

DETERMINANTS OF ONLINE ADVERTISING EFFECTIVENESS IN NIGERIA: IMPLICATIONS FOR CONSUMER BUYING BEHAVIOUR

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ABSTRACT: *The use of online advertisement in media industry is increasing, and marketing enterprises in Nigeria are more and more embracing the internet as a communication strategy. However, few studies have considered the factors that influence internet advertising success in Nigeria, and studies that investigate how online advert influences buyers' decision are relatively scarce. This study therefore, examines the determinants of effective online advertisement and how they affect online shopping behaviour in Nigeria. A survey approach was adopted to purposively collect data from 200 consumers that must have at any time visited and shopped at any online shopping malls on the Internet. The survey questionnaire was used to collect primary data from respondents. The data collected was analyzed based on simple percentages, frequencies, and cross tabulation. The core findings revealed that internet surfing skill, ease of website access, advert content, location of advert on the web page, and the quality of advertised products are the major determinants of successful online advertisement. These factors also influence shoppers buying behaviour. As part of recommendations, there is need to provide adequate information content, affordable internet facilities and secured internet platforms to facilitate online purchase decision.*

KEYWORDS: Online shopping, Internet advertising, Consumer behavior, Website content

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INTRODUCTION

As a means of information, persuasion and promotion, advertising has existed as a promotional mix element for several decades. Advertising has grown to become a prominent form of marketing communication, and as a communication tool, it utilizes various forms of mass media to get sales messages across to a large number of people. The traditional mass media for advertising include TV, broadcasting, magazines and newspapers (Belch and Belch, 1998; Akinkugbe 2006; Kotler, 2009). However, with the increasing development in information technology, the Internet, in addition has become another interesting advertising media commonly used by advertisers and markets to communicate messages to consumers (Ashraf and Mohammed, 2012).

Internet advertising, (also known as online advertising) is the delivery of advertising messages and marketing communications through websites. It can be delivered through various electronic platforms including mobile phones, iPads, desktop computers, and laptops etc. As a marketing communication tool, internet advertising takes a multitude of forms, ranging from Search Adverts to Banner and Rich Media Adverts (i.e. ads that incorporate sound, animation and interactive digital video commercials) (Esiri, Kolade, Oloyede, and Ogungbamigbe, 2014).

Regardless of the particular format, displaying advertising content

to online users is driven by two major objectives: (a) build new or reinforce existing brands, and (b) stimulate purchases. For that reason, the success (or effectiveness) of internet advertising has been traditionally measured by the number of clicks attracted by the adverts, or the ratio of the number of clicks over the number of impressions (Akinkugbe 2006). In addition, many advertising experts argue that the mere exposure of online users to the advertising message can be beneficial in terms of building brand awareness (Kimelfeld and Watt, 2011; Flores, 2000) and increasing purchase intentions (Laimona, 2005). However, various factors may influence the rate of clicks attracted by online adverts, and it is the burden of this study to examine these factors in Nigerian context and to also find out how they influence purchase attitude and decision of consumers.

Internet advertising is the delivery of advertising messages and marketing communications through the Website. It has presented sustainable revenue growth since its inception in the mid-1990s. Internet advertising takes a multitude of forms, ranging from the "traditional" banners to today's rich media ads. Due to its wide success, internet advertising currently constitutes a significant marketing channel for a large number of firms, ranging from news agencies to car manufacturers and retailers, and it is thus gradually gaining attention in the context of communications strategy, planning and implementation.

Many scholars have looked into diverse aspects of online advertisement and their effect on consumer's intention to purchase. Rodgers and Thorson (2009) found out that the quality of on-line reviews has a positive effect on consumers' purchasing intention and purchasing intention increases as the number of reviews increases. In a comparative study on the effects of pragmatic value of on-line transactional advertising on purchase intention, Kimelfeld & Watt (2011) found a strong impact for pragmatic value of advertising in predicting purchase intention. Moreover their study revealed an effect for the Web medium itself in producing promotional acceptance behavior and increasing purchasing intention.

Ogedengbe *et al*, (2013) investigated the influence of web-based advertising on consumers in Maidugri metropolis. One hundred and fifty copies of questionnaire were administered to collect relevant information for the study. They found that majority of respondents had positive disposition towards internet advert. In addition, peoples' attitude towards web advertising was informative and consumer can be influenced towards buying products on the basis of web advertising.

