

# ROLE OF CREDIBILITY, IN-FORMATIVENESS AND ENTERTAINMENT FACTORS TOWARDS ADVERTISING INCLINATION AND RELATION TOWARDS CONSUMER RESPONSE

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## Abstract

The study analyses the role of credibility, in-formativeness and entertainment factors of online advertisements contribute/relate towards advertising inclination among consumers. The measurement scale is prepared in reference to study conducted by Ramaprasad and Thurwanger in 1998. The measurement scale of online advertising inclination is prepared in reference to study conducted by Chan Mei Le, Chee Hui Loo, Chun Siew Peng in 2006. The measurement scale of consumer response is prepared in reference to study conducted by Belch and Belch in 2011 and Rawal in 2013. The paper concludes that credibility, in-formativeness and entertainment factors are positively correlated to online advertising inclination. Consumers' inclination towards online advertising is significantly related to consumers' responses

**KEY WORDS: Online Advertising Inclination, Credibility, In-formativeness, Entertainment, Consumer response**

## Introduction

Online advertising is one of the best ways to promote and attract more customers during these days as people are now interconnected globally through technological frame. The study will be a significant endeavour in understanding the consumer's inclination towards online advertising. The study will be beneficial to the business/management particularly in product or services which choose online advertisements as their promotion strategy because they are able to understand the attitude of internet users towards online advertisements. By understanding exposure of consumers the business may develop strategies suitable to build a competitive advantage. Internet users can also understand their level of inclination towards online advertisements and also they can get awareness regarding credibility and in-formativeness of online advertisements.

## Significance of the Study

Almost every one grows up in the world flooded with mass media, for example television, advertising, films, videos, bill boards, magazines, movies, music, newspapers and internet. Of all marketing weapons advertising is renowned for its long lasting impact on viewer's mind.

Online advertising is a latest development. There is little research of different dimensions of online advertising. In first world countries most of the researches have been conducted and in third world country like India only few research have been conducted on online advertising. Therefore this study may bring new insights or new theories which explain online advertising and its effectiveness among internet users. For creating more favourable informational responses consumer's attitude towards online advertisements play a vital role. Thus it is important for marketers to understand the factors that contribute in developing a favourable consumer's attitude towards online advertisements.

## Objectives

The objective of the present study Is to:

- To know how credibility, in-formativeness and entertainment factors of online advertisements contribute/relate towards advertising inclination among consumers.
- To identify how consumers' inclination towards online advertisements influences consumer responses .
- To make suggestions and recommendations based on findings of the study.

## Hypotheses of the Study

: There is no significant relation between credibility of advertisement content and online advertising inclination.

*H<sub>0</sub>*: There is no significant relation between in-formativeness and online advertising inclination.

*H<sub>0</sub>*: There is no significant relation between entertainment in advertising message and online advertising inclination.

*H<sub>0</sub>*: Consumers' inclination towards online advertising is not significantly related to consumers' responses.

## Methodology of the Study

The study is based on both primary and secondary data. The secondary data used in the study were collected from journals, books, magazines, websites and other publications. Primary data were collected from sample respondents using structured questionnaire. A five point Likert scale was used to measure advertising perception.

The population of the study was internet users. The samples were selected using convenient sampling method. Data were collected from 126 internet users of Kottayam district. The collected data were analyzed using statistical tools such as mean, standard deviation, one way anova, correlation and regression analysis using SPSS

## Scope of the Study

The scope of the study was confined to internet using consumers of Kottayam district. The study covers the perception towards online advertising.

## Limitations of the Study

The present study has some limitations like:-

- It is restricted to only internet users.
- Sample size of 126 internet users were only taken for the study.
- The study is based on consumer response which may change from time to time.

## Literature Review

The following are the review of the studies conducted by various researchers to identify the relationship between credibility, in-formativeness and entertainment factors towards advertising inclination and their relation towards consumer response.

