Effectiveness of Online Advertising in Tirunelveli District

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Abstract

The research on effectiveness of online advertising shows the absence of agreed factors of effectiveness. Focus has been placed on the click-through ranks rather than on attitudinal responses, and it is necessary to evaluate the effectiveness of online advertising from a more comprehensive respective. Online advertising has sizable effects on brand loyalty and attitudes that can't be reflected in click-through. Online advertising features force consumers to make relationship with company's brand which leads to increased brand image in consumer's mind. Aim is to analyze the impact of the type of online advertising format as well as specific advertisement features on user's response and on the effectiveness of online advertising in general. The main objectives of the study are to know and analyze the role of effectiveness of online advertising in the study area. The study is based on primary andsecondary data.

Key Words

Online advertisement, Internet marketing, Internet advertizing, E-consumer, E-consumer behavior.

Introduction

The evolution of the internet has provided a new communication tool for people all over the world to access a vast amount of data and resources from any geographical location. The internet has experienced widespread adoption. The advent of new technology and the internet has introduced new and interactive opportunities for integrated marketing communication into the company-customer relationship. Traditional advertising agencies are being forced to adopt interactive marketing strategies in order to fulfill their clients' online marketing needs.

Objectives

The main objectives of the study are to know and analyze the effectiveness of online advertising in Tirunelveli district.

Methodology

Area of study

The area of the study refers to Tirunelveli district.

Sources of data

The study is confined with both **primary** and **secondary** data. The primary data are collected through a well structured interview schedule and the secondary data have been mainly collected from the books, journals, magazines, and also from the internet.

Sampling Design

There are many online users in the study area and 75 of them are randomly selected for the study as samples using convenient sampling method.

Statistical Tools Used

To analyze the effectiveness of online advertising the statistical tools like percentage, Garrett ranking, weighted average technique were used.

Indian advertising

Advertising in India has played a vital role in the development process by creating a demand for consumer goods and raising the living standards of millions. Advertising expenses are utilized on advertisements of capital goods, intermediaries, consumer durables and services, most of which promote investment, production and employment. Further, advertisement films of Hindustan Lever on cattle feed are noteworthy. Many other consumer goods manufactures have successfully reached rural markets through appropriate advertising. Indian advertising has no doubt registered a rapid growth and has acquired a certain amount of professional character. The future of Indian advertising is bright, provided that those in the profession acknowledge the social responsibility of advertising and conduct themselves in such a way as to be seen as an important part of the economic development effort of the country.

The history of online advertising

Online advertising has come a long way in the past decade. When the Internet was first breaking out into the mainstream, and becoming accessible to regular consumers and not just academics and scientists, there was still a lot of doubt about how viable it could be a commercial medium. Many early attempts at online advertising met with limited success, at best. This was also compounded with the general problem that many advertisers simply did not understand the online space, and still looked at advertising from the perspective of the print or television medium.

Effectiveness of online advertising

Online advertising is simply advertising that is done over the Internet. For those interested in such a strategy, there are a number of options and some have found a way to advertise online through things that do not appear in the traditional advertising media. While the effects of online advertising are still being studied, it is a rapidly-growing segment of the advertising in dollars. As more people turn to the Internet as a source for daily news, socialization and communication, more advertising dollars are likely to be spent. In a period of five years, from 2006 to 2010, online advertising is increased from 6 per cent of all money spent for advertising to 12 per cent or more. That could signify the beginning of a fundamental shift in how all advertising dollars are spent.

Digital advertising includes many of the techniques and practices contained within the category of internet marketing with the internet becoming accessible by mobile phones now, the consuming class. Some companies like Amazon and Dell created success stories through the usage of the internet in marketing that it has made a large number of organizations motivated to harness the potential of internet in distinctive because of its ability to be interactive and enables potential and existing customer behavior.

Internet as Medium

Internet puts PCs online through telephone lines. The consumers can read a magazine of their choice electronically. They have access to travel, financial and entertainment information. They can avail of e-mail and chat rooms to socialize. Advertisers can put their message on the net. Net citizens are increasing. There are several online services. Advertising age estimates that 1% of the total budget will be diverted to online. Interactive age survey reports that majority of the people do not like to see ads on computers. Despite this, advertisers are optimistic. The challenge is to create appropriate ads. We now need people who know both advertising and computer. Multi-media offering text, graphics, audio and video facilities makes it a medium of the future. Internet is an active and intelligent medium. Internet ads are based on the number of key words. In this media, the consumer comes to the advertiser. There is no wastage, as the ad reaches a viewer only if he is interested. Internet will spread in India by being more accessible through penetration of PCs, cable TV and mobile phones. Internet has created a borderless world, and has opened up immense possibilities for e-commerce and e-business. In the evolution of internet as a media, advertising will play a significant role. Internet will expand by leaps and bounds in the next few years. Internet access means a reduction in time to access other media. The use of the net can be made specifically to deliver message to niche groups among the Net users. An advertiser is interested in eye balls- page views and click through. Advertiser will pay a price depending upon specificity, technology and result. Net can be used for brand building. It can also be used to increase the traffic to the advertiser's website. Net ads use links which could be buttons, hypertext, and ad banners.

