EXPLORING ATTITUDES TOWARDS BANNER ADVERTISING ON THE WORLD WIDE WEB

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DECLARATION

I Philip Shane Krige, hereby declare that:

- The work in this paper is my original work;
- All sources used or referenced have been documented and recognized;
- This dissertation has not been previously submitted in full or partial fulfillment for an equivalent or higher qualification at any other recognized educational institution.

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Philip Shane Krige                      November 2008
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ABSTRACT

The purpose of the study was to assess the effectiveness of banner advertising on the World Wide Web, as well as to explore and analyse the attitudes and behaviours of internet users towards banner advertising. The research objective was to determine, why people do not click on banners and to find ways in which advertisers can make banner advertisements appeal to consumers more effectively. Outcomes of the research suggested which features advertisers should avoid when developing clickable banners.

An extensive literature review was carried out in order to highlight important aspects of historic research. The analysis conducted on this topic indicated that a gap exists in the area of public attitudes towards clickable banner advertising and the reasons why people avoid clicking on banners.

To address the above questions, peoples’ attitudes towards banner and other Internet advertising were investigated through focus group interviews and surveys.

The findings suggest that the main reason for the ignorance surrounding clickable banners was the low involvement between the product or service being advertised and the viewer’s interests. Other reasons included the high annoyance level of banner advertising and the threat of viruses that some banners may pose.

Conclusions of the research recommend narrow targeting and personalisation of banner advertisements, constant rotations and replacements of banners to avoid burnouts as well as trustful and original appeal and content.
Other important findings included:

- The majority of people are indifferent towards banners,
- People with less than three years of Internet experience tend to click more than people with more than three years of Internet experience,
- Females showed more “clickable behaviour” than males,
- People are more likely to click on banners which present interesting information, are bright and animated or promote catchy phrases for the surfer,
- People prefer to see banners located on the top of the page or on the right side of the page,
- Pop-ups are the most noticeable and are possibly the route cause of what triggers people to become annoyed or dislike banner ads,

Findings of this research have high social value. If advertisers would take into account the results of the current study, they would be able to create more effective banners, which could effectively be redirected to the appropriate target market. This will enable them to cut their costs. Furthermore, online users would enjoy a more polite and friendly online environment, where their interests will be taken into account, which would diminish the current gap between customers and advertisers.
KEY WORDS:

- Advertising
- Banners
- Click-Through Rate (CTR)
- Clickable banners
- Internet Advertising
- Permission Marketing
- Pop-Ups
- Web site
- World Wide Web (WWW)
TABLE OF CONTENTS

Chapter 1
Introduction .......................................................................................................................... 1
  1.1 Aim of the research ................................................................................................. 2
  1.2 Objectives of the research ..................................................................................... 2
  1.3 Limitations of research ......................................................................................... 3
  1.4 Value of the research ............................................................................................ 4

CHAPTER 2
LITERATURE REVIEW .................................................................................................... 5
  2.1 Internet advertising ............................................................................................... 5
  2.2 Interactive Advertising Models ............................................................................ 7
  2.3 Attitudes to Internet Advertising ......................................................................... 10
  2.4 Factors which affect attitudes to internet advertising ....................................... 13
  2.5 Banner advertising ............................................................................................... 14
    2.5.1 What is a Banner Ad? .................................................................................... 14
    2.5.2 Types of Banner Ads ................................................................................... 15
    2.5.3 Banner Ad Objectives .................................................................................. 18
  2.6 Web Advertising Pricing Models ......................................................................... 21
  2.7 Clickable banners ................................................................................................. 23
  2.8 Click through rate ................................................................................................. 24
  2.9 Technical factors affecting click-through ......................................................... 26
  2.10 Previous studies .................................................................................................. 28
  2.11 Gap in the literature ............................................................................................ 32
CHAPTER 3
RATIONALE AND METHODOLOGY ............................................................. 34

3.1 Originality of research ................................................................. 40
3.2 Research philosophy ..................................................................... 40
3.3 Research Approach ..................................................................... 41
3.4 Research Strategy ..................................................................... 37
3.5 Data collection methods ............................................................ 37
3.6 Qualitative research .................................................................. 38
3.7 Sampling method ..................................................................... 40
3.8 Data quality issues .................................................................... 42
3.9 Quantitative research ............................................................... 43
3.10 Sampling method ................................................................. 43
3.11 Questionnaire design ............................................................. 45
3.12 Triangulation of data .............................................................. 46
3.13 Ethical issues of the data collection ......................................... 46

CHAPTER 4
THE EMPIRICAL STUDY ........................................................................... 48

4.1 Focus groups findings .............................................................. 48
4.2 Analysis and development of questionnaire .............................. 52
4.3 Survey Findings and analysis .................................................... 54
4.4 Summary of findings ............................................................... 62
4.5 Results of triangulation of data ................................................ 63
4.6 Test re-test ............................................................................... 63
4.7 Comparison of findings to results from the previous studies .... 64
4.8 Assumptions ........................................................................... 66
CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS ................................................... 67

5.1 Conclusion ....................................................................................... 67

5.2 Recommendations .......................................................................... 70

5.3 Future research ............................................................................... 71

REFERENCE LIST .......................................................................................... 78

Appendix A

The first banner on the Web ................................................................. 91

Appendix B

Glossary of terms ................................................................................. 92

Appendix C

Questionnaire ....................................................................................... 96

Appendix D

Focus Groups ....................................................................................... 98
TABLE OF CHARTS

Pie Chart 1: Respondents’ activities on the Internet……………………55

Pie Chart 2: Frequency with which respondents click on banners……..56

Pie Chart 3: Attitudes towards banners…………………………………..56

Pie Chart 4: Features that attract people to click on a banner………...57

Pie Chart 5: Banner placements and attention……………………….....58

Pie Chart 6: Reasons for not clicking on banners……………………….59

Pie Chart 7: Reasons why people don’t click on banners………………..60

Pie Chart 8: Why you think other people don’t click……………………61
LIST OF FIGURES

Figure 1: The Traditional CAB “Hierarchy or Effects” Model.........................8

Figure 2: Venn Diagram of Contemporary CAB Criteria..............................9

Figure 3: Interactive Advertising Model (IAM).........................................10

Figure 4: IAB’s Standard Banner Sizes................................................16
CHAPTER 1: 
INTRODUCTION

Faster than television penetration in the 1960s, the Internet has taken its place as a major medium in current society. And as the new millennium begins, humans are experiencing perhaps the most dynamic and revolutionary changes of any era in the history of advertising. These changes have been driven by advances in technology, and developments have led to the dramatic growth of interactive communication, which has been driven through the internet. Everyday, more and more people and businesses throughout the world accept the Internet environment and the changes it brings as a vital part of their lives. This environment has great potential as an advertising medium. Its feedback and interaction possibilities enable advertisers and Internet users to customise and differentiate the advertisement to meet the user’s own requirements.

This study assesses the effectiveness of clickable banners and focuses on the reasons why people don’t respond to these advertisements as advertisers would want them to.

Clickable banners have an advantage over other online promotional techniques as they offer interactivity between the user and the advertiser. They indicate how many viewers show an immediate interest in the product or service that is being advertised. They also enable companies to increase their short-term sales. Alarmingly, the click-through rate for banners is constantly falling: HowTotv’s annual study of consumer attitudes to online ads, revealed the number of people driven to leaving a site because of intrusive or annoying ads grew 46% year on year (Newmediazero, 2008). The study also found that
59% of web users have stopped visiting a website altogether because of intrusive or irrelevant advertising. Ads with loud noises, pop-ups covering web content and ads that were tricky to close, minimise or click away from were found to be the most annoying. The worst offenders were gambling site 888.com, Ford, Halifax and beauty brands L'Oréal and Garnier. (McEleny, 24. July. 2008).

The purpose of this research study is to examine the reasons why certain people tend to ignore clickable banners. The outcomes and results of this research will contribute towards further development of more effective banner advertisements, combined with friendlier environment on the World Wide Web.

1.1 AIM OF THE RESEARCH
The purpose of this research is to identify the main reasons why many internet surfers tend to avoid clicking on clickable internet advertisements, such as banners.

1.2 OBJECTIVES OF THE RESEARCH
The objectives of this study are to:

- Explore the attitudes of internet users towards banner advertising,
- Assess and discover the main reasons why people don’t click on banners at all,
- Identify the features that advertisers should avoid in clickable banners,
- Compare the responsiveness between genders and different age groups towards banner adverts,
• Identify the features of banners, which attract people to click on these advertisements,
• Find the best location for banners.

Several researches (Katz and Aspden 1997; Rodgers and Sheldon 1998; Stafford and Stafford 1998; Rodgers and Thorson 2000); have explored the effectiveness of clickable banner advertising. Website Hotwired argues that the primary reason for people to click on banners is “inherent interest in the brand or product category” (www.hotwired.com). Internet Advertising Bureau (IAB) suggested that bigger and more interactive banners will increase the click-through (www.iab.org). Narrow targeting of banners tends to increase the click-through, but may be costly. In the opinion of Seth Godin (the originator of permission marketing), banners do not get clicked as they promote goods and services to the user without his or her permission (www.permission.com). The concept of permission marketing is very important for banner advertising, because people in today’s market are used to interruptions and have learnt to ignore them. On the other hand, if the user receives the information he or she asked for, the person is more likely to digest it. Dahlen, M (2001) advocates that novice Internet users tend to click more then experienced ones.

1.3 LIMITATIONS OF RESEARCH

One of the main limitations was the size of the sample and its selection. In order to achieve more reliable results, it would have been preferable to use in the multi-country study. For time and financial limitations it was not possible to use these techniques.
As the research conducted analysed psychological values and attitudes of people, it was impossible to ascertain the extent to which a respondent answered truthfully. However the usage of the test/re-test technique enabled the researcher to ensure, that the majority of answers were true. This was further supported by the triangulation techniques described in the methodology chapter. (see section 3.12 chapter 3)

The current study did not particularly explore the rich media banners. This was done because this type of on-line advertisements is rather new and not many people are aware of it.

1.4 VALUE OF THE RESEARCH

Internet Advertisers will find this research important. The main reason for this is that it analyses factors which drive viewers away from clicking banners. It will therefore outline the drawbacks, which should be modified and removed. The outcome of this study correlated with previous studies’ outcomes will allow advertising agencies to use more effective banner advertising techniques in future to achieve better results. By understanding these mistakes, companies will be able to avoid them in the future. The usage of features which consumers tend to favour, will also reduce the amount of people who abhor banners, thus making a more friendly on-line environment.
CHAPTER 2: LITERATURE REVIEW

2.1 INTERNET ADVERTISING

Since online advertising originated in 1994, the industry faced many obstacles. Ad Age's (www.adage.com) interactive section provides a comprehensive chronicle of the beginnings of online advertising. After the dot com crash in 2001, online advertising's success diminished, but has since re-established itself and is now a thriving $8.4 billion dollar industry. (Kridler, 2004). The use of online advertising as an advertising medium is increasing in popularity at a rapid rate. According to Kridler (2004), the online advertising industry will grow three times faster than any other advertising medium.

However the issue of internet advertising effectiveness is part of the broader question about the effectiveness of advertising in general. As a result, internet advertising effectiveness should be examined in a similar fashion to traditional advertising. On the other hand, internet advertising is different from traditional advertising in that the internet has capacities to extend the function of advertising far beyond what traditional media are able to accomplish. For example, consumers can click on a banner ad for an e-book, check the table of contents or review others’ comments, place an order, and download the e-book to their computers, all through the internet. None of the traditional advertising media could offer such a combined channel capacity of communication, transaction and distribution. Among the most salient characteristics of internet advertising are: unlimited delivery of information beyond time and space,
unlimited amounts and sources of information and the ability to target specific
groups or individuals (Journal of Advertising Research, December 2001).
However, the most crucial difference in interactivity is that "interactivity implies
for the media audience the ability to 'chose and respond' to a particular
advertisement of their liking" (Journal of Advertising Research, December
2001).
Although there are many different forms of web advertising - banners, buttons,
text links, sponsorships, target sites, and interstitials - banner advertisements
are the most prevalent (Journal of Advertising Research, 2001). According to
the Internet Advertising Bureau (1999), 55% of all online adverts are formatted
as banners, 37% are sponsorships and 8% are formatted as hyperlinks,
interstitials and pop-ups.

The use of banner adverts on the WWW began in October 1994 when AT&T
first advertised on HotWired.com (Zeff & Aronson, 1999). An example of such
an advertisement is seen in Appendix A. Since then, banners have dominated
advertising on the WWW and have become the standard web advertising
format (Meland, 2000; Hofacker & Murphy, 1998; Cho & Leckenby, 1998).
Banner advertising plays an important role in online promotion. The reasons for
that are listed below:

- Banners and interlinks connect the WWW into the synergetic system of
  web sites. Simply put, banners drive traffic.
- Current banners were the first step in Internet advertising. Constant
  technological innovations affect banners, thus their appearance,
  performance and response will improve.
• Banners bring profit to the owners of the web-sites, and many web sites are surviving solely due to banner advertising.

• According to MSN research results which were announced on 6 February 2002, “increasing online advertising’s share in the overall media mix increases the effectiveness of the entire campaign without increase of the budget” (www.advantage.msn.co.uk).

