

# STUDENTS' ATTITUDES TOWARDS INTERNET ADVERTISING STUDY CASE: UNIVERSITY OF PARDUBICE

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**Abstract:** *The development of computer technologies has changed the traditional ways of advertising. Nowadays, many companies have made internet part of their advertising media plan. Marketers found that internet has a greater flexibility and control over the advertising materials. However, there have been a lot of debates regarding the current state of internet advertising and how it compares to traditional advertising. Many researches have been made regarding who uses the internet and what are the internet users' attitudes towards internet advertising. This research examines how students perceive internet advertising. A sample of 106 students from University of Pardubice (Czech Republic) participated in this study. It explores their attitudes towards internet advertising, internet advertising informativeness, online purchasing patterns and their preference between internet advertising and traditional advertising.*

**Key words:** *internet advertising, young consumers, online purchase, interactive media.*

## 1. Introduction

The new millennium has brought the IT revolution to a new level. Internet is changing rapidly and at the same time is changing the consumers' behavior. Lately, the internet has been accepted as the most powerful media for advertising.

The growth of internet advertising is outpacing offline advertising. More and more companies are realizing the value of internet advertising for their goods and services. Consequently, the market share of internet advertising is continually growing while the market share of offline advertising mediums stagnates or declines. [1]

By 2005, the internet was available to 1 billion people worldwide, and

approximately 845 million people used it regularly. According to Wesiman (2006), 80% of advertisers use the internet and online ad spending is likely to keep growing as more advertisers recognize the potential for building brands and delivering online and offline sales. [8]

In 2004, Hong, Thong and Tam found out that the interactive nature of the online medium offers rich potential for research opportunities, including examinations of the effectiveness of rich media advertising. The design and metrics employed determine online advertising recall and behavioral responses. In 2002, Bhat, Bevens, and Sengupta considered that accurately measuring online advertising is

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essential for advertisers, who employ metrics to evaluate online ads and facilitate informed decisions about advertising strategies. [5]

The potential for interactivity on the internet differentiates it from traditional media. This interactivity enables consumers to control advertising messages.

Nowadays, technology allows the consumer to visualize the product in different ways. For example, the consumer can zoom in or zoom out the product, can change its color or size and even make different combinations. The goal of this article is to describe the issues of internet advertising and more over introduce new information about internet advertising perception.

## **2. Literature review**

### **2.1. Interactive media**

In 1990, Cutler defines the new interactive media as media that provide the opportunity to instantaneously advertise, execute a sale and collect payment. Today, the interaction between and among consumers and marketers is becoming more pronounced. Consumers are able to collect and provide information by searching and navigating through the internet they can communicate with other consumers as well as product and service providers. [3]

At this point we can talk about the contrast between traditional assumptions about advertising and its effects and the realities of communication in the market place. Traditional approaches to advertising practice and research implicitly assume that advertising is something the firm does to the consumer, while interactive advertising highlights the need to understand what consumers do to advertising. The reasons why consumers seek for information, select the information, process and use information, and respond to information are critical for

understanding the effects of advertising. The selection of the source from which information may be obtained and the way this information is processed, represents an important determinant of consumer behavior.

Advertising research has revealed over the past few years many things about human behavior and the influence of communication. Nevertheless, much of the research during the past fifty years has been conducted from the perspective that advertising acts on consumers to produce responses (or not). [7, 63]

Nowadays, customers have the opportunity to respond immediately to advertising or to ignore it or block it out altogether. Which means that it is now the consumer who decides if he wants to see or not the advertising. In future advertisers will need to recognize the more active role of the consumer in the communication process.

### **2.2. Internet advertising versus traditional advertising**

As we have mentioned before, the internet has been accepted as the most powerful media for advertising due to the absence of geographical barriers.

There is no question that the growth of internet advertising is outpacing offline advertising. Lately, companies realize the real value of the internet in advertising their goods and services.

At the current rate of growth, internet advertising has already overtaken radio advertising in spending and market share. While outdoor advertising is also experiencing growth, it is not growing as rapidly as internet advertising. The dominant forms of offline advertising, television, newspapers and magazines, still hold the lion share of the market, but their market share is expected to decrease slowly over the next few years.

The growth in internet advertising is due to two different factors, more advertisers

moving promotions online and the growing penetration of the internet itself. Because the internet is still a relatively new medium when compared to other long established advertising mediums like newspapers and television, advertisers have not yet realized the full potential for gain. [4, 174-175]

Internet services are becoming more and more diversified, while internet advertising has become a very important income source for websites. Nowadays, companies are aware that internet advertising is more popular and even cheaper than traditional advertising. In spite of this, the effectiveness of internet advertising is controversial, especially concerning how well advertisements attract viewers' attention when compared to traditional advertising. It is said that magnifying the size, placing the information on the top of the page and strengthening the visibility can attract users' attention.

