Impact of Web Advertisement on Customers Perception

A Case of Banking Sector

Arun Kaushal and Pallavi Dogra[1]

GLA University, Mathura, Uttar Pradesh
[1] Guru Nanak Dev University, Amritsar, Punjab
E-mail: pallavi.dogra.123@gmail.com

Abstract

Nowadays a lot of innovative services are offered by the financial service providers to their customers. The use of more innovation in the financial sector is the resultant of the day by day advancement in the technology. Also customer of today is well aware of the latest technology and they demand their providers to execute the technology for business prospective. Target of all financial service providers' advertisers is to reach maximum customers. For this they utilize every promotional and advertisement channel so as to reach and inform maximum public about their products. The purpose of present study is to determine impact of web advertisement on customer perception in case of banking sector. The data will be collected from 200 approx respondents who are aware of the web advertisements. The collected data will be put in the Statistical Package for Social Sciences (SPSS). Afterwards the regression analysis and correlation analysis will be applied in order to determine the impact of the web advertisement on the purchase intention of the customers in regards to the banking and investment products.

Keywords: Innovation, Advertisement, Financial Service Providers, Technology.

INTRODUCTION

Advertisement plays an important role in the promotion of the brand, informing about the brand to the public, increase in the sales, helpful in making of new customers. Recent development in the telecommunication, technology has led to increase in number of ways to advertisement and product promotion. The channels of the promotion have been increased nowadays. Initially, corporate houses were more dependent on the traditional ways of the advertisement. Earlier the people were more dependent upon the newspapers, Radios and Television in order to gather the information about the various new products and services available. But with the era of the internet nowadays most of the people are internet savvy. Internet has become a part of life. We are connected with our friends, colleagues, relatives with the social media sites, i.e. again an application of the internet.

Internet has also become a source of information. In order to utilize this source more and more nowadays major business enterprises are becoming dependent upon the internet in order to promote their products and services. The concept of Web advertisements has been come into sight. Because of less time, maximum reach and reduced cost it has attracted the prominent corporate players.

The present paper will evaluate the impact of Web Advertisement on the thought process of customer so that different viewpoints of different customers can be understood. The consideration of the web advertisements in the final selection of the banking and financial products. The respondents have been selected from the Mathura region.

WEB ADVERTISEMENT

Web advertisement is a form of marketing which uses the internet to deliver the intended message to the final respondent. It includes display advertising, e-mail advertising, social media advertisements such as advertising on the facebook, twitter, etc. Advertising on the Internet is almost a necessity for modern businesses, especially those that do business outside of their local community. Consumers use the more Internet for entertainment or information, as they do with radio, television, magazines and newspapers. Consumers use the Internet to assist them in nearly every aspect of life, creating countless opportunities to place relevant, targeted ad messages (http://infolab.stanford.edu/~ullman/mmds/ch8.pdf).

One of the biggest advantages of the web advertisement is that it is not bounded by geographical boundaries. This emerging area has new challenges for the advertisers that how to bind the customers with them, to reach maximum customers (Kumar, 2013). There are some of the latest options available such as videos; live chat with the company sales staff in case of any query, even customers can receive calls from the company if they leave any type of questions. This facility has increased the interaction between the seller and the customers. Also it is helpful for the company to take feedback from their customers and design the new products taking care of their needs as well as their previous feedback.

The biggest advantage is low budget and it reach to maximum people without considering any geographical boundaries. Also the public who are exposed to these advertisements will be easily into customers.

There are certain disadvantages as well such as anyone can copy the content, ideas, material and then replicate it. Whereas, the traditional media is free from these limitations as no one can copy the content easily.

LITERATURE REVIEW

Kumar (2013) analyzed the customers' perception toward online advertisement and its impact on the purchase behavior. The data has been collected from the 50 respondents of the Sirsa (Punjab) district. The results of the study revealed that respondents have a positive approach towards the advertisement. Further the respondents believed that advertisement had a strong effect on their purchase decisions and it is tool of obtaining the trust.

Mathew (2013) analyzed the influence of web advertisement. Majority of the respondents felt positive about the web advertisement. They obtain a lot of information from it and it acts as reference for their future purchase. Some of the respondents felt that electricity supply and less knowledge about the internet will create a hindrance to watching web advertisements.

Saat and Selamat (2014) examined the attitude of customers with website communication systems towards the corporate social responsibility. The data had been collected from the 242 respondents. The statistical tool t-test had been applied on the data. The results showed that media has positive effect on the communication of CSR to the customers. Further it confirmed that CSR give benefits to the company by leaving a positive image on the customers.

