

**CONSUMER ATTITUDES TOWARDS ONLINE ADVERTISING:
THE CASE OF INTERNET USERS IN NAIROBI**

BY

WANJOGA, N. ESTHER

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**A MANAGEMENT RESEARCH PROJECT SUBMITTED IN
PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE
DEGREE OF MASTER OF BUSINESS ADMINISTRATION,
(MBA), FACULTY OF COMMERCE**

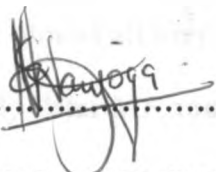
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JUNE 2002

DECLARATION

This Management Research project is my original work and has not been presented for a degree in any other university.

Signed.....



Date.....

17/10/02

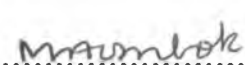
ESTHER NGONYO WANJOGA

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This research project has been submitted for examination with my approval as the university supervisor

Signed.....



Date.....

17-10-2002

MARGARET OMBOK

Lecturer : Department of Business Administration

DEDICATION

To my father and mother, Eliud and Phyllis Wanjoga;

Who gave almost all they had for the sake of my education.

To my only sister MF and my friend Elijah for their love,

encouragement, patience and dedication to my well being during the whole

Period of my studies.

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Many thanks go to the respondents who participated in the study. I sincerely thank them for their co-operation and the speed with which they responded.

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LIST OF ABBREVIATIONS

Ad(s)/Advert(s)	Advertisement(s)
Autos	Automobiles
CDs	Compact Discs
E- Mail	Electronic Mail
FM	Frequency Module
HTML	Hyper text mark-up language
ISPs	Internet Service Providers
PR	Public Relations
ROI	Return on Investment
SPSS	Statistical Package for Social Sciences
TV	Television
UNCTAD	United Nations Conference on Trade and Development
USA	United States of America
WWW	World Wide Web

ABSTRACT

This study was conducted with the objective of finding out consumer attitudes towards online advertising in Nairobi. The main objective being to determine consumer awareness and recognition of online advertising as an advertising tool as well as determine attitudes that consumers have towards online advertising. The study also set out to identify consumer responses towards online advertising.

To achieve the above objectives, primary data was collected from 100 respondents selected randomly from the Kenyan E-mail Directory 2002. The Kenya E-mail directory comprises of E-mail addresses with their telephone numbers. As such only those e-mail addresses that had a Nairobi based telephone address were selected and interviewed. This was because those respondents based in Nairobi were easier to follow-up with a telephone call, were more accessible, reliable and easier to monitor.

Primary data was collected through an online questionnaire and responses analysed through the SPSS computer package.

Chapter Four brings out findings from the research, such findings basically highlight issues such as:

Consumers are well aware of the presence of online adverts and they recognise these adverts frequently. However they show no preference or liking towards online adverts and consequently they are not driven to respond favourably to online adverts.

Majority of the consumers interviewed expressed their concern and showed their intentions to respond to online adverts in future.

Chapter Five brings out discussions of the study as gathered from the research, Conclusions and recommendations for further research are also tackled. Some of the recommendations arrived at revolved around carrying out a more advanced research on factors affecting online advertising, as well as a comprehensive comparison between online advertising and other traditional forms of advertising.

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CHAPTER ONE

INTRODUCTION

1.1 Background

Advertising is part of the promotional mix along with personal selling, sales promotion and publicity all of which are used to sell or win acceptance for an organization's products, services or ideas (Kibera et, al. 1998). Companies must do more than make good products – they must inform consumers about product benefits and carefully position products in consumers' minds. To do this, they must skillfully use the mass-promotion tools of advertising, sales promotion, and public relations. Advertising objectives are basically specific to communication tasks, as such advertising objectives can be classified by primary purpose such as; to inform or create awareness, to persuade or to remind.

According to (Kibera et, al.1998). Advertising has many and varied functions. It informs, educates, persuades, reminds and assists other marketing activities. It informs many people at once about available products and services and where to get them and at what prices. People learn from advertising, how they can better their lives. The advertising of public services helps foster the growth and understanding of important social causes. Entertainment in advertising is usually in the form of advertisements, which are funny, aesthetic scenes and imagery. The entertainment quality built into the advertisements serves to increase consumer attention and attitudes towards the products or services as well as to comprehend and learn from the main message.

The major aim of reminder advertising is to keep a company's brand at the top of the consumers' memory so that when the need arises, the consumer will give first consideration to the company's brand. Advertising acts to give continual reassurance. Reassurance is important for keeping positive attitudes within present consumers and helping them to reduce the dissonance from which they may suffer after their initial purchase. When advertising, it's crucial to lay much attention on the media selected for advertising.

The major media types include; Newspapers, Television, Direct mail, Radio, Magazines, outdoors and online advertising. Apart from online advertising, which will be the focus of this study, the rest are normally classified as traditional advertising.

For a long time, television has dominated in the media mix of national advertisers with other media often neglected. Recently, however, the cost and clutter of this media have gone up, audiences have dropped, and marketers are adopting strategies beamed at narrower segments (Kotler et, al. 1999). As a result, advertisers are increasingly turning to alternative media such as online advertising.

1.1.1 History of Advertising

Advertising can be traced back to the very beginning of recorded history. Archeologists working in the countries around the Mediterranean Sea have dug up signs announcing various events and offers. The Romans painted walls to announce gladiator fights, and the Phoenicians painted pictures promoting their wares on large rocks along parade routes (Kotler et,al.1999).

The technological advances of the industrial revolution created the greatest changes in advertising since the 1450's. Prior to the introduction of photography in 1839, products were depicted by handcrafted woodcuts or engraved metal drawings. Photography added credibility and a whole new world of creativity. Adverts could show products, people, and places as they really were, rather than as an artist visualised them (Arens et, al. 1994).

In 1840, manufacturers began using magazine ads to reach the mass market and stimulate mass consumption. Magazines made national advertising possible and allowed manufacturers to sell their products nation-wide.

1.1.2 Modern Advertising

Modern advertising however, is a far cry from these early efforts. Commercial firms use advertising more; a wide range of non-profit organisations, professionals and social agencies that advertise their causes to various target publics, also uses it.

The modern world depends on advertising. Without it, producers and distributors would be unable to sell, buyers would not know about and continue to remember products or services, and the modern industrial world would collapse (Jefkins, 1994). If factory output is to be maintained profitably, advertising must be powerful and continuous. Modern companies and organizations must vigorously embrace the marketing mix variables for them to be more focused. Marketing mix variables include the set of controllable and tactical marketing tools that the firm blends to produce the response it wants in the target market. The marketing mix variables consist of everything the firm can do to influence the demand for its product.

The many possibilities can be collected into four groups of variables known as the “**four ps**” which are, product, price, place and promotion (Kotler et, al. 1998).

More concentration is given to promotion. Under promotion, this means activities that communicate the merits of the product and persuade target consumers to buy it. Under the promotion mix variables we have, advertising, personal selling, sales promotion, public relations, and direct marketing. Under advertising we have different media of advertising. The most common media types include, Newspapers, Television, Direct mail, Radio, Magazines, Outdoors and online advertising (Kotler et, al. 1998).

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1.1.3 Online advertising

Online advertising is conducted through interactive online computer systems. It is most commonly carried out over the Internet. online advertising gives us color and pictures; it also incorporates voice, sound and music. It incorporates animation or static adverts. It is highly selective, relatively low costs, immediate with interactive capabilities.

However, online advertising has small demographically skewed audience, relatively low impact and the audience controls the exposure (Kotler et, al. 1998). Online advertising is growing explosively. Consumer shopping on the Web was expected to skyrocket from zero in 1994 and 1.2 Billion by 2000. (www.unctad.org/ecommerce). Internet usage is increasing at a rate of 12,000 new users per day at least globally (Deighton, 1996).

Online advertising offers great promise for the future. Its more ardent apostles envision a time when online advertising will replace magazines, newspapers, and even stores as a source for information. Yet despite all the hype and promise, online advertising may be years away from realizing its full potential. Even then, it is unlikely to fulfill such sweeping predictions. Eventually, online advertising will become another important tactical tool that works along side other tactical elements in a fully integrated marketing mix (Kotler et, al. 1999).

Despite all challenges, companies large and small are quickly integrating online advertising into their advertising mix variables. More than the latest fad, online advertising will prove to be a powerful tool for building consumer relations, improving sales, communicating company and product information, and delivering products and services more efficiently and effectively.

Internet advertising is becoming a buzzword in almost all organizations big or small. These days the hottest marketing opportunity for businesses is the Internet. The Internet is about immediacy and interaction (Wallace et, al. 1998). It is easier than ever for businesses to display information and attract consumers on the net. With more than 30,000,000 users worldwide, and with growing volumes by the day the Internet is a fertile field for companies to flash their message to the world like a giant billboard on the information superhighway.

1.1.4 Online Advertising in Kenya

These days, businesses are no longer asking whether they should set up a presence on the Internet, but how? E-mail addresses are becoming a common place as phone numbers on business cards. Net surfers now number in the billions, and just about every company, it seems, has a home page on the web-or is planning to get one. As of April 30, 1995, there were 49,636 commercial domains registered with InterNIC, the Internet's central registry (Resnick et, al. 1995).

Today millions of ordinary consumers in Kenya have access to the Internet, and the once pristine network is fast becoming dotted with storefronts, shopping centers, and sprawling cyber malls springing up on practically every virtual street corner. Currently in Kenya, Auto dealers, T.V. Stations, FM Radio stations, Book sellers, Magazines, Cosmetic merchants, Curio and craft, CDs, Concert tickets, Newspapers, and even the rarest of commodities are setting up shops on the Internet in hopes of wooing the Internet visitors. The emergence of online advertising over the past decade has radically transformed the electronic landscape. For Kenya, the digital revolution offers unprecedented opportunities for economic growth and development.

