

# CORPORATE ADVERTISING WEB SITES

## *Effectiveness in Terms of Promotion, Communication and Relationship Marketing*

Fotini Patsioura, Maro Vlachopoulou

*Department of Applied Informatics, University of Macedonia, 156 Egnatia Str., 540 06 Thessaloniki, Greece*

Eleonora-Ioulia Malama

*Department of Applied Informatics, University of Macedonia, 156 Egnatia Str., 540 06 Thessaloniki, Greece*

**Keywords:** WebSite Advertising, effectiveness, promotion, relationship marketing.

**Abstract:** Academic research regarding advertising websites effectiveness and evaluation has been focused on two areas: defining factors that produce or affect advertising “effects” and providing guidance on their development and optimisation based on usability and functionality issues. This paper proposes and presents a conceptual framework of criteria for measuring the overall effectiveness of corporate advertising web sites supporting the idea of being used as a complete tool of promotion and relationship marketing, incorporating several approaches of previous related advertising effectiveness models. Primary research was conducted with the participation of 160 undergraduate and postgraduate students of the Applied Informatics Department. The importance of each criterion towards specific advertising effectiveness indicators and advertising effects was evaluated.

## 1 INTRODUCTION

Bogart's (1998) question whether advertising “is an art, a science or a business? Or is it all three?” remains diachronic and encompasses all significant different approaches of advertising research regarding measurement of advertising effectiveness. So far, effectiveness measures in advertising have been an amalgam and application of psychological experiments, marketing research, empirical and qualitative surveys, and actual advertising practices (Wells, 1997). In traditional advertising, academics tried to define effectiveness by identifying which factors affect the emotions, attitudes and behaviour of consumers and determining their contribution to “advertising effects” (Gresham & Shimp; 1985; Zeitlin & Westwood, 1986; Mackenzie et al, 1989; Edell & Burke, 1987; Cook & Kover, 1997; Vakratsas & Ambler, 1999; Mehta, 2000).

In case of Internet Advertising, Novak & Hoffman (1997) report the lack of standardization for effectiveness measurements due to the complexity of the medium and the difficulties in “capturing” and understanding consumer response to

web advertisements. Focusing on corporate advertising web sites (which is considered to be the key format of Internet Advertising), there also seems to be no evident agreement on what to measure and how to measure it, which arises questions on their capability to effectively reach the audience and communicate the company's advertising message (Vranica, 2001; Chen & Wells, 1999).

The first attempts to evaluate web site as an advertising medium were significantly affected by academic research in traditional advertising. Specific indicators of advertising effects and evaluation criteria used to traditional advertising media were “borrowed” and applied to measures of web site advertising effectiveness (Pavlou & Stewart, 2000). Although useful, this approach is inadequate to produce complete measures as it fails to take under consideration the unique characteristics of the medium (such as interactivity, unlimited time and space to communicate messages, navigability) and the active role of consumers during their visit at a corporate advertising web site (Hoffman & Novak, 1996; Hwang & MacMillan, 2003).

The need for differentiation led to the identification and study of new quality factors and

processes closely related to the capabilities of this new form of advertising. Chen & Wells (1999) based on the intermediate advertising effect of "attitude toward the ad" (Mackenzie et al, 1986), introduced "attitude toward the site" as an indicator of web site advertising effectiveness and studied three factors as its main contributors: informativeness, entertainment and organisation. Dahlen et al (2003a, 2003b) proposed time and activity spent on advertising web sites as significant indicators of effectiveness based on their positive correlation to brand attitude. A lot of attention was also given to "interactivity" as it is an important structural factor of this form of advertising which affects the exposure of the audience to the advertising content and its attitude toward the site and the brand (Ghose & Dou, 1998; Coyle & Thorson, 2001; Liu & Shrum, 2002; Macias, 2003).

The questions raised are whether corporate advertising web sites are more than promotional content carriers. Do they also work as integrated relationship marketing tools? If that is the case then effectiveness for this form of advertising is much more than fulfilling advertising objectives and goals.

