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CONSUMER BEHAVIOUR TOWARDS YOUTUBE ADS (A Case Study of TalTech Students)

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I hereby declare that I have compiled the thesis independently and all works, important standpoints and data by other authors have been properly referenced and the same paper has not been previously presented for grading. The document length is 11010 words from the introduction to the end of conclusion.

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ABSTRACT

The use of online video advertisements to expand the consumer base of businesses has produced a remarkable result for marketing research and provided a framework for market planning. YouTube has become one of the most popular websites and is a favourite among advertisers, viewers, and streamers, revolutionizing the scope of online video globally. A vast proportion of global businesses use this platform for their advertisements and marketing campaigns. Many of these advertisements vary in their advantages to the viewer, could impact their behaviour and decision to complete a purchase. For this reason, businesses must study the interactions, engagements, behaviours, attitudes, and feedbacks of consumers to satisfy their wants, maintain a steady customer relationship, promote their brands, and improve their competitive edge on the platform. The objective of this research is to explore the behaviour of consumers towards YouTube ads and the influence of this behaviour on their purchase decisions of products or services advertised on YouTube. In this study, a quantitative approach was utilized as the methodology for conducting this research. An online questionnaire was the research tool used to collect relevant data from respondents. Based on the convenience sampling method, a sample size of 262 respondents with Tallinn University of Technology students as the target group was drawn from the internet via several messaging platforms.

The results of this study reveal that consumers have a negative behaviour towards YouTube ads because they find them irritating and distracting. Spearman's *rho* correlation coefficient shows a significant positive relationship between informativeness and the level of engagement of consumers to YouTube ads. Factors like entertainment and credibility also impacts their engagement and influence their purchasing decisions after watching YouTube advertisements.

Keywords: Consumer Behaviour, YouTube Advertising, Purchase Decision, Online Video Advertising, Digital Advertising

INTRODUCTION

The proliferation in the advancement of technology over the past decade has resulted in the rapid increase of consumers online presence around the world. Data from statista.com says the number of world internet users has reached 3,896 million, which is an increase of 6% from 2017 to 2018 (An, 2019). Online advertisements have seen a profound increase since marketing has become digitalised giving opportunities for big tech companies like Facebook and Google to expand their worldwide coverage and user engagement. The development of the internet has made the social media space available for consumers to make their thoughts, experiences, and opinions public through micro-blogs, videos, or online consumer reviews which promotes the massive influx of information in the online media space. To gain a competitive advantage over others, a good number of companies innovate structures to develop new strategies that entice prospective new customers and retain existing ones.

Online advertising is utilized to notify, convince, prompt, and enlighten target consumers about the product or brand of a company (Ncube, 2015). Online video advertisement has a massive impact on the internet and several businesses have tapped into this opportunity to grow their online presence and promote their brands. This constitutes an outstanding percentage of profits that website service providers earn (Yang et al., 2017). With the advancement of smartphones, it is relatively easy to surf the internet on the go and upload or download diverse content online. Global businesses use this as leverage for marketing research and planning to keep their customers informed on their new products and services.

According to Ducoffe (1996), entertainment, irritation, and informativeness affect the behaviour of consumers towards web advertising. The amount of information and the level of engagement of ads are vital metrics of their value. They are important to the effectiveness of web advertisements, while irritation negatively impacts consumer behaviour. A fun fact is,

YouTube is currently the second most visited site globally (Aslam, 2021). With the massive number of people that use YouTube, businesses are propelled to use the online video platform for advertisements, to promote their brands, and maintain a continuous relationship with their customers. Therefore, this research aims to find out the behaviour of consumers towards YouTube ads using TalTech students as the target population and examine the influence of this behaviour on their purchase decisions of products or services advertised on YouTube. Students are used to spending a lot of time surfing the internet with their smartphones and laptops, searching for diverse information. In 2005, a little below 10% of students (18 to 29 years) made use of at least one social media site but now the majority do (Louis, 2017). The author chose to use students as a target population because of the interest in finding out the behaviour of respondents that frequently visit YouTube in search of relevant information.

The author was motivated by some research papers to conduct a study in a similar field but focus on the behaviour of consumers towards YouTube ads and its impact on their purchase decisions. Some of these research are; Yang *et al.*, (2017) that investigated the attitudes of consumers towards YouTube advertisements, Puwandi *et al.*, (2020) studied the factors that affect the response of consumers towards online video advertisements that are displayed while watching YouTube, Ramadhani *et al.*, (2020) also focused their study on "consumer attitude, behavioural intention, and watching behaviour of online video advertising on YouTube', and Verma (2016) performed a research on "the effect and behaviour of people towards YouTube advertisements". The behaviour of consumers to YouTube ads is a response to the degree of value they receive from the advertisement. Firat (2019) went further to explain that informativeness was part of the factors influencing YouTube advertising value. The relevant information was isolated from those research papers and used as a foundation for this study.

To examine the problem, I have identified the following problem statement, aim, and research questions:

Research Problem: YouTube advertisement is now regularly displayed on YouTube and students frequently use this platform in search of information because it makes e-learning easy (Pappas, 2015). However, these ads vary in their advantages and could impact their behaviour and purchase decisions.

Research Aim: To find out the behaviour of TalTech students towards YouTube ads and examine the influence of this behaviour on their purchase decisions of products or services advertised on YouTube.

Research Questions:

- How do TalTech students react to online YouTube Ads?
- How informative and engaging do TalTech students find YouTube Ads?
- How do YouTube ads impact the purchase decisions of TalTech students?
- To what extent are TalTech students motivated to upgrade to YouTube Premium?

This research is significant because it will provide valuable information on how consumers behave to advertisements on YouTube, identify how it influences their decisions to make a purchase on YouTube, and this information can be used to promote efficient marketing research and planning. A study that was focused on "consumer attitudes towards online video advertisement: YouTube as a platform" by Yang *et al.*, (2017) was the article utilized to formulate the first and second research questions. The result of that study shows that entertainment, informativeness, irritation, and credibility influence consumer purchase decisions. The study carried out by Lim *et al.*, (2011) was the basis for the third research question because it explains the effectiveness of online advertisements promote consumer purchase decisions. The YouTube platform has a subscription plan for premium users and is better without YouTube ads (Casey, 2016). Therefore, the last research question was developed to find out the motivation of YouTubers to upgrade to the ad-free YouTube Premium because consumer behaviour is directly influenced by their motivation (Bui, 2019).

This research study is partitioned into three major sections.

The first section is focused on the background information regarding advertising, vital terminologies, and review of various literature that have conducted similar studies related to consumer behaviour and YouTube ads. It contains the foundation of the theory behind

consumer behaviour, its importance to online advertisements, and relevant information about YouTube advertising.

The second section of this research focuses on the modus operandi of this paper and explains the instruments that were utilized for this research. The reason a quantitative approach was used as the research methodology, and how the data was collected and analysed is also accounted for in this section.

The final section of this study explains the empirical analysis received from the second section with the results of the analysis and discussion. The limitation of this study and suggestions are included. This research paper terminates with the conclusions of the whole study.

Just before we dive into the main body of this research, the author would like to take this time to sincerely appreciate everyone that has been part of this project, which includes all the respondents to the online questionnaire, my pleasant study counsellor, and my wonderful supervisor for his great mentoring during the research.

1. THEORETICAL FRAMEWORK

The first part of this study is dedicated to the review of the literature regarding the topic. The literature review comprises three parts: the essentials of online advertisement in today's world, the importance of consumer behaviour, and the concept of YouTube advertisement. The author describes how online advertisements have developed to what it is today, the relevant factors that affect consumer buying behaviour and the advantages of YouTube advertisements. The internet advertising attitude and behaviour model is also explained. This chapter aims to present a framework for the reader to understand the results of this study.

1.1. The Essentials of Online Advertisement in Today's World

Advertising is defined as a form of marketing communication that is sponsored and makes use of a non-personal message aimed at promoting, selling, or the act of selling a product, service, or idea (Hitesh, 2021). Advertising differs from personal selling and varies from public relations because the message in an advertisement is non-personal, paid for by the advertiser, and hence gives them control over the message. Advertising harnesses every possible media to pass across its message (Bovee & Arens, 1992). The presentation of the message via a channel is known as advertisement, advert, or "ad" and the channel can be via traditional means which includes print, such as newspapers, magazines, journals, etc., radio, television, direct selling, and endorsements. It can also be via new media such as search engine results, social media, websites, blogs, or even text messages, etc. Advertising can be categorized in various ways, the different categories include style, target audience, channel, geographic scope, or by purpose which may be local, national, or international. An advert campaign can be targeted towards consumers directly or to businesses. The purpose of an advert is either to raise awareness of a brand or to bring about an instant sale, which is referred to as direct response advertising. Online advertisement has become very notable in recent times and has exceeded most advertising expert's expectations. In 2019, Google and Facebook generated 60% of their revenue from ads (David, 2020). Online advertising, also known as digital advertising, can be defined as a form of promotion that uses the internet for the main purpose of channelling, passing across marketing and promotional messages to attract customers, and they are delivered by advertisement servers. Advertising online is so effective that ads are usually targeted towards specific persons, or groups of a specific age, in specific locations, and at a specific time. Online advertising is regarded as more advantageous and contains many merits to find out product information compared to other media. Online advertising plays an important role in engaging the audience and gives room for awareness creation online. The revenue generated from website service providers is largely made from advertising. The change in the watching behaviour of consumers influences altering marketing strategies in the business world from regular television to online media.

