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User Attitudes towards Social Media Targeted Advertising

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Description

Author(s) Mishchenko, Sofya	Type of publication Bachelor's thesis	Date April 2019
		Language of publication: English
	Number of pages 67	Permission for web publication: x

Title of publication
User Attitudes towards Social Media Targeted Advertising

Degree programme
Degree Programme in International Business

Supervisor(s)
Saleem, Salman

Assigned by

Abstract

Nowadays technology is growing rapidly, and businesses learn to take advantage of this challenge. Consequently, marketing experts are utilizing tracking technology called targeted advertising and use it for marketing on social media. However, with the significant rise in the popularity of targeted advertising, it is crucial to study social media users' reactions to it and learn how to utilize it to its full potential.

The objective was to understand social media user's attitudes towards targeted advertising, as well as how it affects purchase intent and to establish what are the most favorable features and the most influential appearances of targeted advertisements on social media. In order to assist in conducting the research, the research objective along with two research questions were formed.

The qualitative research method along with its descriptive and explanatory nature required conducting semi-structured personal interviews with 16 participants in order to acquire in-depth responses. Social media users aged 20-25 were chosen as respondents and the interviews were conducted via Skype. Literature review was done with the help from academic sources such as articles, books and publications. After data collection the data was analyzed.

The results demonstrated the mixed feelings of consumers towards advertising. It was found both obtrusive and helpful. However, the attitudes towards targeted advertising on social media were mostly favorable. It was established that the most effective way of implementing targeted advertising on social media is to integrate it into the platform and to improve its targeting mechanisms for reaching the most relevant groups of people.

Keywords/tags (subjects)
Social media, targeted advertising, consumer buying behavior, user attitudes, purchase intent, targeted advertising effectiveness

Miscellaneous (Confidential information)

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1 Introduction

1.1 Background

Nowadays most people are spending countless hours online. In fact, in the UK the number of adults over 16 years old using Internet on a daily basis more than doubled from 35% in 2006 and to 86% in 2018 (Office for National Statistics 2018). Users turn to the web to search for historical data, political news, to confirm their predictions about the weather, but what they are truly looking for online is the ultimate shopping experience. By visiting multiple retail websites and webstores, users leave their data to the third-party advertising networks about what kind of purchases they are aiming to acquire. Such information is constantly being collected and stored by browser cookie which is a special code storing and sharing data with advertising networks and various websites (Wall Street Journal 2010). Therefore, if a user stumbles upon another website under the same advertising network, then he/she might experience pop-up or other targeted advertisements that appear in hopes of persuading the user to complete their previous attempt of purchase.

Moreover, social media is growing in its popularity and importance, and businesses are raising investments into advertising on social media significantly each year. Customers are spending 33% of their time online browsing social media (GlobalWebIndex 2017). Among all the users about 37% are looking for the shopping ideas and shopping inspiration on social media (Global Consumer Insights Survey 2018). That is why advertising specialists worldwide are recognizing the power of social media and focusing their resources towards it. For example, advertisement spending in the social media advertising segment will amount to US$100,927m in 2019 (Statista 2019).

As online browsing and shopping in the modern day is becoming increasingly popular, marketing experts are taking advantage of the tracking technology that allows targeted advertising to function at its best capacity. Nevertheless, marketers need to take notice about consumer reactions towards such advertising because not every consumer has positive attitude when it comes to pop-up ads and such. In many cases, customers disregard all advertisement or may even feel resentment towards irri-

tating and bothersome marketing. The excess of targeted advertisements can lead to the opposite effect from the desired one.

1.2   Motivation for Research

Currently, targeted advertisement follows the consumer almost everywhere from various websites to personal social media accounts. Some advertisement manages to be hidden and unobtrusive while other advertisement may be extremely bothersome. There are several factors influencing customers' decision making, and marketing specialists are carefully paying attention and analyzing the effectiveness of their marketing approaches. At the moment there is a substantial lack of study on the effectiveness of the targeted advertising method (Yu & Cude 2009), and for this reason this research will focus not only on establishing social media users' attitudes towards targeted advertising, but targeted advertising effectiveness and most favorable qualities and characteristics named by consumers.

With this in mind, the question of "What are the attitudes of social media users towards targeted advertising?" arises. Therefore, this research explores how does the consumer buying behavior change when confronted with targeted advertisement on social media such as Facebook, Instagram and YouTube, etc. and attempts to detect the effectiveness of such advertising and most influential qualities affecting attitudes.

This examination is conducted with the purpose of finding out most influential characteristics (for example, obtrusiveness, informativeness, relevance, entertainment, etc.) and most favorable appearances of targeted advertising affecting consumer behavior, as well as exploring the psychology behind targeted advertising and its work mechanism. The research might be of use to the marketing professionals that are aspiring to understand the effectiveness and the most optimal ways to implement targeted advertising into their marketing methods.

1.3 Research Problem and Research Questions

This thesis's objective is determining the correlation between social media users' attitudes towards targeted advertising and the appearance of such advertising on various social media platforms. Consequently, two research questions were formulated in addition to the research problem. The research problem was created in order to act as a guide to the author of this thesis and to assist with the search for the related academic literature sources. Likewise, two research questions were developed to navigate the author through relevant literature, to make the author acquainted with previous studies and research papers and assist in finding out key concepts, ideas and notions.

The research problem can be stated in following words: "What are the attitudes of social media users towards targeted advertising?"

Two research questions can be stated as:

1 How effective is social media targeted advertisement in influencing consumer purchase intention?

2 What features and appearances of social media targeted advertising attribute to affecting consumer buying behavior?

This thesis is using qualitative research method and the data is collected by using semi-structured technique conducted by individual interviews with social media users who come across and are influenced by targeted advertisement every day. The qualitative research method was chosen for multiple reasons including its exploratory, descriptive and profound nature, the significance of gathering information from a personal perspective through in-depth interviews, the ability to ask open and direct "why", "how" and "what" questions, and deliberate and thorough choice of research subjects.

1.4   Structure of Thesis

The thesis is divided into six main parts that are as follows: Introduction, Literature Review, Methodology, Results, Discussion and Conclusion. In the Introduction chapter the reader will get acquainted with the background and motivation for the research as well as research problem and questions and how the research will be implemented.

Literature part will focus on six main topics that are: influence of advertising on consumer buying behavior, consumer attitude towards advertising, social media advertising, definition of targeted advertising, consumer attitudes towards targeted advertising and targeted advertising effectiveness.

Methodology will shed the light on the research design, data collection and data analysis as well as ethics, validity of the research and the verification of findings.

Results chapter will be informing the reader about data collected through semi-structured interviews without interpretation and will include such topics as general attitudes towards social media advertising, effects of social media advertising on purchasing behavior and most favorable features and appearances of targeted advertisement.

Discussion chapter will consist of the summary of main findings, practical implications and suggestions for future research, limitations and assessment of quality.

Conclusion chapter will include the summary of the entire research paper.

2 Literature Review

Advertisements play a major role in the daily life of consumers. Advertising is chosen by many businesses as a one of the strategies for their product/service promotion. The purpose of advertising is to gain attention of the customers, to make them acquainted with the product/service or change their attitude and opinion positively and consequently persuade them to purchase the product in question.

2.1 Influence of Advertising on Consumer Buying Behavior

Advertising has been defined by many scholars. Kotler (2003, 590) described it as means of providing information and reasons to purchase a certain product/service, to channel customers' desire and thus enhancing their potential responses towards the offered product. He stated three main features of advertising: provision of clear sponsorship, non-personal forms of communication, paid media as a platform for advertising itself.

The study by Abideen and Salman (2011) talks about advertising as a form of audience convincing to make purchases. The researchers aimed to determine the connection between two independent variables that are environmental (information rates, sensory stimulus) and emotional response (pleasure, dominance, arousal and brand recall) with behavioral and attitudinal aspect of consumer buying behavior by collecting the data from 200 respondents living in Rawalpindi, Islamabad, and Lahore in Pakistan. Two hypotheses that there is relationship between emotional response and consumer buying behavior in Pakistan and environmental response and consumer buying behavior in Pakistan were tested. It was unveiled that emotional attachment with the product or service acts as one of the main reasons behind consumer purchase intention. (55-61.)

Likewise, the examination of the relationship between the advertisements and their effect on consumer buying behavior was done by Kumar and Raju (2013). The researchers suggested that advertising might be the cause for the feelings of pleasure that consumers experience. The first crucial task, according to their opinion, is to create an awareness of the product and to let the consumer know that it exists. The

second important task is to provide sufficient and adequate information for the consumer to make an informed decision. Lastly, the advertisement needs to be persuasive enough to stimulate customer's desire to satisfy his/her needs/wants/desires. (37-38.)

The study by Kumar and Raju was conducted with the participation of 110 subjects. The findings were as follows: customers' opinion about the product can be changed through advertisements, and they are more likely to watch advertisements that will affect their decision-making process. Advertisements should not be either too long or too short and they should appeal to and engage the customer for the maximum effect. (ibid., 45.)

Rodgers and Thorson (2000) explain a web advertisement format classification. According to their paper, various formats of advertisement invoke different kinds of feeling in the consumers. Consequently, it becomes important to differentiate between different formats in order to affect the consumer the desired way. Namely banners, interstitials, pop-ups, sponsorships, hyperlinks, websites are all different web advertisement formats. To demonstrate how different formats affect customers, Rodgers and Thorson examined interstitials and pop-ups. The advertisement that is most likely to be bothersome during customer's work will be perceived less positively, and that is the case of a pop-up that can appear at any time and interrupt important work. An interstitial would be perceived more favorably due to its smooth nature. While a pop-up usually takes a fast and irritating form, almost immediately closed by the user, an interstitial will cover more space and will likely be remembered more. (49-50.)

Moreover, in their study Rodgers and Thorson (2000, 51) show advertising feature variables that can affect consumer attitudes towards advertising (see Table 1).

Table 1. Advertising Feature Variables (adapted from Rodgers & Thorson 2000, 51)

Objective Ad Features (advertiser-controlled)	Subjective Ad Features (consumer-controlled)
1. Color 2. Size 3. Typeface 4. Product Class 5. Appeal Type 6. Animation 7. Audio 8. Number of Scenes 9. Sound Level 10. Sound Clarity 11. Movement 12. Interactivity 13. Vividness 14. Realism 15. Number of Choices	1. Adjective Check-lists 2. Exciting 3. Boring 4. Engrossing 5. Creates Empathy 6. Flow 7. Friendly Navigation 8. Current Information 9. Attitude Toward the Ad 10. Attitude Toward the Website

From a different point of view did Braun-LaTour, LaTour, Pickrell and Loftus (2004, 7) look at advertising influence on consumer behavior. The researchers aimed to establish when and how advertising can alter past memories of customers to make his past experience appear to be more joyful. Their findings were based on three different experiments and relate to the previous study by Johar (1995, 276-277) which suggests that marketing specialists should make the consumer involved in the advertisement just enough to make him/her pay attention and believe in false advertisement and to start forming conclusions or false memories, but not enough to make them pay closer attention and notice the differences between their own experience and advertising information. Even though advertising specialists are prohibited from presenting completely false information or data to the public, they may alter their advertisements very insignificantly and it will be believed in by the consumers (Braun-LaTour et al. 2004, 22.)

