The Influence of Web Sites and Internet Advertising on Brand Memorability

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Abstract

Internet advertising allows marketers to reach the mass market like any other medium that has preceded it. The two-way dialogue in the Internet permits the personalisation of messages making the promotion element of the marketing mix the component that has the greatest potential for transformation. Companies use a multitude of methods to advertise on the Internet the most common of which is the banner Ad. It is believed that when consumers like an advertisement about a brand they develop positive brand attitudes and willingness to buy the brand. A positive attitude towards a brand appears to improve the consumer’s ability to recall the brand. Extending the paradigm of attitude towards the Ad to e-commerce Bruner and Kumar (2000) proposed that attitude towards the web site is positively associated with attitude towards the Ad, the brand and purchase intentions.

This study, therefore, was designed to discern the features of quality web sites, the advantages and disadvantages of web advertising, the influence of web sites on attitudes towards Internet Ads, and Ad recall. Focus groups and a questionnaire administered to 254 respondents were used to gather the required information.

The findings of the study, which include the quality features of web sites that encourage web surfer revisits, the advantages and disadvantages of Internet advertising, the effect of Internet advertising on brand evaluations and Ad recall, are discussed.

1. Growth of Online Marketing

The phenomenon of globalisation is being embraced by most countries and provides endless opportunities to many business enterprises. Innovative managers looking for unique ways to compete in this new environment are turning to technological advances in computers, telecommunications and Internet to make their business dreams a reality. Of the new technologies, the Internet, in particular, provide information on everything imaginable at a very low cost driving the global electronic market [20]. Internet has increased opportunities for firms to increase business by providing 24 hour access for shoppers supporting business across different time zones globally.

Although growing, there is no uniformity in the extent of online shopping across the globe. It appears many factors contribute to this discrepancy. The long tradition of catalogue shopping, faith in technology, and the distance Americans may have to travel to reach a store given the large size of the country, make online shopping more acceptable in America. However cultural influences such as the social values attached to shopping may be an impediment to the growth of online shopping in Asia and Latin America. The low usage of credit cards for shopping in many parts of the world probably restrict retail spending online in such countries.

Companies use e-mail, bulletin boards and interactive advertisements to expand their business through the Internet, which now represents a multi-billion dollar market. Internet enjoys global popularity for marketing as advertisements displayed on it by firms, individuals or organizations can be accessed by anybody with appropriate technology. The capability of the net to compile statistics help companies to track their advertising effectiveness in terms of its reach and frequency. These are some of the many reasons why businesses rapidly adopt Internet as an efficient and economical medium to conduct marketing.

The ease of access, and minimal regulation to go online is another formidable reason that helps to accelerate the rate at which businesses are connecting to the Internet. It allows companies to avoid the regulations and restrictions normally encountered by companies who physically enter other countries to do business. This proliferates the use of Internet for advertising and sales transactions by individuals and companies.

2. What are The Good Web Sites?

Electronic marketing grabbed the attention of commercial enterprises in the 1990s with the advent of the World Wide Web. Bhatt and Emdad (2001), predicting a rapid growth in online sales, forecasted that the value of goods and services traded via the Internet is likely to reach $1 trillion in the year 2005 [2]. To boost online sales companies should make sure that their site is one of those consumers use prior to making a purchase decision. Online shoppers will visit again and again the sites where they have had positive experiences.

There are the good, the average and the poor web sites. Good web sites that induce consumer revisits contribute to the growth of company sales and profitability. The average and the poor are those designed the way technology dictates without due consideration to online consumer needs and behaviour patterns.
The foray into web site development by many companies is fuelled to a degree by the prospect of doing business online. An increasing number of organizations feel it is desirable for their companies to have a Web presence [9]. Often the justification for development of a Web site is to strengthen the company’s competitive position [15]. Web sites developed for such a purpose should not neglect the needs of the audience for which they are developed. Niederst (1996) commented on the need for Web designers to have an understanding of the human-computer interface issues of Web design, which include its function, graphics, and the ease of navigation [18]. Chung (1998) argued that designers could avoid producing messy Web sites by acquiring navigational design skills [8]. The above studies, however, did not address well the issue of the features that should be built into Web sites to meet the user needs. A site that fails to meet its users’ needs is unlikely to meet its business objectives. Nielsen (1998b) estimated that 90 per cent of commercial Web sites failed to meet the needs of the users [19].

