ANALYSIS OF CONSUMER PURCHASE INTENTION TOWARDS PERSONALIZED RETARGETED ADVERTISEMENTS

Vaidhyanathan S [1]*, Rajeswari P S[2]
**[1]Research Scholar, College of Management, SRM Institute of Science and Technology,
Kattankulathur – 603203, Chengalpattu District, Tamilnadu, India**
Email id: vs1046@srmist.edu.in
**[2]Associate Professor, College of Management, SRM Institute of Science and Technology,
Kattankulathur – 603203, Chengalpattu District, Tamilnadu, India**
Email id: rajeswap1@srmist.edu.in

Abstract:

Advertising industry has experienced drastic changes over the past few decades. Advertising online can track consumer behavior in order to make ads much more relevant to customer by personalizing their advertisements. The purpose of our study is to identify the how effective personalized advertisements are, and how they influence customer purchase intention. The study is based on data collected from 100 online users as respondents. Findings of this research would enlighten us to understand how personalization, discount, reference to previous visits and advertisement frequency would impact the customer purchase intention. Recommendations of this study would be relevant, minimal, short and clear for the advertisement companies to understand the precautions to be taken, in order to avoid consumer suspicions for their data and thus lead to better consumer purchase decision.

3688

INTRODUCTION

Advertisement is used as a communication in marketing for delivery of messages to targeted customers. It can be done through social media, emails, billboards, newspapers, magazines, television, radio and websites. Technology has developed well in recent times and has created a great ground for advertising in the digital era. Internet Advertisements are trending in the present digital world because the bounce rate of customers from window shopping at physical stores is lesser than the customers shopping online. Targeting online customers is much easier and trackable. The key advantage of online marketing is the direct targeting of customers and generating revenue out of it. The Internet is serving as a good means to reach this goal. A digital footprint or web cookie can help in tracing internet users by means of retargeting methods to target customers even if they leave the website and keep them in reach for

creating a potential to convert them into buyers. Internet marketing has more scope in conversion of target audience into potential buyers when compared to traditional methods of advertising. Retargeting plays a key role in retaining these customers and finally turning their intention of buying into successful revenue generation. This phenomenon of retargeting has changed the way companies work with advertising. A good example of which is e-commerce firms. Companies have started building websites to access internet audiences and convert them.

The internet has made people's lives easier by bringing them products and services in just one click. Users see and communicate with many companies, small businesses and service providers through various modes. Small businesses are picking up with the help of online advertising and using strategic methods of retargeting to reach out to the interested audience. It is possible that any company can create a website and run advertising campaigns to promote their product or service online. To know what a user is looking for, gathering data is essential which in turn is used to apply marketing strategies and get customer acquisition. Spending on digital marketing has been higher nowadays as it involves analytics and suggestions to improve the performance and end up in growing the business. Retargeting is the present best approach in acquiring customers because the data collected when a user visits a website is stored for further use and there is no expenditure on gathering new data for the marketing campaigns and reach. Social media, search engines and cookies help in collection of data, advertising and retargeting processes. User behaviour plays a major role in retargeting and this can be observed using various analytics tools and testing methods.

Research Objective
Basedontheformulationoftheproblemabove,thepurposeof thisresearchis:

1. ToidentifytheinfluenceofDiscount,ReferenceofPreviousVisit,and AdvertisementFrequency onPurchaseIntentionofe-commerceCustomersinFEBManagementUNSRATsimultaneously.
2. TodistinguishtheinfluenceofDiscountonCustomersPurchaseIntentionofe-

commerceCustomersinFEBManagementUNSRATpartially.
3. ToknowtheinfluenceofReferenceofPreviousVisitonCustomerPurchaseIntentionwebsiteofe-commerceCustomersinFEBManagementUNSRATpartially.
4. Toexamine theinfluenceofAdvertisementFrequencyonCustomerPurchaseIntentionofe-commerceCustomersinFEBManagementUNSRATpartially

THEORETICALREVIEW
Marketing
Marketing is the activity, set of institutions, and process of creating, communicating, delivering, andexchanging offerings that have value for customers, clients, partners, and society at large (American MarketingAssociation,2017).

Advertising
Advertisingisanyformofnon-personalofmasscommunicationthatoffersahighdegreeofcontroltothoseresponsible for the design and delivery of advertising messages (Fill and Jamieson, 2006:121). Advertising is aformofpromotion.Thisrequiresthatthetargetconsumersshouldbespecificallyidentified.