According to Lewis, H.G. (Direct Marketing, 1996). “the first rule of Internet advertising is that, the advertiser must successfully catch and keep the attention of the surfer”.

2.2 INTERACTIVE ADVERTISING MODELS

In 1898, Elmo St. Lewis (Barry,1987 :252) was the first to propose a systematic way of discussing criteria of effectiveness. He did so in the personal selling context with his “Attention, Interest, Desire, and Action” or AIDA model.

Since then there have been several notable developments in history. First, was the work of Lavidge and Steiner in 1961 in which they postulated a “hierarchy of effects” in a stair step fashion with attention leading to interest leading to conviction to desire and finally to action” (Lavidge & Steiner, 1961). Importantly they categorised these elements into three broader categories of “Cognition,” “Affection” and “Conation.” “Conation” was then a popular term for behaviour or behavioural intensions. Lavidge and Steiner postulated, in general, that cognition or knowing leads to affection which, in turn, leads to conation. The process was also thought to be largely inevitable. That is, if the first was
established, others would follow in their natural order – with some help along
the way, of course, by the advertiser.

Finally, in the 1970’s Robertson (1971) made the following observations: (1) the
consumer may make decisions in a “non-rational” manner. That is he/she may
not secure, process or carefully evaluate all the available information; (2) there
is not a specified sequence of stages which must occur as in Lavidge and
Steiner’ view. Any such model must make allowances for consumers to “skip”
stages; and (3) the model must also provide feedback loops because such a
process will not necessarily be linear and non one-dimensional.

The traditional view of the criteria, cognition, affection and behaviour, is shown
in figure 1. This can be contrasted with the ideas that had developed in the late
1960’s, as outlined above.

---

**Figure 1**

The Traditional CAB “Hierarchy or Effects” Model

```
Cognition

<table>
<thead>
<tr>
<th>Affection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Behaviour</td>
</tr>
</tbody>
</table>
```

Source: Palda (1966)

In figure 2, the venn diagram illustrates the non-linear and overlapping nature
of the three criteria of effectiveness: Cognition, Affection, and Behaviour. There
is no one pre-determined “starting criterion” or “ending criterion.” Furthermore it is possible to have more than one criterion developing at the same time as illustrated by the mutually non-exclusive nature of this diagram with respect to the three criteria.

**Figure 2**

Venn Diagram of Contemporary CAB Criteria

Source: Robertson (1971)

Rodgers and Thorson (2000) drew a similar distinction in their Internet Advertising Model (IMA) model. The IAM model is show in figure 3 below. A primary element of their model, which is designed to explain the communication process consumers follow in the relation to messages on the internet, is that some of these processors are “advertiser-controlled,” while others are “consumer-controlled.” While it can be said that the consumer controls magazine ad exposure by deciding or not deciding to open the magazine, the
authors in this case are referring to more “extensive control” on the part of the consumer than is possible through other media types such as magazines.

**Figure 3**

<table>
<thead>
<tr>
<th>Interactive Advertising Model (IAM)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consumer-Controlled</strong></td>
</tr>
<tr>
<td>Functions</td>
</tr>
<tr>
<td>Internet Motives</td>
</tr>
<tr>
<td>• Research</td>
</tr>
<tr>
<td>• Shop</td>
</tr>
<tr>
<td>• Entertain/Surf</td>
</tr>
<tr>
<td>• Communicate/Socialize etc.</td>
</tr>
<tr>
<td><strong>Information Processes</strong></td>
</tr>
<tr>
<td>Cognitive “Tools”</td>
</tr>
<tr>
<td>• Attention</td>
</tr>
<tr>
<td>• Memory</td>
</tr>
<tr>
<td>• Attitude</td>
</tr>
<tr>
<td><strong>Structures</strong></td>
</tr>
<tr>
<td>Ad Types</td>
</tr>
<tr>
<td>• Product/Service</td>
</tr>
<tr>
<td>• PSA</td>
</tr>
<tr>
<td>• Issue</td>
</tr>
<tr>
<td>• Corporate</td>
</tr>
<tr>
<td>• Political</td>
</tr>
<tr>
<td><strong>Outcomes</strong></td>
</tr>
<tr>
<td>Consumer Responses</td>
</tr>
<tr>
<td>• Forget / Ignore the Ad</td>
</tr>
<tr>
<td>• Attend to the Ad</td>
</tr>
<tr>
<td>• Form attitude Towards the Ad</td>
</tr>
<tr>
<td>• Click on Ad</td>
</tr>
<tr>
<td>• Explore the Website</td>
</tr>
<tr>
<td>• Email the Advertiser</td>
</tr>
<tr>
<td>• Purchase the product etc.</td>
</tr>
</tbody>
</table>

Source: Rodgers and Thorson (2000)

### 2.3 ATTITUDES TO INTERNET ADVERTISING

Different people have different attitudes towards online advertising. These attitudes vary not only as the result of the activities performed, but as the result
of personalities, lifestyles, social classes and other factors. Previous researches suggested different views on this subject. Mehta and Sivadas (1995) found that newsgroup users held negative attitudes toward Internet advertising, but that the business executives researched by Ducoffe (1996) did not find Internet advertising either irritating or annoying. Gordon and De Lima-Turner (1997) studied advertising on the Internet from the perspective of a social contract between advertisers and Internet users. Overall, respondents were passive, accepting Internet advertising as long as it was clearly identified, and well targeted. GVU’s World Wide Web 10th User Survey (GVU, 1998) found that surfers disliked Internet advertising slightly more than general advertising, (38% vs. 32%). Advertising banners which take too long to download were seen by GVU respondents as the “biggest problem in using the web”, with 62% respondents agreeing. Schlosser, Shavitt & Kanfer (1999) studied attitudes to Internet advertising using a similar questionnaire to that used for general advertising by Shavitt (1998). They compared the results of a demographically matched sample from the two studies. Respondents were polarised: 38% liked Internet advertising, 35% disliked it, and 28% were neutral. Advertising in general was more liked than Internet advertising, (46% vs. 38%), and less disliked, (25% vs. 35%). However when looking at specific attitudes, Internet advertising attitudes were sometimes more positive (48% vs. 38%) and respondents conveyed that they could trust Internet advertising. Shavitt concluded that the nature of Internet advertising makes it less irritating to consumers, as “fewer respondents felt insulted, offended, and misled” Schlosser (1999). In focus group research conducted by Rettie (2001) it was found that respondents were extremely negative about Internet advertising. One of the
respondents commented: “Annoying. Just completely ignore them. You just immediately know that’s adverts, get rid of it” (Rettie, 2001). Negative attitudes to Internet advertising mean that surfers may deliberately avoid advertisements. Drèze and Hussherr (1999) found that surfers purposely avoid looking at banner advertisements during their online activities. This helps to explain low click-through rates by using eye tracking, they found that surfers were significantly less likely to look at an advertising banner than elsewhere on the page. This is so called banner blindness, which is “the tendency of web visitors to ignore banner advertisements, even when banners contain information visitors is actively seeking” (www.marketingterms.com). They also found significant differences in eye pattern movements between novices and experts; for instance, experts are quicker and look at fewer parts of a web page. Dahlen (2001) suggests that there is tremendous difference between novice and experienced Internet users. “Novice users are more affected by banner advertisements than are expert users. Their click-through rate is almost four times greater than among other users” (Dahlen, 2001). Drèze and Hussherr (1999) also measured advertising recall, brand recall, and brand awareness effects, finding that these were all higher than click-through rates. This supports an earlier finding by Briggs and Hollis (1997), which showed that banner advertisements have an impact on consumers’ attitudes to a brand, independent of click-through.
2.4 FACTORS WHICH AFFECT ATTITUDES TO INTERNET ADVERTISING

Sukpanich & Chen (1999) used the theory of reasoned action to develop a scale of attitudes to Internet advertising. They found three constructs that affect Internet advertising attitudes: awareness, preference and intention or motive. For example, an advertisement for a preferred brand is likely to result in a more favourable attitude.

Stafford and Stafford (1998) found that respondents who were using the Internet for communication were least likely to notice advertising. Rodgers and Thorson (2000) also suggest that different consumer motives affect attitudes to Internet advertising. Testing this hypothesis, Li and Bukovac (1999) found that although information seeking respondents paid more attention to advertisements than surfers, the difference was not significant, possibly because of motive switching.

Whether a surfer is in flow is also likely to affect his attitude to advertising. Flow is “the holistic experience that people feel when they act with total involvement” (Csikszentmihalyi, 1975). Hoffman and Novak (1996: 57) identify flow as a key characteristic of consumer behaviour on the Internet by their statement that, “flow is the 'glue' holding the consumer in the hypermedia Computer Mediated Environment”. Rettie (2001) found advertising was particularly irritating when in flow, so while flow may retain surfers at a web site where they are subject to advertising, it may adversely affect their response to that advertising.
Other factors that affect Internet usage, and which are therefore likely to affect attitudes to advertising, are length of use, frequency of use, and location of use (Rogers & Sheldon, 1999; Emmanouilides & Hammond 2000).

It is likely that the effectiveness of advertising will be dependant upon attitudes to the medium in which it appears. Attitudes to general advertising have declined with increasing volume and consumer exposure. It is probable that attitudes to Internet advertising will also deteriorate as Internet users become more used to the medium (Briggs & Hollis, 1997).

2.5 BANNER ADVERTISING

Anyone who has spent any time surfing the Internet, has seen more than their fair share of banner ads. These small rectangular advertisements appear on a variety of Web pages and vary considerably in appearance and subject matter. They do however all share a basic function: if they are clicked on, they transfer the browser to the advertiser's Web site. The question then arises as to how banner ads work and their purpose. Banner ads are usually relatively simple pieces of HTML code, but their presence on the Web and their importance in Internet-based business is immense.

2.5.1 What is a Banner Ad?

Over the past few years, (1999 to 2008) most people have heard about how much money can be made on the Internet. This new medium of education and entertainment has revolutionized the economy and brought many people and many companies a great deal of success. There are a lot of ways Web sites
make money, but one of the main sources of revenue is advertising, and one of
the most popular forms of Internet advertising is the banner ad.

In an article by Tom Harris, 2000, in “How Stuff Works” it is explained that a
banner ad is simply a special sort of hypertext link. A bit of HTML code instructs
a Web server to bring up a particular Web page when a user clicks on a certain
piece of text. Banner ads are essentially the same thing, except that instead of
text, the link is displayed as a box containing graphics (usually with textual
elements) and sometimes animation.

Because of its graphic element, a banner ad is somewhat similar to a traditional
ad you would see in a printed publication such as a newspaper or magazine,
but it has the added ability to bring a potential customer directly to the
advertiser's Web site. This is something like touching a printed ad and being
immediately teleported to the advertiser’s store. A banner ad also differs from a
print ad in its dynamic capability. It stays in one place on a page, like a
magazine ad, but it can present multiple images, include animation and change
appearance in a number of other ways.

2.5.2 Types of Banner Ads

Like print ads, banner ads come in a variety of shapes and sizes. The Internet
Advertising Bureau (IAB) specifies eight different banner sizes, according to
pixel dimensions. A pixel is the smallest unit of colour used to make up images
on a computer or television screen. The IAB's standard banner sizes are
illustrated in figure 4 over the page.
The full banner (468 x 60) is by far the most popular, but one can see all these variations all over the Web. These are not the only banner ad shapes and sizes, either, but they are a good representation of the range of common banner ads. There is no universal file-size constraint for banner ads, but most
Web sites impose their own limits on memory size, usually 12K to 16K. This is because banner ads add to the total file size of the page they appear on, therefore increasing the time it takes for a browser to load that page.

While users surf the web they will notice that actual graphic content or creative content varies considerably among banner ads. The simplest banner ads feature only one, static GIF or JPEG image, which is linked to the advertiser's home page. More common is the GIF-animated banner ad, which displays several different images in succession, sometimes to create the effect of animated motion.

These banners can work in different styles, for example the Rollover Expand Banner – “A banner may expand to as large as 468x240 after a user moves their cursor over it, and should automatically close when the cursor moves off the banner” (IAB).

Click Expand Banner – “A banner may expand to as large as 468x240 after a user clicks on it, and can stay expanded until the user clicks a clearly labelled "close" button” (IAB).

Then there are rich media banner ads. These are ads that use audio, video, or Java and Shockwave programming. These banner ads usually have larger file sizes and are often interactive beyond their simple linking function.

An example of a rich media ad can be seen on the right. These ads incorporate streaming video to create a rich ad format similar to television advertising. Ads can be created in in-banner, in-stream, or pre-roll formats. The
most popular use of this format is to take an existing commercial (30 second spot) and place it within a standard banner ad sized unit. This allows the advertiser to reach an online audience, with their existing creative.

### 2.5.3 Banner Ad Objectives

In general, advertisers hope a banner ad will do one of two things. Ideally, a visitor to the publisher site, the Web site that posts the banner ad, will click on the banner ad and go to the advertiser's Web site. In this case the banner ad has brought the advertiser a visitor they would not have had otherwise. The banner ad is a real success if the visitor not only comes to the site but also buys something. Failing a click-through, advertisers hope that a publisher site visitor will see the banner ad and will somehow register it in their heads. This could mean that the visitor consciously notes the content of a banner ad and decides to visit the advertiser's site at some time in the future, or it might mean that the visitor only periodically picks up on the ad but is made aware of the advertiser's product or service. (Harris, 2000).

