaningful interpretations and draw valid conclusions from the primary data, thereby enhancing the rigor and reliability of the research findings.

Result and Discussion

Testing of Hypothesis 1

The one-way ANOVA method was employed to assess the presence of a significant difference between age groups and consumer perceptions of online marketing.

The analysis conducted using one-way ANOVA reveals the following outcomes regarding the hypothesis testing:

(H0): "There is no difference between age and consumer perception towards online marketing."

Alternative Hypothesis

(H1): "There is a difference among age and consumer perception towards online marketing."

The obtained p-value associated with the comparison between age and consumer perception of online marketing exceeds the significance threshold of 0.05. As a result, the statistical analysis leads to accepting the null hypothesis and rejecting the research hypothesis. This suggests that there is no statistically significant difference between age and consumer perceptions of online marketing based on the data examined.

Testing of Hypothesis 2

The study employed one-way ANOVA to investigate whether there exists a significant distinction in consumer perception towards online marketing across various educational backgrounds.

(H0): "There is no difference between education and consumer perception towards online marketing." Alternative Hypothesis

(H1): "There is a difference among education and consumer perception towards online marketing."

The outcomes of the one-way ANOVA analysis indicate that the p-value associated with the observed difference in education and customer perception of internet marketing exceeds the significance threshold of 0.05. Consequently, the results lead to accepting the null hypothesis and rejecting the research hypothesis. This implies

that based on the statistical analysis conducted, there is no significant disparity between education levels and customer perceptions of online marketing.

Testing of Hypothesis 3

The study employed one-way ANOVA to assess whether there exists a notable distinction in consumer perception towards online marketing based on different occupations.

(H0): "There is no difference between occupation and consumer perception towards online marketing." Alternative Hypothesis

(H1): "There is a difference among occupation and consumer perception towards online marketing."

The analysis conducted through one-way ANOVA indicates that the p-value corresponding to the observed disparity among different occupations and consumer perception towards online marketing surpasses the significance level of 0.05. Consequently, the obtained results lead to accepting the null hypothesis and rejecting the research hypothesis. This suggests that statistically, there is no discernible difference among various occupations concerning consumer perception towards online marketing.

Testing of Hypothesis 4

The study utilized one-way ANOVA to evaluate whether there exists a significant variation in consumer perception towards online marketing based on different income levels.

(H0): "There is no difference between income and consumer perception towards online marketing."

Alternative Hypothesis

(H1): "There is a difference among income and consumer perception towards online marketing."

The outcomes of the one-way ANOVA analysis indicate that the p-value linked with the observed disparity between income levels and consumer perception towards online marketing exceeds the threshold of 0.05. Therefore, the results lead to accepting the null hypothesis and rejecting the research hypothesis. This suggests that statistically, there is no significant difference among income levels concerning consumer perception towards online marketing.

Testing of Hypothesis 5

The study employed one-way ANOVA to examine whether there exists a significant distinction in consumer perception towards online marketing based on marital status.

(H0): "There is no difference between marital status and consumer perception towards online marketing."
Alternative Hypothesis

(H1): "There is a difference among marital status and consumer perception towards online marketing."

Based on the presented one-way ANOVA results, the obtained p-value associated with the comparison between marital status and consumer perception of online marketing exceeds the significance level of 0.05. As a result, the findings lead to accepting the null hypothesis and rejecting the research hypothesis. This indicates that statistically, there is no significant relationship between marital status and customer perceptions of online marketing.

Findings

The findings of the study reveal several key insights regarding the relationship between demographic factors and consumer perception towards online marketing:

- 1. **Age:** The ANOVA results indicate that there is no significant difference in consumer perception towards online marketing across different age groups.
- 2. **Education:** The analysis suggests that education level does not have a notable impact on consumer perception of online marketing.

- 3. **Occupation:** Similarly, occupation was found to have no significant influence on consumer perception towards online marketing.
- 4. **Income:** The study found that income level does not result in discernible differences in consumer perception of online marketing.
- 5. **Marital Status:** The analysis concludes that marital status does not significantly affect consumer perception towards online marketing.

Overall, these findings suggest that demographic factors such as age, education, occupation, income, and marital status do not play a significant role in shaping consumer perceptions towards online marketing strategies.

Suggestion

- 1. Marketing strategies should be developed with a focus on how online marketing is perceived.
- 2. Demographic factors might not be taken into account in marketing strategies.

Conclusion

E-commerce significantly benefits trade, industry, and commerce. In India, consumer attitudes towards online shopping are becoming increasingly positive. Most respondents appreciate the convenience and efficiency of online shopping, noting its ease of use, access to a wide variety of products, competitive pricing, and multiple payment options. Additionally, many believe that the quality of information available about products and services online is excellent.

The internet has revolutionized business communication and connectivity. It enables companies to develop closer, more cost-effective relationships with customers in areas such as sales, marketing, and customer service. Through the internet, businesses can provide continuous information, support, and services to their clients, fostering positive interactions that build long-term relationships and encourage repeat purchases.

As a rapidly growing sales platform, the internet significantly influences consumer behaviour. The rise of online shopping is changing purchasing habits, with its impact expected to grow alongside technological advancements. Consumers are now more informed than ever, utilizing the internet to gather information, compare prices, and evaluate product features before making purchasing decisions. This information is accessible anytime and anywhere, allowing consumers to research online and then choose to buy either online or from physical stores. Particularly for higher-priced items, shoppers prefer using online resources to compare prices and find the best deals instead of visiting multiple stores.

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