The fast growth of the Internet and the accompanying shift in Internet user demographics has created an exciting new commerce channel that helps businesses to increase revenue and awareness dramatically. The Internet has had a greater impact on marketing of goods and services than any technology since the invention of the television (Wallace et, al. 1998).

1.2 Statement of the Problem

Online advertising is revolutionizing the traditional advertising strategies involved in creating, informing, and persuading consumers about companies' products and services (Wallace, 1998). Marketers of every size and every product and service are rushing on to the Internet and World Wide Web in order to advertise themselves (Kanuk et, al. 2000). Consequently, many organizations are enthusiastic about adopting online advertising. The obvious reason for this enthusiasm is the understanding that whereas traditional promotional strategies involve huge investment, the online world promises much smaller overheads and potential global penetration (UNCTD Report, 2001).

The bottom line objective of any advertising strategy is to inform, to create awareness, to persuade, to remind in order to eventually sell something, be it an idea, product or service (Kotler et, al. 1999). The effectiveness of online advertising in achieving this objective greatly hinges on the attitudes and perception held by the consumer towards online advertising over other advertising strategies.

In Kenya, there is an increase in the number of Internet users to over 300,000 (Daily Nation Tuesday May 14, 2002). While the potential of Internet advertising as a communication tool cannot be overemphasized, there is a lot of frustration among the Internet providers in Kenya (The financial Standard Tuesday Feb 19th 2002). The increase in web usage means that growth in web advertising in many organizations should increase as well (Wallace et, al. 1998).

Research done in the USA “ Internet Portals 1998 shows that the Internet audience growth (20 %) is approaching that of cable households (60 %), Television households (95%) and has already passed circulation number for the top magazines, the research continues to say that there is a strong estimate that the Internet audience will surpass all but the television audience in just but a few years, and that Internet advertising expenditures will move up with the audience number (Wallace 1998).

Online advertising is an industry that generates \$1.8 billion per year.

(Web Site- Advertising on the Internet).

A media vehicle, which reaches a maximum in building favorable association of attitude, may as well be able to offset a considerable advantage of competing with bigger advertising audiences per shilling (Lucas, 1963). Lucas continues to argue that it is possible for a consumer to prefer one media vehicle to another because of assumed advantages in attitudes and that a major or minor vehicle can survive solely on the basis of better audience attitudes.

Advertisers often try to gauge the effectiveness of their adverts by conducting audience research to find out which media are read, which television programs are viewed, and which advertisements are remembered by their target audience (Kanuk et, al. 2000).

One of the key elements of a successful advertising strategy is the development of a stimulus that consumers will perceive as relevant to their needs. This is because positive attitudes will enhance the chances of reception of the message and its positive evaluation.

Consumers form various feelings, attitudes and judgments as a result of an exposure to an advertisement; this feelings, attitudes and judgment in turn affect the consumer's preference of advertising media (Ahmed, 1992).

Although an advertiser can gain much useful information from knowing the market's attitudes for his or her advertising media, basically, what are the strengths and weaknesses of that media and what are the important criteria on which decision-making are based? Particularly significant is the identification of the one or the few attitudes used by consumers to choose between media (Batra et, al 1999). It is assumed that consumers approach each media vehicle in an appropriate frame of mind and that they have an image of the vehicle and an attitude towards it and its advertisement. The important thing to the advertiser is the consumer's attitude towards his particular media and the advertisements (Lucas, 1963).

It is with this understanding therefore that there was significant need to determine the attitudes held by Internet consumers towards the practice of online advertising in Kenya. Despite the fact that online advertising is a buzzword in Kenya, to the researchers knowledge, no previous study has been conducted specifically to determine consumer attitudes towards online advertising in Kenya. This understanding thus lead to the investigation of consumer attitudes towards online advertising among Kenyan Internet users with a view to answering the following questions;

1. To what extent are consumers aware of online adverts and do they notice such adverts?
2. What kind of attitudes do consumers have towards online advertising?

1.3 Objectives of the Study

The chief objectives of this study were

1. To determine consumer awareness and recognition of online advertising as an advertising tool.
2. To determine consumer attitudes towards online advertising
3. To identify consumer responses towards online advertisements.

1.4 Importance of the Study

It is hoped that the following may find the study beneficial;

1. The Kenyan Marketer who has to decide what weight to give to online advertising in the apportionment of the total promotional budget.
2. The advertising industry. Advertising agencies need to monitor, on a regular basis, the general consumer attitudes towards online advertising to identify the public relations task facing them so as to ensure continued positive public image for the practice of advertising.
3. To the researchers/scholars who would be spurred to undertake more research in a related field.

CHAPTER TWO

LITERATURE REVIEW

Introduction

This chapter reviews various studies on attitudes towards online advertising.

It also includes an overview of what is thought to be online advertising, types of online advertising, problems associated with it and its advantages. It reviews literature, on attitudes towards electronic advertising, and more so on online advertising.

It also reviews the general consumer attitudes as well as consumer opinions and feelings of online advertising as an advertising vehicle.

2.1 Key concepts

A number of key issues regarding online advertising are highlighted in the key concepts. These are basically issues that have arisen from various studies regarding consumer behaviour, consumer attitudes as well as advertising.

The term consumer is often used to describe the personal and the organizational consumer. The personal consumer buys goods and services for his or her own use while the organizational consumer includes profit and not-for-profit businesses, government agencies and institutions (Kanuk et, al. 2000). This study will focus on the individual consumer.

An attitude is the acquired mental position we hold in regard to some idea or object. It is the positive or negative evaluations, feelings, or action tendencies that we learn and cling to. To advertisers, gaining positive consumer attitudes is critical to success. Like habits, attitudes must be either capitalized on or changed (Bovee, 1994).

Consumer attitudes towards online advertising, refers to the consumer's predispositions to respond favorably or unfavorably to online advertising (Assael, 1998). Within the context of consumer behavior, an appreciation of prevailing attitudes has considerable strategic merit. Attitudes are an expression of inner feelings that reflect whether a person is favorably or unfavorably predisposed to some "object". Because they are an outcome of psychological processes, attitudes are not directly observable but must be inferred from what people say or what they do.

The Internet is a collection of computer networks connected together to form one giant network (Mbuvi, 2000). These are basically vast networks that connect computers in all parts of the world using special- purpose cables, ordinary telephone lines, radio connections, or satellites (Mbuvi 2000, 1996). The doorway to the Internet is the World-Wide Web (WWW) or simply web. The World Wide Web (the web), while very similar to the Internet, is simply a subset of Internet servers that support documents formatted in HyperText Markup Language (HTML) (Wallace et.al 1998).

2.2 Promotional Mix Elements Overview

Kotler and Armstrong (1999) argue that today's marketing must be understood not in the old sense of making a sale –“ telling and selling”- but in the new sense of satisfying consumer needs. They claim that if a marketer does a good job of understanding consumer needs; develops products that provide superior value; and prices, distributes and promotes them effectively, then products will sell very easily.

Thus selling and advertising are only part of a large “marketing mix”- a set of marketing tools that work together to affect the market place (Kotler, et. al 1999).

Basically advertising falls within the major promotional mix variables or promotional tools, electronic advertising is a sub- set of advertising as a whole. Online advertising is one of the fastest growing media of advertising (Wallace, et. al 1998). It is crucial to keep in mind that whether you are the owner of a small business operating out of a spare bedroom or a high powered executive heading a multinational corporation with offices around the globe, you're almost certain to cut your overheads by creating awareness through the Internet (Assael, 1998).

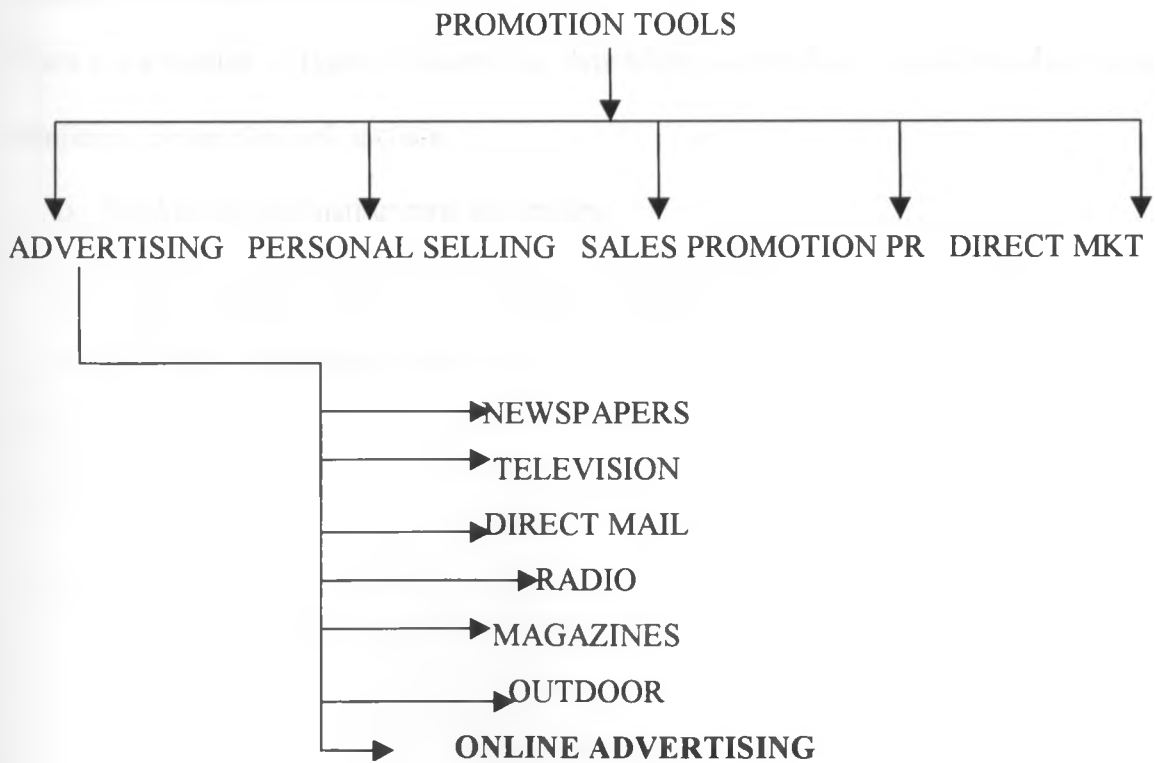
The Internet is cheaper and more cost effective, highly selective, with immediate capabilities. It offers businesses an impressive number of competitive advantages.

