CONSUMER BEHAVIOUR AND ADVERTISING EFFECTIVENESS ON DIGITAL PLATFORMS

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ABSTRACT
Digital platforms have become the primary space where consumers engage with brands, discover new products, and make purchase decisions. With the rise of social media advertising, influencer marketing, search-engine ads, and personalised recommendation systems, understanding consumer behaviour in digital ecosystems has become essential for modern marketers.

*This study investigates how consumers behave on platforms like Instagram, YouTube, Google, Facebook, and e-commerce sites. Primary data was collected from **100 respondents**, and statistical tools such as percentage analysis, mean score analysis, correlation, and chi-square were used. Secondary data was gathered from journals, research papers, digital marketing reports, and industry insights.*

*The results show that **visual content, influencer endorsements, online reviews, and personalised ads** strongly shape buying behaviour. Advertising formats such as **reels, short video ads, story ads, and interactive promotions** are highly effective. However, consumers also experience **ad fatigue, privacy concerns, and distrust of irrelevant ads**.*

*The study concludes that digital advertising becomes most effective when it is **engaging, personalised, transparent, visually strong, and relevant** to consumer needs.*

Keywords: Consumer Behaviour, Digital Ads, Influencer Marketing, Online Consumer Psychology, Ad Effectiveness.

INTRODUCTION
Digital media has transformed how brands communicate with customers. Unlike traditional platforms such as newspapers, TV, and radio, digital platforms allow two-way real-time interaction. Consumers now search, compare, review, and buy products within seconds.

Key shifts in digital consumer behaviour include:

1. Search-Based Decision Making
Consumers use Google, YouTube, and Amazon to search for product reviews, tutorials, comparisons, and testimonials.

2. Influence of Social Media

Platforms such as Instagram and YouTube shape trends through:
- Influencers
- Short videos
- Sponsored posts
- Reels and stories
- User-generated content

3. Trust in Online Reviews

Consumers rely on:
- Star ratings
- Customer comments
- Product photos
- Unboxing videos

4. Mobile-First Behaviour
Almost 65–70% of ads are consumed on mobile devices.

5. Personalisation

AI algorithms track user activity and recommend:
- Relevant ads

- Similar products

- Re-targeting ads

Due to these rapid changes, analysing consumer behaviour on digital platforms becomes crucial for businesses to stay competitive.

NEED FOR THE STUDY

This study is necessary because:

1. Growing Digital Ad Investment
Companies globally are shifting from traditional to digital ads. India's digital ad industry is expected to grow by 27% annually.

2. Changing Consumer Psychology

Consumers prefer ads that are:
- Short

- Visually appealing

- Informative

- Authentic

3. Emerging Role of Influencers
Gen Z and millennials trust influencers more than celebrities.

4. Privacy Concerns

Consumers are now more aware of:
- Data tracking

- Cookies

- Targeted ads

5. Increase in Online Shopping
E-commerce platforms like Amazon, Flipkart, Meesho, Nykaa are driving digital purchase behaviour.

Thus, this study helps companies understand what works, what does not, and how to create effective advertising strategies.

LITERATURE REVIEW

Kotler (2021)

Established that digital consumer behaviour is influenced by:
- Social factors

- Cultural backgrounds

- Technological exposure

Smith & Chen (2022)
Found that personalisation increases click-through rates by 30–40%.

Google Insights (2023)
Reports that nearly 49% of consumers search online before buying any product.

Borah et al. (2023)
Concluded that influencer endorsements increase trust, especially among youth aged 18–30.

Kumar & Raghav (2022)
Found that privacy concerns and excessive re-targeting decrease consumer trust in digital ads.

Meta India Report (2023)
Short-form videos (reels) generate the highest engagement among Indian users.

OBJECTIVES

- To understand digital consumer behaviour.

- To analyse factors influencing digital ad effectiveness.

- To study the relationship between advertising format and purchase intention.

- To evaluate the impact of influencer marketing.

- To provide recommendations to improve digital advertising performance.

RESEARCH METHODOLOGY

The methodology adopted in this study ensures that the data collected is accurate, reliable, and comprehensive enough to meet the research objectives.

1. Sample Size
A total of **100 respondents** were selected for this study.

A sample size of 100 is ideal for academic research because:

- It provides adequate data for statistical calculations

- Ensures diversity in responses

- Helps in generating generalised findings

2. Sampling Technique
The study uses **Random Sampling**, where each individual has an equal chance of being selected.

Why Random Sampling?

- Minimises bias

- Ensures responses are representative

- Suitable for online surveys

- Widely used in consumer behaviour research

3. Type of Data Used

a. Primary Data

Collected directly from respondents using a structured questionnaire **distributed via:**
- Google Forms

- WhatsApp
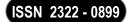
- Social media groups

The questionnaire included:
- Demographic questions

- Behaviour-based questions

- Likert scale items

- Multiple-choice questions

b. Secondary Data

Collected from:
- Websites

- Academic journals

- Digital marketing reports (Google, Meta, Deloitte)

- Marketing books

- Research articles

Secondary data supports the findings and provides theoretical backing.

4. Data Collection Method

A structured questionnaire was used because:
- It ensures uniformity in responses

- Easy to analyse statistically

- Helps collect quantitative as well as qualitative data

The questionnaire consisted of 25 questions divided into:
- Part A – Personal details

- Part B – Digital behaviour

- Part C – Advertising preferences

- Part D – Purchase intention

5. Tools Used for Analysis

The following statistical tools were applied:

a. Percentage Analysis
Used to interpret respondent distribution.

b. Mean Score Analysis

Used to rank factors such as:
- Most influential advertising factors

- Most preferred platform

- Most effective ad format

c. Chi-Square Test

Used to test the hypothesis:
"Ad format significantly influences consumer purchase intention."