DigitalAdvertising
Digital Advertising is a form of advertising but using internet. Achieving marketing objectives throughapplyingdigitaltechnologiesandmedia.(Chaffey,2018).Thisincludesbanners,videos,searchengineadvertisingaswellas onlineadvertisingandsocialmediaadvertising,partnership arrangementwith otherwebsites

RetargetingStrategy
Retargeting is the practice of serving ads based on prior engagement. It is a digital marketing strategy thatcan be used to reach out to interested consumer who browsed a website but left before making a purchase(AmericanMarketingAssociation,2016).Itisonlytargetingconsumerthathavepreviouslyvisitedtheparticularwebpage.Thegoalofretargetingistoturnwindowbuyersintobuyers.

PreviousResearches
Research by Kaulina, Kaulins, and Bujac (2018)

Personalized advertisement tools has increased interestamong many online marketers is retargeting. The purpose of this research is to study effects of retargeting andhowthis methodaffectsDanishmillennialFacebookusers'purchaseintentions.inordertotestthesehypotheses,empirical data was collected via questionnaire. Consumer private data, pricing differences and advertisementfrequency havebeenfoundasthemostrelevantfactorsthataffectconsumerpurchaseintentions.

Research by Lillrank and Pöyry (2014) An empirical analysis is performed on data collected from twoEuropean e-commerce companies. Performance was analyzed using variables measuring customer engagement,timespentonthewebsiteandconversionr

atesforperformingadesiredaction.Theresultssuggestt hatmentioninga discount in the advertisement can improve performance, but the effect is industry-specific. Referring tocustomer's previousvisittothewebsiteanddirectingthecustomert oamoredetailedlandingpageincreasetimespentonthe websitebutdonototherwiseimproveadvertisementpe rformance.

Research by Goldfarb and Tucker (2011) The researcher find that matching an advertisement to websitecontent and increasing an advertisement obtrusiveness independently increase purchase intent. However, incombinationthesetwostrategiesareineffective.The negativeeffectofcombiningtargetingwithobtrusivene ssisstrongestforpeoplewhorefusetogivetheirincome, andforcategorieswhereprivacymattersmost.

3690

Conceptual Framework

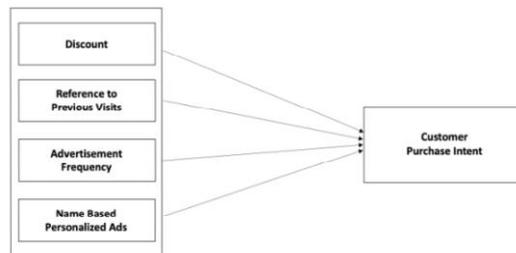**Figure1. ConceptualFramework**

Source:Data Processed,2019

Research Hypothesis

 H1:Discount,ReferencetoPrevious Visit,andAdvertisementFrequencyinfluenceCustomer PurchaseIntentionsimultaneously.
H2:Discount influenceCustomerPurchaseIntentionpartially.
H3:ReferencetoPreviousVisit influenceCustomerPurchaseIntentionpartially.H4:Ad vertisementFrequencyinfluenceCustomerPurchaseIn tentionpartially.

Research Method

Population

Populationisageneralizationareaconsistingofobje cts/subjectswhichhascertainqualitiesandcharacteristi cssetbytheresearchertobestudiedthenconclusionsare

drawn(Sugiyono,2006:72).Thepopulationin this research are people who have experienced with retargeting strategy advertising through facebook whichare Studentof FEB Management UNSRAT in order to know theirperspective with personalized internetadvertising.

Sample and SamplingT echniques

Purposive sampling can be defined as identifying and selecting individuals or groups of individuals that areespeciallyknowledgeableaboutorexperiencedwith aphenomenonofinterest(CresswellandPlanoClark,20 11),Researcheru
sesthesamplingtechniquedetermine dbyusingformulaasfollows:

$$n = \frac{N}{1+N(e)^2} = \frac{1551}{1+ 1551(0.1)^2} = \frac{1551}{15.52} = 99.9$$

DataCollectionMethod

To collect the research data, primary data collection was used through questionnaires. A questionnaire is one-purpose data collection through a set of questions The survey was created in Google Forms. Questionnaire is used to obtain primary data and will be collected by distribute questionnaires to 100 respondents.

MeasurementofResearchVariables

Scale of measurement used for this research to measure respondents response in each question from questionnaire is Likert Scale (Sekaran and Bougie, 2013). Thus, the range captures the intensity of their feelings for a given item. The answer to each item instrument that uses a likert scale has gradations from very negative to very positive.