Owolabi, (2011) focused on customer attitude towards internet advertising and online sales using MTN Nigeria as case study. Relevant literatures were reviewed to have a better understanding of the theoretical frame work of the study. Basically, a

survey research designed was employed, and questionnaires were administered to selected staff. The study found evidence of relationship between availability of an uninterruptible power supply and effective internet advertising/online sales, there is relationship between perfect knowledge (entry and exit) about market situations concerning internet facilities and exact information on customers' behavior on e-commerce, there is evidence to show that high cost of providing information scientifically through internet adverts affect customer behaviour especially the local communities that are illiterate.

Palanisamy (2004) study entitled "Impact of gender differences on online consumer characteristics on Web-Based banner advertising effectiveness", found that in the context of web-based banner ad, gender was an influential factor toward towards banner advertisement. As well, another study by Alexandros, (2007) revealed gender differences with males exhibiting more positive beliefs about Web advertising. Employing the McLuhan's theory of technological determinism, Talabi (2011) explores the use of internet advertising in journalism practice in Nigeria. The method was library research generating secondary level data for the study. From the findings, it was obvious that online advertising has really enhanced journalism practice in Nigeria by generating, disseminating, and retrieving information in the form of video clips,

picture-backed stories, and other vital information.

Onyeka and Asemah (2012) evaluated the prospects and challenges in the use of new media types in political advertising and electioneering campaigns. The new media under assessment was the Internet and mobile phones. The study was based on survey of 200 advertising and public relations practitioners, politicians, students etc in Jos metropolis. They found that most media types especially the internet is currently in use for political adverts and campaigns by political parties. Among the prospects found is the wider and effective reach of internet and cell phones, while ability to constantly deliver messages through the net is a challenge.

Ikpe and Olise (2010) examined the fundamentals of media relations by exploring the dimensions of media technologies and the challenges of media relations practice in Nigeria. The study upheld the claim that new media technologies like the Internet, video-conferencing, mobile phones, among others have transformed media relations practices in Nigeria despite factors such as cyber theft, low level of technology penetration, poor funding etc.

Despite the existence of many researches in this field, very few studies have investigated the effect of online advertisement on purchasing intention in a developing country context. Moreover, as most research focused on investigating only few

(mostly up to three) factor, we argue that the more comprehensive the model studied, the more likelihood we can identify the most influential factors. We also believe that more studies need to explore youngster's community as they represent the majority of internet users worldwide. However, due probably to its infancy in Nigerian media market, there has been relatively little knowledge and empirical research on the determinants of online advertising success particularly in Nigeria. Consequently, companies run the risk of missing marketing opportunities, lost patronages, decline profits, and damaging image by relying on insufficient knowledge to make strategic internet marketing decision. To this end, this study attempt to make a number of contributions to the body of actionable knowledge on the factors that influences success of online advertising campaigns in Nigeria.

OBJECTIVE OF THE STUDY

The main aim of this study was twofold: to identify the key determinants of internet advertising success, and to examine how they influence consumer buying decision. To achieve the above aims, the following specific objectives were considered. To:

- 1 Examine the influence of Advertisement characteristics (Size, design features, content, and location of advert on the webpage) on effectiveness of online advertising.

2 Determine the effect of website features on online advertising success.

3 Evaluate how the characteristics of advertised product (Product information, product price, product quality, and previous purchase experience) may determine success of internet advertising.

RESEARCH QUESTIONS

The following questions are relevant to the study:

1 What influence does advertisement characteristics have on the effectiveness of online advertising?

2 To what extent do website characteristics determine purchasing behaviour of online shopping users?

3 Does the characteristic of advertised product determine success of internet advertising?

METHODOLOGY

The study was carried out in metropolitan centers in Akwa Ibom State, Nigeria. The stratified random sampling method was employed in selecting 5 metropolitan towns where large scale commercial internet activities can easily be found. In each metropolitan town, 40 internet users with prior online shopping experience were purposively selected, to

constitute a total of 200 respondents. The study employed a structured questionnaire to realize its objectives. Likert type structure was employed. The respondents answered each statement based on scales that most probably described the current advert situation and their online shopping experiences. Frequency count and percentages were adopted in analyzing quantitative data.

