

# Effect of Online Advertising towards Online Attitude of Adolescents in Indonesia

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**Abstract:** *The aim of this study was to determine the impact of the dimension of online advertising to adolescent attitude in Indonesia. The method use was descriptive research method by using simple regression analysis. Population of this study was adolescent who use internet. Sample collection technique was convenience sampling of 111 respondents. The result of simultaneous testing of this study shows that online advertising has significant effect on the attitude of adolescent as internet users in Indonesia. Based on partial testing, Advertising utility, Indignity, and Price perception positively affect the online attitude of adolescents. Trust negatively affects the online attitude of adolescent, whereas regulation does not affect the online attitude of adolescent in Indonesia.*

**Keywords:** Online Advertising, Consumer Behavior, Online Attitude

## 1. Introduction

Internet has changed conventional marketing to digital marketing. Advertising which is one of marketing media has expanded to online advertising. Internet has become a prime source in marketing [7]. Internet use that is not limited to a certain circles has attracted to public interest to use this media in fulfilling the needs of information and or entertainment.

Internet as an advertising media has been acknowledged by experts. Berthon, Pitt, and Watson in Ha propose that Journal of Advertising Research has acknowledged World Wide Web as an advertising medium. As a medium, the advantages of internet include low advertising cost, wide range, and a more specific advertising precision. These are some of the reasons why advertisers massively switch to internet advertising than advertising in traditional media.

The development of internet media that is so dynamic and leads people to digital world attracts advertiser interest because it is considered to be more productive to deliver enterprises' message to the consumers [6]. The existence of internet that allows reaching consumers anytime and anywhere more effectively catches advertisers' attention because it allows them to aim their ads target. Everyone is able to access the internet, and this can affect their buying decision depending on the ads shown [7].

Internet and adolescents are two things that are mutually binding. Internet penetration is easy to be adopted by adolescents. The number of adolescents consumed to internet increases from year to year. According to an article posted in [kompas.com](http://kompas.com), internet users who are adolescent aged 10 – 19 years old in Indonesia amounted to 30 million people. This figure is equal to 40% from the total internet users in Indonesia, amounting to 75 million people in 2013, and is estimated to keep growing each year.

For companies, it is important to know the attitude and habit of the customers. Marketer must be able to know how

attitude and demographic factors of consumers can affect their attitude toward online ads, so marketer can determine their consumer target based on consumers' attitude. By knowing this, it is not difficult for marketers to achieve according to their goods or services.

The level of psychology of adolescent is immature, vulnerable to promotion attack from marketers that promotion effect through online medium is interesting to be further studied. Bandung has a population of adolescent at 23.48% from total population. Of the total population of adolescent, the number of penetration of internet in Bandung city is of 30% from the total of internet penetration towards adolescent in Indonesia, making Bandung as a big market share for online marketing and can be an indicator on how adolescent act toward online ads attach. Based on the background of problems described, this study focuses its study objective on the effect of online advertising to adolescent attitude in Bandung, Indonesia.

## 2. Literature Review

### 2.1 Online advertising

Internet offers advantages in promotion than traditional media. Internet as a communication media allows companies to provide information and influence attitude. Marketing with internet media gives a more unique benefit than using traditional media, namely allowing advertisers to measure the effectiveness of their ads [11]. The impacts of measured ads for companies are cost efficiency and a more effective media preference in reaching audiences with minimum cost.

Marketing through web media can create organization awareness of specific goods and services. This also offers opportunity to create their awareness that is far beyond traditional media [1]. Internet is used by everyone for different purposes. Some uses internet to obtain information and others use internet to purchase goods and services [7].

Internet marketing, or also known-as web marketing, online

marketing, webvertising, or e-marketing, referred to marketing (promotion in general) of goods or services through internet [6]. The definition of online advertising through Ha [4], "Online advertising is deliberate message placed on third-party website including search engine and directories available through internet access". Based on this definition, it can be said that online advertising basically is message placed in places can be accessed through internet.

Placement of ads, whatever the medium chosen, is intended to form consumer impression and awareness of the goods/services of a company. The impression expected to form in the mind of consumers is a positive impression, because positive impression may arouse the desire to purchase. However, online advertising can generate a good or bad impression in the mind of consumers [7]. Everyone who can be connected to internet can influence purchase decisions depend on the ad viewed and displayed through this medium.

## 2.2 Consumer Attitude

Study on consumer attitude is an interesting study to be further studied. This is because the characteristic of consumer itself that is always dynamic and from time to time shows a tendency to change because humans are social beings whose attitude is influenced by the surrounding environment. Belch and Belch state that the description of consumer attitude is important for marketer because it provides both positive and negative evaluation on the object (of the brand or company) perceived by consumers and also the possibility of their attitude in the future [1].

Consumer attitude referred in this study uses attitude model by Schiffman and Kanuk consisting of 3 elements, namely cognitive, affective, and attitudeal [8]. Cognitive is a part of attitudeal elements which is based on knowledge, meaning, and beliefs. The main function of a person's cognition component is to interpret, give meaning, and understand the main aspect of a person's personal experience. Affective component of emotional evaluation system resulted in like or dislike feeling towards on an object. On the other hand, the attitudeal component is associated with a person's tendency to act and behave as exposed to stimuli.

## 2.3 Impact of Online Advertising on Attitude

The impact of advertising on consumer attitude has been studied by other studies with varying objects. Marketers need information about their consumer attitudes and attitude at all times because it relates to their tendency to consume goods and services produced. Consumer attitude towards advertisement does not constitute a definite attitude and owned continuously, but may change over time. Consumers may have different attitude to stimuli from the ads that they get because of differences in circumstances, motive, nature, and other drivers that are tailored to the needs of consumers at the time.