To gather the required information on prices and the availability of alternatives, a consumer may visit two or three web sites prior to deciding to buy a product. If a web site cannot be accessed quickly, it is likely the buyer will move to another site that downloads faster. A Boston Consulting Group study has found that if a buyer cannot find a product within 5.8 minutes at a site, they move away to another [1]. The ease of navigation of web sites contributes greatly towards positive evaluations by online shoppers. Consumers visit again and again the sites where they have had positive experiences and find that browsing through these sites to gather information is easier and more pleasant than they expected.

A web site is considered to be the public face of a company and should showcase its content in the very best form to the target market. To maintain corporate image the in-built quality features of the web site must exceed customer expectations and outperform the competition. Many web sites continually disappoint customers and fail to meet their expectations. If firms are serious about online marketing they should present their product offerings to customers on user friendly web sites with interactive search utilities on each web page that guarantee easy navigation. The quality of search tools and the time taken to download a web page are two key reasons that influence the return of an online buyer to a web site [25].

3. Online Advertising

Traditional marketing is undergoing a noticeable transformation with the advent of the Internet. This new medium allows marketers to reach the mass market like any other that preceded it. It has an effect on all four components of the marketing mix. The two way dialogue in the Internet permits the personalisation of messages making the promotion element of the marketing mix the component that has the greatest potential for transformation.

Revolutionary advances in technology have led to huge growth in the use of the interactive World Wide Web forcing marketers to re-evaluate the methods used for communicating with the target audiences. As a result, online advertising has now become an integral part of the communication strategy of most organizations. Tedesco (2000) forecasts online advertising sales to reach $22 billion by the year 2004, [26]. Cavanagh (2000) reports that traffic to major portals such as Yahoo, Lycos, and AltaVista will increase by 20% by 2004 [6]. This will further foster the growth of online advertising. However, everything is still not bright on the Internet as only a small proportion of advertising dollars are spent on the Internet. But, it is forecasted to be a growing medium, which businessmen and householders will use increasingly for advertising and home shopping with continuing advances in technology [20].

There are many methods of advertising on the Web and Internet advertisements come in many different shapes and forms. New ones emerge everyday. Commonly available among the endless possibilities of online advertising are banner ads, buttons, rectangles, pop-ups, interstitials, sky scrapers, webmercials, e-mail, sponsorship, key words and links. Of these the most prominent method of advertising on the web is the banner advertisement. It provides a link to the company’s web site and is usually placed at the top or the bottom of a web page. Full banner, half banner, square banner and vertical banner are some of the many forms of banner advertisements. Briggs and Holli (1997) found banner ads to be effective in creating awareness and positive brand attitudes, even when e-commerce was at its infancy [3].

Marketers use entertaining or informative messages on the Internet to attract customers to their sites. The final objective of their efforts is to expose the customers to their brands or to strengthen their association or affiliation with the brands. A survey of 500 Internet users found that more people are attracted by informative messages than entertaining advertisements [14].

Companies use online advertising to create brand awareness, preference and choice. Even though companies spend vast sums of money on Internet advertising no universally agreed upon way has appeared to evaluate its effectiveness [7]. There have been very few systematic studies to determine the various dimensions of web advertising effectiveness [11]. Some have raised serious doubts about web advertising effectiveness and its ability to persuade consumers to buy [12]. Hwang and Kranhold (2000) criticised Internet advertising as nonsensical, uninformative, unfocused, forgettable and generally ineffective [13]. Others have described online advertising as ineffective due to low click through rates for banner ads, their dullness, lack of information, its offensive nature and also because at times it causes confusion [16] [5]. Rettie (2001) found that the
disruption in the flow or the enjoyment of using the Internet caused by banners, interstitials, pop-ups and other types of Internet advertisements can create negative attitudes towards online advertisements [21].