2.2 Consumer Attitude towards Advertising

Consumer ambivalence towards advertising has been studied continuously. In fact, this phenomenon can be described as a love-hate relationship where consumers are in favor of certain aspects meanwhile negative about other aspects.

In the similar manner consumer attitude has been explored by Tsang, Ho and Lyang (2004). Their research focused on demonstrating the consumer attitude towards mobile advertising that used SMS, which stands for Short Messaging Service, in particular and the relationship between that attitude and consumer buying behavior. The results of a study demonstrate that consumers will generally have negative attitude towards SMS marketing unless the prior permission and consent have been received. Moreover, credibility, entertainment and abundance of information have positive correlation with consumer attitude, while irritation resulted in negative consumer attitude. It was also established that entertainment was the most influential factor among credibility and informativeness. Customers with more positive attitude tended to accept more advertisements, and those who showed willingness to receive more advertising, read the SMS message upon receiving it. Therefore, it could be concluded that incentive-based approach to advertising resulted in positive consumer attitudes. (65-75.)

Correspondingly, antecedents and determinants of consumer attitude towards advertising have been studied by Petrovici and Marinov (2005). Researchers conducted surveys with participants living in Bulgaria and Romania. What the research uncovered was that both Romanians and Bulgarians view advertisement as an institution positively meanwhile various promotional tools used by advertising are being viewed more negatively. Moreover, acquiring new data and information of the product seems to be the main reason for personal advertisement use which acts as a consumer attitude influencing factor of respondents in Bulgaria, people in Romania tend to find that best use of advertisement is in its entertaining quality. Petrovici and Marinov concluded that in order to increase positive consumer attitude towards advertising, respondents from both countries need to accept that advertising is one of the instruments in the free market and come to terms with advertising tools and techniques. (317-320.)

Wang, Zhang, Choi and D'Eredita (2002) looked more closely at the factors influencing customers in forming their attitudes. The study measured consumers' attitudes towards advertising for different purposes and through both traditional and Internet-based media. The following factors affecting customers and their perception of advertisements were determined: entertainment, informativeness, irritability, credibil-

ity, and demographic. The authors also considered interactivity an additional factor contributing to public advertisement perception. They believed that by understanding those factors, marketing specialists will benefit from using them to their advantage. (1143.)

The same factors were used in the research by Haghirian and Madlberger (2005). Their paper aimed to discover possible reasons behind consumer attitudes towards mobile advertising. 815 survey participants using mobile devices were studied in Austria. (2.)

Haghirian and Madlberger's study revealed that customer attitude towards advertising correlates with the message of the advertising. Marketing professionals cannot depend on the message to be received positively and remembered by the public, they need to adjust the message according to needs of their customer. The findings were as follows: high advertising value correlates with positive customer attitude. Entertaining, credible and informative message will enhance a positive consumer attitude. Irritating, bothersome or incomprehensive advertising will be a cause for consumers' negative perception. High frequency of advertising does not affect customer attitude in the negative way, while the customers who value their privacy strongly are more likely develop negative attitude towards advertising via mobile devices. Consumer attributes did not seem to affect the consumer attitude in any way. (ibid., 11.)

James and Kover (1992) were examining consumer attitudes towards advertisement and especially consumer involvement in those advertisements. They have found out that consumer attitude will be a reason for how much attention will the consumer pay to the ad or how involved will he/she be. Furthermore, James and Kover advocate that to increase customer involvement, first their attitude towards advertising in general should be improved. Researchers also argue that different customers prefer different types of advertising. While some might enjoy watching TV commercials, others might get irritated and annoyed when their favorite show is interrupted. (80.)

As for the consumer point of view, many studies show that customers tend to have mixed feelings about advertising. Two thirds of customers, on average, believe advertising to be untruthful, false, and persuading them to purchase unnecessary goods

and services that customers do not want or need. Therefore, customers claim that advertisement should be required to be more regulated. Nevertheless, the same customers tend to think that advertisement is informative and react in a positive way.

Furthermore, when the respondents of the survey done by Calfee and Ringold (1994) were asked to describe advertisement as either unreasonably persuasive or informative, they chose to consider it persuasive rather than informative. Nonetheless, the respondents indicated that the advantages of advertising outweigh the negative aspects. At the meantime, advertisement was considered both offensive and entertaining by the respondents. While some customers claim that they cannot trust advertisement because of the issues in the past where advertisement was deceiving and false, the majority of respondents answered that advertisements are of good assistance to them during their decision-making process. (230-238.)

Another research paper by Coulter, Zaltman and Coutler (2001) supports Calfree and Ringold's observations. The study displayed that in formativeness of the advertising is of the outmost value to the customers. Especially, customers are of the opinion that advertising is the most helpful during the introduction of a new good or service or during the comparison between various products. Coulter's research was of the accordance with Abideen and Salman that claimed that if customers had good feelings about the advertisement itself, then they tended to transfer the same feelings onto the product in question. Another important finding was that the entertainment in the advertising seemed to make the product/service more trustworthy. On the other hand, customers were feeling that they were receiving excessive amounts of advertising therefore making it appear to be invasive and bothersome. Among other negative aspects was the fact that consumers found advertising to be manipulative and giving them unrealistic lifestyle expectations. (13-15.)

The use of personalized marketing might solve some of the privacy and advertisement desirability issues. Kotler (2016) argues that personalized marketing is needed for the customers to receive the most relevant and desirable information with their permission. Companies nowadays are using websites, emails, and various databases to stay in contact with the customer 24/7. Although some information customers receive is auto generated response, the personal touch in customer relationship is being widely recognized. One example of personalized marketing and its benefits is

the case of British Airways. In 2012 they launched "Know Me" program and went out of their way to show how much they value and care about customer experience. They collected all the data available about their previous passengers including their seat number, their meal choice, and their preferred music to listen to or films to watch and spread the information between all employees. British Airways went as far as to adopt their own facial recognition platform and downloaded photos of passengers. The goal was to create the sense of familiarity and hospitality, to make customers feel valued and recognized. While the campaign is a great example of using the big data, it raised several privacy concerns which were later answered by British Airways. (169.)

Kotler also mentions the term "permission marketing" meaning that customers give their permission to the company to receive the information they choose to receive. This way customers are in control of their own advertisement and they eliminate the chance to see irritating, interrupting and bothersome advertising. They might become more willing to get involved and interact with the advertisement if they believe that was their choice to receive it. This allows marketing professionals to develop and maintain deep personal trusting relationships with their customers. Even though permission marketing assumes that customers are aware of their own needs, wants and desires, the reality is that customers' wishes are often contradicting each other and are ambiguous. To achieve the maximum customer satisfaction level, it might be important for both marketing specialists and consumers to work together. (ibid., 170.)

The study by Friman (2010) highlighted how the use of already existing customer data will be beneficial in the influencing customer attitude towards the advertising. There is significant importance of customer information during the design process of creating an advertisement. Furthermore, when the marketing specialists have a possibility to use actual customer data and information to target needs and wants of the consumer, the customers tend to have positive attitudes towards mobile advertising. Consequently, it means that mobile advertising should be based on the service itself rather then simple selling of the product. (65-70.)

2.3   Social Media Advertising

Kotler (2017) states that using social media has both advantages and disadvantages. Among the advantages is the personalization and ability to target the advertising. By using social media marketing specialists are able to tailor and customize a message for either an individual user or a group of users. Another advantage is the instructiveness of social media meaning that advertisers can engage in a dialog with the customer and build meaningful relationships. Another positive trait is that social media are immediate and timely and present an opportunity for the real-time marketing that helps to engage with customers anywhere and anytime and inform them about the brand activities such as promotions, sales, competitions etc. Moreover, cost effectiveness was named among the advantages. As social media are free to use, it opens an opportunity to create more expensive content and expect significant profits, rather then invest resources into expensive traditional media. (512-513.)

The biggest advantage, according to Kotler, is the ability to engage and share information with the customer. Advertisers can use social media to ask opinions and involve customers in shaping and sharing their brand. Furthermore, they can build relationships with social media influencers that reach a high number of followers and create a word of mouth effect. (ibid., 512.)

Such word of mouth effect was successfully used by Levi Strauss. The company used social media to promote its location-based product. Using social media and direct communications with 400 customers have led to 1600 customers visiting the store and purchasing products. (Saravanakumar & SuganthaLakshmi 2012, 4445.)

However, even though there are many advantages to using social media as an advertising tool, it also presents its challenges. The biggest challenge is that the social media is largely user controlled. Advertisers cannot afford to simply interject social media platforms with advertising campaigns, they need to earn their right to be there by slowly integrating their advertisements in a respectful, informative and helpful manner. (Kotler 2017, 512.)

Taylor, Lewin & Strutton (2011) aimed to research how users perceive targeted advertisements on social media. They state that in order for the advertising to be suc-

cessful, users need to accept it as a part of social media itself. Their study also suggests six factors that are influencing the user attitude towards advertisement on social media including entertainment, informativeness, peer influence, self-brand congruity, privacy concerns and invasiveness. Moreover, the value presented by the advertisement should be aligned with values, motivations and interests of the consumers; otherwise the advertisement will be viewed as irrelevant and regarded less favorably. However, even though targeted advertising and its techniques of collecting browsing and consumer data may result in the higher relevance and the higher precision of targeting, therefore showing more relevant and helpful ads to the customer, such data gathering techniques might raise the privacy concerns and impact the customer attitude towards advertising negatively. (269-271.)

Schivinski and Dabrowski (2016) investigated how communication on social networks affects customer attitude towards the brand. Their findings show that while brand generated communication had only affected the brand attitude, communication generated by the consumers themselves had an effect on both brand attitude and brand equity. Consequently, consumer purchase intention was affected positively by brand equity and brand attitude. This suggests that consumers are a valuable source of word of mouth advertising. (198.)

