

Introduction

The fundamental aim of this study is to evaluate whether or not the Internet is an effective new media for advertising.

The Objectives of the study are as follows:

- The effectiveness of advertising over the internet
- The differences of internet advertising compared to traditional advertising
- To evaluate the effectiveness of the measurement tools used to determine Internet advertising effectiveness.
- To identify and evaluate the role of advertising over the Internet.

Internet advertising is influences individual lives everyday. As Wilmshurst and Mackay (1999) once said “Advertising is an inescapable part of our lives and very much involved in the rapidly changing technology of the world we live”. In the past decade has witnessed the development of information and communication technologies that enables easy and rapid interaction between customers and advertiser. As a result, advertisers are increasingly relaying on various modes of interactive technology to advertise and promote their products and services. A new genre of advertising and marketing communications agencies has emerged, the interactive agency, even more traditional advertising agencies have embraced interactive technologies.

According to Reuters in their report “The Global Internet: The Next Revolution” the total size of the global online population will grow from over 252.0 million in 1999 to an estimated 858.2 million in 2005. Also global advertising expenditure is also expected to increase from US\$ 3.1bn in 1999 to US\$29.2bn in 2004, representing an average annual growth rate of 57%. These incredible figures are merely just estimates however there

must be some force that motives organisation to invest in such massive advertising expenditure. The Internet emerged as a new advertising and marketing media in 1994(Admedia.com). The Internet has emerged as a medium for marketing and advertising since 1994. The Internet is different from conventional advertising media in several respects. First, it can serve as not only a communications channel but also a transaction and distribution channel. Consumers can get information and make purchases and payments all through the Internet. No other medium can accomplish these marketing functions instantly, without resorting to other means. Second, the Internet is by nature interactive. Users can initiate a shopping process by visiting a Web site and then clicking on hyper-linked text for more information. It is a two-way communication, with the Internet serving as a provider of customized content that meets an individual's needs. Third, it has the capacity for multimedia content. It can carry not only text and graphics but also audio and video content. The multimedia nature of the Internet is suitable for high-impact advertising. The Internet has become an integral part of the media mix for many advertisers, and new forms of advertising have filled the World Wide Web landscape, including animated banner ads, sponsor logos, interstitials, “advertorials,” “advertainment,” and 3-D visualization. Surely the Internet has great opportunities that marketers yearn for, however the question here is how well are marketers and organisation are using the Internet as a media to communicate with their targeted audience. From one point of view Internet advertising does not look like it has improved in creating a meaningful two-way communication with its targeted audience. The more obvious impression the Internet users get is that marketers only succeed in getting more creative in irritating them as compared to actually doing something that actually benefits them.

Wolin, Korgaonkar and Lund (2002) believe that the beliefs, attitudes and behaviour of Internet users towards web advertising influences their perceptions and actions. On the other hand others believe that web advertising is effective when the users are exposed to the advertisement

What makes the Internet different from the other media is its capability for interaction between the target audience and also the advertisers. Although the Internet is widely heralded as a new medium for interactive communications (Hoffman and Novak 1996, Alba, Lynch, Weitz, Janiszewski, Lutz, Sawyer and Wood 1997, Stewart and Zhao 2000), consumers have already begun to provide evidence that they have integrated the Internet experience into their broader media use.

The effectiveness of the Internet as a new medium for Advertising.

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Outline of the Study

1. *Introduction* – States the aims and objectives of the study
2. *Literature Review* – Includes the background arguments and relevant information on Internet advertising and its effectiveness.
3. *Research Methodology* – and data collection – primary and secondary data research collection, Primary data research (focus group Interview) ***The objective of the focus group interview is to compare and contrast the results from secondary research about the effectiveness of internet advertising to the results of the primary data collection.***
4. *Finding and Analysis* – from the primary data collection
5. *Findings and Analysis* – from secondary research
6. *Discussion and Summary from the results of both secondary and primary research collection and analysis.* The findings determine whether or not the Internet is an effective medium for advertising.
7. *Conclusion*

