

IMPACT OF NEW ONLINE WAYS OF ADVERTISING

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Abstract: *New ways of advertising are having a significant impact on the mix of marketing not only for big companies, but also for non-profit companies and for public persons and politicians. The new term netvertising has appeared and it's having a significant impact on the marketing strategy of different companies. If the traditional media is still used to transmit the message of a company, the internet and the new ways of advertising are used more and more to promote the image of a company, to promote the products or services not only to the young segment of consumers, but also to the segment of companies and others.*

Key words: *netvertising, online game, social networks, viral marketing.*

1. Introduction

When you think about new ways of advertising, you think about new media, about internet, about mobile internet and so on. Today, traditional media and new media are in constant interaction. Thus, television and radio interact with the internet to distribute advertisements and messages. But, the printed media, magazines and newspapers, are promoting their image through the opportunities offered by the internet: websites and social networks, e-mail etc.

Instead of replacing each other, the ways of communication and the media, depending on their appearance, they intersect each other, and the flow between them is seen increasingly better.

New media and the new ways of advertising offer the companies different advantages like: they generate brand awareness, they shape the brand image and the attitude towards it, generate process,

create loyalty, achieve economic education of consumers, marketing research, public relations, consulting services etc.

These new forms of transmitting the advertising messages are created by the need to introduce, within the current communication strategies, new elements to develop the level of interactivity with the consumers, to increase consumer response rates, but also to lead to a new and higher, level of direct marketing and one-to-one communication.

The Internet has, by far, the most important role in the new digital era and new media. Advanced technology allows marketers to define new types of ads, to apply the same practices and strategies used, so far, in traditional media, but adapted to the new forms.

2. The netvertising

According to Angeline Close Internet advertising, e-advertising or netvertising

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(Zinkhan) is an aspect of marketing that is customer-oriented (e.g., push marketing versus pull marketing), globally oriented (e.g., globally is related to chat rooms and business sites) and influences the consumer behaviour and marketing strategies.

The netvertising is a set of techniques that are produced and distributed via the Internet ads. Netvertising refers to advertisements sent through the internet but, as compared to traditional ads, the former are enhanced with various features audio, video, images etc.