Similar studies were conducted by both Chu (2011) and Vries, Gensler and Leeflang (2012) and looked at the groups and fan pages on social media and how the participation in them affects consumer behavior. Brand popularity, according to the researchers, depends on number of likes, comments and page subscribers. While Chu (2011, 30) demonstrated that participation in Facebook groups results in higher levels of self-disclosure and more favorable attitudes towards advertising compared to users who do not participate in any groups, Vries, Gensler and Leeflang (2012, 83) discovered that when customers become members of fan pages, it indicates that the customer has a positive attitude towards the product and is possibly ready to leave comments and likes on the posts.

2.4 Definition of Targeted Advertising

With the rise of modern technology, it becomes evident that traditional media advertising nowadays is insufficient. Internet marketing is growing in its popularity and efficiency as the advertisements are being tailored individually for each user, and therefore are more relevant and desired, meanwhile traditional advertising such as TV, radio or printed advertising will be the same for everyone who sees it, making the advertisement irrelevant for some of the consumers. (Kox, Straathof, & Zwart 2017, 557.)

Angwin (2010) describes the study conducted by The Wall Street Journal. To demonstrate the user data collection, fifty most visited websites were analyzed and it was discovered that those websites installed about 64 pieces of tracking technology on average on the user's device without any prior warnings. A few of the above-mentioned websites installed more than a hundred each. For instance, the commonly visited Dictionary.com website installs 234 files on the device. In total the figure amounted to 3180 pieces of tracking technology. (Wall Street Journal 2010.)

To describe it more precisely, a tracking file can be a cookie, a Flash cookie, or a beacon, that is being installed on the electronic device upon visiting a certain website. After installation, those files collect important user data. As the technology progresses, it is able to track user web searches, favorite movies and restaurants, geographical location, how much the user earns, his/her medical history, gender, marital status and the existence of children and even follow the actions of a user in real time. The information gathered on a user is completely anonymous and the user's device is given a numerical code. No real names, emails or other private data is being revealed in the process and the industry calls the usage of such data to be completely harmless. When the consumer profile is built, it is being sold on stock market like exchanges. The study also found out that there exist more than a hundred middlemen from advertisement networks, data brokers and tracking companies between the internet user and the advertising company. (ibid., 2010.)

These technologies enable businesses to collect and store data about their customers, that allows creating personalized targeted advertisements for each customer. That is the major reason for customer data being the main asset that a company can acquire. Nevertheless, even in the tough modern market conditions with tight competition businesses chose to share their customer data.

Zhao and Xue (2013) observed such information sharing by different companies more closely. Researchers focused on establishing how and why do companies share customer information with their competition. The first finding establishes that regardless of the data difference both more informed and less informed companies plan the same expenditure on target advertising for their customers, although the better-informed company will focus resources on most valuable and potentially profitable customers. Under those circumstances, even with the same budget for target advertising but possession of different data, the better-informed company will have higher expected profits. This suggests that being in possession of more customer data than your competition does not mean budget savings on target advertisement, but higher profitability. The second finding revealed that decreasing customer information gap might result in the softening the competition itself, which in turn will mean that the better-informed business will suffer profit losses due to losing its advantage. However, the findings also show that the company will not share information on a free basis, it always comes with a cost. (208-210.)

Similarly, Iyer, Soberman and Villas-Boas (2005) were focusing on determining the most efficient way marketing specialists can implement targeted advertising into their marketing strategy. The question of how to allocate resources between customers who intent to make a purchase and customers who are comparing different goods/services were researched. If companies decrease their advertising efforts to the customers who are unsure whether they want to commit to buying the product, they create additional market differentiation which will lead to reduction of competition intensity. Additionally, targeted advertisements will be effective and helpful in reducing wasted advertising to customers who already have decided to purchase a competing product. By using targeted advertising a company may be able to increase its potential profit and therefore the most beneficial targeted advertising should be aimed at customers who prefer the product offered. (470-476.)

According to Iyer, Soberman and Villas-Boas (2005), targeting advertising also increases the effectiveness of advertising as a whole. The study also supports the findings of Zhao and Xue (2013, 209), in a sense that even though the company may have reduced the amount of advertising spent on the customers who prefer competitor's product, the budget for advertising stays the same. Targeted advertisement results in higher number of sales, therefore making the advertising spending rewarding and worthwhile because of the higher profit it can potentially generate. (475.)

Another key point to take into consideration is that the majority of internet businesses rely on advertisement to survive. Consumers are not prepared to pay for using websites, search engines and web applications. Businesses heavily depend on advertising to generate revenue. (Langheinrich, Nakamura, Abe, Kamba, & Koseki 1999, 1259.)

Moreover, Langheinrich and colleagues agree that most marketing strategies make use of consumer targeting. Every single customer's online activity and browsing habits are analyzed, and this information is used to customize and personalize all the advertisements he/she encounters on the internet. The user is constantly monitored and this data is shared among advertising companies, data brokers and tracking companies, therefore it creates an alarming knowledge of privacy invasion. In their research paper, Langheinrich et al. strive to produce an unconventional technique for adapting advertisement algorithms to be more user data protective with no data collected or stored at any time and thus being exceptionally non-intrusive. (ibid., 1259.)

The main goal of their study was to keep customers' privacy while aiming to increase the click-through rate. The findings demonstrate that a simple learning technique formed with the help of keywords and page URLs is able to make advertisement banners more relevant to the customer. Even though the developed learning technique is capable to maximize the effectiveness of advertisement banners that are fully controlled by advertisers, to minimize the annoyance rate of the above-mentioned banners to the consumers and to stay personalized and highly related without being intrusive and privacy invading, such learning technique cannot exist in practice due to the minimum display constraints present in almost all advertising contracts. (ibid., 1270-1272.)

Chandra (2009) looked at the targeted advertisement at an interesting angle. The researcher was compelled to establish that targeted advertising enhances the effectiveness of advertising as a whole by the example of US newspapers. When considering newspapers with lower competition, they tended to have higher circulation prices, but lower advertisement prices compared to the newspapers with higher level of competition that had lower circulation prices and higher advertising prices. Given these points, in markets with higher competition rate newspaper companies are more likely to segment their customers more efficiently, considering their age, gender, interests, preferences, etc. and therefore the advertising costs become higher. Thus, the newspaper that managed to segment and target more homogenous groups of customers will be compensated more by the advertising companies due to their investment in advertising for specific groups of people interested in their product. This way the results of the paper prove that targeted advertisements are of great importance and are beneficial to businesses. (58.)

Johnson and Grier (2011) define target advertising as a general marketing strategy that helps the company to establish similar customer characteristics such as income, location, gender, age etc. and to reach them through advertising based on those characteristics. Moreover, Johnson and Grier claim that due to the current process of globalization and growing respect for diversity, marketing specialists need to adjust their advertising strategies and aim not only at the traditional customer, but also cover customers from ethnic and sexual minorities. Although, such targeted advertising may be accepted positively by members of minority groups, it might trigger some negative responses from the traditional customer. The research was conducted in order to show that targeted advertisement needs to target both minority groups and traditional customers, and channel positive responses from both of them. (251-252.)

Unintended effects of targeted advertisements were explored by Cyril de Run (2007), who advocates that many marketing professionals, academics and scholars have been failing to recognize the effects targeted advertisement has on the non-targeted groups. Furthermore, previous research has shown that non-targeted audience, who views targeted advertisement that excludes them, will form their own opinions about the advertisement itself, the advertising company and the advertised product. In turn, the formed opinion will affect the consumer buying behavior in the future.

The study explains that the non-targeted group will possibly and more likely have a negative attitude towards the targeted advertisement and the advertised product. (265.)

Similar yet more thorough research on unintended effects of targeted marketing was done by Aaker, Brumbaugh and Grier (2000) who were studying the effects of targeted advertisement on non-target groups. Distinctive (for example, gay or African-American) and non-distinctive (for example, white or heterosexual) groups of people both perceived targeted advertisement differently and had different responses to it. When the distinctive group of consumers felt close similarity with the advertisement, then the targeted advertisement had a positive effect. The same way, they feeling of being targeted in non-distinctive groups resulted in the positive perception of targeted advertisement. On the other hand, when the non-distinctive group found strong dissimilarity with the advertisement and when distinctive consumers felt excluded, that lead to the negative unintended effect of the targeted advertisement. (127.)

2.5   Consumer Attitudes towards Targeted Advertising

According to Kim, Barasz and John (2018), advertising transparency is a crucial factor in advertising effectiveness and how consumers view the ad itself. They define ad transparency as a disclosure of how the consumer's data was collected in order to generate a specific advertisement. The researchers realize that being transparent about data collection may not cause an opposite reaction rather then the desired one. When advertisers are transparent about their advertising practices and if those practices are deemed to be unacceptable by consumer views, it may cause a backlash. (906.)

Therefore, and colleagues begin by exploring what is considered to be acceptable information flow between parties and what is deemed unacceptable. Provided that the customer data was collected within the website it appears on rather than outside and expressed by the customer rather than inferred by the advertiser, then the data collection might be seen as acceptable. It was also unveiled that confessing to using unacceptable data will lead to the decrease of advertisement effectiveness since the customer is usually more concerned about his/her privacy instead of receiving per-

sonalized targeted advertising. Furthermore, when customer trusts the website, revealing acceptable flow of consumer information will only increase the trust, enhance the relationship between consumer and website and increase advertising effectiveness. (ibid., 906-910.)

A supporting opinion expressed Schumann, Wangenheim and Groene (2014) in their research about online targeted advertising. Researchers looked at the reciprocity of advertisements and how it increases acceptance of consumers of free web services. They were supporting the statement of Langheinrich et al. (1999, 1259) about how consumers are not ready yet to pay for web services, making online businesses rely heavily on the advertising. Targeted advertising makes online companies gain substantial income to sustain their businesses and to achieve that they are gathering data on their customers including location, age, income, browsing habits. Given that targeted advertising might provoke negative reactions from customers, advertisers are being faced with more challenging restrictions, rules and laws that force them to be clear with consumers about data collection process and ask for permission to do so. The researchers come to the conclusion that using a reciprocity argument tends to be more efficient in creating positive customer attitudes towards the website, advertisement and the advertised product, instead of utilitarian argument that can create an opposite effect. Therefore, given these points, it is crucial to manage advertising processes transparently and to be clear with customers about permission to collect information about them. (59.)

Personalized targeted advertising is becoming significantly more popular in the modern world due to the development of technologies and the tendency of users to spend countless hours online. Such personalized advertisement is being implemented to convey the message for the specific user, using specific information about him/her and at a specific time and/or place. Nevertheless, regardless of targeted advertising universal use, many marketing specialists refuse to acknowledge that there is a substantial lack of research about the effects of targeted advertisement. (Yu & Cude 2009, 503.)

