

## ABSTRACT

The advance of Internet Technology prompts today's marketing and advertising strategy in order to respond the changing behavior of Internet users who are exposed to spate of information technology (IT). It is interesting to note that when Internet has more involvement in the life style of people, it has a simultaneous effect on advertising business as well. Therefore, this research aims at examining the influence of advertising on the Internet on buying decision of Internet users.

In order to identify the influence of advertising on the Internet on buying decision of Internet users, descriptive and exploratory researches were applied. Advertising components and demographic factors are considered as independent variables whilst the buying decision of Internet users is considered as the dependent variable. The sampling frame of this research derived from a list of department stores, and the questionnaires were distributed to 400 respondents in total. After the data collection had been carried out, all the research hypotheses were tested by means of Simple Correlation Coefficient, Independent Sample T-Test, and Analysis of Variance (ANOVA).

Based on the results of these analyses, it can be concluded there is a relationship between buying decision of Internet users and advertising components of which include presenter, copy text, product feature/qualification, brand, picture, animation, and web site.

Moreover, the demographic factors consisting of education and income levels are found to have had statistically significant differences in effect of advertising on buying decision of Internet users. In addition, other demographic factors consisting of gender, age levels and occupations are found to have had no statistically significant difference in effect of advertising on buying decision of Internet users.

Based on the findings of the research, it can be recommended that product feature/qualification and brand greatly affect the consumers' decision in buying products via Internet. Therefore, marketers and advertisers should give an emphasis on those components to get hold of the most effectiveness of the advertising on the Internet. Moreover, Telecommunication Equipment and Electrical Equipment and Electrical equipment are the products' categories affecting the consumers' buying decision. Making the most of the research findings, the producers of these products should adopt the advertising on the Internet as an influential marketing tool to boost sales and expand product distribution.