Literature Review

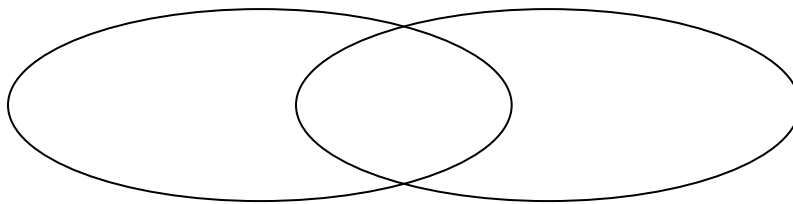
The purpose of this theoretical framework is to identify and relate theories and previous work of authors with regards to the study. This theoretical framework is made up of various models and finding which is adapted to the study.

Internet Advertising

Jupiter defines advertising as a paid message – based on fixed fee, CPM or result based model – featured on a Web site, online services or other interactive medium. In the context of advertising communication, the term advertising media has traditionally been applied to mass communication media in order to distinguish advertising from personal selling, direct advertising and individualised sales promotion (Stewart and Ward, 1994). However, the power of information technology has transform mass communication into personalised communication and eventually will shift the focus of traditional mass advertising to a more concentrated and focused audience. The AOL advertising team defines Internet advertising as the convergence of branding, information, dissemination and sales transaction all at one place. Chris Fills (2002) states that advertising can influence audiences by informing or reminding them of an existing brand, or alternative by persuading of helping them differentiate a product or organisation from others in the market. He also cites that the main roles of advertising are to build awareness, induce dialogue (if only on an internal basis) and to (re) position brands, by changing either perception or attitudes.

Equipped with a blend of media characteristics (i.e. support complex text and graphics, enables high interactivity and personalisation, and allows highest degree of individual control (Martine & Leckenby 1999)), the Internet ‘cannot be easily categorized as either interpersonal or mass media channel’ (Reardon & Rogers, 1988). It is for these reasons that Internet advertising appeals because it ‘combines elements from a variety of media, yet is more than the sum of the parts’ (Hoffman & Novak 1996).

The basic nature of online advertising is similar to other medias of advertising. It attempts to propagate information in order to affect a buyer-seller transaction. One of the major differences of online advertising is its ability to control and interact with the advertisement. Online or Web advertisings a medium that is able to combine all assets of traditional median and add some new ones (De Pelsmacker, Geuens and Van den Bergh, 2000). Internet advertising is one medium with integrates direct marketing with traditional advertising. The figure below illustrates the convergence of traditional advertising and direct response marketing.



Most scholars generally concede that the effect of advance technologies are less a function of the technologies themselves, and more a function of how these technologies are adapted by people (DeSanctis and Poole, 1994). Thus, the effects and effectiveness of online advertising may differ from anticipated outcomes as consumers and marketers respond and adapt to changes in their own environments (Markus and Robey, 1988). This suggests that research on online advertising should focus on the dynamics processes by which consumers and marketers incorporate advanced technologies into their reciprocal communications. DeSanctis and Poole (1994) have proposed adaptive structuration theory, an extension of strcturation theory (Giddens, 1984), to explain the interplay between the structures of technology, relevant actors and changes in technology and behaviour that arise from such interplay.

One example that DeSanctis and Poole (1989) used is that strucrational concept is used to examine how groups appropriate the interaction rules of their decision support system,

thereby structuring their group communications and reinforcing or modifying their systems' influence over time. Such an adaptive model may also be an appropriate conceptual framework for examining the effects and effectiveness of interactive advertising such as online advertising. Ongoing interaction between consumers and marketers maybe conceived of as a special case of structuration. Structuration involves the production, reproduction and transformation of social institutions, which are enacted through the interaction between individuals and institutions.