A majority of Internet users either access the Internet for a number of reasons chief among which include:

- Electronic mail
- Access to research
- Tracking Competitors
- Inexpensive Remote collaboration
- Enhanced Consumer Service
- Low cost Marketing and Advertising

(Wallace, et. al 1998).

Fig. 1 Promotional Tools Elements



(Source Kotler and Armstrong 1999)

2.3 Advertising

Like most other socio-economic issues, advertising has a mixed reception from the public and had been a controversial issue. The controversy centers around the impact advertising has on a number of social and economic dimensions of the society (Ahmed 1992).

Advertising also facilitates other company marketing activities. Advertising communications make prospects more knowledgeable about the company's products.

Advertising also enables consumers to more easily identify products and recognize the value of a product thereby justifying the price.

Advertising has a social function as well; it encourages increased productivity by both management and labour force. Advertising also serves other social needs besides stimulating sales. Newspaper, Magazines, Radio and Television all receive their primary income from advertising (Kibera et, al 1998).

There are a number of types of advertising depending on the objectives of the advertising campaign. Some of which include,

- Product Verses institutional advertising
- Primary demand verses selective demand advertising
- National verses local advertising

2.4 Online Advertising

It is evident that more and more people are getting to screen out online banner ads as they are at tuning out T.V. commercials or flipping past glossies in a magazine. As such companies are finding ways to reach eyeballs without glazing them over (Wallace et, al. 1994). For example, Yahoo revenues mainly come from advertisements, which comprise 90% of its revenues. Basically, web pages are electronic adverts working for a company 24 hours a day every day of the year, providing useful details about the products and services that a company offers (The Financial Standard 2002).

For the last five years no other industry has recorded a steady growth like the Internet sector in Kenya. Spurred on by the development in the telecommunication sector the Internet has seen over 50 Internet service providers (ISP's) licensed to operate in the country.

Cyber cafés and e-touch centers now dot all centers where electricity is available.

Computers are even available in police stations where you can access Internet and e-mail services. There is a computer for every 290 Kenyan's. However, in the rural areas, this is closer to 500 individuals per computer (The Financial Standard 2002).

More and more Internet potentiality is booming in the Kenyan market and this, by and large creates more open avenues for communicating. For example, more than 8,000 mobile telephone users in Kenya are accessing the Internet daily via Kencell's newly launched access 350 service.

Introduction of the mobile Internet service has fundamentally improved people's communications. Kenyans have a general awareness of what the Internet is, nevertheless they have no in-depth knowledge of how the Internet can make their lives a lot easier and cheaper (The Financial Standard February 19th 2002).

According to the UNCTAD report of 2001, speed does matter in online advertising, because technological changes make competition a must faster game online than offline. Marketers can hardly afford to stand still while their online competitors are learning by doing. Therefore it may be necessary for companies to launch an advertising project before everything is perfectly ready. But this does not mean that the basic rules of marketing and advertising for that matter do not apply (UNCTAD, 2001).

Organizations carrying out online advertising like their traditional counterparts, cannot go into business without knowing clearly what their consumers' needs are and what value this strategy can offer to them. Consumers need to be made aware of the existence of the product or service in a cost-effective and consistent manner. There must be clear targets so that progress can be measured and collective action can be taken in time. Having a good idea of a product or service that can be sold over the Internet is just not enough.

2.5 Types of Online Advertising Strategies

According to Graeme Morris in his article on “Advertising: What will get the results you want”, a web site can serve many purposes, but in terms of advertising two areas are worthy considering.

A. Direct advertising: This is creating an environment in which potential buyers are moved closer to – product purchase, such sites however require,

- Knowing with great clarity your market – What they think, what they like, what they want and how they seek it.
- Having a product or service which people seek, and seek online.
- Creating a site, which is compelling to your market segment.
- An aggressive marketing of the site

It is the direct marketing aspect of the Web that has excited advertisers the most - the chance to know who the users are, what preferences they have, how many kids are in a given home, and so forth is what advertisers have always been after. Unfortunately, this is not close to happening yet. (Wallace et, al. 1998).

B. Indirect advertising: This supports and extends an existing marketing environment. It is not so much of generating sales online, but of reducing your consumer acquisition, service or reordering costs. Thus the Web site can be a highly cost-effective way of indirect advertising such as;

- Telling your product's story
- Product details and Technical specifications
- Installation or maintenance information
- Answers to frequently asked questions
- Product catalogues and options
- Testimonials
- Even short video, animated or audio presentations.

Most web advertisements take up only a fraction of the viewable screen in order not to disrupt content, which makes it difficult to gain the attention of consumers. Thus, the era of the static banner advertisement has been slowly replaced by animation and interactivity, opening up a new world of creative possibilities.

In addition, (Wallace, et.al 1998). In their journal on Internet portals have identified a wide range of online advertising such as;

- **General rotation advertising.** Ads in general rotation randomly cycle throughout an entire site to be seen by anyone. While the person viewing the ad may or may not have an interest in what is being advertised, this type of advertising has been shown to increase brand awareness.
- **Keyword advertising.** Keyword advertising offers companies very specific target audiences by linking advertisements to keywords. For instance, a banner advertisement for Amazon.com may come up in a search for "books."

- **Category advertising.** Offers the ability to target specific groups without the limit to one keyword or phrase and are found in directory sites and search sites that offer channels. For example, an ad from Nike may be found in the sports directory or channel, while an ad from Business Week would most likely be found in the business category.
- **Banners.** These are the most common forms of advertisements on the Internet today. They are usually found at the top or bottom of most major web sites. While most first- generation banners were static, today's banners are alive with animation, static or with video graphics.
- **Sponsorships.** A sponsorship consists of a combination of ad elements brought together to create a comprehensive marketing opportunity across a single site. Sponsorships typically include standard ad elements like banners and buttons along with customized opportunities like "Sponsored By".
- **Pop- up or Pop Under.** These are self- contained advertisements, which literally pop up or just after closing a window, in a separate or smaller window.

2.6 Advantages of Online advertising

Research done by the consumer online electronics (www.emarket.com), found the following as key advantages of online advertising.

□ Scalability

Much unlike TV commercials, it does not cost very much to extend the reach of an online ad campaign. There is no need to print additional copies of a magazine, or to create and mail direct –mail pieces.

□ **Better Demographics**

The online community is more affluent, better educated, younger and more willing to spend than the population at large even as more and more people go online. In addition, the ratio of men and women using the Internet has become more level.

□ **Highly Targeted Messages**

Unlike broadcast and print media, the Internet allows advertisers to target exact markets, and in the right context. Web publications serve conceivable audience, from the mass market to obscure niche groups. In addition, the technology allows you to target consumers by their computing platform.

□ **Broad and Flexible reach**

While the Internet cannot yet match television's market penetration, the extent of the online audience is growing very quickly. More importantly, because online ads are bought by the impression, you can buy as much or as little of that audience as you desire.

□ **Dynamic Content**

Unlike commercials or print ads, a web ad banner is only the beginning of the process. While your banner may present only your branding message, interested prospects can always click on it to go directly to your web site. Once there, they can access as much material on your company and products and services.

□ **Cost effective**

Partly because you pay only for a specific number of impressions, online advertising can be extremely competitive with other forms of advertising. If you buy 1,000 ad impressions, for example, you know that exactly 1,000 people will see your advertisement.

□ **Detailed tracking and Measurement**

Online advertising allows advertisers to gather detailed information on who saw an ad, when, in what context, how many times and so on. Further more, you can get this information instantly, not every site is able to provide this level of feedback, and not every advertiser knows what to do with it. Over time, however, this is likely to become one of online advertising's most important competitive advantages.

□ **The ability to extend the transaction**

Traditional advertising is usually a one- way mechanism. Apart from techniques like toll-free numbers and mail-in coupons in print publications, there is no way for consumers to act on the information in the advertising.

On the Internet, however, interested consumers can click on a banner, learn more, and actually make purchases on the spot.

In terms of advertising media, there is simply nothing more powerful or flexible as online advertising, and as technology continues to improve upon itself, the possibilities are endless.

2.7 Disadvantages of Online Advertising

According to the UNCTCD report on electronic commerce and development of 2001, Internet advertising is not yet the income earner it was supposed to become. They continue to argue that, although the Internet allows personalized, interactive advertising campaigns that cannot be conducted through any other means, it also has distinct disadvantages.

- Inaccuracy, or lack thereof, in tracking site visitors. The lack of uniform and reliable Web traffic tracking has made it difficult for accurate comparisons between online advertising and other forms of media.
- While it is not always easy to distinguish the specific influence on consumer decisions of each of the various elements of a marketing campaign (television, radio and press advertising, sponsoring, price discounts, point-of sale events e.t.c.) click- through clients are easy to measure and they have often been disappointing. There is also much to be discovered about how to use online advertising without putting out Internet users.
- Emotional remoteness: The reliance on text for communication may result in an impression of emotional remoteness. This creates extra challenges for online facilitators and may limit the development of interpersonal cohesion.

