

Consumers Skepticism and Internet Advertising

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Purpose – The purpose of this paper is to analyze the impact of Consumer's Skepticism towards internet Based Advertising within consumer demographic variable.

Design/methodology/approach - A survey of 225 Consumers from Delhi NCR, India who watch online advertising has conducted for this quantitative research.

Findings – the outcomes show that consumers' educational degree and profession can influence skepticism. Higher Education degree or higher profession may lead to vary in skepticism level.

Originality/value – The originality of this study is in evaluating consumer's skepticism against the several aspects of demographic profile of consumers.

Keyword - Consumer Skepticism, Online/Web Advertising.

JEL – M3

1. Introduction

ADVERTISING is the paid type of non individual promotion from sponsor to the group of viewers. There are various medium accessible for advertisement or promotion of item, as electronic, print, customary and modern media. From the cutting edge modern media, web media is the most overarching media and have most astounding group of spectators than other media.

According to TRAI, there will be 900 million Internet users in India by the end of 2025. Currently India's number is approximately 788.33 million Internet subscribers. According to Nielsen's 'Bharat 2.0' study, nearly 89 per cent of active internet users in India browse the internet on a daily basis. The research also give

insight on the gender gap in internet access. While men had an occupancy rate of 60 per cent, women had a rate of 42 per cent. In urban areas, 71 per cent of males and 57 per cent of females had internet access. In rural areas, 54 per cent of males had internet access, compared to 34 per cent of females. So, web is the most captivating advertising media for the Indian business. As indicated by LiveMint report ad- expenditure over web should arrive at ₹35,809 crore by 2023. In any case, what will be the circumstance if buyer have general tendency to doubt online advertising? As consistently a massive quantify of funds is invested on advertising on internet media all over the world but still internet advertising is not trusted by many groups of spectators. So this venture may transforms into waste. The findings show a rapidly declining distrust of brands and advertising in the 2017 Trinity Mirror and Ipsos report.

Respondents were surveyed on their feelings about brands and 42 per cent said they distrusted brands and 69 per cent distrusted brand advertising 43 per cent of respondents claimed to now have less faith in advertising than they did previously, and 37 per cent claimed to have less brands than they did previously. According to the study, consumers are reportedly displaying a growing lack of faith in the advertising of businesses, and these businesses must take steps to earn back their consumers' confidence. Though there is a huge increment in online advertising spending still in many researches it is found that consumer's distrust is also present. This distrust is known as consumers skepticism "Obermiller and Spangenberg" (1998). Numerous analysts accept that Skepticism is one of the most significant reason of advertising failure. Due to skepticism, group of spectators show larger amount of doubt towards advertising because

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of which promoters rationale of advertising become unachievable (Kerr & Drennan, 2010; Geller, 2003). In this study we want to analyze the effect of skepticism of Indian consumer on online advertising and to check the variability of skepticism within various demographic factors.

2. Review of Literature: Consumer's Skepticism towards Web Based Advertising

Numerous specialists have recommended skepticism toward advertising as an essential concept to be considered by promoters since it has the ability of affecting advertising effectiveness by bringing down the believability of advertising. Understanding consumer's skepticism toward advertising is really an important task for promoters as it can undermine showcasing effectiveness, just as advertising believability (Pollay & Mittal, 1993; Jiyoung *et al.* 2018; Mikyeung Bae, 2016). Obermiller and Spangenberg (1998) clarified skepticism toward advertising as the propensity of disbelief towards advertising claims. We can say it is the capacity of buyer to see advertising with suspicious sentiment. Kang, H. (2019) in his research found overall, youngsters' frames of mind toward web based advertising were genuinely skeptic. About 72 per cent of youngsters either firmly dissented (27.1%) or deviated (44.8%) with the announcement, "Items publicized are consistently the best items to purchase." Similarly, with the announcement, "Advertising attempts to make individuals purchase things they

don't generally require," the larger part (62.5%) showed doubtful demeanors by either emphatically concurring (23.6%) or concurring (38.9%).

Zhang, Ko & Carpenter (2016) have found presence skepticism in their study and they concluded that, When Consumers believe that they are deceived then they tend to develop skepticism towards EWOM (Claims made by individual users regarding any product over internet) online messages for every product. Similarly (Gerald & Poon 2009) found respondents were generally of the opinion that internet advertising is not a reliable source of product and service information, i.e. they were generally skeptical. The Web and direct mail were deemed to be the least credible advertisement outlets. This can be due to the pervasiveness of junk mail, which gives people a sense that all direct mail is junk mail. Cole *et al.* (2017) had different opinion about the reason for consumer's skeptic behaviour. It was claimed in their research that consumer's knowledge is also the reason of consumer's skepticism. It was argued that as the level of knowledge increases consumer put lesser trust in advertising and gradually he become commercial skeptical.