E-Commerce Companies of India

E-commerce companies in India offers the most tangible and finest e-commerce solutions, provide high end e-commerce solution taking utmost care of the privacy and security of the e-commerce website. E-Commerce service includes shopping carts, database programmers, graphic design services, graphics, e-business, Flash designs etc.

A. FLIPKART.COM

Flipkart is one of the leading online shopping sites in India started in the year 2007. One can buy products of various categories such as music, games, cameras, computers, healthcare and personal products through this site. It has over 3 million registered users and sells more than 30,000 products in a day to its customers. The various add-on services offered by the site such as free shipping, cash-on-delivery, EMI and 30 day replacement policy make it a favorite shopping destination among people. (www.flipkart.com/)

B. SNAPDEAL.COM

Get discounted deals on almost every product on this India's fastest growing e-commerce website. By February 2012 snap deal had more than 15,000,000 registered users and more than 50,000 featured merchants. (www.snapdeal.com/)

C. MYNTRA.COM

It is a leading online fashion store in India where you can find fashionable and trendy clothes for men, women and kids. You can buy apparels of different brands and avail discounts on their offers. (www.myntra.com/)

D. eBay

eBay India is one of the largest online marketing site that offer diverse products. In most of electronic products EMI for 3 or 6 months is available with HDFC. They offer deals of the week with good discounts. (www.ebay.in/)

Top 6 Internet Based Companies

The internet has changed human course of history and the world of e-commerce in the present and the future. By looking at the profits earned and the stature and popularity of an internet-based company, it will be easy to determine its success. The easy mentioned of popularity will already give you an idea that Face book will be on this list, but how about the profits? Well, take a look at Amazon's performance for answers. As long as a company offers something that is exclusive and provides high technology, they will set a formidable edge that is simply difficult to shake and bend.

I. AMAZON.COM

In all online industries, Amazon sets its records straight. Fortune 500 that lists the most profitable companies in the world put Amazon in the highest position. Amazon, a bookseller that has been established in 1995 dominated the e-commerce because it sells anything you are looking for online. You say movies, music, clothing apparels, books, pet supplies, foods, and car parts? Go to Amazon and prepare you shopping basket because you will not leave the e-commerce website with an empty basket. Amazon's Seattle, Washington-based e-commerce site sees through its worldwide operations that include France, Germany, UK, Canada, China, and Japan.

II. GOOGLE.COM

Being the biggest search engine in history, Google will continue to pave boundaries and frontiers as long as everybody knows. When Google began its operations in 1990s, a lot of improvements, developments, and innovations have been introduced by the power search engine. If you want something done, you Google it and you will be provided with seamless information that will be relevant in your research. Knowledge is power and Google offers you this power at the end of your fingertips.

III. FACEBOOK.COM

There is nothing left unsaid if you will define how massive Facebook has become. When its founder Mark Zuckerberg founded Facebook in 2000s at his Harvard dorm room, the world is set for a new direction in the way they communicate and connect with friends. Though relatively a young website, Facebook has proven that age doesn't matter when it comes to setting novelty platforms and ideas that will mark a new change in e-commerce and the current trends.

IV. YOUTUBE.COM

YouTube is a video platform, every video that is worth your glimpse and attention is here to stay. When it was founded in 2005, YouTube successfully made an explosion for diversified videos from millions of users across the globe. If you are an aspiring singer, comedian, actor, and performer, you can apparently find your biggest break on YouTube. You just have to create an account and make sure that upload your video and inform your friends about it—afterwards, the whole world will also know.

V. YAHOO.COM

If there is Google, there is also Yahoo. When it was developed in the mid-1990s, it was a blast in the history of e-commerce and network communication. What makes Yahoo great is the fact that it is always included in one of the most profitable website of all time. Its headquarters is currently in Sunnyvale, CA but its offices are found across the world, from Europe, Asia, Australia, to Latin America, Canada, and the United States.

VI. WIKIPEDIA.COM

Wikipedia started the "copy-paste" condition and funny it may seem but Wikipedia is one of the most successful user-based encyclopedia applications online. However, the "copy-paste" syndrome can't even be used as a reason why the website has become massive. The interesting fact about Wikipedia is that people use their time and their research abilities to provide information and resources in this application which makes it whole and dynamic. It has become a user-oriented and most managed website on the internet at present. Free-content encyclopedia that is Wikipedia will continue to become a phenomenal success with its ease of editing, open content license, radical collaboration, and neutrality.

TYPES OF ONLINE ADVERTISING/MARKETING

Internet marketing is broadly divided into the following types:

A. DISPLAY ADVERTISING

Display advertising is the use of web banners or banner ads placed on a third-party website or blog to drive traffic to a company's own website and increase product awareness.

B.SEARCH ENGINE MARKETING (SEM)

SEM is a form of marketing that seeks to promote websites by increasing their visibility in search engine result pages (SERPs) through the use of either paid placement, contextual advertising, and paid inclusion, or through the use of free search engine optimization techniques also known as organic result.

C. SEARCH ENGINE OPTIMIZATION (SEO)

The process of improving the visibility of a website or a web page in search engines via the "natural" or un-paid search results.