In 2017, the United States' internet advertising revenues was totalled \$83.0 billion, which is a 14% increase compared to the \$72.50 billion revenues generated in 2016 (US Ad Spending, 2017), and research estimates that from 2019's online advertising spending at \$125.2 billion in the United States, some \$54.8 billion was higher than the spending on television ads (PricewaterhouseCoopers, 2020). Advertising online includes practices such as social media marketing, email marketing, search engine marketing (SEM), display advertising such as web banner advertising, and mobile advertising.

Search engine advertising, as well as display/banner advertising, are among the most important commonly practiced types of online advertising, General mobile advertising, display advertising in social network sites and social media are quite important in recent times (Bundeskartellamt, 2018).

• Search advertising

Search advertising is also known as paid search advertising, search engine marketing, Google advertising. It is a marketing strategy that places online advertisements alongside search results based on a term keyed into a search engine like Google ibid. All business advertisements placed in the search results pay a small fee every time the ads are clicked, this is known as "pay-per-click" advertising.

• Display advertising

Also known as banner advertising started in the 1990s when page owners sought more revenue to support their content. It is the process by which businesses or individuals advertise with the use of visuals such as images and videos on websites such as the Google Display Network and Facebook. Display ads involve the use of graphics, texts, images, animations, or videos shown on any website that can be matched with site content. A common form of display advertising is incorporating banners on websites. The top 3 formats for display advertising in the half of 2017 were pre-roll, ad bundle, and billboard ad (Gillner, 2017).

• Mobile advertising

This is the advertising means specially created to be displayed on smartphones. These ads are designed and optimized to be compatible with smaller screens and they comprise other specific features which are peculiar to mobile phones. Hoelzel and Mark in 2015 estimated that in 2014, the app-installed ads for mobile in the United States of America accounted for 30% of all mobile advertising revenue, was \$4.6bn in 2016, and in 2019 was above \$6.8bn.

• Social media advertising

This covers all advertising strategies in which advertisers engage consumers on social media. It involves adverts placed on social media as well as influencer advertising (Voorveld *et al.*, 2018). Different studies on social media advertising emphasized that this type of online advertising is essential in shaping the attitude of consumers (Boateng & Okoe, 2015). Presently, the major social media platforms for advertising are Facebook, Instagram, Twitter, LinkedIn, Pinterest, Snapchat, and YouTube. Advertising on YouTube involves branded channels, promoted videos, and in-video advertising (Goyal, 2013).

All the forms of online advertisements explained above are used in YouTube and this study aims to find out the comprehensive behaviour of consumers to them and how they influence their purchase decisions to products or services advertised on YouTube.

1.2. The Importance of Consumer Behaviour

Consumer behaviour is defined to be the process of decisions and set of actions taken by people who purchase goods and services for personal consumption. This definition is in accordance with Engel, Blackwell, and Mansard. Another definition according to Louden and Della Bitta, paints consumer behaviour as the decision process and the physical activities, which individuals engage in when evaluating, acquiring, using, or disposing of goods and services (Loudon & Della Bitta, 1993). Consumer behaviour studies started in the 1940s, and in the 1950s it was seen as a distinct sub-discipline of marketing. Recently, it has become a combination of social science subjects that combines several areas from behavioural economics, social anthropology, ethnography, psychology, marketing, anthropology, and sociology (Tadajewski, 2009). In the bid of understanding people's wants and consumption, consumer behaviour was studied initially to investigate the qualities of individual consumers. These qualities consist of identity lifestyles, demographics, and behavioural alternatives such as consumption rates, loyalty, brand approval, and consumers' readiness to grant referrals. Consumer behaviour can be difficult to predict, even by experts in the field. However, recent research approaches, such as ethnography, consumer neuroscience, and machine learning are throwing new light on the various ways consumers make decisions (Schivinski, 2019). The study of consumer behaviours' assumption shows that consumers are actors in the marketplace, their roles begin from the information provider, then to the user, to the payer, and lastly to the disposer. All consumers play these roles in their decision-making processes.

Consumer buying behaviour simply means the study of consumer's actions towards a product or service, i.e., how consumers act when they decide to buy a product or choose a service that satisfies their needs. It encompasses all activities that are associated with the purchase, usage, and disposal of goods and services, also putting into consideration how the emotions, attitudes, and preferences of the consumer affects buying behaviour. It is vital to examine the decisionmaking process of consumers because of the rapid change in culture throughout the world. In the case of this study, the behaviour of respondents to YouTube ads could influence the decision-making processes of consumers towards specific products and services on YouTube. Hence, this serves as valuable information for marketers to improve their target efficiency and promote their brands.

Factors that influence consumer buyer behaviour

Figure 1 below, shows the factors that influence consumer behaviour towards purchasing a product or service, and these factors can be categorized into five as follows (Ramya & Ali, 2016).



Figure 1: Factors affecting buyer behaviour Source: (Reliving Mba Days, 2013)

• Cultural factors

Cultural factors employ the deepest and broadest effect on consumer behaviour. Marketers need to comprehend what roles are played by the buyer's culture and subculture.

- Culture: This is the primary basis of people's wants and behaviour. Human behaviour is largely based on influence.
- Subculture: Each culture is made up of smaller groups of people (subcultures) who share the same value systems based on their common life experiences and conditions. Subcultures also consist of nationalities, racial groups, religions, and geographic regions. Definite subcultures make up vital parts of the market, and marketers normally design products and marketing strategies to suit their needs.

• Psychological Factors

People's responses to marketing campaigns also depend on their perceptions and behaviour (Lee, 2020). Psychological factors involve people's behaviour and

perceptions about situations, and the ability to comprehend information, their motivation, personality, and beliefs.

Personal Factors

The interests and opinions of an individual can be influenced by demographics. Personal factors include age, gender, financial condition, occupation, culture, and location.

• Social Factors

Social influences include individual friends, family, community, work, school, or the groups they are associated with i.e., their local church or hobby group. It can also comprise social class, conditions for living, and education. Such social psychology factors have a profound impact on consumer behaviour.

• Economic Factors

The economic situation of a country or market greatly impacts consumer behaviour. A thriving nation will have a strong economy which eventually leads to a greater money supply in the market and increase consumer purchasing power. Some important economic factors are personal income, consumer credit, family income, savings, and liquid assets.

The importance of studying the factors above to marketers is that it gives a comprehensive picture of what can influence the purchase decisions of consumers and use that information to develop marketing strategies and advertising campaigns that are more in tune with the thought processes of consumers and their wants. People are designed to naturally go along with certain social norms since humans have an inherent need to fit in. Social and cultural factors play out in consumers' purchase decisions (FitzGerald, 2019). An integral element in market research is the result of the analysis made from consumer demographics. It is quite vital to also research the social status of consumers that will help to design an accurate buyer persona because the purchasing power of a consumer will eventually determine what will be purchased.

Role of Consumer Behaviour in Advertising

Consumer behaviour can be described beyond just the purchase of things; it also includes the study of how possession or non-possession of things impacts our lives, the way we view ourselves and others. Marketers need to understand the buying behaviour of consumers while they design their advertisements for predisposed purposes. Head of marketing firms have a responsibility to understand the behaviour of consumers to their products before a decisive managerial decision is taken. This is because getting insights into the behaviour of consumers can be used to improve practically all aspects of any marketing strategy. This could include, what type of content is created on a blog or other content mediums, the manner of narrative inscribed in a video and display advertisement, or how product lines are improved to satisfy the wants of consumers. Advertisements are vital in the role of portraying a defined image of a product or service in the consumers' mind. In today's market, businesses or organisations that do not only solve but communicate that they solve real consumer problems in the best way possible eventually become winners (Dj Team, 2020).

It is important to study consumer behaviour because it gives marketers a picture of what influences the buying decisions of consumers. This is the secret to influencing and involving potential clients and converting them to make favourable purchase decisions (Radu, 2019). Successful organisations do not proceed with their product and marketing plans based on their ideas alone; rather they introduce the external information they receive from consumers into the plan. In that way, they discover what consumers want and how they want it. This is the principle to creating a great customer experience and it goes a long way to maintain a committed customer base (Dj Team, 2020). A pivotal part of any business is to ensure that consumer behaviour is measured because the inference drawn from this measurement is key to product design and marketing (Heskey, 2017).

Furthermore, the advantages of studying consumer behaviour help to understand some basic factors that provide vital information about the thought process of consumers (LSBF, 2018).

Some of which are:

• Cultures

Marketing designs and campaigns are influenced due to the constant development of cultures. Studying consumer behaviour helps to decode cultural differences and determine a products' target market.

• Perceptions

The impression a consumer develops about a particular brand determines the level of interest in the brand's product or service. Studying the perceptions of consumers about a brand helps to unveil negative impressions, then a counter-strategy is developed to address the wrong perception.

• Lifestyle

Any product or service that is unable to synchronize with consumers' way of life will perform poorly in the market. Hence, the need to comprehend their lifestyles and harmonize products to meet their specific requirements is vital.

• Attitudes

Consumers often have different standpoints regarding specific products. Understanding consumer attitudes via the consumer behaviour model helps marketers adjust their campaigns to strike a note of interest within the consumers and increase market reach.