### **credibility, in-formativeness and entertainment factors and online advertising inclination**

Kelman and Hovland (1953), credibility can be defined as the level of reliability of a message or content to provide accurate and reliable information. Credibility plays a vital role in online advertising because it may lead to a higher perception or inclination of the promoted product and consumers may feel good and comfortable with the advertisement.

Kwek, Tan, and Lau (2010), depicted that components of credibility are credible, trustworthiness, convincible, and believability.

Chan Mei Lee et al(2006), depicts that credibility of online advertisements have positive correlation towards online advertising inclination.

Eze and Lee ( 2012) and Alder and Rodman( 2000),depicted that Consumer's believability toward online advertising are based on the usefulness and truthfulness of the message contents . For that reason, the consumers will have the inclination to trust the online advertising.

Ducoffe (1996), defined in-formativeness as providing useful or interesting information to viewers.

Azeem and Zia ulHaq (2012), indicated that the level and quality of information provided in an online advertisement is an important factor that influence customers' inclination of the company and the company's products. Therefore, the company should ensure that the information delivered to public through online advertising is sufficiently informative.

Marquez (1977), suggested that informative online advertisement is an advertisement that consists of specific, relevant, and reliable facts about an advertised product and are used in creating consumer's desire for the product and are capable of assisting consumers in decision making processes.

Chan Mei Lee et al(2006), depicts that in-formativeness of online advertisements have positive correlation towards online advertising inclination.

Chen and Wells (1999), reveals that an informative online advertisement is able to inform the potential consumers about new products or services introduced into the market by providing quality information in the advertisement and also suggested that to be a valuable source of online information, the advertisement must be able to show some qualitative features, such as accuracy, timeliness, and usefulness for the consumers.

According to O'Shaughnessy and Jackson O'Shaughnessy (2002), pleasure means enjoyment or happiness. The pleasure dimension is concerned about the consumer's experience of pleasure and happiness with the product or service that makes consumer feel good and serves his or her pleasure needs

Alwitt and Prabhaker (1992) and Pollay and Mittal (1993), in their study demonstrated that components of hedonism are enjoyable, pleasure, excitement and surprise, and containing funny characters.

Hoffman and Novak (1996) investigated and observed that advertising message containing enjoyable elements are able to enhance the overall effectiveness of an online advertisement.

Campbell (1987), have proven that pleasure can make consumers feel good about an online advertisement.

Chan Mei Lee et al(2006), depicts that pleasure of online advertisements have significant positive correlation towards online advertising inclination

According to Eze and Lee (2012), online advertising is entertaining, delighting, and contains pleasure and this leads to positive correlation towards online advertising inclination.

## Results and Discussions

### Profile of Respondents

#### Credibility

Credibility can be defined as the level of reliability of a message or content to provide accurate and reliable information. The measurement scale is prepared in reference to study conducted by Ramaprasad and Thurwanger in 1998.

**Table 3.9**

**Descriptive Statistics**

	N	Mean	Std. Deviation
Authentic and credible	126	3.96	1.148
Impressive and convincing	126	3.51	.961
Reliable and trust worthy	126	3.25	1.171
Believable and conclusive	126	3.23	1.140
Valid N (listwise)	126		

Source: primary data N=126

Table shows mean score of credibility factor of online advertising inclination and all the mean scores are above 3. “Authentic and credible” have highest mean 3.96 and “Believable and conclusive” have lowest mean 3.23.

#### In-formativeness

In-formativeness is defined as the provision of useful or interesting information to viewers. The measurement scale is prepared in reference to study conducted by Ramaprasad and Thurwanger in 1998.

**Table 3.10**

**Descriptive Statistics**

	N	Mean	Std. Deviation
Provide information about products and services	126	3.83	1.125
Informs brands having features needed	126	3.54	.918
Assists me in purchase decision by giving full inf'n	126	3.06	1.094
Tells me in new and keeps me up to date	126	3.17	1.201
Valid N (listwise)	126		

Source: primary data N=126

Table presents mean score of in-formativeness factor of online advertising inclination and all the mean scores are above 3. “Provide information about products and services” have highest mean 3.83 and is same as the finding of Chan and Wells (1999) and “Tells me in new and keeps me up to date” have lowest mean 3.06.