In spite of these perceived negative sentiments the impressive growth of consumers surfing the web suggests to companies that the Internet provides an expanding meaningful audience for the promotion of their products and services. Some have suggested that advertising on the Internet is effective because of the interactive nature of the medium [22], while there are others who have found the web Ads to have the potential to be as effective as the Ads in the traditional media [10].

When consumers like an advertisement about a brand they develop positive brand attitudes and a willingness to buy the brand. A positive attitude towards a brand appears to improve the consumers’ ability to recall the brand. Mehta (2001) proposed that consumers who have positive attitudes towards an Ad are more able to recall a brand than those with negative attitudes [17]. Extending the paradigm of attitude towards an Ad to e-commerce, Bruner and Kumar (2000) proposed that attitude towards a web site is positively associated with attitude towards an Ad, the brand and purchase intentions [4]. This study, therefore, was designed to discern the features of quality web sites, the advantages and disadvantages of web advertising, the influence of web sites on attitudes towards Internet Ads, and Ad recall.

4. Methodology

The population from which the sample is drawn for this study is the Internet user. Due to difficulties encountered in obtaining a random sample, this study used a convenient sample of tertiary students in New Zealand who were Internet users. The author screened the students for their web use and their ability to remember being exposed to Internet advertisements. The survey questionnaire covered many aspects of Internet use. It included questions that examined which quality features of a web design induced them to visit and revisit sites, the advantages and disadvantages of Internet advertising, and measured the impact of respondents’ attitudes towards web sites on attitudes towards the brands advertised, and their recall of web advertising. Additionally, it gathered demographic information on the respondents such as age, gender and ethnicity.

Using a focus group the author at first determined (a) the features of a web site that encouraged visits and revisits to the site, (b) the advantages and disadvantages of Internet advertising, and (c) the brand names recalled from the advertisements seen on the Internet. The approach used in this study was adapted in a study conducted by Goldsmith and Lafferty (2002) [11].

The quality features of web sites identified by the focus groups were (a) excellent visual presentation of the site (b) attractiveness of web pages (c) moderate use of colour (d) an informative homepage that describes what a viewer may find in the website (e) a homepage that informs the viewer what they could do using the website (f) web pages that explain what they can find and what they can do (g) sites that provide convenient navigational aids in each page (h) accuracy of information (i) Web sites using familiar language (j) download time not excessive (k) clear links to different destinations and (l) easy manoeuvring between related pages.

The subsequent survey that covered 254 respondents evaluated the importance attached to the above features by the on-line purchasers. They rated their expectations on the above features on a 5-point rating scale where the end point “five” was labelled extremely important and “one” labelled not at all important. Their perceptions of the sites used were then recorded using a 5-point rating scale where end points were labelled “5-extremely satisfied” and “1- extremely dissatisfied”.

From the focus group discussion on the advantages and disadvantages of web advertising emerged a list of 10 items that consisted of 6 advantages and 4 disadvantages. The 6 advantages were: (1) Easy to find information (2) Easy to make comparisons (3) Enjoyable information gathering (4) Fast decision making (5) Low cost information (6) Helps private assessment. The 4 disadvantages were: (1) Advertising too cluttered (2) Invades privacy (3) Boring (4) Irritating. The respondents to the survey were asked to indicate the advantages and disadvantages in the given list of 10 items that they have experienced when they viewed an advertisement on the Internet as compared to traditional media such as TV, radio and print.

One question asked the survey respondents to indicate how advertisements they had seen on a web site they liked influenced their views about the brand. They were given the following three choices. (1) Improved the evaluation of the brand (2) Had a negative effect (3) Had no effect.

