### The Psychological Impact of Advertising on the Customer Behavior

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#### Abstract

Advertising plays a major role in modern life. It shapes the attitudes of the society and the individual and inevitably influences customer behaviour. The customer has to contend with a huge amount of information and be able to make a choice, draw conclusions and make important decisions. The most important task for a business advertising itself is to present its product in such a manner that the whole environment around the buyer turns into a positive emotional stimulus. The main goal of advertising a certain product or service is to attract the customer's attention and analyse the impact of advertising on customer behaviour, which is determined by a multitude of aspects, although the psychological-cognitive, emotional and behavioural-ones play the most *important role.* 

*Keywords: advertising, impact of advertising, customer behaviour, psychological aspects.* 

### 1. Introduction

Customers are valuable assets for the enterprise, but they can be costly to acquire and retain. The customers' differences in the course of their relationship with the enterprise are reflected in their contributions to the enterprise value throughout their tenure. To the extent that different acquisition strategies bring different "qualities" of customers, the acquisition effort has an important influence on the long-term profitability of the enterprise. Indeed, both practitioners and scholars have emphasized that enterprises should spend not to acquire just any customer but rather the "right" kind of customer (Blattberg & Deighton 1996; Blattberg, Getz, & Thomas 2001; Hansotia & Wang 1997; Reichheld 1993), because advertising plays a very important role in this field.

Advertisers pay a particular attention to the customer in order to attract and retain him/her. According to Ph. Kotler and others (2003), D. Jokubauskas (2003), both the businesses and individual sellers should ask themselves what should the advertising of their products and services be and what impact on the customer should it make. Therefore, these aspects should be anticipated and evaluated and the following questions answered: what should the ad be; what should the emphasis be put on; what visual design should be chosen; what psychological impact is it going to have on the customer?

Research literature pays most attention onto the ad creation process itself (Kotler ir kt., 1992; Blackwell Roger D., Miniard Paul W., & Engel James F., 2005), the potential users of the product or service advertised (Jusienė, 2000; Adams, 2005), the stages of advertising impact are tackled (Dolak, 2007; Jokubauskas, 2007; Lamb, Hair, McDaniel, 1992); psychological aspects influencing customer behaviour were analized by Werner, Kumar (2003); Deijan, Pochepsov, Zazykin (2003) and others, however a further thorough and complex research is necessary.

Kotler ir kt. (1992); Blackwell Roger D., Miniard Paul W., & Engel James F. (2005) emphasise that businesses advertising their merchandise should pay attention not to the amount of money spent but to the process of advert creation, the product of which, therefore is the advert itself making impact on the customer. Jusienė, (2000); Adams, (2005) state that in the centre of advertising lies the potential product advertised and the user of the service. In order to acquire the product advertised, the customer has to "get through" the stages of the ad impact (Dolak, 2007). The impact of advertising on the market is especially large, as advertising serves as a channel of information dissemination and the presumption for the market feedback. In today's market the range of products and services is especially large, they are all impossible to remember or purchase. The main goal of advertising a certain product or service is to attract the customer's attention and analyse the impact of advertising on the customer behaviour, which is determined by a number of cognitive, emotional and behavioural aspects.

In the centre of advertising is the customer, whose psychology is determined by numerous aspects and advertising itself, which aims at arousing the customers wish to acquire the product advertised, and most importantly, at achieving the act of purchasing the product.

This proves the problematic nature of the subject under discussion. *The problem analyzed* in the article is related to the fact that while analyzing research papers the proposed models of advertising impact on the customer can be observed, which are more or less similar in nature, but a unified scheme to analyze the psychological aspects of advertising impact does not seem to exist.

*The article aims* – after theoretical analysis and summary of psychological impact of the advertising on the customer behaviour to empirically test the psychological impact of the advertising on the customer behaviour (based on the example of companies).

*The research methods* used in the article were as follows: the analysis of research literature and primary data.

## 2. The Aspects Influencing Advertising Information

As V. Iljin (2000), D. Jokubauskas (2003) state, it is proven by the research of psychologists that the perception of advertising information is determined by a multitude of aspects. However, the psychological ones - cognitive, emotional and behavioural - play the most important role. The largest amount of information is perceived by seeing. Visual presentation of advertising is the simplest way of pertaining information, as to perceive visual information the human uses least energy. At least one visual aspect in the ad has to affect the customer subconsciously. This could be colour, an unusual shape of size of the first character, a large, attractive and full-colour photo or text design. Empty spaces, abstract images and drawings do not suit the ad. It is noticed that the more realistic illustration, the more efficient is the ad, as it is the thing directly affecting the customer. The presentation of advertising information and therefore a higher demand for merchandise will depend on the knowledge of the customer's psychology. This is the main goal of advertising.