According to Harris (2000), this second effect of advertising is the **branding**. Almost everyone has experienced the effects of branding before. For example one sees ads on television for Brand X glue all the time. The ads don't seem to have a particular personal affect because one does not immediately go and buy the glue. Only later, while at the store shopping for glue, this ad may affect the decision one makes. If one has no other reason to choose one type of glue over the others, you'll probably choose the one you're most familiar, Brand X, will be chosen even if one is only familiar with it because of advertising.
There are several ways advertisers measure banner ad success. Advertisers look at:

- **Clicks/Click-throughs:** The number of visitors who click on the banner ad linking to the advertiser's Web site. Publisher sites often sell banner ad space on a cost-per-click (CPC) basis.

- **Page views:** Also called page impressions, this is the number of times a particular Web page has been requested from the server. Advertisers are interested in page views because they indicate the number of visitors who could have seen the banner ad. Although they don't measure the effectiveness of a branding campaign, they do measure how many visitors were exposed to it. The most common way to sell banner ad space is cost per thousand impressions, or CPM (In roman numerals, M equals a thousand).

- **Click-through rate (CTR):** This describes the ratio of page views to clicks. It is expressed as the percentage of total visitors to a particular page who actually clicked on the banner ad. The typical click-through-rate is something under 1 percent. Click-through rates significantly higher than that are very rare.

- **Cost per sale:** This is the measure of the amount of advertising money that is spent on making one sale. Advertisers use different means to calculate this, depending on the ad and the product or service. Many advertisers keep track of visitor activity using Internet cookies. This technology allows the site to combine shopping history with information about how the visitor originally came to the site.
Different measures are more important to different advertisers, but most advertisers consider all of these elements when judging the effectiveness of a banner ad. (Harris, 2000).

2.6 PERMISSION MARKETING

Permission marketing, as defined by CIM is the “hybrid of direct marketing and e-marketing that is gathering response rates of between 5% and 15% in the States” (www.cim.co.uk). The thought behind it is that people are “ordering” the information they want to receive from the advertisers. This practice enables the advertiser to target the promotion more efficiently, thus to achieve better results.

The originator of permission marketing is Seth Godin.

In his opinion “advertising doesn’t work as well as it used to – in part because there is so much of it, in part because people have learned to ignore it and in part because the rise of the Net means that companies can go beyond it” (www.permission.com).

He also adds that “the interruption model is extremely effective when there is not an overflow of interruptions” (Marketing, 2000).

Permission marketing is primarily orientated towards direct mail (opposing spamming), but in the opinion of Seth Godin Internet will “change the way almost everything is marketed to almost everybody” (www.fastcompany.com/online/14/permission.html).

The concept of permission marketing has been mostly ignored by banners. Goods and services are being advertised to people, interrupting their web surfing. Most of the banners are only targeted on the basis of target audience of the web site, which is not sufficient to reach maximum response. However in recent years this concept was used in the Internet market research and banner monitoring. For example NetZero (2000), managed to increase the CTR on
their web site by 33% (Advertising Age, 2000). Their system is based on the permission-based tactic and their ISP is “able to track traffic because users agree to let it monitor surfing when they sign up for the ad-supported service” (Advertising Age, 2000).

Relatively new (2001) type of banners, which is called Smart Banners, or “keyword-activated banners that are tied to Internet user search keywords” (Journal of Advertising Research, 2001) partly share the concept of permission marketing, as they are offering the information, the person is looking for instead of simply placing the same banner for everyone. The drawback of this activity is that firstly not always it is possible to find the exact product advertisement and secondly such targeting may be costly. Apart from that, taking into account the performance of current search engines users tend to look for the same product or service (including information) through several different searches, thus advertisers would get the clear picture of what particular user is looking for.

2.7 WEB ADVERTISING PRICING MODELS

Many arguments occurred regarding banner advertising. Originally (1994) the flat fee advertising model was adopted by internet advertisers,(Hoffman and Novak 1996). Flat fee pricing consists of a fixed price for a given period of time. However, the drawback of this model is that it is impossible to evaluate the results. To resolve this problem the CPM (“cost per thousand” impressions) model was introduced. CPM refers to the amount one is paid for showing 1000 ads. For example, suppose an ad campaign pays $1.00 CPM. One would earn
one tenth of one cent each time a user views the ad for a total of a dollar after a thousand views.

CPM and flat fee models do nothing more than simply count the number of visitors exposed to a particular banner advertisement on a website. However, since consumer behaviour on the Web depends upon a whole host of measurable factors, including the type of site and the consumer's motivation for visiting it (Hoffman and Novak 1996), a simple count of visits is not sufficient to demonstrate to the advertiser the value of their advertising expenditures.

To resolve this issue, CTR was the innovative solution, which first appeared in 1998 on www.yahoo.com advertisements of P&G Pampers (www.marketingterms.com). Advertising pricing based upon click-through was an attempt to develop a more accountable way of charging for Web advertising. The payment for a banner advertisement is based on the number of times a visitor actually clicks on it. This appears to be a good system, as it works on the number of responses, however CTR has constantly fell during the last few years (2004 – 2007). This was a rather discouraging factor for Internet advertisers. It forced them to look back at banner advertising from the point of view of exposures or impression, rather than from the point of clicks. Briggs and Hollis suggest that mere exposure to passive advertisements improve brand awareness and image regardless of click response (Journal of Advertising Research, March 1997). In 2001 the majority of banner advertising campaigns (86% (IAB)) were concentrated on brand building (Newmediazero, 2001).
There also exists another form of web advertising which is described as, “outcome-based model that assumes that advertisers pay for performances, such as inquires and purchases” (Journal of Advertising, 2002).

According to Shen (2002), “payment based on outcomes is considered more accurate than mere exposures or banner clicks, but not all banner ads are designed to generate immediate behavioural changes. Using outcomes alone disregards the branding objective of advertising and, at the same time, forces Web publishers to rely on the quality of the advertisers’ creatives to generate revenues. Traditionally, publishers and broadcasters have been loathe to adopt such risk-sharing pricing practices (Parsons 1997). Therefore, it is unclear how agencies and online publishers will accept performance-based models for compensation purposes” (Journal of Advertising, 2002). Shen’s conclusions indicate that although outcome-based pricing model is optimal in many ways, it is hardly achievable for many companies. Furthermore, in order for such a model to work, there should be considerable integration between the advertiser and the owner of the advertising vehicle. This model is, most likely, optimal for the companies which order creative, but advertising space and advertising of the web sites of the same advertising agencies or their affiliates.

However, “the implicit assumption that “more (passive impressions) is better” may not hold true in generating advertiser-desired outcomes in the Web medium. Aggregate counts of click-throughs or click rates are actually preferable, since they measure actual exposure to passive adverts and a commitment by the consumer to view the active advertising content” (Novak and Hoffman, 1998). CTR will be discussed in more detail later in this chapter.

2.8 CLICKABLE BANNERS

Clickable banners are those banners (and other types of web advertisements, which major purpose is to generate clicks) that have the primary intention of leading the viewer onto the advertiser’s Web page. According to Hoffman and Novak (1998), clickable banners on the Web may be “directed towards lead generation or an immediate sale, or simply provide real time satisfaction consumer’s need for more information about the sponsor’s offering”. They also add, “active advertisements (clickable banners) are appropriate for higher-level
communication objectives, including facilitating comprehension and elaboration of the advertising message” (Novak and Hoffman, 1998).

These banners usually include wording like: “Click Here”, “Click Now” or other persuasive commands. According to DoubleClick, phrases such as “Click Here” tend to improve response 15% (www.webreference.com/dev/banners/research.html).

2.9 CLICK THROUGH RATE

Click-through rate (CTR) is the average number of click-throughs per hundred ad impressions, expressed as a percentage (www.marketingterms.com). Since advertisements began appearing on the Internet, the user reaction to banners has been disappointingly low. Williamson (1996) reported an average click-through rate of 2.1%. According to Nielsen (1997; 2000), click-through rates have since then constantly decreased from 2% (1995) to 0.5% (1998), and reached 0.2% in May 2000. Sutherland (1999) also found that click-through rates had declined to 0.5% in 1999. Search engines like Infoseek and WebCrawler were found to have lower click-through rates (1.1% and 0.7%, respectively) than content providers such as HotWired (2.8% according to Williamson, 1996). In August 2001, CTR dropped to 0.29%. “This drop is particularly significant as users worldwide were actually spending longer online each month, visiting more pages, and logging on more often” (Newmediazero, 2001). In July 2002 click-through rate on banner advertisements was reported to be 0.3% (Wall Street Journal, 2002).
Click-through rate is one of the most used indicators of advertising effectiveness. It is the number of clicks occurred on a banner related to the total number of displays. CTR has several advantages oppose to the other indicators, These are:

- It measures a voluntary action of the prospect that is looking for supplementary information (www.marketingterms.com).
- This indicator fills a lack in the classic measures of the advertising effectiveness.
- The click-through rate is an indicator relatively reliable indicator and is easy to collect because it is based on an automated collection (www.marketingterms.com).
- It does not require an investigator or the willingness of the interviewee.

All these factors make CTR favoured by the advertising agencies. However there are several disadvantages to this method of assessment:

- It cannot measure all the results achieved as the result of campaign (Brand familiarity).
- It measures only short-term effects. This indicator supposes that the individual is affected by the banner only if he or she clicks immediately. However an Internet user can be exposed to a banner and visit the target site some time after the current consultation or even several days later, when he or she needs the announced information. Briggs and Hollis compared “the practice of evaluating Web advertising on the basis of click-through to evaluating television commercials for automobiles on the basis of how many people visit a showroom the next day” (Journal of Advertising Research, 1997).
In spite of these limitations, CTR is currently one of the optimal indicators of the web advertising effectiveness (IAB) as it provides statistical results, which are easy to analyse. This is as opposed to brand familiarity which requires long and expensive research to measure the effectiveness.

2.10 TECHNICAL FACTORS AFFECTING CLICK-THROUGH

In section 2.4, attitudes towards banner advertising were explored. Even though many people accept online advertising (the IAB (1998) found that 60% to 70% of the respondents of their survey approved advertisement on the Internet) as they understand that this is the price they have to pay to use free resources, not many of them actively click.

There are several factors that affect click-through:

- Banner burnout - the point at which a banner stops delivering a good Return on Investment (ROI). DoubleClick found that “after the fourth impression, response rates dropped from 2.7% to under 1%” (www.doubleclick.com).

- Creative of the banner is also an important element. Banners, which use flash, html and so on to banner creation and companies which employ professional artists are likely to develop more effective banners.

- Mark Brown found that “banner advertisements that use pull-down menus are more likely to be clicked on than static banner adverts” (Journal of Interactive Advertising, 2002).

Another factor, which has a significant effect on the click through is the approach to online advertisement. Various approaches are explained below.
• **Untargeted:** Early systems and many small scale operations in use today simply target the broad Web audience in general. Adverts are either fixed on a Web page for a certain time period or then manually updated, or a simple, random form of banner rotation is used (www.linkexchange.com).

• **Editorial:** Ad Banners are targeted to a certain site or page topic. For example, advertisers on the Yahoo! (www.yahoo.com) Web site can target their advertisement to any of the more than 100 thousand categories featured in the Web directory.

• **Targeted (filtered):** The most popular form of professional Web advertising today. Advertisers can specify targeting parameters such as the user's operating system or browser software, time constraints, country or even the Internet Service Provider (ISP) used. The selection mechanism on the Ad Server analyses the request and selects only those advertisements for placement that match the current situation.

• **Personalised banners:** Next generation advertisement systems use neural networks (www.aptex.com/products-selectcast-ads.htm) and other proprietary learning methods (www.doubleclick.com) to allow personalised advertisement selection based on the browsing and interaction history a particular user, as well as other demographic information.

The idea behind targeting is that it is cheaper to target a banner to the broad audience, however personalised banners achieve the best effects.
2.11 PREVIOUS STUDIES

In this section of the dissertation several previous studies, which analysed the reasons and causes of clicks, will be presented and critically analysed.

In 1996 Hotwired conducted an Advertising effectiveness study. One of their research questions was: “Why do people click on banners?” which indicates, that they looked at the same problem but from different angle. Hotwired say, a “combination of factors related to both the audience predisposition and specific attributes of the creative execution appear to drive click-through. The primary drivers seem to be the nature of the audience; the inherent interest of the product category, or brand, to the audience appears to be the most salient factor driving click-through. The appeal of the creative may also play a role; however, the contribution appears to be secondary” (http://hotwired.lycos.com/brandstudy/conclude.html). This study analysed this dissertation’s research question from the opposite position. However, Hotwired findings are too broad and unspecific. Furthermore, this company tends to research and analyse the performance of their products and advertisements, thus reality might be quite different.

The Internet Advertising Bureau (IAB) suggests that people do not click on banners, as they are too small and static (Direct Marketing, 2001). In May 2001, they issued guidelines for new banners, which should be “bigger banners and have some interactivity within them” (Direct Marketing, 2001).

Li and Bukovac (1999) supported this view with the results of their experiment, which examined consumers’ cognitive responses as a function of banner ad size, type and user mode. This showed that larger banners outperformed smaller banners (Li and Bukovac, 1999). These studies used the intuitive approach (the bigger advertisement is more likely to be noticed as it takes more
web-page space), however the increase in price for the advertising space may be larger than the profits from new CTR.