To measure top-of-the mind awareness or ability to recall an Ad, which is an important component of advertising effectiveness, the dependent variable recall of web advertisements was operationalised using a list of 10 brand names (International and New Zealand owned) selected from the focus group study. The respondents were asked to select from the list the brands they could recall seeing on the Internet.

5. Results and Discussion

A total of 254 students completed the questionnaire. The sample consisted of 52.3% males and 47.7% females. Most of the respondents (81.2%) were under 35 years of age.
The positive paired mean differences and the p-values = .000, for 6 (pairs 3, 6, 7, 9, 10, 11) of the 12 items measured (Table 1) indicate that the perceived level of satisfaction of online purchasers is much lower than their expectations for those important quality features of web sites. The high mean expectation values (over 4.6) for excellent visual presentation (Table 1: 4.66), and moderate use of colour (Table 1: 4.70) confirm that visual presentation is an undeniably important element of a good web design. Many people still use a web site as a source of information, therefore, there is no substitute for accurate content in a web site. Accuracy also refers to the availability of up-to-date information. This is reflected in the high expectation mean value of 4.97 attached to accuracy of information (Table 1).

### Table 1 – Mean Levels and Mean Differences of Expectations and Perceived Satisfaction regarding Web Sites

<table>
<thead>
<tr>
<th>Feature</th>
<th>Mean Level of Expectations</th>
<th>Mean Level of Satisfaction</th>
<th>Paired Mean Difference</th>
<th>Sig (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pair 1 – Visual presentation</td>
<td>4.66</td>
<td>4.76</td>
<td>-.1</td>
<td>.041</td>
</tr>
<tr>
<td>Pair 2 – Attractive web pages</td>
<td>4.59</td>
<td>4.61</td>
<td>-.02</td>
<td>.601</td>
</tr>
<tr>
<td>Pair 3 – Moderate use of colour</td>
<td>4.70</td>
<td>4.28</td>
<td>.42</td>
<td>.000</td>
</tr>
<tr>
<td>Pair 4 – Informative home page that describes what the viewer may find in the Web site</td>
<td>4.47</td>
<td>4.60</td>
<td>-.13</td>
<td>.013</td>
</tr>
<tr>
<td>Pair 5 – Homepage that informs the user what they could do using the Web site</td>
<td>4.55</td>
<td>4.68</td>
<td>-.13</td>
<td>.006</td>
</tr>
<tr>
<td>Pair 6 – Accuracy of information</td>
<td>4.97</td>
<td>4.67</td>
<td>.30</td>
<td>.000</td>
</tr>
<tr>
<td>Pair 7 – Web pages explain what they can find and do</td>
<td>4.22</td>
<td>3.91</td>
<td>.31</td>
<td>.000</td>
</tr>
<tr>
<td>Pair 8 – Sites that provide convenient navigational aids in each page</td>
<td>4.51</td>
<td>4.53</td>
<td>-.02</td>
<td>.716</td>
</tr>
<tr>
<td>Pair 9 – Web sites using familiar language</td>
<td>4.52</td>
<td>4.29</td>
<td>.23</td>
<td>.000</td>
</tr>
<tr>
<td>Pair 10 – Download time is not excessive</td>
<td>4.96</td>
<td>4.55</td>
<td>.41</td>
<td>.000</td>
</tr>
<tr>
<td>Pair 11 – Manoeuvring between different pages made easy</td>
<td>4.33</td>
<td>3.93</td>
<td>.40</td>
<td>.000</td>
</tr>
<tr>
<td>Pair 12 – Clear links to different destinations</td>
<td>3.65</td>
<td>3.80</td>
<td>-.15</td>
<td>.036</td>
</tr>
</tbody>
</table>

Most people prefer fast loading web sites (Table 1: expectation mean value = 4.96). The results of the regression analysis (Table 2: $t = 10.840$, p-value = .000) suggest that “download time not too excessive” is significantly related to overall customer satisfaction. This implies the need to design web pages that download in an acceptable time period through a slow connection, and nearly instantly on a fast connection, as suggested by Rowan (2000) [23]. Sending less data is the key to building a fast loading web page. Reducing the size of the graphics file and building relatively small web pages that connect to the larger web site through hyperlinks are methods recommended to accomplish this.