Cognition is related with how the human perceives advertising information. That is why an ad must distinguish the product advertised from the others, at the same time attract the customer's attention and maintain his/her interest. Finally, it should arouse the customer's motivation to acquire the product advertised.

It is obvious that advertising affects the customer by the cognitive aspect. Senses are one of the most important aspects of impact; it is the process of primary cognition. The main goal of advertising is to evoke the feeling, in other words, it demonstrates how the customer is going to feel after acquiring one or another product.

According to D. Jokubauskas (2007), if the ad evokes the feelings not only directly related to it, but also additional (both positive and negative) ones, we can state that the advertiser was successful in distinguishing the merchandise and this will affect the customer's decision. Another important cognitive aspect is perception. The feelings are usually evoked subconsciously, while cognition is a conscious process. Viewing is the most influential in the process of advertising information perception and evaluation. Therefore, advertising has to correspond the principle of consistence, all of its aspects - title, text, illustration and logos - are closely related and determine the general impact of the ad. If the aspects and information are insufficient to formulate the main idea, ambiguities occur.

Recognition plays an important role in the cognition process. Therefore, if the first ad of the

product is graphic and logical, later it is enough to repeat any of its aspects and the customer will reproduce the ad she/he has seen before. Visual presentation must meet several conditions: the structure of the ad must be precise and clear; the object advertised is the centre, therefore its shape, size and proximity are important; the most important is to have the product dominating and standing out in the background.

The contemporary customer selects information very carefully, as well as adverts that are interesting and attracts attention. The attention attracting ads are the following: the ones where the customers see what attracts or frightens them; when their attention is drawn as they already tend to start the process of choosing. The customer's attention will be drawn to and intensified if the advert information represents the user's interests (what the motivation and needs are).

Research has shown that an individual better memorizes the facts related to his/her job, future or interests. Useless information is memorized worse. Therefore, adverts directly related to the customers' interests and plans are more efficient (Čereška, 2004; Jokubauskas, 2007). This means that advertising information must be oriented towards the customer's needs and motifs, clarifying the psychological aspects determining the customer's behaviour, also aim at attracting his/her attention and wish to purchase the products advertised.

### **3.** Generalized Model for Research of the Psychological Impact of Advertising

According to Ph. Kotler (2003), there are four key psychological processes — motivation, perception, learning, and memory - fundamentally influencing the customer responses to marketing stimuli. D. Jokubauskas (2007) also attributes the cognitive aspects, i.e. senses, reasoning, language and perception, to the psychological impact of advertising, although the author does not present the hierarchy of these aspects. Therefore, based on the other authors' hierarchical division, the cognitive aspects could be divided as follows: firstly, the customer's attention is concentrated, then perception, cognition though the customer's emotions and different senses, reasoning take place and then follows the advert assimilation. In D. Dolak's (2007) model of the advertising stages impact Attention, Interest, Desire, Action (AIDA) are distinguished. The DAGMAR model distinguishes Awareness, Comprehension, Conviction, Action (Keith, 2006). All abovementioned models distinguish similar aspects occurring when the customer sees adverts (see Table 1).

Table 1: The Aspects of Psychological Impact of Advertising			
The traditional conceptual			
model for creating any	DAGMAR Model	Four key psychological	Cognitive aspects
advertising or marketing	(Association of	processes	(D. Jokubauskas, 2007)
communications message	National	(Ph. Kotler, 2007)	
is the AIDA Model	Advertisers)		
Attention	Awareness	Motivation	Attention
Interest	Comprehensi	Perception	Perception
	on		
Desire	Conviction	Learning	Emotions, senses, reasoning,
			thoughts, language
Action	Action	Memory	Assimilation, recognition

Table 1: The Aspects of Psychological Impact of Advertising

Table 1 demonstrates that in the hierarchy of advertising impact the customer's attention dominates (AIDA; DAGMAR; Jokubauskas, 2007), which is achieved through an ad and recorded in consciousness. However, Ph. Kotler (2007) is of the opinion that in this hierarchy it is not the attention, but the customer's motivation that really matters. An individual has many needs at any given time. Some needs are biogenic; they arise from physiological states of tension such as hunger, thirst, and discomfort. Other needs are psychogenic; they arise from psychological states of tension such as the need for recognition, esteem, or belonging. A need becomes a motive when it is aroused to a sufficient level of intensity. At this stage the most important is that the ad is noticed and recorded the customer's consciousness.