Applications of the structuration theory to Online advertising would involve the identification of the ways in which consumers shape the production, reproduction and transformation of the advertising message, future products and services and relationships with marketers and other consumers. This interaction can, in turn, shape the actions taken by the advertisers. Structurational concepts can be used to examine how marketers and consumers appropriate interaction rules to influence the effectiveness of advertising and other jointly beneficial outcomes. Following structurational terminology (Yates and Orlikowski, 1992), interactive advertising may be regarded as a social institution that is produced, reproduced and modified when consumers engaged in interactive communication. As a social institution, advertising both shapes and is shaped by consumer preferences.

The characteristics of Internet advertising vs. traditional media

Chris Fill (2002) illustrates the differences of traditional media for advertising and the new media (Internet) in the table below.

Table – A comparison of new and traditional Media.

The Communication Process Model

To evaluate the effectiveness of a message, it is important to understand how communication takes place and the fundamental elements of effective communication.

Communication has been defined as a 'transactional process between two or more parties whereby

What is now accepted as the basic model of communication was developed by Wilbur Schramm (1955). The components of this model comprises of Source, *Encoding*, *Signal*, *Decoding*, *Receiver*, *Feedback* and *Noise*. This is a linear model which emphasises the 'transmission of Information, idea, attitudes or emotions from one person or group to another (or others), primarily through symbols' (Theodorson and Theodorson, 1969).

Consumer Perception

Involvement Theory

The involvement theory is a central framework to critically understand consumer decision – making behaviour and associates communications. Purchase decisions made by consumers vary considerably, one of the factors thought to be the key to brand choice decision is the level do involvement (in terms of importance and relevance) a consumer has with either the product or the purchase process. To some involvement is about the ego perceived risk and purchase importance – cognitive perspective (Fill C. 2002). Kapferer and Laurent (1985) argues that involvement has five different facets. These are interest, risk of importance, risk probability, sign value and hedonic value. This approach tends to be all consuming, whereas Ratchford (1987) and, quoting Zaichkowsky (1985) and others, does not perceive involvement as such a broad matter. A majority of researchers do not recognise the importance of hedonic and sign value elements in this context. They perceive risk and purchase importance (cognitive perspective). To those who favour a behavioural perspective, the search for evaluation of product-orientated information is pertinent (Shiffman and Kanuk, 1991). The various characteristics associated with the involvement concept can be considered in three parts.

Measuring Advertising Effectiveness

The key objectives of analysing advertising effectiveness over the Internet are to evaluate the effectiveness of web advertising based on customer's perception and also the overall effectiveness web advertising towards organisation. However Dreze and Zurfriden (1998) rightly points out that a viable advertising media, Internet advertising must be subject to suitable measurement standards to gauge the effectiveness of the medium. Other argues that it is possible to measure online tools. For example Barggs and Hollis (1997) pointed out that one of the more common measures used is click-through rate. They indicated however, that this normally only measures behaviour, whereas what is needed is an indicator of the user's attitudes.

Since the emergence of the Internet many expected that it would take over mainstream media because of its higher accountability and as an entertainingly interactive and targeted medium (Tan and Priron, 2002). Such views quickly soured as online publishers were heavily penalised for its efficiency: with the ability to track performance of a banner as, advertisers were willing to pay only by clicks or amount of customer acquisition which was not possible with existing advertising media (The Economist, 2001). This idea led many to believe that Internet advertising was dead. However, others assert that the future of the web advertising remains promising and are optimistic about the medium (Beard, 2001; The Economist 2001). Improvements have subsequently been identified (Jackson, 2001) such as engaging advertisers' willingness to invest more money in this medium, and creating 'lots of different, interactive ads that can be tested against each other and refined with up-to-the minute monitoring of responses' (The Economist, 2001). Regardless of this, many large advertisers are not ready to embrace the online medium totally as they may want to examine how online marketing can complement other media and identify agencies which can provide such an integrated campaign (Parker, 2001).

