

The importance of contemporary advertising and consumer behavior in the business

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Abstract:

Certainly, for being successful in every market, all the marketers should be familiarized with some concepts and their functions. One of the most prominent content which plays the crucial role is the advertising and consumer behavior. Furthermore, all of traders and businessmen should dominate all of these issues' concepts and criteria. However, the present paper aims to highlight the impact of advertising in the diverse markets, and this report includes the initial concepts of advertising and consumer behavior and also their importance, the targets of them, some effective factors on customer behavior and different ways and techniques of advertising, the prominence of research and substantial steps in the advertising aspect and ultimately, the future of ads and its methods. In addition, there are some latest statistical data and information based on worldly famous resources and some predictions about the importance of digital media in high competitive environment.

Keywords: advertising concepts, consumer behavior importance, digital ads

1. Introduction:

There is no doubt that, the ads play an essential role to shape people's attitudes and opinions about purchasing and usually, all of brands implement ads for introducing their services and products to customers and strive effectively in order to grab more and more consumers at the same time. As we know, ads can be done via various media such as (newspaper, magazine, brochures and radio) and modern ways like (online ads, social media networks and email). In fact, all of marketers ask help from appropriate ads for persuading and impressing on customers interest, approaches and finally, buying behavior. Recent research has shown that, very close relationship exists between advertising and customer behavior, and also we should admit that any business an industry cannot continue to exist. Marketers must understand what influences can impact on customer behavior, such as buyer process, top influences and effective advertising. Increasingly, now days, prime influencers affect others through the use of social media networks and other digital tools. Gradually, the marketers have to distinguish the worth of advertising and customer behavior process for being on the top rank of business around the world and have gone with the stream of digitalization, using modern ways and taking the advantages from existence customers as ad channels.

2. The meaning of some concepts

- Advertising: It is a structure of marketing communication used to persuade an audience to take or continue some action, usually with respect to a commercial offering, or political or ideological support (Wikipedia).
- Consumer: people who buy products and services for themselves or behalf of their households (Wikipedia).
- Consumer behavior: it describes the process of how consumers make purchase decisions and how they use the buy products (Wikipedia).

3. Different types of advertising[1]

Advertising can be classified based on the company's targets, and the target and nature of the company's advertisement differ from another one from the location to the target audiences. There are some advertising classifications as follows:

- **Product advertising:**
The major focus of this ad is on the product and not company or firm.
- **Service advertising:**
The main focus of this ad is on the company or factories' services.
- **Public service advertising:**
It concentrates on the issue that influences on society and community on a large scale such as pollution control, animal eradication and fresh water crisis.
- **Institutional advertising:**
This ad is straightly focused on companies activities, development, quality control and research area that creating a positive public image.
- **Retail/local advertising:**
This way of advertising focuses on the regional people and smaller local merchants to convince customers to shop at the desired store or local services such as bank, restaurant, showroom and hospital
- **Direct-response advertising:**
It persuades customers to purchase from the manufacturer directly. This kind of method has been popular recently.
- **Business to business marketing:**
It uses to introduce and offer the products and services by a business to another one.
- **Interactive advertising:**
It fulfils by webpage or digital media.
- **Political advertising:**
It identifies and promotes politicians.

4. Different of media advertising

The most popular media of advertising are as follows:

I. Print media

- Newspaper
- Handbill
- Poster
- Banner
- Pamphlet
- Brochure
- Leaflet
- Book
- Magazine
- Periodicals

- II. electronics
 - T.V
 - Radio
 - Cable network

- III. Digital/ new media
 - Internet website
 - CD and DVD of film and music
 - cell phone

- IV. outdoors
 - Buss wraps
 - Billboards

5. Targets of advertising[2]

Generally, advertising is looking for two targets namely, behavioral and sales approaches. There are some other fundamental targets as below:

- notify folks about new services and goods
- brand making
- recall customers about their trademark at the right place and time
- boost consumers confidence in buying
- introduce organization identity
- support their sales force effectively
- create brand and company personality

6. Research in the advertising(3)

For reaching valuable ad that institutionalizes into public minds the marketers should research in some areas such as:

- Research in the content of advertising:

The purpose of doing this step is the determination of the positive and important criteria of product or service that put in the content of advertising. Furthermore, according to the reached consequences, we can make decisions that how we can arrange and compose the advertising properly.

- research in the channels of advertising:

After providing the content of advertising, we should broadcast it to people via various channels such as print media, electronic way or digital method.