In their study, Yu and Cude take into account three different types of media including email, letters and telephone calls to establish the effects personalized targeted advertising has on the customers. The findings of there study state that there was a negative perception of advertisements by customers using all three types of media. Even though there were a small number of exceptions, the majority of consumers did not enjoy receiving targeted advertisements to the extent that when personalized message came via online platform, it was immediately deleted without being opened. The study suggests that marketing professionals and advertisers pay closer attention to the potential responses that personalized targeted advertisement may trigger. (ibid., 510-512.)

Johnson (2013) states that the ability to use targeted advertisement is highly beneficial for businesses, especially those businesses that fall into niche and have no means to pay for expensive advertising on traditional media. At the same time as the companies are compiling data about customers, they, in turn, are becoming more and more concerned about privacy and security issues. Nowadays there exist a number of techniques that allow consumers to avoid advertising starting from simply switching channels on TV to skipping advertisements, blocking advertisement and even subscribing to do not email program. (128.)

Likewise, Cho and Hongsik (2004) have studied why people avoid advertising. They examine three different factors, that may be influencing user advertising avoidance, including previous negative experiences (dissatisfaction, lack of utility, lack of incentive), perceived goal impediment (distraction, disruption, search hindrance) and perceived ad clutter (excessiveness, exclusiveness, irritation). The most substantial factor influencing users to avoid advertising on the internet was found out to be perceived goal impediment. Moreover, those three factors successfully justify why people tend to avoid advertisements on the internet. (89.)

In his study Johnson (2013) finds out that is the targeting is improved it becomes beneficial for all businesses. Even though improved targeting means that consumers receive more relevant and personalized advertising, there are negative sides to it. First, the improvement of advertising techniques may lead to an increased number of advertising which will be met negatively by consumers. Second, improving targeting may result in customers receiving less advertisement that they prefer in comparison

with when targeting was less precise. Another key finding was that when the targeting advertisement improves and becomes significantly more sophisticated, then consumers may view it as less of a bother and grow to appreciate it. (140-144.)

As the privacy concerns are rising among all internet users, many marketing researchers are looking at ways to provide the most effective and amiable advertisements that will be acceptable by customers. The investigation about how do privacy concerns and user's perception of control over their personal data affect advertising click rate was done by Tucker (2013), who was analyzing if there is a difference between a targeted advertisement with a personalized text and a targeted advertisement with a generic message. Tucker's exploration was based on the experiment done before and after 2010 Facebook privacy policy change. What the study uncovered was that after the policy change and with the feeling of increased self control over personal information, users were twice as likely to click on the targeted advertising. Furthermore, targeted advertisements that used generic text did not change their effectiveness. However, the advertising that used more customized personal information and target groups that chose the opt-out user privacy settings were proved to be more effective. (546.)

Information about customers is only fruitful when used correctly. Thus, advertisers have been looking for ways to use it most efficiently and optimally. Another relevant research by Liu and Mattila (2017) was done on the example of Airbnb and the effect of its advertising appeal. As Airbnb stands out from its competitors such as hotels and hostels, it aims to bring coziness, feeling of home and belongings to the customer as well as the feeling of uniqueness and the unusual place to stay. In the study, effects on advertising appeal were examined together with consumer's sense of power on click-on and purchase intention. According to the research, self-brand connection between the customer and the company is what makes customers react to the advertising more or less favorably. Thus, experiencing the feeling of belonging will be more desired by individuals with less power, meanwhile the feeling of uniqueness will more likely be chased after by individuals with higher amount of power. (33.)

As nowadays websites are able to make advertisements with personalized messages for the users who have previously visited their website, it shows that advertising has advanced in its use of the internal browsing data, and therefore Lambrecht and Tucker (2013) examined the effects of retargeting. Dynamic retargeting uses both information from the internal browsing history and external data and creates the most efficient advertisement relevant to the customer. The examination was done in order to establish if showing the images of products that consumers have looked at during previous visit to the website is more effective than showing messages with generic text. The study shows that dynamic retargeted advertising is less effective than widely-used generic equivalent. Nevertheless, when customers visited various review websites, the dynamic retargeted advertising that they experienced, increased in its efficiency. (561.)

Clinton and Lapinsky (2004), however, explored the topic of targeted advertising under an unusual angle. Due to the disagreement on the effects of negative advertising, the researchers aimed to investigate whether the negative targeted political advertising affected people who are entitled to vote positively or negatively. It was found that experiencing negative political advertising does not either increase or decrease voter turnout. Clinton and Lapinski argue that any effect will depend solely on the advertising message and the voter's characteristics. Consequently, there was no evidence that negative targeted advertising will have any significant effect on the voter turnout during a political campaign. (69.)

2.6   Targeted Advertising Effectiveness

According to Kotler (2017), advertising effectiveness can be measured by measuring the communication effect that will show if the advertising is communicating the message effectively. Moreover, advertisements can be tested before they are implemented. Before the advertisement implementation it is important to let the test customers experience the advertising and gain the data on their reaction and attitude. In the future, the collected data from the test will be crucial in correcting and editing the advertising message to achieve the maximum effectiveness. The same way, marketing specialists can measure the ad effectiveness after the campaign and

the results will show how the advertisement affected customer brand/product recall or awareness and the change in their preference and attitude. (451.)

Goldfarb and Tucker (2011a) aimed to discover what influences the effectiveness of the targeted advertising. Purchase intent, according to the authors, can be affected positively when the advertisement is matching to the website content and when the advertising obtrusiveness is increased. However, when both of these features are combined, they tend to decrease the purchase intent. The study also suggests that the results are more visible in the products that are more private and for customers who value their privacy the most. Customers may be more in favor of the context-based targeted advertising due to its informative nature; nevertheless, the obtrusiveness is viewed as a manipulation to purchase a certain product. Therefore, the results show that the customers highly regard their privacy and combining both highly visible and intruding advertising with context-based advertising will not work in favor of the advertiser. Furthermore, those findings explain the modern trend of targeted advertising either becoming highly targeted and using plain text or highly visually sticking and memorable. (389.)

Advertisers use customer browsing data and data about their preferences to target potential customers and increase their sales, and for this reason it has made consumers feel that their privacy is being invaded and led to passing of the law about privacy that restricts the use of data by and the use of online tracking techniques by the online businesses. (Goldfarb & Tucker 2011a, 404.)

 Another study by Goldfarb and Tucker (2011b) was conducted in order to establish how the implementation of new privacy laws in EU affected targeted advertising effectiveness. The privacy law restricted online businesses' collection of customer data and its usage in targeting users. The findings are that the targeted advertising became less effective in making customers purchase the product in EU, but remained the same outside the EU where the privacy laws did not apply. Websites with general content like news websites that could not use targeted advertising without customer data suffered the most. Moreover, advertisements with no additional features such as interaction, audio or video and advertisements with less presence on the webpage were among the ones who suffered the most because of the loss of their effectiveness. (57.)

Unni and Harmon (2007) were investigating the effectiveness of location-based advertising that they defined as targeting customers with location based advertising using technology in the mobile networks that tracks location. Even though location-based advertising is a free and opt-in service provided by the mobile phone service company, it raises privacy concerns nevertheless. Moreover, users view location-based targeted advertising to have low benefits and value. However, location-based advertising becomes effective only when it is explicitly requested by customers and they desire to receive advertisements about products based on their location. (35-36.)

Similar study about location-based targeted advertising effectiveness was done by Xu, Oh and Teo (2009). Their findings revealed that if the location-based advertisement is multimedia, then it affects customer attitude positively and increases purchase intent. Nevertheless, even though using multimedia may be beneficial fro location-based targeting and enhance its effectiveness, it also showed higher levels of irritation among consumers. (170-172.)

Merisavo, Vesanen, Arponen, Kajalo and Raulas (2006) studied the effectiveness of targeted mobile advertising. As well as in Unni and Harmon's findings (2007, 35), it was established that permission based advertising is the most effective yet. It was also discovered that targeted mobile advertising affects all customers differently. Different service usage levels and content preferences may be the variables, using which will enable marketing specialists to target their audience with more precision. The analysis revealed that using the targeted mobile advertising and SMS will help the company to sell more of their product to the already existing customers. (125.)

According to Li, Lin and Chiu (2015), the successfulness of the online targeted advertisement can be measured in the degree of customer acceptance and the click-through rate. Moreover, the researchers state that the increasing power of electronic word of mouth and viral marketing is pressuring marketing specialists and advertisers to shift from traditional media to social media platforms. By making such shift, advertisers may not only elevate their business exposure and get more proximity to the customers, but also to affect consumer buying behavior and purchase intent. There are two main strategies businesses use to launch their campaign on social media such as targeted advertising being the advertising that uses consumer data and

social advertising being the advertising that leverages the opinions of social media influencers to impact the information distribution more effectively. Because users tend to treat advertisements as spam and instantly delete them without opening, Li, Lin and Chiu aimed to develop an approach that would increase the user advertisement acceptance and click-through rate. They developed a social context endorsement mechanism based on the power of context embellishment and social influence in order to increase the effectiveness of targeted advertising. The mechanism proved to be successful and demonstrated increased levels of customer acceptance and click-through rates. This study suggests that by integrating both targeted advertising and social advertising may turn out to be highly effective. (123.)

3 Methodology

3.1 Research Design

Research design can be called an action plan or a blueprint of the research. The research design allows the reader to understand the consequence of actions implemented in order to carry out research starting from formulating research objective and research questions, the approach used to answer those questions, data collection and data analysis as well as findings and conclusions. (Kuada 2012, 57.)

The topic of this thesis is targeted advertising and its effects on consumer buying behavior. According to Saunders, Lewis, and Thornhill (2009, 20) a good research topic constitutes authors' genuine desire to investigate the problem, the ability to implement necessary skills and acquire financial or time resources, access the data needed and to develop new skills and competences during the process.

Next, approximate research questions were formed in order to select related literature. The presence of research questions at this stage has proven to be helpful in finding related literature sources such as articles, books, academic papers. After the preliminary review of the literature, a research objective and two research questions were formed. Both research objective and research questions serve as a beacon and a guide for conducting secondary and primary data collection. The main goal of this thesis is to demonstrate what attitudes consumers have towards social media targeted advertising. For this reason, in order to provide an answer, the author conducted 16 interviews with people who the author considered to have relevant experience to the topic. Moreover, two research questions formed are as follows:

1 How effective is social media targeted advertisement in influencing consumer purchase intention?

2 What features and appearances of social media targeted advertising attribute to affecting consumer buying behavior?

As the research objective is to find out the effects of targeted advertising on consumer buying behavior, two research questions are aiding and supporting the objective. The first question was formed with the purpose on providing more insights into

what the most likeable and enjoyable appearance and features of targeted advertising is, while the second question's purpose was to establish the effectiveness of targeted advertising and if the effect it has was mostly positive/negative or neutral.

