# THE INFLUENCE OF PERSONALIZED SE ADVERTISING ON CONSUMER'S TRUST AND PURCHASE INTENTIONS A STUDY IN HONG KONG

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#### Abstract

This research paper aims to examine the influence of personalized search engine (SE) advertising on consumers' trust and purchase intentions in the context of Hong Kong. With the growing emphasis on personalized advertising strategies, understanding their impact on consumer behavior is crucial for marketers and advertisers. The study will adopt a quantitative research approach, using an online survey to collect data from a sample of Hong Kong consumers. The survey will measure participants' exposure to personalized SE advertising, their levels of trust in the advertisements, and their purchase intentions. Data analysis will involve statistical techniques, such as regression analysis, to identify the relationship between personalized SE advertising, trust, and purchase intentions. The findings of this study will contribute to the existing literature on personalized advertising and consumer behavior, providing insights into the effectiveness of personalized SE advertising in influencing trust and purchase intentions among Hong Kong consumers.

**Keywords:** Personalized Search Engine Advertising, Consumers, Trust, Purchase Intentions, Hong Kong, Effectiveness, Personalized Advertising

#### INTRODUCTION

Large sums of money are spent by businesses in today's sectors, which are highly competitive, on advertising in an effort to raise the level of consumer awareness of their brands and so boost revenue. As just two examples, in 2015, Unilever spent \$8.9 billion, and P&G spent \$10.4 billion on advertising; these are just the statistics for just two firms (Advertising Age 2017). During this period, there has been an increase in the demand put on marketers to show the value of their marketing activities and quantify the results of such initiatives. Specifically, this emphasis has been placed on marketers to demonstrate the value of their marketing initiatives. The impacts of advertising on key performance indicators (KPIs) like sales and market share have been the subject of a great deal of research and investigation. In a nutshell, they arrived at the verdict that advertising most of the time has a positive and statistically significant effect on sales, even if the amount of this influence is rather small. This was their main takeaway from the study. In addition, they are well aware that the effectiveness of advertising efforts may vary drastically from campaign to campaign. This is something that they take into consideration while developing their strategies. According to the results of a number of research, around fifty percent of all advertisements really have any type of an influence at all. These figures were collected over the course of the last three years. For Brand A, a rise in advertising expenditure seems to have a direct link with an increase in sales; however, for Brand B, it is determined that this correlation does not exist between advertising spending and sales growth. The issue of why some advertising efforts is more effective than others is a question that logically comes after the fact.

When trying to ensure the success of any campaign, the content of the advertising is one of the most important factors to consider. Author conducted a well-known field experiment that demonstrated that alterations made to the content of advertisements had a greater impact on revenue than did variations made to the quantity of money spent on advertisements. This finding was published in 1989 and has since gained widespread recognition. The findings, which illustrate how essential it is to consider content when assessing the efficacy of an advertising, lend credence to the findings presented here. Because of factors such as consumers' limited cognitive capacity, the cluttered media environment and the growing consumer skepticism toward advertising, it is becoming increasingly difficult to choose appropriate advertising content cues that grab consumers' attention and convince them to make a purchase. As a consequence of this, it is very necessary for marketers to have a comprehensive grasp of the efficacy of the various content signals. The impact that contextually appropriate content signals have on the effect that advertising has on sales is the subject of two empirical articles that explore the topic. To be more specific, the paper "Communicating Brands in TV Advertising," which was published by researcher, investigates the several ways in which businesses may employ television advertisements to increase customer awareness of their products. In order to determine the aspects that contribute to the success of the commercial, the authors conduct an analysis in which they count the number of times that the brand name is mentioned, the length of time that the company logo is displayed, and the number of practical benefits that are highlighted in the advertisement. Research was conducted utilizing a one-of-a-kind dataset over a period of four years. This dataset included information on different advertising campaigns that were all distinct from one another. These advertisements were produced by different companies and represented six different FMCG product categories each individually. The second piece of artwork, titled "Does It Pay to Be Real?" investigates the idea of "does it pay to be real?" This topic is covered in great detail in the book "Understanding Authenticity in TV Advertising," which was published. The word "authenticity" has become one of the most sought-after keywords in the advertising world in recent years. The next step that the authors take is to evaluate how the amount of success that is attained by the items that are being marketed correlates to the four qualities of authenticity in advertising. The same data collection that they had used in their previous study served as the basis for their investigation, and they relied on it as their primary source of information.