- research in the usefulness of advertising:

When this step can be analyzed that we specified our ads targets, besides, we can recognize the impacts of advertising in the two dimensions:

- 1- impact on sales rate
- 2- impact on communication(consumers attitudes and behavior)

7. The five most popular advertising techniques(4)

An effective advertisement creates a persuasion for customers and also provides adequate information to accommodate consumers needs properly and make the potential customer feel acquiescence. There are some accepted advertising types to create desire and remind customers as follow:

- repetition:
It is a simple effective policy used to make identity awareness and consumer memory.
- Claims:
It promotes particular features or creates claims about what a product or service can do for the potential consumers successful consequences by informing.
- Association:
Making the relationship a product or organization with a famous people, celebrities, create drastic emotional sensation and psychological link with the consumer and, making suitable catchy tune.
- Bandwagon:
This technique sells a good and services by convincing the customers those others are implementing it and they should join the crowd.
- Promotion:
Sample product, special coupon, sweep takes, holding games with prizes and gifts that encourage consumers to make an association with the sponsoring product or service.

8. The power of advertising[5]

There is no doubt that, the advertising has a drastic power to:

- Persuade customers
- Impact on consumers mind and shape destiny
- Change buyer attitude and opinions
- Outpoint other rivals
- transform market and develop the level of profit
- Build awareness, create positive reputation, build value and transfer new information
- create everlasting brand

9. Advertising and marketing process

Recent research has shown that, the advertising help the company to reach the marketing targets. Approximately, all of firms and organizations utilize many various kinds of advertising ways, based on their particular marketing tactic target and marketing policy will recognize, who the target consumer, where suitable advertising should reveal, which kind of media should be used and what targets the advertising will attain. Bear in mind, both of them (advertising and marketing) are essential key factors in an organizations success that one cannot be used without other.

10. Consumer behavior

10-1. The factors that are affecting consumer buying behavior

Customer behavior refers to the choosing, ordering process, buying and consumption of products and services to accommodate consumer's needs and wants. This concept (consumer behavior) is impressed by some factors

such as environmental, personal, psychological, marketing ways and the situation factors and also family and culture conditions. Marketers always strive hard to influence a customer's behavior and opinion on some issues in order to control the consumers' interests and desires that can lead to shift the recent and potential customers into long life ones. Therefore, most of the marketing and advertising experts focus severe on consumer buying behavior factors and according to them, they implement appropriate advertising, marketing, sales and after sales services strategy properly. Furthermore, pondering of the customer behavior not only aids experts to distinguish the past experiences but also predict the future precisely. However, the expression of some customer behavior factors is given picture below:

Factors influencing consumer behavior [6]