### Entertainment/Pleasure

The pleasure dimension is concerned about the consumer’s experience of pleasure and happiness with the product or service that makes consumer feel good and serves his or her pleasure needs. The measurement scale is prepared in reference to study conducted by Ramaprasad and Thurwanger in 1998.

**Table 3.11**

Descriptive Statistics

	N	Mean	Std. Deviation
Provides pleasure	126	3.75	1.115
More enjoyable than others	126	3.50	.901
Contains lots of excitements and surprises	126	3.07	1.260
Contain funny characters and provide relaxation and joy	126	3.09	1.088
Valid N (listwise)	126		

Source: primary data N=126

Table depicts mean score of entertainment factor of online advertising inclination and all the mean scores are above 3. “Provides pleasure” have highest mean 3.75 and is consistent with findings of Eze and Lee (2012) and “Contains lots of excitements and surprises” have lowest mean 3.07.

### Consumer response

The AIDA model of Advertising Theory, consists of awareness, interest, desire and action are termed and is used as the components for studying consumer responses. The measurement scale is prepared in reference to study conducted by Belch and Belch in 2011 and Rawal in 2013.

**Table 3.12**

Descriptive Statistics

	N	Mean	Std. Deviation
Creates awareness/attention	126	3.83	1.101
Raises interest	126	3.79	.882
Arouses desire	126	3.25	1.200
Generates purchase intention	126	3.08	1.100
Valid N (listwise)	126		

Source: primary data N=126

Table highlights mean score of consumer response of online advertising inclination and all the mean scores are above 3. “Creates awareness/attention” have highest mean 3.83 and is consistent with the findings of Rawal (2013) and O’Connoer and Galvin (2001) and “Generates purchase intention” have lowest mean 3.08.

### **Credibility, In-formativeness, Entertainment and online advertising inclination**

Correlation analysis is a statically tool used to describe the degree to which one variable is linearly related to another. Therefore to find the relationship between the dependent variable- advertising inclination and the independent variables- credibility, in-formativeness and entertainment, correlation analysis was applied. In order to explore whether the various factors that are generally considered as determining advertising inclination, regression procedure was adopted. The measurement scale is prepared in reference to study conducted by Ramaprasad and Thurwanger in 1998. The result of correlation coefficient is shown below.

*H<sub>0</sub>*: There is no significant relation between credibility of advertisement content and online advertising inclination.

*H<sub>1</sub>*: There is significant relation between credibility of advertisement content and online advertising inclination

*H<sub>0</sub>*: There is no significant relation between in-formativeness and online advertising inclination.

*H<sub>1</sub>*: There is significant relation between in-formativeness and online advertising inclination

*H<sub>0</sub>*: There is no significant relation between entertainment in advertising message and online advertising inclination

*H<sub>1</sub>*: There is significant relation between entertainment in advertising message and online advertising inclination

### **Test statistic-Correlation and Regression Analysis**

**Table 3.17**

**Descriptive Statistics**

	Mean	Std. Deviation	N
online_advertising_inclination	3.3770	.43725	126
Credibility	3.4861	.54982	126
Informativeness	3.4008	.61569	126
Entertainment	3.3532	.54614	126

## Correlations

		online_advertising_inclination	credibility	informativeness	Entertainment
Pearson Correlation	online_advertising_inclination	1.000			
	Credibility	.414	1.000		
	Informativeness	.367	.581	1.000	
	Entertainment	.253	.573	.526	1.000
Sig. (1-tailed)	online_advertising_inclination	.	.000	.000	.002
	Credibility	.000	.	.000	.000
	Informativeness	.000	.000	.	.000
	Entertainment	.002	.000	.000	.
N	online_advertising_inclination	126	126	126	126
	Credibility	126	126	126	126
	Informativeness	126	126	126	126
	Entertainment	126	126	126	126

## Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.443 <sup>a</sup>	.196	.177	.39678

a. Predictors: (Constant), entertainment, informativeness, credibility

Table shows that correlation between dependent and independent variable is positive. The coefficient of determination and  $R^2$  which is the proportion of the variance in the dependent variable can be explained by the independent variable. The explanatory power of a model increases with a higher value of  $R^2$ . The value of  $R^2$  is .196 which indicates that 19.6% of the variations in the dependent variable is explained by the predictor variables credibility, in-formativeness and entertainments.

ANOVA<sup>b</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4.692	3	1.564	9.934	.000 <sup>a</sup>
	Residual	19.207	122	.157		
	Total	23.899	125			

a. Predictors: (Constant), entertainment, informativeness, credibility

b. Dependent Variable: online\_advertising\_inclination



Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.104	.257		8.174	.000
	Credibility	.253	.086	.318	2.938	.004
	Informativeness	.142	.074	.200	1.920	.047
	Entertainment	-.027	.083	-.034	-.327	.44

a. Dependent Variable: online\_advertising\_inclination

5% level of significance

Since sig.value (.000) is less than .05, null hypothesis is failed to accept.

That is credibility, in-formativeness and entertainment factors are positively correlated to online advertising inclination and is consistent with the findings of Chan Mei Lee et al (2006). Therefore,

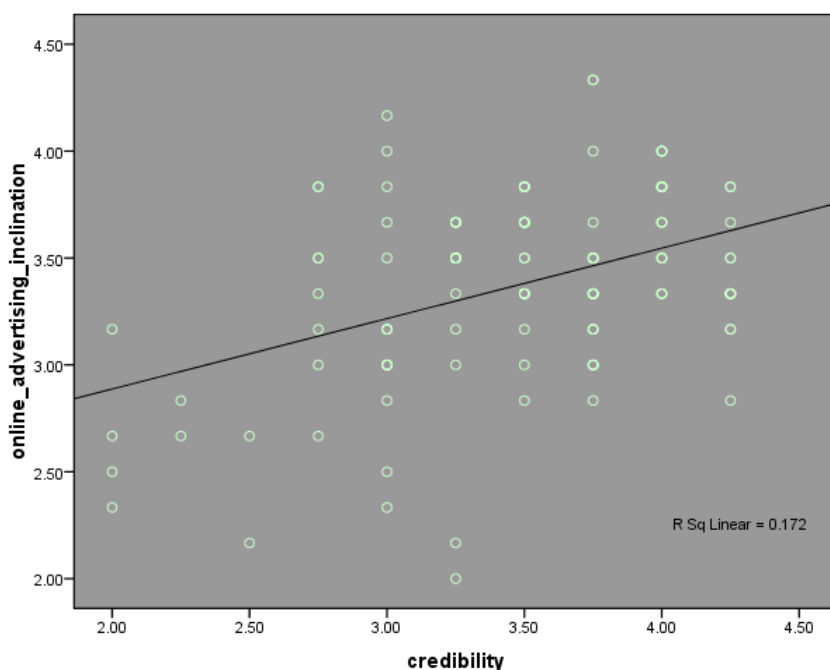
There is significant relation between credibility of advertisement content and online advertising inclination.

There is significant relation between in-formativeness and online advertising inclination.