Equipped with a unique blend of media characteristics

Measuring Advertising Effectiveness

Measuring Internet Advertising effectiveness is an important component in knowing whether or not the advertising money spent by an organisation is working. A study conducted in Belgium revealed that only 41 percent of companies with a website use feedback to make adaptations to the site. Two-thirds of them measure the number of hits, half of them track individual users and 30 percent the dates and hours of visitors. Only 6 percent of companies study site track appreciation of the visitors. Although the results are from 1997, it is amazing how many companies are still using a presence strategy on the web without tracking its effectiveness or listening to their Internet audience.

The most basic method of tracking Internet effectiveness is asking for feedback from the targeted audiences. However this method would render both extreme (negative and positive) from the targeted audience. Also this type of feedback will not attain a reasonable sample from the audience. Another Type of effectiveness measurement tool is through the server log files. Each time a user clicks on a link or interacts with a site, the server of that site will automatically add data into a number of the computer file which is known as the server log file.

There are many ways of measuring Internet advertising effectiveness. The most common that is used today is *Click-through*.

Research Methodology

The purpose of conducting a focus group for this study is because this method will help give an understanding of how people feel or think about the Internet as a new medium for advertising. To undertake this focus group six to eight people will be selected to participate. These people selected will all have something in common that is they all are familiar and also frequent users of the internet and also have a reasonable amount of experience with internet advertising.

The Purpose of this group focus:

- Looking a range of feeling ideas and emotions of individuals who have experience advertising on the Internet.
- To uncover factors that influences opinions, behaviour, or motivation.

Secondary Research

Oliver (2002) describes secondary research as “data, which has been collected by someone else for a separate purpose, and is then used by the researcher.” This basically implies that the data has already been published and researched by another author. The sources for secondary data are endless. Secondary data used in this study includes, academic textbooks, which according to White (2002) “ are excellent for providing general background and theory”. Journal and newspaper articles are also used in this study they “ are an important source of business information. They provide public and political opinion” (White, 2002). Also Internet Web sites were also used in this study. However they are those who would argue that Internet Web sites has less credibility.

The secondary data that was carried out in this study was for the sole purpose of gaining a deeper insight, knowledge and understanding advertising and Internet advertising as a whole. The subject of Internet advertising has been research on in virtually in all aspects. This study will include views from authors for and against the many areas that is touched in this study.

However, secondary data it self has its own advantages and disadvantages. The advantages of secondary data are it is easy to collect, as someone else has already

researched it. Furthermore there is an abundance of secondary information that can be collected from various sources. As compared to primary research collection secondary research is relatively cheaper to collect. On the other hand, relying solely on secondary data for research purposes, according to Oliver (2002), is “ you can almost never really understand the full circumstances behind the research design and the collection of the data”. Other disadvantages includes the fact that it is less specialised than primary data and it does not offer up-to-date information, which could mean that is less reliable.

Primary Research

The major difference between primary research and secondary research is “primary sources contains information which is new at the time of publication; secondary sources contain material which is second hand and has been published before” (White, 2002).

For the purpose of this study the author conducted a focus group interview, which will be discuss later in the chapter.

The advantages of primary data are it provides original, new, up-to-date and detailed information, which is customized specifically for the study. Furthermore, the researcher has more control over the data collection process.

The disadvantage of primary data collection is that it is time consuming and also expensive to conduct, it can also be difficult to trace and also there is a possibility of unreliability and biasness.

The overall approach that will be used in this study is qualitative.

Qualitative Research

Creswell (1998) defines qualitative research as “an inquiry process of understanding based on distinct methodology traditions of inquiry that explores a social or human problem”. Qualitative research can refer to people’s lives, lived experiences, behaviours, opinions, emotions and feelings. “Qualitative research is data collected in the form of descriptions” (White, 2002). Qualitative research is very subjective and it is easy to

speculate the information that is received. Basically it can be said that qualitative research is all about words.

The advantage of using qualitative research is it always generates masses of data. It is also descriptive, non-numerical, observant, subjective and adaptable and can provide a deeper understanding of the study. On the other hand qualitative research can also be very speculative, the researcher only gets an insider points of view, it is time consuming and the researcher has to be scrupulous.

