

## IMPACT OF ADVERTISEMENTS ON GENERATION Z IN THE CONTEXT OF SOCIAL MEDIA

By

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### ABSTRACT

Advertising is a very significant component of promotion mix. It has been observed that advertising is encouraging materialism and increasing consumption expenditure and is causing people to buy items which are actually not needed. Advertising is taking advantage of children and youth and is manipulating their behavior thereby contributing to the collapse of our social system. Generation Z is spending a considerable amount of time on social media every day. The study was conducted to understand the impact of social media advertising on generation z, their attitude, loyalty and behavior towards advertising. For this purpose, the data was collected from 240 students from Chandigarh, Panchkula and Mohali. On the basis of information available from the study, it was concluded that the (1) impact of advertising on generation z is positive. (2) The attitude of generation z towards social media advertising was found to be positive, (3) the generation z's loyalty towards advertising was found to be positive (4) the generation z's behavior towards advertising was also found to be positive.

Keywords: Advertisements, Attitude, Behaviour, Impact, Loyalty, Social media, Generation Z.

### 1. INTRODUCTION

Social media is considered as an interactive medium that is packed with opportunities for better presentation of products and services, that increase control of the user over the advertising experience and offer much eye-catching types of digital advertising other than traditional ones. (Li and Lo, 2015; Pashkevich et al., 2012).The advertised content permits the users to click on it to access more information on a brand profile, the information search being regarded as a significant element of the decision process (Flavián et al., 2009).The characteristics of inventive formats of advertising, like Instagram Stories, increase the accomplishment of social media advertising campaigns. Nevertheless, descriptive advertising with enhanced interactive choices

may not be valuable for advertisers in case the format is not able to catch the attention of consumers and provide better advertising effectiveness rather than unconventional social media advertising formats (Belanche et al., 2017a; Tan et al., 2018). In such comprehensive advertising ecosystems, advertisers must decide among the different social media to position advertising campaigns effectively as well as efficiently (Pikas and Sorrentino, 2014). Faced with the inevitability to invest restricted budgets in social media platforms in the nonexistence of a clear criterion, advertising professionals require supervision to compose their investment choices. As an additional constituent to be measured, each advertising campaign has concrete objectives based upon accomplishment of a particular target audience (e.g. in terms of age or gender), that could be best attained by placing the ads on the suitable social media.

Generation Z comprises of tech savvy users who can increase the value of a piece of information in seconds and take quick decisions regarding whether it's worth their time. They accommodate information swiftly and make quick decisions, with a profound understanding that is one of their most momentous assets. This newest generation of consumers doesn't react to the same tactics and styles of communication as Millennials. In view of the fact that their personalities, emotional responses and habits, are different from the generations previous to them, marketers need to market to them in a different way as well. The world's first-ever generation of digital group have a dissimilar outlook towards the world and online action than the rest of us. Generation Z values its time and emotional welfare more than any of the generation that has come before them. For many marketers, it's an insightful shift from the personalities they were catering to. Marketers need to center on exceptional and stimulating campaigns, and test themselves to persistently gain knowledge of the novel and imminent generation.

## **2. LITERATURE REVIEW**

Social media advertising is rising over 20 per cent every year (Marinucci, 2018). Social media have demonstrated to be interactive channels consisting of possibilities for superior audiovisual presentation of products and services, escalating users' control of their advertising experience and presenting more striking and sophisticated forms of digital advertising than the traditional mass media (Li and Lo, 2015; Pashkevich et al., 2012).

According to Belch and Belch (2009), the world is witnessing a vibrant and sweeping change in the history of marketing. These changes are determined by development in technology that have resulted in swift development of communication all the way through interactive media, predominantly the internet.

According to Perreaut, Cannon and McCarthy (2009:436), advertising on the internet involves a number of forms, but the underlying principle is to draw the attention of people in the target market. Kotler and Armstrong (2010:535), states that the most important ways of online advertising consist of display ads, search-related ads, as well as online classifieds. The most common form is banners, banner-shaped ads found at the, top, bottom, right, left or centre of a web page.

The internet has altered the advertising industry. Digital platforms, concerning browsers, web pages and social media advertising have restricted the role of radio, newspapers and television in advertising. Studies approximate that the proportion of advertising investment allocated to online channels represents 44 per cent of the global advertising expenditure in 2018, and 50 per cent in 2020 (Handley, 2017).

