Chapter 9

Online Advertising: Initial vs. Further Avoidance

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ABSTRACT

This study expands previous models of avoidance on online advertising, in particular, Cho and Cheon’s (2004) model, and examines two new dimensions on why people avoid advertising on the Internet. The study presents a comprehensive theoretical model and examines seven exogenous latent variables based on structural equation modeling, SEM. By using SEM, we found that seven latent variables including user-perceived ad quality, internet life style, primary motives, gender differences (initial ad avoidance), perceived ad clutter, prior negative experience, and perceived goal impediment (further ad avoidance) collectively explain why people avoid advertising on the Internet. We found that avoidance has two key dimensions “initial ad avoidance” and “further ad avoidance.”

INTRODUCTION

According to Internetworldstats.com (2016) the number of Iranian Internet users has reached almost 56.7 million at the end of 2016 and were ranked first in the Middle East and sixth in Asia in this regard. In this situation, Iran, with one twentieth of Asian users, is considered a very appropriate area for studying Internet and its application as a channel for distribution of information on the part of companies and particularly Small and Medium Enterprises (SMEs) as advertising and online sale promotion.

However, despite all advantages mentioned for Internet advertising, statistics show that click rate is continuously decreasing. According to Nielsen (2000) click-through rate in 1995 was about 0.02 and in 2008 has reached to 0.3 percent (MediaPost, 2008). Accustoming to the novelty of this medium and excessive display of ads in web pages have resulted in a kind of avoidance from Internet advertising (Cho and Cheon, 2004). Avoidance from advertisement is represented in all activities of the users (Speck and Elliott, 1997). When consumers avoid advertising on the internet, advertisers try to understand the causes
of this avoidance in order to develop their strategies in a way to effectively and efficiently convey their messages to target market. Hence, identifying the factors of users’ avoidance from Internet advertising provides solutions for enhancing the effectiveness of Internet advertising and reducing the avoidance. To this aim, some studies have been conducted to gain insight about factors affecting Internet advertising avoidance (Cho and Cheon, 2004; Kelly et al., 2010). In this regard, this study is also conducted to complete the previous studies with a new perspective. This study aims at finding the answer to the following question:

What factors result in users’ avoidance from Internet advertising?

**LITERATURE REVIEW**

Avoidance is a situation where the users, consciously or unconsciously, try to avoiding a stimulus (Tellis, 1997). Avoidance from advertisement includes all activities of the users that prevent the audience from being exposed to the advertisement (Speck and Elliott, 1997). Many studies have been conducted about the effectiveness of Internet advertising. Some of these studies focus upon the medium and its nature, and try to increase the efficiency of Internet advertising by identifying the factors the medium (Shamdasani et al., 2001; Ko et al., 2005). Some studies, focusing on the characteristics of the message, have investigated the effectiveness of the advertisement (Rodgers and Thorson, 2000; Kim and Leckenby, 2002), and some other examined information processing by the consumer for raising the involvement level of Internet advertising (Rodgers and Thorson, 2000). Also, some researchers indicate that consumers avoid advertising on the internet due to cognitive, behavioral, and mechanical factors (Speck and Elliott, 1997).

Elliott and Speck (1998) asked a national panel of over 900 adults to report the degree to which ads in various media disrupt their media-exposure experience. TV received the highest disruption ratings, along with magazines. Ratings of radio were intermediate, followed by newspapers, direct mail, and the Yellow Pages. Elliott and Speck (1998) suggested that, although radio is an intrusive ad medium, listeners are more tolerant of disruptions in radio compared to TV because program units are shorter and programming involvement is lower.

Li et al., (2002) examined consumers’ perceptions of the intrusiveness of advertisements. In this study, they developed and validated a scale for measuring consumer perception of advertising intrusiveness. For defining of this construct, they use advertising irritation and advertising avoidance constructs and then they suggest and examine a model about the impact of advertising intrusiveness and advertising irritation on behavioral ad-avoidance and cognitive ad-avoidance. Ha and McCann (2008) proposed an integrated model of advertising clutter that addresses the unique characteristics of the online media environment and also examined the impact of advertising clutter on output variables such as advertising avoidance, ad memory reduction and lower perception of editorial quality. In other word, the advertising clutter significantly affect these output variables.

Rojas-Méndez et al. (2009) by conducting surveys in three quite different cultures, the UK, Chile and Turkey, investigated Universal differences in advertising avoidance behavior for TV advertisements. The avoidance of TV advertising categories often include either mechanical (e.g., switching channels) or behavioral (e.g., talking to someone). Based on this study, Males use more mechanical avoidance methods, whereas females use more behavioral avoidance methods. More educated people generally report higher behavioral avoidance. Family size and age help to explain avoidance in some countries but not in others. A negative overall attitude towards advertising is important generally in explaining