The Economist (2001) Feb 22 Internet Advertising Woes writes that “if web advertisements were entertaining, the fact that they are increasingly distracting would be all right”. The author of the article argued that the reason why people refuse to click is that three-quarters of web advertisements are “still boring old banners, a format that has remained largely unchanged for more than six years” (Journal of Advertising Research, August 2001). Admap adds that low effectiveness of clickable banners is monitored due to the fact that “consumers’ aspirations and expectations are not met by current digital advertising” (Admap, October 2001).

Adam Dean suggests, “to reach the online consumer you have to engage with them, interact with them, entertain them, inform them and persuade them” (Admap, 2001).

Hofacker and Murphy (1998) argue that “there are many known and unknown factors influencing people’s clicking behaviours”. These factors can be classified into two different categories: audience-related factors and advertising-related factors (Briggs & Hollis, 1997). It is also believed that a “higher level of forced advertising exposure will draw more attention to the banner ad and, thus, yield a higher click-through rate” (Journal of Advertising Research, 2001).

Pagendarm and Schaumburg suggest that the reason people are not clicking on banners is firstly because “the majority of users are just not interested in the advertised product or Web site, and thus have no reason to click on a banner” and secondly as the result of banner blindness. Pagendarm and Schaumburg (2001) say that “many users simply do not notice banners on Web sites”. On the other hand, Bachofer (1998) found “high recall and recognition scores for banner advertisements. He exposed 71 subjects to several Web pages of a German online magazine that also contained graphical banner advertisements. Using an eye tracking device, he found that the mean time for watching a
banner is 1.1 sec” (Pagendarm and Schaumburg, 2001). Ipsos-ASI also found that “immediate recall of an online static banner ad was comparable to that of a 30 sec. television commercial” (Ipsos-ASI, 1999).

PC Data (1999) researched how gender affects the clicks and found that men are less responsive to Internet adverts than women. Furthermore, according to the survey conducted by MSN (2001) “six out of ten women click on banner ads” (Internet Business News, 2001).

Age is also an important factor. According to a study by Neilsen/NetRatings (2000), an Internet audience measurement service, “children are the most likely age group in the US to click on Internet advertisements. The study found that children aged 11 and under in the US clicked more than twice (0.87%) as many banner ads as the average US Internet user (0.45%). The study also found that children are lured into clicking on ads by including interactive features in ads such as game playing or contests. Internet analysts warn that young Internet users need to be constantly challenged to keep them clicking. The study shows that children tend to tire of clicking on ads as they enter their teens” (Globe & Mail, 2000). However, this study concentrated mainly on a US audience, which could be quite different from European audience.

A study conducted by Dahlen, M. (2001) revealed that novice Internet users tend to click on banners much more than experienced ones (Journal of Advertising Research, 2001). Returning to the fact that the Internet only appeared in 1993; in 1997 many of present experienced users, who generated the clicks, were new to this medium.
Baudisch and Leopold (2000) suggested, that most banners are rejected because they do not relate to the user’s interests (Netnomics, 2000). They outlined several approaches on how interrelation between banner and user’s interest could be achieved: Internet demography, Page content, User demography and Web history. However, as the authors state, even these approaches cannot help significantly to increase the clickability of banners.

Cho (2003) reveals, that “several important variables affect the clicking of banner ads: (1) level of product involvement, (2) congruency between the content of a vehicle and the product category of a banner ad, (3) attitude toward the vehicle, and (4) overall attitude toward web advertising. Results of his study indicated that people are more likely to click banner ads if they are highly involved with products, perceive high synergy between web pages and ads, have a favourable attitude toward a vehicle, or have a favourable attitude toward web advertising in general” (CyberPsychology & Behavior, 2003). Conversely, absence of these factors is expressed by low clickability of banners.

Yoon (2003) conducted a study in which he attempted to uncover the major motives for consumers to click on banners.

The result showed that: “respondents wanted to use (to click on) banner adverts for ‘maintaining social relationships’, ‘rest and pass time,’ ‘curiosity,’ ‘practical reasons,’ ‘two-way communication,’ and for ‘interest in product’. Another result showed that image was significantly more effective than text for an Internet banner advert. It was also found that the level of advert involvement had a significant impact on the effectiveness of banner adverts, showing higher advert preference for advert type and advert content when consumers were highly involved. Consumers who were highly involved and those who had low involvement were both more positively responsive to image-based adverts than text-based adverts. Highly-involved consumers, however, were more positively responsive to prize adverts than to information adverts whereas low-involvement consumers were slightly more
positively to information adverts" (Journal of Targeting, Measurement and Analysis for Marketing, 2003).

Dahlén (2002) suggests that the results from a large empirical study reported and show that “responses to banner advertisements differ between functional and expressive products and over time. Functional product banner advertisements have higher initial click-throughs that quickly deteriorate and they have no effect through advertisement impressions. Expressive products need time to wear in as both click-through rates and positive brand attitudes from advertisement impressions increase with repeated exposures” (Journal of Marketing Communications, 2002).

2.12 GAP IN THE LITERATURE

The preceding section analysed previous studies, which had researched banner advertising effectiveness. It was revealed that none of the previous studies researched in full the reasons behind the fact that most people do not click on banners. Several reasons (small, static, boring, not related to the user’s interests) were named, but these were just pieces of the puzzle, not the whole picture. Furthermore, previous research on banners was mainly based on the statistical results retrieved from the click’s data and experiments. However, motives of the people remained unknown.

The purpose of this research is to identify the motives and attitudes of people when they click or do not click on banners from their psychological point of view. This research will reveal the types and characteristics of banners which are, not only successful in generating click-through, but also accepted and
favoured by on-line public. Apart from that, the main reasons that drive people away from clicking will be identified.
CHAPTER 3:
RATIONALE AND METHODOLOGY

This research adopted the phenomenology philosophy, inductive approach and case study versus survey research strategy. Both qualitative and quantitative to ensure the depth, reliability and validity of the outcomes. Qualitative research focus group interviews and had an objective to identify the reasons which drive people away from clicking on banners. From this a sub-research objective was identified features of banners people tend to like.

Outcomes of the qualitative research revealed fourteen reasons for people not choosing to click on banners. They were grouped into seven main reasons to appear in the questionnaire.

Quantitative research was questionnaire survey. The objective of the questionnaire research was to identify and assess the main reasons why people refuse to click on banners in the order of importance. Further objectives were to find out what attitudes people have towards banner advertising, identify the most attractive features of banners and to discover the preferred locations of banners.

The primary objective of this dissertation is to identify, assess and quantify the reasons behind the decision people take to click or not to click on banners.

Firstly this means that it is necessary to investigate people’s feelings, attitudes and motivations. Then the objective is to quantify and assess this social phenomenon. The purpose of this assessment is to determine which features in banner ads tend to attract people’s curiosity and which features they tend to dislike.
3.1 ORIGINALITY OF RESEARCH

This research has significant difference to previously conducted research on banners. Firstly, originality is in the approach of the research. Previous studies approached this problem from the point of view of how to improve the working of banners, their placement, appearance, creative, frequency and so on. However these are just pieces of the preliminary problem, which is why people are not clicking at current banners. When this problem is resolved, it will be much easier to understand the way in which banners should be presented to reach the maximum CTR. Secondly, the vast majority of studies analysed opinions of specialists in on-line advertising, whereas the current study will analyse the opinions of Internet users. This is especially important as users, not advertisers, are the ones who should respond (click) to the banner adverts.

3.2 RESEARCH PHILOSOPHY

The purpose of this project is to analyse the beliefs and attitudes towards banner advertising. These values are complex by their definition, thus there can not be one single reason that leads to all people not clicking on banners. This means that the positivist approach for the current research is inappropriate, as it would not, simply, answer the required questions. Auguste Comte, a French philosopher (1798 – 1857) said that Positivism is the philosophy that the only authentic knowledge is knowledge that is based on actual sense experience. Such knowledge can only come from affirmation of theories through strict scientific method and metaphysical speculation is avoided.

http://www.marxists.org/reference/subject/philosophy/help/mach1.htm
Since the aim of this project is to collect data and develop theory, phenomenology philosophy was adopted. Phenomenology is the philosophical tradition launched in the first half of the 20th century by Edmund Husserl, Martin Heidegger, Maurice Merleau-Ponty, Jean-Paul Sartre, et al. Basically, phenomenology studies the structure of various types of experience ranging from perception, thought, memory, imagination, emotion, desire, and volition to bodily awareness, embodied action, and social activity, including linguistic activity. This philosophy enabled the researcher to get a deeper understanding as to why people behave in certain ways when facing a banner advertisement.

3.3 RESEARCH APPROACH

The approach of this research is induction. The purposes for using an inductive approach are to:

- condense raw textual data into a brief, summary format;
- establish clear links between the evaluation or research objectives and the summary findings derived from the raw data; and
- develop a framework of the underlying structure of experiences or processes that are evident in the raw data.

The general inductive approach provides an easily used and systematic set of procedures for analyzing qualitative data that can produce reliable and valid findings. Thomas, D. (2006). Although the general inductive approach is not as strong as some other analytic strategies for theory or model development, it does provide a simple, straightforward approach for deriving findings in the context of focused evaluation questions. Many evaluators are likely to find using a general
inductive approach less complicated than using other approaches to qualitative data analysis.

3.4 RESEARCH STRATEGY

In order to accomplish the research aims of this study, a multimethod approach was used. This approach combines survey and case study methods. The research consisted of two stages. Firstly in-depth qualitative research was to be conducted and secondly, outcomes of the research were to be assessed and quantified using quantitative research. The use of multiple methods increases the robustness of results because findings can be strengthened through triangulation, which is the cross-validation achieved when different kinds and sources of data converge and are found congruent (Kaplan & Duchon, 1988).

3.5 DATA COLLECTION METHODS

The data collection methods employed were focus group interviews and questionnaires.

Focus group interviewing is the “highly sophisticated technique for drawing out information, particularly about attitudes and motives” , Riley, Wood, Clark, Wilkie & Szivas, 2000 ). This technique was chosen as it allows participants not only to exchange views and ideas, but also to develop knowledge and new opinions Riley et al, ( 2000 ). This is the most salient aspect of the research as main research question is “why people don’t click on banners.” The respondents were also encouraged, not only to share their own views, but also opinions of other people, which they have previously heard. This is called the third person test.
According to Crouch and Housden (1996:83), it is often used to study the subjects in which respondent have little interest and is likely to respond: “I just don’t think about it”. To overcome this question requires the respondent to answer what he or she thinks others will do in a certain situation.

Questionnaire research allows the retrieving of large amounts of valuable data for assessment and analysis. It is mostly used for survey strategy, but could also be employed by case study and experiment research strategies. For the current research small structured interviews were chosen, as the objective of questionnaire research is to assess and quantify the data received from qualitative study.

The conjunction of these techniques was found to be optimal as it firstly gave in-depth results and secondly generalised them. Another reason for choosing this technique was the limitation of time and financial resources.

3.6 QUALITATIVE RESEARCH

The objectives of running the focus group interviews were:

- to get true opinions about banner advertising from the participants,
- to accurately explore participant’s motives and rationales when clicking or not clicking on banners,
- to understand if people would change their views on banner advertising after they discussed it with others. (This was a covert objective of the research).
- To identify the main features of banners and what makes them attractive to surfers.
Most of this research was overt, with the exception of the third objective, as it was the only means to obtain original data. If respondents were aware of this objective it would have influenced their responses.

Pre-focus group preparations were significant. First of all respondents were selected and notified two weeks in advance of the interview. All participants were given some information about banner advertising and were asked to communicate with their colleagues and discuss the topic of the interview. The rationale for this was to inform the respondents as much as possible, including views and opinions of others, prior to the focus group discussion. It also gave some participants time to notice and experience banner adverts while using the internet prior to the meeting.

Four focus groups were conducted with 5 respondents each. This number of respondents was found to be optimal, as the respondents were able to express their opinions without waiting, secondly there were enough respondents to keep the debating alive.

An important psychological factor which affected the focus groups, was that in each group there was at least one person who had a strong negative attitude towards banners and at least one person, who had a strong positive attitude towards banners. In order to achieve this, the researcher had the individual discussion with each participant prior to focus group interviews. The purpose of such grouping was to get more active debates, and thereby to retrieve more data.
3.7 SAMPLING METHOD

Non-probability sampling was used in the current research. There was a mixture of two sampling methods; snowball sampling and self-selection sampling. Notes and invitations to take part in the research were e-mailed to several email addresses of people in the Port Elizabeth area who were more likely to express their desire to take part. Those satisfying the criteria of the research were enrolled and all were asked to ask their friends and fellows to identify further cases for the research. These sampling techniques, of course, have several drawbacks such as low control over the sample contents and low probability of sample being representative (Saunders, 2000). However these sampling methods were chosen according to the financial resources and time constraints available for the research and these resources which were very limited. The sample size for the total focus groups was 20 people. According to Saunders(2000), this amount is below minimum sample size to provide statistical analyses. Statistical analysis however, is not the objective of this qualitative research.