So far, based on academic literature, existing effectiveness models do not incorporate or examine qualitative factors related to relationship marketing such as communication, feedback and customer support policies in terms of advertising effectiveness. In addition, the majority of the effectiveness models were based on the isolation and analysis of variables strictly related to advertising objectives, such as content and message strategy. The aim of this paper, based on a thorough analysis of the approaches adopted by the existing

effectiveness models, is to present a new conceptual framework that includes existing and new criteria to measure the overall effectiveness of Corporate Advertising Websites in terms of advertising and relationship marketing.

## 2 PROPOSED FRAMEWORK

The proposed model does not support the idea of isolating one, two or at the most three variables, in order to examine thoroughly their contribution to specific advertising "effects". The main concept was to develop a conceptual framework of criteria to evaluate the overall performance of a corporate advertising web site towards the multiple advertising and marketing objectives of their establishment. More specifically, the proposed model is grounded on the following acknowledgments:

- corporate advertising web sites should fulfil general and specific advertising objectives such as providing information and building images for companies and their brands
- the majority of advertising websites incorporate activities and processes of relationship marketing that affect consumers' attitude toward the site and the brand
- special characteristics of the medium such as, navigation, design, and interactivity contribute to the communication of promotional content and determine the overall performance of the advertising web sites towards their multiple functions.

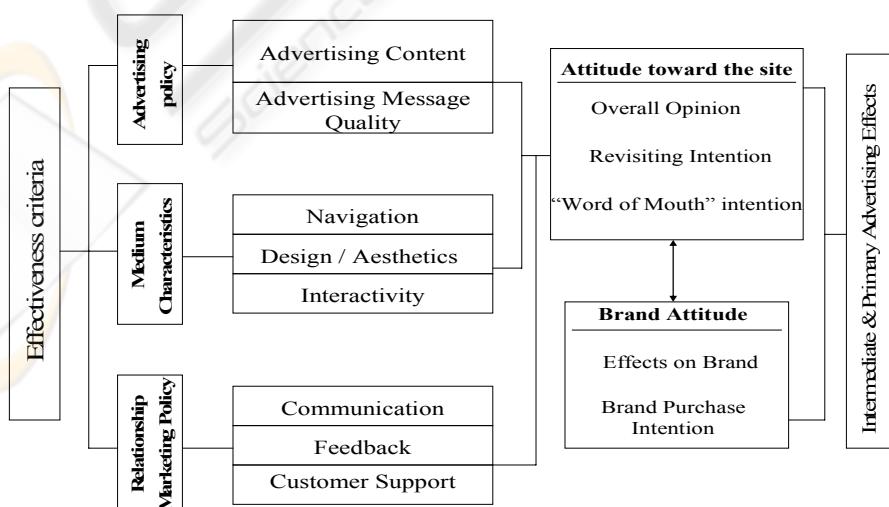


Figure 1: The main Concept of the Proposed Framework.

Therefore, the conceptual framework includes several integrated criteria to evaluate the effectiveness of corporate advertising web sites towards specific objectives of advertising and relationship marketing strategies, taking into account the unique characteristics of the Internet as the medium that supports their operation (figure 1).

The validity and importance of each criterion were examined in relation to their contribution to creating or influencing intermediate and primary communication effects for advertising. Intermediate effects refer to reactions and actions that represent a positive or negative response to the advertising web site such as: "attitude toward the site" (Chen & Wells, 1999) which was measured in terms of "revisiting intention", "word of mouth intention" and "overall opinion of the site". Primary communication effects include "brand attitude" and

"Brand Purchase Intention" (Percy & Rossiter, 1997). Each criterion was analysed to features, dimensions and functions, which define their concept, in order to better understand consumers' behaviour during their visit and determine their way of evaluating the site's performance toward each criterion (table 1).

### 3 METHODOLOGY

Two web sites were chosen for the study as representatives of the two main categories of corporate website advertising (table 2). A total of 160 undergraduate and graduate students with the department of Applied Informatics of University of Macedonia participated in the survey.

Table 1: Analysis of the Criteria.