- **Technical problems:** The population of cyberspace has grown exponentially in the 1990s. With Internet Service providers and web servers often operating to the limits of their technical and human capacity and continuously upgrading to new technologies, which have not always been fully tested. It is not surprising that services are not fully reliable. This results in interruptions to reflective dialogue and may discourage new participants from regular involvement.
- **Market Bias:** While a growing number of people have Internet access or use online services, many still do not. Non-users cannot be represented in online adverts while they comprise a significant portion of potential consumers.

2.8 Reactions Towards Internet Advertising

Internet users have different feelings and subsequent reactions to online ads.

For example, there are mixed feelings and reactions towards pop-up advertisements.

These are self-contained ads that literally “pop up” in a separate and smaller window on screen when people are logged onto the Internet. Most companies have received negative feedback regarding these types of ads. Web users typically do not want to be interrupted, and they do not have to be, they actually have a choice. Users tend to immediately close down pop-up ads when they appear (Wallace et, al. 1998).

It seems that nobody actually wants to spend time viewing commercials on the web.

Therefore, advertisers of the web have to adapt to web culture.

No one knows what the correct methodology is or will be down the road. Making this tracking even more difficult as the measurement of business users, who still make up the largest segment of Internet users. (Wallace et, al. 1998) believe that advertisers will not embrace the Web until they know what they are getting for their marketing dollar.

A Return on Investment (ROI) is a must for advertisers responsible for spending millions (or even billions) of dollars to build up product sales through the Internet.

2.9 General Consumer Attitudes and Opinions

Consumers may like one media because its image includes heavy emphasis on entertainment, another media vehicle may fall chiefly into a utility image, to be consulted for help or information. Other attitude considerations include attitudes of expectancy or involvement, which are established by media vehicles or their advertisements. These provide most of the motivation for approaching a media message and may finally extend to audience motivation for approaching a media vehicle.

Motives, like personal opinions and attitudes, are deeply involved with feelings and emotions. A consumer usually does not know his own motives precisely and yet may be more than willing to "explain" his own acts. He may give ready and apparently sincere explanations; even though He is reluctant to admit certain motives even to His closest friends (Lucas, 1963).

As mentioned before, Web advertising offers the ability to specifically target audiences. While television commercials reach millions of people, it does not necessarily reach those who may be interested in the product. That is why we see toy commercials during children's programming or sports products during sporting events.

The advertiser's goal is to put the product in front of those who will have the inclination to go out and buy their products. Knowing who is watching is the ultimate tool in being able to target. However, the disadvantage with television, or any other media, is that it cannot accurately predict whether or not the product is failing upon 'blind eyes.

The most widely held view of the structure of attitude is that it is made up of three closely interrelated components (Batra et, al. 1999).

- ❑ **Cognitive (Awareness, comprehension, knowledge)**
- ❑ **Affective (Evaluation, liking, preference)**
- ❑ **Conative (Action, tendencies such as intentions, trial or purchase)**

A market can be segmented on the basis of varying degrees of attitude- positive, neutral and negative held by the consumers or potential consumers of an advertising media.

Advertising objectives can then be cast in attitude terms with respect to specific segments of the market as a whole or neutral to some positive, or to sustain and to maintain a positive attitude and avoid attitude decay.

Myre and others in their book (1999), "Advertising Management" continue to say that; the advertiser need to know what attributes, beliefs and benefits are most important in the market situation; and in particular which of them are determinant in media choice (Myre et, al. 1999).

Perhaps the simplest explanation of the feelings behind an advertising media is that consumers like it or dislike it, and this attitude gets transformed to or associated with the brand being advertised in the media. There is thus the potential for a direct causal link between the attitude towards an advertising media and attitude and behaviour towards a brand. Feelings engendered by a media can create or influence an attitude towards the ad directly as well as indirectly, through assessment of the quality of the medias executional characteristics (Batra et, al. 1999).

Lucas (1963) demonstrated in various studies that the attitude towards an advertisement and advertising media (liking for the media and advert) provide an impact on brand attitudes over and above any ability of the advert or the media to communicate attribute information.

CHAPTER THREE:

RESEARCH METHODOLOGY

The nature of the study design was descriptive using descriptive statistics, which were more appropriate for a quantitative study, and which were used for attitude research to pinpoint relevant product related beliefs or attributes (Kanuk et, al. 2000).

3.1 The Population

The population comprised of Internet consumers based in Nairobi and who had been listed in the latest edition of the Kenya E- mail Directory of 2002.

3.2 Sample Description

The Kenyan E-mail Directory of 2002 lists approximately 3,650 E- mail addresses. These were the most favorable respondents since they were likely to be more aware of the Internet as well as web sites. There was a greater likelihood that such would be the most suitable sample candidates for the study.

3.3 Sample Size

A sample size of 100 was considered adequate for the study. Respondent were picked from The Kenyan E-mail Directory 2002 as long as they had e-mail address and were based in Nairobi (see attached List). The one hundred respondents were chosen using judgmental sampling.

Judgmental sampling method was chosen since the e-mail directory contains company and personal e-mails addresses based all over Kenya. The personal addresses based in Nairobi were the main focus. Care was taken to ensure that respondents were chosen from all the 112 pages of the Directory by picking one or two e-mail addresses based in Nairobi in each page.

3.4 Data Collection

This study used a survey method to collect data. An online questionnaire with open-ended and close-ended questions as well as ratings based on the likert scale, to collect data for the study. The questionnaire was e-mailed to the sampled respondents. They had an option to submit the filled questionnaire online. Others were requested to send back their response online to the researcher. The questionnaire had a letter of introduction attached to it. The researcher made a follow-up calls to respondents when need arose. The questionnaire was divided into three sections aimed at capturing the three dimensions of attitude, in line with the research objectives.

- The first Section sort to gather information on the respondents' **cognitive aspect**, seeking to study the respondents' **awareness and knowledge** of online advertising.
- The second section focused on the **affective aspect** of attitude and sort to establish **liking and or preferences** that the consumers gave to online advertising.
- The last section sort to establish the **Conative aspect** of attitude and sort to establish if there is any **action, purchase, or trials** that consumer respond to as a result of online advertising.

3.5 Data Analysis Techniques

Completed questionnaires were edited immediately after being filled. Before processing the responses, the completed questionnaires were edited for completeness and consistency across respondents and to locate omissions. They were then checked again, coded and keyed into the computer to facilitate statistical analysis.

Responses were coded to facilitate basic statistical analysis. Descriptive statistics were used to summarize the data. This was done by organizing the data into contingency tables to help establish the mean, and mode of the data. Percentages, frequency distribution tables, pie charts, bar graphs were used for presenting the analyzed data.

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CHAPTER FOUR

ANALYSIS AND INTERPRETATION OF DATA

Introduction

This chapter is divided into three main sections that are related to the three main objectives of the study. The first section analyses the consumers interviewed and also gives some information about their awareness, recognition and general knowledge of online advertising.

The second section presents data on the preference and liking consumers portrayed towards online advertising the same section outline some factors that influence consumers to have preference for online advertisements.

The last section presents consumer responses and actions that emanate as a result of online advertising.

4.1 Profile of the respondents

A total of 100 questionnaires were distributed to respondents of which 82 responded, all the respondents were based in Nairobi and were selected from the 2002 E- mail directory.

The data analyzed is based on these statistics.

Table 1. below gives a closer profile of the respondents.

Table1: Distribution of respondents by Age

Age category (Years)	Frequency	Percentage	Cumulative Percentage
18	1	1.2	1.3
19-25	23	28.0	30.4
26-40	52	63.4	96.2
41-60	2	2.4	98.7
61- and above	1	1.2	100.0
Total	79	96.3	

Table 2: Distribution of Respondents by Gender

Gender	Frequency	Percentage
Male	50	61.0
Female	27	32.9
Total	77	93.9

From the data collected, it can be deduced that 1.2% of the consumers interviewed are 18 years and below. 23 % were between 19-25 years and the majority fell between 26-40 years, which was 63.4 %. Those between 41-60 years were at 2.4 % and only 1.2 % were 61 years and above. A total of 77 respondents indicated their gender of which 61.0% were male and 32.9 % were female. From this analysis it can be deduced that most consumers who access the Internet are mainly male while the age group of most Internet users lie between 26-40 years of age. This may imply that males have more access to the Internet, they may have more opportunities to surf or better still they may have more disposable incomes.

Further it was important to establish the general knowledge, recognition and the basis in which online adverts are recognized. These findings were captured as indicated in Table 3 and Table 4.

4.2 General Knowledge, Recognition, and notification of Online Advertising

Table 3: Frequency of surfing the Internet

	Frequency	Percentage
Ever Surfed	79	96.3
Never Surfed	3	3.7
Total	82	100.0

Table 4: Duration Spent surfing the Internet

	Frequency	Percentage
Hourly	10	12.2
Daily	34	41.5
Weekly	31	37.8
Monthly	4	4.9
Bi-Monthly	1	1.2
Total	80	97.6

The data collected showed that 96.3 % of the respondents had surfed the Internet with majority of them surfing on a daily and weekly basis (41.5 % and 37.8 % respectively). 4.9 % and 1.2 % reflected those that do not surf the Internet on a regular basis. I.e. Monthly and Bi- Monthly respectively. 3.7 % of the respondents had never surfed the Internet. It can thus be deduced that majority of the respondents know how to surf the Internet and have access to the Internet at least every week.

The location from which any advertisement appears on any media has a significant impact on its effect. In this study, online advert locations were established and were found to be as indicated in Table 5 below.

Table 5: Location where surfers frequent.

Surfing location	Frequency
Office (Place of Work)	47.6 %
Cyber Cafe	61.0 %
Personal Computer (Home)	11.0 %
College/ School	1.2 %
Friend's Computer	1.2 %

The larger majority of the respondents surf the Internet from the cyber café joints (61.0%) while another majority surf from their places of work (47.6%). There is a slight tendency for surfers visiting schools or colleges as well as Friend's computers so as to surf. (1.2 % for both categories). 11.0 % surf from their personal computers or home based computers.