Advertising effectiveness has always been in focus for the advertisers as well as an area of interest for the researchers since decades (Danaher, 2017). As per the previous literature it has been found that consumers' attitude towards ads, intrusiveness and loyalty are significant variables related to the effectiveness of advertising in the context of social media (Ashley and Tuten, 2015; Goodrich et al, 2015; Belanche et al, 2017). Attitude towards an advertisement is a key driver and one of the significant indicators of ad effectiveness (Goldsmith et al, 2000). Attitude towards an ad has been defined as "a predisposition to respond in a favorable or unfavorable manner to a particular advertising stimulus during a particular exposure occasion" (Lutz, 1985; p53). According to the previous literature favorable attitude towards the ads maybe crucial in attracting and engaging consumers (Bright and Daugherty, 2012). Ad intrusiveness has been defined as "the degree to which the advertisements in a media vehicle interrupt the flow of an editorial unit". (Ha. 1996; p.77) More purposely, the Internet is a target-oriented medium where advertisements can be professed by users as more invasive than in other media (Cho and Cheon, 2004). Therefore, perceptions of intrusiveness could be considered as a negative marketing outcome associated with users' irritation and brand averting but might also enlarge the probability of quitting the use of the online medium. (Goodrich et al., 2015).

Finally, marketers are concentrating on digital advertising to enlarge campaign persuasiveness in order to boost consumers' loyalty to their brands and products (Van Noort et al., 2012). Earlier literature on persuasiveness of advertising regards purchase intention and positive word-of-mouth communication (WOM) as the key determinant of consumer loyalty (Aydin and Özer, 2005; Chi and Qu, 2008; Cronin et al., 2000; Gruen et al., 2006). The consumer decision making process, which starts with the recognition of the need, concludes with the purchase decision and post-purchase activities (Puccinelli et al., 2009; Yadav et al., 2013).

### **3. RESEARCH METHODOLOGY**

The study was conducted for finding answers to the following objectives

- 1) To study the impact of advertising on Generation Z with regard to social media.
- 2) To study the attitude of Generation Z towards social media advertising.
- 3) To study the behavior of Generation Z towards social media advertising
- 4) To study the loyalty of Generation Z towards social media advertising

An online survey was conducted by presenting research as an academic work on social media in Google forms. Participants were to answer a questionnaire about their recent social media experience and some specific questions about the advertisements that appeared during that time. The final sample comprised of 208 valid responses.

Construct reliability was assessed by means of Cronbach's Alpha.

**Table 1 Reliability Analysis**

Cronbach's Alpha	N of Items
.837	15

As the cronbach alpha value is above 0.60, it means that scale of behaviour, attitude and loyalty towards advertisement is reliable.

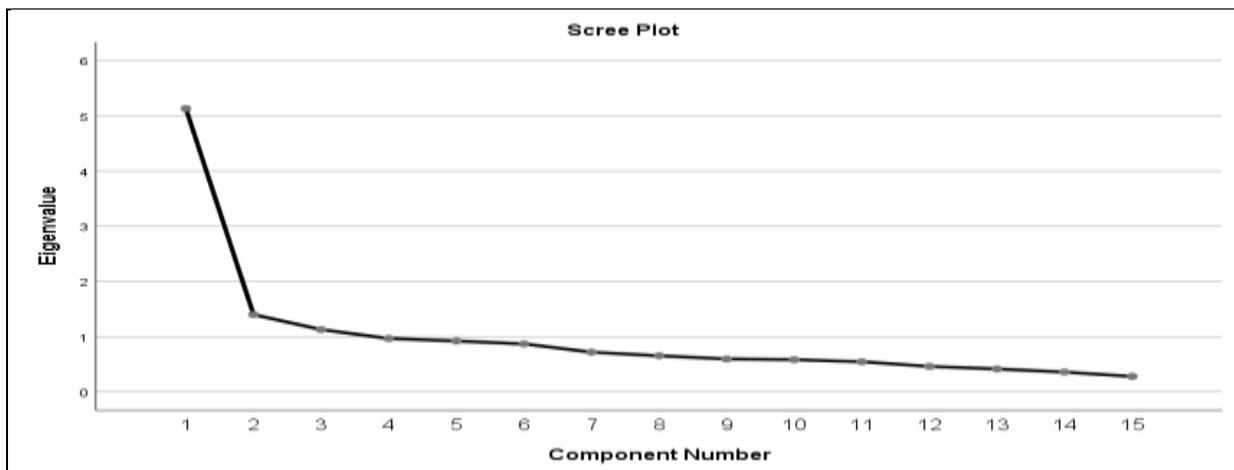
#### 4. FINDINGS AND DISCUSSION

**Table 2 KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.855
Bartlett's Test of Sphericity	Approx. Chi-Square	921.795
	Df	105
	Sig.	.000

Factor Analysis technique has been used to determine the impact of advertisements on Generation Z in the context of social media. The sampling adequacy has been checked through Kaiser-Meyer-Olkin test and Bartlett's Test. The value of KMO test (0.855) and Bartlett's Test(0.000) indicates that the data is fit for factor analysis.