The Internet Advertising Attitude and Behaviour Model

Consumer attitude has always been considered as a keyframe in marketing research and is still the focus of many studies (Yang *et al.*, 2017). From the perspective of the web advertising model proposed by Ducoffe (1996), entertainment and informativeness have a positive influence on consumer's attitudes, and irritation has a negative influence on consumer attitudes towards ads. In 1999, Schlosser *et al.* argued that entertainment and informativeness are not only the important outcome of internet advertisement, the utility of adverts also plays important roles when determining consumer's attitude towards advertisement. Reforming the several attitude models of web advertising, Brackett and Carr in 2001 proposed an integrated web advertising model to determine viewer's attitudes towards advertisement. The model suggests that entertainment, informativeness, irritation, and credibility of adverts have a great effect on consumer attitude and behaviour. Besides, relevant demographics were also a part of the model.

• Informativeness

This is the situation in which an advert provides useful or interesting information to potential consumers (Ducoffe, 1996). Informativeness positively affects internet advertising (Dao *et al.*, 2014). Product recommendations and information given by some other consumers on social media platforms are essential for potential consumers. In this case, information variables are measured by the valuable sources of information, appropriate and latest information of products, and provides the information needed (Brackett & Carr, 2001). The research study of Taylor *et al.* (2011) shows that advertising informativeness positively affects the attitudes of consumers to social media ads. This positive influence occurs when consumers consider that adverts can provide knowledge about alternative products or services aiming to give them satisfaction (Aziza & Astuti, 2019). A previous study shows that when consumers find online advertising informative and useful, they will show a more positive perception to internet ads (Javid *et al.*, 2012). Consumers will prefer to receive the latest video adverts about products or services which also informs them about the difference between the products and competing products (Wang & Lan, 2018).

• Entertainment

This is also an important factor to consider in online marketing, and entertainment simply means 'the enjoyment of messages' (Xu, 2016). In this case, variables of entertainment are based on comfort, pleasure, comic, pleasant, and surprises (Ling *et al.*, 2010). Entertainment positively affects consumer attitudes towards YouTube advertising (Dehghani *et al.*, 2016) and can generate positive responses to advertising (Wang & Lan, 2018). Entertainment in ads makes consumers feel the pleasure of advertising (Aziza & Astuti, 2019). Entertainment attracts the attention of consumers with ease, is an essential predictor of consumer attitudes towards advertising, and influences the effectiveness of advertisements. Any advertising message that competes to attract attention, must contain interesting and fun advertisements (Azeem & Haq,

2012). Consumers can be more engaged to a YouTube advertisement that contains entertainment because of the pleasure and enjoyment that comes with it.

• Irritation

An advertisement can promote irritation if it is annoying, disturbing, and distracting. Irritation is the negative emotional outcome felt by consumers towards unwanted messages, such a negative attitude includes impatience or a little anger. Variables responsible for irritation include disturbing, frequent appearance, and insulting elements contained in the ad (Tsang *et al.*, 2004). Different research has established a negative but significant relationship between irritation and consumer attitudes (Dehghani *et al.* 2016). Yang *et al.*, in 2017 also discovered that irritation to YouTube online video ads had a negative effect on purchasing attitude. This may account for why many consumers prefer to click through ads on the YouTube site. However, irritation can also bring about attention without causing a negative reaction to the brand leading to an increased persuasion. In this case, if irritation results in a consumer's unfavourable attitude, there may be difficulty in building positive consumer behaviour towards buying. Hence advertisers using annoying advertising means to get the attention of consumers, must use it with great caution. It is also important to consider this when preparing online advertisements that would be displayed on YouTube.

• Credibility

Credibility is the ability of a campaign, message, or content to pass accurate, precise, and reliable information. Confident consumers who feel confident about an ad will respond positively to the ad. Zernigah and Sohail in 2012 show that credibility has a significant effect on the messages of an advertisement. This is important to the study because the credibility of a company or a brand has a stronger influence on consumer's buying intentions (Lafferty & Goldsmith, 1999). Advertising from well-known trusted sources produces more positive consumer attitudes, simply because consumers easily trust the information provided by well-known websites (Wang & Lan, 2018).

It is vital to study these factors to comprehend the behaviour of consumers towards YouTube advertisements and its impact on their purchase decisions.

1.3. The Concept of YouTube Advertisement

YouTube advertising is a pay-for-placement technique that provides the opportunity for brands and companies to get through to YouTube users via targeted advertisements. These ads (banners, videos, or text) can be displayed before the desired video plays, as an overlay while a video plays, or along the right margin of the page. Several brands advertise on YouTube because it's the world's second most popular website and the largest online video digital channel. YouTube ads have the capacity to appear across a platform with about 2 billion monthly viewers. Increasing numbers of marketers are considering online advertising as part of their marketing campaigns. Advertisement online provides the means for marketers to document and track the performance of online adverts without difficulty.

YouTube is one of the most popular platforms preferred by marketers. It has been observed that traditional advertising using television, radio, and printed medias to tell, inform, influence, and remind consumers about any brands available in the market have a less strong impact on brand awareness compared with the impacts created by YouTube (Aslam, 2021). This has made YouTube become the first option for marketers to advertise any product and service (Soukup, 2014). Most of the top 100 global brands make judicious use of YouTube advertising as part of their marketing strategy platform to boost their brands and company's growth (Dehghani *et al.*, 2016). Although YouTube advertisement is not a guarantee that consumers will act positively, their positive behaviour towards the ad largely depends on the value received from the ad. Consumers also have the choice to react negatively towards YouTube ads if the ad is irritating.

YouTube advertising is different from advertising on other platforms like Facebook or Google Ads. YouTube offers a diversity of ad formats that businesses can use to keep their customers involved. There are 5 different types of YouTube ads (Alger, 2021). They are;

- skippable in-stream ads,
- non-skippable in-stream ads,
- bumper ads,
- video discovery ads,
- non-video ads.

The importance of video in online marketing has been on the increase and investing in quality video advertisements online will yield greater results for any online advertising campaign. The availability of YouTube, its growth, and insights make it an excellent platform for productive advertisement. Companies use YouTube videos for advertising and marketing their brands online as it enables them to communicate with a lot of people.

YouTube Ads are new domains for small businesses with a low budget for online marketing planning. A good number of small and medium-sized businesses are taking their advertisements to YouTube due to the numerous benefits attached to YouTube advertising. The benefit of YouTube advertising includes the following (Creitive, 2020):

1. An enormous reach

YouTube is Google's second most popular search engine, with more searches than Ask, Yahoo, AOL, and Bing combined, and it is rated the third most prominent social networking platform (Creitive, 2020). YouTube is uniquely certified to meet a wide variety of online users, of all the available marketing channels, YouTube has the capacity to reach the biggest population. Google also attests that YouTube can make it to more people between the ages of 18 and 49 than any other broadcast or cable TV system.

2. Connection with audience

Video ads give room for interaction with potential customers in an authentic and meaningful way. By using a creative video ad to connect with people, companies can motivate consumers to choose them. Several brands have been creating an emotional connection with the buyers via a creative video ad on YouTube.

3. Availability of easy targeting

With YouTube advertising, businesses can utilize precision targeting centred on demographics, interests, location, viewing devices (laptop, cell phone, tablet, etc.), and time of day to ensure their message reaches the right audience.

4. Reduced cost

YouTube advertising follows a pay-per-click model making it extremely cost-effective. YouTube advertising, and Google Ads in general, don't require big budgets to begin.

5. High return-on-investment

Several studies have proven that YouTube provides a higher ROI than television ads. This is a notable affirmation that YouTube advertising is successful (Creitive, 2020).

6. Analytics help to evaluate advertising strategy

YouTube Analytics is a web analytics tool within YouTube Studio, where users can see all the data produced by their video contents. It helps to discover more insight into the audiences that engage with several videos. YouTube metrics play a vital role in weighing your advertising strategy. YouTube makes available all the in-depth specifics about your viewers. There are various metric options for tracking the video, showing how often the advertisement is watched to what percentage of its length. Users use these metrics for evaluating the performance of an ad. It also helps companies to update or redefine an advertising strategy.

7. YouTube ads can affect consumer behaviour

YouTube Ads between videos can create a significant impact on the behaviour of consumers. While watching a YouTube video, viewers are directly connected with content, and there's a chance that they will be fully involved and show some interest in the advertisement. Consumer engagement activities and behaviour can be determined by observing the reactions and responses of consumers while viewing the advertisement on YouTube. Such behaviours include watching the advertisements until the end, or skipping the adverts, saving the advertisements, searching for more information about the advertisements, liking and commenting on the advertisements, forwarding the advertisements as well as telling others about the advertisements and products displayed in the advertisements (Bornstein *et al.*, 2013).

YouTube advertisements differ in their benefits to consumers, are peculiar to their behaviour and impacts their decision to complete a purchase on YouTube.

2. RESEARCH METHODOLOGY

This chapter explains in full detail all the instruments utilized in the methodological analysis of this research. It is focused on the description of the methods used for the research, how it was designed, collected, and the data analysis.