The respondents for the focus groups were chosen with the following criteria held in mind:

- 50% males to 50% females. This choice was made to reflect Web population. Different sources state different figures for males vs. females online: “consensus in the United States found that about 40% of users are females” (Cyberdialogue, 1998; GVU, 1998). On the other hand According to Nielsen//NetRatings, “Females accounted for 52 percent, or 55.0 million
Internet users" (http://www.nielsen-netratings.com, 2006). To approximate 50x50 choices was made.

- 18 to 35 years old. These people are the strongest antagonists of banner advertising, as shown by the research conducted by Who’s Marketing Online (www.webreference.com/dev/banners/research.html).
- Have higher education. According to Who’s Marketing Online “Customers under 30 and college educated are saying "no" to banner advertising techniques” (www.webreference.com/dev/banners/research.html)
- Speak fluent English.
- Be familiar with the Internet and have at least 1 year of Internet experience.
- Have no relationship to marketing. This was in order to solicit unbiased opinions, which reflect the general public.
- Have interest in banners, which was one of the requirements of self-selection process.

Four focus groups were conducted with five people in each, as this amount of people in each group was found to be optimal. All focus groups lasted about two hours and took place at the Old Grey Sports Club with a relaxing and friendly environment. One focus group was specifically targeted to farmers from the Karoo. This focus group meeting was conducted at the Klipplaat Hotel after a farmer’s association meeting when all the respondents were available. The purpose of this was to get a different perspective from people who operate in an environment that is outside that of the corporate world and people living in cities. All focus groups were digitally voice recorded and had a semi-structured approach, as this approach was found the best to implement for current research.
(Riley, 2000). Respondents were free to talk. However at the point when either conversation strayed from the topic or respondents had nothing more to say, the interviewer gave out new information on banners or asked respondents relevant questions.

3.8 DATA QUALITY ISSUES

The reliability of this research is relative, as there could not be a definite guarantee that other researchers, who would like to replicate current research, would receive similar data. To overcome these issues assumptions and other details of the research will be listed in the coming sections.

Due to the fact that this research took the form of focus groups, it was practically impossible to avoid all potential biases by respondents. However, as much as possible was done to reduce these biases. The precautions are listed below:

- The researcher was well-prepared for the interviews.
- Participants had enough objective information available prior to the meeting.
- The researcher was dressed appropriately and similar to the dress code of the respondents.
- Opening comments, after the commencement of the interview took about 10 minutes. Respondents were thanked for coming; the nature and objectives of the research were clearly stated. Participants were notified of anonymity (however all the respondents were happy to state their real names to other participants) and it was explained what the outcomes will mean.
- The language chosen was the commonly used language in the respondents’ everyday life. A list of special banner terminology was placed
on the wall, so all participants could look up any unfamiliar terms. Furthermore participants were encouraged to ask any questions.

- The researcher decided on a neutral line of behaviour for during the focus group.
- Participants were given the freedom to talk as much as they wanted and the researcher rarely asked some questions to move the discussion into the right direction.
- All data was digitally voice-recorded (all participants gave their permission for that prior to the focus group interview) and later analysed.

Obvious problems with the generalisation of data received by qualitative research occurred. These problems were dealt with via excessive quantitative research.

### 3.9 QUANTITATIVE RESEARCH

On the basis of the results of the focus groups, the qualitative research questionnaire was developed which reflected the main opinions and points of the research. The purpose of the quantitative research was to quantify the results received by qualitative research and to identify the main trends and opinions of the people. Quantitative research also allowed for the generation of statistical results, which could be presented and analysed.

### 3.10 SAMPLING METHOD

Due to the lack of time and money the most appropriate sampling method for this part of the research was convenience sampling. This sampling method has significant drawbacks as opposed to probability sampling methods, but
convenience partly compensates for other disadvantages. For the first part of the survey the researcher was based next to Internet cafes (to increase the amount of potential respondents familiar with the Internet) in Summerstrand and Humewood and asked people to take part as they entered the premises. This was done for the purpose of validity of data, because people, which have just used Internet, might have seen the banner (which they liked of disliked) and would be orientated onto this particular banner when answering the questionnaire. Instead the purpose of the research was to elucidate the original opinions of people, which were based on their past experience and passed the evaluations stage. For the second part of the survey, the researcher interviewed people randomly. However, all of the respondents had to satisfy following criteria:

- Age group of 18 to 35 (strongest banner opponents according to Who’s marketing online (www.webreference.com/dev/banners/research.html),

- Familiar with the Internet.

The questionnaire consisted of thirteen questions and took approximately one minute to fill out. Three hundred people were asked in Port Elizabeth in October 2008. According to Saunders et.al,(2000) this respondent amount is enough for statistical analysis.

After the first two focus groups were conducted, draft questionnaires were developed and piloted. Ten people were asked (in Port Elizabeth) and after the completion of the last two focus groups, final questionnaires (Appendix 1) were designed and the survey started.

All of interviews were face-to-face approach and were administered by the researcher. The first reason for this was to retrieve as much data from the respondents as possible. The second reason was in order to elicit more or less unbiased answers. Most of the questions have multiple choices of answers.
underneath. However, during the dialogue, the interviewer waited a few seconds after asking the question and before giving the possible answers. This was done to extract the respondent’s original opinion.

3.11 QUESTIONNAIRE DESIGN

The questionnaire consisted of thirteen questions and was one page long. The first two attribute questions asked for the demographics of age and gender. These questions were necessary in order to compare attitudes to banner advertising amongst different age and sex groups. The respondents were separated into three age groups (18 to 24; 25 to 35 and 36 +) for simplicity of analysis.

The rest of the questions were of different types. There were two open questions, one close-ended question, six list questions, one category question and one attitude question. It is necessary to mention that list questions were placed on the questionnaire in order to reduce the duration of the questionnaire interview. However, there was still blank space to fill if the respondent named another alternative.

The order of questioning was made on the basis of the increasing difficulty of the questions. Those questions in the beginning were questions about attributes and behaviour. These were followed by more complex questions about beliefs and attitudes. There was a written introduction at the beginning of the questionnaire to explain the purpose of the research. This meant that many questionnaires could be emailed to respondents anywhere in South Africa if necessary.
A detailed analysis of the questionnaire will be made in the next chapter. From this the basis of qualitative research outcomes, quantitative research will be planned.

Testing for reliability of data took place using the test re-test method for seven of the respondents. Convenience sampling was used in this case.

3.12 TRIANGULATION OF DATA

Triangulation of data enables the validation of research results in order, to check if two different data collection methods, exploring the same phenomenon achieve similar results. Triangulation of data is important for any research as it reveals if the outcomes of the study were unintentional or if they represent a regular phenomenon. O'Donoghue, T. & Punch, K. (2003 : 78)

In this research only a certain degree of triangulation took place. The outcome of one research method was taken as the basis for another. However respondents from the second research method had an opportunity not only to choose from the list of options, but to also add their own reasons. This approach was selected as it was found to be most optimal one due to the limited funding available for the research.

3.13 ETHICAL ISSUES OF THE DATA COLLECTION

Certain ethical issues had to be considered in the process of this research project.
For the focus group interviews all respondents were invited to take part, but everyone was notified that they all have a right to refuse participation at any moment with or without any reason. Participants were informed of all issues concerning the research procedure, such as aims, objectives, nature of the study and duration. The only objective, which was concealed from the participants, was to understand if people change their views on banner advertising after they discuss it with others. This covert part of the research was the only affordable means of obtaining the required data. In order to assure that no other non-deceptive research methods would be used respondents were guaranteed anonymity.

Respondents were also granted confidentiality and promised that their responses would be used for academical purpose only.

The questionnaire section did not incur any personal data collection, apart from the gender, and age of the respondent. This was done in order to compare findings in different age groups and amongst males and females. Draft questionnaires required people to give their precise age, and this was found to be disliked by the participants.

In general, banner advertising is not an issue for people to be harmed by. According to Saunders et.al, (2000) “the general ethical issue is that the research design should not subject the research population to embarrassment or any other material disadvantage” This rule is not challenged during this research. However all precautions were made to avoid any harm: all participants were 18+, mentally and physically healthy and all the respondents were motivated by genuine interest in banners.
CHAPTER 4
THE EMPIRICAL STUDY

4.1 FOCUS GROUPS FINDINGS

The purpose of the focus groups was to identify key opinions and attitudes of people about banner advertising in order to develop a questionnaire to conduct quantitative research. An extended review of the focus groups discussions is presented in the Appendix D. Summaries of the groups are shown below.

Focus group 1
In general this group of participants had strong negative attitude towards banner advertising. They said that they do not click on banners as banners are too annoying and unprofessional, poses the threat of viruses and sometimes just use up too much time for the surfer. The main features that attract people in banners were originality and location on the respected web sites.

Focus group 2
In this focus group positive attitudes about banner advertising prevailed. Participants said that they avoid clicking on banners as they are useless and annoying. On the other hand features that attract them in banners are: presentation of interesting information to the user as well as the sense of surprise and intrigue.
Focus group 3
Participants of this focus group reported neutrally-negative attitude towards banners. They said that the reasons for them not to click on banners are: unattractiveness of banners, bad production quality, elimination of privacy and that banners are too primitive and annoying. On the other hand, reasons for them to click are: special offers and erotic features.

Focus group 4
Participants of this focus group said that their resistance to click resides in the fact that most of the banners are: unattractive, annoying, boring and carry no sense while being very persuasive. On the other side, features that attract participants in banners are: presentation of interesting information, nice appeal of the banner, interactivity, animation and professional design.

Covert objective
The qualitative research had a covert objective to determine if people tend to change their attitudes towards banner advertising when they discuss it with others. The research revealed that people with strong (positive or negative) attitudes tend to change their relationship to banners after they discuss this issue with other people which have opposite attitudes to banners. This works both in favour and against banners. This phenomenon may be due to the concept of opinion leadership when “opinion leader informally influences the consumption actions or attitudes of others” (Schiffman and Kanuk, 2000 Journal of Advertising, 1990). In order to confirm these results significant quantitative analysis is necessary.
Summary
In general, opinions of the respondents were slightly negative. Three respondents found themselves to be absolutely indifferent towards banners. Eight respondents said they like banners. Nine respondents said that they dislike banners. In terms of gender, women tend to like banners more than men but the difference is so slight it is insignificant. In general, younger respondents with fewer responsibilities tend to click on banners more often than older and busier people. Females tend to be more afraid of viruses than males. On the other hand, the majority of males find banners useless and unattractive.

Respondents named the following reasons, presented in table 1 below, why they do not click on banners.

Table 1: Why they don’t click on banners

<table>
<thead>
<tr>
<th>Reason</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banners are not attractive</td>
<td>2</td>
</tr>
<tr>
<td>Banners are boring</td>
<td>1</td>
</tr>
<tr>
<td>Banners poses the threat of virus</td>
<td>1</td>
</tr>
<tr>
<td>Banners are to annoying</td>
<td>4</td>
</tr>
<tr>
<td>Too many banners on the Web</td>
<td>3</td>
</tr>
<tr>
<td>Banners eliminate privacy</td>
<td>1</td>
</tr>
<tr>
<td>Banners are too primitive</td>
<td>1</td>
</tr>
<tr>
<td>Banners never give the proper link</td>
<td>1</td>
</tr>
<tr>
<td>Banners are not original</td>
<td>1</td>
</tr>
<tr>
<td>Low quality of banners</td>
<td>2</td>
</tr>
<tr>
<td>Banners are not interesting</td>
<td>6</td>
</tr>
<tr>
<td>Banners are take up my time</td>
<td>2</td>
</tr>
<tr>
<td>Banners work without permission</td>
<td>3</td>
</tr>
<tr>
<td>Banners slow down Internet access</td>
<td>2</td>
</tr>
</tbody>
</table>

Some of these characteristics were named by several respondents. The figures in the right hand column represent the number of times each characteristic was
named. Unfortunately the research sample was not large enough to provide statistical results.

An important point that emerged, is that most of the respondents felt ‘sorry’ for banners being ignored by people but all suggestions on how to improve banner advertising appeared to be unfeasible.

Participants outlined several features of banners that annoy them:

- **Pop-ups.** This feature was named by several respondents. Participants said that pop-ups form a strong negative attitude not only to the advertised product, but to the on-line advertising in general.

- **Too persuasive content.** This was also mentioned by six participants as the feature that not only discourage them to click, but they saw it as the “stupidity” of banner advertising.

When participants were asked to name characteristics of banners, which attract them to click following features were listed. The figures in table 2 below again represent the number of times each characteristic was called.

**Table 2: Characteristics of Banners**

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interesting Information</td>
<td>3</td>
</tr>
<tr>
<td>Special Offers</td>
<td>2</td>
</tr>
<tr>
<td>Interactivity</td>
<td>1</td>
</tr>
<tr>
<td>Trustfulness</td>
<td>2</td>
</tr>
<tr>
<td>Animation</td>
<td>2</td>
</tr>
<tr>
<td>Professional design</td>
<td>1</td>
</tr>
<tr>
<td>Erotic features</td>
<td>2</td>
</tr>
<tr>
<td>Brightness</td>
<td>3</td>
</tr>
<tr>
<td>Surprise and Intrigue</td>
<td>1</td>
</tr>
</tbody>
</table>
4.2 ANALYSIS AND DEVELOPMENT OF QUESTIONNAIRE

As discussed in the methodology section (see section 3.4 in chapter 3), the questionnaire was the logical continuation of the focus groups and served the purpose of confirming the results of qualitative analysis through data triangulation. The questionnaire is presented as Appendix C.