D. SOCIAL MEDIA MARKETING

The process of gaining traffic or attention through social media websites such as Facebook, Twitter and LinkedIn is known as social media marketing.

E. EMAIL MARKETING

Email marketing directly markets a commercial message to a group of people using electronic mail.

F. VIDEO MARKETING

This type of marketing specializes in creating videos that engage the viewer into a buying state by presenting information in video form and guiding them to a product or service. Online video is increasingly becoming more popular among internet users and companies are seeing it as a viable method of attracting customers.

Analysis and Interpretation

OCCUPATIONAL STATUS OF THE RESPONDENTS

Sl. No	Occupation	No.of Respondents	Percentage
1.	Government employees	6	8
2.	Business	18	24
3.	Professionals	16	21.3
4.	Housewives	11	14.7
5.	Students	24	32
	Total	75	100

It is observed from table that 6 (8 percent) respondents are government employees, 18 (24 percent) respondents are doing business, 16 (21.3 percent) respondents are professionals, 11 (14.7 percent) respondents are house wives, and 24 (32 percent) respondents are students.

ONLINE SHOPPING PRODUCTS

Sl. No.	Products	Ranks							Total
		1	2	3	4	5	6	7	
1	Electronic goods	13	15	12	9	6	7	13	**75**
2	Clothes, Accessories and body care	9	14	13	16	11	1	11	**75**
3	Footwear, Watches & bags	11	17	14	6	9	5	13	**75**
4	Toys, Kids wear & Baby care	12	8	9	15	10	14	7	**75**
5	Home, Kitchen & Furniture	8	11	12	8	14	18	4	**75**
6	Books, Stationery & Sports	15	6	9	8	10	13	14	**75**
7	Others	7	4	6	13	15	17	13	**75**
	Total	75	75	75	75	75	75	75	

RANKING TABLE AS REGAEDS ONLINE SHOPPING PRODUCTS

Sl. No.	Products	Scores obtained	Rank
1	Electronic goods	52.32	I
2	Clothes, Accessories and body care	52.13	II
3	Footwear, Watches & bags	51.61	III
4	Toys, Kids wear & Baby care	50.34	IV
5	Home, Kitchen & Furniture	41.94	V
6	Books, Stationery & Sports	48.69	VI
7	Others	43.96	VII

It is inferred from the above table that the electronic goods such

as Mobile phones, Tablets, T.V, Camera and Laptops' scores high (52.32) and holds the first rank, the clothes, accessories and body care products scores (52.13), Foot wear, watches and bags' scores (50.34) and hold second and third rank respectively in the preference given by the respondents to the products available online.

LEVEL OF INFLUENCE OF ONLINE ADVERTISEMENTS

Sl. No	Influence	No. of Respondents	Percentage
1.	High Influence	41	54.7
2.	Medium Influence	18	24
3.	Low Influence	16	21.3
	Total	75	100

It is observed from the above table that 41 (54.7 percent) respondents are highly influenced by online advertisements, 18 (24 percent) respondents are moderately influenced, and 16 (21.3 percent) respondents are lowly influenced by online advertisements.

OPINION ABOUT ONLINE ADS ABOUT THE PRODUCT

Sl. No	Opinions	Weighted average scores	Rank
1.	Dependable	3.61	III
2.	Creative & Interesting	4.12	I
3.	Informative	3.83	II
4.	Memorable	2.54	VI
5.	Original	3.17	V
6.	Others	3.49	IV

It is inferred from the above table that the opinion "*creative and interesting*" has the highest score of 4.12 and holds the first rank. The opinion "online advertisement is *informative*" has the second highest score of 3.83 and then the opinion "*dependable*" has the third highest score of 3.61 and hold the second and third rank respectively with regard to the respondents' opinion about the online ads about the products.

Conclusion

Most of the online users are not satisfied about the overall performance of online advertising. The majority of the respondents are not aware about the online facilities like order cancellation, return back the goods, and refund the money from online. The above said suggestions being practical, if implemented will make online advertising as a profitable and desirable one.

Suggestions

According to the results of this research, the following suggestions can be provided for advertisers including the advertising companies, producers, and business owners to increase the effectiveness of advertisement.

* The vendors can advertise their product or service by introducing them and encourage the user to purchase; at this stage the user can go to the address, which the seller has presented on the Internet, and purchase personally.
* The online business must be service motive; the online businesses must avoid profit motive and increase business and service motive to satisfy the needs of the online users.

* The online users were not able to get warrants for the product, so there must be a grievance committee to get solution for the questions, so that the consumers will buy online products without any fear.
* Purchase online products only from trusted websites and don't purchase from non-secure websites. Learn more about how to make safe online purchases.
* Keep a purchase record either print a copy of your purchase details, or save the email confirmations and communications between you and the seller or both. If something goes wrong with your purchase and you need to contact the seller or return the item, you will most likely need this information.

To know the product before you buy it, spend five to ten minutes searching and reading product reviews. There are lots of sites that can provide product reviews. Simply start with an Internet search for the item you are purchasing, then review several different review sites to obtain as fair and objective review as possible.

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