



Full length article

Evaluating the influence of YouTube advertising for attraction of young customers

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ABSTRACT

Nowadays, we have been faced with an increasing number of people who are spending tremendous amounts of time all around the world on YouTube. To date, the factors that persuade customers to accept YouTube advertising as an advertising medium are not yet fully understood. The present paper identified four dimensions towards YouTube advertising (i.e., entertainment, Informativeness, Customization and irritation) which may be affected on advertising value as well as brand awareness, and accordingly on purchase intention of consumers. The conceptual model hypothesizes that ad value strategies are positively associated with brand awareness, which in turn influence perceived usefulness of YouTube and continued purchase behavior. For this study, data were collected from students studying at the Sapienza University of Rome. In total, 315 usable questionnaires were chosen in order to analysis of data for the variables. The results show that entertainment, informativeness and customization are the strongest positive drivers, while irritation is negatively related to YouTube advertising. On the other hand, advertising value through YouTube affects both brand awareness and purchase intention of consumers accordingly.

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1. Introduction

No matter how big the budget is, advertising can succeed only if it gains attention of communities well. Proper messages and contents on advertising are vital in today's costly and cluttered advertising environment (De Mooij & Hofstede, 2010). Social media has become in mainstream and advertisers have noticed this trend. The percentage of companies using social media for advertising is purposes approximately 88% in 2014. Advertising expenditures on social media, which represent almost five percent of the total advertising expenditures on the global level, is anticipated to be more than double in 2018 (Social media report, 2015; Nielsen, 2012). Thus, the attractiveness of this field of research is that a large part of the worldwide population is somehow connected with, or at least well versed with social media and its predominance in today's reality.

YouTube is a content community that was founded in 2005 which allows users to post, view, comment and link to videos on

the site. It is the third most visited website in worldwide, with recording over one billion monthly visitors who watch more than six billion hours of video monthly, and are highly engaged in liking, sharing, and commenting on videos on YouTube as well as upload 100 h of new video every minute in this website (Bradshaw & Garrahan, 2008). Furthermore, Young generation between 18 and 34 years old who impose two-thirds of YouTube and watch YouTube videos more than any cable TV channel are the most frequent users of this channel (Perrin, 2015).

YouTube is a rich repository of information and insights regarding markets and consumption. Twenty and two countries and some cell phone companies, such as iPhone and blackberry were offered a localized version by YouTube, which made it possible for users to view YouTube videos on their handheld (Bradshaw & Garrahan, 2008). This widespread consumption of this platform has made an influence on the way advertisers design their ad strategy (Nielsen, 2012). In addition, YouTube runs its partner program, which web video producers create an original new content for the site in order to gain benefit from sharing the revenue of YouTube 'ads. To date, more than 30,000 partners from 27 countries have joined in the partner program (Kotler & Armstrong, 2013).

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The proliferation of content advertising on YouTube has attracted advertisers' attention to invest in this evolving medium as a brand communication and effective online advertising platform. Advertisements on YouTube as a sharing platform shows on the site's homepage, which includes elements published or chosen by users (Adage). They may also become visible on the video's viewing page, normally in the form of a banner. The advertiser can also demand that the proposed advertisement be targeted with respect to the video content, in which case higher rates apply. New advertising formats have been developed to have this effect (Ad Age Survey).

Basically, there are two types of advertisement on YouTube video. In stream video advertising and in-video advertising are two different types of advertisements through YouTube. In stream ads let viewers choose to watch brand' ads, or skip it after playing for at least 5 s. Standard In-Stream Ads can be a maximum of 15 s. In-video ads are the ads that usually appear on the lower portion of company's video. These ads typically appear for the 15 s mark that the viewer if desired can close or minimize them (Adage; Pikas & Sorrentino, 2014). Although television stays the primary form of media and holds a relatively stable impact, social media channels such as YouTube continues to grow, which is experiencing a considerable acceleration in the development of advertising investments (Adage; Bellman, Schweda, & Varan, 2009; Clancey, 1994). Thus, one arisen question is whether advertisers who are experiencing the effects of advertising substitution between YouTube and other forms of media could operate this new environment in order to obtain the best return of investment with the help of YouTube advertising.

