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Demographic Advertising: Variation of Choice of Media with Age

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Abstract:

With the advent of the numerous marketing tools it is becoming difficult for the marketer to select right kind of media for his client company. Demographic information is an important tool which should be analysed while developing marketing strategies to facilitate efficient classification of target audience. The paper focuses on age as an attribute to regulate effective advertising campaigns. To gain an insight into this proposition and make it simpler for marketers, a survey was conducted to find out if there exists any relation between age of the consumers and the media they prefer. The impact of technology was observed across age bands in deciding the choice of media. Using a statistical analysis, it was concluded that choice of media is dependent on the age of customers.

Keywords: marketing, demographic, advertising

1. Introduction

Marketing, in simple words, is to communicate the existence of a product and to convince potential buyers that they have the right product for them. With the advent of the numerous marketing tools it is becoming difficult for the marketer to select right kind of media for his client company. One of the biggest challenges of a marketer is to understand the psychology of the consumers. A lot of things have to be kept in mind such the nature of the product, the type of consumers it will cater to, the objective of the marketing process, the competition it has or might face, and the list continues. Sometime a large proportion of marketing budget goes to wrong targeted audience, which finally results in wastage of money. It is also annoying for customers to see repetitive and unconcerned advertisement which ultimately become unproductive for both the parties. Gary Austin Witt says buying begins in the mind and it is important to capture minds of the buyers to capture his money. It is possible only through good advertising because primary contact with potential customers is mainly through this medium^[1].

Demographic information is an important tool which should be analysed while developing marketing strategies to facilitate efficient classification of target audience. It gives sellers an advantage in having a sound knowledge of their market. The information consists of buyer's geographical area, gender, educational qualifications, age, income group etc. It is useful for all kinds of businesses since it avoids hit-and-miss marketing methods^[2].

The paper focuses on age as an attribute to regulate effective advertising campaigns. To gain an insight into this proposition and make it simpler for marketers, a survey was conducted to find out if there exists any relation between age of the consumers and the media they prefer. Analysis of most suitable platform through which target customers can be communicated about the product was also carried out.

2. Methodology

20 people each from three different age bands were asked to fill a questionnaire (20-35, 35-50, 50-65 years of age) as part of the survey. The results of the questionnaire was evaluated using Chi-Square test of independence to analyse correlation between age of consumers and choice of media. Chi square test is a statistical tool which helps in assessing the goodness of fit between a set of observed values and those expected theoretically.

The medium selected for the study include Internet, Television, Word of Mouth, Newspaper & Magazines, Out of House. The medium has been selected after considering the present market scenario and the most sought after platforms in advertising. Choice of media catering to attributes such as persuasiveness, clarity in idea, attractiveness, retentive power etc. was also examined for different age bands.

3. Analysis

By learning about core consumer segments, the retailer could better focus attention on details that appeal to these consumers and design an appropriate product mix and promotional campaign. Demographic characteristics classify us without describing our personality. They are directly related to our physical being and cannot be changed. Marketers have found that they can work with retailers to provide products and services which would appeal to a majority of members of a particular generation, based on general needs and wants of consumers ^[3].

The results of seven chosen attributes for the questionnaire are shown in Table 1. The tabulations

ATTRIBUTES	20-35 Years	35-50 Years	50-65 Years
PERSUASIVE	Internet	Word of Mouth	Word of Mouth
BETTER ADVICE	Internet	Television	Word of Mouth
CLARITY IN IDEA	Internet	Television	Word of Mouth
APPEALING/ATTRACTIVENESS	Internet	Television	Television
RETENTION	Internet	Television	Word of Mouth
SPEND MOST TIME	Internet	Television	Newspaper/Magazine
SEE MOST ADVERTISEMENTS VIA	Internet	Television	Out of house

Table 1

As per the majority observed across each age band. Internet is dominating across all the attributes when the younger age band of 20-35 years is considered. Television is the most observed result for age band of 35-50 years. The fact worth noticing is that although the most aged band of 50-65 years spend most of their time with newspapers and magazines, retention is mainly through word of mouth. One of the possible reasons for this can be that newspaper generally influences a bigger zone. As zone size decreases, efficiency of advertising and its potential increases. Advertisers can reach distinct groups of customers who may live in close proximity to their businesses, and/or who share a demographic profile similar to the advertiser's target customer ^[4].

Also, behavioural targeting plays a major role in retention of advertisement in one's memory as reflected in our survey. It is a technique used by online advertisers to increase effectiveness of their marketing campaigns, and is playing an increasingly important role in the online advertising market ^[5].

