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FINANCIAL SUSTAINABILITY OF MARKET THROUGH DIGITAL ADVERTISEMENT

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ABSTRACT

Businesses seeking to succeed in an era where digital transformation is altering market dynamics must comprehend the financial sustainability of digital advertising. With a focus on how digital advertising channels affect market revenue, cost effectiveness, and consumer engagement, this study investigates the financial impact and efficacy of these platforms. Utilizing a mixed-method approach that incorporates both qualitative and quantitative data, the study makes use of 51 participants' structured questionnaire responses from the Sagar district. Moreover, the study highlights that digital advertising's flexibility in targeting, its measurable ROI, and its capacity for engaging content contribute to its cost efficiency and enhanced revenue potential. The predicted growth in expenditure on digital advertising coincides with an increase in revenue from several sectors, emphasizing its importance for long-term financial stability. Enterprises are compelled to invest in digital advertising, capitalize on modern technology, and build tactical relationships with influencers in order to increase market awareness and ensure long-term financial prosperity.

These insights suggest that digital advertising not only offers superior financial advantages over traditional methods but also leverages advanced technologies and strategic marketing trends to optimize engagement and market penetration. For organizations aiming for financial sustainability and growth, investing in digital advertising and embracing innovative approaches such as AI and influencer partnerships are essential strategies.

KEYWORDS: *Financial, Sustainability, Digital Advertisement, Perception.*

INTRODUCTION

Financial sustainability refers to a corporation or organization's ability to maintain financial stability and health throughout time. It comprises managing financial resources to preserve a favourable earnings risk profile while also maintaining the company's growth, survival, and an appropriate level of earnings risk exposure. Financial sustainability is critical for risk-averse investors since it reduces the danger of refinancing and insolvency while also potentially generating risk-adjusted surplus profits in the capital market. Sustainable finance, which incorporates environmental, social, and governance (ESG) considerations into financial decision-making, and the concept of financial sustainability are inextricably linked. Sustainable finance aims to mobilize financial resources for long-term development by encouraging environmentally friendly investments and implementing sustainable business practices.

Advertisement

The word 'Advertisement' is derived from Latin word 'Advertere' stand 'to turn the attention.' The Advertisement is tool or technique which is used to influence an individual perception towards a product or services. It is a promotional technique used to promote goods or services. It attracts or grab the attention of general public towards a goods or services. It is a type of communication which is done through different mediums or platforms. The advertisement is one way communication technique. Advertisement is the form of Marketing. It comes under 7ps of marketing likewise Product, Price, Place, Promotion, People, Physical evidence, and Process. The advertisement is categorised in Promotion.

Digital Advertisement

Digital advertising is the process of using various internet platforms and technologies to market products, services, or brands. It encompasses a wide range of channels and formats that allow businesses to effectively contact and interact with their target audiences. As the internet and mobile technology advance, digital advertising is becoming an increasingly important component of modern marketing strategies.

There are several forms of Digital Advertisement such as: Google Ads, Facebook Ads, Instagram Ads, Twitter Ads, You tube Ads, Bing Ads, Amazon Ads

In the modern business environment, digital advertising has emerged as a critical strategy for businesses looking to increase their market presence and revenue growth. The rapid expansion of digital platforms and technologies has transformed how organizations communicate with their customers, providing new prospects for focused engagement and cost-effective marketing. However, with this shift comes the necessity to critically evaluate the financial implications of digital advertising, as well as its role in guaranteeing market long-term viability.

Digital advertising has grown in popularity because of its ability to give very flexible targeting, quantifiable results, and high degrees of adaptability. Businesses are investing considerable amounts of money in digital platforms, so it's critical to understand how these expenditures will impact their bottom line. Digital advertising encompasses search engines, social media, display ads, email marketing, and other platforms and formats, each with its own set of pros and cons.

