Online newspapers and banner Ads: Understanding advertiser credibility and informative advertising

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Abstract

Rapid growth in online advertising revenues indicates that World Wide Web advertising is viable as an alternative to traditional media. In this new environment, academics and practitioners acknowledge the importance of establishing credibility and providing informative information in commercials. The current study analyzes the effectiveness of banner advertising and examines the impacts of (1) advertiser credibility and (2) informative advertisement on consumer attitudes toward advertisements and brands advertised on the online newspaper website detik.com. A survey of 104 respondents aged 16-55 was conducted using self-administered structured questionnaires. Structural equation modeling was then used to test and refine a model representing correlated relationships among the variables. The findings implied that advertiser credibility and the substance of informative advertising influenced attitudes toward advertising, whereas attitudes toward brands were affected by all variables investigated. For business practitioners, this study suggested that to improve customer attitudes toward advertisements and brands advertised; advertisers should assess the credibility and information delivered in advertisements.

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Introduction

Online newspapers have rapidly become one of the most important news sources for many people. As the number of readers grows, companies invest significant amounts of money in marketing their products and services on information webpages, primarily banner ads. Despite the claims from extensive research that this type of promotion is limited by many factors restricting its efficacy, banners are frequently used in almost all electronic newspapers (Porta et al., 2013).

Since its inception in 1994, banner advertising has become one of the web’s most popular and influential advertising media (Chang-Hoan et al., 2001). Since then, digital banner advertising has grown in popularity, from displaying ads in specified locations to targeting based on consumer data and, eventually, remarketing, in which ads are frequently shown based on consumer behavior and interests. Marketers continue to employ digital banner advertising as it is an efficient way of increasing brand awareness, generating leads, and retargeting audiences (Statista, 2023b).

The growth of digital banner advertising is mainly due to improved Internet infrastructure and technology and lower prices for smart devices like smartphones, tablets, and computers. The Internet infrastructure has dramatically changed in recent years, becoming quicker and less expensive. Furthermore, as internet-enabled gadgets become more accessible and allow more people to acquire and utilize them daily, digital banner advertising is predicted to grow significantly (Statista, 2023c; Stokes, 2013).

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Global banner advertising spending was expected to reach USD 64 billion in 2021. According to the source, it will expand at a 4.6 percent yearly rate until 2028, when it is estimated to hit 87 billion. In Indonesia, the banner advertising industry is expected to reach USD 1.04 billion in 2027, representing an escalation over prior years. Given their explosive development and market volume, banner ads will remain one of the most successful sorts of Internet advertising and a profitable way of advertising for marketing practitioners (Statista, 2023a, 2023c).

An online banner ad is a combination of visual and textual materials displayed on a website accessed by desktop PCs, a mobile-enabled website, or an app. It normally redirects the users to an advertiser’s landing page when clicked. According to research, banner advertisements are essential for advertising products by delivering information and increasing customer purchase intentions. Furthermore, banner advertising raises brand awareness and positively influences brand attitudes (Saadeghvaziri et al., 2013; Yoo, 2009).

Even though banner ads have long been one of the most popular types of online marketing, their effectiveness is still being debated. On the one hand, it is suggested that banner ads have little impact since consumers deliberately avoid viewing advertisements (Nguyen et al., 2020). Banner advertisements may also increase users’ perceived burden, cause distraction, and impair primary task performance (Azzopardi et al., 2023; Burke et al., 2005; Foulds et al., 2021). Conversely, there is evidence that exposure to banner ads improves brand recognition, brand attitudes, and repeat purchases (Belanche et al., 2017; Drèze & Husherr, 2003; Hussain et al., 2018).