Further, frequencies with which advertisements are noticed are crucial as far as the effectiveness of the adverts message as well as its contents are concerned. The table below indicates the frequency with which Internet adverts are noticed.

Table 6: Frequency with which Internet advertisements are noticed.

	Frequency	Percentage
Ever Noticed	78	95.1%
Never Noticed	4	4.9%
Total	82	100.0

From the table above, it is evident that 95.1 % of the respondents have noticed adverts posted on the Internet while 4.9% have never noticed adverts posted on the Internet. It is thus prudent to assume that a majority of Internet adverts get noticed or better still that most Internet surfers notice Internet adverts.

This is made possible through cyber café joints, places of work and through their personal computers, or home based computers.

According to (Kotler, 2002); the positioning of advertisements play a significant role in determining if they are noticed by their target audience. It is therefore important to position advertisements in places where they will attract more attention.

Table 7 : Positioning of Online Advertisements

Position	Percentage
At the top of the screen	74.4 %
At the middle of the screen	11.0 %
At the bottom of the screen	15.9 %
At the sides of the screen	18.3 %

From the figure above, we can deduce that at least 74.4 % of adverts at the top of the screen are noticed, followed by adverts at the sides of the screen (18.3%), and 15.9% at the bottom of the screen and. Only 11% of those placed at the middle of the screen are noticed. We can therefore conclude that adverts appearing at the top of the screen achieve more customer responses since they are noticed more frequently than those placed at the middle of the Internet screen.

The type or types of online advert differ from advert to advert, some of the key types noticed were depicted as follows;

Table 8: Type of online advertisement noticed by online surfers

Type of Advert	Percentage
Static Advert	24.4 %
Pop in Averts	18.3 %
Pop Under Adverts	7.3 %
Sponsored Web Page	14.6 %
Moving (Animated Adverts)	14.6 %

Majority of the respondents seems to notice static adverts more, which represent 24.4 %.

In addition, 18.3 % noticed pop in adverts while 7.3 % noticed pop under adverts.

Sponsored web pages and animated adverts were both equally noticed with a frequency of 14.6% equally.

We can therefore say that static advertisements seem to be noticed more and as such marketers ought to target them more in order to achieve greater returns.

4.3 Time Spent on Online Advertising

Basically, the more time spent looking at specific, as well as general adverts depict the more interest showed towards the content and the message of these adverts. The tables 9 and 10 thus try to highlight time spent looking at online adverts in general as well as specific online advertisements.

Table 9: Time spent looking at general online advertisements

	Frequency	Percentage
Very Often	5	6.1
Often	10	12.2
Sometimes	29	35.4
Rarely	25	30.5
Very Rarely	11	13.4
Total	80	97.6

Table 10: Time spent looking at one particular relevant Online Advert

	Frequency	Percentage
Very Often	3	3.7
Often	12	14.6
Sometimes	31	37.8
Rarely	20	24.4
Very Rarely	14	17.1
Total	80	97.6

The data collected in this study indicates that 35.4 % of the respondents spend time looking at online adverts sometimes, while 30.5 % rarely look at general online adverts.

6.1 % of the respondents look at general online adverts very often and 12.2 % look at them often.

Further it was found that about 37.8 % spend time looking at one particular relevant advert sometimes followed by 24.4 % who rarely spend time looking at one particular relevant online adverts. 3.7 % Very often spend time looking at one particular relevant online advert, while 17.1% very rarely spend time looking at one online advert.

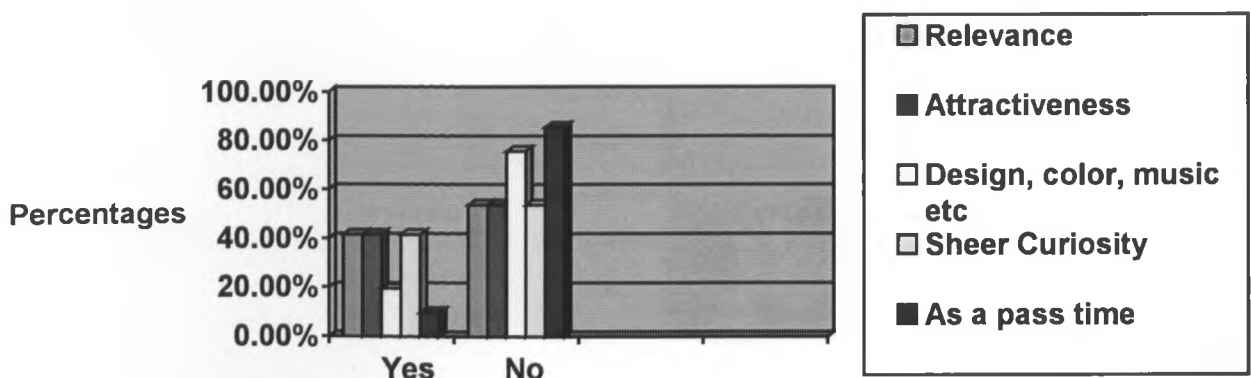
From the above statistics, we can deduce that a majority of the respondents spend average time (sometimes) looking at general online adverts as well as particular relevant online advertisement.

4.4 Consumer liking and preference towards online Adverts.

This analysis tries to depict some of the key issues/factors that prompts respondents to click onto online adverts. The research findings in line with responses gathered from the field are depicted in the charts below.

Chart 1. Key Pull Factors towards Online Advertisement

Key



From the chart above, a larger majority of the respondents did not agree with the above pull factors, most of them showed that the relevance, attractiveness, color, design, sheer curiosity and music. Curiosity and pass time were not concerns that influenced them to click onto online adverts. For instance 75% disagreed with the fact that the design, color, and music of an online advert makes them prefer online adverts as compared to a smaller 20 % who agreed that these factors do indeed influence them. Another 82 % did not reckon with the fact that they view online adverts as a pass time. We can therefore conclude that a majority of respondents rated the above factors as not influential to them opting for online adverts.

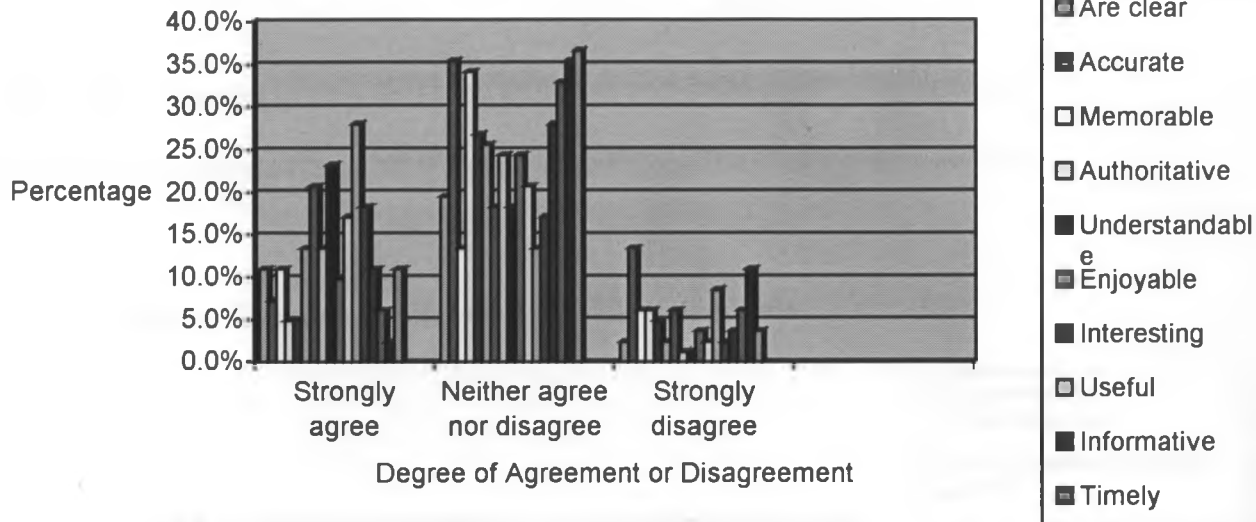
4.5 Attributes of Online Adverts as Rated by Respondents

A further survey of other pertinent attributes as illustrated in chart 2, could show clearer what then pulls consumers to prefer online adverts consumer preferences towards online adverts.