There is significant relation between entertainment in advertising message and online advertising inclination

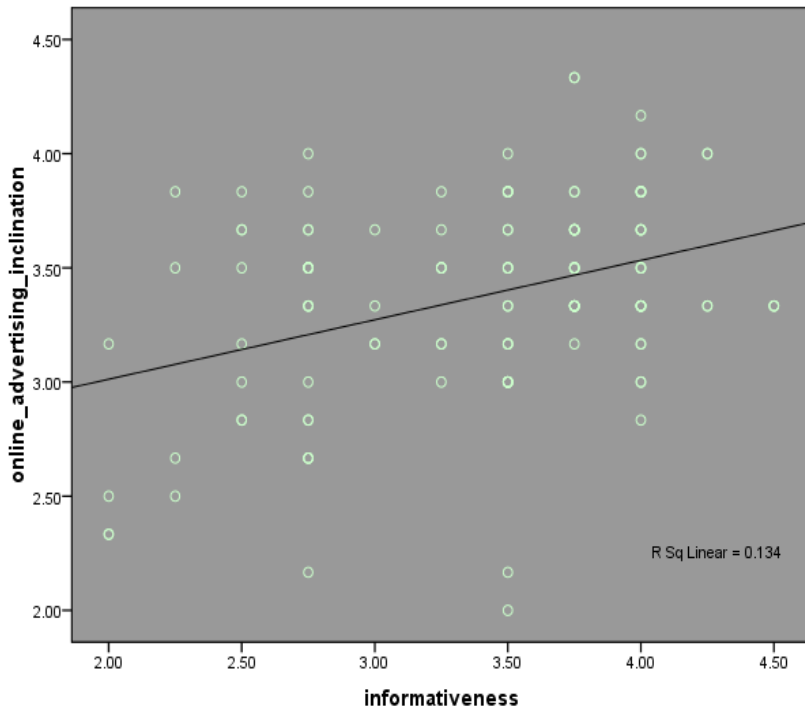
**Scatter diagrams showing correlation between credibility, in-formativeness and entertainment factors and online advertising inclination.**

Figure10: credibility and online advertising inclination



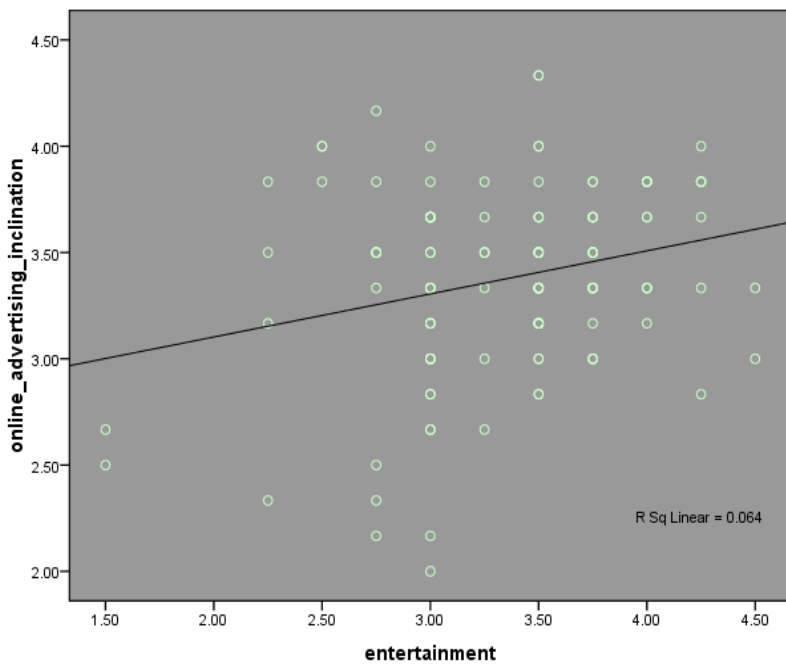
Square root of 0.172 is 0.414 which shows high positive correlation between online advertising inclination and credibility as per Pearson correlation

**Figure11: In-formativeness and online advertising inclination**



Square root of 0.134 is 0.367 which shows high positive correlation between online advertising inclination and in-formativeness as per Pearson correlation.

**Figure 12: Entertainment and online advertising inclination**



Square root of 0.064 is 0.253 which shows high positive correlation between online advertising inclination and entertainment as per Pearson correlation.

