

July 2014

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Recommended Citation

Raj, Hem; Parmar, K.K.; Rana, O.C.; and Kumar, Vikas (2014) "Impact of Advertisement on Customer Buying Behavior - A Case Study of District Kangra, Himachal Pradesh, India," *Interscience Management Review*. Vol. 4 : Iss. 2 , Article 8.

DOI: 10.47893/IMR.2011.1090

Available at: <https://www.interscience.in/imr/vol4/iss2/8>

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Impact of Advertisement on Customer Buying Behavior - A Case Study of District Kangra, Himachal Pradesh, India

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Abstract - The present study is related to find out the effective of various advertisements on customer buying behavior in Himachal Pradesh. For the evaluation and measurement of advertisement impact on customer buying behavior, the sample taken from the entire Kangra district of Himachal Pradesh. The present study helps the strategy makers and marketers to identify the potential customers with help of effective advertisement in the market.

Research Methodology - For this purpose a self structured questionnaire has been used to collect the data from 200 respondents from entire district Kangra of Himachal Pradesh. In the present study, chi square test has been used to measure the impact of advertisement on customer buying behavior with the help of SPSS version 16.0 (statistical package of social sciences software).

Results - It is observed that advertisement have a significant impact and positive correlation with consumer buying behavior. In this study age and gender variables also found to be significant.

Keywords - Consumer, Advertisement, Impact

1.1 INTRODUCTION

From the last two decades, advertisement plays an essential role on the customer buying behavior due to technological up gradation, sociological and cultural change. In the time of digitalization, advertising playing an essential role in the customer buying behavior. Today throughout the world large number of companies spending their huge revenue for the advertising campaign and promotion of their products and services. In today scenario, advertising is a medium which attract the customers, through television, print media (newspapers, journals, magazines etc), radio, posters, internet, hoardings and various types of

contests, unique selling, sponsorships and events. Generally, advertising is the method of marketing communication to endorse and sell the products and services to end the consumers. The major reason for advertising is to awake the customers about the specific products and services. Similarly effective advertising create a long term vibrant effect on customers buying behavior decisions. The key role of advertisement is to flourish the message to general masses of the society. It is also use to target the scatter masses audience. Basically advertisement is directly and indirectly related to the sales and promotion of the products and services.

With the help of advertisements marketers can motivate the customer to buy particulars products and services. Majority of the researchers in the entire world found that repetition of the advertisement, made an effective image of products and services in the mind of customers.

1.2 REVIEW OF LITERATURE

The undernoted review of literature can help to draw significant conclusions and a guiding map for this study. Some of the important studies have been reviewed as under:-

Bishnoi and Sharma (2009) in their study on, 'the impact of TV advertising on buying behavior: A comparative study of urban and rural teenagers' and found that rural teenagers have a significant effect of television advertising as compare to their urban counterparts. Further, it is also found that TV advertising is also useful to boost their interest in products selection and purchase decisions. Further the study revealed that customers were given priority to acquire and experiment with the latest

products which are available in the market. Similarly, rural teenagers jointly decide with their family unit, which products and services to be purchased due to the exposure of advertisements on television as compare to their urban teenagers. The urban teenagers do not ready to acquire the advertised products if they have no dire need. The urban teenagers like only those advertisements, where they expect the quality of the products and services. It is also concluded that there is a variation in the perception of both rural and urban teenagers' customers on demand for products which is influenced by the TV advertisements. Further, the study also revealed that the buying activities of male teenagers' customers are more influenced by television advertisements as compare to their female respondents.

Prabakaran (2012) in his study on, 'impact of advertisement on consumer buying behavior' found that advertising have positive effective on customer buying behavior and it is also noted that all the advertisements are not impressive, comprehensible, eye cache, unique and innovative. It also observed that advertisement should be appropriate, influential and comprehensible for the society.

Malik *et.al* (2013) studied 'impact of brand image and advertisement on consumer buying behavior' and revealed that advertisement has strong positive influence and significant association between consumer buying behaviors. It is also noted that public recognize the effective brand image with positive attitude. It is also observed that teenagers were more aware about their social status in the society and always prefer branded products.

Kalina *et al* (2014) found in their study on, 'the influence of advertising on compulsive buying - the role of persuasion knowledge' and observed that people higher in influence knowledge have a lesser amount of positive attitudes towards advertising which can consequently prevent them from engaging in consumer buying behavior. In this study it is observed that advertisement should be more effective to gain more attention from customers.

Fatima and Lodhi (2015) studied, 'impact of advertisement on buying behaviors of the

consumers: A study of cosmetic industry in Karachi City' and find out that advertisements are effective way to make aware the people regarding the products and services available in the market, but they are unsuccessful to create positive perceptions in the mind of consumers. But these variables such as consumer awareness and consumer perceptions create motivation among the consumers to buy certain products and services. It is also found that there is a positive relationship between consumer awareness and consumer perceptions.

Shabbir (2016) in their study, 'impact of advertisement on buying behavior of the children' and said that three major dependent variables influencing the pattern of buying behavior of children's i.e. parents, advertisement and peers. Further it also observed that all the variables have different level of impact on influencing consumers' behavior and help the children in different ways while making their purchasing decision in the market in the context of various products and services.

1.3 RESEARCH METHODOLOGY

Methodology is the systematic and theoretical analysis of the methods applied in the study. The respondents were taken from entire Kangra district of Himachal Pradesh for the research purpose. The key objective of the current study is find out the impact of advertisement on customer buying behavior. To find out the impact of advertisement on customer buying behavior a null hypothesis (H_0) were taken. For the current study the sample size of 200 respondents were taken from Kangra district of Himachal Pradesh. The convenient sampling technique was used to collect the data for the study. The primary data was collected from 200 respondents by the way of a self structured questionnaire. After the collection of responses from the respondents, SPSS software was used to analysis the data. The reliability of questionnaire was measured by the most common used technique 'Cronbach Alpha', which shows the consistency of results. The value of Cronbach Alpha has been found to be above 0.75 which shows the reliability of the research instrument.

1.4 DATA ANALYSIS AND INTERPRETATION

This section deals with the data analysis and data interpretation for the present study. The present research is based on the impact of advertisement on customer buying behavior. Results of the study are represented by using different statistical tools like chi square test and percentage method. The Descriptive analysis presents the profile of the respondents under the present study.

Table 1.4.1 Demographic profile of the respondents

Demographics		No. of Respondents	Percentage
Gender	Male	154	77.0
	Female	46	23.0
	Total	200	100.0
Age	Below 35 Years	60	30.0
	Above 35 Years	140	70.0
	Total	200	100.0

(Source: Data collected through questionnaire)

Table No.1.4.1 illustrates the socio demographic characteristics of the respondents. The result shows that majority of 77 percent respondents were male and remaining 23 percent were female in our sample size. Out of the sample of 200 respondents (30 percent) of the respondents were below the age of 35 years and remaining 70 percent were above the age of 35 years.

Table 1.4.2 Impact of advertisement on respondents (read / watch)

Read / watch advertisement	Frequency	Percentage
Yes	129	64.5
No	71	35.5
Total	200	100
Pearson Chi square = 16.82		df = 1
p value = .000*		

(Source: Data collected through questionnaire)
Significance level 5 %

The above table shows that majority of respondents which were 64.5 percent watch / read the advertisement and remaining 35.5 percent never

watch the advertisement. It also observed that advertisement made a significant impact on purchasing decision of the customers, which is also advocated by chi-square test. The association between advertisement and age of customers was statistically significant at 5% level ($p < 0.05$)

Table 1.4.3 Influences of advertisement on consumer purchasing decisions

Influences on decision	Frequency	Percentage
Advertisement	77	38.5
Friends	66	33.0
Parents	57	28.5
Total	200	100.0
Pearson Chi square = 3.01		df = 2
p value = 0.02*		

(Source: Data collected through questionnaire)
Significance level 5 %

From the above table it is observed that majority of 38.5 percent of the respondents were highly influenced with advertisement to take purchasing decisions and 33.5 percent respondents were influenced with friends and the remaining 28.5 percent of the respondents were influenced by their parents. It means that purchasing decision of people is highly influenced by the advertisement, friends and their parents. The association between influence on purchase decision by the respondents was highly influenced by their parents and friends which was found to be statistical significant at 0.05 % level ($p < 0.05$).

Table 1.4.4 Medium of advertisement affecting the consumer buying behavior

Medium of Advertisement	Frequency	Percentage
TV	50	25.0
Radio	24	12.0
Newspaper	59	29.5
Internet	67	33.5
Total	200	100.0
Pearson Chi-square = 10.04		df = 3
p value = 0.00*		

(Source: Data collected through questionnaire)
Significance level 5 %

From the above table it is observed that 25 percent of respondents were influence by the

advertisement on television, where as 12 percent respondents were influenced by the advertisement given on radio. It is also observed that 29.5 percent respondents take the purchase decisions on the basis of newspaper advertisement and remaining 33.5 percent respondents were influenced by the internet advertisement. It also shows that medium of advertisement always influence the customers purchasing decision. The association between customer purchase decision and medium of advertisement is statistically significant at 0.05 % level ($p < 0.05$)

Table 1.4.5 Impact of advertisement on purchasing decisions

Purchase influence	Frequency	Percentage
Rarely	70	35.0
Sometime	76	38.0
Often	54	27.0
Total	200	100.0
Pearson Chi square = 3.88		df = 2
p value = 0.04*		

(Source: Data collected through questionnaire)
Significance level 5 %

Table 5.4.6 shows that 35 percent respondents were taking purchase decisions with the influence of advertisements whereas 38 percent respondents express their opinion that they are sometime influenced by advertisement and remaining 27 percent of the respondents were directly influenced by the advertisement. Further it also interprets that advertisement influence the purchasing decision of customers sometime, not always. The association between advertisement and purchase influence of customers are found to be statistically significant at 0.05 % level of significance ($p < 0.05$)

Table 1.4.6 Opinion of the respondents for advertisements

Advertisement is a unnecessary activity	Frequency	Percentage
Agree	85	42.5
Disagree	115	57.5
Total	200	100.0
Pearson Chi square = 8.00		df = 1
p value = .005*		

(Source: Data collected through questionnaire) Significance level 5 %

Table 1.4.6 shows that 42.5 percent of respondents were in the opinion that advertisement is a unnecessary and wasteful activity and remaining 57.5 percent respondents says that advertisement is necessary activity which influence the purchasing decision of the customers and their family members. It is also observed that advertisement is an essential activity, which effects the customer purchasing decisions. Thus association between advertisement and opinion is found to be is statistically significant at 0.05 % level of significance ($p < 0.05$)

Table 1.4.7 Opinion for advertisements campaigns

advertisement are misleading customer buying behavior	Frequency	Percentage
Yes	97	48.5
No	103	51.5
Total	200	100.0
Pearson Chi square = 1.80		df = 1
p value = 0.01*		

(Source: Data collected through questionnaire)
Significance level 5 %

From the above table it is observed that 48.5 percent of respondents think that advertisements are misleading the buying behavior of the customers and remaining 51.5 percent respondents were in the opinion that advertisement helps to change the buying behavior of customers. The association between advertisement is misleading the customer and buying behavior found to be statistically significant at 0.05 % level of significance ($p < 0.05$).

Table 1.4.8 Advertisements as informative source

Informative Source	Frequency	Percentage
Agree	138	69.0
Disagree	62	31.0
Total	200	100.0
Pearson Chi square = 28.88		df = 1
p value = .000*		

(Source: Data collected through questionnaire)
Significance level 5 %

Table 1.4.8 showed that 69 percent of respondents think that advertisements are informative sources for purchasing of existing and new products and remaining 31 percent of the respondents says that advertisement is wasteful source. It also showed that majority of the respondents says that advertisement is informative source of existing and new product in the market. The association between informative source and customers buying behavior is found to be statistically significant at 0.05 % level of significance ($p < 0.05$).

Table 1.4.9 Advertisements leads intensive desire for buy the products

Intensive desire for buy the products	Frequency	Percentage
Agree	80	40.0
Disagree	120	60.0
Total	200	100.0
Pearson Chi square = 8.00 df = 1 p value = .005*		

(Source: Data collected through questionnaire)
Significance level 5 %

From the above table, it is observed that 40 percent of respondents were agree that advertisements leads to intensive desire to buy the products and remaining 60 percent of the respondent s says that advertisement never leads to intensive desire in buying behavior of the customers.

Table 1.4.10 Advertising expenditure

Advertising Expenditure	Frequency	Percentage
Agree	98	49.0
Disagree	102	51.0
Total	200	100.0
Pearson Chi square = .080 df = 1 p value = .000*		

(Source: Data collected through questionnaire)
Significance level 5 %

Table 1.4.10 reveals that 49 percent respondents were in the opinion that advertisement a wasteful expenditure and remaining 51 percent

respondents says that it play a crucial role in customer buying behavior. Majority of people says that advertisement is a useful expenditure for awareness of the customers. The association between advertisement and customer buying behavior are found to be statistically significant at 0.05 % level of significance ($p < 0.05$)

Table 1.4.11 Advertising is essential to attract the customer.

Advertising attract the customer	Frequency	Percentage
Agree	105	52.5
Disagree	95	47.5
Total	200	100.0
Pearson Chi square = .50 df = 1 value = .04* p		

(Source: Data collected through questionnaire)
Significance level 5 %

From the above table, it is observed that 52.5 percent of the respondents were agree that advertisements attract the customers to buy the products and remaining 47.5 percent respondents says that advertisement never attract the customers to purchase the products. Majority of customer says that advertising is essential to attract the customers for purchasing of products. The association between advertisement is necessary to attract the customers and buying behavior is statistically significant at 0.05 % level of significance ($p < 0.05$)

RESULTS AND DISCUSSIONS

In this research paper the socio demographic characteristics of the respondents were analyzed by descriptive analysis. The demographic profile of the respondents shows that majority of the (77 percent) respondents were male and remaining (23 percent) were female in total sample size. Out of the sample of 200 respondents (30 percent) were below the age of 35 years and remaining 70 percent were above the age of 35 years. It also interpret that the majority of time during the purchasing advertisements play a significant role. The researcher found that majority of customers is influenced by advertisement as compare to friends,

family members and parents. In this study the majority of customers use the electronic media to see the advertisement and which effect their purchasing decisions. Further, majority of respondents express their opinion that advertisement is a necessary activity to make the reach to large masses in this competitive environment. It also showed that advertisement helps the customers to provide information of existing and new product which are coming into the market. Further it is noted that advertisement never leads intensive desire for buy the products, because customer purchase only those product which they need. On the other hand it is observed that advertisement expenditure is essential for the company, because it make reach to the far flung area and helps to attract the customers to purchase certain kind of products and services.

Findings: It was found that advertisement have significant and positive association between consumer buying behavior. Further, it is also observed that age and gender variables have significant and positive association with consumer buying behavior. On the other hand, the purchase decisions of customers influenced by their parents, family members and friend circle. Customer purchase decisions are also impacted by the medium of advertisement, which is varying between customers to customers.

Limitations: The limitation concern of the current study on impact of advertisement was the measure used. The parameters involved in this research were entirely based upon the perception and attitude of the participating respondents in the sample district. Therefore, the potential for data inaccuracies due to item misconception or bias to certain response on the part of the participant may be exist. The Respondents were taken from only one district of Himachal Pradesh state because of the paucity of time and resources. The Perception of people may vary for those living in other part of the state and nation. The accuracy in the results of a study is purely dependent upon the quality of

information provided by respondents. Sometimes respondents do not provide the exact information due to various concerns like privacy and security, so 100 percent surety of exact information may not exist.

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