The following stage in the hierarchy of advertising needs is reaching the comprehension of and interest in the ad, i.e. comprehension of the object in the ad (why is this object special, etc.). Here the importance of Ph. Kotler's (2007) hierarchy of advertising impact could be singled out. He states that perception depends not only on physical stimuli but also on the stimuli's relation to the surrounding field and on conditions within the individual. The key point is that perceptions can vary widely among individuals exposed to the same reality because of three perceptual processes: selective attention, selective distortion, and selective retention. People are exposed to many daily stimuli such as ads; most of these stimuli are screened out-a process called selective attention. The result is that marketers must work hard to attract customers' attention.

When the customer's attention is drawn and perception/interest takes place it is logical to reason that persuasion and eventually cognition and acceptance happen next. However, it is proposed that this acceptance, according to D. Jokubauskas (2007) should take place through the cognitive aspects – the customer's emotions, senses, reasoning, language and thoughts. Consequently, advertising information in this hierarchy means that the customer must also understand the use of the product advertised, that it is special and stands out

among the others, and no doubt that what is being pertained in the ad is true and that the benefit of the product is truly important (just as the ad states).

Finally, the final act is reached, which already is the final aim of the ad, when part of customers will buy the product (AIDA, DAGMAR). However, Ph. Kotler (2007) ir D. Jokubauskas (2007) state that the most important is not the act itself, but the information recorded in the memory, its assimilation and recognition in the future.

# **4.** A Research of the Psychological Impact of Advertising on the Customer Behaviour (based on the example of Lithuanian companies)

Based on the analysis of research literature on the cognitive aspect of advertising impact, a survey of advertising impact on the customer behaviour was carried out.

The object of the survey – the impact of advertising on the customer behaviour.

The method of the research – a descriptive quantitative survey (a questionnaire).

The issues are as follows: finding out how the customers learn about the enterprise; reveal how the customer accepted the advertising information in the cognitive aspect; determine if the advertising information makes any impact on the customer behaviour.

The contingent under research was made up of 155 respondents who were questioned upon a visit to eight Lithuanian company's the enterprises in December 2007. 69 % of the respondents had a university degree or higher education, 2 % had primary or main education and almost 1/3 (29 %) had secondary education. The respondents' age is distributed as follows: 16 to 29 years of age (48 % of all respondents) and 30 to 49 years of age (52 % of all respondents).

The survey aimed at finding out what the respondents know about companies (see fig. 2).

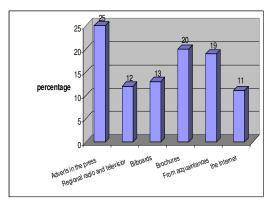


Fig 2. The distribution of respondents who learned about the enterprise from advertising

As it is seen from fig.2, 25 % of all the respondents learned from ads in the press, 20 % from brochures, 19 % from acquaintances, the rest from the radio and television (12 %), billboards (13 %), and the Internet (11 %). This proves that the most efficient means of attracting attention is advertising in the brochures, and the acquaintances' press, recommendations. This means that attention is one of the psychological cognitive aspects influencing the user. Also, some interest was taken into the fact whether advertising is currently important to the customers and arouses their interest (see fig. 3) and to make sure if the second psychological aspect (emotional) influences the respondents. Also the respondents' reaction after seeing companies advertising information was taken into account (see fig. 4).

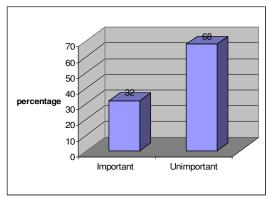
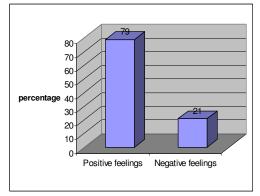


Fig 3. The respondents' interest in the ads about companies merchandise

As it is seen from fig. 3, the advertising information about companies is not important. 68 % of all the respondents are of this opinion. 32 % of the respondents find this information important. We can state that in the meantime the respondents are not planning to purchase the products advertised and this kind of advertising in not important.