Poku and Ampadu (2014) investigated the effect of the advertisements on the customer loyalty in case of the telecommunication sector in Ghana. 450 respondents were taken for the study. The study concluded that the more loyalty will come with more frequently the advertisements have been shown to the customers. The presence of the celebrity and the high level of humor attain the interest of the respondents. The study suggested that telecommunication companies should focus on their quality improvement which satisfies more customers.

Enginkaya and Yılmaz (2014) evaluated the effect of the social network sites on the consumer brand relationship. The major objective is to study the motivation behind the interaction between the social networking sites and the customers. The findings of the study showed that 'Brand Affiliation', 'Investigation', 'Opportunity Seeking', 'Conversation', and 'Entertainment' were the main factors that affect the consumers towards the social networking sites.

Constantinides (2014) studied the present position of the customer's attitude towards the social media. The paper explained that how social media can be used to motivate the customer towards the specific brand. The paper purposed that the marketers should understand that social media is just like an agent which can change the perception of the customers as well source for new promotion channel.

Tomaras and Ntalianis (2014) studied algorithmically the impact of the posted advertisements on web on the minds of the customers. The major advantage of the purposed model is that it operates without human intervention. In order to evaluate our algorithms, we have gathered advertisements together with their associated content, from several official face book pages regarding 30 different companies (Samsung, Apple,

Mercedes, BMW, Subaru, Rolex, Casio, Adidas, and Nike etc.). Recording has been performed on the 20th of July 2014 and for a time period of one month.

HYPOTHESIS FORMULATION

After reviewing the available literature in the context of web advertisement the following hypothesis has been formulated. The main hypothesis is as follows:

First main null hypothesis $H_0 1$: There is no significant effect of the web advertisement on the perception of customers towards banking service sector.

From the above hypothesis the following sub hypothesis has been formulated:

- **$H_0 1.1$:** There is no significant impact of trust on the Perception of the respondents.

- **$H_0 1.2$:** There is no significant impact of interest creation on the perception of the respondents towards bank.

- **$H_0 1.3$:** There is no significant impact of celebrity endorsement in advertisement on the perception of the respondents towards bank.

- **$H_0 1.4$:** There is no significant impact of quality content of advertisement by bank on the perception of the respondents.

THEORETICAL FRAMEWORK FOR THE STUDY

In this study, based on an analysis of available literature on the web advertisements, the four variables have been identified. Based on the variables extracted, the theoretical framework has been formulated in Figure 1.

RESEARCH METHODOLOGY

Objective of the Study

The primary objective of the study is to determine the impact of Web Advertisement dimensions towards perception especially in the banking sector. Web has gained a lot of attention in order to reach maximum of the customers. Also, in banking industry customers are better versed with the internet

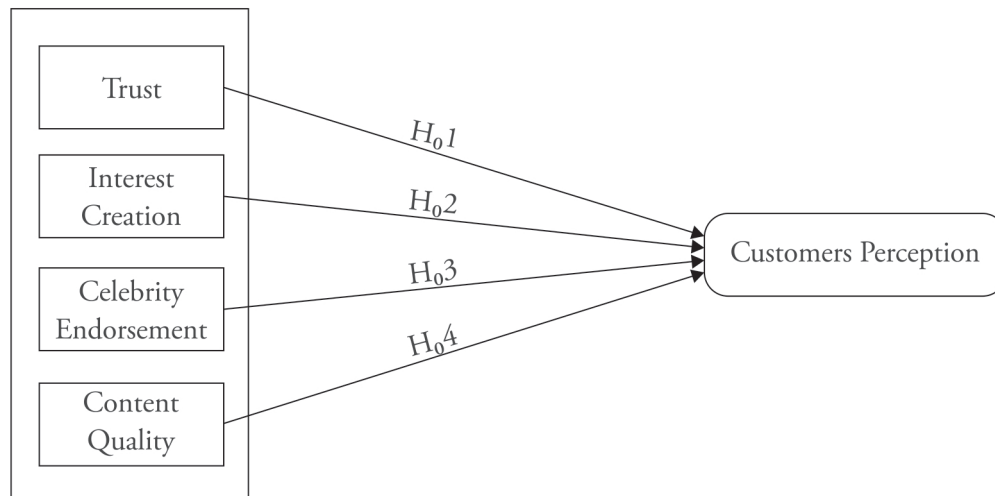Web Advertisement (Independent Variables)   Dependent Variable

Figure 1: Theoretical Framework for Study of the Impact of Web Advertisement Dimensions on Customer's Perception