Criterion	Definition	Related Features & Functions
<b>Advertising Policy</b>		
Advertising Content	the capability to promote products, services & the company with the use of information and media	Products' Information
		Products' Overall Presentation
		Company's Information
Advertising Message Quality	the capability to communicate and enhance the advertising message of company's promotion strategy	Brand communication Policy
		Consistency with Adv Campaigns in traditional media
		Message Characteristics
<b>Relationship Marketing Policy</b>		
Communication	the capability to operate as a communication channel between consumers and the company	Communication Information
		Communication Methods
Feedback	the capability to collect information regarding the consumers' needs, preferences, attitudes and behaviour within the site	Marketing Research Methods
		Visitors' Complaining Ability
Customer Support	the capability to provide services to facilitate visit and purchase	Pre-sale services
		After-Sale services
		Problem Solving Policy
<b>Medium Characteristics</b>		
Design	the capability to present in an ease and attractive way the information provided	Aesthetics
		Interface
Navigation	the capability to facilitate information search and gathering	Information Structure
		Response Times
		Search Facilities
Interactivity	the capability to combine interactive functions to enhance communication, joyfulness and personalisation of content	One-to-one communication
		Entertainment
		Control of Information

Participants were divided in groups of four and were randomly assigned to browse for at least five minutes one of the two sites (80 participants review site A and 80 participants review site B). After their brief exposure to the specific site, participants were asked to fill in the same questionnaire containing 37 questions. The participants were supervised in order to ensure that each subject completed the survey at the indicated time and way, and handed in a qualified questionnaire.

Table 2: The Websites.

	<b>Site A</b>	<b>Site B</b>
<b>Company</b>	Greek	Multinational
<b>Site Type</b>	Brand Web Site	Corporate Web Site
<b>Products</b>	Chocolate products	High Technology products
<b>Product type</b>	low-involvement	high-involvement
<b>Communication / Message Strategy</b>	transformational	informational
<b>Main Objective</b>	to "Entertain"	to "Inform"

Descriptive Statistics and Correspondence Factorial Analysis (AFC) (Papadimitriou et al, 1998, Papadimitriou & Koutsoupias, 2000, Markos, Menexes & Papadimitriou, 2006, Papadimitriou, 2006) were used for the questionnaires' statistical analysis. The method of AFC allows the analytical description of data tables of large dimensions that correspond to qualitative variables. In addition it represents effectively the differences and correspondences of the qualitative factors in question. In order to define the level of importance of contribution for each qualitative factor of the proposed framework COR and CTR (Relative and Absolute Contribution) indices were used that reproduced factorial axes and first factorial planes (formed by the two first factorial axes). More specifically, the AFC was applied to 7 selected Burt Tables (Generalised Contingency Tables) in order to examine specific factors of the proposed model in isolation, but also towards to the advertising effects variables (overall opinion, revisiting intention, purchase intention etc) in order to detect and interpret relationships among the criteria and advertising effects of the proposed model.

## 4 RESULTS

The extended questionnaires' statistical analysis allowed the quantification of the qualitative factors in question and produced a great amount of data,

which could not be presented explicitly. Therefore, the main conclusions based on the data analysis are presented.

The outcomes revealed significant dimensions of the participants' behaviour based on their actions, activities and preferences during their visit. General assumptions were drawn in relation to specific qualitative factors of the proposed models (*Descriptive Statistics*):

- participants show a significant interest in gathering information about the products and the company
- ease of navigation is always of great importance
- aesthetics is also of great significance and consistency of design with advertisements in traditional media creates a familiarity which was welcomed by the majority of the participants
- real-time communication is a requirement for participants who reviewed site B, while entertainment is a requirement for participants that reviewed site A
- communication with the company through the site is not an option unless specific reasons call for it or limited time and effort is required
- the majority of the participants are willing to participate in surveys conducted through the web site
- it seems that participants are more willing to complain than make positive comments about the site or the products and the company
- pre-sale services like problem solving policies, information gathering and search are more important to the participants than after-sale services such as return policy

The application of the AFC method provided a graphical representation of the main correspondences and differences of the variables examined. Specifically, it is evident from the results of AFC application that participants' requirements and beliefs should not be studied independently to the website's communication and message strategy, which is mainly formed by the product category. It is also clear that different factors such as, advertising content, communication, feedback, customer support, interactivity and aesthetics affect differently the participants that reviewed different sites.