*Fig 4. The respondents' reaction to the ads about companies merchandise* 

Fig. 4 demonstrates that companies ads evoke positive feelings. Alongside with these feelings they name easily memorised and obsessive information, the background is not too bright, the product is introduced in a detailed way, and contains a funny photograph, and therefore the ad is not tedious. 79 % of respondents think so and only 21 % of respondents named negative feelings. They state that the ad irritates them as much as other ads, as similar products are advertised far too often and they are not interested in the adverts of such products. Therefore, we can state that if advertising information evokes positive and negative feelings, it is prepared successfully. Generalising fig. 3 and 4 we can conclude that those 32 % of respondents who find the advertising important and are interested in it get positive feelings about it; while the other 68 % find this information unimportant, although they experience both positive and negative feelings. In order to evaluate the efficiency of the enterprise's advertising components and how its advertising arouses interest and attracts attention; the respondents were asked what namely attracts their attention in the advertising information. The results obtained are presented in fig. 5.

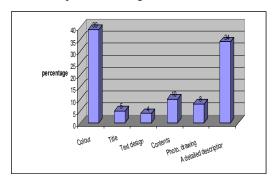


Fig 5. The components of presenting the enterprise's advertising information

Fig. 5 demonstrates that 39 % of respondents think that it is the colour of the ad that attracted the

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Communications of the IBIMA Volume 3, 2008 attention, 5 % of the respondents think that it is the title and 10 % of the respondents named the contents, 8 % named the photograph, 4 % think it is the composition of the text, 34 % were attracted by the detailed descriptions. This means that the colour scheme and detailed descriptions evoke emotions and thus attract their attention and arouse interest.

In attempting to evaluate the customers' opinion, some interest was taken into what differentiates the products advertised at companies from their competitors' ones (see fig. 6).

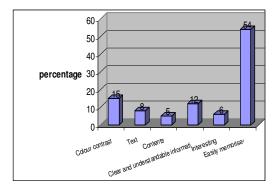


Fig 6. The respondents' opinion about the information divergence from other products

As it is seen from fig. 6, 12 % of the respondents think that the advertising information is clear and well understood, 15 % think that the enterprise's advertising stands out from others with the colour contrast, 6 % think that the ads are interesting, according to 5 % of all the respondents, it the contents that stands out, and to 8 % it is the text. However, almost half of the respondents think that the ads are well memorized, and this distinguishes them from their competitors' ads. 6 % state that this advertising is not different from others. It is possible to state that the differentiating features of the adverts at companies are understandable and clear information, a colour contrast prevails, which attracts the customer's attention and arouses emotions and associations. During the survey it was revealed that half (50 %) of the respondents were interested in the products advertised and the other half took no interest.

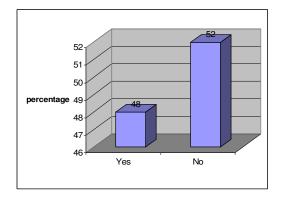


Fig 7. The respondents' opinion about acquiring the goods

During the survey an attempt was made to learn if the psychological factor under discussion, i.e. behavioural one, influenced the customer and if his/her intentions are going to be related with the wish to acquire the products advertised and the process of acquiring (see fig. 7).

As it is seen from fig. 6, the information about the products advertised evoked the wish to purchase in 48 % of the respondents, while 52 % did not have such a wish (see fig. 7). This means that the final aim of advertising was achieved – adverts make a psychological impact on the customer. We can also state that the advertising information in the enterprise was adequately prepared, as all of the respondents reacted to the ads.

#### 5. Conclusion

Having generalized the results of the theoretical surveys by Blackwell, Miniard and Engel, 2005; Mažeikaitė, 2001; Čereška, 2004; Kotler et al 2003; Lamb, Hair, McDaniel 1992; Dolak, 2007; Jokubauskas, 2007, Iljin, 2000 it can be concluded that advertising influences the customer through the cognitive aspects. Cognition is related to the fact that an individual perceives the information advertised through senses, perception, attention, memory, reasoning, language, etc. It is possible to state that one of the most important tasks advertising performs is to distinguish the item or service advertised, attract the customer's attention and sustain his/her attention. On the basis of theoretical analysis three aspects cognitive, emotional and behavioural - were identified and evaluated during the survey. The survey results revealed that the customer's attention, as one of the psychological cognitive aspects under research, was influent mostly by ads in press and brochures. The research data showed that the second psychological aspect (emotional) influences the respondents mostly because it caused positive feelings for the biggest part of respondents (79 %). It can be concluded that the final aim of advertising (behavioural aspect) was achieved - adverts make a psychological impact on the customer.

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