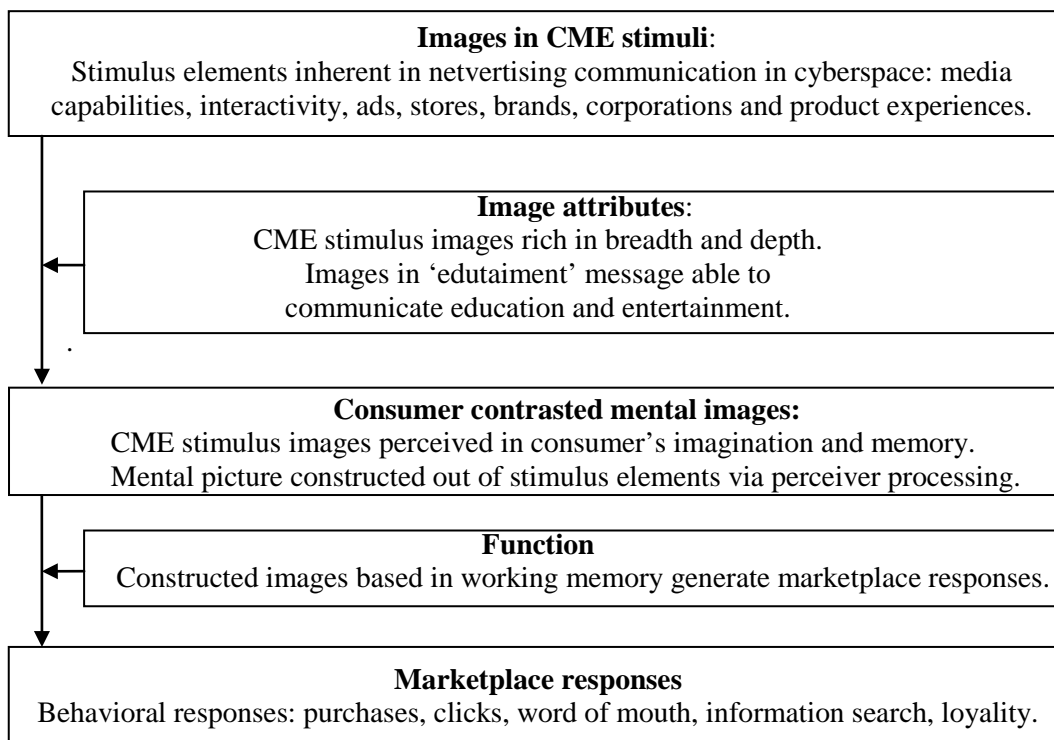


Fig. 1. Stages in Image the Netvertising Communication Model

Source: Stafford, M. R., Faber, J.-R.: *Advertising, promotion, and new media*. Publishing House M. E. Sharpe, New York, USA, 2005, p. 31

Netvertising elements and, especially, the purposes of netvertising are best described by Hoffman and Novak model brought in 1996. This model is cold Netvertising Image Communication Model as you can see in the figure above.

The netvertising involves combining all types of stimuli to form message elements: verbal stimuli, audio stimuli, video stimuli. These messages transmitted via the

internet and realized through the techniques developed later by netvertising have a traditional base, they are just more complex and their content is made up of several motivators that can be transmitted by new technologies [10].

Basically, this model shows how both traditional advertising and netvertising refers to search and research in the first phase of the relationship between

advertising and consumer behavior, research in which verbal, audio and video stimuli presented are central elements in obtaining information about possible answers from consumers to media messages [10].

The netvertising and new media have managed to capture the attention of most marketers and companies and to determine they to direct much of their resources to these two aspects. If companies do not yet give so much importance to social networks, twitter messages, profile pages on Facebook or Second Life virtual environment, they have now begun to distribute large portions of the budget allocated to promote to online advertising.

Following research carried out by emarketer.com, in 2010 U.S. companies spent \$ 25.8 billion for online advertising and European companies spent \$ 23.05 billion (UK, Germany, France, Italy and Spain). These recorded values are increasing as compared to previous years.

3. New on-line ways of advertising

Online advertising has offered to marketers different techniques and forms of transmitting the advertising messages. These takes the form of: banners, buttons, pop-ups, sponsorships etc. The most important advantage of this type of advertising is that the internet allows worldwide transmission of the advertising message. However, the internet allows those who promote the product to personalize the message for each user, enhancing customer loyalty and generating increased profits.

The main modern methods of promotion can be found in the channels of communication via internet and mobile internet. These are: banners, pop-ups sites, websites, advertising through blogs, social networks or advertising through video games. Also the new concepts of viral marketing and mobile marketing, which

are the newest advertising methods, are increasingly developing.

When we refer to the impact on users, the Internet and online advertising have a significant advantage from traditional means of communication. If television has reached 50 million users in 15 years radio has reached the same number of users in 38 years, the Internet has broken every record and reached the figure of 50 million users in just five years.

a. Brand Websites

Brand sites are sites with specific information about the brand. A brand site can be used to communicate with target groups and can be used as a platform for interaction with and among customers or for collecting customer data. Branded sites may form attitudes towards brand or can strengthen the position of brands on the market. Brand sites are essential for sustaining or increasing the efficiency of loyalty to groups of users. A website is necessary to maintain constant communication.[8]

The advantages brought by websites have a great impact on consumers. By promoting a brand or a company through a website, marketers can: offer worldwide lots of information regarding products and services, create on-line sales services, create brand awareness, communicate and create a one-to-one relationship with the target – groups.

The efficiency of websites can be seen through the number of visitors and the number of responses that come from the users.

Not only large companies invest nowadays in websites, but small companies, non-profit organizations and institutions have chosen to establish a closer, more personal relationship with the customers through websites. In 2010 the number of websites reached the figure of 255 million worldwide, by 21.4 million more than in 2009, and the number of

internet users was, in 2010, of 1.97 billion as compared to 1.73 billion users in 2009.[17]

b. Advertising through blogs

Bloggging is a means of communication that can be used for marketing and communication with customers and can be globally spread. It is also a way to interact with individual consumers at one to one level. In many ways, is a marketing communication tool, listening device, machine conversation, all in one tool. Blogs are currently used by companies, individuals, privately-owned businesses, global television networks, newspapers, even politicians.[9]

Companies create and use blogs to inform and educate the target market. They use blogs to present the characteristics of products or services, and those who want to enter the market. The advantage of this type of advertising is that companies can communicate with consumers, customers etc., they can quickly get feedback from them, and thus manage to make contact with consumers in a personal way.[5]