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Chart 2. Attributes of Online adverts as rated by Respondents

KEY



It is evident from the chart above that a majority of respondents' fall between the neither agrees nor disagree category. Followed by those that strongly agree and finally those disagreeing strongly that these attributes apply to online advertising. From the responses above, the researcher surveyed attributes that were rated with strong agreement against those that were rated with strong disagreement. In so doing, extremes were captured and were easier to capture more detailed conclusions. However, those dimensions that were ranked high in neither agreement nor disagreement were captured as unclear to the respondents and needed further analysis. We can therefore classify the five main attributes strongly agreed with as, imaginative, informative, interesting, dynamic and lively. Those attributes strongly disagreed with included, Accuracy, ethical, unbiased useful and timely. Respondents who showed neutral ground on the above dimensions

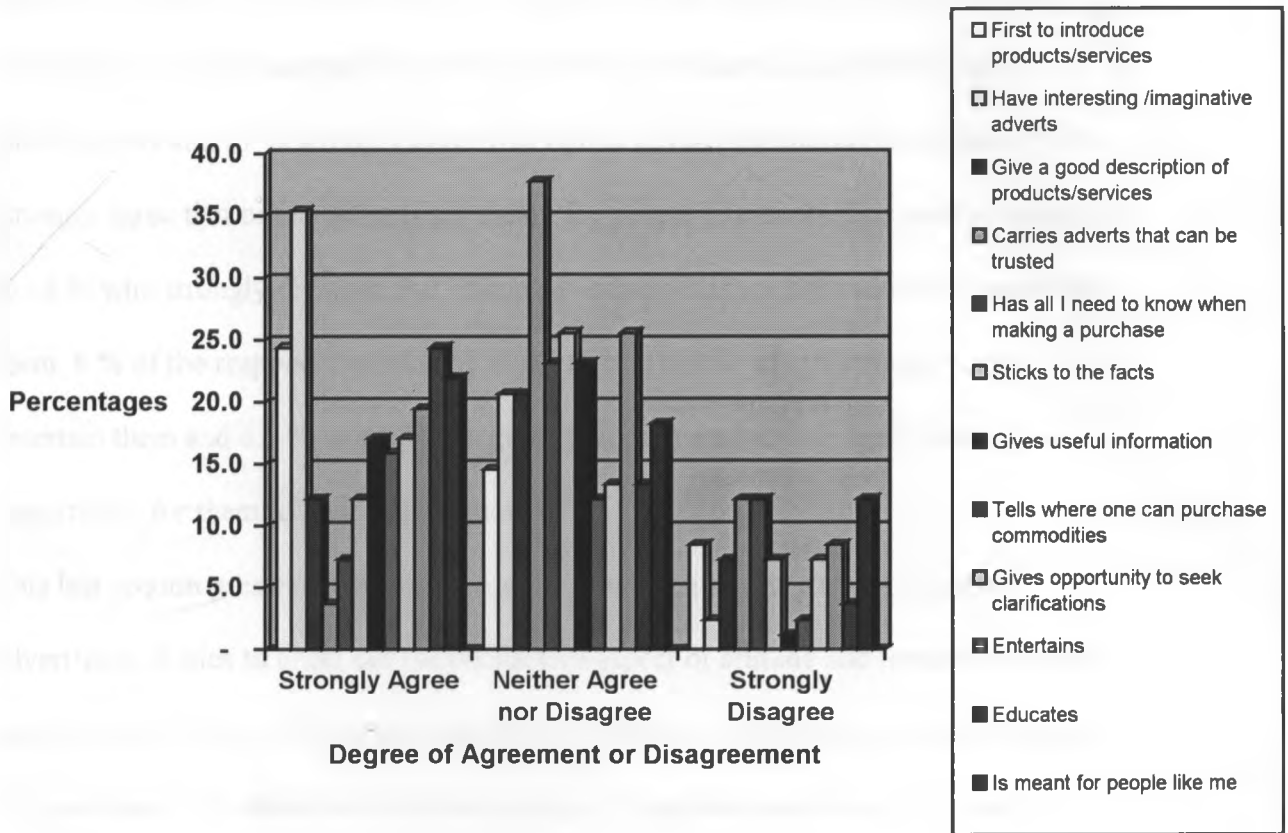
were evident in dimensions such as accuracy, authoritative understandability, friendly unbiased ethical and reliability.

4.6 Consumer Opinions towards Online Advertisements

Further Chart 3. Tries to narrow down the attributes and dimensions in the previous charts into more interactive aspects of online advertising. The findings are as below;

Chart 3: Consumer Opinions towards Online Advertisements

Key



The research findings indicate that a majority of the respondents do strongly agree with the listed features of online advertising while others neither agree nor disagree. The minority strongly disagree with the above features of online advertising.

There are some notable extremes for instance 37.8 % of the respondents do not agree nor disagree on the fact that online adverts can be trusted. This implies that they have no clue on whether to trust the adverts or not. In addition 35.4% of the respondents strongly agree with the fact that online adverts are imaginative and interesting. 1.2 % of the respondents strongly disagree that online adverts give useful information.

It can be implied that most of the online adverts carry information that is useful this is reflected by 17.1 % of the respondents who strongly agree that online adverts give useful information. A majority of respondents 24% strongly agree that online adverts educate them as compared to 8% who strongly disagree with this feature, still on the majority response, 16% agree strongly that online adverts gives them opportunity to seek clarifications and 17 % strongly agree that online advertisements entertain them,. 24 % strongly agree that online adverts are meant for people like them. This can be compared to 12 % who strongly disagree that online advertisements are not meant for people like them. 8 % of the respondents strongly disagree that online advertisements do not entertain them and 6.5 % strongly disagreed that online advertisements do not give opportunity for them to seek clarifications.

This last section presents consumer responses that emanate as a result of online advertising. It tries to bring out the connective aspect of attitude and focuses more on action-based attitudes. They may include, the intention to purchase may it be actual or trial purchase. The charts below show consumer responses emanating from online advertising.

Table 11 specifically indicates the percentage of respondents who have ever clicked on an online advertisement. Th responses are as follows,

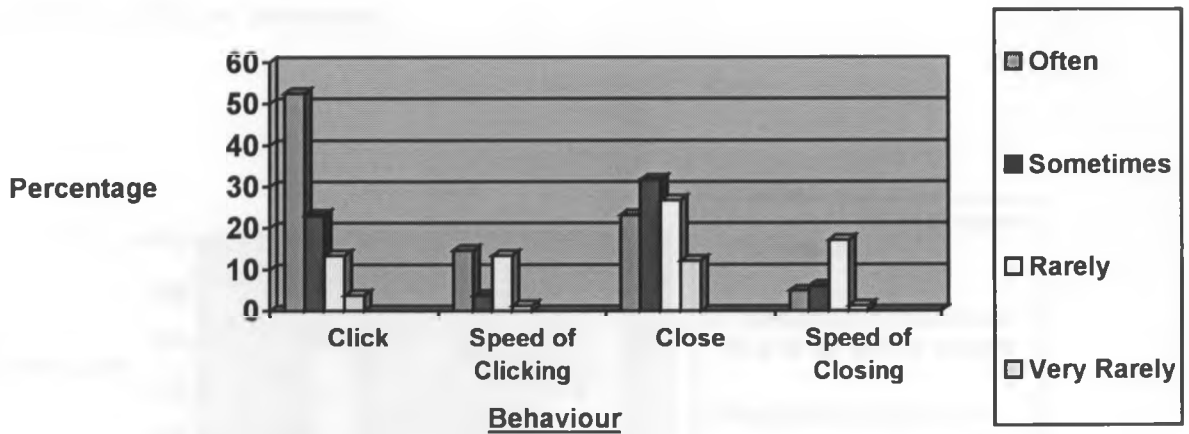
Table 11: Respondents who click on online adverts

Have you ever clicked on an online advert?	Yes. 92.7 %
	No. 3.7 %

The results above indicate the regularity with which respondent's click on online adverts. 92 % meaning that a greater majority of respondents have at least clicked on an online advertisement while 3.7 % of the respondents had never clicked on least clicked on an online advert.

The research further endeavored to have a closer look at consumer behavior towards online advertising centering towards their view of online adverts. This was depicted by chart 4 below.

Chart. 4 Consumer Behavior Towards Online Adverts



The Consumer behavior chart above clear brings out the relationship between consumer behaviour towards clicking on an online advert and the speed with which the actions are taken.

A greater majority of the respondents click online adverts (52.5 %) as compare to those who close (23.2 %) and the speed with which they click is equally high 12% as compare to (4 %) of those who close.

This relate with the percentage of respondents who very rarely close an online adverts who are (12.2 %) . These respondents are a larger percentage as compared to those who very rarely click who essentially is supposed to be more that is 26 %.

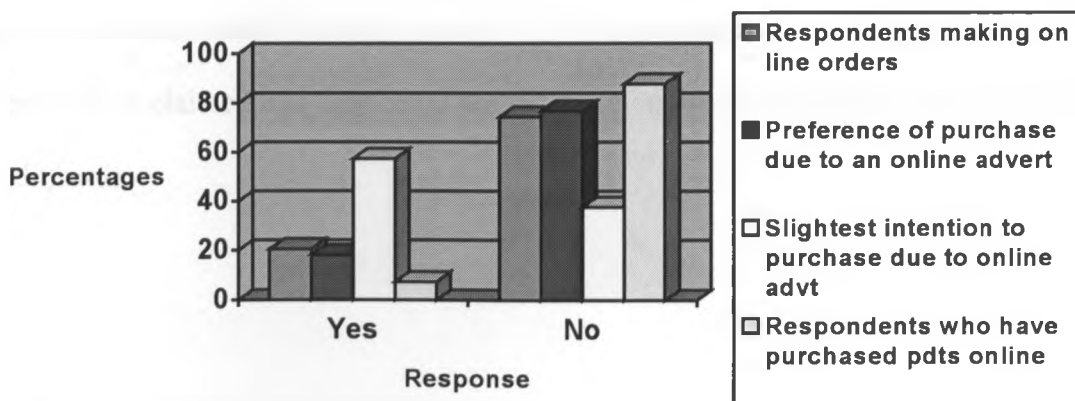
This therefore means that a greater majority of the respondents do not click on to online adverts instead they close them and the speed of closing is equally high (14.6 %) as compared to the speed of clicking (4.9 %).

This is in line with the respondents who claimed to have ever clicked on an online advert was higher. 92.7 % as compared to those who have never clicked.

The chart below tries to show action based behavior as a result of being exposed to or not being exposed to online adverts.

Chart 5: Action Based Behaviour

Key



From chart 5 above, most of the respondents did not make any online orders (74.4%), nor prefer to purchase online due to an online advert (76.8 %) neither had ever purchased

commodities online (87.8 %). However (57.3 %) of the respondents had the slightest intention to purchase due to an online advert as compared to 37.8 %. This clearly shows that consumers have the will and intention to embrace products advertised online. The analysis that follows then tries to bring out some key findings that consumers revealed as far as online advertisements are concerned.