A study conducted by Suher, Ispir, and Ozturk in Turkey that examined consumer attitude towards text messaging advertisement concluded that consumers have positive

attitude towards text messaging advertisement because of relevant and informative content [10].

A study conducted by Priyanka (2013) on the impact of email advertising towards consumer attitude mentions that consumers consider advertising through email to be informative, but at the same time consumers argue that these ads were disturbing. A study result conducted by Saeed & Akbar (2012) concluded that consumers have positive attitude towards online advertising in Pakistan.

This study will examine the effect of advertisement seen from 5 attributes of online advertisement by Schlosser, Shavitt and Kanfer (1999) namely advertising utility, indignity, trust, price perception, and regulation towards consumer attitude of adolescents [9].

## 3. Problem Definition

Adolescents and online attitude are valuable information in determining ads strategy for companies, particularly online based ads. Based on the background study described, problem definition of this study is how online advertisements affect adolescent attitude in Bandung City. This study tested simultaneous and partial effects of the dimension of online advertising to adolescent online attitude as internet users in Indonesia.

### 3.1 Hypotheses

Based on the literature review that has been described, the development of hypotheses for this study is presented as follows:

- H1: There is an effect between advertising utility and the online attitude of adolescents in Indonesia.
- H2: There is an effect between indignity and the online attitude of adolescents in Indonesia.
- H3: There is an effect between trust and the online attitude of adolescents in Indonesia.
- H4: There is an effect between price perception and the online attitude of adolescents in Indonesia.
- H5: There is an effect between regulation and the online attitude of adolescents in Indonesia.
- H6: There is an effect between online advertising on the online attitude of adolescents in Indonesia.

## 4. Methodology

This study uses a quantitative research method approach to answer research purposes. Questionnaires were tested with validity and reliability test to test the validity of the statements used in questionnaire items. Questionnaires were distributed to adolescent respondents in Indonesia by using online questionnaires. Total questionnaires that can be processed as many as 111 respondents gathered for 30 days in August 2015.

Data were analyzed using simple regression analysis to answer the research hypothesis. Validity processing with the Pearson Product Moment formula shows all question items are valid, and reliability testing with Cronbach-alpha

indicates that the questionnaire items are reliable in figures  $0.795 > R_{table} 0.1555$  which may mean that the indicator items for the dependent and independent variables are reliable as a measuring tool for online advertising and consumer attitude.

## 5. Results & Discussion

Regression test conducted shows that online advertising affects online attitude of adolescents amounted to 34.4% while the rest is affected by other factors that are not studied in this research.

**Table 1: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,587 <sup>a</sup>	,344	,338	,37513

a. Predictors: (Constant), Attitude

**Table 2: ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8,052	1	8,052	57,221	,000 <sup>b</sup>
	Residual	15,339	109	,141		
	Total	23,392	110			

a. Dependent Variable: Online Advertising

b. Predictors: (Constant), Attitude

F test result shows that online advertising significantly affects adolescents attitude as internet user in which  $F_{count}$  compared to F table obtains the value of  $57.221 > 3.93$  and significance level of  $0.000 < 0.005$ . This means that online advertising affects adolescent online attitude as internet users.

**Table 3: Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,799	,182		9,865	,000
	Attitude	,410	,054	,587	7,564	,000

a. Dependent Variable: Online Advertising

The regression equation is  $Y = 1.799 + 0.410X$  which means that the addition of 1 (one) unit of online advertising affects 0.410 unit of online attitude.

### 5.1 Result interpretation of correlation test

Result of correlation test between subvariables of online advertising to adolescent attitude shows that:

H1. Correlation test result shows there is a positive relationship between advertising utility to online attitude of adolescents ( $r=.580^{**}$ ) at a significance level of  $0.000 < 0.05$ . This is a medium relationship and hypothesis is accepted.

H2. Correlation test result shows there is a negative relationship between trust and online attitude of adolescents ( $r=-.253^{**}$ ) at a significance level  $0.007 < 0.05$ . This is a weak relationship and hypothesis is accepted.

H3. Correlation test result shows there is a positive relationship between indignity and online attitude of adolescents ( $r=.412^{**}$ ) at a significance level  $0.000 < 0.05$ . This is a weak relationship and hypothesis is accepted.

H4. Correlation test result shows there is a positive relationship between price perception and online attitude of adolescents ( $r=.0321^{**}$ ) at a significance level  $0.001 < 0.05$ . This is a weak relationship and hypothesis is accepted.

H5. Correlation test result shows there is a positive relationship between regulation and online attitude of adolescents ( $r=.175^{**}$ ) at a significance level  $0.065 > 0.05$ . This is a weak relationship and hypothesis is rejected.

H6. Result of F test shows  $F_{count} > F_{table}$  with the number  $57.221 > 3.93$  and significance level  $0.000 < 0.005$  which shows that online advertising significantly affects online attitude of adolescents in Indonesia and hypothesis is accepted.

**Table 4: Correlation Result**

Variables	Correlation	Ads Utility	Trust	Indignity	Price Perception	Regulation	Online Behaviour
Pearson							
Online Behaviour	Correlation	,580 <sup>**</sup>	-,253 <sup>**</sup>	,412 <sup>**</sup>	,321 <sup>**</sup>	,175	1
	Sig. (2-tailed)	,000	,007	,000	,001	,065	

<sup>\*\*</sup>. Correlation is significant at the 0.01 level (2-tailed).

<sup>\*</sup>. Correlation is significant at the 0.05 level (2-tailed).

## 6. Conclusion

This study shows that online advertising significantly affects online attitude of adolescent in Bandung, Indonesia. Advertising utility, