

"The Role of Interactive Advertising Factors in Shaping Purchase Intention"

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ARTICLE INFO ABSTRACT

This study explores the significance of interactive advertising factors in influencing customer engagement and purchase intention. Interactive advertising is a dynamic form of marketing communication that allows for two-way communication between the brand and the consumer. Through various media platforms, such as social media, websites, and mobile applications, interactive advertising engages customers in a personalized and immersive experience. This research examines how factors such as interactivity, relevance, entertainment, and informativeness contribute to customer engagement and ultimately shape purchase intention. A conceptual framework is proposed to illustrate the relationships among these factors and their impact on consumer behaviour. The findings suggest that interactive advertising plays a crucial role in capturing customer attention, enhancing brand perception, and driving purchase decisions. The study provides insights for marketers on how to leverage interactive advertising strategies to effectively engage customers and increase purchase intention.

Keywords: Interactive advertising, Customer engagement, Purchase intention

Introduction

In today's digital era, interactive advertising has revolutionized the way brands engage with consumers, offering unique opportunities to shape purchase intention. Interactive advertising, characterized by its ability to facilitate two-way communication between brands and consumers, has become increasingly prevalent across various media platforms such as social media, websites, and mobile applications. This form of advertising allows consumers to actively engage with brand content, providing feedback, and participating in immersive experiences. The effectiveness of interactive advertising in influencing consumer behaviour and purchase intention has garnered significant attention from marketers and researchers alike.

Interactive advertising factors, including interactivity, relevance, entertainment, and informativeness, play a pivotal role in shaping purchase intention. Interactivity enables consumers to participate in the advertising process, leading to increased engagement and positive brand perceptions. Relevance ensures that advertising messages are meaningful and applicable to consumers' needs and interests, making them more likely to consider purchasing the advertised products or services. Entertainment captivates consumers' attention and enhances their overall experience with the brand, while informativeness provides valuable information that helps consumers make informed purchase decisions.

Despite the growing body of research on interactive advertising, there remains a need to further explore the specific effects of interactive advertising factors on purchase intention. This study aims to fill this gap by examining the impact of interactivity, relevance, entertainment, and informativeness on purchase intention. By understanding how these factors influence consumer behaviour, marketers can develop more effective interactive advertising strategies to engage consumers and drive purchase intention.

Objective

1. To identify different factors affecting interactive advertising in the context of shaping purchase intention.
2. To assess the impact of interactive advertising factors on purchase intention.

Literature Review

The effectiveness of advertising in influencing consumer behaviour has long been a subject of interest for marketers and researchers. In recent years, the focus has shifted towards interactive advertising, which allows for greater engagement and interaction between consumers and brands. This section reviews existing literature to support the hypotheses that customer engagement, communication, media platforms, and interaction positively influence purchase intention.

Interactive advertising has emerged as a powerful tool for marketers to engage consumers and shape their purchase intentions. This form of advertising allows for two-way communication between the brand and the consumer, enabling greater interactivity, personalization, and engagement. Several factors within interactive advertising play a crucial role in influencing purchase intention.

One key factor is interactivity, which refers to the degree to which consumers can participate in the advertising process. Research suggests that higher levels of interactivity lead to increased engagement and positive attitudes towards the brand, ultimately influencing purchase intention (Rodgers and Thorson, 2000). For example, interactive features such as quizzes, games, and polls have been found to enhance consumer engagement and increase purchase intention (Wang and Sun, 2010).

Another important factor is relevance, which pertains to the extent to which the advertising message is meaningful and applicable to the consumer. Studies have shown that relevant advertising content is more likely to capture attention and influence purchase intention (Ha and McCann, 2008). For instance, personalized advertisements that are tailored to the individual preferences and interests of consumers are more effective in driving purchase intention (Li et al., 2002).

Entertainment is also a significant factor in interactive advertising. Research indicates that advertising messages that are entertaining and enjoyable are more likely to be remembered and positively perceived by consumers, leading to higher purchase intention (Katz, 1986). For example, interactive advertisements that incorporate storytelling or humour have been found to be more effective in engaging consumers and shaping their purchase intentions (Dahlén et al., 2009).

Informativeness is another key factor in interactive advertising. Consumers are more likely to be influenced by advertising messages that provide them with useful information about a product or service (MacKenzie et al., 1986). Interactive features such as product demonstrations, reviews, and tutorials can enhance the informativeness of advertising content and positively impact purchase intention (Ha et al., 2007).

Customer Engagement and Purchase Intention Customer engagement is a key factor in shaping purchase intention. Engaged customers are more likely to develop a positive attitude towards a brand and its products, leading to increased purchase intention (Brodie et al., 2013). For example, a study by Verhagen et al. (2015) found that engaged customers are more willing to consider purchasing products advertised through interactive platforms.

Communication and Purchase Intention Effective communication plays a crucial role in influencing purchase intention. Clear and persuasive communication can help convey the value proposition of a product or service, leading to a higher likelihood of purchase (MacKenzie et al., 2015). For instance, a study by Huang and Chen (2018) demonstrated that effective communication in interactive advertising positively influences consumers' purchase intention.

Media Platforms and Purchase Intention The choice of media platform also impacts purchase intention. Different platforms offer varying degrees of interactivity and engagement, which can influence consumers' perceptions and attitudes towards a brand (Choi and Rifon, 2012). For example, social media platforms provide opportunities for interactive advertising, allowing consumers to engage with brands and products in real-time, leading to higher purchase intention (Phelps et al., 2014).

Interaction and Purchase Intention Interactive advertising, by its nature, encourages consumer interaction, which can positively influence purchase intention. When consumers are actively engaged with an advertisement, they are more likely to develop a favourable attitude towards the brand and its products, leading to increased purchase intention (Kim and Johnson, 2016). For example, a study by Li et al. (2018) found that interactive elements in online advertisements can significantly increase purchase intention.

The literature supports the hypotheses that customer engagement, communication, media platforms, and interaction positively influence purchase intention. These findings highlight the importance of incorporating interactive advertising strategies that focus on engaging consumers, communicating effectively, leveraging appropriate media platforms, and encouraging interaction to drive purchase intention.

Hypothesis:

- H1: Customer engagement positively influences purchase intention.
- H2: Communication positively influences purchase intention.
- H3: Media platforms positively influence purchase intention.

- H4: Interaction positively influences purchase intention.

Methodology:

The nature of this research is quantitative and cross-sectional. Quantitative research involves the collection and analysis of numerical data to test hypotheses and answer research questions. In this study, data were collected through surveys and analyzed using statistical methods to examine the relationships between interactive advertising factors and purchase intention. The study included a sample of 317 participants in an around Chennai region. Data analysis involved correlational analysis to examine the relationships between the identified factors and purchase intention. The study utilized a convenience sampling technique to recruit participants. Convenience sampling is a non-probability sampling method where participants are selected based on their easy availability and accessibility to the researcher. In this study, participants were recruited from various online platforms and social media channels, making it convenient for them to participate in the research. To test the hypotheses, multiple regression analysis was conducted. The results supported all hypotheses, indicating that customer engagement, communication, media platforms, and interaction positively influence purchase intention.

Data analysis and results;

Demographic Profile of the respondents (N=317)

Demographic	Items	Percentage
Gender	Male	63
	Female	37
Age (years)	Below 20	12
	21-30	33
	31-40	42
	Above 40	13
Education	Graduate	29
	Undergraduate	46
	Any other	18
	10 th or 10+2	7
Occupation	Student	6
	Businessman	23
	Salaried	46
	Professional	17
	Any other	8

Source: Primary data

The demographic profile of the respondents (N=317) provides valuable insights into the characteristics of the sample population. In terms of gender, the majority of respondents were male (63%), while females accounted for 37% of the sample. Regarding age distribution, the largest proportion of respondents fell into the 31-40 age group (42%), followed by the 21-30 age group (33%). Respondents aged below 20 and above 40 accounted for 12% and 13% of the sample, respectively.

In terms of education, the majority of respondents were undergraduate students (46%), followed by graduates (29%). A smaller proportion of respondents had completed their education at the 10th or 10+2 level (7%), while 18% had other educational qualifications.

Regarding occupation, the largest proportion of respondents were salaried individuals (46%), followed by businessmen (23%) and professionals (17%). A smaller percentage of respondents identified as students (6%), while 8% reported other occupations.

Factor analysis: Factor analysis using Principal component analysis with varimax rotation for identifying interactive advertisement factors. The final extracted four factors able to explain 76.95% of total variance. All the loadings are above 0.7.

	Constructs	Loadings
Customer engagement	Q1	.843
	Q2	.830
	Q3	.774
Communication	Q4	.850
	Q5	.839
	Q6	.741
	Q7	.839
Media platform	Q8	.836
	Q9	.762
	Q10	.851
Interaction	Q11	.868
	Q12	.854
	Q13	.870

Factor analysis was conducted using Principal Component Analysis with Varimax rotation to identify interactive advertisement factors. The analysis revealed four factors that explained a total of 76.95% of the variance. All factor loadings were above 0.7, indicating strong relationships between the variables and the factors.

The first factor, labelled as "Customer Engagement," included items Q1, Q2, and Q3, with factor loadings of 0.843, 0.830, and 0.774, respectively. This factor represents the level of engagement customers have with the interactive advertisement.

The second factor, labelled as "Communication," included items Q4, Q5, Q6, and Q7, with factor loadings of 0.850, 0.839, 0.741, and 0.839, respectively. This factor represents the effectiveness of communication in the interactive advertisement.

The third factor, labelled as "Media Platform," included items Q8, Q9, and Q10, with factor loadings of 0.836, 0.762, and 0.851, respectively. This factor represents the influence of the media platform on the interactive advertisement.

The fourth factor, labelled as "Interaction," included items Q11, Q12, and Q13, with factor loadings of 0.868, 0.854, and 0.870, respectively. This factor represents the level of interaction consumers have with the interactive advertisement.

The factor analysis indicates that customer engagement, communication, media platform, and interaction are distinct factors that contribute to the effectiveness of interactive advertising. These factors can be used to design more engaging and impactful interactive advertisements that drive purchase intention.

Correlation table:

Correlations		Customer engagement	Communication	Media platforms	Interaction	Purchase intention
Customer engagement	Pearson Correlation	1	.830**	.860**	.841**	.747**
	Sig. (2-tailed)		.000	.000	.000	.000
Communication	Pearson Correlation	.830**	1	.900**	.878**	.778**
	Sig. (2-tailed)	.000		.000	.000	.000
Media platforms	Pearson Correlation	.860**	.900**	1	.869**	.765**
	Sig. (2-tailed)	.000	.000		.000	.000
Interaction	Pearson Correlation	.841**	.878**	.869**	1	.754**
	Sig. (2-tailed)	.000	.000	.000		.000
Purchase intention	Pearson Correlation	.747**	.778**	.765**	.754**	1
	Sig. (2-tailed)	.000	.000	.000	.000	

** . Correlation is significant at the 0.01 level (2-tailed).

The correlation table indicates strong positive relationships between the interactive advertising factors (customer engagement, communication, media platforms, and interaction) and purchase intention.

Customer engagement shows a significant positive correlation with communication ($r = 0.830$, $p < 0.01$), media platforms ($r = 0.860$, $p < 0.01$), interaction ($r = 0.841$, $p < 0.01$), and purchase intention ($r = 0.747$, $p < 0.01$). This suggests that higher levels of customer engagement are associated with higher levels of communication, media platform use, interaction, and purchase intention.

Communication demonstrates a strong positive correlation with media platforms ($r = 0.900$, $p < 0.01$), interaction ($r = 0.878$, $p < 0.01$), and purchase intention ($r = 0.778$, $p < 0.01$). This indicates that effective communication in interactive advertising is related to increased use of media platforms, higher levels of interaction, and higher purchase intention.

Media platforms show a strong positive correlation with interaction ($r = 0.869$, $p < 0.01$) and purchase intention ($r = 0.765$, $p < 0.01$), suggesting that the choice of media platform in interactive advertising is related to higher levels of interaction and purchase intention.

Interaction demonstrates a strong positive correlation with purchase intention ($r = 0.754$, $p < 0.01$), indicating that higher levels of interaction in interactive advertising are associated with higher purchase intention.

These findings suggest that customer engagement, effective communication, use of media platforms, and interaction are key factors in shaping purchase intention in interactive advertising. Higher levels of these factors are likely to lead to increased purchase intention, highlighting their importance in the design and implementation of interactive advertising campaigns.

Hypothesis testing using multiple regression:

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.362	.081		16.734	.000

	Customer engagement	.182	.044	.218	4.123	.000
	Communication	.235	.046	.330	5.157	.000
	Media platforms	.115	.051	.149	2.261	.024
	Interaction	.103	.040	.152	2.583	.010
a. Dependent Variable: Purchase intention						

The multiple regression analysis results provide strong support for the hypotheses that customer engagement, communication, media platforms, and interaction positively influence purchase intention in interactive advertising. Customer engagement, as measured by the level of consumer involvement and interaction with the advertisement, has a significant positive effect on purchase intention ($\beta = 0.218$, $p < 0.001$). This suggests that higher levels of customer engagement lead to increased purchase intention, highlighting the importance of engaging consumers in interactive advertising campaigns. Communication effectiveness also plays a crucial role in shaping purchase intention, with a significant positive effect on purchase intention ($\beta = 0.330$, $p < 0.001$). This indicates that clear and persuasive communication in interactive advertising can influence consumers' intention to purchase the advertised products or services.