Zarouali (2017) explored the social media platform (facebook) and concluded that as skeptical attitude of facebook user towards advertising on facebook increases, which in turn decreases purchase intentions. As the concern for privacy increases the level of skepticism also increases. In same

way Esch *et al.* (2018) found similar negative relationship between blog advertising skepticism and the purchase intention. As Skepticism increases consumer's intention to purchase decreases and, therefore, consumer skip to buy the product. In contrast to this Morel and Pruyn (2003) who argued that skepticism have direct impacts purchase intentions.

Huntington *et al.* (2004) found that, in the course of a data quest, Skeptics with less confidence in online data wellbeing visit more places to look for information between visited destinations than those with a stronger trust. A considerable amount of skepticism is shown by the general public about the accuracy of knowledge on health websites. According to the study, fewer than half the respondents were of the opinion that they could only believe some or none of the information provided on websites containing allegedly medical information. The reasons for not visiting a website were primarily to be too commercial and not to mention the data source. Roponen & Pauliina (2013) also presented same view that internet advertisement was negatively perceived by most skeptical consumers. McCreery & Krugman (2017) advertising skepticism on the iPad is positively related to advertising avoidance, advertising skepticism—related to streaming movie content on the iPad advertising skepticism was positively related to advertising avoidance on the iPad. Guang-Xin Xie (2014) Low skeptical will in general trust the advertisement guarantee more than high doubters do, given that promotion inspired

doubt is more fragile. Since shopper learning about influence strategies incites a more elevated amount of doubt (Darke & Ritchie 2007), which influences apparent viability on oneself, however, not on others. That is, shoppers respond protectively to oppose the impact once they can distinguish misleading, however, they are less idealistic about whether others can oppose tricky advertisements. In all actuality, however, buyers regularly can't recognize misleading successfully, and they are undoubtedly defenseless against trickiness now and again. That is especially the situation among low doubters. Similarly, Chaouachi *et al.* (2019) confirms the outcomes that positive impact of skepticism on saw misdirection in advertising. In this way, the more the purchaser will in general speculate the veracity of the ad, the more he will pass judgment on it to be untruthful and deceptive. Majid and laroche (2019) uncovered that, after some time, the individuals who are most suspicious of advertising had more prominent goals to buy on the web and lower expectations to buy in physical stores. they exhibited another view that suspicion on online advancements posted by publicist are more than the shopper who have effectively utilized that item and after that offer his experience by advancing that item on the web. Jamil (2019) analyzed the presence of skepticism in various online advertising formats and he found that advertising based on emotional appeals show less advertising skepticism than others. Skepticism was also less affective in advertising in which entertainment content was utilized to grab the attention of viewers. It

means emotional and entertainment based advertisements are more effective than others. And they could lower the impact of skepticism. Opposite to this he also proved that advertising contains laudatory expression or tag line (Puffery advertisement) was highly affected by skepticism.

3. Hypotheses

1. There is a relationship between gender and skepticism.

H0: there is no relationship between gender and skepticism.

H1: there is relationship between gender and skepticism.

2. Education level influences skepticism

H0: education level has no influence on skepticism.

H1: education level has influence on skepticism.

3. Age influences skepticism.

H0: Age has no influence on skepticism.

H1: age influence skepticism.

4. Profession influences skepticism

H0: Profession has no influence skepticism.

H1: Profession has influence skepticism.

4. Methodology

The 9 items of Obermiller and Spangenberg Likert Skep-scale were used to assess skepticism in the analysis. In this study, primary data were used. Data from Delhi NCR, India, were collected from 225 respondents. All respondents were literate and rational (adult and educated) consumers.

Cronbach alpha test was performed to verify data reliability. Alpha value was 0.904 for 9 items. After testing the reliability of the data, the Pearson correlation coefficient test was performed to determine the level of significance of the relationship between the variables.

Sample Profile: Total of 225 subjects completed the questionnaire. Among them, 135 were male respondent and 90 were female, about 28.4 per cent of them having age group of 18-29 year old. And 65.8 per cent respondents were belonging to age group of 30-39 and remaining 5.8 per cent were out of 40-50 age groups. Table 1 depicts the profile of respondents.

5. Result Analysis

Hypothesis 1: There is no uniformity of skepticism within gender in independent t test p value found >0.5 so we do not reject the

TABLE 1
SAMPLE PROFILE (N=225)

Age Group	Frequency	Percent	Gender	Frequency	Percent
18-29	64	28.4	Male	135	60
30-39	148	65.8	Female	90	40
40-50	13	5.8			
Total	225	100.0	Total	225	100.0

H0: male and female have same level of skepticism. As shown in Table 2.