### Table 2 - Results of Regression Analysis – Importance of Quality Features of a Web Site on the Overall Satisfaction of Online Purchasers

<table>
<thead>
<tr>
<th>Adj. $R^2$</th>
<th>Sum of Squares</th>
<th>Mean Sum of Squares</th>
<th>$F$</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>.711</td>
<td>42.296</td>
<td>3.525</td>
<td>41.93</td>
<td>.000</td>
</tr>
<tr>
<td>SE = 0.29</td>
<td>15.803</td>
<td>8.406E-02</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No.</th>
<th>Feature</th>
<th>B</th>
<th>Beta</th>
<th>‘t’</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Accuracy of Information</td>
<td>.541</td>
<td>.475</td>
<td>10.704</td>
<td>0.000</td>
</tr>
<tr>
<td>2.</td>
<td>Download time is not excessive</td>
<td>.439</td>
<td>.467</td>
<td>10.840</td>
<td>0.000</td>
</tr>
<tr>
<td>3.</td>
<td>Site that provide convenient navigational aids in each page</td>
<td>.147</td>
<td>.147</td>
<td>3.474</td>
<td>0.001</td>
</tr>
</tbody>
</table>

Significant at the 0.05 level
Dropping a GIF file from 256 to 129 will not reduce the size of the image file but sizeable savings can be achieved by dropping from 129 to 128 colours (Sullivan, 2000). Meaningful file size savings can be achieved at 16, 32, 64, or 128 colours. JPEG, a graphic compression technique, enables images to be compressed into a fraction of the original size. All of these will help to reduce the download time.

The other predictors that are significantly related to overall satisfaction are accuracy of information (Table 2: t = 10.704, p-value = .000) and the provision of convenient navigational aids (Table 2: t = 3.474, p-value = .001). This suggests the firms that provide accurate information could significantly increase customer re visits by incorporating appropriate navigational aids to ensure that visitors can easily find the useful content on the site. An approach to achieve this is developing Web pages that convey a clear message, which enable visitors to navigate easily, logically, and effectively through the use of buttons, arrows and text.

The results of a regression analysis of the quality features of web sites against the perceived satisfaction of online purchasers, suggest that the “12 item - predictor model” explains 71% of the variance (Table 2: adjusted $R^2 = .711$) of the overall satisfaction rating.

5.3 Advantages of Web advertising

“Easy to find information” was the advantage of web advertising most often checked (61.8%, 157 respondents) by the participants. In the second place was “low cost of information” (50.8%, 129 respondents). Eighty eight (34.6%) respondents selected “fast decision making” as an advantage of advertising on the Internet as compared to other media.

A t-test was conducted to compare the mean number of advantages reported between the two groups that reported that visiting web sites “improved their evaluation of the brand” and those who reported “no effect”. More advantages were checked by those who reported, “improved their evaluation of the brand” (mean = 3.2, SD = 1.6) than those who said “no effect” (mean = 2.1, SD = 1.7). A p-value of 0.001 for the t-test suggested that the between group difference was statistically significant.

When the “improved their evaluation” and “no effect” dichotomy was tested using cross tabulation, it was found that the first group disproportionately endorsed the advantages, “easy to find information” and “low cost of information”.

5.1 Disadvantages of Web advertising

“Advertising too cluttered” was reported most often (40.9%, 104 respondents) as a disadvantage of advertising on the Internet. This was followed by “invases privacy” (36.6%, 93 respondents).

The disadvantages reported by the two groups (“improved their evaluation of the brand” and “no effect”) were compared using t-tests. A p-value of 0.002 indicated that the difference between the two groups was statistically significant. The group that reported “improved their evaluation of the brand” (mean = 1.4, SD = .61) checked more disadvantages than the group that found “no effect” (mean = 1.1, SD = .64).