RESULT ANDDISCUSSION
ValidityTest

Table1.ValidityTest

Variable	Indicators	PearsonCorrelation	Sig. (2-tailed)	N	rtable	Status
Discount	TheamountofDiscount	.831	.000	100	0.196	Valid
	DiscountedPricePeriod	.848	.000	100	0.196	Valid
	Thetypeofproductthatgetsdiscounted price	.894	.000	100	0.196	Valid
Referenceto previousvisit	Addesign	.597	.000	100	0.196	Valid
	Useofprivatedata	.710	.000	100	0.196	Valid
	Involvement	.749	.000	100	0.196	Valid
Advertisement Frequency	Advertising length	.708	.000	100	0.196	Valid
	AdvertisingNovelty	.790	.000	100	0.196	Valid
	EmbeddedAdvertising	.498	.000	100	0.196	Valid
Personalization	Name Personalization	.586	.000	100	0.196	Valid
	Color Personalization	.770	.000	100	0.196	Valid
	Reaction to Emoji	.713	.000	100	0.196	Valid
Customer Purchase Intention	Exploratoryinterest	.829	.000	100	0.196	Valid
	Preferentialinterest	.763	.000	100	0.196	Valid
	Transactionalinterest	.794	.000	100	0.196	Valid
	Referentialinterest	.736	.000	100	0.196	Valid

ReliabilityTest

Reliability test is used here to see whether the data is reliable or not.

Cronbach'sAlpha0	Nofitems	Status
.796	16	Reliable

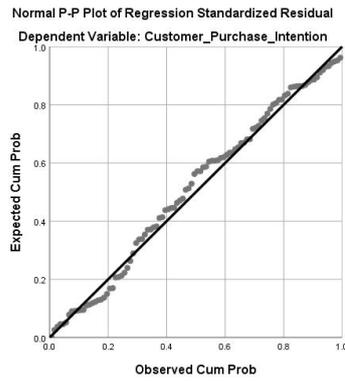SPSS Output 2021

ClassicalAssumptionTestNormality

Figure2.

NormalityTest

Source:SPSS Output2021

Figure 2 This shows the dots are near to the line and follow the line's direction. The normality test is accepted which means the data is normally distributed.
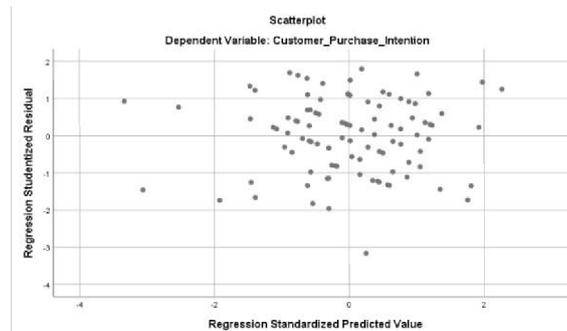
Heteroscedasticity

Figure3.HeteroscedasticityTest

Source:*SPSSOutput,2021*

Figure3. The result shows there is no heteroscedasticity. The regression model can be used to define the influence between dependent and independent variable. Multicollinearity

Table3.MulticollinearityTest

Model	CollinearityStatistics		Status
	Tolerance	**VIF**	
Discount	.813	1.117	No Multicollinearity
ReferencetoPreviousVisit	.891	1.128	No Multicollinearity
AdvertisementFrequency	.914	1.108	No Multicollinearity
Personalization	.910	1.692	No Multicollinearity

Source:*SPSSOutput,2021*

Table 3 shows the tolarence value on Discount (X1) .813, Reference to previous visit (X2) .891, Advertisement Frequency (X3) .914 and Personalization (X4) .910. All of the above are over .100, and the value

shows the tolerance value of Discount (X1) 0.895, Reference to previous visit (X2) 0.887,

andAdvertisement Frequency (X3) 0.903 all of them are above 0.100 and the VIF value of Discount (X1) 1.353,Reference to previous visit (X2) 1.424, Advertisement Frequency (X3) 1.188 and Personalization (X4) 1.481. This shows that all the values are below 10 whichmeansthatthereisnomulticollinearityinthisresearch.

MultipleLinearRegressionAnalysisTable4. MultipleLinearRegression

					t	Sig.
1	(Constant)	3.194	2.256		1.416	.160
	Discount	.239	.101	.211	2.361	.020
	Reference_to_Previous_Visit	.473	.117	.365	4.049	.000
	Advertisement_Frequency	.278	.131	.189	2.119	.037

Source:SPSSOutput,20221

Theresultinthetable4,the modeldefineas:

Y=3.194+0.239X1+0.473X2+0.278X3+e

Coefficients[a]

	Unstandardized Coefficients		Standardized Coefficients	
TableofRandRSquareTable5.TableR Model Summary[b] Model	B	Std.Error	Beta	

Model	R	RSquare	AdjustedRSquare	Std.ErroroftheEstimate
1	.514[a]	.310	.288	2.474

a. Predictors:(Constant),Advertisement_Frequency,Discount, Reference_to_Previous_Visit
b. DependentVariable:Customer_Purchase_Intention

Source:SPSSOutput,2021

Table 5 This table shows the coefficient correlation (R) is 0.514 it means there is a strong relationship betweenindependentvariableswithdependentvariable.