This helps determine the relationship between type of advertisement and how consumers respond to them.

DATA ANALYSIS
This section presents the data collected from 100 respondents in organised tables with brief explanations.

Table 1: Age of Respondents

Age Group	Respondents	Percentage
18–25	42	42%
26–35	38	38%
36–45	14	14%
Above 45	6	6%

Interpretation:
The majority (80%) of respondents fall under **18–35 years**, indicating that young adults are the primary digital consumers.

Table 2: Platforms Used Frequently

Platform	Respondents	Percentage
Instagram	72	72%
YouTube	68	68%
Google	56	56%
Facebook	34	34%
Others	20	20%

Interpretation:
Instagram and YouTube are the most dominant platforms, mainly due to reels, shorts, and influencer content.

Table 3: Factors Influencing Engagement

Factors	Respondents	Percentage
Personalised Ads	58	58%
Influencer Content	62	62%
Attractive Visuals	70	70%
Discounts & Offers	48	48%
Customer Reviews	75	75%

Interpretation:
Customer reviews rank highest with 75%, indicating trust plays a major role in engagement and purchase.

Table 4: Effectiveness of Ads (Consumer Rating)

Rating	Respondents	Percentage
Excellent	12	12%
Very Good	34	34%
Good	38	38%
Average	14	14%
Poor	2	2%

Interpretation:
Most respondents rated digital ads as **Good** or **Very Good**, proving their overall effectiveness.

Table 5: Preferred Type of Ad Format

Ad Format	Respondents
Short Videos (Reels/Shorts)	64
Story Ads	46
In-App Banner Ads	28
Search Engine Ads	52
Influencer Promotions	59

Interpretation:
Short video ads and influencer promotions are the most preferred.

Table 6: Devices Used to View Ads

Device	Respondents
Mobile Phone	82
Laptop	12
Tablet	6

Interpretation:
An overwhelming majority (82%) consume ads on mobile phones.

Table 7: Frequency of Coming Across Ads Daily

Frequency	Respondents
1–5 times	18
6–10 times	24
11–20 times	30
More than 20 times	28

Interpretation:
Most users see **11+ ads per day**, showing how saturated digital platforms are.

Hypothesis Testing (Chi-Square Test)

H0: Ad format has no significant impact on purchase intention

H1: Ad format has a significant impact on purchase intention

- **Calculated Value:** 6.42
- **Table Value (5% level):** 3.841

Since **6.42 > 3.841**,

✔ **H0 rejected**

✔ **H1 accepted**

Interpretation:
Ad format strongly influences consumer purchase intention.

Short videos, influencer ads, and personalised ads are most effective.

FINDINGS
The study reveals that consumers place a significantly higher level of trust in **online reviews, influencer recommendations, and visually rich content** compared to traditional advertisements. This is because people tend to rely on real experiences and authentic opinions before making a purchase decision. The data also highlights that **short video formats**, especially Instagram Reels, YouTube Shorts, and quick visual ads, generate the highest engagement rates among users. These formats are more appealing because they are easy to consume, entertaining, and visually stimulating.

Furthermore, the findings show that **personalised advertisements**—those tailored according to user preferences or browsing behaviour—greatly increase the effectiveness of digital marketing efforts. However, overly frequent or excessively targeted ads create discomfort, making users feel their privacy is being compromised. In addition, **ad repetition and irrelevant ad content** emerged as major sources of irritation among consumers, reducing their overall receptiveness toward digital advertising.

The study also finds that users prefer ads that are **informative, entertaining, and authentic**, rather than overly promotional or exaggerated. Elements such as **clear product benefits, social proof (reviews, ratings, user testimonials), attractive visuals, and honest communication** strongly enhance consumer purchase intention. Ultimately, engaging, trustworthy, and visually appealing advertisements were found to be the most effective in influencing buying decisions.

SUGGESTIONS
Based on the findings, it is recommended that brands incorporate **AI-driven personalisation techniques** to deliver ads that match the specific interests and behaviour of consumers. This approach enhances relevance and increases the chances of user engagement. However, personalisation should be balanced, ensuring that ads do not appear overly intrusive. Collaborating with **micro-influencers**, who have smaller but highly engaged follower bases, can also help brands achieve authenticity and credibility, especially among younger audiences.

The study further suggests reducing the **frequency of ad repetition**, as repeated exposure often leads to ad fatigue, making users more likely to skip or block advertisements. Brands should instead focus on creating **fresh, engaging, and mobile-friendly content**, as a majority of users access digital platforms through smartphones. Encouraging **customer reviews and user-generated content** can also boost credibility, since real consumer experiences play a crucial role in influencing purchases.

Additionally, companies should improve **transparency regarding data usage**, clearly explaining why and how consumer data is collected. This can build consumer trust and reduce concerns related to privacy. By implementing these strategies, brands can create stronger, more meaningful connections with their target audience and enhance their overall digital advertising performance.

CONCLUSION
In conclusion, the study demonstrates that digital platforms play a **critical role in shaping modern consumer behaviour**. Consumers today depend heavily on online reviews, short-form videos, influencer endorsements, and visually rich advertisements when evaluating products and services. Digital advertising proves to be most effective when it incorporates elements such as personalisation, transparency, and visual appeal. However,

challenges such as **data privacy concerns** and **ad fatigue** can negatively impact consumer trust and engagement.

To remain competitive, brands must evolve with consumer expectations and adopt strategies that emphasise **relevance, authenticity, and credibility**. By using personalised ads, engaging visual content, and trustworthy communication, companies can significantly strengthen consumer purchase intention and brand loyalty. Overall, the study concludes that effective digital advertising not only drives sales but also helps in building long-term brand relationships in today's digitally-driven marketplace.

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