The third and final article, which was authored and titled "Executional Cues in Advertising - An Overview," provides a conceptual framework for organizing and categorizing the vast number of execution content cues. This framework is presented in the form of an overview. Ad appeals, the conceptual approach, and brand salience are said to be the

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three fundamental components of advertising execution that the author recommends paying attention to. Each of these three primary components may be disassembled into their constituent parts and individual cues to provide more detail. They do an analysis of the data and highlights research requirements for each dimension, while also providing a review of the relevant literature that has been published in the previous twenty years. In the following lines, they are providing a synopsis of the history, objectives, primary findings, and overall significance of each dissertation. According to Tilles, study Recent years have seen a growing number of commercials that insult different groups of people. As a result of being offended by certain commercials, customers have exerted pressure on the advertiser, persuaded the boycotting a company and its products because the media stopped allowing its ads. It is possible that a company's advertising efforts may catch the public's attention and stand out from the present clutter of pictures, but the company's brand image and clientele may be damaged. Consumer perceptions of aggressive advertising in Asia have received less attention from previous studies performed mostly in Western nations. Modern, Western-looking Hong Kong, which sits at the crossroads of East and West, has a strong cultural identity that is distinct from that of its ethnic Chinese residents. There has been a rise in Hong Kong's awareness and adoption of provocative advertising. Unknown is how Hong Kong customers may react to offending commercials, though. What products/services customers find offensive, what executional techniques they find offensive, their tolerance for commercials in various the influence of media on consumers' responses to advertising buying behavior were all explored in this research. According to the study, various goods, and services as well as different ways of delivering them create a variable degree of offensiveness. A message's degree of offensiveness and its effect on consumer behavior vary depending on the medium and demographics of the audience it is being delivered. Online advertising research published in peer-reviewed advertising periodicals since 1996 is the focus of this article, which serves as the foundation for its findings. It is hoped that this study would provide light on the theoretical underpinnings that drive online advertising research, as well as assess current best practices in online advertising research. The author examined every article he could find on the topic of online advertising, but only those he thought were particularly notable were included in this research. Examining the Promotion, the Magazine of Advertising Research, and the Magazine of Advertising, the IJA, the CJMC, and the first online advertising journal, the Journal of Interactive Advertising (JIAD), this study examines a wide range of publications. It is possible to follow the development of internet research in advertising by concentrating on the publications of the advertising industry. Online advertising research published in peer-reviewed advertising periodicals since 1996 is the focus of this article, which serves as the foundation for its findings. Online advertising research is examined in this review in order to examine the Theory and practice in online advertising research are both examined, as is a potential agenda for the area. As a result of reading all electronic advertising-linked papers issued in the academic study listed, this article solely evaluates and reports on articles that are deemed notable. All six English-language advertising journals are reviewed in this study, which focuses on papers available in six English-language advertising journals: JA; JAR;

JCIRA; IJA; CJMC; and JIAD, the sole online marketing magazine. It is possible to follow the development of internet research in advertising by concentrating on the publications of the advertising industry.