According to Kothari (2004, 2), there are several research types. First of all, it can be either descriptive or analytical. Descriptive research tends to rely on surveys and other various fact-finding inquiries. Furthermore, the main characteristic of this method is that it can only report what is happening or what has happened and has no control over any variables. When researchers cannot control variables, sometimes they attempt to find out the causes that affect variables to behave the way they do. The examples or descriptive research can be study on preferences of buyers or frequency of some kind of action. On the other hand, analytical approach has to use already existing facts and figures and make evaluation and analysis from the available information. Therefore, this thesis is the descriptive one as it aims to observe what is happening by conducting interviews with relevant shoppers. (2-3.)

Secondly, the research can either be applied or fundamental. While applied research's goal is to identify the current problem in the society and discover a solution, fundamental research is focused on generalizations and aims to formulate a theory, adding it to the already existing scientific knowledge. Examples of fundamental research are research about natural phenomena, of physics research, whereas studies on marketing, economy, politics or society may be considered applied research. (ibid., 3.) Thus, this thesis adapts applied approach to the research.

Thirdly, research can be either conceptual or empirical. Conceptual research is the research that is tied to theory or some abstract ideas and is usually used by scholars to create new concepts. However, empirical research is an information-based research that can produce solutions that can be confirmed by either observation or experiment. If using applied type research, a person must come up with a hypothesis and gather data in order to prove or disprove the hypothesis in question. This way, empirical research is considered to be one of the most powerful and trustworthy tools for gathering data and verifying hypothesis. (ibid., 4.) This thesis is using empirical research type as the author is collecting data through interviews aiming to find the answer to the research question.

Lastly, and perhaps the most importantly, research can be either qualitative or quantitative. Quantitative research is based on the estimating amounts or quantities, generates numerical data and it can be used in the research where a phenomenon can be expressed in quantity. On the other hand, qualitative research generates non-numerical data about behaviors, attitudes, opinions, motives and desires of subjects through conducting interviews. Qualitative research helps to uncover the factors contributing to the human behavior and to discover why people like or dislike different things. (ibid., 3.) As a result, this research is qualitative as it uses non-numerical descriptive data gained through interviews about the human behavior.

Moreover, the research can be deductive or inductive. Deductive research specifics are that this research type concentrates on large size quantitative data collection for the generalization, its approach is particularly structured, has an emphasis on scientific principles, highlights that the researchers must be independent, and ensures data validity by application of controls. Whereas inductive approach uses qualitative data, focuses to comprehend why humans attach meanings to certain things, has more flexible structure in order to allow changes with the progress of the study, emphasizes that the researcher is a part of the research process and there is no need to generalize the findings. (Saunders et al. 2009, 120.) Therefore, it becomes obvious that this thesis is using inductive approach to research.

Another classification is a purpose of the research. It can be descriptive, explanatory or exploratory. Moreover, these types of purposes are not mutually exclusive, and a research can combine both of them and be descriptive and explanatory or descriptive and exploratory, they can also change during the process. An exploratory study is flexible and adaptive, it tries to figure out what is happening, looks for new ideas, thoughts and insights, it helps researcher to gain better understanding of the phenomena. In case of a descriptive study, it is often considered to be an extension of either exploratory or explanatory studies. It aims to describe profiles of individuals, groups, objects or events. Talking about explanatory study, its goal is to investigate the relationships between different variables. This type of research studies the problem or a situation in order to demonstrate the connection between different variables. (ibid., 139-140.) As it was established before, this thesis is a descriptive study. Moreover, adding to its descriptive purpose, it is also an explanatory study.

Table 2. Summary of Research Types

Research Types
1. Descriptive (reporting what is happening or what has happened and having no control over any variables)
2. Applied (identifying current problem in the society and discovering a solution)
3. Empirical (an information-based research that can produce solutions that can be confirmed by either observation or experiment)
4. Qualitative (generating non-numerical data about behaviors, attitudes, opinions, motives and desires of subjects through conducting interviews)
5. Inductive (uses qualitative data, focuses to comprehend why humans attach meanings to certain things, has more flexible structure in order to allow changes with the progress of the study)

3.2 Data Collection

After the research objective and research questions are established, and the research design is outlined, then the data collection can begin. As there are two types of data – primary and secondary – it is important to establish data collection methods as they are not the same for the above-mentioned types of data. Primary data is the information gathered usually by the researcher and therefore it is new and first hand. Secondary data is data that has already been collected by previous researchers. (Kothari 2004, 95.)

Moreover, secondary data can take a form of publications, journals, newspapers, magazines or books, articles, reports and historical documents and so on. It is essential for the researcher to be cautious of what kind of secondary data he/she is using. It has to come from a reliable source and such source may be an academic journal and publication that was reviewed by academics and recognized as credible. Furthermore, secondary data has to be suitable and adequate meaning it needs to fit the context of a research problem. (ibid., 111.)

Thus, at the beginning of the research, secondary data was collected for a specific purpose. A literature review was conducted in order to critically overview already existing literature, familiarize the author with the research topic and to form a theoretical background. The author studies the general effects that advertising has on consumer buying behavior and how consumers form their attitude towards advertisements. To gain more deep insight, the author got more familiar with social media advertising, targeted advertising effects and targeted advertising effectiveness. The majority of secondary data sources consisted of scholarly articles published in credible academic journals. The number of academic books on the topic was scarce due to the newness of social media and targeted advertising phenomena. Gathering and analyzing secondary data sources provided the author with general understanding of what research has been done on the subject, which direction to follow and the ideas for interview questions.

Primary data can be collected either through experiments and experimental research or, in case of it being a descriptive one, through surveys and either by observation or performing interviews. Correspondingly, there are several methods of collecting primary data and the most important methods include observations, interview, questionnaires and schedules. (ibid., 95-96.)

As it has been noted before, this thesis uses qualitative approach to collect the data and aims to achieve that through personal interviews. According to Saunders, Lewis, and Thornhill (2009, 320), interviews can be classified as structured interviews, semi-structured interviews, unstructured or in-depth interviews. Structured interviews use identical standardized sets of questions that are recorded and should be read in the same voice for each respondent indicating no bias from the interviewer. Such interviews are often referred to as quantitative research interviews. On the other hand, unstructured or in-depth interviews are informal. Although there is no scripted set of questions and the respondents are free to talk about their opinions, views and experiences in an informal manner, the interviewer has to have a clear idea about the subject and the themes that he/she wants to explore. The interview where the respondent guides the flow of the conversation is called informant interview, whereas when the interviewer directs the process is referred to as participant interview. Similarly to both structured and in-depth interview, semi-structured interview will have a

list of questions and themes to be discussed, but how the interview is conducted will depend on the respondent. Sometimes the question order might be changed or some question may be avoided at all, or supplementary questions might arise in order to explore the subject further. (ibid., 320-321.)

Interviews can also be classified due to the nature of communication. To illustrate, interviews can be conducted face-to-face, via telephone, Internet or even group interviews. There are certain benefits from face-to-face interviews as the respondent might feel comfortable, more willing to participate and be assured by the interviewer about the usage of the responses. However, if the respondent is receiving a questionnaire via Internet, he/she might be hesitant to answer due to the fear of providing personal information to someone they cannot see or possibly even never have met before. They might also be reluctant to give descriptions and details or spend time answering all the questions. Therefore, use of personal interviews is more beneficial and will provide the interviewer with more descriptive and full answers and explanations. (ibid., 324.)

When choosing interview type, the purpose of the research should be taken into consideration. As this thesis is a descriptive and explanatory one and it aims to investigate the reasons behind consumers' attitude toward targeted advertising on social media, the semi-structured interview is the most optimal choice. Moreover, semi-structured interview type is the most commonly used for explanatory research (ibid., 314.)

Table 3. Uses of different types of interview based on research purpose (adapted from Saunders et al. 2009, 314)

	Exploratory	Descriptive	Explanatory
Structured		✓ ✓	✓
Semi-structured	✓		✓ ✓
Unstructured	✓ ✓		

The research objective and questions were formed and based on them the literature review was conducted. As the next step, the questions for the semi-structured inter-

view were developed from the research questions and the literature review. The interview questions were focused on exploring three different interconnected themes and had logical comprehensive list of questions. The author has assumed the possibility of changing the question order or adding/eliminating questions based on the flow of the interview. Semi-structured interview type was chosen as a research method. Semi-structured interview will give respondent the freedom to express their opinion and due to the interviews' face-to-face nature, the author expects honest, in-depth answers with ideas, thoughts, explanations and opinions. The personal nature of the interview will give respondents a chance to feel more confident, and to establish a trustworthy relationship with the interviewer. Moreover, semi-structured interview will provide the possibility to probe answers. Respondents might explain and describe the phenomena in question and at this stage it will be important to have interpretivist mindset and seek to understand the meanings behind responses. (ibid., 324.)

For the primary data collection of this thesis, the interviewees needed to be chosen carefully. As the thesis's research objective was to find out the effect targeted advertising on social media has on consumer buying behavior, the participants had to be able to elaborate on the topic of social media, targeted advertising and their buying behavior. Thus, an ideal respondent would be a person who uses social media and possibly shops online, that is aware of targeted advertising and his/her buying behavior. For this research, 16 participants were chosen from the author's personal connection mainly from JAMK University of Applied Sciences. The respondents' age varied from 20 to 25 years old and they were all active users of social media. 8 of the respondents were female (F1 – F8) and 8 respondents male (M1 – M8). Most importantly, all the respondents were using social media on a regular basis, were occasional online shoppers and knew what targeted advertising is, the qualities the author was looking for in an interviewee for successful primary data collection.

All the interviews were conducted personally via Skype. Due to the research being about recent technological and marketing phenomenon such as targeted marketing, it was suitable to carry out the interview process online, using a recent technological platform (Kananen 2015, 21–22). Skype platform was chosen as a convenient tool available for free use for everyone. Due to the time consuming nature of conducting

interviews face-to-face and the various geographical locations of the respondents, Skype allowed the freedom of having interview at any available time and in a comfortable, familiar environment that commanded relaxed, transparent and enjoyable flow of the conversation. Even though interviews were conducted via online platform, the personal touch was still present as the interviewer knew all the respondents personally and previously had good relationships with them. This allowed interviewees to have trust and transparency in their answers and Skype made it possible for an interviewer to observe reaction, body language and change in voice tones. Moreover, for the preparation of the interview the sound and visual quality were checked as well as the recording device and lighting in order to improve the interviewee experience.