The rapid growth of banner advertisements is worth investigating to discover the factors that determine the performance of these media. Determining its critical elements is an important topic for scholars and practitioners. Prior research focused on factors such as visual attention (Muñoz-Leiva et al., 2021; Peker et al., 2021), eye tracking (Nguyen et al., 2020; Peker et al., 2021; Porta et al., 2013), and facial expression (Expósito-Ventura et al., 2021; Nguyen et al., 2020). Nevertheless, only a few have investigated in terms of advertiser credibility and information given. Therefore, this study was conducted to understand consumer attitudes toward advertisements and advertised brands on advertiser credibility and informational advertising. Our study comprised 104 participants aged 16 to 35 who were readers of the online newspaper detik.com. Consumer demographic variables, such as gender, age, education, and occupations reflecting consumer behavior, were collected through online questionnaires. This study’s results were intended to help marketers understand the factors influencing the effectiveness of banner ads.

In this paper, the remaining sections are structured as follows. Section 2 comprehensively reviews the literature on all the constructs investigated in this study. Additionally, based on the literature review, this section develops hypotheses that will be tested in the subsequent sections. Section 3 outlines the methodology employed in this study. It describes the research design, data collection methods, and data analysis techniques to investigate the research questions or hypotheses. Section 4 presents the empirical findings obtained from the analysis of the collected data. This section may include tables, charts, or graphs to support the presentation and interpretation of the findings. Ultimately, in Section 5, the paper summarizes the key findings, provides insights into the study’s broader implications, and suggests avenues for future research.

Literature Review

Theoretical and Conceptual Background

Internet advertising has grown in popularity in recent years, and advertisers increasingly utilize online advertising techniques to deliver information about their businesses and products. There are different types of online advertisement forms available on the Internet. The simple banner advertisement has been the most persistent format among them since its launch in 1994, and it is a widely used form of online advertising due to its effectiveness in influencing consumers in the advertised products and companies (Cho, 2003; Peker et al., 2021; Shahbaznezhad et al., 2020; Voorveld et al., 2018).

Banner advertisements are online advertising displays that appear on most websites. It has such distinct features in size, sound, message, exposure, animation, and so on. This indicates that even an identical advertising strategy might have different outcomes depending on the media platform (traditional vs. digital commercials) (Stokes, 2013; Wang et al., 2013). Banner advertisements typically have two key components: informational or persuasive texts and graphics. This type of advertisement provides a threefold advantage over other types of Internet advertising. First, it is simple and may be utilized on any complex website. Second, while it is the least intrusive Internet advertising medium, it may readily integrate rich media and video capabilities to elicit customer emotion. Third, because it is non-intrusive, it demands little attention. However, banner advertising has long been criticized for this last characteristic since most Internet surfers are goal-oriented (i.e., information-seeking), and relatively unobtrusive banner ads are readily disregarded, leaving viewers uninformed of the advertiser’s message (Chung, 2007; Lee et al., 2017).

Empirical Review and Hypothesis Development

This study employed advertiser credibility and informative advertising since they significantly influence customers’ attitudes and actions (Ling et al., 2010). This current study’s results are expected to provide a comprehensive understanding of the effect of these constructs on attitudes toward advertising and attitudes toward brands, which will be an indicator for marketers to consider when evaluating promotion media that will be used to promote their products and services.
Several recent studies analyzing advertiser or corporate credibility have been prompted mainly by the source credibility theory, claiming that credible sources are more likely to be convincing than non-credible sources (Kim & Choi, 2012). Source credibility is the extent to which the source is perceived as possessing expertise relevant to the communication topic and trustworthy to give an objective opinion on the subject (Goldsmith et al., 2000). Expertise and trustworthiness are indispensable for source credibility. Expertise refers to the perceived level of knowledge, experiences, and skills that a source is believed to possess, while trustworthiness refers to the perceived honesty, integrity, and believability of the source (Erdogan et al., 2001). Advertiser credibility has also played an essential role in the effectiveness order of advertisement to attitudes toward advertising, then attitudes toward brands, accordingly inducing favorable purchase intention (Choi & Rifon, 2002; Kim & Choi, 2012; Ling et al., 2010; Zha et al., 2015). Therefore, advertiser credibility has been identified as one of the critical factors determining advertising effectiveness. However, the effects of advertiser credibility on web advertising have yet to be investigated. Given the information scarcity in banner ads, well-known advertiser names may result in credible ad perceptions. Based on the previous explanation, this current study proposed the following hypotheses:

**H1:** advertiser credibility has a significant impact on attitudes toward advertising

**H2:** advertiser credibility has a significant impact on attitudes toward brands

Advertising information also plays a vital role in the effectiveness of advertising. Given this assumption, marketers create advertising messages to give sufficient, helpful, and engaging information (Gordon & DeLima-Turner, 1997). According to Khan (2013), informed advertising provides information on items, features, styles, values, pricing, and availability. A brand message can be communicated via digital advertising. However, a customer’s faith in a brand and their perception of the advertisement information will impact the delivery process of the marketing information (Bruce et al., 2017). When there are numerous substitute products, advertisement information is critical for a product (Hamilton, 2009; Hussain et al., 2018; Rosenkrans, 2010). A brand that employs informative advertising may have two options. First, informative advertisements can be utilized to reach out to clients and competitors. Second, the ad may attract the competitor’s customers. Through the informativeness of an advertisement, marketers can provide information to help customers choose a particular product or a service. Furthermore, the more informational an ad is, the more it demonstrates a brand’s potential to provide alternative products (Chen & Wells, 1999; Ducoffe & Curlo, 2000). Based on these explanations, the following hypotheses are proposed:

**H3:** Informative advertising has a significant impact on attitudes toward advertising

**H4:** Informative advertising has a significant impact on attitudes toward brands

Attitudes toward ads and brands have long been examined as advertising outcome variables. The aforementioned roles of website credibility and website content/advertised product category relevance have been discussed in enhancing credibility perceptions of the ad and brand attitudes. However, they are also expected to influence attitudes toward ads through ad credibility. In addition, prior research has suggested and tested the interrelationships between ad attitudes and brand attitudes. Many studies have assessed the effects of attitudes toward ads on attitudes toward brands (MacKenzie & Lutz, 1989).

An attitude is a person’s overall assessment of a concept (Peter & Olson, 2010). Meanwhile, Kotler et al. (2021) defined an attitude as an individual’s evaluation, emotional feeling attached, and action propensity toward specific objects or ideas. An attitude is an important observation for marketers, particularly in advertising, since it can convey each individual’s feelings about an object through a simple description. An attitude is also significant since marketers can identify behavioral tendencies and positive or negative feelings toward an object (Belch & Belch, 2017).

Attitudes toward advertising constructs have been conceptualized in various methods; from a one-dimensional standpoint, attitudes toward advertising do not include cognitive and behavioral components; to the multidimensional viewpoint with cognitive, affective, and behavioral components (Yoo & Kim, 2005). A cognitive component is a bundle of knowledge, beliefs, or concepts based on object-related information. Meanwhile, the affective component is a collection of emotional aspects of attitudes associated with the item in detecting pleasant or unpleasant feelings. One of the predispositions acting on the item is involved in the behavior component. Attitudes toward advertising are one of several types of individual responses to an advertisement as a positive or negative stimulus, which occurs if a consumer sees an ad. According to previous research, attitudes toward advertising are the mediator of a response to an advertisement (Belch & Belch, 2017; MacKenzie & Lutz, 1989).

An attitude toward a brand is a person’s assessment of a specific brand based on beliefs about the brand’s attributes (Mitchell & Olson, 1981). Phelps and Hoy (1996) defined brand attitudes as a person’s predisposition to respond to a particular brand, either positively or adversely, following an advertising stimulus. The brand’s attitude is significant since it may be used to predict consumer behaviors, such as purchase intention and brand preference (Ajzen, 2008). In other words, customers’ favorable attitudes toward a specific brand may impact the product or service they purchase (Biehal et al., 1992; Verstraten, 2015). Based on these explanations, the following hypothesis is proposed:

**H5:** Attitudes toward advertising have a significant impact on attitudes toward brands
Research and Methodology

This study employed a quantitative technique based on structural equation modeling (SEM) to examine the impact of advertiser credibility and informative advertising on the attitude of detik.com readers in Indonesia. The sample includes the readers of the online newspaper detik.com aged 16 to 35 years. The demographic selection was applicable since the data of the leading active Internet users are within this age range. Then, to collect the primary data, this study utilized a self-administered questionnaire containing a modified form of an advertisement’s exposure based on a literature review. The questionnaire was distributed to the respondents between May and June 2022. The questionnaire was divided into two sections; the first provides the respondents’ descriptions, and the second contains their responses. There were 16 questionnaire items in all. Three items from Goldsmith et al. (2000) were used to assess advertiser believability. Three questions adopted from Gordon and DeLima-Turner (1997) were used to test the informative advertising variable. Three items were used to determine the attitudes toward advertising variable by Sunyoto (2012). Finally, the brand attitudes variable was examined using four items developed by Kotler et al. (2021). A five-point Likert scale was also utilized in this study analysis.

Findings and Discussions

The sample comprised 104 respondents, with slightly more than half (56%) males and 48% females. The participants range in age from 16 to 35 years. Table 1 shows that the majority of them, who were university students and employees, had a Senior High School education background.

<table>
<thead>
<tr>
<th>Table 1: Respondents’ Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Age (year)</td>
</tr>
<tr>
<td>16-20</td>
</tr>
<tr>
<td>21-25</td>
</tr>
<tr>
<td>26-30</td>
</tr>
<tr>
<td>31-35</td>
</tr>
<tr>
<td>&gt;35</td>
</tr>
<tr>
<td>Education</td>
</tr>
<tr>
<td>High school</td>
</tr>
<tr>
<td>D1 (Diploma)</td>
</tr>
<tr>
<td>D3 (Diploma)</td>
</tr>
<tr>
<td>Undergraduate</td>
</tr>
<tr>
<td>Occupation</td>
</tr>
<tr>
<td>University student</td>
</tr>
<tr>
<td>Employee</td>
</tr>
<tr>
<td>Entrepreneur</td>
</tr>
<tr>
<td>Others</td>
</tr>
</tbody>
</table>

Validity and Reliability Test

All indicators in this study were proven valid since the cross-loading score was more significant than 0.7 and greater than 0.5 as the square root of average variance extracted (AVE). Similarly, the reliability of variable indicators was proven reliable as Cronbach’s alpha and composite reliability scores exceeded 0.7 (Hair et al., 2010).

Model Structure Testing (Inner Model)

The R square value for attitudes toward advertising was 0.233278. It suggested that the variables of advertising credibility and informative advertising could only explain 23.33% of the attitudes toward advertising construct. Meanwhile, the remaining 76.67%
was explained by other variables excluded from this study. The R square score for attitude toward brand was 0.522264, suggesting that the attitudes toward brand construct could only be explained by 52.23%, utilizing the variables of advertiser credibility and informative advertising via attitudes toward advertising. The remainder of 47.77% was explained by variables excluded from this analysis.

![Figure 2: Cross-Loading Indicators](image)

**Table 2: The Analysis Results**

<table>
<thead>
<tr>
<th>Construct</th>
<th>AVE</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>R square</th>
</tr>
</thead>
<tbody>
<tr>
<td>advertiser credibility</td>
<td>0.655565</td>
<td>0.743300</td>
<td>0.849836</td>
<td></td>
</tr>
<tr>
<td>informative ads</td>
<td>0.891523</td>
<td>0.939517</td>
<td>0.961018</td>
<td></td>
</tr>
<tr>
<td>att. ads</td>
<td>0.716724</td>
<td>0.806270</td>
<td>0.883554</td>
<td>0.23327</td>
</tr>
<tr>
<td>att. brand</td>
<td>0.712981</td>
<td>0.865392</td>
<td>0.908479</td>
<td>0.52226</td>
</tr>
</tbody>
</table>