2.1. Designing the research

From the introductory section of this study, this research aims to find out the behaviour of TalTech students towards YouTube ads and examine the influence of this behaviour on their purchase decisions of products or services advertised on YouTube. There are different ways consumer behaviour can be measured, depending on the area of interest. The methodological design used for this study was the quantitative approach. The author decided to opt-in for this approach due to the substantial number of respondents required to collect relevant data and attain a comprehensive blueprint of TalTech students' behaviour towards YouTube ads. This is because large sample sizes provide results that are more reliable and with better precision. Large sample sizes help to determine the mean among variables that are tested, and the larger the sample size, the greater precision the mean value would be. The choice made to use the online Google forms as the questionnaire design was due to the seamless way of creating the form. The entire form was designed by the author and the questions were developed based on the information from the online articles that were required to provide relevant answers to the research questions. A suitable layout and appearance that resonates with the thesis topic was included with easy to answer questions and a pilot test was conducted to evaluate the performance of the online questionnaire. In the pilot survey, the questionnaire was distributed to 12 people among the respondents through convenience sampling to measure if they were able to understand the questions and comply with the instructions. With the recommendations from the supervisor and suggestions from the pilot audience, the required adjustments were made, and the questionnaire was complete.

The questionnaire contained 18 questions that comprise: multiple-choice questions with single and multiple responses, open-ended questions, interval scale questions, and Likert scale questions. Research by Weijters et al., (2010) encourages the use of a seven-point Likert scale among respondents with more cognitive capabilities like students and five-point for the public. This is the rationale for using a seven-point Likert scale in the survey because it also increases the degree of measurement precision. In the Appendix 1 section of this study, Figure 9 shows the picture of the questionnaire layout that was designed by the author. The Appendix 2 section of this study also shows the pictured result of the questionnaire in Figure 10. The survey was segmented into four main groups to understand the behavioural patterns of TalTech students towards YouTube ads. The groups were based on questions that reflect their behaviour: perception, satisfaction, engagement, and demographics. The questions in the demographic group were the independent variables and other groups were the dependent variables. The first two questions (1 & 2) and the last two questions (17 & 18) provide demographic data of the respondents. Here, questions like gender, age, studies, and program were asked to highlight potential variations in responses. The second group of questions (3, 4, 5, 14, 15 & 16) gives valuable information about the perception of TalTech students as touching YouTube ads. This group includes questions that measure how often they come across YouTube ads and the impression they have built towards YouTube. The next group of questions (6, 7, 8, 9 & 12) tells us the level of satisfaction or dissatisfaction the respondents have towards YouTube ads. In this group, we see questions that evaluate the relevance of YouTube ads displayed, with their search queries. The last group finally reflects the level of engagement TalTech students have with YouTube ads and the influence it has on them afterward. Here, questions regarding the factors that impact their engagement with YouTube ads and the effect of YouTube ads on their purchasing decisions were included. The questionnaire was designed in English language to give room for the multi-nationality of respondents.

A quantitative approach that focuses on the measurement of phenomena and quantitative research data analysis, using objective and statistical techniques was utilized for this study. The author decided to use the non-probability sampling method in this research because only people

that had access to the internet and social media had the avenue to partake in the sampling. Nonprobability sampling simply uses a non-random selection which is based on convenience or other indicators, giving consent to collect data easily (McCombes, 2019). Convenience sampling was the non-probability method used to represent the target group in this study which was the students at Tallinn University of Technology. The total number of respondents that participated in the survey was 267 but 5 respondents were below 18 years, so the sample size was filtered to 262 respondents. Figure 2 illustrates the gender and age distribution of the respondents.

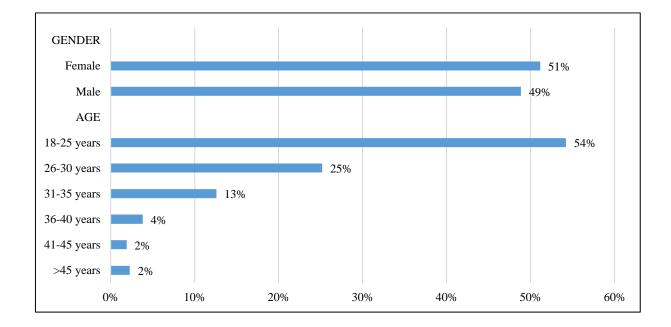
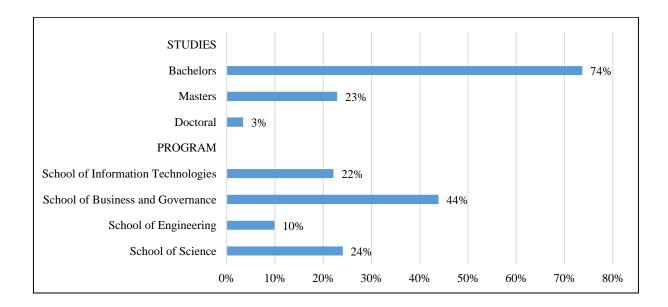


Figure 2. Gender and age of the respondents, n = 262Source: Composed by the author

It is good to note that the online questionnaire was evenly shared to both the female and male gender. The chart shows that out of all the 262 respondents that contributed to this study, 51% were females with a total number of 134 and 49% were males with a total number of 128. The chart also reveals that the highest age group of the respondents in this study that pulled 54% was between 18 and 25 years. 25% of the respondents were in the age group of 26-30 years, 13% of the respondents were within the age of 31-35 years, 4% of the respondents were between ages 36-40 years and we recorded an equal number of respondents in the age groups; 41-45



years and >45 years which were 2% of the total population. Figure 3 shows the information of respondents regarding their current studies and program.

Figure 3. Current studies and program of respondents, n = 262 Source: Composed by the author

Tallinn University of Technology offers different study programs, but for this research, I decided to pick the major 3 out of them which are Bachelors, Masters & Doctoral (PhD) studies. The core programs in these studies come under 4 schools which are School of Information Technologies, School of Business and Governance, School of Engineering & School of Science. The first two questions of the online questionnaire were to confirm the current studies and programs the survey participants belonged to. The highest percentage of respondents were currently in their bachelors' studies with an astounding number of 193 students which made up 74% of the total population. We see from the chart that the Masters' studies came out second with 23% that amounts to 60 students, and with 9 respondents, the Doctoral studies had the lowest ratio of 3%. In the question related to the current program of the respondents, the School of Business and Governance came out on top with 44% that represents 115 students among the total number of 262 respondents. The School of Science comes in the next position with 24%, recording 63 students, and slightly lower than that by just one percent, the School of Information and Technologies follows with 22% that corresponds to 58 students. The lowest number was recorded in the School of Engineering with about 10% and 26 students only. The

author currently studies a bachelors' program in the School of Business and Governance, and the chart reveals that the online questionnaire had most respondents from TalTech students in the same study program. This could be because the online questionnaire was shared on Facebook and WhatsApp groups where academic colleagues contributed and were also benevolent to share it with other TalTech students that were within their sphere of influence.

2.2. Data Collection and Analysis

Data collection was performed via different online messaging and social media platforms. The data was collected with an online questionnaire targeted at the students of Tallinn University of Technology studying for a Bachelor's, Master or Doctorate Degree. The variety of the platforms and avenues used for the data collection provides a broad scope of respondents from various nationalities, backgrounds, and age groups. This study entails primary research which involved collecting original data by conducting field research. The data collection period lasted for a month from 12th March to 12th April 2021 and provided a total number of 267 responses. The time for responses is relatively fast so online questionnaires have become the desired means of data collection for several consumer satisfaction surveys. It is less difficult to monitor respondents and results through the process of data collection (George, 2017).

At the end of the data collection period, the data was collated in Microsoft Excel and coded. Then it was uploaded to the Statistical Product and Service Solutions (SPSS) software and ready to be analysed using the descriptive statistical method. A proper and meticulous data review was conducted to ensure the absence of errors in the data and correct coding of variables. The Spearman's correlation coefficient which is a non-parametric means to measure the statistical dependence between two variables (Myers *et al.*, 2003) was analysed. It is a more appropriate method for measurements taken from ordinal scales. The demographic data were analysed and juxtaposed with the responses to a variety of questions and the relevant information was isolated. The large sample size made the analysis process a bit steady when the author had to go through the responses of respondents to all the questions. Finally, the author designed the charts to tell the story that represents the result of the online questionnaire and the comprehensive result of this research.

3. EMPIRICAL ANALYSIS

This section is where the results and research analysis will be displayed, and includes the discussion as touching this research. The method of analysis utilized to examine the results in this study was the descriptive statistical method. This section is partitioned into two; the first part is centred on the description of the questionnaire with the required charts and tables designed by the author in Microsoft Excel and the second part is focused on the result deliberation.

3.1. Research Result & Analysis

In the online survey, questions that aimed to provide a comprehensive view of TalTech students' behaviour to YouTube Ads were asked. Figure 4 below illustrates that more than half (62%) of the total population see YouTube ads every day.

