Response to Internet Advertising Among Malaysian Young Consumers

RÉPONSE À LA PUBLICITÉ SUR INTERNET PARMI LES JEUNES CONSOMMATEURS MALAISIENS

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Abstract: This study examines how young consumers perceive the Internet as an advertising medium. It explores their Internet usage, attitudes toward Internet advertising, beliefs about Internet advertising, Internet advertising effectiveness, online purchasing patterns, and their preference between Internet and traditional advertising. Research findings show that the young consumers are moderate users of the Internet and that they have a positive attitude and overall liking of Internet advertising. They are able to recall about half of the brand names seen on the Internet. However, at least half of them still prefer traditional advertising media and their propensity to buy online is very low. The present study has also examined the differences between male and female consumers in terms of their attitudes toward online advertising.

Key words: Internet advertising; online purchase patterns; young consumers; Malaysia

Résumé: Cette étude examine comment les jeunes consommateurs perçoivent l'Internet en tant qu'un support publicitaire. Elle étudie leur utilisation d'Internet, leurs attitudes vis-à-vis de la publicité sur Internet, leurs avis de la publicité sur Internet, l'efficacité de la publicité sur Internet, les habitudes d'achat en ligne et leur préférence entre la publicité sur Internet et la publicité traditionnelle. Les résultats de recherche montrent que les jeunes consommateurs sont les utilisateurs modérés d'Internet et qu'ils ont une attitude positive et un intérêt global de la publicité sur Internet. Ils sont capables de rappeler environ la moitié des noms de marque vus sur Internet. Cependant, au moins la moitié d'entre eux préfèrent encore les supports publicitaires

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traditionnels et leur propension à acheter en ligne est très faible. La présente étude a également examiné les différences entre les consommateurs masculins et les consommateurs féminins en termes de leurs attitudes envers la publicité en ligne.
Mots-Clés: publicité sur Internet; modèle d'achat en ligne; jeunes consommateurs; Malaisie

1. INTRODUCTION

The development of computer technologies has changed the traditional ways of advertising. With the rapid advancement in the computer industry, many companies have made the Internet as part of their advertising media mix to take advantage of the online technologies (Calisir, 2003). The Internet has become a popular advertising platform because marketers found that the Internet has a greater flexibility and control over the advertising materials (Ducoffe, 1996). With the increased popularity of online advertising, it is important to assess consumers' views and the effectiveness of Internet advertising.

A number of studies have examined consumer responses to Internet advertising for the past few years. Based on a convenience sample of Internet users, Gordon and De Lima-Turner (1997) found that Web advertising is more effective in developing a favorable brand attitude than it is for selling; and that consumers prefer entertaining advertising on the Web. Schlosser, Shavitt, and Kanfer (1999) surveyed a national sample of over 400 participants and found no majority opinion of Internet advertising—about a third of the participants liked, disliked, and felt neutrally toward Internet advertising respectively. The Internet users find online advertising informative but less entertaining, and do not encourage them to make purchases even though they do not perceive it to increase prices of products.

2. LITERATURE REVIEW

Korgaonkar and Wolin (2002) examine the differences between heavy, medium, and light Web users and conclude that "heavier users hold stronger beliefs about and attitudes toward Web advertising which likely lead to stronger purchase intent" (p. 201). The heavy Internet users perceive that Web advertising is a good thing, essential, and reduces the cost of products. Hence, marketers should include Web advertising in their promotion efforts. Similarly, Ducoffe (1996) found that Internet advertising is perceived to be informative, entertaining, useful, valuable, and important.

Using a convenience sample of 329 undergraduate students, Goldsmith and Lafferty (2002) assessed the effects of viewing Web sites on Internet advertising. The findings are both positive and negative for online advertisers. Visiting Web sites appear to increase the ability to recall brand names and to improve consumers' views of the brands. However, 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.

On the study of how young consumers perceive the Web as an advertising medium in relation to other traditional media, Calisir (2003) 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. 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. Finally, Wolin and Korgaonkar (2003) examine the differences between males and females in consumer beliefs and attitudes toward Internet advertising. The study revealed gendered differences with males exhibiting more positive in both beliefs about and attitudes toward Web advertising.

Based on the review of the research studies mentioned above, it is clear that Internet advertising is gaining more attention and should be an essential part of a marketer's advertising media mix. However, it seems that there are inconclusive findings regarding the following issues:

    1st. Consumer response toward Internet advertising.
    2nd. The effectiveness of Internet advertising.
    3rd. The relationship between Internet advertising and purchase intention.

These inconclusive findings call for further studies on Internet advertising to gain more insight into consumers' response and perception of the Internet as an advertising medium. In addition, more studies are needed to cover various samples in different countries to increase external validity of the research findings (Calisir, 2003).