More specifically, regarding the contribution of the qualitative factors included in the proposed conceptual framework, results show that:

- advertising content and marketing relationship qualitative factors influence significantly "attitude toward the ad" and "word of mouth

- intention” but contribute differently with reference to the two types of advertising websites
- dimensions of interactivity such as entertainment and online communication contribute to “attitude toward the site” and “revisiting intention” but differently to different sites
- communication and feedback contribute the least to effectiveness indicators of web site advertising but only because they are considered to be implicit processes by the participants
- navigation & aesthetics contribute to “attitude toward the site”

Concerning the intermediate and primary advertising effects:

- there is a positive relationship among intermediate effects. Participants that reacted positively to the site stated that they will revisit the site in the future and will inform their friends about their experience. Also it should be noted that not all participants, who formed a negative “attitude toward the site”, stated that they will not revisit the site and will not talk to their friends about their experience
- there is a positive relationship between “attitude toward the site” and “brand attitude”. Participants with positive “attitude toward the site” stated that their experience influenced their overall attitude toward the products’ company
- there is no strong relationship between “attitude toward the site” and “brand purchase intention”

In the aggregate, the results provide a general insight on the participants’ behaviour and identify how it is differentiated between the two main website advertising types. It is clear that the proposed model applies differently to different types of corporate advertising websites.

## 5 IMPLICATIONS

Despite the different definitions of advertising effectiveness (Cook & Kover, 1997), it is a common statement that effectiveness is about fulfilling advertising goals. However, corporate advertising web sites are established not only to communicate advertising content, but also to meet specific relationship marketing objectives such as communication, feedback processes and customer service policies. The proposed conceptual model suggests that quality factors related to relationship marketing contribute to the effectiveness of

corporate advertising web site. Primary research results advocate that advertising and relationship marketing factors are both contributors to intermediate advertising effects. In addition their contribution could be strongly influenced by the consumers’ requirements and needs. Also, they differ in contribution and significance across different types of corporate advertising web sites. Because effectiveness of website advertising is a complex and multidimensional concept, future research should focus on determining the features and functions that enhance their overall performance beyond strict advertising theory.

## REFERENCES

- Bogart, L., 1988. Advertising: Art, Science, or Business?. *Journal of Advertising Research*, 28 (6), 47-52
- Chen, Q. & Wells, D., 1999. Attitude toward the site. *Journal of Advertising Research*, 39 (5), 27-37
- Cook, W. & Kover, A., 1997. Research and the Meaning of Advertising Effectiveness: Mutual Misunderstandings. In William D. Wells (Ed.) *Measuring Advertising Effectiveness* (pp.12-24). University of Minnesota, Lawrence Erlbaum Associates, New Jersey
- Coyle, J. & Thorson, E., 2001. The Effects of Progressive Levels of Interactivity and Vividness in Web Marketing Web Sites. *Journal of Advertising*, 30 (3), 65-77
- Dahlen, M., Rasch, A. & Rosengren, S., 2003a. Love at first Site? A study of Website Advertising Effectiveness. *Journal of Advertising Research*, 43 (1), 25-33
- Dahlen, M., Rosengren, S. & Shulakov, N., 2003b. Keeping Visitors and Communication effects in Site Paper Presented in World Wide Audience Measurement Audience. Los Angeles, 2003
- Edell, J. & Burke, M., 1987. The Power of Feelings in Understanding Advertising Effects. *Journal of Consumer Research*, 14, 421-433
- Ghose, S. & Dou, W., 1998. Interactive Functions and Their Impact on The Appeal of Internet Presence Sites. *Journal of Advertising Research*, 38 (2), 29-43
- Gresham, L. & Shimp, T., 1985. Attitude toward the Advertisement and Brand Attitudes: A Classical Conditioning Prospective. *Journal of Advertising*, 14 (1), 10-17
- Hoffman, D.L. & Novak, T.P., 1996. Marketing in Hypermedia Computer-Mediated Environments: Conceptual Foundations. *Journal of Marketing*, 60 (July), 50-68
- Hwang, J. & McMillan, S., 2003. Corporate Web Sites as Advertising: An analysis of Function, Audience, and Message Strategy. *Journal of Interactive Advertising*, 3 (2). Available from <http://www.jiad.org>