Despite the critical need to explore all aspects of YouTube as a new advertising platform, there is a lack of knowledge concerning the advertising plan for companies. Therefore, the present research attempts to fill gaps by investigating if and how YouTube ad affects advertisement's value and customers' intentions to purchase. To the best of our knowledge, no studies have tested the relationship between YouTube ad factors on the value of advertising and purchase intention nor have identified predictors for these variables. Therefore, the purpose of this study is to provide and examine a comprehensive integrated model for YouTube advertising by overcoming the limitations of previous studies on social media. To this aim, our research questions are:

- 1 Does optimized YouTube advertising play an important role in forming purchase intention of consumers?
- 2 What are the affective factors that influence YouTube advertising value in advertisements?
- 3 Does customization of YouTube ads make a valuable contribution for boosting affective qualities on advertising value?

The paper proceeds as follows: it briefly reviews the literature on our variables, then develops research hypotheses and describes our methods. Finally, it presents the results of the content analysis and a discussion of findings.

2. Literature review

2.1. Entertainment

Entertainment in media channels defines to which entertaining for media users (Eighmey & McCord, 1998). Previous research determines that offering a higher entertainment value is likely to cause a benefit for media users that encourage them to use the media more often. Advertising entertainment indicates the possibility of an advertisement, as well as enjoyment consumers and pleasure, which proceed from the advertisement (Lee & Choi,

2005). Advertisements are presumably to be utilized in order to actualize consumers' hedonic needs (Rodgers & Thorson, 2000). Hence, developing likeability of enjoyment and pleasure (Pollay & Mittal, 1993). The social media environment advertising by presenting pleasant entertainment is capable of enhancing consumer hedonic needs (Fischer & Reuber, 2011; Edwards, Li, & Lee, 2002a, 2002b). In, the value of entertainment lies in the ability to augment user needs for enjoyment, emotional release and diversion (Muntinga, Moorman, & Smit, 2011) by letting the consumers to experience, exchange information, and even photo and video clips with their social connections (Kim, Sohn, & Choi, 2011).

In terms of Madison & Vine through YouTube channel, many marketers have subscribed to merge advertising and entertainment in order to reach more customers with engaging messages as well as embedding brands on props within entertaining program. Thus, product placements are the most common form of branded entertainment, which break through the clutter and create new avenues for gaining attention of more consumers (Kotler & Armstrong, 2013).

2.2. Informativeness

Informativeness can be defined as the extent to which provides users with helpful and resourceful information (Chen, 1999; Ducoffe, 1995a, 1995b). Clancey, Maura (Clancey, 1994) suggests that media users distinguish the advertising's ability to provide consumer information the fundamental reason for accepting the ad itself. Ducoffe (Ducoffe, 1995a, 1995b) defines informativeness as "consensus exists with regard to the ability of advertising to inform consumers of product alternatives", and hence, it can lead the satisfying decision of purchasing. Erdem (Erdem, Swait, & Valenzuela, 2006) found that consumers tend to demonstrate more signs of searching product information, and gain information more through unconditional, interpersonal information exchange (De Mooij & Hofstede, 2010). Furthermore, the concept is extended and many scholars showed the importance of informativeness on attitudes toward social media advertisements (Aswad). Thus, social media provides a proper tool for such a purpose because of its format, which displays further product information (Lee & Choi, 2005).

2.3. Irritation

Irritation can be described as the measure to which the content is messy and irritating to surfers (Eighmey & McCord, 1998). Previous studies indicate that people are increasingly resistant to TV commercials and thus they ignore the ads or use that time to participate in another activity (Clancey, 1994; Speck & Elliott, 1997). Online advertising such as banner ads and pop-up ads are also distinguished as annoying and irritating (Edwards et al., 2002a, 2002b). People tend to avoid online advertising due to the irritating aspects of internet ads (Benway, 1998; Cho et al., 2004). Ducoffe (Ducoffe, 1995a, 1995b) noted that irritating banner ads may put on distract consumers' attention and human experiences. Consumers were more likely to figure out the advertisements as an irritating and an unwanted irritating penetration when it engaged annoy, offend or overly manipulative techniques (Edwards et al., 2002a, 2002b; Pasadeos, 1990). Concerning social media like YouTube, irritation linked to advertising may be indicated to goal interruption as well as concerns of consumers for losing their privacy (Corstjens & Umblijs, 2012).

2.4. Customization

Customers are more amendable on advertisements when is

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