## Online advertising inclination and consumer response

Correlation analysis is a statically tool used to describe the degree to which one variable is linearly related to another. Therefore to find the relationship between the dependent variable- consumer response and the independent variable- online advertising inclination correlation analysis was applied. In order to explore whether the independent variable is generally considered as determining consumer response, regression procedure was adopted. The measurement scale of online advertising inclination is prepared in reference to study conducted by Chan Mei Le, Chee Hui Loo, Chun Siew Peng in 2006. The measurement scale of consumer response is prepared in reference to study conducted by Belch and Belch in 2011 and Rawal in 2013. The result of correlation coefficient is shown below.

*H<sub>0</sub>*: Consumers' inclination towards online advertising is not significantly related to consumers' responses.

*H<sub>1</sub>*: Consumers' inclination towards online advertising is significantly related to consumers' responses.

### Test statistic-Correlation and Regression Analysis

**Table 3.19**

#### Descriptive Statistics

	Mean	Std. Deviation	N
consumer_response	3.4881	.53466	126
online_advertising_inclination	3.3770	.43725	126

#### Correlations

		consumer_response	online_advertising_inclination
Pearson Correlation	consumer_response	1.000	.179
	online_advertising_inclination	.179	1.000
Sig. (1-tailed)	consumer_response	.	.022
	online_advertising_inclination	.022	.
N	consumer_response	126	126
	online_advertising_inclination	126	126

#### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.179 <sup>a</sup>	.032	.024	.52813

a. Predictors: (Constant), online\_advertising\_inclination

Table shows that correlation between dependent and independent variable is positive. The coefficient of determination and  $R^2$  which is the proportion of the variance in the dependent variable can be explained by the independent variable. The explanatory power of a model increases with a higher value of  $R^2$ . The value

of  $R^2$  is .032 which indicates that the variations in the dependent variable is explained by the predictor variable.

ANOVA<sup>b</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.145	1	1.145	4.107	.045 <sup>a</sup>
	Residual	34.587	124	.279		
	Total	35.732	125			

a. Predictors: (Constant), online\_advertising\_inclination

b. Dependent Variable: consumer\_response

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.749	.368		7.473	.000
	online_advertising_inclination	.219	.108	.179	2.027	.045