It was found that people tend to access the Internet mainly from home, work and University and then from Internet cafés and via mobile phones. All these types and locations of access were included in the questionnaire. This was done in order purpose to compare respondents' frequency of clicks to the mean of their access. This factor may have significant impact, as the price for the access may differ substantially (university Vs mobile). The number of activities performed online was identified: to check e-mails, to chat, to do research, and to download music or films, to play games or to shop. The motives for going onto the internet are an important characteristic, as according to the model of interactive advertising developed by Rodgers and Thorson (2000) “motives for using the Internet affect the way in which Internet advertising is being perceived by users”.

Empty space was also left for interviewees so that they could if they perform list other activities, such as hacking.

Another important question designed was: “Do you know what banner advertising is?” Respondents were asked either to agree or disagree. If the respondent was unsure or answered “NO” to this question, a sample list of most popular banners was shown. Usually after the demonstration people found themselves already familiar with banners, just not aware of the term. However if the respondent was positive about unfamiliarity with banners, then interviews were terminated.
The attitude question of “how often respondent clicks on banners” was developed. This question is strongly correlated with the research objective. It serves the purpose of identifying the frequency of clicks. First, the objective of the research was to elicit the attitudes towards banner advertising amongst respondents. They were asked a question: “What is your attitude towards banners?” Participants were asked to choose from likeliness, ignorance and hate. If the respondent answered this question with “I ignore them” he or she was asked to if his or her ignorance was closer to like or dislike. This was to get more precise views on attitudes towards banner advertising.

To confirm the results of the qualitative research, the ‘most favoured features of banner list’ question was developed. Options of the list were derived from the results of the qualitative research. One external feature was added (big size). This was in order to test the suggestion of the IAB that banners of a big size tend to attract people more than smaller ones.

To achieve the fourth objective of the research question (see section 3.4 in chapter 3), analysing the banner placement on the web page was introduced. Several previous studies have analysed the question of effectiveness of a banner ad, according to its positioning. However the purpose of this question was to find where people prefer to see it. Results of this question will enable researcher to come to the conclusion which is the place(s) on the page, which are most efficient in terms of click-through as well as in terms of users’ acceptance.

In terms of this research project, the most important question was asking respondents what reasons they have for not clicking on banners. Seven most frequent reasons were derived for the list on the qualitative research.
Respondents were also especially encouraged to name their own reasons, which were not present in the list.

The last question of the questionnaire was an open question, based on the third person test (see section 3.5 in chapter 3). The idea behind usage of this technique was to obtain maximum data from each respondent.

Two other questions regarding the age and sex of the respondent were developed for demographic purposes. During the pilot questionnaire the respondent's nationality was asked, but it was found that respondents were offended by this question and it was subsequently removed.

4.3 SURVEY FINDINGS AND ANALYSIS

Quantitative research took place in Port Elizabeth in the form of 300 one page multiple choice questionnaires. The objective of the questionnaire was to identify and assess the main reasons why people refuse to click on banners. Then in the order of importance; to find out what attitudes people have to banner advertising, identify the most attractive features of banners and to discover, what are the locations of banners, and which are most preferred by people.

Respondents of the research performed certain activities via the Internet. Figures on the pie graph over the page, are the percent of all respondents answered: 25% of the respondents said they do research. Other most frequently named activities were e-mail (20%), Banking (19%) and chat (13%).
All respondents of the research were aware and familiar with banner advertising. Respondents were asked to name the frequency of their clicks. Data collected it revealed that 7% of people click on banner every week. This finding is highly significant, as it shows that click-through rate falls not because people are not clicking at all on banners, but due to reasons related to the banners themselves. Conversely 77% of all respondents have never clicked and never plan to click on banners. If it is to be taken into account that people with strong attitudes tend to change their minds as they discuss this issue with people with contradictory opinions, then this means that if more publicity will be given to banners there is a high probability that more people will click. Only 6% of all respondents shared that they click on banners every day. This is graphically represented in pie chart 2 below. These are people who are extremely interested in banners or collect them and thus could not be treated as representative of the whole population.
The correlation between Internet experience and frequency of clicks was also calculated: in general people with more than three years of Internet experience tend to click on banners less than once a month, whereas people with less Internet experience tend to click more often.

The next issue addressed was the relationship of people towards banner advertising. Majority of respondents found themselves indifferent towards banners. This is a positive issue as it is easier to transfer a neutral attitude to a positive one than when people feel negative. A significant percentage of (37%) said that they hate banners.
According to SPSS analysis outcomes, older people tend to dislike banners much more than youngsters. Of the 13% of respondents who like banners, 59% are female.

When respondents were asked what features of banners that attract them are, the following results were obtained: 21% of all respondents said that they would definitely click on the banner, which offers them the information they are interested in. Other features most frequently named were brightness of the banner, animation and be serious, which were all at 13%. The least frequently named features were: size of the banner 3% and money to win offer 6%, erotic features (11%). There is, however the probability that respondents were not completely truthful.

### Pie Chart 4

An interesting distribution of votes could be monitored here: males tend to pay more attention to the content of the banner: interesting information, trustful and serious. On the other hand, females were more interested in special offers, animation and originality.
Placement of the banner has significant influence on the click-through, but the most effective location does not mean that this is the place people prefer to see banners. Results of the quantitative research exposed that most of the respondent’s attention was absorbed by Pop-ups (53%), a more modern form of banners. This phenomenon could also mean that they are the most annoying. Placement at the top of the page worked 25% of the respondents. These banners were the first to be introduced. The least preferred location of the banner was left side (2%). Lately, developed rollover banners which are presented by the normal top of the page banners, which expand when the user brings mouse onto it, were not too popular amongst respondents. This is all illustrated in the pie chart below.

**Pie Chart 5**
When respondents were asked what their reasons were for not to click on banners, interesting responses were received and are illustrated in Pie Chart 6 below:

**Pie Chart 6**

- 35% of all respondents said that their refusal to click on banners is because they are afraid of picking up viruses.
- 19% of all respondents found that banners slow down their internet access. One participant added: “When you click onto banner it starts to load and load. Sometimes you computer may even crush. Who needs this?”
- 17% of people find that banners are just too annoying and don’t click on them.
- 3% of all respondents said that they do not like it when something is advertised to them without their permission, so they do not click on banners.
When respondents were asked why, do they think, other people don’t click on banners different answers were obtained:

**Pie Chart 7**

- 25% of all respondents said that others don’t click, as banners are not interesting for them.
- 20% of people said the reason is that banners are too annoying.
- 10% said that other people do not click on banners as banners poses the threat of viruses or spamming.
- 10% thought that there was too much choice of similar banners.
- 10% referred to the bad quality of banners and listed this as the reason other people do not click on banners. Several participants said that advertisers are happy to work for months under the creation of commercial, but spend half an hour developing the banner. “Banners have no originality” – said one respondent. “We are not dogs to serve commands! If a banner orders me to click I would not obey!” – told other.
“Banner needs to be the piece of art to get people’s attention” – added one lady.

- 10% mentioned that bad redirection of the banners (with any possible results to the computer) drives people away from clicking. One female said: “a couple of my friends got their computers crashed, when they clicked on banners. I, personally, would not risk it!”

- 10% said that people simply do not notice banners. “You see thousand of banners during your every session on-line. After a certain time you just get used to them and do not pay attention on banners. Something extraordinary have to happen for you to notice the banner” – added one person.

- 5% said that other people have no time to spend clicking on banners.

The outcome of these two questions have shown little mathematical correlation. For the last question, the most significant reasons were named but they received a lesser percentage of votes. These are shown in Pie Chart 8.

### Pie Chart 8

![Pie Chart 8](image-url)
However other reasons were added by the respondents. This means that data received from these questions triangulates. If information received from question 11 and question 12 is compounded on the same graph distinctive major reasons for not clicking on banners could be identified.

From this three main reasons for people not to click on banners could be identified. They were virus spasm; not interesting and too annoying.

Other important reasons were:

- Banners do not catch attention 11%
- There are too many banners on the Web 11%

The remaining reasons appeared to be less significant; however they also play important roles in people’s motivations to respond to banner advertising.

4.4 SUMMARY OF FINDINGS

To summarise, the quantitative research results revealed that:

- The majority of respondents are indifferent and ignore banner advertising.
- In general people with more than 3 years of Internet experience tend to click on banners once a month or fewer, where people with less Internet experience tend to click more often.
- Females tend to click more often than males.
- People are more likely to click on banners which present interesting information, are bright, animated or bright in colour for the surfer.
- People prefer to see Pop-Up banners or banners that are located on the top of the page.
- The main reasons why people don’t click on banners are: People are afraid of viruses; Banners do not offer the information user is interested in and Banners are too annoying.
4.5 RESULTS OF TRIANGULATION OF DATA

Triangulation of results data shown that there is regularity in the results received, that is the main reasons for not clicking on banners were named in both researches. Triangulation of data received from last two questions also exposed that in both cases, major indicated reasons prevailed over other less important motives.

4.6 TEST RE-TEST

The test re-test reliability assessment approach (Saunders et.al, 2000) was used to ensure that data received is genuine and not affected by situational circumstances. Ten percent of all questionnaires were administered twice to the respondents. The results of this assessment demonstrated that all tested respondent give the same answers to the questions each time. The only difference was expressed in the fact that during the second administration many respondents added new reasons for not clicking on banners. This may be due to the fact that after the interview respondents were thinking about banners and assessing their behaviour. This process may have elicited new, previously unnamed reasons for avoiding clickable banners.
4.7 COMPARISON OF FINDINGS TO RESULTS FROM THE PREVIOUS STUDIES

In the literature review (section 2.10, chapter 2) Hotwired found that “the inherent interest of the product category or brand” (http://hotwired.lycos.com/brandstudy/conclude.html) drive click-through. Pagendarm and Schaumburg (2001) also suggest that people are not clicking on banners as “the majority of users are just not interested in the advertised product”. Study of Cho (2003) wrote that level of product involvement has significant influence upon the clicking on banners. Hotwired also found that “the appeal of the creative may also play a role; however, the contribution appears to be secondary” (http://hotwired.lycos.com/brandstudy/conclude.html). This research also found that creative content of the banner plays secondary role in attracting people to click.

Li and Bukovac (1999) found that larger banners tend to outperform smaller banners. Respondents of the current research did not show interest in larger banners (big size of the banner attracted just 3% of the people who were interviewed). However it is important to bear in mind that Li and Bukovac conducted research that was based on the statistical analysis of the click-through rate of the big and small banners. The current research concentrated on peoples’ views and attitudes towards banners. The fact that these two research projects received such different results could be explained by the differences in research approaches, different audiences and that people sometimes tend to speak and act differently. Another significant factor is that during the current research, people were not asked what banners they prefer: small or big, but respondents were asked if the big size of the banner attracts them to click. Sometimes this
may not be the case, but people still click on big banners as it draws attention with its size.

PC Data (1999) researched how gender affects the clicks and found that men are less responsive to banners than women (http://adres.internet.com/stories/article/0,,7561_188951,00.html). The current research supported this view, as it was found that females tend to click more often than males.

In terms of age, it was established that younger people (18-24) tend to click on banners more often than older individuals (25-35). These findings support the results of Neilsen/NetRatings (2000).

Dahlen, M (2001) found that novice Internet users tend to click on banners much more than experienced ones. This research found that in general people with more than three years of Internet experience tend to click on banners fewer or once a month, where people with less Internet experience tend to click more often. This suggests that this current research project is supported by M Dahlen’s theory.

Several previous studies (Internet Advertising Bureau (IAB), (Journal of Advertising Research, August 2001) and Admap, (October 2001) argued that interactivity within banners increases click-through and attracts people. The current research suggested that 14% of all respondents are attracted to animated banners. This proves the hypothesis of the previous studies.

Adam Dean suggests that “to reach the online consumer you have to engage with them, interact with them, entertain them, inform them and persuade them” (Admap, October 2001). The majority of the respondents from the current research did not want such close relationship with advertisers. One participant said: “if we want to click – we would! But when a banner is trying to interact with
me – it is absurd”. On the other hand according to the research findings, 50% of respondents ignore banners. To reduce this figure it is necessary to catch their attention and interactivity may be the right approach to adopt.

Yoon’s (2003) study revealed that “respondents wanted to click on banner adverts for 'maintaining social relationships', 'rest and pass time,' 'curiosity,' 'practical reasons,' 'two-way communication,' and for 'interest in product’” (Journal of Targeting, Measurement and Analysis for Marketing, 2003). The current research project has partially proved the outcomes of Yoon, however due to the different perspectives of these studies, some outcomes were different.

To conclude, this research supported the majority of the previous studies on banner advertising effectiveness, but it also revealed other reasons for people not to click on banners. These reasons were not previously explored.

4.8 ASSUMPTIONS

Several assumptions were made in relation to the research:

- It was assumed that respondents of research answered all questions truthfully and in good faith.
- It was assumed that during the interviews, the answers of the respondents were genuine and not affected by researcher or external factors.
- It was assumed that banners always appear automatically on the advertiser's home page.
CHAPTER 5
CONCLUSIONS AND RECOMMENDATIONS

5.1 CONCLUSION

The aim of this research was to identify the main reasons why people do not click on banners. The findings suggest that people avoid clicking on banners due to several reasons: the threat of viruses, uninteresting material and annoying levels. Secondary reasons named were that banners do not catch attention of the viewer and that there is an excessive amount of banners on the Web. The study has shown that interest in the product or service being advertised proves to be the decider on whether or not to click. When people are looking for any information on the Web and see the banner, which offers them the information they need, people tend to click on it (research outcomes).