### 2.3. Benefits of internet marketing

Although much of the focus of traditional measures of advertising effectiveness has been on benefits to the marketer, the effectiveness of advertising also can be viewed from the perspective of the consumer. The benefits that advertising provides to consumers may have an indirect influence on measures of advertising effectiveness of primary interest to advertisers and marketers. [2]

The reason why internet marketing has become so popular is because they provide major benefits to potential buyers:

- customers can order products 24 hours a day;
- customers can find reams of comparative information about companies, products, competitors and prices without leaving their office or home;
- customers don't have to face salespeople;
- customers don't have to wait in line;
- customers are spending little time for shopping;

- customers have the opportunity to customize products/services.

Internet marketing also provides a number of benefits to marketers:

- companies can quickly add products to their offering and change prices and descriptions;
- marketers can develop catalogs for products and services at lower costs, because they are saving the money spend on printings and mailing paper catalogs;
- marketers can dialogue in real time with their costumers;
- marketers can learn how many people visited their online site and how many stopped at particular places on the site. This information can help them improve offers and ads. [7, 64]

To conclude, we can say that internet marketing has several advantages:

- low costs so that every firm can afford it;
- it is available 24 hours per day;
- information access and retrieval are fast;
- the site can be accessed from all over the world.

There's no doubt that marketers are adding online channels to find, reach, communicate and sell.

### 3. Research objectives and methodology

Many researches have been made regarding the banner advertisements' features like text, size, background color, animation effect, sounds, etc.

Many decisions regarding internet advertising are being made without knowing the consumers' attitudes towards internet advertising comparing to their attitude towards advertising in traditional media. The aim of this research is to highlight students' perceptions of internet advertising.

The major difference between internet advertising and traditional advertising is the degree to which consumers versus

company has control over advertising exposure. When it comes to traditional advertising, consumers have an inactive role in exposure when their TV program or radio show, for example, are being interrupted by commercials. If they want to see the whole program or listen to the entire radio show, they have two possibilities: watching the commercials (if they don't want to miss some parts from the program, movie etc.) or switch the channel until the commercials ends. In this case the advertisements are being "pushed" at them. When it comes to internet advertising the consumer has a great control over advertising exposure. Consumers can select whether, when and how much commercials they want to see. In this case the consumers are being "pulled" at advertising content. [4, 173]

In 2002, Goldsmith and Lafferty used a relevant sample of 329 undergraduate to assess the effects of viewing web sites on internet advertising. The findings were both positive and negative for online advertisers. For example, these young consumers perceive both advantages and disadvantages in web advertising. The advantages include providing privacy and more information and the disadvantages include cluttered and hard to read web sites.

In 2003, Calisir developed a study of how young consumers perceive the web as an advertising medium in relation to other traditional media. He discovered that the web site is a less effective medium for communicating both brand and corporate image, although it is a more reliable source

of information and less irritating than traditional media like radio, television, press, and magazine. That's way the author suggests that web addresses should be included in outdoor ads to prompt young consumers to visit the web sites to obtain more information on the products or services of their interest. [6]

The present study tries to find out students' opinion from University of Pardubice, Faculty of Economics and Administration, Czech Republic regarding advertising on the internet.

The objectives of the present study are:

1. Identify their opinions and attitudes towards advertising on the internet.
2. Identify students' preferences toward ways of promotion on the internet.
3. Determining the extent to which students are taking into consideration when making advertising buying decisions.
4. Determining the online purchase behavior.
5. Measure their degree of satisfaction with the quality of products/services purchased from the internet.

The survey questionnaire contained questions regarding access to the internet, ways of promotion on the internet, opinions and attitudes towards internet advertising, online purchase behavior.

#### **4. Results**

Of the 106 students interviewed, 94 (88.7%) said they are familiar with internet advertising, while only 12 people said they are not familiar with this type of advertising.

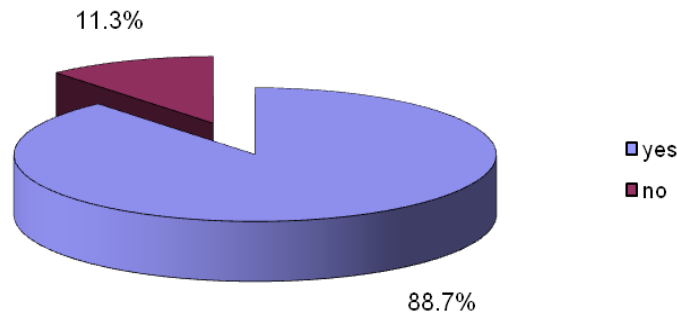


Fig. 1. *Are you familiar with internet advertising?*  
Source: autors - own research

The structure of respondents in terms of gender distribution is shown in the chart below:

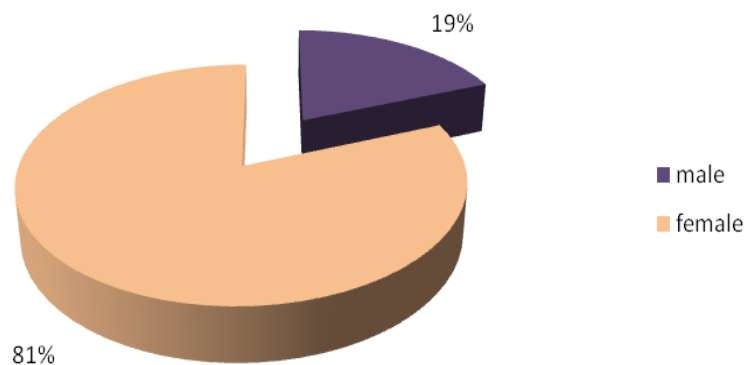


Fig. 2. *Gender structure*  
Source: autors - own research

One objective was to identify students' preferences regarding types of internet advertising. The types of internet advertising that were analyzed include: newsletter, banner, pop-up, interstitial and rollover ad. Comparing the average scores obtained, we see that the newsletter (with an average score of 1.77) represents the most pleasant type of internet advertising.

The following types of advertising indicated by the subjects were: banner (with an average score of 2.28), interstitial (2.83), rollover ad (with an average score of 3.91), placing it on the last pop-up with an average score of 4.18.

Another objective was to determine their opinions and attitudes towards internet advertising. Internet advertising has been characterized as being: annoying, useful, exciting, informative and cumbersome. Each of these features was noted from level 1 to level 5. Comparing the average scores obtained, it appears that internet advertising is considered to be cumbersome, with an average score of 2.42, while on the last place with an average score of 3.08, internet advertising is considered to be annoying.

Another objective that was taken into consideration was to determine the online

purchasing behavior. In this case, subjects were asked if they bought or ordered products /services on the internet in the last 3 months.

*Have you bought or purchase products or services on the internet in the last 3 months?*

Table 1

	Gender distribution		
	male	female	
No	5	42	47
Yes	15	44	59
<b>Total</b>	<b>20</b>	<b>86</b>	<b>106</b>

Source: autors - own research

Thus, 59 of the 106 respondents said they had made online purchases (of whom 44 were women, while only 15 were men). The remaining 47 subjects said they did not buy products or services in the last 3 months, as shown in the table above, carried out with SPSS program.

Regarding the objective of determining the extent to which subjects take into account the advertising when taking the buying decision were obtained the following results:

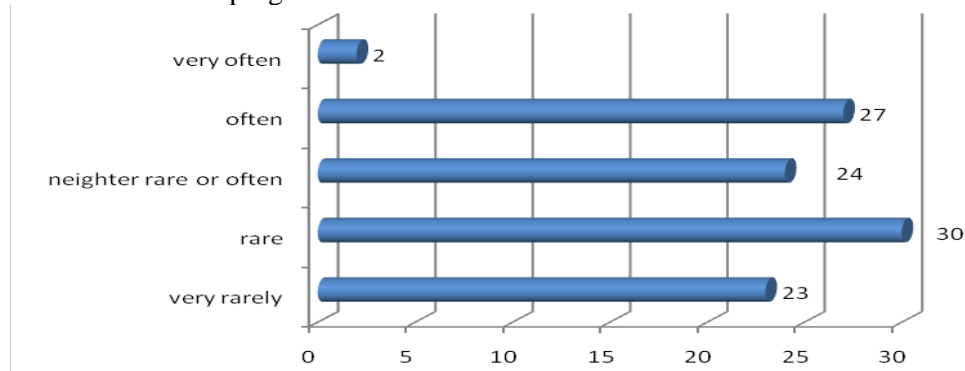


Fig. 3. *How often are you taking into consideration the advertising when making the buying decision?*

Source: autors - own research

Of the 106 respondents, 30 said they rarely take into account the advertising when making purchasing decision, 27 of the subjects often take into account advertising, while only 2 respondents very often take into account the advertising.

With regard to the extent that they were satisfied with the quality of products /

services purchased on the internet, 28 respondents (26.4%) said they were very satisfied with their quality, 28 respondents were largely satisfied, 3 subjects (2.8%) had a neutral attitude (neither satisfied or unsatisfied), while one subject was modestly satisfied and another one was very little satisfied, as shown in the table.

*Were you satisfied with the quality of  
the products/services purchased on the internet?*      Table 2

Scale of satisfaction	Frequency	Percent	Valid Percent	Cumulative percent
very little satisfied	1	0,9	<b>1.6</b>	1.6
2.00	1	0,9	<b>1.6</b>	3.3
3.00	3	2.8	<b>4.9</b>	8.2
4.00	28	26.4	<b>45.9</b>	54.1
very much satisfied	28	26.4	<b>45.9</b>	100.0
Total	<b>61</b>	<b>57.5</b>	<b>100.0</b>	
Missing -	45	42.5		
Total	106	100.0		

*Source: autors - own research*

Considering the above research results, we can say that the main objectives were achieved.

### 5. Conclusions

Although students have a favorable attitude towards advertising on the internet they somehow prefer traditional advertising too. As we have mentioned before, although they have a positive attitude towards online advertising, just over half of respondents have purchased products or services on the internet in the last 3 months. However, among the 59 subjects who said they purchased products/services on the internet, 44 were women and only 15 were men and 28 of those who have made online purchases were largely satisfied with the quality of products/services.

Further study should be done to get more conclusive results in this research area.

**Acknowledgment:** This paper is supported by the Sectorial Operational Programme Human Resources Development (SOP HRD), ID59321 financed from the European Social Fund and by the Romanian Government.

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Accessed: 08.10.2011.