SOME ASPECTS REGARDING INTERNET ADVERTISING

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Abstract: *The aim of this paper is to examine internet advertising, to understand its strengths and weaknesses, to compare the content and potential of traditional media with Web sites and to describe the specific types of internet advertising. The paper also tries to present some facts and figures regarding internet advertising.*

Key words: *advertising on-line, Internet, Web site.*

1. Introduction

The use of the Internet as a means of communicating with a specific audience is becoming an increasingly important aspect of contemporary marketing communications. The Internet actually began in the early 1960s as a twinkle in the eye of the US department of Defense, which saw it as a means of supercomputer communication for researchers and military facilities across the country. Until its commercial explosion in the 90s, the Internet remained a relatively obscure network of linked computers used mostly by academics, military researchers, and scientists around the world to send and receive electronic mail, transfer files, and find or retrieve information from databases.

2. Literature Review

In comparison with traditional media, the Internet provides an interesting contrast. The time within traditional media is limited and costs rise demand for the limited space increases On the Internet space is unlimited, so absolute costs remain very low and static, while relative costs plummet as more visitors are recorded as having been to a site.

The economic crisis today forces companies to become involved in finding cheaper, directly measurable ways of promotion to gain the attention and trust of consumers. This does not mean that it will give up other advertising channels, the classic television, radio, press, but it seems that it will reduce investment in them, especially in less visible promotional activities such as sponsorship, for example.

Generally, advertisers tend to emphasize the emotional rather than informational aspects, particularly within low involvement categories.

The digital media allows focus and the provision of information, and so the emotional aspect of advertising messages, tends to have a lower significance. As branding becomes a more important aspect of Internet activity, it is probable that there will be a greater use of emotions, especially when the goal is to keep people at a Web site, rather than driving them to it. Management control over the Internet - based marketing communications is relatively high as not only are there greater opportunities to control the position and placement of advertisements, promotions and press releases but it is possible to

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change the content of these activities much more quickly than is possible with traditional media. The goals outlined above indicate the framework within which advertising needs to be managed.

There are other differences but the dominant message is that these types of media are, to a large extent, complementary, suggesting that they should be used together, not one independently of the other.

Generally, the companies can focus on four specific marketing goals in an online advertising campaign: generating brand awareness by putting or reinforcing the brand in the evoked set of consumers; shaping brand image and brand attitudes by defining, reinforcing or changing the set of associations that differentiate the brand from competing products and improve consumers' knowledge and judgement about a brand; generating trial by attracting new buyers to the brand by attracting brand switchers or consumers who have never tried the product category before trial stimulation implies an increase in the brand penetration rate in a certain market; creating loyalty by influencing consumers' buying behaviour in the sense of increasing the number of satisfied and committed buyers. Striving for consumer loyalty is also a cost-saving strategy as research indicates that the cost of attracting new customers can be as much as six times greater than the cost of retaining customers.

The most common types of Internet Advertising are Web sites, banners, buttons, sponsorships and interstitials.

Web sites typically consist of a *home page* and an indefinite number of subsequent pages that users can visit for further information. A banner is the most basic form of Web advertising. A banner is a little billboard that spreads across the top or bottom of the Web page. When users click their mouse pointer on the banner, it

sends them to the advertiser's site or a buffer page. The banner is the electronic business card of a company and can constitute first contact with an organization. Similar to banners are buttons, small versions of the banner that often look like an icon and usually provide a link to an advertiser's home page. Since buttons take up less space than banners, they also cost less. Skyscrapers are a thin and small format, typically along the right side of a web page. Pop-ups are banners that appear in a separate window on top of or beneath the visited website. Another form of advertising on the Internet that is growing in popularity is the sponsorship of Web pages. Corporations sponsor entire sections of a publisher's Web page or sponsor single events for a limited period of time, usually calculated in months. In exchange for sponsorship support, companies are given extensive recognition on the site. An interstitial is an animated ad that pops up on the screen while the computer downloads a Web site that the user has clicked on; they are alternatives to banners and appear in the main browser window for 5-10 seconds.