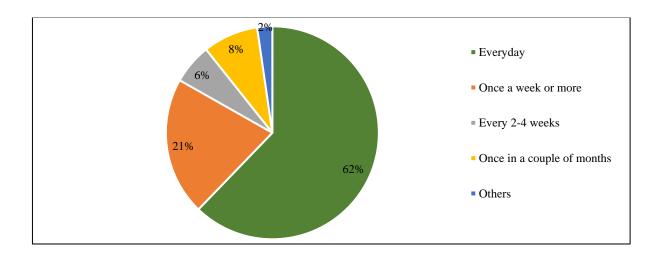
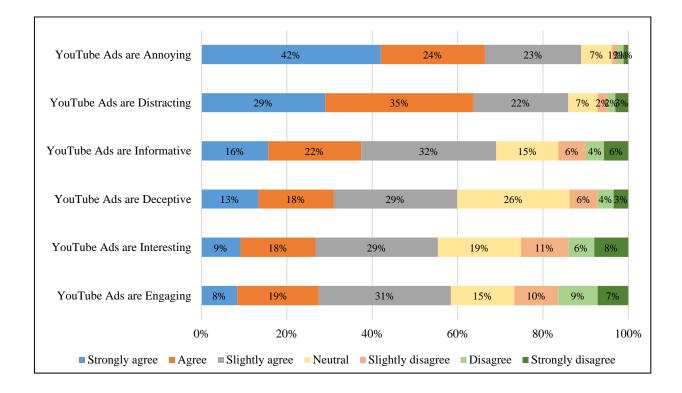
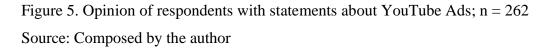


Figure 4. How often do you see YouTube Ads? n = 262 Source: Composed by the author

The fourth question in the questionnaire was asked to receive answers on how frequently TalTech students see YouTube ads. This question is intended to gain insight into the number of times the respondents viewed or came across YouTube ads. It is quite clear that the respondents are all students that currently study at Tallinn University of Technology and most of them use YouTube daily for their academic and non-academic related tasks. Due to the numerous brands and marketing agencies that want their content displayed on YouTube, it is almost impossible to not come across a YouTube ad in a day without being subscribed to the Premium. 21% of the respondents see YouTube ads once a week or more. 8% of the respondents see YouTube ads once in a couple of months and 6% of the respondents see YouTube as their primary source of information and are not enthusiastic about watching video online but they rather study journals, articles, and online books. Figure 5 below shows the opinion of respondents with some statements about YouTube ads.





The fifth question that was asked in the online questionnaire was for respondents to indicate their various opinions on some statements about YouTube ads. This question aims to get a view of the perception of TalTech students towards YouTube ads. The question had six statements about YouTube ads, and the respondents had to choose from a scale the best option that aligns with their opinion.

Figure 5 demonstrates that most of the respondents (42%) strongly agree that YouTube ads are annoying. 35% of the respondents also agree that YouTube ads are distracting and 32% slightly agree that YouTube ads are informative. The highest proportion of neutrality in this question was observed in the statement "YouTube Ads are Deceptive" with 26%, while 29% of the respondents slightly agree with the statement. Also, the highest proportion of respondents that chose "slightly disagree" and "strongly disagree" was observed in the statement "YouTube Ads are Interesting" with 11% and 8% respectively. 31% of the respondents slightly agree that YouTube ads are engaging and 9% disagree.

The percentage of respondents that strongly agree that YouTube ads are annoying might mean that they are displeased by the display of the ads because it distracts their attention, or it is not relevant to them. The percentage of the respondents that slightly agree that YouTube ads are informative may also mean that they see the ads as a good source of product, service, and brand information. Also, the percentage of respondents that slightly agree that YouTube ads are deceptive might have experienced one or two cases where YouTube ads misled them and portrayed a false information. The observation from respondents for the statements, "YouTube ads are informative" and "YouTube ads are engaging" are in close range. Hence, Table 1, shows more information about the possible relationship between informative (independent variable) and engaging (dependent variable).

			Engaging	Informative
Spearman's rho	Engaging	Correlation Coefficient	1	.538**
		Sig. (2-tailed)		0
		Ν	262	262
	Informative	Correlation Coefficient	.538**	1
		Sig. (2-tailed)	0	
		Ν	262	262

Table 1. Correlations among variables (YouTube ads are engaging & YouTube ads are informative)

Source: Composed by the author

The results of the Spearman's *rho* indicate that there is a significant positive relationship between how TalTech students see YouTube ads as engaging and how they see YouTube ads as informative. $r_s = .538$, p < .001, N = 262. Therefore, it can be assumed that the amount of information displayed in a YouTube ad has a positive impact on the level of engagement a consumer would have with the ad. The model of web advertising by Brackett and Carr in 2001, suggested that some other factors influence consumer behaviour apart from informativeness. Figure 6 shows the results received from the respondents regarding some of the other factors.

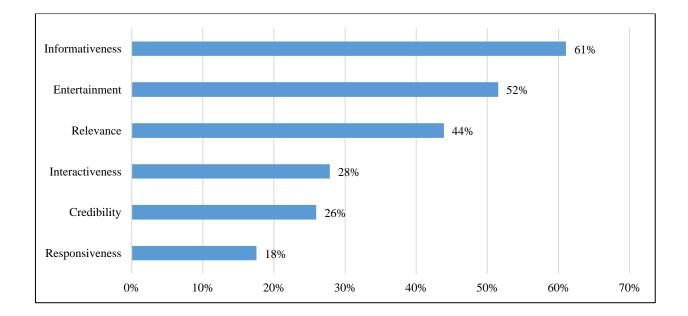


Figure 6. What factors impact your engagement with YouTube ads? n = 262Source: Composed by the author

In the tenth question, respondents were asked what impacts their engagement with YouTube ads. The purpose of this question is to understand the elements that influence TalTech students' degree of involvement with YouTube ads. Respondents were provided with multiple options and were asked to pick as many as possible.

Figure 6 reveals that informativeness (61%) is the factor that impacts the engagement of most respondents with YouTube ads. This might mean that majority of the respondents prioritise going to YouTube in search of one information or the other. 52% of the respondents say that entertainment impacts their engagement with YouTube ads. You can be sure to find a ton of entertaining ads on YouTube, hence this indicates that the respondents are captivated by YouTube ads that entertain them. 44% of the respondents believe that relevance is an element that influences their engagement with YouTube ads. The suitability of YouTube ads is integral to how consumers engage with YouTube ads and this indicates that these respondents are interested in the ads' suitability. 28% of the respondents reveal that interactiveness impacts their engagement with YouTube ads. This implies that the respondents are attracted to YouTube ads by how responsive they are. 26% of the respondents say that credibility is another factor that impacts their engagement with YouTube ads. This could mean that these respondents have their attention drawn to YouTube ads by the level of trustworthiness they have towards the brand advertised. One final factor that was included in this question is responsiveness, and 18% of the respondents get engaged with YouTube ads by how active and quick the ads are when interacted with. Table 2 below show if informativeness alone influences the purchasing decision of the respondents.

	Frequency	Percent	Cumulative Percent
Strongly Disagree	61	23	2
Disagree	45	17	41
Slightly Disagree	13	5	45
Neutral	53	20	66
Slightly Agree	57	22	87
Agree	22	8	96
Strongly Agree	11	4	100
Total	262	100	

Table 2. I want to make a purchase after watching YouTube ads

Source: Composed by the author

The thirteenth question of the questionnaire asked the respondents if they would proceed to make a purchase after watching YouTube ads. This question aims to examine how YouTube ads influence the purchasing decisions of respondents to products, services, or brands. Table 2 shows that 23% of the respondents strongly disagree that they would want to make a purchase after watching YouTube ads. 20% of the respondents are neutral about the thought of making a purchase after watching a YouTube ad and 22% slightly agree that they would want to make a purchase after watching YouTube ads. The percentage of respondents that strongly disagree may imply that although they found the YouTube ad informative, they still have negative purchasing decisions towards a product or service. Just as other factors are responsible for influencing consumer behaviour, those factors might be of a higher priority compared with the informativeness of an ad for these respondents. The percentage of respondents that express their neutrality indicates that they are indifferent about making a purchase after watching a YouTube ad. This indifference could imply that they are not interested in the product being advertised or they skip YouTube ads and do not see the information displayed on the ad. The percentage of respondents that slightly agree may mean that they found the YouTube ad informative, and they are interested in the product to satisfy their wants. Respondents that have a negative purchasing decision after watching YouTube ads and those that are indifferent can choose to do away with the ads completely by upgrading to the premium. Figure 7 shows the extent to which the respondents are willing to upgrade to YouTube Premium.

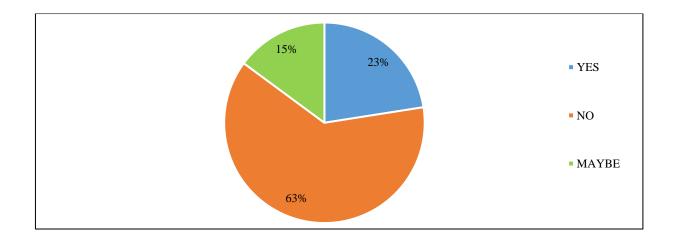


Figure 7. Are you willing to upgrade to YouTube Premium? n = 262 Source: Composed by the author

Respondents were asked in the fifteenth question if they were willing to upgrade to YouTube Premium. This question aims to identify if the respondents considered upgrading their YouTube accounts to YouTube Premium. Most of the respondents (63%) are negative about deciding to upgrade to YouTube Premium. 23% affirm their considerations about upgrading to YouTube Premium and 15% of the respondents are neutral about the choice to upgrade to YouTube Premium. The percentage of respondents that are not willing to upgrade their YouTube accounts may mean that they see YouTube ads as annoying, but it is not enough motivation for the upgrade because they can skip some ads or just be patient till it ends. 23% of the respondents that are motivated to upgrade to the YouTube Premium could mean that they want to do away with the ads on YouTube completely or have other motivations regarding the upgrade. The respondents that were willing to upgrade were asked to identify the benefit that had the most influence on their decision to upgrade and Figure 8 shows their responses.