Out of 82 responses. 63 did not give any responses while 19 gave out their views on relevant responses. There were issues such as

Customers plan to purchase products purchased online in future, some have been involved in online auctioning, others claim that online adverts are foreign and not localized, and that online advertising is not used much in Kenya and that they are specific to a specific area. Others claim that they keep a record of online adverts to use later. Still others said that the commodities they use are not advertised on online adverts.

Some respondents claim that the products advertised are priced highly and that it is difficult to buy due to shipping costs 1.2 % argued that Kenyans do not have regular internet access to enable buying. Another 1.2 % recommended an online advert to a friend. 4.9 % claimed that they could not purchase online commodities due to the lack of credit cards.

CHAPTER FIVE

DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Discussions

This chapter gives a summary of the findings as well as conclusions gathered from the analysis of chapter three. The chapter also incorporates the various suggestions and comments given by the respondents in the questionnaires. The findings are summarised alongside the objectives of the study. Discussion inline with existing literature on consumer attitudes are also highlighted. Conclusions drawn from the study and recommendations for action as well as suggestions for further research are given at the end of the chapter.

The aim of this research was to have a closer look at consumer attitudes towards online advertising. Online advertising as indicated earlier has risen significantly and many companies are the online concept by the hour by going online. The research which laid emphasis on the three main aspects of attitude which are Cognitive, Affective and Connective. All three aspects drew a balanced representation by being tackled in each part of the questionnaire.

The responses depicting the cognitive aspects of attitude aimed at determining consumer awareness, and recognition of online advertising as an advertising tool. The responses revealed that most respondents have surfed the Internet from cyber café joints and from their work places a majority of whom surf on a daily basis followed by weekly.

Male respondents were higher in surfing the Internet than the female respondents with a greater majority being within the ages of 26-40 years. Most of the respondents have noticed online adverts at the top of the screen followed by those noticing the adverts at the sides of the screen.

The most frequently viewed advertisements are the static adverts followed by pop in adverts, animated adverts and sponsored web pages. Most respondents spend average time looking at online adverts.

Findings from the research showed that a majority of the respondents showed less liking and preference of online adverts due to their aesthetic attributes. A majority of respondents were indifferent on the significance of characteristics and attributes of online adverts while a lesser majority seem to agree on the existence of these attributes dimensions on online adverts (these characteristics being clarity, accuracy, understandability, interest, useful, informative, dynamic among others).

Looking at the connective aspect of attitude, the research a significant 92.7% showed that they had click onto online adverts. However a larger majority close online adverts and they do so often. Those that click are fewer and they do so not so often.

Further a majority of respondents did not make any online purchases nor prefer to purchase due to the influence of online adverts. Respondents who have purchased commodities due to the influence of online adverts were incredibly few. However many showed the intention to purchase probably in future. This clearly shows that consumers have the will and intention to embrace products advertised online.

Literature on consumer attitudes clearly brings out the fact that attitudes are acquired and are held in regards to some ideas or objects, they could be positive as well as negative and entail feelings, evaluations and action tendencies. This study tried to find out the extent to which online advertising is perceived, evaluated as well as consumer feelings and actions towards online advertising. The study tried to see if consumers react favorably or unfavorably towards online advertising. Since such attitudes could not be directly observed they were inferred by what target respondents said and their behavior. Since online information is gaining momentum in Kenya, online advertising could as well be incorporated as a crucial channel of attracting online customers. It is thus crucial to incorporate an integrated approach to promoting products and services as to achieve maximum results.

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As more and more internet potentiality is booming in Kenya then the need to develop online advertisements that meet consumer needs and satisfy them is crucial.

There are many types of online advertising the study sought to determine consumer awareness towards some key types of online advertising. It is crucial for any successful channel to exhaust all types and forms of advertising within it.

5.2 Conclusions

From this research, it is evident that consumers are aware that there is a promotional tool known as online advertising in addition to other promotional mix elements. Consumers have encountered online adverts on a regular basis and as such online advertising is not a foreign phenomenon. However consumers show slight preference, liking and inclinations towards online adverts. They seem not to trust them or prefer their messages as yet.

Consequently there is very little action and response towards these adverts. Many respondents seem not to value their significance as yet. Pertinent issues attributed to these may be due to the pace at which change and more so technological changes are accepted in developing markets.

From these research its almost logical to conclude that a lot has got to be done to improve consumer attitudes towards online advertising which is far to unattended to. In so doing marketers will be better place in getting greater and more significant results from online advertising. From this study, there is great potential of utilizing online advertising as a promotional tool, however this channel has not been fully utilized.

5.3 Limitations of the Study

The research was constrained by several factors that might have affected the results as well as the scope. Time was a major constraint making it difficult to follow up and obtain more responses. Out of the 100 questionnaires e-mailed, 82 were received back by the time the analysis was done. However this exceeded the preferred sample of 10 %.

A number of the respondents too left a few questions unanswered making it difficult to gather information. Many respondents did not comment on the general views making it difficult to know their honest standing.

5.4 Recommendations for Further Research

A further research on online factors affecting online advertising is recommended. Also with a greater population getting access to online facilities a similar more detailed study on Kenya or other key cities may be necessary.

A further comparison between online advertising and other advertising mix elements is necessary as well.

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Appendix 1

Letter of to Respondents

**UNIVERSITY OF NAIROBI
FACULTY OF COMMERCE
MBA PROGRAMME -LOWER KABETE CAMPUS**

Telephone: 732160 Ext 20

P.O.Box 30197

Telegrams: "varsity", Nairobi

Nairobi, Kenya

Telex: 22095 varsity

ATTENTION:

The sender of this letter**WANJOGA, N. ESTHER**.....

Registration No:.....**D61/P/8778/99**.....

Is a Master of Business Administration student at the University of Nairobi. She is required to submit as part of her coursework assessment a research project report on consumer attitudes towards online advertising. She would appreciate if you would spare 5-10 minutes by linking up to the site indicated and filling in the attached questionnaire.

<http://www.africanfrontiers.com/survey/ewanjoga>

Please note that all your responses will be kept strictly anonymous and confidential. This will be done by not asking you any personal information and the little asked will be destroyed after data analysis is done. Please answer all the questions in all the sections and click "submit" upon completion. If there are any issues that require clarification, kindly get in touch with the researcher (Esther Wanjoga) E-Mail ewanjoga@yahoo.co.uk.

Thank you.

DR. MARTIN OGUTU:

ESTHER WANJOGA

CO-ORDINATOR, MBA PROGRAMME:

MBA STUDENT

6. If you have noticed any of the following Ads, Please circle the appropriate choice-

5. Always 4. Frequently 3. Sometimes 2. Rarely 1. Never

Static advert(s)?	()	()	()	()	()
Pop in advt(s)?	()	()	()	()	()
Pop under advt(s)?	()	()	()	()	()
Sponsored web page	()	()	()	()	()
Moving (animated) advert(s)?	()	()	()	()	()

7. How often do you spend looking at adverts in general?

- Very often
- Often
- Sometimes
- Rarely
- Very Rarely

8. Approximately how often do you spend on one relevant online advert?

- Very often
- Often
- Sometimes
- Rarely
- Very Rarely

PART 2.

1. What prompts you to click to an online advert? (Please click all applicable)

- Relevance to something I've been looking for
- Attractiveness of the advert
- The color and design, music etc
- Sheer Curiosity
- As a pass time

2. Whenever I click on an online advert, I get information? (Please tick where applicable)

- Very Fast
- Slightly fast
- Fast
- Fairly Slowly
- Slowly

3. To what extent do you agree or disagree with each of the following aspects of Online advertising? (Key: 5. Strongly disagree 4. Disagree 3. Neither agree nor Disagree

2. Agree 1. Strongly Agree)

5. Strongly disagree - 1. Strongly Agree

Online advertising...	5	4	3	2	1
Is first to introduce new products/services	()	()	()	()	()
Has interesting and imaginative adverts	()	()	()	()	()
Gives a good description of the products I need	()	()	()	()	()
Carries advertising that can be trusted	()	()	()	()	()
Has all I need to know when buying products	()	()	()	()	()
Sticks to the facts	()	()	()	()	()
Gives useful information	()	()	()	()	()
Tells me where I can buy things	()	()	()	()	()
Gives me opportunity to seek clarifications	()	()	()	()	()
Entertains me	()	()	()	()	()
Educates me	()	()	()	()	()
Is meant for people like me	()	()	()	()	()

4. Online advertising possesses the attributes listed below. Please indicate your level of agreement or disagreement by clicking the appropriate number.

Key: 5. Strongly Disagree 4. Disagree 3. Neither agree 2. Agree 1. Strongly Agree

	5. Strongly Disagree	4. Disagree	3. Neither agree	2. Agree	1. Strongly Agree
Is it clear	()	()	()	()	()
Accurate	()	()	()	()	()
Rememberable	()	()	()	()	()
Authoritative	()	()	()	()	()
Understandable	()	()	()	()	()
Enjoyable	()	()	()	()	()
Interesting	()	()	()	()	()
Useful	()	()	()	()	()
Informative	()	()	()	()	()
Timely	()	()	()	()	()
Lively	()	()	()	()	()
Imaginative	()	()	()	()	()
Dynamic	()	()	()	()	()
Friendly	()	()	()	()	()
Unbiased	()	()	()	()	()
Ethical	()	()	()	()	()
Reliable	()	()	()	()	()

PART THREE:

1. Have you ever clicked on an online ad? Yes () No ()

2. How often do you click on an online advert? (Please tick one)

- Very often
- Often
- Sometimes
- Rarely
- Very Rarely

3. How often do you close an online advert? (Please tick one)

- Very often
- Often
- Sometimes
- Rarely
- Very Rarely

4. When a pop in or pop under advert appears on my screen I? (Please tick one)

Close it () Click on it () Ignore it ()

5. If your answer to Q4. was **close it**, please tick one of the below, I close the ad

- Immediately
- After a very short time
- After a short time
- After a long time
- After a very long time

6. If your answer to Q4. was **click on it**, please tick one of the below, I click on the ad

- Immediately
- After a very short time
- After a short time
- After a long time
- After a very long time

7. If your answer to Q4. was **I ignore it**, please tick one of the below, I ignore the ad

- Immediately
- After a very short time
- After a short time
- After a long time
- After a very long time

8. When an advert requests me to “ **Click Here**” I,

- Never Click
- Rarely Click
- Sometimes Click
- Frequently Click
- Always Click

9. Have you ever done any of the following (please tick one)

a. Made an order on an advertised commodity online because you had a liking of the advert?