One of the most difficult tasks for marketers and agencies is determining the ROI of their advertising efforts, which accounts for a significant portion of marketing budgets. Adding to the problem is the rise of new advertising platforms and formats. As a result, Researcher have a new kind of customer who is promoting his or her own ideas. As a consequence, measuring becomes more difficult, making it impossible to measure "everything". While marketers want information that may help them make decisions on a daily basis, they also don't want to wait for the findings of an inquiry that might take up to a month. In addition, despite a plethora of publications and research on the issue, there is no clear definition of the idea of efficacy. On the basis of what customers see, this study proposes to create a new effectiveness key performance indicator (KPI), so that the complexity of the environment and the difficulties of measuring it would not be so significant. In addition to that, this signal should be easy to understand, yet comprehensive enough to be valuable to marketers. The flexibility of the measurement and the availability one week following a campaign's airing are also important. The only way to know whether or not a communication endeavor was a success is to first define what they mean by effectiveness and then compare it to their predetermined benchmarks. When it comes to determining whether or not an ad campaign is successful because the major purpose of their study was to help marketers, they learnt that there are three important axes to consider. Author discovered that the most crucial parameter was the level of awareness of the commercials. It's important to concentrate on three axes: memory, image, and business. These are the three axes that they believe are the most important for effective campaigns. Each of the four pillars of the AIDA hierarchical model has a direct relationship to the other three, but rather than focusing on whether or not these concepts can be measured, they're more interested in how they work together and how they might benefit marketers. This means that the concept of efficacy changes throughout time since the axes have varying values in various circumstances and goods. 3D-Effectiveness is calculated by averaging the values along each axis. The potential of Instagram as a platform to allow video, pictures, text, IGTV, and IG stories has contributed to the surge in popularity of Instagram in Hong Kong over the course of the last several years. The original purpose of Instagram was to allow users to share their own personal stories, but it has now grown into a platform that can also be used for activism and raising public awareness. Businesses in order to increase the amount of money spent by customers and their identification of the brand. There are rumors that Instagram is become the dominant social media platform in January of 2020. Coming in at number four on the list of most popular social networking sites used by individuals in Hong Kong, where sixty percent of internet users between the ages of sixteen and sixty-four make frequent use of the website. That is to say, advertisements on Instagram have the greatest reach and frequency in Hong Kong, reaching a total of 2.32 million different people impression. In addition, more than eighty percent of Instagram users base their shopping decisions on the information they get from product searches. Specifically: (Facebook for Business, 2019), Instagram is an excellent platform for companies to utilize to market their goods and services because of the large number of users the platform has increase people's awareness of their brand-new services and products.

#### Advertising

An effective technique in today's business strategy for increasing and preserving market share is advertising. In today's competitive advertising industry, there is no one definition of what it means to be a marketing professional because of the ever-increasing range of advertising strategies accessible owing to technology breakthroughs. A simple definition of advertising is the creation and mass media distribution of communications aimed at convincing a target audience of profit-seeking providers by or on behalf of brand marketers. Advertising communications have four major purposes:

To form customer views of firms (brand development).

To draw the attention of prospective consumers.

To increase product sales.

To drive behavioral changes.

Advertising is always shifting, adapting, and reinventing itself in order to keep up with the ever-changing nature of its clientele. Affective, cognitive, and conative phases seem to have a role in advertising's effect on attitudes according to study. Advertising takes up a significant portion of many financial organisations' operating expenses.

#### **Trust Theory**

Trust theory in the business sector grew out of a belief that firms' activities should help their customers and society rather than simply themselves. Business trust is divided into cognitive and emotional components, according to researchers. Having faith in the ability of the person or thing in whom they place their confidence is one of the logical components of trust. Competence, efficacy, and consistency and predictability of activities are all considered in this process. Affective and cognitive trust are the two components that identified in his study on trust.

#### Commitment

Marketing channel literature has long established that uncertainty is the amount to which a partner has adequate knowledge to make crucial choices, forecast the repercussions of those actions, and have confidence in those judgments. Because the trusting partner has faith in the trustworthy person, they are less likely to be unsure of their own decisions, according to the researchers. As a result, reducing the level of ambiguity in a relationship is critical. Uncertainty was shown to have a detrimental effect on cognitive trust, but there was no association between emotional trust and uncertainty. They pointed out that creating emotional attachments might not guarantee long-term stability or greatly reduce uncertainty. This raises the issue of the significance of the connection between emotional trust and uncertainty.