RESULTS

Advertisement Characteristics and consumer buying behavior

Online advertisement differs in their characteristics such as size, format, content, design and type. These factors can substantially influence advertisement effectiveness and consumer buying decisions as well. Results on Table 1 depict opinion of respondents on adverts characteristics they consider important when shopping online. In order of priority and importance, it appears respondents in the current study consider location of advert on the web (95.0%); attractiveness of advert (92.5%); design and simplicity of advert (91.0%); frequency of pops up (89.5%); advert information content (87.5%); and size of the advert on the screen (73.0%) as having serious effect on buying decision, and by extension on internet advert success.

Table 1: Respondents' opinion on effect of advertisement characteristics on buying decision

Questionnaire Item	^bSA	A	U	D	SD	% of Agreement	Rank
Advert Attractiveness	158 (79.0) ^a	27 (13.5)	15 (7.5)	-	-	92.5	2
Advert simplicity	151 (75.5)	31 (15.5)	15 (7.5)	2 (1.0)	1 (0.5)	91.0	3
Webpage location of advert	106 (53.0)	84 (42.0)	6 (3.0)	2 (1.0)	2 (1.0)	95.0	1
Frequency of advert Pop-up on the site	50 (25.0)	129 (64.5)	18 (9.0)	2 (1.0)	1 (0.5)	89.5	4
Information content of the advert	51 (25.5)	124 (62.0)	23 (11.5)	1 (0.5)	1 (0.5)	87.5	5
The size of the advert	47 (23.5)	99 (49.5)	27 (13.5)	24 (12.0)	3 (1.5)	73.0	6

Source: Field Survey, 2016.

^aFigures in bracket are in percent. ^b Where 5= strongly agree, 4= agree, 3= neutral, 2= disagree, 1=strongly disagree

Website Characteristics and its effects on shopping habits

Table 2 showed distribution of respondents on the effect of website characteristics and shoppers decision to buy an online good. It is clear from the results that 95.5% of the respondents agreed that reputation of the site leads to online advert success. In like manner, 97.0% opined that ease of website access enhance consumer shopping behavior. In addition, trustworthiness of the site (96.5%), number of links on the site hosting the advert (66.5%); simplicity of locating crucial shopping

information on the website (82.5%); and number of advertisements on the site (46.5%) were considered strong factors that can influence on line shoppers to buy or not to buy. Thus, in order of importance, ease of website access was ranked the highest among the website features that influences internet advert success, while number of advert on the site had least ranking by consumers. Given the above results, it may be appropriate to state that consumers consider website features when making buying decision.

Table 2: Respondents' opinion on website features that influences response to online advert.

Questionnaire Item	SA	A	U	D	SD	% of Agreement	Rank
Reputability of site displaying the advert	130 A(65.0)	61 (30.5)	6 (3.0)	1 (0.5)	2 (1.0)	95.5	3
Ease of access to the website	149 (74.5)	45 (22.5)	2 (1.0)	3 (1.5)	1 (0.5)	97.0	1
How trustworthy is the website	133 (66.5)	60 (30.0)	2 (1.0)	3 (1.5)	2 (1.0)	96.5	2
The number of links on the site	24 (12.0)	109 (54.5)	56 (28.0)	10 (5.0)	1 (0.5)	66.5	5
How simple is it to locate information on the site	66 (33.0)	99 (49.5)	30 (15.0)	4 (2.0)	1 (0.5)	82.5	4

Source: Field Survey, 2016

Influence of advertised product features on online shopping decision

On Table 3, respondents gave their opinions on the influence of advertised product features on online shopping decision. As indicated, most respondents appear to prefer information on product quality (95.5%) to all other factors as they make their decision to patronize online shops, this was ranked 1st. In the order

of ranking, information on product quality is respectively followed by visibility of the product features on the website (94.5%), information on how to place order and how the orders would be delivered (91%), authenticity of product advertised (86%), information about price (84.5%); simplicity in use of the product (80%), and completeness of information about the product and services advertised.

Table 3: Respondents' opinion on influence of advertised product features on online shopping decision.