LITERATURE REVIEW

- **Bhart Urmila (2024):** Paper entitled **"A study of Financial Sustainability in Indian Banking Industry"** The study underlines the importance of the Indian banking sector embracing financial sustainability. Furthermore, the RBI's activities in this respect have been explored, as well as the challenges banks face when putting them into action in the real world.
- **Tanklevska & Miroshnychenko (2024):** Paper entitled **"Financial Sustainability of Enterprises in the Digital Economy**" In this study, it was discovered that financial sustainability is the most fundamental indicator of an organization's performance, representing both the availability of resources required for consistent growth and the overall financial balance of the business.
- **Ali & Teker (2024):** Paper entitled **"Financial sustainability of higher education system"** The paper compares and summarizes the budgets and spending of Turkey's and the United Kingdom's higher education systems, as well as those of the OECD. The purpose of this paper is to explain the challenges that the Turkish higher education system faces in maintaining the financial viability to meet the necessary academic standards as a result of rising prices and enrolment in comparison to the economic might of important competitors in the global marketplace, such as the United Kingdom.
- **Gujar & Panyam (2024):** Paper entitled **"Generative AI in Digital Advertising Campaigns"** This research paper offers a thorough analysis of the effects and difficulties posed by GAI in the field of digital advertising and identifies areas that warrant additional investigation in the present day. The role of GAI is expected to expand as digital advertising develops, highlighting the necessity of ethical considerations and a fusion of AI and human creativity to fully realize GAI's revolutionary potential.
- **Tongfei Li (2024):** Paper entitled **"AI Empowered Personalized Digital Advertising Marketing"** This paper examines the impact of AI on digital advertising marketing, including user behavior analysis, recommendation systems, and market trend prediction. By analyzing big data and using intelligent algorithms, AI can enable more precise and targeted advertising.
- **Pirakatheeswari P. (2024):** Paper entitled **"Digital Advertisement & their Influence on Consumer Purchase Intention with reference to Coimbatore City"** The purpose of this study is to look at the variables that influence client purchasing intentions in Coimbatore, as well as the factors that contribute to the effectiveness of digital marketing.
- **Saputra & Zawawi (2023):** Paper entitled **"The Impact of Digital Marketing on Export Sustainability in the Digital Era"** The findings of this study show that employing digital marketing tactics can create new prospects for increased competitiveness and export growth. Positive outcomes include increased brand exposure, strengthened ties with worldwide consumers, and adaptation to international market trends.
- **Rajan Pappu (2022):** Paper entitled "**Digital Advertisements Predictive Analytics - User Interest and Preference**" This study uses predictive analytics to determine which kind of digital advertisements are most popular among digital device users. Data is initially collected via web resources. The goal of this study is to look at users' preferred advertising forms and the elements that influence their choice of an advertisement.
- **Rahman, Abbas, Sultan, Shah, Al-Gohary & Altheeb (2020):** Paper entitled **"Social Media Adoption and Financial Sustainability: Learned Lessons from Developing Countries"** The research findings revealed many organizational, technological, and environmental factors that may influence SMEs' use of social media. Consistent with previous research, structural equation modeling results show that technological factors such as cost, trust, compatibility, perceived benefits of SM, and compatibility have a substantial impact on SMEs' adoption of SM.
- **Madhubala & Verma (2020):** Paper entitled **"A Critical Review of Digital Marketing"** This paper study presents opinions on a few recent and upcoming marketing trends. Recent literature and events in the

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business sector serve as the basis for the content. Secondary data form the basis of the paper. The study draws from both online and published works of literature. The different articles, Studies have been done on reports, studies, newspapers, magazines, websites, and online information.

OBJECTIVES OF THE STUDY

1. To assess the financial impact of Digital Advertising on market revenue and cost efficiency.
2. To analyse & interpret the effectiveness of Digital Advertising Channels in driving market penetration and consumer engagement.

RESEARCH METHODOLOGY

The study used a mixed method approach, incorporating both qualitative and quantitative data. The study uses an empirical research design, and its data come from primary and secondary sources. A Google Form is used to share the questionnaire, which is used to collect the primary data. There are 4 sections of the questionnaire, and each one includes pertinent questions about the study. 51 responses were obtained from Sagar district that were sent via a google form. Convenience sampling is the sample strategy employed in this research study.

DATA COLLECTION & INTERPRETATION

Age of Respondent

Age	Number of respondents	Percentage
18-30	21	41.2%
31-40	8	15.7%
41-50	11	21.6%
51-60	8	15.7%
61 & above	3	5.9%
Total	51	100%

Source: Primary data through Questionnaire

Ages 18 to 30: 21 responders (41.2%), 31–40 years old: 8 participants (15.7%), Ages 41 to 50: 11 responders (21.6%), 51–60 years old: 8 participants (15.7%), 3 responders (5.9%) aged 61 & above. This shows that respondents who are between the ages of 18 and 30 make up the largest age group (over 40%), while respondents who are over the age of 61 make up the smallest group (just under 6%).