Table 1: Regression Analysis for Impact Measurement

Demographic Characteristics	Demographic Variable	No. of Respondents	Percentage of Respondents
Gender	Male	117	68.8%
	Female	53	31.1%
Age	Below 18 years	10	5.8%
	18-30 yrs	89	52.3%
	30-45 years	52	30.5%
	Above 45 years	19	11.1%
Qualification	Graduation	59	34.7 %
	Post Graduate	68	40%
	Doctorate	10	5.8%
	Others	33	19.4%
Family Income Monthly	Less than 10,000	5	2.9%
	10,000-25,000	67	39.4%
	25,000-45,0000	89	52.3%
	More than 45,000	9	5.2%

usage, therefore they are most used to web advertisements. In order to determine the underlying intentions and thinking about the web advertisements is important to study.

Research Procedure and Sampling

A survey method has been adopted for the present study. Primary data has been collected with the help of structured questionnaire. Convenience sampling technique was used to collect the data. The questionnaire consisted of demographic profile of respondents and 17 statements. The respondents were asked to rate the questions on five point Likert scale whereas the statements were divided into highly dissatisfied (–2) to highly satisfied (+2). 200 questionnaires were distributed approx 170 completely filled questionnaires were received in return. The response rate was 97 %. The responses were put into the statistical software SPSS.

ANALYSIS AND DISCUSSION

In this study, three demographic factors of the respondents namely age, Gender and working experience are analyzed and these are as in Table 1.

Data gathered from the respondents has been entered into SPSS 19. Afterwards, the Regression Analysis is used for measuring linear impact of Web Advertisement Dimensions for Banking Sector (Trust, Interest, Celebrity Endorsement and Content Quality) on perception of the respondents as derived from review of literature. Regression results are presented from Table 2 to Table 5. The statistical interpretation has been discussed below by taking into consideration of above said hypothesis.

$H_0 1.1$: There is No Significant Impact of Trust on the Perception of the Respondents.

Regression results for understanding impact of web advertisement dimensions on perception of respondents are as follows:

Table 2(a) exhibits regression statistics for Trust and Perception of Respondents. This table provides the R and R^2 values. The R value represents the simple correlation and

Table 2(a): Regression Statistics for Trust and Perception of Respondents

Regression Statistics	
Multiple R	0.808285268
R Square	0.653325075
Adjusted R Square	0.651261533
Standard Error	0.215897556
Observations	170

Table 2(b): ANOVA Table for Trust and Perception of Respondents

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	14.75746051	14.75746051	316.6038	1.71086E-40
Residual	168	7.830774783	0.046611755		
Total	169	22.58823529			

Table 2(c): *t-value* and *p-value* for the Regression Result between Trust and Perception of Respondents

	Coefficients	Standard Error	t Stat	P-value
Intercept	0.116668672	0.181645386	0.64228811	0.521562
Trust	0.097118624	0.005458137	17.79336505	1.71E-40

is 0.808 (the 'R' Column), which indicates a high degree of correlation between Trust and Perception. In this, R^2 value is coming as 65.33% which is an indication of strong predictor model. This Means 65.33% of variance is explained by trust for perception of respondents. Standard error is relatively low. Table 2(b) shows that F-value is significant

Table 3(a): Regression Statistics for Interest and Perception of Respondents

Regression Statistics	
Multiple R	0.805062264
R Square	0.648125248
Adjusted R Square	0.646030756
Standard Error	0.187805117
Observations	170

Table 3(b): ANOVA Table for Interest and Perception of Respondents

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	10.91428	10.91428	309.4426	5.99839E-40
Residual	168	5.925488	0.035271		
Total	169	16.83976			

Table 3(c): *t-value* and *p-value* for the Regression Result between Interest and Perception of Respondents

	Coefficients	Standard Error	t Stat	P-value
Intercept	0.521769403	0.181313798	2.877714815	0.004526
Interest	0.086066752	0.004892664	17.59098094	6E-40

which exhibits overall significance of regression model. Table 2(c) exhibits *t-value* and *p-value* for testing the slope of the regression model. Significant *p-value* corresponding to *t-value* is an indication of linear relationship between dependent (Perception) and independent variable (Trust).

Table 3(a) exhibits regression statistics for Interest and Perception of Respondents. This table provides the R and R^2 values. The R value represents the simple correlation and is 0.805 (the 'R' Column), which indicates a high degree of correlation between Interest and Perception. In this, R^2 value is coming as 64.81% which is an indication of strong predictor model. Standard error is relatively low. Table 3(b) shows that F-value is significant which exhibits overall significance of regression model. Table 3(c) exhibits *t-value* and *p-value* for testing the slope of the regression model. Significant *p-value* corresponding to *t-value* is an indication

of linear relationship between dependent (Perception) and independent variable (Interest).