### Simple to Set Up and Use

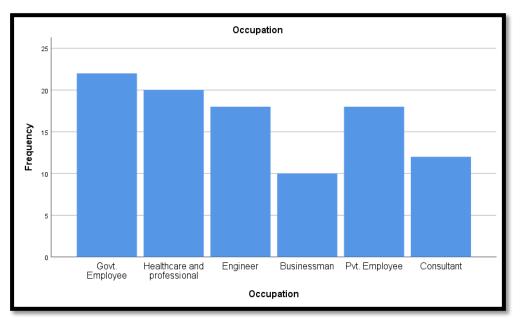
Search engine advertising (SEA) is a fast and easy option that may help enhance the visibility of their website as well as its ranking in the relevant search results. It is possible for advertisements developed using SEA to be shown on well-known search engines such as Google, Bing, and Yahoo!the use of SEA allows for the speedy creation of advertisements that are not only economical but also relevant to the audience they want to reach. Users can also analyze the effectiveness of their adverts by looking at which keywords are creating the greatest interest in their target audience. For all of these reasons, Search Engine Optimization (SEO) is the greatest choice for single proprietorships and new businesses who want to increase their visibility online. Every one of their measures was derived entirely from pre-existing structures that were found in the academic literature. There are three books that are noted for the utility of their explanations. Examples include statements like "They personally feel the goods in this Instagram photo is useful." In order to determine the level of amusement provided, provide three supplementary things, one of which is the statement "They personally feel the provide the product in this Instagram post is amusing."

The degree to which an Instagram audience may rely on the post to assist them in making an educated decision regarding a purchase is referred to as the cognitive trust. The post has to adapt to the preferences and interests of the target market, provide them a way to evaluate the product, and highlight important information about it. For the purposes of this application, three items from cognitive trust scale have been changed. One of the specific considerations to consider is whether or not the Instagram post meets the needs and demands of the customer. The research conducted, which is utilized by us in order to measure cognitive trust, served as the basis for their development of an emotional trust metric. This metric considers how the Instagram audience feels about the information contained in the post being trustworthy. One example of a possible worry is the topic of whether or not Instagram users can have any level of confidence in the content that is shared on the platform. An Instagram post should include five distinct kinds of inquiries. Some of them include reading, like, following, commenting, and sharing. Because Instagram users are individuals with unique personalities, their responses to advertisements may vary, which might result in a wide variety of click-through rates.

### RESULTS

Occupation						
		Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Govt. Employee	3060	22.0	22.0	22.0	
	Healthcare and professional	2782	20.0	20.0	42.0	
	Engineer	2504	18.0	18.0	60.0	
	Businessman	1391	10.0	10.0	70.0	
	Pvt. Employee	2504	18.0	18.0	88.0	
	Consultant	1669	12.0	12.0	100.0	
	Total	13910	100.0	100.0		

# **Table 1: Percentage of Occupation**



# **Figure 1: Occupation Chart**

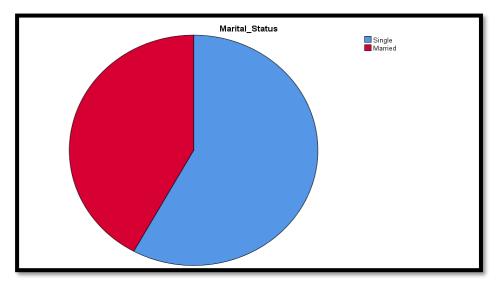
In this above chart they have received 13910 responses, 22.0% candidate's occupation is Govt. Employee, 20.0% Healthcare and professional, 18.0% Engineer, 10.0% Businessman, 18.0% pvt. Employee and 12.0% Consultant.