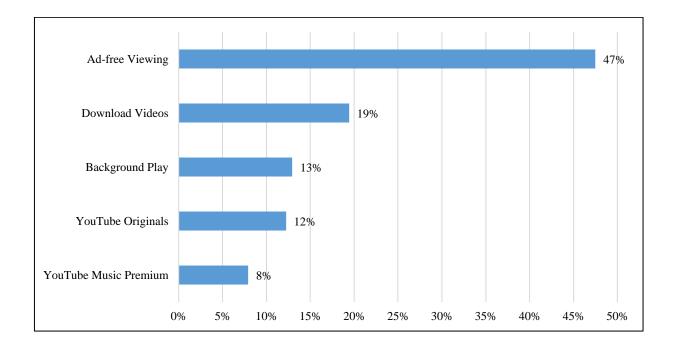


Figure 8. If yes, which benefit has the most influence on the decision? n = 139Source: Composed by the author

The sixteenth question in the questionnaire was a follow-up to the previous question and only respondents who chose yes in the previous question were expected to answer the question. The previous question established if respondents were willing to upgrade to YouTube Premium.

Furthermore, the purpose of this follow-up question is to identify the benefit that has the most influence on the respondents' decision to upgrade to the YouTube Premium.

Figure 8 shows that most of the respondents (47%) that were willing to upgrade to YouTube Premium will make that decision because they are more concerned with ad-free viewing of content on YouTube. 19% of the respondents would consider an upgrade to YouTube Premium to be able to download videos from YouTube without restrictions. 13% of the respondents that are willing to upgrade to YouTube Premium will progress with that decision because they want to be able to play YouTube videos and music in the background while they attend to other tasks on their mobile devices. 12% of the respondents that consider upgrading to YouTube Premium are more interested in YouTube Originals (movies, series, and events) that are exclusive to YouTube. 8% of the respondents affirm that the benefit that has the most influence on their decision is YouTube Music Premium (exclusive plan for YouTube Music). The results from Figure 8 means that with all the benefits that come with an upgrade to YouTube premium, respondents have a higher motivation to upgrade because they want to completely do away with viewing ads on YouTube and enjoy watching YouTube videos without interruptions.

In this study, I used the SPSS statistical software to analyse the Spearman's *rho* correlation between the informativeness of YouTube ads and the level of engagement consumers have with the ad, and the descriptive statistics of all variables. Table 3 below shows the descriptive statistics of the variables used in the analysis.

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Studies	262	1	3	1	0.528
Program	262	1	4	2	1.076
Gender	262	1	2	1	0.501
Age	262	1	6	2	1.152
How often do you see YouTube ads?	262	1	5	2	1.06
YouTube ads are annoying	262	1	7	6	1.251
YouTube ads are engaging	262	1	7	4	1.664
YouTube ads are distracting	262	1	7	6	1.391
YouTube ads are interesting	262	1	7	4	1.645
YouTube ads are deceptive	262	1	7	5	1.447
YouTube ads are informative	262	1	7	5	1.594
How YouTube ads fit your preference	262	1	5	3	1.207
YouTube ads is an unwanted interruption	262	1	7	6	1.298
YouTube ads are a good source of product/service/brand information	262	1	7	5	1.588
YouTube ads are relevant with my search query	262	1	7	4	1.821
Pay attention to YouTube ads	262	1	7	4	1.797
Spend more time on YouTube due to irrelevant YouTube ads	262	1	3	2	0.803
Want to make a purchase after watching YouTube ads	262	1	7	4	1.855
Installed ad-blocks to prevent YouTube ads	262	1	7	4	2.081
Are you willing to upgrade to YouTube premium?	262	1	3	2	0.608

Source: Composed by the author

The mean value for the variables; YouTube ads are annoying, YouTube ads are distracting and YouTube ads is an unwanted interruption is 6. This means the respondents are irritated when YouTube ads interrupt their video, and it diverts their attention from the video they watch on YouTube. In contrast, the descriptive statistics show a mean value of 5 for variables; YouTube ads are informative and YouTube ads are a good source of product, service, and brand information. This indicates that regardless of the irritation and distraction that comes along with YouTube ads, they contain adequate information regarding specific products, services, and brands. The variable 'Want to make a purchase after watching YouTube ads' shows a mean value of 4 which implies that respondents are neutral about that decision, or they have other elements that are integral in their decision-making processes.

3.2. Discussion

This study was carried out to find out the behaviour of TalTech students towards YouTube ads and examine the influence of this behaviour on their purchase decisions of products or services advertised on YouTube. In the theoretical chapter of this study, we laid a foundation on the importance of consumer behaviour and the concept of YouTube ads. From that chapter, it was established that the study of consumer behaviour encompasses other factors that are influential in consumer decisions. The results analysed in the previous chapter from the responses received from TalTech students give a comprehensive overview of their behaviour and how it impacts their purchase decisions. Most of the respondents that participated in this study see YouTube ads daily, and this indicates that the observations received were from respondents that frequently visited YouTube. In my opinion, being engaged with a particular action or event every day is enough hands-on involvement and experience with that event.

The second research question was about how informative and engaging TalTech students found YouTube ads. Table 3 shows a mean value of 5 for the statements "YouTube ads are informative and YouTube ads are a good source of products, service, and brand information", indicating that respondents agree that YouTube ads are informative, and agree that YouTube ads are good sources of information about several products, services, or brands. With informativeness being the factor that impacts the engagement of most respondents with YouTube ads in this study, we see the importance of embedding valuable information in advertisements. When advertisements are considered to provide appropriate and beneficial information, consumers are likely to see the advertisement as one that is valuable (Murillo et al., 2016). Kim et al., (2010) also performed a research on the effect of informativeness on consumer engagement with a product/service, and purchase intention. The result eventually showed a positive relationship between informativeness and consumer engagement as well as purchase intention. This study is found to be consistent with the previous study of Kim *et al.*, (2010) since the results from the Spearman's *rho* correlation show a positive relationship between the informativeness of YouTube ads and the level of engagement respondents have with the ads. In simple terms, it indicates that as more information is imprinted into YouTube ads, consumer's level of engagement with YouTube ads increases. With the rapid increase in the application and importance of information in the data-driven society of today, marketing agencies should factor

embedding valuable information about their brands in their advertisements and deliver it to consumers in a simple way to promote efficient marketing campaigns.

The third research question is centred on how YouTube ads impact the purchasing decisions of TalTech students. The descriptive statistics, Table 3 shows a mean value of 3 for the statement "I want to make a purchase after watching YouTube ads". This may be interpreted that respondents were not satisfied and slightly disagree that they do not want to make a purchase after watching YouTube ads. From the theoretical section of this study, the behaviour model explained some factors that also have great effects on the behaviour of consumers. This may mean that the element of informativeness is instrumental in the engagement of consumers with YouTube ads, other factors in the model like irritation, entertainment and credibility could influence their purchase decisions to products or services advertised on YouTube.

The final research question was 'to what extent are TalTech students motivated to upgrade to YouTube Premium?' Following the purpose of this study, this research question is important because it provides a picture of the motivation of the respondents to upgrade to YouTube Premium and in turn reveal their reaction to YouTube ads. Consumers develop a motive to purchase when they search for satisfaction through purchasing something. Therefore, consumer behaviour is influenced by motivation and it is a force that promotes positive purchase decisions. Table 3 shows a mean value of 2 for the question "are you willing to upgrade to YouTube Premium?", and this means that respondents are not motivated to upgrade to the YouTube Premium. This result aligns with that of the previous research question regarding a consumer purchase decision. Also, the Table 3 descriptive statistics, shows a mean value of 6 for the statements "YouTube ads are annoying and YouTube ads are distracting", This may indicate that though most of the respondents see YouTube ads as annoying and distracting, in their hierarchy of needs, an upgrade to YouTube Premium is on a higher level and is not an immediate necessity. This current study also shows from Figure 8, that most of the respondents that were willing to upgrade, were motivated by the benefit of ad-free viewing on YouTube and this may indicate a negative consumer behaviour towards YouTube ads.

During the period of data collection, some of the respondents gave feedback through social media on the nature of the research problem, the questionnaire structure, and the relevance of

the research to the online video advertisement. Some of the respondents also said that the questionnaire made them reason more objectively about how they reacted towards YouTube ads.

Limitations to this study comprise those normally associated with online questionnaires, as well as the unsystematic sampling procedures and low rate of response. Since the level of representativeness can always be enhanced, significant efforts were made to have a high response rate for the sample. The scope of this research is within the limit of the students at Tallinn University of Technology alone. The author decided to limit the scope of this research to TalTech students only, and the objective for that decision was to focus on the behaviour of people that possess more similar characteristics related to their learning cultures and study environments. Hence, the author affirms that these results are not to be generalised neither do the respondents reflect the consumer behaviour related to all students. The author suggests further research should be carried out from other institutions or organisations to evaluate the variations in the consumer behaviour of a different population. Researchers can also conduct a further study on 'the relevance of YouTube ad to consumer search query' to evaluate how ads relevant to consumer search queries affect their behaviour.

The rationale behind the use of non-probability sampling for this research is the non-feasibility to draw a probability-based random sample of the entire population due to considerations about time and cost. Therefore, this research does not show the degree to which the sample is representative of the overall population. The sample-size-specific nature of this research means that results tend to vary if a bigger sample is drawn. Hence, the author also suggests that future research can be conducted using a bigger sample to examine the difference in the results.