Not a single attribute had all three age groups in common. There was a definite variation across age bands. There were different kinds of platforms which had majority for various attributes in case of old age group of 50-65 years, whereas a uniformity was observed for younger age groups.

3.1. Identifying the Best Media

Age	Choice of Media
20-35	Internet
35-50	Television Advertisement
50-65	Word Of Mouth

Table 2

Is the choice of media dependent on age? Firstly the preference of media for each age group was found. The following results were arrived at (Refer Table 2)

- For Age group of 20-35: For all the attributes, i.e., persuasiveness, better advice, clarity of idea, attractiveness, retention, time spent and frequency of advertisements, majority of the people falling under this age group have marked Internet as their choice. 50% are in favour of Internet, 30% favour television and 10% each for word of mouth and newspapers/ magazines.
- For Age group of 35-50: Majority find Word of mouth as the most persuasive media. Whereas to cater to the other attributes Television has emerged to be their choice. More than 50% called for Television and 15% for word of mouth.
- For Age group of 50-65: For attributes like persuasiveness, better advice, clarity of idea and retention, word of mouth has emerged to be their choice which was more or less expected. Majority in this age group find television as the most attractive platform. They spend most of their time reading newspapers and magazines and come across most number of advertisements when out of house. 50% have voted for word of mouth as their preferred media, whereas, internet got 0% preference.

Out of the 60 people who have been surveyed, 36.7% have opted for television as their choice of media, 25% opted for word of mouth, 20% for internet and around 13% have chosen newspapers/magazines. It is evident that television is the best media, followed by word of mouth and then by internet. So, for a generic product the marketer can adopt a marketing strategy that involves all the above mentioned three mediums. For products that are distinctly for a particular age group the medium preferred to by respective age group can be adopted.

For the age group of 50-65 years, word of mouth is the preferred media. But, a marketer cannot rely on word of mouth as a marketing strategy. He can always plan the marketing strategy in such a way that it plays a major role in spreading the message as it is favoured by the old age people.

Age Band	W.O.M	T.V.	N.Paper/ Magazine	Internet	OOH	Total
20-35	2	6	2	10	0	20
35-50	3	11	2	2	2	20
50-65	10	5	4	0	1	20
TOTAL	15	22	8	12	3	60

Table 3: Observed Values

Age Band	W.O.M	T.V.	N.Paper/ Magazine	Internet	OOH
20-35	5	7	3	4	1
35-50	5	7	3	4	1
50-65	5	7	3	4	1

Table 4: Expected Values

Using this data, chi-square analysis was carried out at 5% level of significance. (Refer to Fig 3.1.2, 3.1.3 & 3.1.4) H₀: Age and choice of media are independent. H₁: Age and choice of media are not independent. Degrees of freedom = (number of rows-1) * (number of columns-1) = (3-1) * (5-1) = 8. The P-value is the probability that a chi-square statistic having 8 degrees of freedom is more extreme than $X^2=27.6$. We use the Chi-Square Distribution Calculator to find $P(X^2 > 27.6) = 0.0006$. Since the P-value (0.0006) is less than the significance level (0.05), we cannot accept the null hypothesis. Thus, we conclude that choice of media is dependent on the age of customers.

4. Conclusion

Demographics is certainly not the most important factor but it plays a major role in determining the media that may be adopted for marketing the product. It targets a group of people with similar characteristics ^[2]. The survey gives a clear picture of the direct correlation between age of consumers and the media that they prefer to be communicated through. The impact of technology was observed across age bands in deciding the choice of media. Focus on modern technological tools like internet have increased considerably over the past few years, significantly affecting younger generations. The Internet has been credited as an important resource and provides consumers with easy access to news, information, and shopping. In 2003, certain demographic groups appeared to have increased access to the Internet; primarily consumers with a higher level of education, income, and who were under the age of 65 were using this tool at a greater rate than their counterparts ^[6]. On the other hand, elder people generally learn about products through traditional sources of information like newspapers, magazines, radio, television etc.

(Exp-Obs)	(Exp-Obs) ²	[(Exp-Obs) ²]/Exp
3	9	1.8
2	4	0.8
-5	25	5
1	1	0.142857143
-4	16	2.285714286
2	4	0.571428571
1	1	0.333333333
1	1	0.333333333
-1	1	0.333333333
-6	36	9
2	4	1
4	16	4
1	1	1
-1	1	1
0	0	0
Total		27.6

Table 5: Chi Square Analysis

Hence, the marketers should find out the target market and focus their marketing strategies around the media they have opted for. This would help them in scaling down the costs, saving time and be more efficient and effective.

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