The second reason for not clicking was that people considered banners too annoying. This may be due to the Halo effect, when people perceive all banners annoying based on prior experience of several banners, which irritated them. Another important issue are pop-ups. In spite of a relatively high response as opposed to other banners, people tend to dislike them (52% of respondents of the research mentioned that they hate pop-ups). Pop-ups tend to propagate enormously and could cause computer crush (www.microsoft.com). Thus for ethical and practical reasons it is recommended to avoid usage of pop-ups.
The fourth reason why people do not click on banners is that the vast majority of banner advertisements are so similar, so people do not notice them. The solution to this issue is to spend more time, attention and money creating banner advertisements, so they will be the “piece of art”, as one of the respondents told. According to Promotion Guide (www.promotionguide.com) banners should correlate with web page background, but should also outstand to catch the attention of the surfer.

The excessive amount of banners on the Web could be reduced by an increase in prices for banner space and the introduction of quality control. However as the Internet is a free network this will be the difficult issue to resolve.

The first objective of this research was to explore the attitudes of people towards banner advertising. In conclusion to this objective, findings suggest that majority of people are indifferent towards banner advertising. In addition it was also found that people with strong attitude towards banner advertising tend to alter it after they discuss this matter with people with contradictory opinions. A combination of these findings draws out the conclusion that a significant amount of positive publicity on banner advertising is likely to improve people’s attitudes towards banners.

With regards to the second objective, which was to compare the responsiveness to clickable banners between genders and different age groups, it was found that females are more responsive to clickable banners then males. It was also
established that younger people (18-24) tend to click on banners more often than older individuals (25-35).

The third objective of this research was to identify what features in banner advertising people tend to like. In relation to this question it was found that in order to reach maximum effectiveness in banner advertising, advertisers should use those features, which are favoured by on-line public. These are: when banners represent interest to the surfer, when banners are bright, when animation exists and when banners offer prizes, wins or discounts for specific goods or services. Conversely advertisers should avoid pop-ups and too persuasive context of the banners, as it irritates and annoys people.

The fourth goal of the research examined the placement of the banners. Outcomes elicited that users prefer and find that the most effective banners are those that are located on the top of the page or on the right side of the page. Thus it is suggested to use these locations as they are not only accepted by people, but also effective in terms of click-through rate (www.webreference.com/dev/ banners/research.html).

This research was aimed at analysing people’s psychological reasons to click and not to click on certain banners. Research outcomes revealed the ways in which banners should be built and positioned in terms of acceptance. But acceptance does not necessarily mean clicks. Furthermore, advertising practice showed that sometimes the most disruptive and annoying techniques bring the best responses and results to the campaign, despite the bad consumer attitude. Nevertheless people do not fancy pop-ups, their response is higher than for
general banners. However, according to Seth Godin (1999: 25-26,27), the originator of permission marketing, we are moving away from disruption era, as people have learned to ignore disturbance. At the moment advertisers, in order to reach and get response from the customers, need to know and use the knowledge of what this consumer likes and prefers. This knowledge will allow advertisers to send the right message to each consumer, thus improve response and positive attitude towards the brand, the company and to banner advertising in general.

5.2 RECOMMENDATIONS

Mostly however, banners are targeted to broad audiences and individuals do not perceive themselves as the part of that audience. This problem could be solved through personalised or at least targeted banners. Personalised banners are based on the “cookies system” developed by DoubleClick. They analyse the cookies (temporary Internet files) in the user’s computer and present the banner, which reflects the interests of the surfer. Targeted banners are usually placed on the web-sites of specific interest (for example fishing) and offer information related to its theme (that is Garmin fish finders, Shimano reels and so on.) to all users.

Another solution, which already was implemented on practice, is Smart banners. These banners work in conjunction with search engines and a specific banner appears when surfer is looking for information related to it. For example when the word “property” is placed for search, a banner advertising Bond Originators would appear.

Banner annoyance is based on two characteristics one of which is banner burnout and the second is too exasperating appeal and performance of the
banner. To avoid banner burnout advertisers need to do banner replacement or modification, which has to take place frequently. Otherwise a banner rotator could be used. This is the special software which randomly (or using cookies) selects the banner each time the web page is viewed. When a banner itself acts aggravatingly, there is the danger that the viewer may register the brand, even though they do not click. If this evocation of the brand is accompanied by annoyance, it could have an adverse effect on the brand advertised.

Many people believe that banners pose the threat of a virus and, unfortunately this is occasionally the case. This issue could be resolved in two different ways. Firstly strict control over all banners and their links could be imposed. However current technologies: Proxy-servers; re-directs; defacing of web-site and other vulnerabilities and exploits that allow to misinterpret the current protocols used, would enable those with criminal intend to overcome these barriers. The other possible solution is high quality of the banner, which would ensure viewers of the trustfulness and credibility of the advertised product or service.

5.3 FUTURE RESEARCH

Few studies have been conducted to date on people's perceptions of clickable banners. Therefore, for future research, it is recommended to study this area of marketing in depth, as current technologies, which drive advertising forward, allow such interaction between the advertiser and the consumer.

An area of special interest is the primary reason for people not to click on banners; this is lack of interest in the information presented on banner. As this is the main criteria for people’s decision to respond to advertising, future studies could concentrate on the development of advertising software, which will be
entertaining and which will interact with users during their search. According to the findings from this research project, this is the third in terms of frequency activity on the Internet. Such software reflects the concept of permission marketing and provides an opportunity for interactivity that enables the advertiser to work with different forms of on-line advertisements.

Another interesting research project angle would be to compare the effectiveness of clickable banners to the text links such as Google AdWords. This research would be important because Yoon (2003) suggested that “image was significantly more effective than text for an Internet banner advert” (Journal of Targeting, Measurement and Analysis for Marketing, 2003). Currently, however, text links are considered to be very effective. Outcomes of this research would enable a researcher to identify the most effective media for on-line advertising.
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Appendix A

The very first banner on the web was a banner from AT&T that appeared on Hotwired in 1994.
Appendix B

GLOSSARY OF TERMS

**Ad blocking** - the blocking of Web advertisements, typically the image in graphical Web advertisements.

**Ad space** - the space on a Web page available for advertisements

**Banner advertisement** - Standard advertisement format for web pages, usually taking the form of a landscape-format rectangular banner.

**Banner blindness** - the tendency of web visitors to ignore banner ads, even when the banner ads contain information visitors are actively looking for.

**Button ad** - a graphical advertising unit, smaller than a banner ad.

**Clickstream** - Trail left by the links that a website visitor has clicked.

**Click-through** - A person following a link or graphic from a referring site to reach the current site.

**Cookie** - Small file sent to your PC's browser by a web server, which is then used to store information about you that will be called upon when you revisit the site.

**Firewall** - Network security system designed to restrict external and internal traffic. Particularly used to prevent unauthorised users accessing a company's or individual's computer system via the World Wide Web.

**Facebook** - is a social utility that connects people with friends and others who work, study and live around them. People use Facebook to keep up with friends

**GIF** - Graphic Interchange Format (or sometimes Graphic Image File format). Popular file format used for displaying photographs and graphics on the Internet. Can contain multiple frames, allowing for simple animation, so commonly used for banner advertisements.
**Hack** - To penetrate a 'secure' computer system, usually with the purpose of committing fraud or merely causing disruption. A number of supposedly secure Internet servers have been hacked in recent months. A cracker is a criminal hacker.

**Hit** - Websites score hits each time a graphic or block of text is requested from the web server. Commonly used to measure a website's popularity in order to sell advertising space, though this can be misleading as a single page can count for several hits, depending on its graphics content. Advertisers are increasingly looking for more precise statistics, such as 'unique visitors', which discount the same person accessing the same web page more than once during the measurement period.

**HTML** - Hypertext Markup Language. Computer programming language used to create World Wide Web documents.

**Hyperlink** - Graphic or piece of text on a web page that, when clicked, takes the user to an associated web page. Also known as link, hypertext link or hotspot.

**Interactive television** - Describes a television system in which the television or decoder is linked to a telephone line to provide a return communications path from the consumer to the television company, to facilitate electronic shopping, banking etc.

**Internet** - A co-operatively run global collection of computer networks with a common addressing scheme. Accessible by anyone with the right equipment, to view information, transfer files and send email across the world, for the price of a local telephone call.

**Internet café** - Cafe kitted out with computers connected to the Internet where users can pay a set fee for a certain amount of time online, to browse the World Wide Web and check email.

**Interruption marketing** - Distracting consumers with unsolicited offers.
**Intranet** - A private computer network within an organisation which has the look and feel of the World Wide Web and follows the same protocols, but which is accessible only to authorised users within the company.

**JPEG** - Joint Photographic Experts Group. Graphics file format that, thanks to heavy compression with minimal loss of quality, can be used to transfer images quickly across the Internet. Best suited to photorealistic images.

**Keyword** - The word entered into a search engine to instruct it to carry out a search.

**Offline** - Not connected to the Internet. To save on call charges when accessing the Internet via a dial-up account, it makes sense to work offline - for example, to compose emails and newsgroup messages, and then go online to send and retrieve messages.

**Online** - Connected to the Internet.

**Page impression** - Occurs every time a particular web page is displayed by someone using the Internet. More reliable measure than a hit, which is also registered when a spider or similar program accesses the web page.

**Permission marketing** - Increasingly popular hybrid of direct marketing (DM) and e-marketing that is gathering response rates of between 5% and 15% in the States. It is different from traditional DM in that it asks people to opt in, rather than opt out.

**Pop-under ad** - an ad that displays in a new browser window behind the current browser window.

**Pop-up ad** - an ad that displays in a new browser window.

**Rectangle ad** - any one of the large, rectangular banner sizes suggested by the IAB.

**Rich media** - new media that offers an enhanced experience relative to older, mainstream formats.
**Search engine** - Software, accessed via a specific website, such as AltaVista or Google, which helps users to find their way around the Web. By entering a keyword or phrase, the engine will return all relevant websites in its database. As the number of pages on the World Wide Web continues to increase at a dramatic rate, several companies are working on more sophisticated systems such as context-based search engines which can filter out sites that may seem relevant but the context is wrong.

**Skyscraper ad** - an online ad significantly taller than the 120x240 vertical banner.

**Spamming** - The practice of trying to infiltrate a newsgroup, or several newsgroups, with a commercial or otherwise 'nappropriate' message targeted at the group's subscribers. Usually met with a firm response in which the 'spammer' is flamed by the recipients of the spam.

**Sponsorship** - advertising that seeks to establish a deeper association and integration between an advertiser and a publisher, often involving coordinated beyond-the-banner placements.

**Text ad** - advertisement using text-based hyperlinks.

**Vertical banner** - a banner ad measuring 120 pixels wide and 240 pixels tall.

**Viral Marketing** - The Internet version of word-of-mouth referral, in which a website URL or a Web-based offer or service spreads from user to user like a virus, creating rapid growth. Hotmail, the Web-based email service, uses the simple but hugely effective viral marketing technique of embedding the signature: 'Get Your Private, Free Email at http://www.hotmail.com' in each email sent by a Hotmail user.

**Virus** - Malicious computer code, hidden within a legitimate application or document, which is designed to corrupt files. Often contained within a email
attachment that, when opened, 'releases' the virus to automatically copy itself to every email address in the user's email address book.

**Visitor count** - Number of unique visitors to a website within a set period.

**Website** - Collection of web pages on a specific topic or theme, or dedicated to a specific organisation.

**WWW** - World Wide Web (the Web). The home of millions of individual websites and web pages on the Internet, connected by hyperlinks that make it easy to move from one page to another associated page, with search engines to assist users in finding their way around.
Appendix C

Questionnaire

The purpose of this questionnaire is to investigate the attitudes, feelings and motivations of people towards banner advertising. Which features in banners tend to attract people and which features people tend to dislike.

Please tick the appropriate box.