Hypothesis Testing
F-Test

Table6. SimultaneousTest(F-TestOutput)

ANOVA[a]

Model	Sum ofSquares	df	MeanSquare	F	Sig.
1 Regression	214.952	3	87.972	14.376	.000[b]
Residual	595.414	96	6.120		
Total	882.391	99			

a. DependentVariable:Customer_Purchase_Intention
b. Predictors:(Constant),Advertisement_Frequency,Discount,Reference_to_Previous_Visit

Theresultshowsthat14.376>2.70,Fcount> Ftable.The1sthypothesis (H1)simultaneouslyisaccepted.

T-test

T-test is performed to see if there is partially a relationship between each of independent variable and dependent variable. This test is done by comparing tcountand ttable at the level of significance 95% (α = 0.05). The criteria of this test is if tcount≥ttable(0.05)thenH$_a$isaccepted,otherwiseiftcount<ttable(0.05)thenH$_a$isrejected.

Table7.PartialTest(T-TestResult)

Variable	t-Count	t-Table	Sig	Description
Discount (X1)	2.415	1.984	.028	Accepted
ReferencetoPreferenceVisit(X2)	4.947	1.984	.000	Accepted
AdvertisementFrequency(X3)	2.195	1.984	.048	Accepted

Source:Data Processed,2021

BasedontheresultontheTable7shows thatallofthreevariablesareaccepted.

3694

Discussion
Relationship Discount to Customer Purchase Intention

Mentioning discount on the advertisement significantly affected the Customer Purchase Intention and it is clearly proven by the study result. Data was collected by two test methods (F test and T test). The results from hypothesis show the data of variable discount (X1) is accepted. The amount of discount to the product changes the level of attraction of the consumers to come back for a purchase. Retargeting and remarketing is a successful method of converting leads into buyers. When a customer who once visited the website is advertised with a discounted price, it develops intent of purchase through retargeting.

Relationship Reference to previous visit to Customer Purchase Intention

Referencing the previous visits show the same result.. From our hypothesis we can analyze the customer attitude towards purchase intentions of online customers. Previous researches have shown positive impact to ad designs, when the content in the ad specifies the brand that is familiar to the customer with a clean marquee and copy and relevant to the customer behavior. In our research men are more respondents. Men search for details and clear marquee, then they look through the website to see if they can find anything interesting and read reviews and review the price between the product and its alternative. Usage of private data is

significantly important, they increase the consumer purchase intention. Theprevioussearchonthee-commerce platform help online advertiser to narrow down the consumer preferences and what exactly customer want in advertisements that enable to influence their purchase.

RelationshipAdvertisementFrequencytoCustomerPurchaseIntention

Advertisement frequency in the ad has a statistically significance effect an consumer purchase intention. The data collection was done through the usage of (T and F Test) to show that the data of variable advertisement frequency is accepted. Previous researches have shown that advertisement frequency has a strong influence in consumer purchase intention. Advertisement frequency might increase customer purchase. The level of advertisement awareness recipient have of the brand or increase in size of ad the positive advertising repetition effect or familiarity on consumer purchase intention. Displaying non-related content in advertisement, it will deviate consumers from the brand or product.

RECOMMENDATIONANDCONCLUSION
The Conclusion and recommendation is the suggestionsbasedonresearchresult.

Recommendation

Afterexaminingthefindingsanddiscussingtheresult,theconclusionsbasedonthisresearchcanbeform

ulatedasfollows:

1. Discount, Reference to previous visits, Advertisement frequency and Personalization influences consumer purchase decision.
2. Discount includes the amount of discount, the type of product and period of discount that builds desire about the product.
3. Referencing to previous visits with proper targeted ad designs build positive impact on the mind of the consumer.
4. Advertisement frequency includes the marquee and advertisement length ends up building positive impact on the mind of the consumer.
5. Personalization can help build positive impact on the mind of the consumer to enable purchase decision.