Occupation of the respondents

Occupation	Number of respondents	Percentage
Employed	9	17.6%
Home maker	2	3.9%
Research scholar	1	2%
Retired	1	2%
Self-employed	17	33.3%
Student	18	35.3%
Unemployed	3	5.9%
Total	51	100%

Source: Primary data through Questionnaire

The largest group, comprising 18 respondents (35.3%), are students, self-employed people (17 respondents, or 33.3%), 9 or (17.6%) of the respondents are employed, 3 (5.9%) respondents who are unemployed, 3% or 2 respondents, are homemakers, 1 respondent (2% of the total) is the research scholars, 1 respondent (2%of the total) are the retired respondent. This shows that while other categories have relatively fewer respondents, students and self-employed people are significantly represented.

Advertisement media you prefer the most:

Advertisement media you prefer the most	Number of respondents	Percentage
Digital media advertisement (web-site, Mobile apps, Social media platforms)	37	72.5%
Traditional media advertisement (Television, Radio, Newspaper)	14	27.5%
Total	51	100 %

Source: Primary data through Questionnaire

37 respondents, or 72.5%, said they prefer digital media advertisements on websites, mobile apps, and social media platforms, 14 respondents (27.5%) said they preferred advertisements in traditional media, such as

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newspapers, radio, and television. This suggests that a sizable majority of respondents prefer digital media over traditional media for advertisements, underscoring the increasing significance and sway of online platforms.

Engagement with advertisements on digital platforms (Ex. Social-media, web-site, mobile apps):

Engagement with digital platform	Number of respondents	Percentage
Daily	39	76.5%
Monthly	1	2%
Occasionally	5	9.8%
Rarely	2	3.9%
Weekly	4	7.8%
Total	51	100%

Source: Primary data through Questionnaire

The information regarding 51 respondents' interactions with digital platform advertisements reveals: With 39 respondents (76.5%), daily engagement is the highest, 4 respondents, or 7.8%, reported engaging on a weekly basis, 5 respondents, or 9.8%, reported occasional engagement, only 1 respondent, or 2%, reported monthly engagement, 2 respondents (3.9%) said they rarely interact with digital ads. Comparing digital media to traditional platforms, the vast majority of respondents (76.5%) engage with advertisements on digital platforms on a daily basis, indicating the significant reach and influence of digital media.

Factors influence your perception to related to advertisements on digital platforms:

Factors influence perception related to digital platform	Number of respondents	Percentage
Targeting Based Browsing History	24	47.1%
Appealing visuals or content	29	56.9%
Recommendation from friends or influencers	26	51%
Availability of Advertisement	12	23.5%

Source: Primary data through Questionnaire

The following are revealed by the data regarding the factors influencing respondents' opinions about digital media advertisements: Appealing visuals or content have the greatest impact, impacting 29 participants (56.9%), recommendations from friends or influencers sway 26 responders (51%), For 24 respondents, or 47.1%, targeting based on browsing history is significant, the availability of advertisement has an impact on 12 respondents (23.5%).This shows that recommendations and targeted ads based on browsing history are not as important as visual appeal and content in digital ads when it comes to driving engagement. Among the respondents, availability has the least bearing.

Effectively used media or platforms of advertisement:

Effective media or platform of advertisement	Number of respondents	Percentage
Traditional media are more effective	6	11.8%
Digital media are more effective	32	62.7%
Both are equally effective	13	25.5%
Total	51	100%

Source: Primary data through Questionnaire

The information regarding the perceived efficacy of advertising media, as reported by 51 participants, reveals: 32 respondents (62.7%) said that digital media are more effective, 6 respondents (11.8%) said that traditional media are more effective, 13 respondents (25.5%) rated both as equally effective. This suggests that a significant portion of participants (62.7%) believe digital media to be more efficient for advertising. Merely 25.5% of respondents think that both forms of media are equally effective, whereas only 11.8% think that traditional media is more effective. This demonstrates how effective digital platforms are preferred over traditional media.