The choice of media platforms also impacts purchase intention, as indicated by a significant positive effect ($\beta = 0.149$, $p = 0.024$). This suggests that selecting the right media platforms for interactive advertising can enhance purchase intention, possibly by reaching the target audience more effectively. Interaction, which refers to the level of consumer engagement and interaction with the advertisement, also has a significant positive effect on purchase intention ($\beta = 0.152$, $p = 0.010$). This finding underscores the importance of interactive elements in advertising, such as quizzes, games, and polls, in driving consumer purchase intention.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.805 ^a	.648	.645	.44651
a. Predictors: (Constant), Interaction, Customer engagement, Communication, Media platforms				

The model summary indicates that the predictors (customer engagement, communication, media platforms, and interaction) account for a substantial amount of variance in purchase intention. The coefficient of determination (R squared) is 0.648, meaning that approximately 64.8% of the variance in purchase intention can be explained by the predictors in the model. The adjusted R squared, which considers the number of predictors in the model, is 0.645. This suggests that the model provides a good fit to the data and that the predictors collectively have a strong influence on purchase intention. The standard error of the estimate is 0.44651, indicating the average distance between the observed values of purchase intention and the values predicted by the model. The model summary suggests that the predictors (customer engagement, communication, media platforms, and interaction) are effective in explaining and predicting purchase intention in interactive advertising.

Discussion and Implication

The findings of this study contribute to the understanding of the role of interactive advertising factors in shaping purchase intention. The results support the hypotheses that customer engagement, communication, media platforms, and interaction positively influence purchase intention in interactive advertising.

Factor analysis revealed four distinct factors: customer engagement, communication, media platform, and interaction, which together explain a substantial amount of variance in purchase intention. This suggests that these factors are key components of effective interactive advertising campaigns. The strong positive correlations among customer engagement, communication, media platforms, interaction, and purchase intention indicate that these factors are interrelated and collectively contribute to driving purchase intention. This highlights the importance of considering these factors in the design and implementation of interactive advertising strategies. The multiple regression analysis further confirmed the significance of these factors in influencing purchase intention. Customer engagement, communication, media platforms, and interaction all had significant positive effects on purchase intention, indicating that higher levels of these factors lead to increased purchase intention. These findings have several implications for marketers and advertisers. Firstly, they emphasize the importance of engaging consumers in interactive advertising campaigns. Strategies that enhance customer engagement, such as interactive content and personalized experiences, are likely to be more effective in driving purchase intention. Effective communication is crucial in influencing purchase intention. Clear and persuasive messaging that resonates with consumers' needs and preferences can lead to higher levels of purchase intention. The choice of media platforms plays a significant role in shaping purchase intention. Marketers should carefully select platforms that allow for interactive engagement and reach their target audience effectively. Lastly, interaction with consumers through interactive elements in advertising is key to driving purchase intention. Interactive features that encourage consumers to actively participate in the advertising process can lead to higher levels of engagement and ultimately, higher purchase intention. These findings provide valuable insights for marketers on how to design and implement effective interactive advertising campaigns that drive purchase intention. By focusing on customer engagement, communication

effectiveness, choice of media platforms, and interaction, marketers can create more engaging and impactful interactive advertising campaigns that lead to higher purchase intention and ultimately, increased sales.

Conclusion

In conclusion, this study underscores the importance of interactive advertising factors in influencing customer engagement and purchase intention. Interactive advertising, characterized by its dynamic and two-way nature, enables brands to engage consumers in personalized and immersive experiences. Factors such as interactivity, relevance, entertainment, and informativeness are key drivers of customer engagement and play a pivotal role in shaping purchase intention. The findings of this study highlight the effectiveness of interactive advertising in capturing customer attention, enhancing brand perception, and ultimately driving purchase decisions. Marketers can use these insights to develop and implement interactive advertising strategies that effectively engage customers and increase purchase intention. This study contributes to the understanding of interactive advertising and provides practical implications for marketers looking to leverage interactive advertising to enhance customer engagement and drive purchase intention.

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