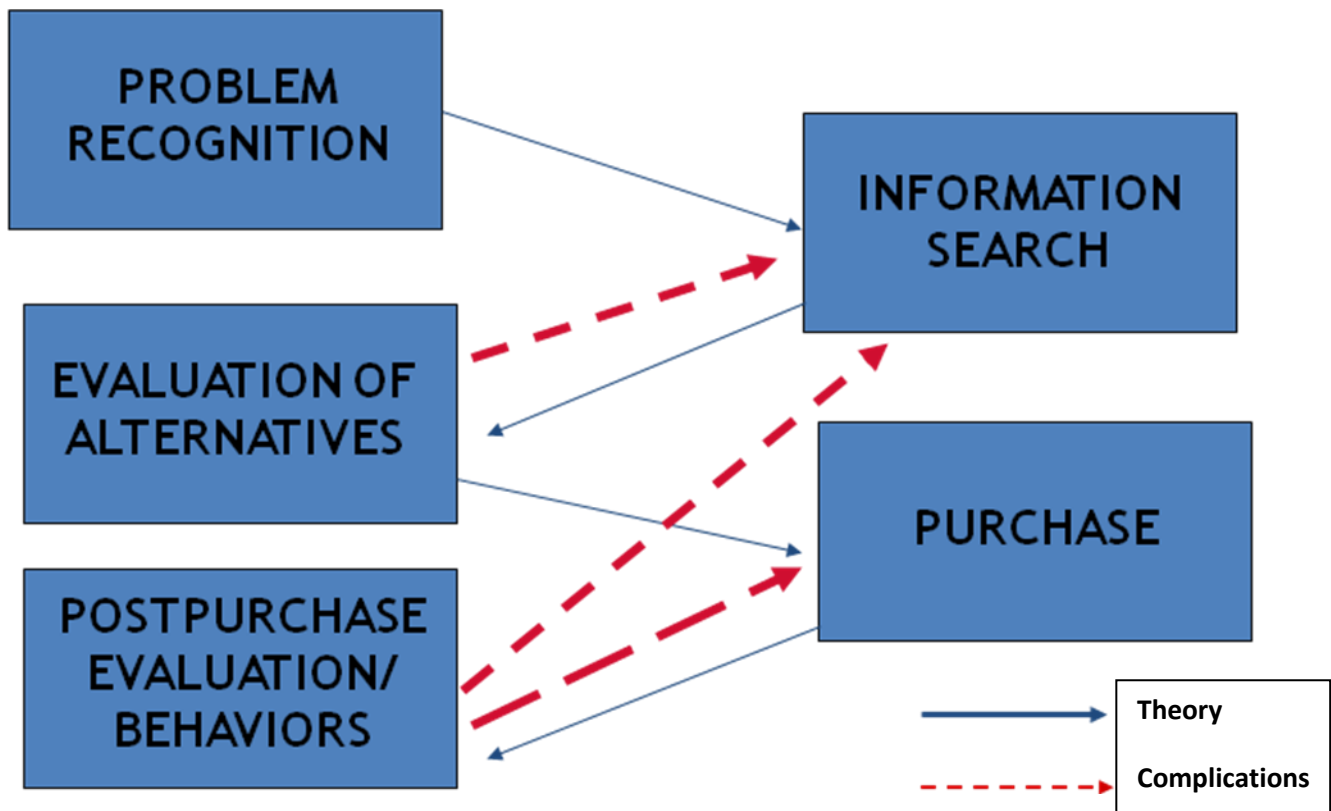


10-2. 5 stages of consumer behavior process [7]

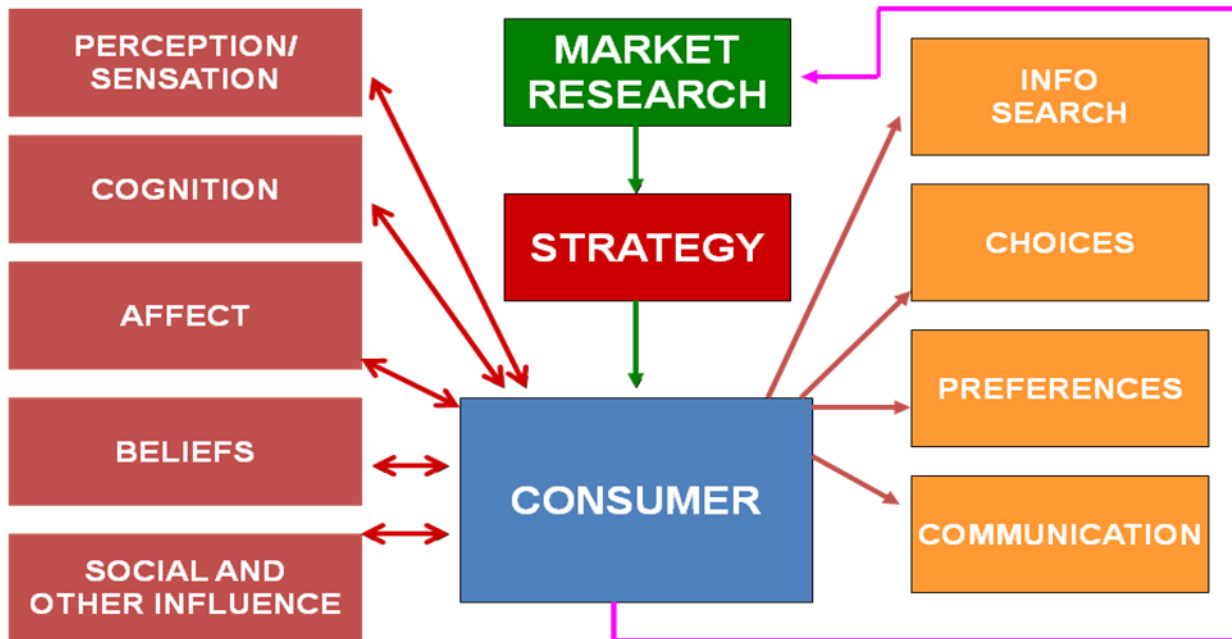
There are five substantial stages of the consumer behavior process that declare the entire process which the customer will most/possible, purposely or inadvertent, go through when they make decisions to purchase a product. These steps are:

- The problem recognition
The identifies of customers needs (product/service)
- The search of information
According to the customers internal (thoughts, reminiscence and experience) or external data (media, the internet and store visit) sources for product/service information
- The alternative options
The comparison of present manufactured goods/service with others from the quality to price
- The selection to buy the goods/service
- The real purchase of product/service

Theory and reality of consumer behavior [8]



10-3. Influences on and of consumer behavior process [8]



Based on these inputs and outputs of customer's behavior, businesses can examine the study of marketplace and also utilization of proper strategy and marketing policy in order to [9]:

- Create value and consumer satisfaction
- excel the quality of commodity and service effectiveness
- select accurate and successful target-market
- Build competitive advantages
- Cognition of customers views about our products/services in comparison with our rivals commodities/services
- Distinguish potential environment of business
- convert potential purchaser to long life ones

11. Modern advertising

By passed the time, marketers have used modern methods of advertising (media and digital) because of their cost and their proficiency and effectiveness.

11-1. Essential steps in modern advertising [10]

It is so substantial for any business to create an online presence and using digital tools. Furthermore, any company that makes a decision to advertise online needs three principals ingredients for being prosperous.

I. Websites

Every business should establish its website for introducing and advertising its products and services and also by considering of the internet accessibility everywhere –every time. All of firms shouldn't ignore the immense opportunities of having a website.

II. SEO (search engine optimization)

As we know, all of customers surf the net for finding especial information, products and services that they are interested via searching engines such as Yahoo and Google. In order to have high rank and being more available by your consumers, using SEO are a vital.

III. Social networking

It has been undeniable issue recently. For example, Face book and Tweeter and very common websites now days, have over 900 million active users every month. Each company creates its page for advertising, excel user's knowledge, introducing its issues (brand, goods and services) and using the customer feedbacks to boost the quality of commodities/services. Moreover, these pages provide the big suitable source of posters information and data to choose fruitful advertising way and marketing solution.

11-2. Internet advertising [2]

Now days, the internet ads dependable tools have appeared as a major medium for advertising and marketing since 1994. It has some specifications as follows:

- It can be communicating, transacting and advertising channels.
- The nature of the internet is interactive.
- We can put multimedia content.
- It is a parallel medium for all others.
- It is cheaper and easier to use than traditional ways.

11-3. Impact of social media networking [2]

More than 200million individuals are using social media networks like Facebook and Twitter that causes it is becoming the suitable environment for advertising and informing. In addition, we can say that, it is the first priority of advertising channel for all of companies because of it's the low cost and easy using.

11-4. Using the Facebook as the best channel of advertising

There is no question that, the Facebook is the number-one social media networks, and most of the famous companies have invested in it for increasing the number of their long-life customers.



Providing networks with massive advertising revenues in Q2/2014



\$2.9b



\$1.1b

(for the whole of 2014)