Focus Group

In order to investigate whether or not Internet Advertising is a successful new media for advertising, the author of this study has conducted a focus group interview. As defined by Krueger and Casey (2002) “a focus group is a special type of group in terms of purpose, size, composition and procedures

Internet Advertising versus Conventional Advertising Media

Fundamental to any discussion of Internet advertising is the question of just how different it is from traditional advertising. Although the Internet, and other interactive media like the interactive television, have been touted as more powerful, responsive, and customisable than traditional media (Port 1999, Novak and Hoffman 1996), the experimental evidence suggests that consumers respond to advertising in more traditional media, at least with respect to traditional measures of advertising effectiveness. For example Dreze and Hussher (1999) found respond to advertising on the Internet to be similar to response to advertising in other media, except that advertising on the Internet appeared to be easier to ignore. Similarly, Lynch and Ariely (2000) found that consumers are less-price sensitive when provided on the Internet offer different rather than identical products, a finding that directly parallels findings in more traditional retail settings.

Traditional measures of advertising effectiveness, such as recall, attitude change and brand choice are only a part of the story of effectiveness of interactive advertising. However, such measures are useful, but they are in the tradition of advertising research that focused on the consumer does to and with advertising. Research that begins with the perspective that advertising does something to consumers treats advertising as an independent variable and advertising response as the dependent variable.

The typical research paradigm involves a forced exposure to some advertising message followed by some measure of consumer response. If one accepts that proposition that people do things to and with advertising, the identity of independent and dependent variables is less obvious. Indeed, any response to advertising, including that of simple attending, may be contingent on a host of other factors. When people select that to which they attend, the act of attending becomes a powerful determinant of advertising response. The traditional paradigm for examining the effects and effectiveness of advertising has served the profession well, but it is incomplete in an increasingly interactive context. This suggests that there is a need for a new paradigm for the measurement of advertising effectiveness.

This new paradigm must explicitly recognise the active role of consumers; message recipients must also be potential message seekers. At the same time, any new paradigm must be compatible with the accumulated body of research and theory that has dominated the advertising discipline for more than fifty years. The focus of this new paradigm must also be interaction with information not merely response to information.

Further, there must be recognition that media are not inherently interactive. Media may offer the potential for interaction, but it is ultimately the consumer who determines whether interaction actually occurs, and thus, whether advertising is or not interactive. Interactive advertising is characterized by what consumers do, not by what marketers do or by characteristics of media. This means that research on interactive advertising must focus more on the person receiving the advertising than on the advertising or the medium. Research information systems, which has long focused on the interaction of people and information, provides a potential framework for reconceptualizing the measurement of advertising effects in a way that recognises the active role of the consumer in determining whether interaction occurs.

An informal survey, which asked advertisers how they spent their advertising budget, finds that only 6 percent are spending more on online advertising than traditional media. The survey found that while 19 percent of advertisers are spending even amounts of money on traditional media and the Internet, 66 percent are spending more in traditional media. This survey was conducted on an informal basis during the Quicken's Partners Summit and respondents were from a myriad of industries including telecommunications, e-commerce and financial services. 84 percent of companies who took part in the survey had experimented with online advertising other than banner ads, 41 percent had used rich media, 28 percent had used micro-sites, 19 percent had used real digital video and 59 percent had used email. When asked why sponsorship is increasingly becoming a preferred advertising option, 35 percent replied benefits from the associated content, 34 percent said it allowed greater brand awareness and 12 percent said it was cheaper and 9 percent believed sponsorship deals were more flexible.

The Problem assessing the effectiveness of Internet Advertising

Although there are many potential measures for advertising effects and effectiveness, there are unique problems associated with measuring advertising effects in an interactive setting. Some of these problems are similar to problems associated with measuring the effectiveness of more traditional advertising, but the reciprocal influence of consumer on marketer and marketer on consumer makes it far more difficult to identify primary causes and effects. There are some especially vexing issues associated with measurement in an interactive context, but research on these issues could be especially useful. 9

Interactive advertising does not Work alone.