The present study attempts to pursue further research in consumers' response to online advertising, especially among students as young consumers. It has been indicated that student population is growing and has become an important consumer market segment. Furthermore, they are frequent online users with easy access to the Internet facility (Calisir, 2003). Specifically, the objectives of the present study are to:

    1st. Identify the extent of Internet usage among the students.
    2nd. Assess their attitudes toward Internet advertising.
    3rd. Determine their evaluation or beliefs about Internet advertising.
    4th. Measure their ability to recall brand names seen in Internet advertising.
    5th. Describe their online shopping behavior.
    6th. Identify their preference of advertising media.

In addition, the following hypotheses were formulated and tested based on the literature review:

H_1: Young consumers tend to exhibit positive attitudes toward Internet advertising.
H_{1a}: Male consumers exhibit more positive attitudes toward Internet advertising than female consumers.
H_2: Young consumers tend to exhibit positive beliefs about Internet advertising.
H_{2a}: Male consumers exhibit more positive beliefs toward Internet advertising than female consumers.
H_3: Internet advertising is effective in recalling brand names.

In this study, Internet advertising is synonymous with online advertising and Web advertising. In accordance with various researchers, Internet advertising can be delivered via any channels, in any form, and provides information at any degree (Schlosser et al., 1999). It broadly consists of various commercial content formats delivered by video clip, print, and audio; either solicited or unsolicited. It includes company Web sites, corporate logos, e-mail messages, pop-ups, banner ads, skyscraper ads, buttons, interstitials, hyperlinks, dynamic media, and interactive games (Ducoffe, 1996; Goldsmith & Lafferty, 2002; Korgaonkar & Wolin, 2002; Wolin & Korganokar, 2003).

3. METHODOLOGY

3.1 Sample

The data for this study were collected from the final year students pursuing a bachelor degree in Business Administration at a private university in Malaysia. There were about 500 students in this group and a sample size of 217 was considered sufficient for this size of target population (Sekaran, 2003). A random sampling procedure was used to draw the sample. Survey questionnaires were personally distributed and collected from the respective respondents, yielding a response rate of 100%. The sample consisted of more females (68%) than males (32%) with an average age of 22 years. Almost all of the respondents were Chinese and the majority of them (97%) received less than RM1,000 as the monthly allowance.

3.2 Measurement

The survey questionnaire contained questions measuring the Internet usage, attitudes toward Internet advertising, beliefs about Internet Advertising, consumer preference of advertising media, ability to recall brand names, and online shopping behavior.

One item was used to measure the usage of the Internet in terms of the average time spent online per day. The respondents were asked how many hours, on the average, they spent surfing the Internet per day. Four items were adopted from Korgaonkar & Wolin (2002) and Wolin and Korgaonkar (2003) to measure consumers' attitudes toward Web advertising in terms of its goodness, likeability, essentialness, and impacts on the cost of products or services. The respondents were asked to answer the questions based on a five-point scale. An example of the scale ranged from (1) "strongly dislike it" to (5) "strongly like it" with respect to the measurement of likeability in Internet advertising. The reliability coefficient for this scale was 0.85. "Beliefs about Internet Advertising" was measured based on the evaluation framework proposed by Chen and Wells (1999). Three main factors were used to evaluate Internet advertisements namely entertainment, informativeness, and organization. Each of these three factors were measured based on several adjectives as follows:

Entertainment	Informativeness	Organization
Fun	Informative	Messy
Exciting	Intelligent	Cumbersome
Cool	knowledgeable	Confusing
Entertaining	Useful	Irritating

The respondents were asked to indicate their level of agreement with respects to each of these 12 dimensions in terms of how they found Internet advertising. The answers to the negative adjectives were recoded to indicate the higher the score the more positive the belief about Internet advertising. The reliability coefficient for this measurement scale was 0.90.

The variable "Consumer Preference of Advertising Media" was measured using a dichotomous scale. Respondents were asked which type of advertising they preferred: Internet or traditional advertising. They were asked to tick either one of the two choices. The "Ability to Recall Brand Names" seen on the Internet was operationalized by presenting respondents with a list of 36 brands in nine product categories (refer to Table 1 for the brand names in each product category). The product categories and brand names were chosen because they were deemed to be the common ones sought by the students. Respondents were asked to check whatever brands they could recalled seeing on the Internet. This approach of measuring respondents' ability to recall brand names was adapted from Goldsmith and Lafferty (2002). "Online shopping Behavior" was measured using two questions based on the study by Korgaonkar and Wolin (2002). The first question asked how much the respondents spent doing online shopping for the past 12 months; and the second question was about the frequency of online purchase for the past 12 months.

4. RESULTS AND INTERPRETATIONS

4.1 Internet Usage

The respondents were found to surf the Internet at an average of 2 hours per day, with a minimum of zero hours and a maximum of five hours. Fifteen respondents (6.9%) indicated zero hours and they were excluded from subsequent data analyses, yielding a final sample size of 202. Table 2 shows the frequency and percentage of student Internet usage. The results indicates that the students are moderate users of the Internet with about 44% of them spend two to three hours online per day, on the average.