1. What is your Gender and age?

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>18-24</th>
<th>25-35</th>
<th>36 and older</th>
</tr>
</thead>
</table>

2. Please indicate your type of occupation?

<table>
<thead>
<tr>
<th></th>
<th>Administration</th>
<th>Practical/ manual</th>
<th>Management/ Supervision</th>
<th>Travel</th>
<th>student</th>
<th>Agriculture</th>
</tr>
</thead>
</table>

3. How many years of Internet experience do you have?

<table>
<thead>
<tr>
<th></th>
<th>0-2yrs</th>
<th>3-4yrs</th>
<th>5-6yrs</th>
<th>7-8yrs</th>
<th>9yrs and more</th>
</tr>
</thead>
</table>

4. Where do you usually access the Internet from?

<table>
<thead>
<tr>
<th></th>
<th>Home</th>
<th>work</th>
<th>university</th>
<th>mobile</th>
<th>Internet café</th>
<th>other</th>
</tr>
</thead>
</table>

5. What do you use the internet for?

<table>
<thead>
<tr>
<th></th>
<th>Email</th>
<th>Chat eg.</th>
<th>research</th>
<th>Music</th>
<th>shopping</th>
<th>films</th>
<th>games</th>
<th>search</th>
<th>banking</th>
</tr>
</thead>
</table>

6. Do you know what a banner advert is?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

7. If Yes, How often do you click on banners?

<table>
<thead>
<tr>
<th></th>
<th>Every day</th>
<th>Once a week</th>
<th>Once a month</th>
<th>Twice a month</th>
<th>One in 6 months</th>
<th>Once a year</th>
<th>never</th>
</tr>
</thead>
</table>

8. If yes, Which banner placements catch your attention most?
### 9. What is your view on banners?

<table>
<thead>
<tr>
<th>I like them</th>
<th>I hate them</th>
<th>I ignore them</th>
</tr>
</thead>
</table>

### 10. What features would attract you to click on a banner advert?

<table>
<thead>
<tr>
<th>Animation</th>
<th>Big size</th>
<th>Money or win offer</th>
<th>Erotic features</th>
<th>Be serious</th>
</tr>
</thead>
<tbody>
<tr>
<td>Be trustworthy</td>
<td>Brightness / colour</td>
<td>Interesting info</td>
<td>Eye catching phrases</td>
<td>other</td>
</tr>
</tbody>
</table>

### 11. Why would you not want to click on banners?

<table>
<thead>
<tr>
<th>Not interesting</th>
<th>Too many of them</th>
<th>Afraid of picking up a virus</th>
<th>Slow my internet access</th>
<th>They annoying</th>
<th>Don’t catch my attention</th>
<th>Other</th>
</tr>
</thead>
</table>

### 12. Why, do you think, other users would / would not click on banners?

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- 

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Appendix D

Focus group 1

09 October 2008, Klipplaat Hotel

Participants:

Justin, 33 years old farmer has 6 years of Internet experience.

Lana, 29 years old, ex-teacher now farmers wife, has 2 years of Internet experience.

Kent, 40 years old, farmer, has 7 years of Internet experience.

Chris, 36 years old, farmer, has 9 years of Internet experience

Mariette, 24 years old, chemical rep, has 5 years of Internet experience

All participants were familiar with banner advertising. They all access the Internet from home, however Mariette uses the Internet at work. All participants check their e-mails and do research via WWW. Lana does her shopping through the net and Justin gets sport up-dates.

The majority of the participants ignore banner advertising, however Kent said he hates it and Mariette likes it. Mariette was also the only person, who said that she clicks on a banner almost every day. Kent and Chris never click on banners and Lana clicks once a month.

Participants argued a lot. However the main trend to emerge were:

- Justin said, that he doesn’t click on banners anymore, as in his past experience, they never give the proper link, but direct the user on the “useless” web page and slowed his computer down. He also added, that it is his policy, not to click on banners, and he never will. Even in the case, when banner will be offering him the information he needs he would rather go and search for it in the search engine.
• Lana said, that she always find interesting information and clicks. She added, that she prefers vertical banners and hates pop-ups because they rudely pop-up uninvited.

• Kent doesn’t click, as he thinks, that most of the banners have viruses and he would click only on those banners, situated on the respected web sites.

• Chris hates banners, he considers banners as “rubbish of the Internet” and thinks, that people are refusing to click due to the low quality of the banners.

• Mariette said that although banners help her find what she wants quite quickly they are very annoying sometimes.

Summary

During first focus groups the vast majority of respondents had strong negative opinions about banner advertising. In spite of the fact, that all participants were accessing the Internet on a regular basis only one respondent (female) was enjoying banners. In spite of this fact all participants were understanding the role of banners for the Internet and accepted their presence.

Two of the respondents of this focus group have previously had a negative experience, when they clicked on banner. These respondents said that this experience had significant influence on them and on the way they perceive the Internet. They said, that if previously they had been surfing the Net for many hours; from that crucial moment on they try to finish their businesses as soon as possible to avoid similar problems. Interesting debate took place surrounding this subject and participants came the conclusion that there should be a special regulatory body controlling and monitoring banner advertising (as it is with
traditional media) in order to avoid cases when one “Bad” banner affects the way a person can perceive others.

To summarise, in general this group of participants had a strong negative attitude towards banner advertising. They said, that they do not click on banners as banners are **too annoying and unprofessional, possess the threat of viruses** and sometimes just **useless** for the surfer. Main features that attract people in banners were **interesting info** and **location on the respected web sites**. Discussion in this focus group showed, that when a person, who has a positive attitude towards banners is surrounded with people with negative attitude towards banners and discuss this issue, they change their attitude to negative under the pressure of others. One lady was contacted 1 month after the focus group took place and said, that prior to that she was clicking almost everyday. Now after the focus group she clicks about once a week.
Focus group 2
21 October 2008, Old Grey Sports Club

Participants:

Annette, 25 years old secretary, with 4 years of Internet experience

Keith, 32 years old computer engineer, with 9 years of Internet experience

Margi, 22 years old, student of Nelson Mandela Metropolitan University, with 2 years of Web experience

Nick, 29 years old manager, with 6 years of Internet experience

Alvin, 37 years old journalist, with 9 years of Internet experience

All participants were familiar with Internet advertising. All respondents except Margi access Internet from work, and Anne does it via the University and an Internet café. Annette and Keith usually search the web for useful information and checks e-mails. Anne does her research, e-mails and chat through the web. Nick only checks e-mails. Alvin spends at least 5 hours a day on-line, searching for news and corresponding with colleagues.

Participants expressed their opinions:

• Annette rarely (once a month) clicks on banners which promote “women” products and information about celebrities. However her overall relationship with banners is indifferent. She said that she will only click on those banners that surprise and intrigue her.

• Keith uses the Internet for specific purposes and not for general browsing purposes. “Banners just get in the way and generally deviate from that which I am trying to achieve at the time. Also, the internet has become plagued with uncensored, uninhibited and generally annoying banners that don’t generally apply to what I am looking for at the time. For web
browsers, they would probably be quite appealing, but for those who are conservative with their time, I suspect they remain an annoyance”.

- Margi finds banners helpful in her research and clicks every two days. She only clicks on the banners that she deems trustworthy.
- Nick said he hates banners. He doesn’t pay attention to them and never clicks, as he considers them annoying.
- Alvin clicks on banners very often (few times a day). Most of the banners he clicks on present news. He perceives banners as the mean of getting information, but never buys something through the net.

Summary
Surprisingly this focus group showed almost opposite results to the previous one concluded in the Karoo. In general the vast majority of participants were clicking on banners quite often and found them helpful and interesting.

Although respondents admitted that banners sometimes are too annoying and persuasive; people thought that this is the only way for them to survive, as increasing the amount of banners on the web make severe competition of user’s attention. One of the participants (Nick) has strong negative attitude towards banners. “I hate them” – he says – “they only give you a pain in the butt ”. He also added that he will never give “gratis” income to online advertisers. Other participants tried to influence him to look at banners from the point of view of usefulness.

After that active discussion about effectiveness of banner advertising took place. Nick felt, that no one could benefit from banners, however other participants gave several examples to when they received significant help via this medium. Discussion ended on the note that banner could promote on-line companies and services; however in the off-line world they are useless.
To summarise, in this focus group positive attitudes prevailed over negative ones. Participants said that they avoid clicking on banners as they are annoying. On the other hand features that attract them to banners are: presentation of interesting information to the user as well as the sense of surprise and intrigue.

Nick was contacted 1 month after the focus group interview and asked if his attitude towards banner changed in any way after the discussion. He said that from that moment banners do not annoy him as much, but he would still never click.
Focus group 3
21 October 2008, Old Grey Sports Club

**Sara**, 23 years old student of Nelson Mandela Metropolitan University with 6 years of Internet experience.

**Warren**, 26 years old clerk, with 4 years of Internet experience

**Chantal**, 23 years old student of Damlin, with 6 years of Internet experience

**Lynn**, 23 years old recruitment manager, with 5 years of Internet experience

**David**, 34 years old manager, with 7 years of Internet experience

All respondents were familiar with banner advertising. Sara and Chantal access Internet from the University, their mobiles and homes. Warren accesses the Internet from work. Lynn and Dave access the Internet from work, and home. All respondents check e-mails via the web. Sara and Chantal also conduct their research and do shopping online (Chantal). Both Sara and Chantal also chat on Face Book. Lynn and David use the Internet as part of their work and do search, and work communications via the Web.

Participants expressed their opinions:

- Sara said that she ignores most of the banners. She could not remember the last time she clicked on them, but pointed out that at the beginning when she first started to use Internet she clicked quite often. But at the moment she does not find banner appealing.

- Warren clicks on banners once a week. He is mostly attracted to those banners that present erotic features.

- Chantal does much on-line shopping and often (weekly) clicks on banners which propose special offers for the goods and services she is interested in. She likes some banners but the majority of them, in her opinion, are
rubbish. She thinks that a low level of click-through is the result of bad banners on the Web.

- Lynn hates banners. She used all precautions to avoid them (firewall and other special software). She said, that in her opinion people do not click on banners, as they often carry viruses and retrieve information from the user’s computer; thereby eliminating the privacy of the user. She said, that in her past experience, she was loosing necessary information when she clicked on banners, and will never do it again.

- David ignores banners, as in his opinion they are too annoying to be effective. He calls himself “banner blind”.

Summary

If attitudes in group 1 could be called negative and those in group 2 positive, participants of this focus group stand in between. One participant “hates” banners, two just ignore them and others rarely click. Participants shared the opinion, that people nowadays have no time to spend clicking on pointless banners.

Lynn and David found themselves of the similar opinion that banners are ineffective. They said that standard banners do not get enough attention to work and annoying pop-ups develop excessive negative attitude to the product or service being advertised. They outlined, that only strict regulations of banner advertising, together with significant increase in prices for this medium could work towards improvement of the banners. Chantal tried to argue with them, saying that sometimes banners present something interesting. Warren argued, that due to the fact, that all web sites work independently no control could take place, thus this option is impossible. Sara was mainly kept quite and listened to other participants.
In general participants of this focus group have neutrally-negative attitude towards banners. They said, that the reasons for them not to click on banners are: **unattractiveness of banners, bad production quality, elimination of privacy** and the fact, that banners are **too annoying**. On the other hand reasons for them to click are: **special offers** and **erotic features**.

All participants were contacted 1 month after focus group took place. Surprisingly Sara was the only one to change her attitude. Prior to the focus group she had never clicked on banners, but after it she felt an interest in banners and clicked several times. Luckily, so far she has only had positive experiences from her experiment.
Focus group 4
21 October 2008, Old Grey Sports Club

Participants:

Greg, 28 years old, fitness instructor with 1 year of Internet experience
Kim, 21 years old sales rep with 1 year of Internet experience
Ros, 27 years old vet with 4 years of Internet experience
Gavin, 31 years old banker with 9 years of Internet experience
Kevin, 34 years old distribution marketer with 6 years of Internet experience

All respondents, except Kim, were familiar with the term banner advertising. After explanation as to what banners are Kim also admitted that she knew what they are, but did not know the term. Greg and Kim access the Internet from Internet cafes. Gavin and Kevin have access from home and work. Ros uses the Internet at work and home. Greg does research in his areas of interest, via the Net and checks his e-mails. Kim chats, e-mails and shops on-line. Ros checks e-mails and works on-line. Gavin and Kevin do research for their studies and use e-mails.

- Greg clicks on banners from time to time (once a month). He would click only on the banner, which offers him interesting information on fitness. He ignores most of the banners, as he does not find them attractive. In his opinion this is the main reason why people refuse to click on banners.
- Kim said that she clicks once a week. She loves special offers and would click on banners offering discounts or free gifts. The main banner characteristic that she values is the appeal of the banner. She thinks that people do not click, as banners, in the majority, are too boring.
• Ros doesn’t click on banners, as she previously had a bad experience. When she clicked on a banner a virus was inserted in her computer, and it erased all her information. She said that she will never click on banners again.

• Gavin clicks on banners every week. He considers the most attractive feature in banner to be interactivity, animation and professional design. Furthermore, he sometimes clicks on banners just to find out which company designed it. He thinks that people do not click on banners, as they carry no sense and are too annoying.

• Kevin clicks on banners about once and year. In his opinion banners are complete litter and do not carry anything positive at all. He also admitted that he is tired of persuasive on-line advertising.

**Summary**

Attitudes in this focus group were slightly more positive than in group three. The majority of the respondents accepted banner advertising as an inevitable part of the Internet. The only strong resistor was Ros. She had previous bad experience with banner advertising and is therefore afraid to click on them. Gavin and Kim were very interested in her case and asked for more information. It emerged, that when Ros tried to download free promotional software she received a virus, which deleted all the information on her computer. The participants debated on this subject occurred and came to the conclusion that users should never download anything from the Internet. Kevin added, that sometimes a virus could penetrate into the computer without any download, but these viruses are, usually, not very dangerous. After that Ros was not so definite in her views.

In general, participants said that their resistance to click resides in the fact that most of the banners are: unattractive, annoying, boring and carry no sense.
while being very persuasive. On the other hand, features that attract participants in banners are: presentation of interesting information, nice appeal of the banner, interactivity, animation and professional design. One month after the focus group all respondents were contacted. From this it was shown that Greg started to click more often (once a week compared to once a month previously) and Ros made a few clicks. However she added, that she clicked when she was sitting in an Internet café, but not from home.