**Fig 1**



**Table 3**

<b>Rotated Component Matrix<sup>a</sup></b>			
	Component		
	1	2	3
ad_1	<b>.739</b>	.150	
ad_2	<b>.667</b>	.348	
ad_3	<b>.666</b>	.174	
ad_4	<b>.650</b>		.205
ad_5	<b>.646</b>	.116	
ad_6	<b>.628</b>	.282	.162
ad_7	<b>.580</b>	.392	
ad_8	<b>.494</b>	.383	
ad_9	<b>.413</b>	.392	
ad_10	.165	<b>.739</b>	
ad_11	.203	<b>.727</b>	.105
ad_12	.279	<b>.682</b>	.118
ad_13	.186	<b>.663</b>	-.126
ad_14		.220	<b>.787</b>
ad_15	.150	-.256	<b>.679</b>
Extraction Method: Principal Component Analysis.			
Rotation Method: Varimax with Kaiser Normalization.			
a. Rotation converged in 5 iterations.			

**Table 4**

<b>IMPACT OF ADVERTISEMENTS ON ATTITUDE</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
1.The ad was pleasant.	208	1.00	5.00	2.6250	0.75741
2.The ad was unpleasant.	208	1.00	5.00	3.0192	0.85670
3.Advertising is valuable source of information about local sales.	208	1.00	5.00	2.0913	0.71985
Valid N (listwise)	208				
<b>IMPACT OF ADVERTISEMENTS ON LOYALTY</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
4.You intend to buy the advertised product/service.	208	1.00	5.00	2.4279	0.75155
5.You would recommend the advertised product/service.	208	1.00	5.00	2.4760	0.79819

6.You would disseminate information about the advertised product/service in social media.	208	1.00	5.00	2.8077	0.88002
Valid N (listwise)	208				
<b>IMPACT OF ADVERTISEMENTS ON BEHAVIOUR</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
7.Do you think advertisements provide information you need?	208	1.00	5.00	2.3077	0.90171
8.Most of your purchases are influenced by an advertisement?	208	1.00	5.00	2.7500	0.99029
9.If you drink or smoke, it is because of an advertisement or commercial.	208	1.00	5.00	4.0625	0.99804
10.In general, advertising is truthful and ethical.	208	1.00	5.00	2.8125	0.85037
11.You intend to get more information about the advertised product.	208	1.00	5.00	2.1635	0.71032
12.Advertising helps us in raising standard of living.	208	1.00	5.00	2.2788	0.82774
13.Advertising tells which brands have the features that you are looking for.	208	1.00	5.00	2.0673	0.73247
14.Advertising promotes good values in the society.	208	1.00	5.00	2.4615	0.83317
15.You intend to buy the advertised product/service.	208	1.00	5.00	2.4279	0.75155
Valid N (listwise)	208				

The above table gives a snapshot of the impact of advertisements on attitude, loyalty and behaviour of Generation Z. It has been observed that advertisements play a significant role in influencing the generation z. there is a positive impact of advertisements on attitude, loyalty and behaviour of generation z.

## 5. CONCLUSION

Online advertising now a days is the most imperative medium of advertising and it is expected to keep on increasing and developing in the coming years. Amongst the recent online advertising options, the advertising industry is focusing more on social media. Advertisements influence purchase decisions of the generation z and help them to make effective selection. Youngsters agreed that advertisements are significant activities that provide information about various products. However, it was also believed that advertisements could be unethical, improper, and embellished. It was observed that in spite of stern disapproval, advertisements are vital as they are educational, witty and enjoyable. From the advertisements knowledge about fashion is

obtained, which helps to improve their standard of living. Advertisements save time spent on shopping. However, it was felt that advertisements are unprincipled, deceitful, and offensive in nature. Consequently based on the information obtainable from the study, it can be concluded that (1) The impact of advertising on Generation z is positive. (2) The attitude of Generation z towards advertising was positive (3) The behaviour of Generation z towards advertising was positive and (4) The loyalty of Generation z towards advertising also found to be positive.

## 6. LIMITATIONS AND FURTHER RESEARCH

Although the contribution of this study is original, yet it has a number of limitations that unlock innovative options for future research. More comprehensive research into users' profile characteristics could be helpful to examine not only the factors discussed in this study but also other factors, such as lifestyles. Lastly, a longitudinal study exploring the growth of advertising effectiveness with regard to social media platforms could facilitate academics and researchers better comprehend the changes in social media and their influence on advertising with time.

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