**Hypotheses Testing**

The correlations among constructs were tested by examining path coefficients, then comparing the t-value and t-table. The variable is considered significant if the t-value exceeds 1.96 (Tambun, 2014).

| Hypothesis | Original Sample (O) | T Statistics (|STERR|) |
|------------|---------------------|----------------|------|
| H₁         | 0.297505            | 4.528431       |
| H₂         | 0.320235            | 7.756611       |
| H₃         | 0.302362            | 5.437050       |
| H₄         | 0.137373            | 3.322441       |
| H₅         | 0.459786            | 8.753942       |

The first hypothesis was that advertiser credibility had a significant effect on advertising attitudes. According to this study, the t-value score of the credibility advertiser variable on attitudes toward advertising was 4.528. It suggested that the marketer credibility variable significantly affected the attitude toward advertising. Similar to this finding, Ling et al. (2010) claimed that advertiser credibility has a positive link with attitudes toward advertising.
The second hypothesis was that advertising credibility had a substantial impact on brand attitudes. According to this study’s findings, the t-value score of the advertiser credibility variable on attitudes toward brands was 7.757. This suggested that the advertiser credibility variable considerably impacted brand attitudes. This viewpoint is shared by Kim and Choi (2012), who stated that advertising credibility has been identified as an essential indicator of perceived product or brand quality.

The third hypothesis was that informative advertising had a major impact on advertising attitudes. According to this study’s results, the t-value score of the informative advertising variable on attitude toward advertising was 5.437. This suggested that the informative advertising variable had a significant effect on advertising attitudes. Similarly, Ling et al. (2010) demonstrated that informative advertising positively correlates with attitudes toward advertising.

The fourth hypothesis was that informative advertising significantly impacted attitudes toward brands. The study showed that the t-value score of informative advertising on brand attitudes was 3.322. It is worth noting that the informative advertising variable substantially impacted brand attitude. In the same vein, Kotler et al. (2021) noted that informative advertising aims to raise brand recognition and information about new items or new characteristics of existing products.

The fifth hypothesis stated that one’s attitude about advertising had a substantial impact on their attitude toward a specific brand. According to this study’s findings, the t-value score of attitudes toward advertising on attitudes toward brand was 8.754. It indicated that the attitudes toward advertising variable considerably impacted the attitudes toward brands variable. These findings were consistent with Sallam and Algammash (2016), who suggested that attitudes toward advertising promote positive attitudes toward brands.

Conclusions

The most noticeable findings from this study are that factors influencing consumer attitudes toward advertising are advertiser credibility and the informative message delivered. Thereby, the more credible the advertiser, the more favorable the sentiments toward the advertising. Similarly, if the information provided in advertising is informative, positive values can be assigned to an individual’s attitudes toward advertising. However, those two variables only account for 23.3% of the variance, implying that other variables might be involved in identifying an individual’s attitudes toward advertising.

This study concludes that advertiser credibility, informative message in advertising, and attitudes toward advertising are critical determinants of brand attitudes. As a result, the more credible the advertiser, the higher the attitudes toward the brand advertised. Similarly, the more informative the advertising message, the better the brand awareness. Furthermore, the greater the customer’s trust in an advertisement, the greater the value of particular attitudes toward a specific brand. Therefore, it is expected to become a reference for marketers in promoting their products through banner advertising, allowing it to reach the right audiences.

For further studies, assessing variables other than advertiser credibility and informative advertising in elucidating consumers’ attitudes toward online banner advertising and brands will be fascinating.

Future research is expected to increase the sample size and include other variables such as banner ads positions or intrusiveness to reduce consumer skepticism and drive them to engage more with the brands advertised. The sample size can be expanded to improve data processing outcomes. Furthermore, the disparities in the number of female and male respondents in this study can be used in future research to use gender as a control variable to examine how they evaluate the factors employed.

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References


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