The interviews were conducted from 23rd of March to 31st of March and the duration of the interviews was 40 – 60 minutes. All respondents were made aware of their responses being recorded, informed about total anonymity of collected data, and consent to begin the process was asked and granted. A semi-structured interview guide was developed for the reason to cover all the necessary topics and questions. The guide consisted of an introduction where participants were made aware of the recorder, general overview of the research to familiarize the respondent about the objectives of the research and three main themes that each had different sets of question. The first theme was formed to understand respondents' general attitudes towards social media and advertising, the answers then were used in the second theme that aimed to uncover participants' responses to targeted advertising and its effects on their purchase intention, and finding out how their purchase intention changes after experiencing targeted advertising, the third theme allowed the respondents to express their opinion about what appearances and features they see as the most attractive in targeted advertising and also their suggestions for improvements.

3.3   Data Analysis

The main goal of data analysis is to understand and interpret collected data. To achieve it, the researcher needs to combine, reduce, and explain participants' responses. Data analysis is a complex process which includes a thorough understanding of the information gathered, moving back and forth between it, giving meaning to the findings and making sense of the insights. In addition, answering research questions is the overall practical goal of data analysis. In case of a qualitative research, data analysis begins with data collection. (Merriam & Tisdell 2016, 202.) In fact, Merriam and Tisdell accentuate that data collection and data analysis are two emerging and dynamic processes that exist simultaneously in qualitative research (ibid., 195).

Data analysis consists of several parts. The first part is transcribing the data from the audio recording and it is considered preparation for the analysis itself. This part can be time consuming and it might be helpful to transcribe the recording straight after the interview, while it is still fresh in the memory. (Saunders et al. 2009, 485.) Next, there are three main types of processes of data analyzing including summarizing and categorization of meanings and structuring of meanings by using the narrative. These processes will assist in understanding the data, incorporating data from the notes and transcripts, spotting key patterns themes for further analysis, developing theories and testing and verifying them. (ibid., 491.)

Summarizing data means condensing the interview transcripts into smaller pieces. After summarizing the researcher will most likely get acquainted with key points and themes repeating throughout the data and recognize relationships between uncovered themes. After the summarizing has been done, the researcher may begin the categorizing which is divided into tow parts, the first one being the development of categories, which leads to the second part where the significant amounts of data are attached to different categories. Though such categorization, the researcher will be able to establish connections between data and develop more categories. Examples of such categories may be terms that can be found in the literature, in the collected data, or used by the respondents. Furthermore, if the categories are coherent, logical and relate to other categories and the data collected, then they can supply the researcher with an analytical and good-structured framework to continue research.

Next, the data needs to be unitized which means that words, sentences, lines, groups of words are placed into relevant categories. Figures, charts, graphs, matrixes may assist in grouping units into categories and tracing the connections and relationships between them. During this process new categories may appear, or existing ones can be split, merged or deleted. (ibid., 492-493.)

During and after categorization and unitizing data, propositions might emerge, and they will need to be tested against collected data. It is necessary to test those propositions and to find out if there are alternative approaches or negative examples that do not comply with or match the patterns and relationships in question. Quite often alternative explanations for the relationships may arise and in order to form conclusions and come up with theories it is important to test the proposition first. (ibid., 495.)

Another term often used for analyzing data is coding. According to Ghauri and Grønhaug (2002, 123), coding is used as a means to categorize and inspect the collected data and information. Similarly, Merriam and Tisdell (2016, 204) suggest that coding refers to making notes, comments and observations about the data, therefore assigning certain codes to the bits of information. Such categorization will help to separate and structure the data, to draw possible conclusions and to understand the studied phenomenon.

Following the recommendations on analysis of Saunders et al., this data analysis started with interview transcription. The author transcribed each interview straight after it finished, while the memory was still fresh, and looked for patterns, themes and possible categories. After careful examination of the transcripts, the coding technique was applied by using Microsoft Excel spreadsheets. By doing so, data was structured in a thorough and clear way that the author was able to start identifying connections and link the pieces together to develop a bigger picture. As the interview guide had three themes, they were a starting point and the three biggest categories. Subcategories were developed to understand the connections and links between data more deeply. In each category author established the most frequently used words and description and highlighted them in order to analyze their meaning. This way, three most important categories were: general attitudes towards social media

and advertising, effect of targeted advertising on purchase intention and most enjoy-able appearances of targeted advertising.

Table 4. Step by step guide on data analysis (adapted fromSaunders et al. 2009)

1. Interview Transcription	Transcribing interviews right after the interview itself while the memory remains fresh
2. Coding	Applying coding technique using by using Microsoft Excel spreadsheets
3. Structuring Data	Structuring data in a clear and visible way to start identifying connections
4. Categorizing	Developing three most important categories
5. Developing sub-categories	Developing supplemental sub-categories aimed at assisting a deeper analysis
6. Looking for patterns	Establishing most frequently used words and adjectives in order to link them and analyze the meaning
7. Interpreting Data	Establishing connections, drawing different themes, testing propositions
8. Answering Research Questions	The final step is leading to answering research questions

At the end, selecting Microsoft Excel spreadsheets as a tool for analyzing a significant amount of collected primary data proved to be successful. It enabled the author to quickly navigate between units of information, to make remarks, comments and corrections instantly. Moreover, it was useful in visualization of the data and helped to establish connections, draw different themes, interpret the data and as a result, answer the research questions. The findings are presented in the next chapter.

3.4 Ethics, Validity and Verification

Reliability and validity of the research depends significantly of the ethics of the researcher (Merriam & Tisdell 2016, 260). In this thesis the author followed ethical guidelines throughout all stages of the research: defining research problem, developing research design, data collection, data analysis, reporting. All the interviewees of the study participated on a voluntary basis and gave their informed consent to record and analyze data. They were not put at risk of harm during the interview process. The respondents were also assured about their anonymity and that only the author has access to the recorder information and transcripts. (Sadcheva 2008, 31.)

Moreover, to ensure credibility of the research, the transcribed answers were sent back to the respondents in order to receive respondent validation. This is usually done in order to confirm that the author has full and right comprehension of participants' answers. As the most important factors of qualitative research evaluation are trustworthiness and authenticity, the author made sure that the research had credibility, transferability that means that the context and all processes during research are clearly described, dependability, confirmability meaning that the author has no other interest in conducting the research other than the stated one and, lastly, authenticity that ensures that the research is fair and provides more insights into the investigated phenomenon. (Kuada 2012, 100-101.)

Furthermore, moral responsibility is also considered in this research. The author gives credit and cites all the thoughts, ideas, knowledge and concepts that were not originated from the author. The secondary data was carefully chosen from peer-reviewed scholarly journals and academic books. (Eriksson & Kovalainen 2008, 74-75.) The citations and references are complying with JAMK's reporting instructions.

4 Results

The Results chapter presents the findings from the conducted semi-structured interviews. The findings answer the research questions and will be unveiled in three subchapters. First topic covers the general attitudes of respondents towards social media and advertising, while the second subchapter shows the effects social media targeted advertising has on respondents purchase behavior. Subsequently, the third subchapter will get the reader acquainted with the most favorable features and appearances of targeted advertisements on social media and participants' suggestions for further improvement. The research findings in this chapter are presented without any interpretation and without author's bias.

4.1 General Attitudes towards Social Media and Advertising

To begin with, the respondents were asked to describe their internet usage habits in order to understand the importance of social media in respondents' daily life and how and why they interact with it. All the respondents confirmed that they used social media daily, and M3, M7, F8 further elaborated that the approximate time spend on social media amounted to 3-5 hours every day. The most important social media among all participants were Instagram and YouTube with 5 respondents naming Instagram to be the only social media they used on a daily basis. Moreover, 3 respondents named WhatsApp as their primary social media communication tool, and F1, M3, F3 and M6 names such social media like Vk.com (the social media most commonly used in Russia), LinkedIn, Yle (Finnish social media) and Twitter respectively. Despite the worldwide popularity of Facebook, the majority (N=9) of the respondents did not use or enjoy using Facebook at all.

As for the purpose of using social media, communication with friends and family was named the most important function. Respondents pointed out that it was important for them to keep in touch with friends, especially the ones living abroad, to share their lives with the others, and to get news about what happens in their friends' life. The second most important function of social media turned out to be to learn about what is going on in the world, to get recent updates about news, and to get new information and knowledge. This way, F3 shared, that she was using Yle as a tool for

learning Finnish language and connecting with native Finnish speakers. Another usage of social media was self-expression and F5, M6 and M7 did that through social media. M7 replied:

"Social media is for texting with people and reading news. It is very important for me to maintain relationships with people, keep in touch and to get inspired by getting new information and knowledge. Social media is also a form of self-realization and self-validation and we are all doing it."

For a clearer understanding of shopping patterns and online behavior, participants were asked about the frequency of online shopping. The responses were divided into three categories: shopping once a month or often, shopping once every 3-6 months and shopping once a year or seldom. The respondents M1, F3, F4, F5, M7, F6 were shopping often, M3, F2, M8, F7, F8 were shopping sometimes and M2, F1, M4, M5, M6 turned out to be seldom shoppers.

Furthermore, 9 respondents stated that they have purchased a product or a service that was advertised on social media before. M5 suggested that despite him not remembering ever purchasing an advertised product, he believes that he may have purchased a product subconsciously after experiencing its advertisement. On the other hand, M6 elaborated that he does not find advertising on social media to affect him purchase decisions of new products, however, he think that the advertisement may remind him of a product or service that he liked or wanted before and that may affect his purchase behavior.

All the respondents new what targeted advertisement was and the basics of its working mechanism. The majority of the participants (N=14) said that they experience advertising all the time and F1, F8 and M8 went as far as telling that they are seeing advertising every 5-10 minutes. Nevertheless, two of the respondents, M3 and F3, stated that they do not experience advertising often as they have Ad Block and pay for content, therefore eliminating the option of advertising, respectively. Even though M3 had an Ad Block that allowed him to see less advertising, he confessed to facing ads ever so often on Instagram.

The most frequently used word for describing all advertisement in general was "annoying". The annoyingness of the advertisement was perceived by how many times it appeared. The participants agreed that if the advertising was shown less frequently and if it was more eye-catching and visually engaging, then their attitude was more favorable. Respondents also considered advertising annoying when it was blocking information on the website, when it suddenly appeared and interrupted the workflow or when it was impossible to skip and the time was wasted, and when it would convey the same irrelevant message or show something the user was not interested in anymore. M6 elaborated:

"I am quite used to it at this point, and it is the price you have to pay for using social media and opening webpages with free content. However it gets annoying for me. Sometimes it is annoying, especially when a contextual advertisement is not relevant anymore, and they keep showing it to me."