Questionnaire Item	5	4	3	2	1	% of Agreement	Rank
Information about the product quality	153 A(76.5)	38 (19.0)	7 (3.5)	2 (1.0)		95.5	1
Product visibility	128 (64.0)	61 (30.5)	9 (4.5)	2 (1.0)		94.5	2
Authenticity of advertised product	92 (46.0)	81 (40.5)	26 (13.0)	1 (0.5)	-	86	4
Information product price	34 (17.0)	135 (67.5)	29 (14.5)	1 (0.5)	1 (0.5)	84.5	5
Previous performance experience of the product	53 (26.5)	136 (68.0)	10 (5.0)	10 (5.0)	1 (0.5)	94.5	2
Simplicity of using the product	40 (20.0)	120 (60.0)	37 (18.5)	3 (1.5)	-	80	6
Completeness of information about the product	57 (28.5)	95 (47.5)	47 (23.5)	1 (0.5)	-	76	7
Where and how to make purchase	38 (19.0)	144 (72.0)	16 (8.0)	2 (1.0)	-	91	3

Source: Field Survey, 2016

DISCUSSION

The Internet has become a major source of information consumption, and has been argued to be gradually replacing old media such as the radio, television and the newspaper. With the increased adoption of the Internet, World Wide Web is becoming gradually a standard advertisement platform. The Web is offering business advertisement world with more rich

media tools, interactive services, and global reach.

This study therefore investigate the factors that influence online advertisement and hence the purchasing intention among online shopping consumers. The results revealed the following notable findings: Majority of online users for shopping purposes were female, internet literate, and make monthly visit to online shops in Nigeria. Results also showed that Konga is the most

visited online shopping platform in the context of this study. These findings is in support of Palanisamy,(2004) that female consumers are the most users of internet facilities for various purposes ranging from social interaction, to education, and commercial transactions etc.

In addition, findings revealed that internet advertising effectiveness depends mostly on factors such as: location of advert on the web, attractiveness of advert (i.e aesthetic features), and simplicity of advert. Moreover the analysis revealed that advertisement content and size are crucial factors that affect the effectiveness of online advertisement and by extension consumer patronage. The findings is consistent with Kimelfield, (2011), and Cong and Robert (2005). These findings can help business understand what matters most for a developing country like Nigeria where Internet activities and application is gradually taking centre stage in almost all commercial activities including advertising. Thus, business can develop more effective online advertisement campaigns.

Findings also reveal that reputation of the website, ease of website access, trustworthiness of the site, number of links on the site hosting the advert, simplicity of locating crucial shopping information leads to online advertisement' success. The findings support earlier conclusion made by Ashraf and Mohammed (2012).

Effectiveness of internet advertising does not depend on website characteristics alone, product features and service characteristics also play crucial role. It was found in this study that product features: product quality and performance, product visibility, order placement and delivery, product authenticity, price, and simplicity of usage are vital ingredients for customer patronage.

CONCLUSION AND RECOMMENDATIONS

Despite the numerous advantages of internet advertising and online sales over other forms of commerce, many Nigerians are yet to adopt this technology in their daily buying and selling activities. The study established that while internet advertising is desirable to most companies operating in the study area, lack of technical know-how, low level of awareness and preference for traditional advert media are the major constraints to adopting e-commerce. Consumers on the other hand cite lack of internet access, irregular power supply, and cost of internet access as the limiting factors to adopting online shopping. Moreover, the study has established that income of the user, internet skills, cost of using the internet, content of the advert, location of advert, opinion of other users, and the quality of advertised products are significant factors that affect the effectiveness of online advertisement and therefore influences buyers' decision.

Similarly, it is concluded in this study that Internet advertising and online sales have the capacity to change the face of retail business in Nigeria. Most companies and consumers alike are willing to adopt it as a veritable means of doing business in Nigeria. However the problems of irregular power supply; insufficient trained personnel; low level of awareness; and high cost of internet access need be addressed. However, findings have shown that there is relationship between internet skills, advert content, product quality, and effective internet advertising/online sales. There is relationship between perfect knowledge about market situations concerning internet facilities and exact information on consumers' behavior. There is evidence to show that high cost of providing information scientifically through internet adverts affect consumer behavior.

Based on the findings and conclusion, the following recommendations are made:

1 Within the study, some of respondents express unawareness of online shopping websites, some have never shopped online before, and some feel they do not have need for online shopping. Companies offering products on the web should therefore promote the advantages of online shopping to traditional means of exchange.

2 Government should make policies to regulate business through the internet activities to minimize

fraud and reduce incidence of internet theft.

3 Web advertisers should try to provide adequate and relevant content for consumers considering the internet as a shopping choice.

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