Table 2: Marital status	Table	2:	Marital	status
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	Single (F=4403, M=3653)		
Marital status	Married (F=2969, M=2885)		

Marital Status						
Frequency Percent Valid Percent Cumulative Perce					<b>Cumulative Percent</b>	
Valid	Single	8068	58.0	58.0	58.0	
	Married	5842	42.0	42.0	100.0	
	Total	13910	100.0	100.0		

### Table 3: Percentage of Marital Status



# Figure 2: Marital Status chart

In this above chart they have received 13910 responses 100%, 58.0% candidates are single, and 42.0% candidates are Married.

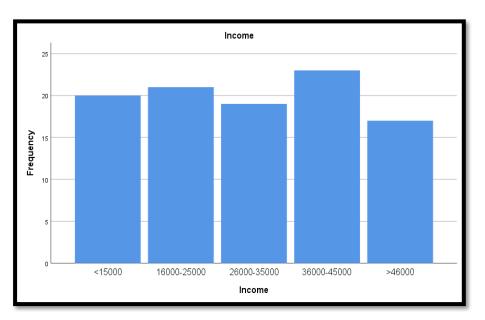
#### Table 4: Income

	HKD<15000 (F=1525, M=1238)
Income	HKD<16000-25000 (F=1489, M=1452)
	HKD<26000-35000 (F=1513, M=1175)
	HKD<36000-45000 (F=1570, M=1677)
	HKD<46000(F=1275, M=996)

In the study data comprised of individual income less than HKD 15000 (N=2763, F=1525 & M=1238), HKD 16000-25000 (N=2941, F=1489 & M=1452), HKD 26000-35000 (N=2688, F=1513 & M=1175), HKD 36000-45000 (N=3247, F=1570& M=1677), and more than HKD 46000 (N=2271, F=1275& M=996) respectively.

Income						
		Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	HKD<15000	2782	20.0	20.0	20.0	
	HKD 16000-25000	2921	21.0	21.0	41.0	
	HKD 26000-35000	2643	19.0	19.0	60.0	
	HKD 36000-45000	3199	23.0	23.0	83.0	
	HKD>46000	2365	17.0	17.0	100.0	
	Total	13910	100.0	100.0		

## Table 4: Percentage of Income





According to the findings, 13910 people participated in the survey. 20% of the applicants had an annual income of more than HKD 15,000. Researchers have 21% of the applicants in the HKD 16000 - 25000 range. Researchers have 19 percent of applicants in the HKD 26000 - 35000 range. Researchers have 23 percent of applicants in the HKD 36000 – 45000 range. Researchers have around 17% of the total number of applicants in this category, totaling 46,000.

# CONCLUSION

According to the conclusions came up with, a number of different search engines, including Google, Yahoo!, and Bing, have been raking in tremendous income as a result.

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As a result of their consistent expansion, they have become an important news and information delivery source in recent years. This indicates that they have the potential to influence the attitudes of millions of people on any given subject and provide a channel for businesses to communicate with their consumers and increase sales. They take the concept of ad auctions and use it in a way that is similar to playing a game with it. They construct simulated outcomes, and based on the results of these simulations, they try to make conclusions about the most effective strategies that may be used by advertising as well as search engines. Numerous research has been carried out to study the manner in which advertising effects characteristics such as sales of brands and market share. In a nutshell, they arrived at the verdict that advertising did, in fact, increase sales, however somewhat, and this was their conclusion. To begin, it is not clear whether or not the findings can be extrapolated to real-world market conditions because the conclusions do not consider the presence of competition, or any other constraints imposed by the marketplace. In spite of the author's interest in all three facets, they ultimately arrive at the conclusion that the vast bulk of prior study has concentrated on the marketing charms of the product. This dissertation contains four articles total, two of which are empirical studies that are linked to the other two studies included in this dissertation. This study is begun by providing an overview of website construction, website management, and online advertising campaigns. Subsequently, it conducts literature reviews and empirical research in order to provide answers to the following research questions and create pertinent conclusions. Web advertising may still be in its infancy; therefore, clients may still have doubts about the advertisement's validity.

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