Nevertheless, interestingly enough, some of the respondents developed mixed feelings about advertising and called it both bothersome/irritating and useful/interesting. Participants (M1, M3, F4, M5, M7, and F8) agreed that it is very often quite annoying, and they want to skip it or do not pay attention, but in case of it being well-targeted, aesthetically pleasing or eye-catching, it can be perceived as interesting and be found helpful in introducing new products. One unusual response the author received from F6 saying that for her advertising may be upsetting and distressing when the advertisement shows lifestyles of other people. F6 complained that the advertisements like that pressured her to compare her lifestyle to the happy people in the ad, and she found it to be upsetting and manipulative.

4.2   Effects of Social Media Advertising on Purchasing Behavior

The next set of questions was asked in order to gain more comprehending into the relationship that targeted advertising had with the respondents. The author aimed to establish what kind of effect does social media advertising have on users' purchase decisions and if it affects it in a positive or negative way.

When asked about their feelings about social media targeted advertising in particular, the respondents had more favorable reactions rather then their feelings towards advertising in general. The advertisements in general were mostly perceived as annoying, bothersome and irritating; however targeted advertising caused positive reactions from the participants. According to M1, targeted advertising on social media is very useful as people spend a lot of time browsing social media and sharing their interests. Targeted advertising generates and shows the ad that most likely relates to what the person likes and enjoys and that can save a lot of time for shoppers. F4 and F5 supported this opinion, stating that for them targeted advertising is a way of finding new products that suit their interests and rediscovering the products they have been searching for a long time. Even though attitudes were mostly favorable (N=11), M7 replied that the products shown in his targeted advertisements tended to be either products that he has searched and purchased before, or more expensive versions of those products. That way targeted advertising was seen as irrelevant and started to become annoying for the respondent.

Despite such positive perception of social media targeted advertising, some of the respondents were not enjoying its working mechanism and did not like invasion of their privacy. As all respondent were aware that targeted advertising collects, stores and shares data about consumers' browsing and search history, interests and demographics, some of them expressed concern about it. M1, M8, M6 highlighted their discontent and described targeted advertising as scary, manipulative and invasive. On the other hand, the rest of the respondents either did not express any concern about their personal information being collected or answered that they are used to it and do not care as they are keeping their interests and preferences accessible to everyone and agree to cookies on websites.

Talking about her feelings about targeted advertising, F5 mentioned that she thinks that it is very difficult to target customers properly; therefore, not every product is advertised to those who are really interested in it. That is why such audience gets annoyed extremely quickly and forms a negative attitude towards a certain brand/product. Similarly, M7 reinforced that he views products advertised through targeting seemed mainstream for him and lowered his desire to purchase it. On the

other hand, F1 said that it depends on a product and sometimes the advertisement makes her feel special as it shows something exclusively for her.

Half of the participants noted that targeted advertising does affect their purchase intentions. F8, F7, M8, F6, F5, F4, M3, M4 all had the same opinion that targeted advertising has an affect on consumers' buying behavior as many people tend to buy products and services that have been advertised to them, and it is especially true for targeted advertising, that customized the ad to suit users' interests, desires and wants. F5 suggested that advertising may affect her on a subconscious level, especially if she has been seeing a lot of the same advertisements. Additionally, F7 gave the author an interesting insight that as she is just a student, she only has a set budget and cannot exceed it, but if she had more funds available to her, she would be shopping online more and accepting recommendations from targeted advertising more. Comparatively, M1, M2, F1, F2, F3, M5, M6, M7 believe that they are not affected by targeted advertising as they are used to seeing it and realize that it is made with the purpose of persuading consumers to buy products.

Most of the participants (N=9) revealed that experiencing targeted advertising on social media will most likely result in them wanting or even purchasing the advertised product. They elaborated that, for advertisement to work successfully in persuading users to buy the product, it needs to be targeted very precisely, and otherwise it may have the effect opposite from the desired one. Moreover, the more profound knowledge the person has about advertised product or service, the more likely he/she is to purchase that product. F8 added:

"Yes, knowing myself, I will probably buy the advertised product in the future because the ad reminds me of the product (and I am an impulsive person and ads affect my decisions greatly), though it doesn't necessarily mean I'll buy a product after seeing the add one more time, but it'll probably make me more interested if the ad is done nicely and without being pushy."

Equally important to understanding the correlation between social media targeted advertising and consumer purchase behavior was understanding how far the respondents will go to receive or decline to receive targeted advertising. 10 respondents admitted to subscribing to targeted email newslet-

ter/promotions/discounts/special offers either in past or currently. However, respondents said that they subscribe to either their favorite websites or brands and if the advertising becomes too frequent, unrelated or forceful they often cancel the service. On the contrary, targeted email advertisements were seen by M1 as spam and useless efforts to force him into buying the product.

Correspondingly, half of the participants (N=8) expressed their desire to receive less targeted advertising on social media. The other half of the respondents commented that they experience just the right amount of targeted advertising. Interestingly, F1 emphasized that she enjoys seeing different advertising and it helps her in her studies and she learns from it. F2 stated that it is not irritating, and she enjoys all the little video clips on YouTube and in Instagram as it serves as free additional entertainment for her. Nevertheless, F3 confessed that she disliked the fact of her data being collected and shared with third parties and would like to not receive targeted advertising at all.

4.3 Most Favorable Features and Appearances of Targeted Advertising

The following set of questions was asked in furtherance of finding out what features and appearances of social media targeted advertisement attract participants the most. The author considered it important to inquire about participants' suggestions on improving targeted advertisement, so it becomes more positively viewed by social media users.

Thus, when asked about what social media platform contains the most enjoyable and useful targeted advertisements, half of the respondents (N=8) named Instagram due to its careful and thoughtful implementation of ads. The participants noted that Instagram does a great job in providing users with visually pleasing ads, which are easily skippable and are fully integrated into the platform. M7 shared that sometimes he accepts ads on Instagram as something he subscribed to and honestly takes pleasure in seeing them, because he finds it difficult to distinguish between his own feed and news and well-targeted advertisements. Moreover, participants highlight the enjoyability of Stories on Instagram as they are usually relevant and related to users' interests and are easily skippable. M6 recalled his fondness of YouTube advertise-

ments, confirming that he uses YouTube to waste time and watch videos and one more ad video clip just adds to his experience. However, the rest of the participants had an equal attitude towards advertisement on various social media networks.

Next, the respondents were asked to name their most preferable form of an advertisement. The opinions have divided between all the respondents. F5 and F6 named targeted email ads to be their favorite advertising. On the contrary, M1, F4, F8 and M7 expressed their dislike of email advertising as they wanted to be in control of the information they were receiving. F7, M5 and F3 stated that pop-ups and interstitials were among their most enjoyable advertisement forms. Banners were most preferred by F1, and F4, while sponsored posts related to content were enjoyed by M2, M4 and M8. Furthermore, M6, F2 and M3 had favored skippable video ads.

As for the visual appearance of the targeted advertisement, all the respondents agreed that how it looks like is crucial in attracting users and making them interact with and accept the advertisement. Design and overall aesthetic were the most important for all the respondents. M6 and F6 noted the importance of sounds in an advertisement. According to them, good sound quality and carefully picked music or sounds can enhance ad's likability. Some of the participants preferred minimalistic design with natural colors (N=4), while others noted that they advertisement has to be vivid (N=3). F8 had shared her preferences:

"Targeted advertisements do not have to be super vivid; I prefer natural colors, and minimalistic style. Plus I like photos which make the ad aesthetically pleasing especially if it fits the content of the ad. Also, it would be nice to see the picture of a product because I like the ads to be informative and get me acquainted with the product or service they are selling."

Meanwhile, M5 made an accent on the message of the advertisement and gave his insights into what makes him engaged:

"Message is very important for me, but it is insufficient when trying to attract clients' attention. It always depends on the product. If the idea and the way the ad is performed is catchy and suitable — it'll sell itself. Personally, I like ads to be a little mysterious, it makes me intrigued and I become curious about what is being offered."

Moving onto the characteristics of the advertisement, 9 respondents noted the importance of an ad being informative. The main purpose of an advertisement is to introduce new products to the customers, and to persuade them to make a purchase, therefore the more information the customers have about the product in question, the more likely they are to make a conscious calculated purchasing choice. The advertisement need to provide a clear overview of the product, its benefits and qualities to be effective, but not too much information, according to the participants. The second most important quality was entertainment quality of an ad. Such qualities as helpfulness, unobtrusiveness and relevancy were also mentioned to be crucial.

The author considered it necessary to inquire about the suggestions that participants can give in order to understand what is missing and what can be improved in targeted advertising on social media. Some participants explained that they would like the targeting to be more precise. The key to attracting right people and making sure they accept and interact with an ad, marketing specialists need to pay attention to small details, use big data to their advantage and target the right audiences. Companies should learn about their customers and their interests, needs and wants through social media and customize and make the advertisements as relevant as possible. F1 gave an interesting example about the beauty company she followed:

"One cosmetic company I follow on social media found out which of its clients were introverts and which were extroverts and made a Facebook campaign providing these two types of women with special banners: "Beauty should not shout out" for introverts and "Be in the center of attention" for extroverts. Nowadays relevance and customization are key to attracting customers and building meaningful relationships."

M8 also highlighted the importance of building bond between companies and customers. He explained that creating loyal, returning customers will be beneficial for the brand and will make targeted advertising easier for the companies. Moreover, 6 participants highlighted that they would prefer to see less annoying advertisement and that quality is better than quantity. F4 expressed an opinion that targeted advertisement often shows products that she has purchased before, thus it needs to dis-

tinguish between already purchased products and what the person really wants and advertise relevant products/services.

To conclude, this chapter has presented the findings from semi-structured interviews that were conducted by the author. The next chapter will be discussing and reviewing the findings in the light of the literature review and theoretical framework to generate thorough and profound overview on their meaning and value.

5   Discussion

This chapter presents the summary of the main findings as well as, practical implications, limitations and the assessment of research quality. The author also answers research questions based on the research findings.