5.2 The impact of attitude towards the web site on attitude towards the brand advertised

Of the 254 respondents, 45.7% (116 respondents) agreed that viewing a brand on a web site they liked improved their evaluation of the brand. Fifty per cent of the respondents (127) confirmed that liking a web site had no effect on a brand. According to eleven respondents (4.3%) viewing a brand on a web site had a negative impact on the brand. The majority (243 respondents) response was that web sites they liked either had a positive effect or no effect on the brand advertised.

5.4 Ad recall

A between group study was made on Ad recall using t-tests. The two groups compared were, those who reported that visiting web sites “improved their evaluation of the brand”, and those who reported it had “no effect”. P-value of 0.001 indicated that there were significant differences in Ad recall capability between the two groups. The recall of advertisements by the “improved their evaluation of the brand” group (mean = 4.3, SD = 1.9) was significantly higher than the recall by the “no effect” (mean = 3.1, SD = 1.8) group.

6. Conclusions

The results of this study have implications for both Web developers and companies who plan to boost online sales by encouraging their customer revisits. This study has established support for the view that visual presentation of Web sites is an important determinant of online customer satisfaction. It will, therefore be beneficial for online marketers to make a deliberate effort to design more inviting Web pages by improving their visual presentation. As too many colours and loud backgrounds are likely to clutter the interface to the dislike of online purchasers, companies could seize greater opportunities to please their customers by taking these factors into account when designing their web pages.

The study has also found accuracy of information to be an important predictor of online buyer revisits. To online marketers this will mean the development of systems and
in-house procedures to carefully upgrade and scrutinize the data at regular intervals to guarantee accuracy. Many online shoppers make in-depth price comparisons before switching retailers at a mouse-click and would inevitably look for accurate price information at each Web site. A more important issue is a buyer’s inability to evaluate first-hand the quality and benefits of the products purchased online due to lack of opportunity to physically see and touch them. Under such circumstances, the authenticity of information becomes paramount. Additionally, the Internet allows companies to enter into a dialogue with their customers, and the accuracy and the speed of responses will determine the customers’ comfort level to revisit the sites.

Effective Web sites that have accurate content, should ideally complement this with easy navigation and high-speed downloading to further stimulate customer revisits. Online buyers want control over what they do on the Internet. They appreciate every navigational support provided to them. Companies, in order to make navigation a pleasant experience resort to the use of multiple approaches. GIF animations, which are fun when first seen, can be annoying when they delay downloading. Online marketers, therefore, to avoid irritating the online customers need to consider their use wisely.

The companies that continuously innovate to stay ahead of competition in the above areas are likely to be more successful in encouraging customer revisits. Such improvements, which translate acquisition and analysis of information into a pleasant experience, will eventually contribute to gaining quick payoffs on Internet investments.

Respondents reported on both advantages and disadvantages of advertising on the web. Most respondents reported that advertisements on the Internet enable them to get information easily at a low cost. The main disadvantage reported was the clutter of Internet advertising. This suggests that, in spite of its many advantages, marketers still need to deal with the clutter of Internet advertising to improve customer evaluation of the brands advertised on the Internet.

The advertisements on the web sites consumers like appear to improve the brand evaluation of some consumers. A negligible number reported a negative impact after viewing an advertisement for a brand on a web site they liked. This suggests that advertising on web sites mostly contributes to enhancement of brand evaluations.

Another positive finding of the study is that consumers, who enhanced their brand evaluations after seeing an advertisement on a web site, appear more likely to recall the Ad. It may be that good web sites help to improve the memorability of the brands advertised on the web. A key weakness of the study was the use of a convenient sample, which makes generalisations inappropriate. Another important issue was the restriction of participants’ responses to specific questions. This may have reduced the extent of exploration of some issues considered as important by the participants. Nonetheless, the results of the study have provided useful information on web site development and Internet advertising to those interested in e-marketing.

References