CONCLUSIONS

The rapid increase in advertisements displayed on the second most visited website in the world (YouTube), has enticed a lot of global businesses to use the platform for marketing purposes. Several advertisements displayed on the YouTube platform are without value because of the lack of relevant information which is necessary for consumer engagement, and this negatively impacts their purchase decision towards products, services, or brands on YouTube. The state of mind of a consumer that precedes the selection, purchase, and consumption of products and services to satisfy their wants should be studied continuously. This is because the behaviour of consumers and its influence on their purchase decisions are affected by a lot of factors and each factor must be addressed when marketing strategies are implemented. Also, the study of consumer behaviour is based on the buying attitude of consumers, and the three unique roles they play as a payer, buyer, and user. Therefore, to encourage effective marketing, it is important for marketers to comprehend how consumers behave when they are introduced to specific advertising methods.

This research aimed to find out the behaviour of TalTech students towards YouTube ads and examine the influence of this behaviour on their purchase decisions to products or services on YouTube. To achieve the aim of this research, an online questionnaire (Google Forms) was designed and used as a research instrument for this study. The research questions of this study were 1) How do TalTech students react to online YouTube ads, 2) How informative and engaging do TalTech students find YouTube ads, 3) How do YouTube ads impact the purchase decision of TalTech students and 4) To what extent are TalTech students motivated to upgrade to YouTube Premium? The resulting data show that informativeness is one of the key elements that promote the level of engagement of TalTech students with YouTube ads. Their purchasing decisions after watching YouTube ads are influenced by other important factors like

entertainment and credibility. Furthermore, they have a negative behaviour towards YouTube ads because they find it irritating and distracting.

A lot of respondents are de-motivated to upgrade to the ad-free YouTube Premium regardless of their displeasure with the irritating experience they have with the ad due to the presence of other needs that weigh more in their order of priority. The results are beneficial for businesses that promote their brands with advertisements on YouTube, to develop a consumer persona that promotes effective market planning and improves conversion rates. Further research should be carried out on the same topic with a qualitative approach, to understand the way respondents perceive their actions with inductive analysis.

Suggestion to businesses based on results

- The response from the respondents reveals that YouTube ads are annoying regardless of the level of information they display. This induces a negative mindset of consumers that eventually affects their behaviour towards YouTube ads. Hence, the author suggests that measures that are more pleasing to consumers are introduced to YouTube ad displays. When viewers are given contents that are relevant to their search queries and align with their search purposes, they are drawn to react positively towards the ad.
- The rapid increase of data in the world of technology has made room for diverse information from unreliable sources. The trustworthiness of the information in a particular ad is vital. The more credible the information is, the more secure consumers feel towards an ad. The author also suggests that businesses carry out a continuous background check on the veracity of information displayed on their ads to maintain credibility.
- Marketing managers in businesses should leverage social media platforms to improve the relationship they have with their consumers in an online environment. Therefore, they should constantly update their consumer persona to adjust their online marketing strategies based on the interests of consumers to succeed in the long run.

This study consists of three parts. The first is the theoretical aspect developed by the author based on the review of literature about consumer behaviour and YouTube advertising. The second is the method used to design the study and collect data to establish authentic results that resolve the research aim. The third and final part is the analysis of the empirical data collected and discussion. The analysis of this study was performed among students of Tallinn University of Technology that frequently use YouTube for desired information and a total of 267 respondents filled the online questionnaire but were filtered to 262 because the rest of them were minors. The limitations of the study, suggestions to businesses, and future research suggestions were also presented.

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APPENDICES

Appendix 1. Questionnaire

You Tube Ads	
Consumer Behaviour Towards YouTube	
Ads	
Dear Contributor,	
I request that you be a part of this research that is expected to only take approximately 5 minutes to complete. I am conducting a study on consumer behaviour towards YouTube Ads for my bachelor's thesis at Tallinn University of Technology.	
The aim of this questionnaire is to analyse the general behaviour of online users to YouTube Ads using TalTech students as my sample population.	
I assure you that this questionnaire is confidential and anonymous and all information received from you will only be used within the scope of this research.	
Thanks for your time and cooperation 🚣	
* Required	
Studies *	
O Bachelors	
O Masters	
O Doctoral	
Program *	
O School of Information Technologies	
O School of Business and Governance	1
School of Engineering	-

One word t	hat comes t	o mind w	/hen you :	see YouTu	ube Ads ¹		
Your answer							
How often of	do you see `	/ouTube	Ads? *				
O Everyday	у						
O Once a v	week or more						
O Every 2-	4 weeks						
O Once in	a couple of m	nonths					
O Other:							
O Other:		inion with		ements b		ube Ads a	
	ate your op Strongly agree	inion with Agree	n the state Slightly agree	ements b Neutral	elow; YouT Slightly disagree	ube Ads ar Disagree	re; * Strongly disagree
	Strongly		Slightly		Slightly		Strongly
Kindly indic	Strongly	Agree	Slightly		Slightly disagree		Strongly
Kindly indic	Strongly agree	Agree	Slightly agree	Neutral	Slightly disagree	Disagree	Strongly
Kindly indic Annoying Engaging	Strongly agree	Agree	Slightly agree O	Neutral	Slightly disagree	Disagree	Strongly
Kindly indic Annoying Engaging Distracting	Strongly agree O	Agree O O	Slightly agree O	Neutral	Slightly disagree	Disagree O O	Strongly disagree O O

To what e	extent do yo	u think Ye	ouTube Ac	ls fits you	r preferenc	ce? *	
		1	2	3	4	5	
Not ve	ry much	0	0	0	0 () ve	ry much
l see You	Tube Ads as	an unwa	nted inter	ruption *			
	Strongly agree	Agree	Slightly agree	Neutral	Slightly disagree	Disagree	Strongly disagree
Row 1	0	0	0	0	0	0	0
YouTube	Ads are a go	ood sourc	ce of prod	uct/servic	e/brand in	formation '	
	Strongly agree	Agree	Slightly agree	Neutral	Slightly disagree	Disagree	Strongly
Row 1	0	0	0	0	0	0	0
YouTube	Ads are rele	vant with	n my searc	h query *			
	Strongly agree	Agree	Slightly agree	Neutral	Slightly disagree	Disagree	Strongly
			100000000	0	1000 100 Tool 100	122	0

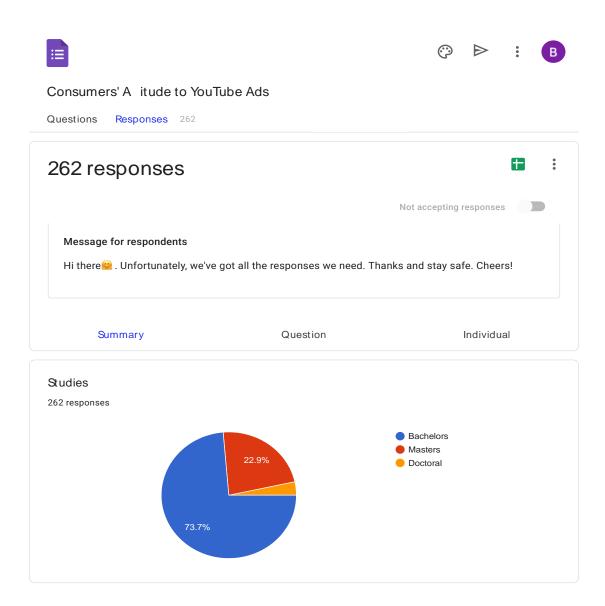
What factor	ors impact	your eng	agement	with YouT	ube Ads? Y	'ou can tick	as many
1	tiveness						
Credib	ility						
Respo	nsiveness						
Releva	ince						
Enterta	ainment						
Inform	ativeness						
	Strongly agree	Agree	Slightly agree	Neutral	Slightly disagree	Disagree	Strongly disagree
Row 1	0	0	0	0	0	0	0
Do you sp	end more t	ime on Ye	ouTube du	ue to irrele	evant YouTu	ıbe Ads? *	
O Yes							
O No							

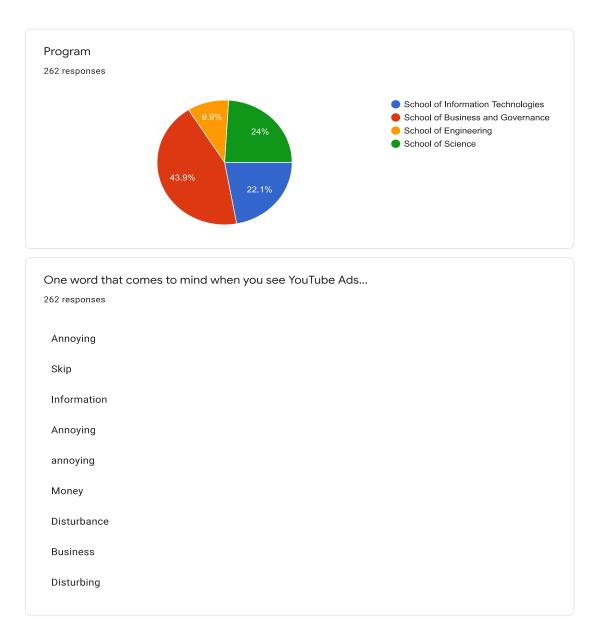
Row 1			agree		disagree		
ROW I	0	0	0	0	0	0	0
l installed	ad-blocks t	to preven	t YouTube	Ads *			
	Strongly agree	Agree	Slightly agree	Neutral	Slightly disagree	Disagree	Strongly disagree
Row 1	0	0	0	0	0	0	0
O Yes O No O Mavb	e				•		
	e						
O No	e ich of the fo	bllowing b	penefits, h	as the mo		e on your o	decision?
No No Mayb		bllowing b	penefits, h	as the mo		e on your d	decision?
No Mayb	ich of the fo ee Viewing ube Originals		penefits, h	as the mo		e on your o	decision?
No Mayb If yes, wh Ad-fre YouTu Backg	ich of the fo ee Viewing ube Originals ground Play		oenefits, h	as the mo		e on your d	decision?
 No Mayb If yes, wh Ad-free YouTu Backg Down 	ich of the fo ee Viewing ube Originals		oenefits, h	as the mo		e on your d	decision?
 No Mayb If yes, wh Ad-fre YouTu Backg Down YouTu 	ich of the fo ee Viewing ube Originals ground Play iload Videos	emium		as the mo		e on your d	decision?