A specific type of targeted on-line advertising is keyword buying, this is advertising on large search engines such as Google that is triggered by specific keywords and search terms and which appears alongside the search result. These smart ads ensure higher impact and low waste for advertisers looking to target genuine potential customers. This type of advertising uses the unique benefits of the Web as a pull medium. Another smart way of linking is affiliate marketing or affiliate networking; on-line retailers often use this.

3. Internet Advertising in Facts and Figures

The digital age has provided marketers with exciting new ways to learn about and track customers and to create products

tailored to individual customer needs. Digital technology has also brought a new wave of communication, advertising, and relationship building tools –ranging from online advertising.

Worldwide 1.596 bilion hosts are interconnected (23.8% of the world's population); the situation is much better in Europe, where almost half (48.39%) of the population are using the Internet.

The growing number of internet users, in the period 2000-2008 was about 274.3% in Europe and 342.2 % in the world.

The main reasons that companies adopt online publicity are: increasing preference for the Internet (45.6% of persons aged between 18-54 years choose the internet as the first source of information); Internet is the communication medium with the fastest growth in history (in 1994 the first on-line banner appears, and today, after 15 years we can speak of an industry of thousands of advertisements billion annually); the demographic characteristics of Internet users are almost ideal for any transmitter (young, dynamic, modern, educated); an online advertising campaign can reach the target audience during their working hours; an online advertising campaign has relatively lower costs compared to other media advertising; an online advertising campaign can be monitored shortly after its launch; an online advertising campaign involves direct and personalized communication with the consumer; advisers can access specific segments of consumers due to the existence of specialized sites; online advertising can help to create and strengthen the promoted brand.

In the United States of America, online advertising totaled 23.6 billion dollars in 2008, but it seems that this year, due to the financial crisis, growth will not be very high (although initial estimates of eMarketer.com talking about a market of online advertising that will reach in 2009

over 28.4 billion dollars) to reach only to 25.7 billion (an increase of approximately 9%).

Specialists speak of a threshold of 25.7 billion dollars in 2009, which will represent an increase of 9% from 2008. U.S. publications take into account a clear and slow growth of online advertising budgets in 2010, when they will be 28.5 billion dollars, following that in 2011 it will return to the increases that we have used so far (32 billion dollars in 2011 and 37 billion dollars in 2012).

Experts estimated that the UK advertising budgets will have the same trend. Thus, if the market in 2008 totaled 6.41 billion dollars, in 2009 it is expected to increase by 7.4% of budgets allocated to online advertising, to the amount of 6,8-6,9 billion dollars. According to estimates by Barclays Capital, the advertising market will recover slightly from 2010, when it will record an annual increase of 1% of expenditure for advertising. Areas that will regenerate the fastest would be cable television and internet.

Romania was located in 2008 ranked 8 in Europe in terms of number of Internet users (7.4 billion users); according to Internet World Stat. Internet penetration among the population of Romania was very fast, therefore, during 2000-2008, the increasing number of users was 828.8%. According to studies conducted on Internet users in Romania, it seems that the Romanians (18-39 years) using the Internet for e-mail (49%), information (37%), other things (14%).

According to the Intact Interactive report made in April 2009, the online advertising market has experienced an increase in the first 3 months of 2009 (from 72 campaigns served in January 2009 to 143 in March 2009); March marks the "icing" of the online advertising market; the most active online advertisers in categories were

Financial Services, Automotive and Telecom.

4. Some Conclusions

The widespread use of the Internet is having a dramatic impact on both buyers and the marketers who serve them. Much of the world's business today is carried out over digital networks that connect people and companies. Internet usage and impact continues to grow steadily all over the world. Thus, the Internet has fundamentally changed customers' notions of convenience, speed, price, product information and service.

It seems like advertising on the Internet – online advertising- is and will remain the most convenient, cheapest and one of the most effective means of promotion.

Because of the increasing users' number and of the quality and enriched content of information, online advertising is in continuous development, and a proof is the growing number of companies that advertise on the Internet.

In our country, firms are starting to allocate an increasing share of their promotion budgets to promote on the Internet. This is due both to the very rapid growth in the number of users, as mentioned above, by 828.8% in the period 2000-2008, as well as to the obvious advantages offered by it as a medium of communication.

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