4.2 Attitudes toward Internet Advertising

Table 3 shows the means and standard deviations for the four items measuring attitudes toward Internet advertising. It can be concluded that the respondents perceived Internet advertising as a good thing and they quite strongly like it. Overall, they have a favorable attitude toward Internet advertising with a mean of 3.52. Therefore, H_1 was supported by the data in this study. However, the analysis of independent sample t-test shows that there was no difference between males and females in the attitudes toward Internet advertising. Therefore, H_{1a} was not supported by the data.

4.3 Beliefs about Internet Advertising

As shown in Table 4, the respondents found that Internet ads are especially useful (mean = 3.81), informative (mean = 3.74), intelligent (mean = 3.73), and knowledgeable (mean = 3.60). They also found that Internet ads are quite irritating and cumbersome. But overall, the respondents provided a rather positive evaluation on Internet advertising (mean = 3.46). H_2 was substantiated by the data. With regards to the differences between males and females, males found that Internet ads are more messy and confusing; but females found that they are more fun and useful. The results imply that female consumers have a more positive belief about Internet advertising than the male consumers (see Table 5). Therefore, H_{2a} was not supported by the data.

4.4 Consumer Preference of Advertising Media

Fifty-four percent of the respondents preferred traditional advertising than Internet advertising. Although the young consumers respond favorably toward Internet advertising, they still prefer the traditional ways of advertising.

4.5 Ability to Recall Brand Names

Of the 36 brand names listed, the respondents were able to recall 20 names (56%) as seen in the Internet on the average. The number of recall ranged from 4 to 35, with a mode of 21. It can be concluded that the Internet is quite effective in recalling brand names. Thus, H_3 was moderately supported by the data.

4.6 Online Shopping Behavior

With regard to shopping behavior, the respondents hardly shopped online. Ninety-eight percent of the respondents did not shop online at all!

5. DISCUSSION AND CONCLUSIONS

Although young consumers exhibit a favorable belief about and attitude toward Internet advertising, they still prefer traditional types of advertisements. Also, their favorable attitude has not encouraged them to make purchase online. In contrast with the results by Wolin and Korgaonkar (2003), female consumers seem have a more positive outlook on Internet advertising.

The research findings of the present study imply that marketers should include online advertising in their advertising media mix as Internet advertising promotes brand names. But improvements are needed to make online ads less messy and confusing to appeal to the male consumers. In addition, the e-marketers can place more emphasis on women products since Internet is more appealing to female consumers.

However, further study should be done to get more conclusive results in this research area. Also

subsequent research on attitudes toward Internet advertising should include samples from other races, such as Malays and Indians, to see whether differences exist among the races in the Malaysian population.

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TABLES

Table 1: Product Category and Brand Names

Product Category	Brand Names
Fast-Foods	McDonalds, KFC, Burger King, Pizza Hut
Digital Cameras	Olympus, Sony, Canon, Kodak
Mobile Phones	Nokia, Samsung, Motorola, Siemens
PCs	IBM, Toshiba, Sony, Acer
Soft Drinks	Coca cola, Pepsi, F & N, Mirinda
Sports Shoes	Nike, Adidas, Reebok, Puma
Printers	Canon, HP, Epson, Lexmark
Watches	Swatch, Seiko, Casio, Titus
Vitamins	21st Century, Blackmore, Kordel's, Health Farm

Table 2: Students Internet Usage

Average Hour Per Day	Number of Students	Percentage (N = 202)
0	15	6.9%
1	76	35.0%
2	43	19.8%
3	53	24.4%
4	26	12.0%
5	4	1.8%
Total	217	100%

Table 3: Attitudes toward Internet Advertising Items

Attitude Item	Mean	Standard Deviation
Goodness	3.70	0.735
Likeability	3.78	0.763
Decrease of Product/Service Costs	3.20	0.848
Essentialness	3.42	0.985
Overall Attitude	3.52	0.847

Table 4: The Means and Standard Deviations of the Beliefs Items

Belief Item	Mean	Standard Deviation
Fun	3.16	1.006
Exciting	3.30	0.936
Cool	3.28	0.985
Entertaining	3.46	0.773
Informative	3.74	0.812
Intelligent	3.73	0.804
Knowledge	3.60	0.768
Useful	3.81	0.868
Messy	3.38	0.908
Cumbersome	3.44	0.869
Confusing	3.07	0.980
Irritating	3.54	1.093
Overall Belief	3.46	0.625

Table 5: Comparison of Means between Males and Females

Belief Item	Mean of Male Group	Mean of Female Group	Significance Level
Fun	2.86	3.29	$p < 0.001$
Exciting	3.31	3.29	$p < 0.916$
Cool	3.25	3.29	$p < 0.741$
Entertaining	3.41	3.48	$p < 0.078$
Informative	3.85	3.0	$p < 0.239$
Intelligent	3.75	3.72	$p < 0.817$
Knowledge	3.58	3.61	$p < 0.788$
Useful	3.61	3.89	$p < 0.038$
Messy	3.64	3.27	$p < 0.002$
Cumbersome	3.58	3.8	$p < 0.095$
Confusing	3.53	2.88	$p < 0.001$
Irritating	3.42	3.59	$p < 0.278$