- Liu, Y. & Shrum, L., 2002. What is Interactivity and is it Always Such a Good Thing? Implications of Definition, Person, and Situation for the Influence of Interactivity on Advertising Effectiveness. *Journal of Advertising*, 31 (4), 53-64
- Macias, W., 2003. A Beginning Look at the Effects of Interactivity, Product Involvement and Web Experience on Comprehension: Brand Web Sites as Interactive Advertising. *Journal of Current Issues and Research in Advertising*, 25 (2), 31-44.
- Mackenzie, S. & Lutz, R., 1989. An Empirical Examination of the Structure Antecedents of the Attitude toward the Ad in an Advertising Pretesting Context. *Journal of Marketing*, 53 (April), 48-65
- Markos, A., Menexes, G. & Papadimitriou, I., 2006. Η παραγοντική Ανάλυση μέσω του Λογισμικού C.HI.C Analysis [The Correspondence Factorial Analysis (AFC) with the Utilization of C.HI.C Analysis Software]. *Paper Presented in 19th Panhellenic Conference in Statistics of Greek Statistical Institute*. Kastoria, Greece 2006 (in Greek)
- McKenzie, S., Lutz, R. & Belch, G., 1989. The Role of Attitude toward the Ad as a Mediator of Advertising Effectiveness: A test of Competing Explanations. *Journal of Marketing Research*, 23 (2), 130-143
- Mehta, A., 2000. Advertising Attitudes and Advertising Effectiveness. *Journal of Advertising Research*, vol.40, no.3, 67-72
- Novak, T. & Hoffman, D., 1997. New Metrics for New Media: Toward the Development of Web Measurement Standards. *World Wide Web Journal*, 2 (1), 213-246
- Papadimitriou, I., 2007. *Data Analysis: Factorial Correspondence Analysis, Hierarchical Cluster Analysis and other Methods*. Topothito. Athens, 1<sup>st</sup> edition.
- Papadimitriou, I., Hadjikonstantinou, G., Drymbetas, E. and Karagiannis, S., 1998. La convergence Europeéne. L' application de la méthode de l' AFC sur l' évolution des principales variables monétaires et réelles des pays-membres de l' union Européenne. In Proc. 47eme Journées sur l' Aide Multicritère à la Décision. Thessaloniki, 1998
- Papadimitriou, I. & Koutsoupias, N., 2000. Correspondence Factorial Analysis (AFC) Software. In the proceedings of the 13nd Panhellenic Conference in Statistics of Greek Statistical Institute (pp.417-426). Florina, Greece
- Pavlou, P. & Stewart, D., 2000. Measuring the Effects & Effectiveness of Interactive Advertising: A Research Agenda. *Journal of Interactive Advertising*, 1(1). Available from <http://www.jiad.org>
- Percy, L. & Rossiter, J., 1997. A Theory-Based Approach to Pretesting Advertising. In William D. Wells (Ed.) *Measuring Advertising Effectiveness*. University of Minnesota (pp.267-281), Lawrence Erlbaum Associates, New Jersey
- Vakratsas, D. & Ambler, T., 1999. How Advertising Works: What Do We Really Know?. *Journal of Marketing*, 63 (Jan), 26-43
- Vranica, S., 2001. Web Sites seek to turn data into dollars, *Wall Street Journal*, July, 8
- Wells, D., 1997. *Measuring Advertising Effectiveness*. University of Minnesota, Lawrence Erlbaum Associates. New Jersey, 1<sup>st</sup> edition
- Zeitlin, D. & Westwood, R., 1986. Measuring Emotional Response. *Journal of Advertising Research*, 26 (5), 34-44.