a. Dependent Variable: consumer\_response

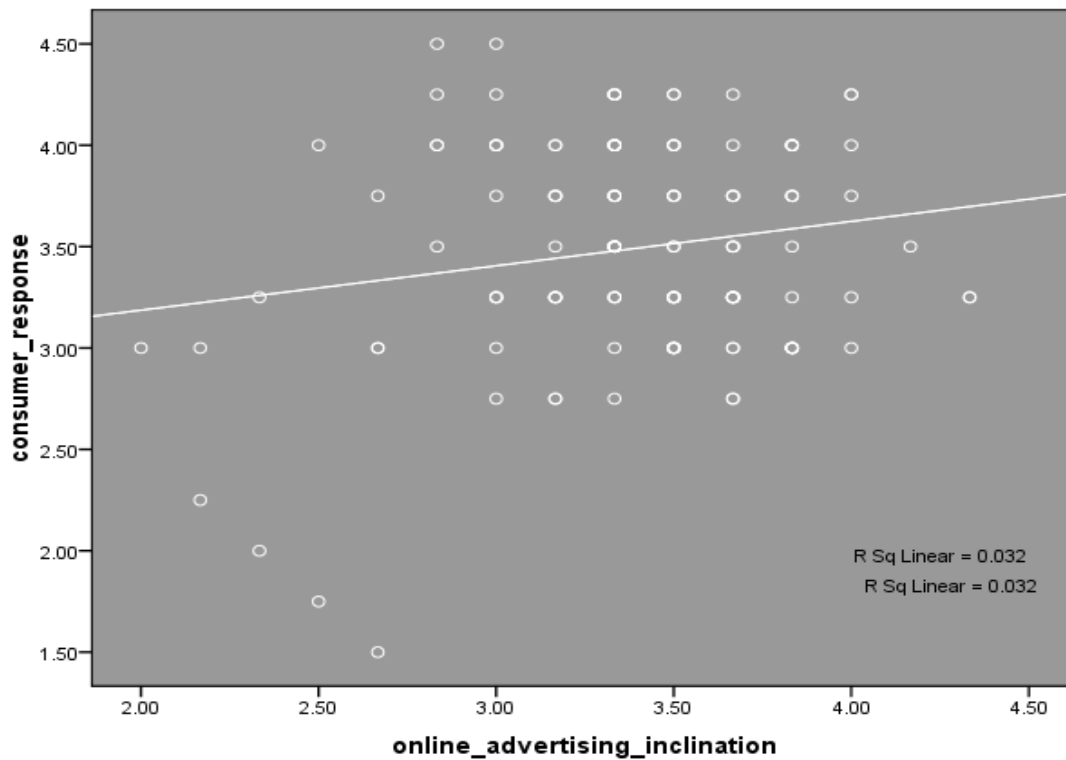
5% level of significance

Since sig. Value (.045) is less than .05, null hypothesis is failed to accept.

That is, Consumers' inclination towards online advertising is significantly related to consumers' responses and is consistent with the findings of James and Koner (1992), Mehta (2000) and Wang et al (2009).

## Scatter diagram showing correlation between online advertising inclination and consumer response

Figure 12: online advertising inclination and consumer response



Square root of .032 is .179 which shows positive correlation between online advertising inclination and consumer response as per Pearson correlation

## Findings, Practical Implications and Conclusion

### Findings and Discussions

1. The mean value of online advertising inclination shows “Online advertisement promotes latest items and is useful” have highest mean 4.17 and “Creativity is highly appreciated” have lowest mean 3.06.
2. The mean scores of credibility factor shows “Authentic and credible” have highest mean 3.96 and “Believable and conclusive” have lowest mean 3.23.
3. The mean score of in-formativeness factor of online advertising inclination shows “Provide information about products and services” have highest mean 3.83 and is same as the finding of Chan and Wells(1999) and “Tells me in new and keeps me up to date” have lowest mean 3.06.
4. The mean score of entertainment factor of online advertising inclination shows “Provides pleasure” have highest mean 3.75 and is consistent with findings of Eze and Lee (2012) and “Contains lots of excitements and surprises ” have lowest mean 3.07.
5. The mean score of consumer response of online advertising inclination as per AIDA model shows “Creates awareness/attention” have highest mean 3.83 and is consistent with the findings of Rawal (2013) and O’Connoer and Galvin (2001) and “Generates purchase intention” have lowest mean 3.06.

6. Regression analysis brought out three significant predictors of online advertising inclination, via, credibility, in-formativeness and entertainment.
7. Credibility, in-formativeness and entertainment factors are positively correlated to online advertising inclination as sig. value (.000) is less than .05 and is consistent with the findings of Chan Mei Lee et al (2006).
8. Consumers' inclination towards online advertising is significantly related to consumers' responses sig. Value (.045) is less than .05 and is consistent with the findings of James and Koner (1992), Mehta (2000) and Wang et al (2009).

### **Practical Implications of the Study**

- Online advertisements should be kept innovative and up to date to attract consumers
- Special attention should be given to increase trust and reliability of consumers towards online advertisements and should ensure their protection and security.
- Credibility, In-formativeness and entertainment shows significant correlation towards online advertising inclination so, these factors have to be given high consideration and vitality.
- All the possible steps to increase online advertising inclination have to be taken as it shows a significant correlation with consumer response.

### **Conclusion**

The study examines the role of credibility, in-formativeness and entertainment factors towards online inclination and their relation towards consumer response. The main focus of this study was to find out advertising inclination and have considered various factors credibility, in-formativeness and entertainment influencing online advertisements. The study finds out that all these factors influencing advertising inclination shows positive correlation towards online advertising inclination and online advertising inclination have positive correlation towards consumer response.

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