H$_0$1.3: There is no significant impact of celebrity endorsement in advertisement on the perception of the respondents towards bank.

Table 4(a) exhibits regression statistics for Celebrity Endorsement and Perception of Respondents. This table provides the R and R^2 values. The R value represents the simple correlation and is 0.774 (the 'R' Column), which indicates a high degree of correlation between Celebrity Endorsement and Perception. In this, R^2 value is coming as 59.94% which is an indication of strong predictor model. Standard error is relatively low. Table 4(b) shows that F-value is significant which exhibits overall significance of regression model. Table 4(c) exhibits *t-value* and *p-value* for testing the slope of

Table 4(a): Regression Statistics for Celebrity Endorsement and Perception of Respondents

Regression Statistics	
Multiple R	0.774239714
R Square	0.599447134
Adjusted R Square	0.597062891
Standard Error	0.212722102
Observations	170

Table 4(b): ANOVA Table for Celebrity Endorsement and Perception of Respondents

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	11.37694242	11.37691	251.4203	3.32277E-35
Residual	168	7.602116402	0.045251		
Total	169	18.97905882			

Table 4(c): *t-value* and *p-value* for the Regression Result between Celebrity Endorsement and Perception of Respondents

	Coefficients	Standard Error	t Stat	P-value
Intercept	0.521769403	0.181313798	2.877714815	0.004526
Celebrity Endorsement	0.086066752	0.004892664	17.59098094	3.32E-35

the regression model. Significant *p-value* corresponding to *t-value* is an indication of linear relationship between dependent (Perception) and independent variable (Celebrity Endorsement).

Ho1.4: There is no significant impact of quality content of advertisement by bank on the perception of the respondents.

Table 5(a) exhibits regression statistics for quality content in the advertisement and Perception of Respondents. This table provides the *R* and *R²* values. The *R* value represents the simple correlation and is 0.8266 (the 'R' Column), which indicates a high degree of correlation between for quality content in the advertisement and Perception. In this, R² value is coming as 68.3% which is an indication of strong predictor model. Standard error is relatively low. Table 5(b) shows that F-value is significant which exhibits overall significance of regression

model. Table 5(c) exhibits *t-value* and *p-value* for testing the slope of the regression model. Significant *p-value* corresponding to *t-value* is an indication of linear relationship between dependent (Perception) and independent variable (quality content in the advertisement).

CONCLUSION

Web advertisement is the new way to advertise the products. This field is gaining a lot of attention due to advanced features and maximum profit. The present study tried to analyze the impact of web advertisement on the perception of the customers in case of banking products and services. The results of the study revealed that there exists a significant relationship between dependent variable (Perception) and independent variables as dimensions of the web advertisement (Trust, Interest, Celebrity Endorsement, Content quality of the message). The advertisement designers or market practitioners should

Table 6(a): Regression Statistics for quality content in the advertisement and Perception of Respondents

Regression Statistics	
Multiple R	0.826692966
R Square	0.68342126
Adjusted R Square	0.681536863
Standard Error	0.188155237
Observations	170

Table 6(b): ANOVA Table for quality content in the advertisement and Perception of Respondents

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	12.83852	12.83952	362.673664	8.13928E-44
Residual	168	5.947602	0.035402		
Total	169	18.78712			

Table 6(c): *t-value* and *p-value* for the Regression Result between Quality Content in the Advertisement and Perception of Respondents

	Coefficients	Standard Error	t Stat	P-value
Intercept	0.1360363497	0.151292742	0.899160098	0.369854346
Quality Content of Advertisement	0.096472856	0.005065789	19.04399286	8.13928E-44

focused on this variable while designing advertisement for the promotion of banking products and services. As the respondents felt that if they trust advertisement then they can prefer to avail the services of the respective bank. Similarly, the interesting and innovating advertisements along with celebrity endorsement attract the majority of the respondents. However, the quality of the content shown in the advertisement should be maintained in terms of accuracy, correctness and preciseness in banking products.

IMPLICATION FOR MARKETERS

The present study concluded that now a days people belonging with any segment of society is well familiar with Web Advertisement resulting in IT Friendly customers. The market practitioners should consider these variables and tell advertisement designers that they should focused on above discussed variables while designing advertisement for the promotion of banking products and services.

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