Advertising is only a part of a total marketing effort. A product that is poorly positioned, overpriced, inadequately distributed, badly packaged or inferior to competition may suffer sales declines even though the advertising itself is well-conceived and professionally executed. The specific contribution of advertising to sales has always been difficult to ascertain. Internet advertising may well make the determination of precisely what marketing actions produced a particular outcome even more difficult to do. The influence of any particular advertising message may be less important than the cumulative reciprocal communication between advertisers and consumer. Recently, several authors have argued that the increase in availability of information and the sophistication of the technology for obtaining, processing and analysing this information, are blurring the boundaries of the several elements of the marketing mix (Glazer 1991, Ray 1985).

There have also been calls for changes in the organisation of both the marketing function and the firm itself to accommodate this blurring of traditional functional disciplines within and external to the firm (Glazer 1991, Webster 1989). This blurring of boundaries has been partially recognized by calls for “integrated communications,” but the blurring extends beyond communication activities. Distribution and communication are becoming inextricably linked and decisions about the one are increasingly difficult to make in isolation from the other. Indeed, it may be difficult to differentiate some marketing

activities as clearly serving an advertising or distribution function. Similarly, where interactive advertising is used to better design products, it will be impossible to separate the effects of communication from product design.

Models of consumer response that focus only on the effects of advertising, or that attempt to separate advertising effects from other effects of the marketing mix are likely to be less than helpful or even misleading. Rather than measure the effectiveness of interactive advertising, it may be more useful to measure the effects of integrated marketing programs. Similarly, other consumers and other sources of information may play a role as great or greater than interactive advertising. Discovering consumers' use of these sources and how they integrate such information into decision-making will be a challenging research question.

Use of Multiple Media and Consumers' Integration across media make it difficult, if not impossible to associate changes in In-market sales or brand share with a specific medium. Sales response and changes in any of the many other measure of advertising effectiveness may result from a combination of media, or it may be possible that one medium affected the majority of the observed response, while others contributed relatively little. While it is possible to isolate the effect due to a given medium by only using that medium, this is not practical for advertisers. It is simply not possible to research outcomes associated with each individual medium that may be used in a large campaign. Internet advertising is likely to occur in contexts that also employ more traditional media. For example, a television commercial may direct consumers to a particular Web site or 0800 telephone number. The observed response is likely to be the result of both types of advertising – the one may not work without the other. In addition, there may be interaction effects of media, say between television and Internet advertising, or between newspapers. Such interaction effects are, by definition, the results of combinations of media. They cannot be attributed in part or as a whole to any one medium. One can only measure the outcomes associated with the whole. Finally, competitive activity and other marketing variables may obscure the relationship between marketing activities and sales.

Thus, sales do not always reflect the effectiveness of marketing actions. Efforts to evaluate advertising and promotion in natural market situations are fraught with

difficulties. In-market sales are the result of a complex set of events over which the marketer has little control. This is no different for the case interactive advertising. Competitors may raise or lower price, increase or decrease expenditure on advertising, or introduce a new product. Retailers may feature products via traditional advertising, via their own interactive advertising or in-store. All of these factors will affect sales and make it difficult, if not impossible, to tease out the effects of specific advertising. Marketers are often interested in the cumulative effects of the entire campaign (Stewart, 1999). Campaigns may be defined in terms of multiple advertising executions or combinations of advertising, promotions and other marketing programs. Just as individual ads should be created with specific objectives in mind, so too should campaigns.