\$106m



\$312m

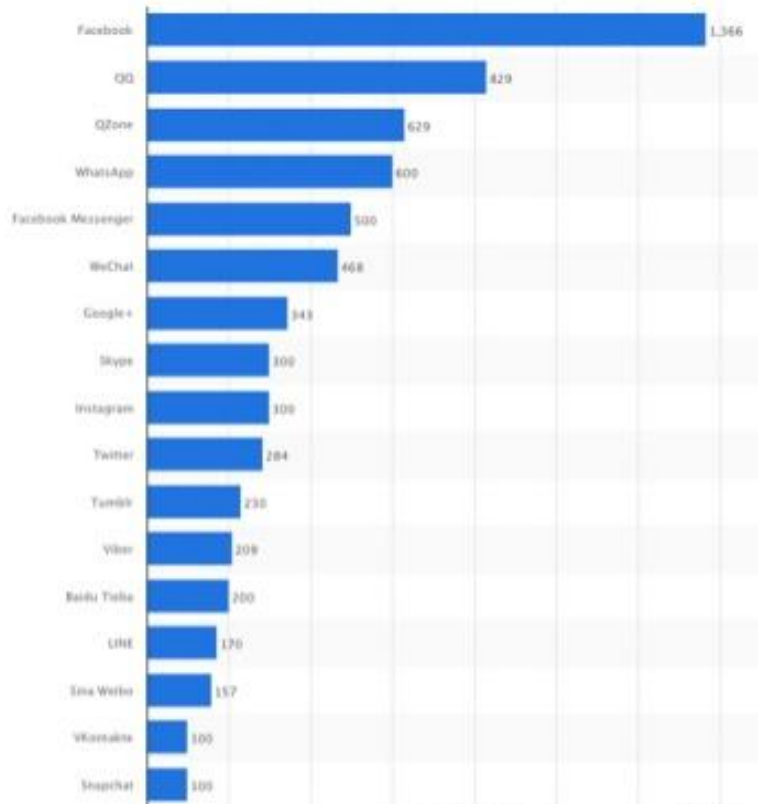
TechCrunch
DailyDot
AdAge
VentureBeat

2015 SOCIAL MEDIA STATS



[Facebook.com/Dosoqi](https://www.facebook.com/Dosoqi)

[Twitter.com/Maher_Dosoqi](https://twitter.com/Maher_Dosoqi)



Number of active users in millions

Statista.com

11-4-1. Some Facebook advertising statistics [11]

<u>Title</u>	<u>Rate</u>	<u>Last update</u>
Total number of active Facebook advertiser	2 million	2/24/2015
Facebook advertising budget that is dedicated to mobile	57%	April 2015
Average Facebook ads click through	1.5%	April 2015
Average Facebook ads cost per impression	\$4.03	April 2015
Average Facebook ads per click	\$0.27	April 2015
proportion of brands that endorse their Facebook posts	75%	6/2/2015
amount of small or average businesses advertising on Facebook	1 million	11/19/2013
raise in Facebook ads that users saw from Q1 2013-Q1 2014	40%	5/23/2014
Percentage of social media marketers that use Facebook advertising	92%	5/15/2014
Facebook allocate of the worldwide digital advertising marketplace	7.75%	12/15/2014
Total amount of Facebook pages promoting comments	500.000	1/30/2013
Facebook ratio of all social referrals to e-commerce websites	50%	6/09/2015
Average match rate for email lists and Facebook custom audiences	68%	3/23/2015
whole number of Facebook every day active users	936 million	4/22/2015

11-4-2. Facebook revenue from ads in 2014[11]

Title	Period	amount
Facebook total revenue from ads	Q4 2014	More than \$3.5 Billion
Facebook ads revenue from US & Canada	Q4 2014	\$ 1.864 Billion
Facebook ads revenue from Europe	Q4 2014	\$ 1.030 Billion
Facebook ads revenue from Asia	Q4 2014	\$ 554 Million

12. The future of advertising

Marketers are expected to spend \$540 billion globally on advertising, and the mobile search ads will be \$2.85 billion this year (2015) of the search market, March 2014 and also the digital ads will lead the way for global media growth in the next four years. By 2018, Internet advertising will be poised to overtake T.V as the largest advertising part around the world. Furthermore, Two-Third of income growth from customers and advertising will be digital [12]. The average customer is expected to have been exposed to as many as 5000ads a day in 2015 lonely [13].

Indeed, advertising will have the potential to be incorporated into each device from fitness trackers to connected vehicles. Apple and Google, For instance, have remarkable targets of controlling our homes, health and vehicles applications in one place: mobile. The other great news is advertising will be able to pathway measure and optimize advertising processes better than ever. In addition, all of marketers have to build their strategy that concentrates on individual's activity [14].

Some experts predict that, in the next 2-3decades, our advertising budget will be expended on experiential, digital and direct advertising, which will have different landscape in the 2034[15].

- Experimental advertising can become the most costly but the most powerful style of advertising.
- Digital marketing will be the most utilized framework of marketing and advertising and also will be classified into social, mobile and all of billboards will have been made by digital frames.
- Direct advertising includes various issues like direct response commercials, direct mail and other forms now.

13. Conclusion

Overall, advertising plays a crucial role in reaching growth in sales of goods and services. The effectual advertising indicates to informing individuals about our products and services through the right tool and at the right time. Choosing the fruitful media is the essential factor of whole advertising campaign success. To do that, we should investigate the intake markets around the world, potential customers, and effective factors of consumer behavior (culture, position, personality, environment and psychology) and should be in tune with modern methods of advertising. Certainly, most of the advertisers will implement the digital ways to grab more and more customers and have the high rank in the hyper competitive environment in the future. So, heeding and pondering the consumer behavior as a core of all marketing and advertising decision-making will be an elixir of successful.

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