Yes () No ()

b. Preferred to purchase a commodity merely because it was advertised online?

Yes () No ()

c. Had the slightest intention to purchase a product /service advertised online?

Yes () No ()

d. Purchased a commodity online?

Yes () No ()

10. Please feel free to comment on any other action not covered in question 9. above

11. To what extent do you agree or disagree with each of the; If I am able to get all the information I need to make a purchase decision as a result of an online advert, I feel?

(Please indicate the appropriate No.)

Key: 5. Strongly Disagree 4. Disagree 3. Neither agree nor Disagree 2. Agree 1. Strongly Agree

Relief	()	()	()	()	()
Content	()	()	()	()	()
Excited	()	()	()	()	()
Assured	()	()	()	()	()

12. How often do you use Online adverts in the following areas?

(Please indicate the appropriate No.)

Key: 5. Never 4. Rarely 3. Some-times 2. Frequently 1. Always

Get information	()	()	()	()	()
Generate ideas	()	()	()	()	()
Negotiate /bargain	()	()	()	()	()
Discover new Commodities()	()	()	()	()	()
Forward Online advts ()	()	()	()	()	()
Pass time	()	()	()	()	()

13. Please tick your age category:

18 yrs & below () 19-25 () 26-40 () 41 – 60 () 61 and above ()

14. Please indicate your Sex: Male () Female ()

Thank you for participating in this research by answering the questions above. If you have any questions about this research, or if you would like to receive a copy of the findings of this research, please e-mail me on the address above.

Appendix 3 List of Sample Respondents

ENTIRE POPULATION AS PER DIRECTORY= 3,650

SAMPLE SIZE 100 SOURCE: KENYA E-MAIL DIRECTORY 2002

NAME:	E-MAIL ADDRESS	TEL: NO:
1. Abwao, Pamphiley	pabwao@yahoo.com	0733713268
2. Achola, Fritz	fachola@helb.co.ke	02-251877
3. Adem, Christopher Omungo	cadem@meds.or.ke	02-534591
4. Agumba M,M	solarnet@iconnect.co.ke	02-440011
5. Akiny Dorothy	dakinvi@yahoo.com	0733733819
6. Akinyi C.	cakiny@riel.com	02-530536
7. Aloo, P.F Mrs.	slctc@iconnect.co.ke	02-331496
8. Amoro, David	david.amoro@ke.coppers.com	02-339308
9. Ang'ila George	angila@insureafrica.com	02-221715
10. Ariwi, charles	cariwi@kenvabreweries.co.ke	02-86400
11. Aseno, Maureen	Maureen@worldspace.com	02-716403
12. Atebe, Charles	ababe@kenvare.co.ke	02-240188
13. Ayieko, Edwin	Edwin@ianmail.swiftkenya.com	02-534767
14. Bhatti Azhar	kenmicro@form_net.com	02-740081
15. Bii Wesley	kws@onlinekenya.com	02-248144
16. Busera pius Nanyanga	afcoinfo@net2000ke.com	02-762500
17. Chakava Henry	hchakava@arso.gn.org	02-444700
18. Chege Githu	expressk@africaonline.co.ke	02-334772
19. Choge, Kipsang W. Arap	ieis@form-net.com	02-210002
20. Dato, Zahid	rai_astro@yahoo.com	02-723312
21. Dixson, w.G	bsdiccoverafrica@wanaichi.com	02-713820
22. Emisiko,P	pemisiko@nhc.com	02-331205
23. Farhan Aloo	king_farhan@bigfoot.com	02-748300
24. Gachanja, Mary	fixcopiers@iconnect.co.ke	02-440311
25. Gaitho, herman N	hgaitho@kcb.co.ke	02-521240
26. Gichogu, Macharia	macharia@nascst.com	02-824100

27. Gikonyo James	tnbl@form-net.com	02-339201
28. Hare harry	aitec@africaonline.co.ke	02-749771
29. Hassen, Jemal	breldan@iconnect.co.ke	02-2270442
30. Hindian O. Thomas	manami@net2000ke.com	02-721318
31. Ichatha, Jane	jichatha@rireal.com	02-530536
32. Kibui, Charles Wahome	wahomw@alico-kenya.com	02-711242
33. Ipalei, Godfrey	ipalei@arcc.or.ke	02-723552
34. Jackson n. Ndungu	cri@nbnet.co.ke	02-217381
35. Jara, Joshua K.	jara@email.com	02-721314
36. Juma Jonathan	iirraro@form-net.com	02-442610
37. K'Ouma, George	hvdro@nbnet.co.ke	02-537051
38. Karanja Nahashon	karas@nbnet.co.ke	02-224204
39. Karu, Risley Lavers	rislevik@yahoo.com	0733780061
40. Kenyani Albert	mnfundi@wanaichi.com	02-312879
41. Kerongo, Lydia	kntc@kntcl.co.ke	02-532869
42. Kinyanjui Karanja	kakimu@lvcosmail.com	02-217733
43. Kiore, Catherine	cathv@iconnect.co.ke	02-711140
44. Kiragu, Peter	mstone@nbnet.com	02-570601
45. Kirongothi, Jesse Rubua	harsaco@africaonline.co.ke	02-211851
46. Kirui, Leonard K	lkirui@hotmail.com	02-226471
47. Kisonzo, Sylvester	s.kisonzo@cigar.org	02-630743
48. Kittoli, Samso	skittoli@strathmore.edu	02-606155
49. Kitur, Stanley K.	kitur@co-op-ins.co.ke	02-227008
50. Kiyeng, Phillip C	epzahq@africaonline.co.ke	02-712800
51. Komora, Irene H.	ikomora@yahoo.com	02-718208
52. Koske, Sammy K	skoske@kcb.co.ke	02-521240
53. Koskei, Joshua K.	koskei@kwal.co.ke	02-530566
54. Kotecha, Sanjay C.	saniav@cyberaccess.co.ke	02-229668
55. Kuria Andrew	adept@form-net.com	02-744430
56. Lagat, Marianne	info@deacons.co.ke	02-336230
57. Lall Kamal	resolute@iconnect.co.ke	02-577860

58. Lundh, Chris	info@africaonline.co.ke	02-242475
59. Maina, Davies M.	tbmd@form-net.com	02-230261
60. Maina, Patrick	info@care.co.ke	02-724674
61. Makanga, Nduta	ktda@net2002ke.com	02-331053
62. Malaba, David	sdmalaba@usa.net	0733777632
63. Manian S. R. S.	smanian@solomon.com	02-312122
64. Mararo. Peter	pmararo@iclk.com	02-246433
65. Matogo, John	jmatogo@strathmore.edu	02-606155
66. Mayora, Harry	mavorahrv@email.com	02-566896
67. Mbai, Michael	mbai@alphanet.co.ke	02-249254
68. Mbaka, Janet K	jkmbak@hfck.co.ke	02-221101
69. Mbogho, Ibrahim M	saraleekenyva@iconnect.co.ke	02-8611602
70. Mbogo, Mumbi	mmbogo@unga.com	02-532471
71. Mbogori Albert	ichuka@chuka.africaonline.com	02-803244
72. Mbogori, David K	dmbogori@helb.co.ke	02-251877
73. Mbonika, saida R	saidam@securicor.co.ke	02-532360
74. Mbue , Minne	mmbue@broker.co.ke	02-229741
75. Mbugua Ann	akirari@coppers.co.ke	02-580612
76. Mburugu, Lucy	imburugu@iat.co.ke	02-216181
77. Mubin, Upande A.	General@plenixico.ke	02-338784
78. Mucai, Sam	Sera@form-net.com	02-609300
79. Muchin, Vincent	svnc@insightkenya.com	02-249815
80. Muchina John M.	jmuchina@symphony.co.ke	02-445882
81. Muchiri James	jmuchiri@scbkenya.mits.com	02340218
82. Muchiri Vincent	svnc@insightkenya.com	02-249815
83. Mudhune George	tbm@form-net.com	02-230261
84. Mugerah, John	info@letsgotravel.com	02-340331
85. Muguiyi, Anne	anc@nic.co.ke	02-718200
86. Mukasa Peter	mflex@nbinet.co.ke	02-244501
87. Mukua, Christopher	chrism@firstcomp.co.ke	02-440011
88. Muli, Catherine	ucs@africaonline.co.ke	02-449112

89. Muli, Stanford K.	utcn@africaonline.co.ke	02-248777
90. Muthoga, Lee	mugaco@arcc.co.ke	02-333888
91. Muthoka, Regina	gitc@sarova.co.ke	02-521450
92. Mutio, Julius	jmutio@arcc.or.ke	02-788921
93. Mutisya Simon M	mbc@user.africaonline.co.ke	02-521450
94. Muturi Charles	next@nxt.africaonline.com	02-749297
95. Mwangi , Antony	antony.mwangi@nairobi.mail.fc	02-714699
96. Mwangi Teresa	tmwangi@kenvabreweries.co.ke	02-864000
97. Okech Peter	pokech@strathmore.edu	02-501147
98. Oyaro Phillip	ovaro@adwest.net	02-577351
99. Wachira Monica	mowachira@helb.co.ke	02-249267
100. Wadaywa Charce	wadaywa@africaonline.co.ke	02-534233