5.1   Summary of Main Findings

The main objective of this thesis was to uncover the attitudes of social media users towards targeted advertising. Two research questions were formed in order to shed more light into how effective social media targeted advertising in persuading purchase intentions is and into the most favorable appearances and qualities of targeted advertisement, and they are as follows:

1 How effective is social media targeted advertisement in influencing consumer purchase intention?

2 What features and appearances of social media targeted advertising attribute to affecting consumer buying behavior?

It is noteworthy to mention that in order to answer the first research question, general attitudes towards advertising in general were studied. The research uncovered that nowadays consumers use social media every day and can spend 3-5 hours a day there. The advertising in general was considered to be annoying, bothersome and sometimes irritating, especially if it interrupted the workflow, appeared suddenly and was blocking the website content. In the same manner the study by Rodgers and Thorson (2000) explained that the advertisement that is most likely to be bothersome during the work process, appear suddenly and interrupt important tasks will be perceived less favorably. However, the attitude towards targeted advertisement in particular was found to be mostly positive, with respondents perceiving it as helpful and useful. This finding is supported by the study done by Calfee and Ringold (1994), which discovered that consumers have mixed feelings towards advertising and consider it both persuasive and invasive and helpful and informative at the same time.

Moreover, social media advertising proved to be an effective tool into influencing purchase intention of consumers. The respondents enjoyed targeted advertisement

on Instagram and some on YouTube, highlighting that ads were integrated into the social media platform very well and sometimes users could not distinguish between their content and the advertisement itself, which resulted in higher rate of acceptance and engagement. This finding is related to the research by Taylor, Lewin and Strutton (2011) that stated that in order for the advertising to be successful it needs to be accepted as a part of social media by users. Even though only half of the respondent believed that targeted advertisement affects their buying behavior, the majority of them noted that they are more likely to purchase a products/service after experiencing social media targeted advertising and have possibly purchased something in the past subconsciously, without realizing that they were affected by the targeted advertisement.

Answering the second question, it was revealed that all the social media users had their own interests, preferences and desires. Some may prefer Instagram as a social media tool, other were more invested in Facebook and YouTube. Some were more attracted to email targeted advertising, while others chose banners and interstitials. Interestingly, secondary data presents findings of many researchers discussing the customers' fear of targeted advertisement privacy invasion (Johnson 2013; Tucker 2014; Goldfarb and Tucker 2010). Nevertheless, it is not supported in the primary data as the majority of participants of the interviews did not express any privacy concerns at all.

All things considered, it was established that marketers need to pay attention to their customers; their preferences, needs, wants and desires, as targeting for the wrong audience will cause negative perception of a product. Likewise, Taylor, Lewin and Strutton (2011) uncovered that value presented by the advertisement should be aligned with values, motivations and interests of the consumers, otherwise the advertisement will be viewed as irrelevant and regarded less favorably. It is crucial to develop precise and accurate targeting mechanisms, to customize the advertisements and ensure their relevancy for the customer. Additionally, design and overall aesthetic of an ad have to appeal to the targeted audience. Together with Haghirian and Madlberger's study (2005), which discovered that marketing professionals cannot depend on the message to be received positively and remembered by the public, and they need to adjust the message according to the needs of customers, the semi-

structured interviews conducted by the author revealed that the message of the advertisement is important, but not enough for persuading customer purchase intention. The advertisement needs to be informative and entertaining, and to be integrated into social media platform and be noticeable, but not too flashy. The literature review supports these findings and researchers Tsang, Ho & Lyang (2004); Petrovici and Marinov (2005); Wang et al. (2002); Haghirian and Madlberger (2005); Coulter et al. (2001) name informativeness and entertainment among the most highly appreciated characteristics of targeted advertising. This way the annoyingness of an ad increases, and its effectiveness improves. In the same fashion Johnson (2013) stated that when the targeting advertisement improve and become significantly more sophisticated, then customers will view it as less of a bother and grow to accept and appreciate it.

Thus, the research problem was carefully examined, researched and analyzed and the results can be put into words as: the social media targeted advertising proves to have a positive effect on the consumer buying behavior and purchase intention, and can be more effective if it follows the suggestions for the improvement from social media users and marketing researchers.

5.2   Practical Implications and Suggestions for Future Research

This research combines secondary data findings retrieved from previous publications of marketing specialists, researchers and scholars that support primary data findings extracted and analyzed from the semi-structured interviews conducted by the author. Therefore, this thesis present an in-depth overview into targeting marketing on social media, its effectiveness and the most optimal ways of implementing targeted marketing advertising.

The results of the conducted research gave insights into the most successful way to deliver targeted advertising on social media for its audiences. The author is able to give recommendations for advertisers and marketing professionals. As it has been noted before, social media users all have their personal interests, motivations, values and desires. Point often overlooked is that when carrying out targeted advertising, it has to appeal to the right audience and align its values with that of targeted audi-

ence, whereas in case the targeting is not precise and is viewed by users as irrelevant and irritating, the advertised product perception will most likely be negative. Taking all things into consideration, integrating advertisements into the social media platform will increase the acceptance and engagement rates and with improved targeting and sophisticated design it will prove to be the most successful in reaching its goal of persuading purchase intentions.

This thesis can serve as a database for advertisers, researchers and marketing specialists as it provides a rich and profound data collection presented in Literature Review chapter as well as insightful findings from primary data collection. The author believes that by using the information displayed in this research, targeted advertising practices on social media may improve.

As for the suggestions of the future research, the author may recommend exploring statistical data by using quantitative research method and sampling a larger data of the respondents with a wide range of age and occupation. Another suggestion is to conduct a study based on the findings presented in this thesis and observe the reactions of social media users towards improved targeted advertising from their input.

5.3   Limitations and Assessment of Quality

The first limitation of this study is the sample of the research. Students aged 20-25 were chosen for this study, therefore the results only present the views of young adults. Further research would benefit from larger age sample in order to look at the problem from different perspectives. Moreover, as the occupation of all the participants was students, the suggestion for further research is to include respondents from different occupations as it will provide more profound overview on the effect of targeted advertisement.

The research was also limited by the chosen research method. The author used semi-structured qualitative interviews due to its fittingness for the research problem. The biggest limitation of qualitative research is that the results cannot be objectively verified. However, by using semi-structured interview the results gained were in-depth, descriptive and explanatory, but no numerical data was collected. The author believes that in order to explore the research topic further, future researchers may use

surveys, questionnaires or other types of quantitative data collection techniques to shed more light into statistical aspects of the research problem.

Additionally, the chosen research method such as semi-structured interview presents its challenges. First of all it is important to mention that interviewer bias is one of the reliability concerns. Interviewer bias happens when the interviewer is exhibiting changes in intonation, body languages or facial expression that reflects on how the respondents are answering questions. Moreover, interviewer bias can be manifested in how the researcher is interpreting the data collected. Related to this particular type of bias is the respondent bias. It may occur when the respondent perceives the interviewer in a certain light, or when due to the intimate and inquisitive nature of unstructured interview, the respondent chooses not to reveal sensitive information or lead discussion away from the topic that is uncomfortable. (Saunders et al. 2009, 126-127.)

In case of this particular research, the author ensured that the respondents felt safe and trusted the interviewer, made them comfortable and allowed them to choose their own locations due to using Skype as an interviewing tool, and remained neutral when asking questions and receiving answers. To ensure and strengthen the reliability of data collection technique such as semi-structured interview, the author used literature review and theoretical framework as a blueprint for creating interview questions. The transcripts were sent back to the participants to ensure the credibility of the answers. By following the ethical guidelines the author ensured validity and reliability of the research. More about ethics of this thesis, validity and reliability can be found in Methodology chapter.

Moreover, the author deems it necessary to make clear that the future studies cannot on the same topic conducted by different researchers will not gain the same results, as the qualitative study only reflects on the reality at a particular time during data collection. Furthermore, expecting identical results would be not realistic due to the nature of qualitative research and its flexibility. However, to strengthen the reliability of this research, the author makes clear notes on research design, data collection techniques that are justified according to the research problem, and the findings, which may be of assistance for future researchers. (ibid., 328.)

6   Conclusion

Nowadays the technology is developing at geometrical proportion's speed. The marketing techniques are becoming increasingly advanced. With the appearance of targeting as an advertising tool, companies are starting to understand how to use it in the most beneficial way. As social media targeted advertising is quite a new phenomenon, not many studies have been conducted on the effectiveness of such advertising, therefore this thesis focused on explaining social media user attitudes towards targeted advertising, its effectiveness and the most favorable features and characteristics of the said advertising.

With this in mind, literature review and semi-structured interviews were conducted. The findings from primary data collection were supported by secondary data. Overall, it was uncovered that social media users have mixed feelings towards advertising, considering it both irritating and helpful. However, they had most favorable attitudes towards advertising and considered it mostly effective. According to the findings, the effectiveness of targeted advertising may be increased by improving targeting, giving the advertisement more sophisticated design and organically implementing it into the social media platform.

Limitations, practical implications and suggestions for further analysis were discussed in the previous chapter. The results and findings of this thesis combine knowledge of previous studies on this topic as well as supporting them with the findings gained from semi-structured interviews. The thesis aims to analyze and comprehend the data gathered and to generate a deep profound overview on the consumer attitudes towards targeted advertising. It may be of assistance for marketing specialists searching to improve their marketing strategy and targeted advertising mechanisms to persuade consumers' purchase intentions.

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Appendixes

Appendix 1. Interview guide

Theme 1. General attitudes towards social media and advertising

1. How often do you use social media?
2. Which social media do you use most often?
3. What is your purpose of using social media?
4. How often do you shop online?
5. How often do you see advertisement on social media?
6. How does social media advertising make you feel?
7. Have you ever purchased a product that was advertised on social media?
8. Do you know what targeted advertisement is?

Theme 2. How does targeted advertising affect product perception and purchase intention?

9. What are your feelings towards receiving targeted advertising?
10. Do you believe that targeted advertising's invasion of privacy affects your purchase decisions?
11. Do you usually subscribe to the email advertising (for example, sales, discounts, special offer emails)?
12. Do you think targeted advertising changes your perception about the advertised product?
13. Does your mood affect how you perceive targeted advertising?
14. Would you like to see more/less targeted advertising on social media?
15. Are you more likely to buy a product in the future after experiencing targeted advertising?

Theme 3. What are the most likeable appearances and features of targeted advertising?

16. On which social media platform do you enjoy targeted advertising the most?
17. Which appearance of targeted advertising do you prefer the most? (emails, pop-ups, interstitials, banners, etc.)
18. Do any of the targeted advertisements features (color, text font, message, sound, location) positively affect your attitude towards the advertisement?
19. What are the most important qualities of targeted advertisement? (helpfulness, informativeness, unobtrusiveness, entertaining quality)
20. Do you have any suggestions about how to improve targeted advertising that it becomes more effective in affecting consumer buying behavior positively?