Advertising through blogs has its advantages. Listed below are a few:

- blogs are popular internet search engines;
- target audience is highly segmented due to the chosen topics for blogs;
- blogs are concise, to the point, making it easy to read by visitors;
- on blogs are displayed many links to different websites brand etc.;
- blogs are a way to advertise inexpensively, even free in most cases;
- updating blogs can be done very quickly with relatively easy access not only by computers but by pads, tablets, laptops and cell phones as long as there is an internet connection;
- other blogs can display links to other companies' blogs (partners, suppliers, employees, customers, etc..) Products or services with such exposure are taking

an even greater extent among the target audience;

- blogs can be used as a way to do some internal marketing, helping to establish a strong corporate culture, the internal management of the company and the brand itself.

Although the blog is a good way of advertising and marketing as a whole and, although it is one of the cheapest ways to promote products or services, it also has some disadvantages:

- topics and information blogs should always be updated to determine thus users and customers to return and maintain company-consumer relationship active;
- if the blog does not have an interactive structure, it can drive away customers who are not familiar with technology and systems and software necessary to read a complicated blog;
- lack of privacy;
- updating daily can lead to lack of attention and to making mistakes in the format, writing or reading the information;
- a very influential blogger can destroy a brand faster than through the use of any means on the market.

The advertising through web-blogs has a very big impact on the internet users and the companies. The blogs are the easiest way to introduce and promote products or services to specific segments of clients.

c. Social Networks

Social networks have revolutionized marketing. Facebook, LinkedIn, Friendster, Bebo, Hi5 and hundreds of other social networks began to occupy first place in on-line marketing.

Approximately 40% of adult Internet users in the U.S. are members of social networks and, of those who are members, 39% access social networks daily. Socialization through these networks is a global phenomenon. Facebook had, in July 2011, 600 million users globally.[2]

Social networks have expanded very much in recent years. If before they were used by individual users on the Internet for socializing, now they are increasingly used by companies and organizations as a new way of advertising and promote their business, brand, products or services.

Social networks are a global phenomenon, and companies that promote their business through them were joined by government organizations, non-profit organizations, politicians, regional and local institutions.

The impact of social networks is bigger year after year. If, in 2009 there were 350 million people on Facebook, in 2010 the number of Facebook users raised to 600 million. If the number of tweets per day on Twitter, in 2009, was of 27.3 million, in 2010 the number of sent tweets was of 25 billion and the number of people that used Twitter in 2010 was of 175 million.

Social networking is an opportunity for companies worldwide. Through them, a company can:

- create a suitable environment for development and innovation;
- brand awareness;
- build brand preference and differentiation;
- increase traffic to brand sites and sales;
- build relationships with customers and obtain their loyalty;
- enhance the recommendations;
- gain valuable information on target segments.

One can say that social networks have created a whole new marketing environment, one in which the consumer is the one in control and not the brand. Some marketers may consider this as a threat to customary ways of doing business, but many companies and brands have shown that social networks offer opportunities like:

- social networks allow companies to interact and communicate with

consumers in a way not possible through traditional media channels;

- owned by consumers unprecedented control through social networks;
- social networks provides a rich database for marketing research;
- social networks enables marketers to push consumers into different conversations in which they can then identify opportunities that may enhance existing offerings;
- social networks offer marketers a lot of data about consumers, they can identify data, create more accurate profiles of many target customer segments;
- social networks enable marketers to establish a relationship between brand and consumers through dialogue and exchanges.[12]

Marketing and advertising through social networks is an ecosystem in the real meaning, an environment in which a company may obtain essential information about the target consumer segments, a connection can be made interactive with them and can enhance brand awareness through differentiation and preference.

d. On-line games advertising

The report on advertising through video games conducted by the specialists from emarketer.com has found that video games have become, in a very short time, a new exciting and dynamic advertising medium with an explosive growth. Video game advertising comprises several communication channels and all have the same extremely rapid development.

Which resulted in very rapid development of advertising through video games, as it is well high-lighted by experts from www.emarkter.com who have compiled a list of factors that positively influenced the development of new methods of advertising:

- video game industry growth;

- awareness among advertisers that the games are becoming more and more a way to achieve targets;
- coverage in the category of users of video game-aged people and women;
- more games favor on-line advertising such as on-line games single player or multiple players, the third generation consoles that allow on-line connectivity;
- models of successful use of advertising in games.

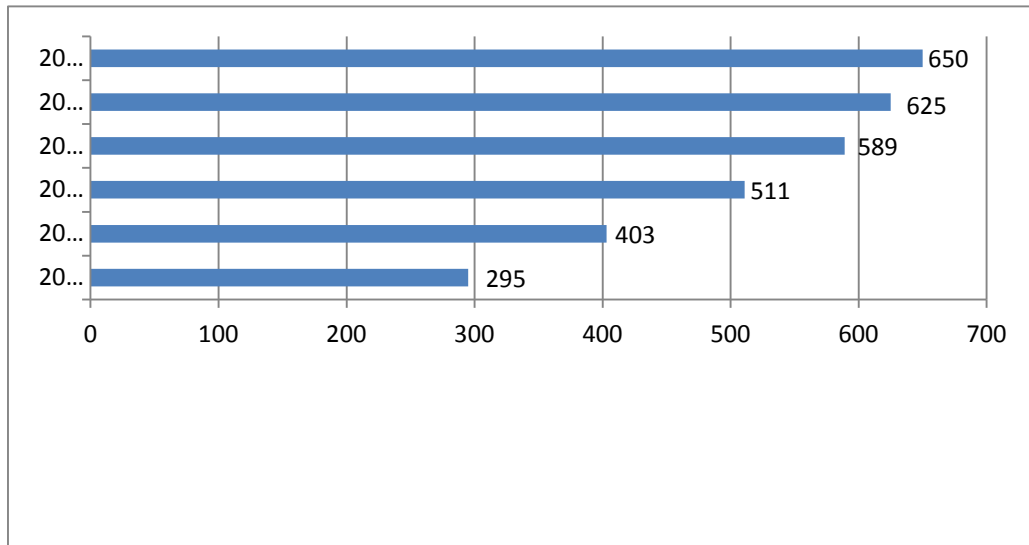


Fig. 2. Evolution of advertising expenditure through video and online games during 2007-2012 (\$ million)

Source: www.emarketer.com

As you can see from the chart, the expenditure of companies regarding the advertising through on-line games has raised in a spectacular way, and the predictions for 2012 estimate the online games advertising costs at 650 \$ million.

Advertising through video games, online games offer marketers benefits such as:

- the possibility of niche targeting;
- product placement;
- relatively low media costs;
- possibility of developing tools that add value by integrating brand players experience in games as opposed to other types of advertising;
- the possibility of testing the impact of various advertising works because, in case of the games on the internet, the

- marketers know precisely how many players receive the advertisement;
- the size of on-line advertising in games is great and insufficiently exploited.

The advertising through online games attracted the interest of big companies, politicians and marketers especially because they can target the young segments of customers, they can introduce new products to the segments that adopt sooner the innovations and so on.

e. Viral marketing

Viral marketing and viral advertising refer to marketing techniques that use pre-existing social networks to produce increases in brand awareness or to achieve other marketing objectives (such as product sales) through self-replicating viral

processes, analogous to the spread of computer virus or viruses.[14]

Viral marketing techniques may take the form of video clips, interactive

Flash games, advergames, e-books, software, images or text messages.

Classic example of viral marketing is Hotmail (www.hotmail.com), which, after 18 months of its launch has reached 12 million users. Those from Hotmail spent less than \$ 500 for marketing, advertising and promotion and the business have developed just by adding at the end of each e-mail the sentence: *Get your free e-mail at hotmail.com*. Hotmail concept was simple, developing a quality product and then gives it increased further, but each product (e-mail) includes a message that advises users how to subscribe to this service free. Users have made the rest.[3]

4. Conclusions

The new online advertising methods have a tremendous impact on internet users and on marketers. Advertising through blogs, social networks or through online games have had explosive growth in recent years because the Internet has a huge expansion and global coverage. Marketers have realized that, through these techniques, they can thus promote and advertise products, services, trademarks, they can better define customer segments that have a different perception and vision of the Internet and on-line medium.

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Acknowledgements

This paper is supported by the Sectoral Operation Programme Human Resources Development (SOP HRD), ID76945 financed from the European Social Fund and by the Romanian Government.

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