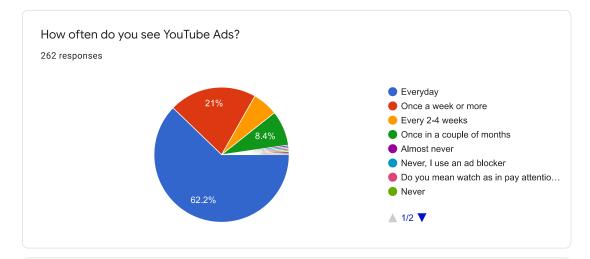
O Male
O Other:
What is your age? *
Choose
Thank you for taking out time to complete this survey
Page 1 of 1
Submit
Never submit passwords through Google Forms.
This content is neither created nor endorsed by Google. Report Abuse - Terms of Service - Privacy Policy
Google Forms

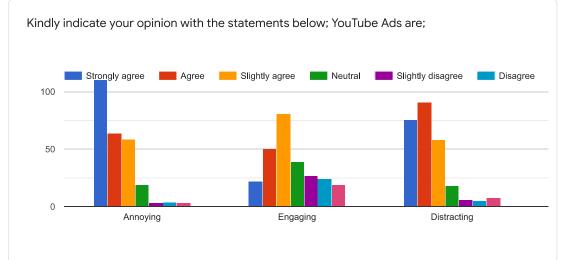
Figure 9. Questionnaire Layout (Google Forms) Source: Composed by the author

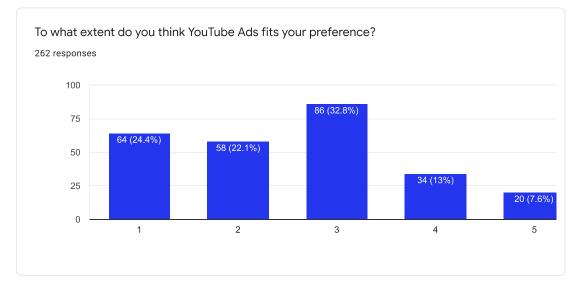
Appendix 2. Results of the Questionnaire

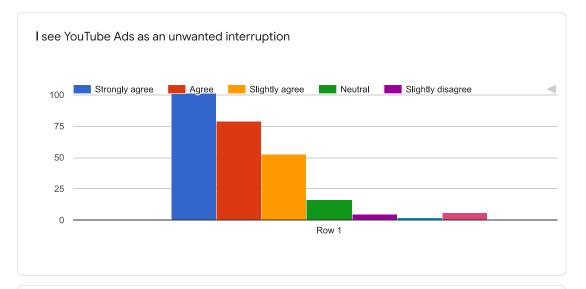


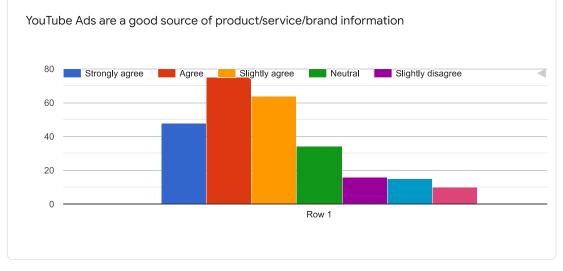


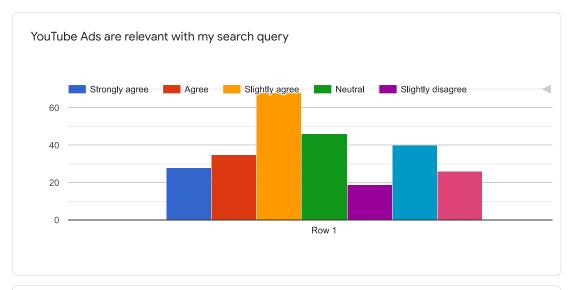


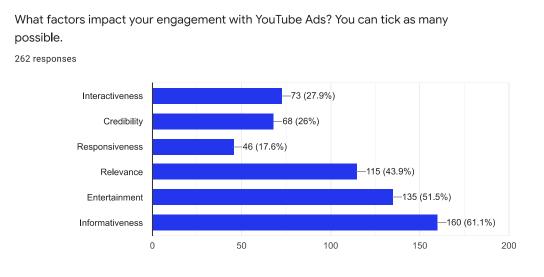


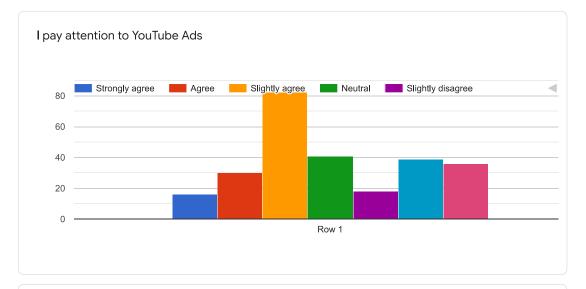


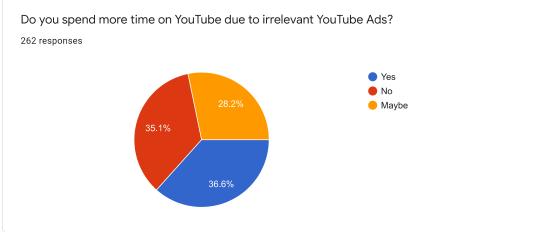


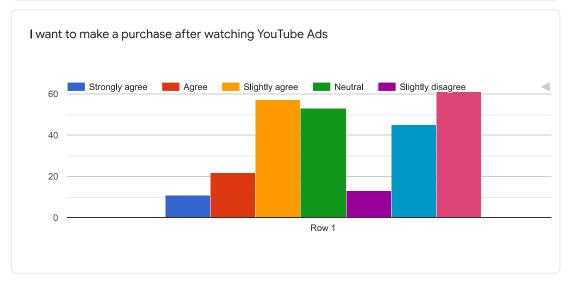


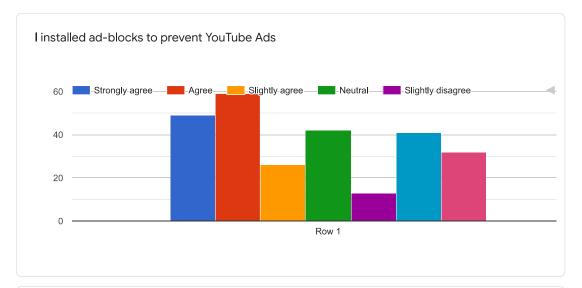


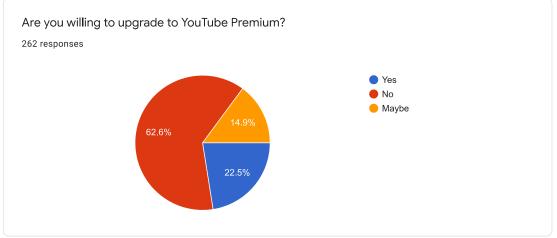


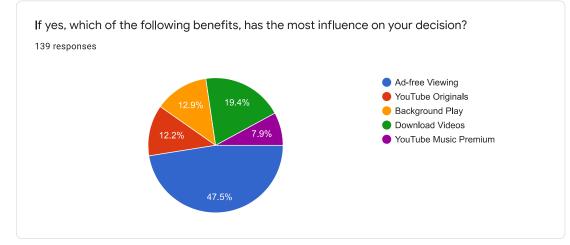












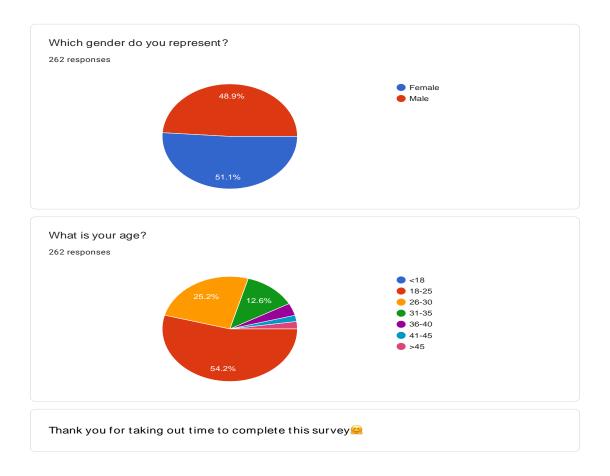


Figure 10. Results of the Questionnaire Source: Composed by the author

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