TABLE 2
INDEPENDENT SAMPLES T-TEST

	T	Sig (2 tailed)
Equal variances assumed	.840	.402
Equal variances not assumed	.945	.346

As shown by Tables 2 we found in our study that there is no significant difference between consumers skepticism towards advertising within gender.

As shown in Table 3 Hypothesis 2: Education level influences skepticism.

Since p value is <0.05 so we reject the null hypothesis (H0), i.e., education has no influence on skepticism. So education influences

the skepticism over web advertising.

Hypothesis 3: Age influences skepticism.

Since p value is >0.05 so we do not reject the null hypothesis (H0), i.e., Age has no influence on skepticism. So we accept that age do not influences the skepticism over web advertising.

Hypothesis 4: Profession influences skepticism.

Since p value is >0.05 so we reject the null hypothesis (H0), i.e., Profession has no influence on skepticism. So we believe that profession influences the skepticism over web advertising.

6. Findings and General Discussion

The present investigation represents the effect of Consumer’s

demographic profile on Consumer’s Skepticism towards advertising on internet. In our first finding, the outcome shows that there is no significant gender difference in advertising skepticism over internet. In Table 2 results shows that men and women have similar perception of advertising over internet. This finding does not correspond with the observation of Birknerová Z. *et al.* (2018) who argued that there is a disparity in perception of advertising and expectation of advertising among men and women. Since women tend to be more emotional than men he proposed that advertiser should plan their advertisements while taking into account the behaviour of group of people. Especially when compared to this it is suggested that gender may have influence on television media or on other media but on internet it does not have that

TABLE 3
CORRELATION BETWEEN SKEPTICISM AND OTHER FACTORS

Correlations					
		Skepticism	Age	Education	Profession
Skepticism	Pearson Correlation	1	.122	.165 *	-.150 *
	Sig. (2-tailed)		.068	.013	.024
	N	225	225	225	225
Age	Pearson Correlation	.122	1	.414 **	.275 **
	Sig. (2-tailed)	.068		.000	.000
	N	225	225	225	225
Education	Pearson Correlation	.165 *	.414 **	1	.494 **
	Sig. (2-tailed)	.013	.000		.000
	N	225	225	225	225
Profession	Pearson Correlation	-.150 *	.275 **	.494 **	1
	Sig. (2-tailed)	.024	.000	.000	
	N	225	225	225	225

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

influence, so marketers may make same advertisements for both women and men for widely used product for both women and men.

Paco & Varejaao, 2010 highlighted the fact that education of consumer has an effect on consumer's perception of advertising. In support of this observation, from Table 3 it is confirmed that consumer's education level affect the skepticism over internet. Education level and skepticism demonstrate a positive relationship. That may be the explanation why, with the increase in consumer's knowledge, consumer's level of doubt or distrust increases due to which consumers become more skeptic of advertising. When education makes people more rational, it helps to take economic choices more carefully (Kim *et al.* 2018), which makes them challenge commercial claims and look for a source of reliable evidence.

This research further follows the observation given by Jones (2016) that age has no major association with advertising skepticism over internet. A different age group people can have similar interest while viewing advertisements on internet. Although supporting his findings this study reveals that age almost have no impact on consumer's skeptics towards advertising over the internet. While designing the ad for internet, marketers may consider same advertising for all age group audience but the advertising content should be well designed.

Whereas in our last finding, Professional persons found to be less skeptic than the individuals employed in other category of occupation. Service employed

persons appear to be more skeptic than any other category of employment. Exposure to advertising may be the explanation for less skepticism in professional persons because they just access fewer but trustworthy websites. As mentioned by S.K. Kaushal (2014) that respondent with different profession has different likelihood and preference for advertising medium.

7. Limitations

Future research should concentrate on further explaining the procedure through which advertising messages impact customer trust. Also, some consideration ought to be committed to a more noteworthy sample size and customer's loyalty and its impact on skepticism towards advertisements. This examination did exclude the sort of advertising, so future research ought to incorporate the kinds of advertising and various internet platforms available for advertisements and their effect on buyer skepticism towards advertisements. For instance, instructive advertising, inspirational advertising, sexual substance advertising and clever advertisements and their effect on customer doubt towards advertisement.

8. Implications

Marketers should be concerned about how consumers perceive the company's product being advertised on internet because it is evidenced that there is a presence of skepticism in consumer's behaviour towards internet advertisements. Marketers may consider different appeal or method for educated customers, since they have the ability to understand the

marketers tactics and therefore they show higher distrust in online advertising. Marketers may also design their advertising according to targeted customers' job profile since it is evidenced that different person employed in different profession show different level of skepticism.

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