For example, a campaign for a repositioned product may have as its objectives the creations of awareness of brand's new position, the inducement of trial of the product by consumers, and the conversion of competitors' customers to the repositioned brand. Each of these objectives suggests a specific measure of success for use in evaluation. The evaluation of success of a campaign is usually carried out via advertising tracking studies. Such studies obtain measures of performance at several points in time so that trends can be identified. The reciprocal nature of interactive advertising will make such tracking studies especially important. However, one problem with the campaign evaluation is that the results are the cumulative outcome of all the marketing activities associated with the campaign (Stewart, 1999). Identification of the specific contribution of any one marketing activity to overall market response may be impossible.

Finally, there is a matter of the appropriate criterion for decision-making regarding interactive advertising. Evaluation of advertising requires a criterion for success. This criterion needs to be specific, measurable and bounded by time. It is also important that the criterion be reasonable in light of the current situation in the marketplace. A common mistake in assessing the effectiveness of advertising is to assume that advertising should always produce more of something. Thus, the criterion for success becomes higher levels of awareness, greater levels of trust or increased sales volume. Yet, it takes only little thought to see the error in this perspective. If one hundred percent of consumers are

aware of a product, awareness cannot increase further. If every customer who might use a product does, in fact buy it and buys it for every conceivable use, there is no opportunity for an increase in sales short of finding new markets or new uses for the product.

There are certainly upper bounds on the amount of time a given consumer is willing to spend interacting with a marketer. While these may appear to be extreme circumstances, they are not as unusual as they may seem. For many mature products awareness is very high and consumers are often quite loyal to one brand or set of brands. In these circumstances the role of advertising may be the prevention of losses of sales by reminding consumers of the product and reinforcing loyalty (Stewart, 1994). Andrew Ehrenberg (1983, 1988), a leading British marketing scholar has long argued that the primary role of advertising for mature products is defensive, that is, its purpose is to hold on to current customers. This may well be the role of interactive advertising as well. In mature markets, maintaining interaction (at a given level) with customers may be the appropriate criterion for assessing the effectiveness must take a different form. No changes in measures of awareness, attitudes, interaction or sales may indicate success.

Obviously, if these measures decline, there is a problem. But if they stay the same, it may not mean that marketing efforts have failed since there is no information about what might have happened had there been no advertising. Indeed, in these situations, which are numerous, the only way to assess the effect of advertising and promotion for competing brands. Most measures of effectiveness tend to ignore this fact. However, the only exception is choice, where the decision to buy one brand means that other brands are not purchased. Measures of awareness, comprehension, and attitude are often obtained for a given brand of interest but not compared to similar measures for competitors.

Yet, the absolute value that a brand obtains on an attitude scale is really less important than the fact that attitude towards the brand is higher than competitors. This notion of relative measurement may seem trivial, but a number of researchers have suggested that relative measures may be more sensitive than absolute measures (Geiger 1971, Stewart 1989). This appears to be true of a wide range of measures. For example, one study found

that measure of recall appeared to be unaffected by advertising when recall was measured for only the advertised brand. However, when the recall for the advertised brand was compared to recall for competitive brands, the advertising had a decidedly strong effect.

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Traditional measures of advertising effectiveness, such as recall, attitude change and brand choice are only part of the story of effectiveness of interactive advertising. However, such measures are useful, but they are in the tradition of advertising research that focused on the advertising influence on the consumer; these measure offer limited insight into what the consumer does to and with advertising. Research that begins with the perspective that advertising does something to consumers treats advertising as an independent variable and advertising response as the dependent variable.

The typical research paradigm involves a forced exposure to some advertising message followed by some measure of consumer response. If one accepts the position that people do things to and with advertising, the identity of independent and dependent variables is less obvious. Indeed, any response to advertising, include that of simply attending, may be contingent on a host of other factors. When people select that to which they attend, the act of attending becomes a powerful determinant of advertising response. The traditional paradigm for examining the effects and effectiveness of advertising has served the

profession well, but it is incomplete in an increasingly interactive context. This suggests that there is a need for a new paradigm for the measurement of advertising effects.

This new paradigm must explicitly recognise the active role of consumers; message recipients must also be potential message seekers. At the same time, any new paradigm must be