Conclusion

Accordingtodatatherearesomethings todoforconsideration,formarketer: rather than making advertisements relevant for consumers, personalized retargeted ads collect personal information about their online behavior. Marketers should take precautions in order to minimize consumer suspicions towards their data distributed to third party data sellers and increase their trust on the company. The company's privacy policy must clearly be stated on the website. The repetition of advertisements more likely to succeed if the marquee and copy are short and relevant. Too frequent advertisement can cause disturbance and anger which can put customers off and decrease their willingness to buy the desired product. Making the advertisement clear and shorter will not waste time for the end user and they'd be able to understand.

REFERENCES
1.Yu, C. H. (2008). Book review: Creswell, J., & Plano Clark, v. (2007). Designing and conducting mixed methods research. Thousand Oaks, CA: Sage. *Organizational Research Methods*, *12*(4), 801-804. https://doi.org/10.1177/1094428108318066

2. Digiads.co.id.2019.In2019,Indonesiahas thePotentialtoToppleGrowthoftheDigitalAdvertising Market.*ARTICLE*. https://digiads.co.id/en/blog/news/digital-advertising-indonesia-2019/. Accessed on August3rd2019.

American Marketing Association. 2016. Understang the What and Why of Ad Retargeting. *ARTICLE*.https://www.ama.org/marketing-news/understanding-the-what-and-why-of-ad-retargeting/.Accessed onSeptember2nd 2019.

_____. 2019. Marketing Definition. *ARTICLE.* https://www.ama.org/the-definition-of-marketing-what-is-marketing/.AccessedonSeptember2nd2019.

Chaffey, D. 2018. What is Digital Marketing? A Visual Summary. Digital Marketing Definition. *ARTICLE.*https://www.smartinsights.com/digital-marketing-strategy/what-is-digital-marketing/. Accessed onNovember3rd 2019.

Chan. T.,Jiang,Z.,Che, H.,Wang, Y. 2017.ConsumerSearchandPurchase:AnEmpiricalInvestigationofSearch-BasedRetargeting.*KelleySchoolofBusinessResearchPaper*No.17-5.https://ssrn.com/abstract=2897289.AccessedonJune23rd 2019.

Eisend,M.,andSchmidt, S.S.2015.AdvertisingRepetition:AMeta-AnalysisonEffectiveFrequencyinAdvertising. *Journal of Advertising* 44:4, 415-428. https://www.researchgate.net/publication/275042456_Advertising_Repetition_A_Meta-Analysis_on_Effective_Frequency_in_Advertising. AccessedonDecember2nd2019.

Hu, Y., 2004. Performance-Based Pricing Models in Online Advertising. Available at SSRN 501082, March.http://scholar.google.com/scholar?hl=en&btnG=Search&q=intitle:No+Title#0.AccessedonSeptember20th,2019.

SekaranandBougie.2013.LikertScale.*SKRIPSI.*UniversitasAtmaJayaYogyakarta.http://e-journal.uajy.ac.id/12658/4/EM193933.pdf.Accessed onAugust3rd 2019.

Statista.com. 2019. Digital Advertising. *ARTICLE.* https://www.statista.com/outlook/216/120/digital-advertising/indonesia.AccessedonAugust4th 2019.

Sugiyono.2006.PopulationDefinition.UNYPress.*SKRIPSI.* https://eprints.uny.ac.id/64446/5/5.BAB%20III.pdf.AccessedonAugust5th2019.

Yildrim, Y., and Aydin, O. 2012. Investigation of the Effects of Discount Announcements on

ConsumersPurchaseDecisions.*SocialandBehavioralSc iences*,Volume62,1235:1244.https://media.neliti.co m/media/publications/87381-ID-pengaruh-diskon-terhadap-minat-beli-sert.pdf.   AccessedonAugust5[th] 2019.

Kaulina,K.,Kaulins,G.,andBujac, A.2018.RetargetingEffectsonConsumerPurchaseInte ntions.AALBORGUNIVERSITY,*THESIS*.https://projekte r.aau.dk/projekter/files/281242327/IM_thesis_Kristi ne_Kaulina
    Girts_Kaulins.pdf.Accessed onJune30[th]2019.
Lambrecht,A.,andTucker,C.2013.Whendoes retargetingwork?Informationspecifyinonlineadvertisi ng.
*SAGEJournals*Volume:50issue:5,page(s):561-576https://journals.sagepub.com/doi/abs/10.1509 /jmr.11.0503?journalCode=mrja.Accessed onJune22[nd]2019.
Fill,   C.andJamieson,B.   2014. *MarketingCommunications.*EdinburghBusiness School, Edinburgh.
Goldfarb, A., and Tucker, C. 2011. Online Display Advertising: Targeting and Obtrusiveness. *Journal ofMarketing Science* Vol. 30 No.3, 389-364.https://doi.org/10.1287/mksc.1100.0583. Accessed on June25th2