Increased use of artificial intelligence for personalized advertisement:

Increased use of artificial intelligence for personalized advertisement	Number of respondents	Percentage
Strongly Agree	22	43.10%
Agree	24	47.10%
Neutral	5	9.80%
Disagree	Nil	Nil
Strongly disagree	Nil	Nil
Total	51	100%

Source: Primary data through Questionnaire

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The information pertaining to respondents' opinions on the growing application of AI to tailored advertising reveals: Strongly Agree: 22 respondents (43.1%) are firmly in favor of using artificial intelligence more often to create tailored advertisements, agree: Of the respondents, 24 (47.1%) are in favor of employing AI for this purpose Neutral: About 5 or 9.8% of respondents have no opinion. This suggests that a majority of people (90.2%) agree or strongly agree that artificial intelligence ought to be applied more frequently to customized advertising. The low number of neutral replies points to a general willingness or acceptance of using AI to increase the relevance and potency of advertisements.

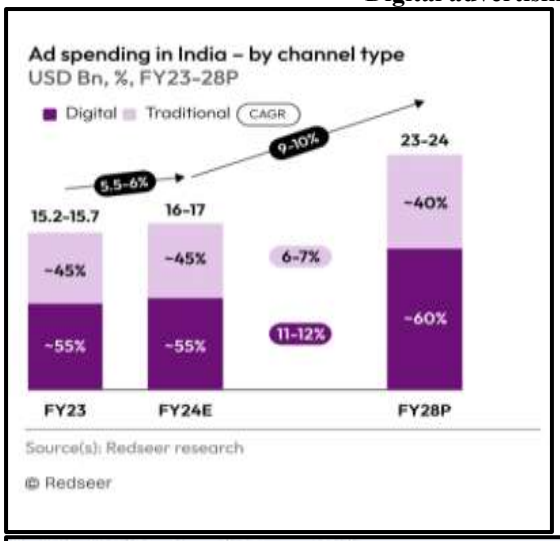
Advertisement will more emphasis on influencer marketing:

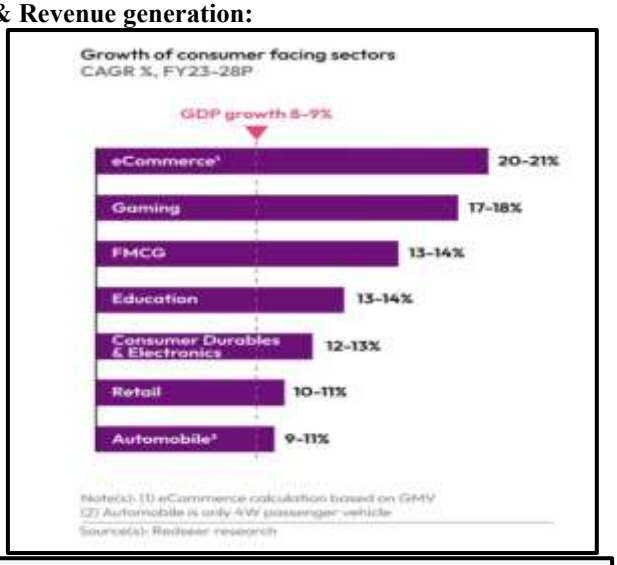
Advertisement will more emphasis on influencer marketing	Number of respondents	Percentage
Strongly Agree	11	21.5%
Agree	33	64.7%
Neutral	7	5.8%
Disagree	Nil	Nil
Strongly disagree	Nil	Nil
Total	51	100%

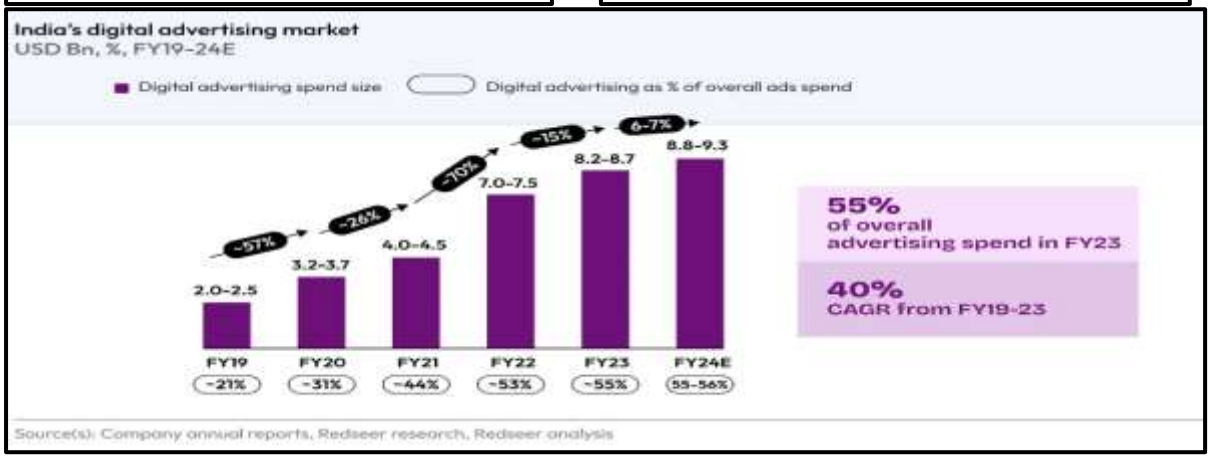
Source: Primary data through Questionnaire

The information gathered about respondents' perceptions of the importance of influencer marketing in ads reveals: Strongly agree:11 respondents (21.5%) strongly agree that influencer marketing should receive more attention, shown in grey color. agree: Of the respondents, 33 (64.7%) are in favor of highlighting influencer marketing in commercials, shown in blue color. Neutral: 7 respondents (5.80%) have no opinion, shown in yellow color. This shows that a sizable majority (86.2%) agree or strongly agree that influencer marketing ought to be given more prominence in commercials. The comparatively small number of neutral replies points to a widespread preference for using influencers as efficient marketing channels.

Digital advertising & Revenue generation:







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The graphs illustrate that as digital advertising expenditure in India grows from 55% in FY23 to an estimated 60% by FY28E, there is a corresponding increase in revenue for various sectors, with a revenue boost of 8-9% over the same period. This trend highlights the significant role of digital advertising in driving financial sustainability and revenue growth across different sectors, underscoring its importance for economic stability and performance.

FINDINGS

- ✓ Increased Revenue Potential: The majority of respondents (62.7%) believe that digital media are more effective for advertising than traditional media. This suggests that businesses investing in digital advertising are likely to experience a positive impact on their market revenue due to the greater efficiency and reach of digital platforms.
- ✓ Cost Efficiency: Digital advertising offers measurable and adjustable cost efficiency. The ability to target specific demographics and track performance metrics ensures that funds are utilized more effectively compared to traditional advertising methods. This efficiency is reflected in the high preference for digital media advertisements (72.5% of respondents).

FINANCIAL EFFECTIVENESS OF DIGITAL ADVERTISING CHANNELS

- ✓ **Preference for Digital Media**: A substantial 72.5% of respondents prefer digital media advertisements, indicating a strong shift towards online platforms. The daily engagement rate of 76.5% underscores the high level of interaction and the effectiveness of digital advertising in maintaining consumer attention.
- ✓ **Engagement Factors**: Appealing visuals or content (56.9%) and recommendations from friends or influencers (51%) are the most significant factors influencing perceptions of digital advertisements. This highlights the importance of creating engaging and visually appealing content, as well as leveraging social proof through recommendations.
- ✓ **Artificial Intelligence**: There is a strong consensus (90.2%) on the increased use of artificial intelligence for personalized advertising. AI's role in tailoring ads to individual preferences can enhance relevance and effectiveness, which aligns with the high engagement rates observed in the study.
- ✓ **Influencer Marketing**: A notable 86.2% of respondents agree that influencer marketing should receive more emphasis. This trend suggests that influencer partnerships can significantly amplify the reach and impact of digital advertisements, making them a crucial component of future advertising strategies.
- ✓ **Financial sustainability**: It highlights how revenue for various industries increases at a pace of 8–9% over the same period, while digital advertising expenditures in India rise from 55% in FY23 to an expected 60% by FY28E. This pattern emphasizes the critical role that digital advertising plays in fostering revenue development and financial sustainability across a variety of industries, highlighting its significance for both economic success and stability.

CONCLUSION

Digital advertising appears to be an effective technique for increasing market financial sustainability. Its capacity to provide targeted, measurable, and cost-effective advertising solutions makes it a popular alternative to traditional media. The integration of modern technologies such as artificial intelligence (AI) and the growing importance of influencer marketing are predicted to fuel additional growth and effectiveness in digital advertising techniques. For organizations looking to increase their market presence and revenue, investing in digital advertising while focusing on compelling content and strategic relationships will be essential.

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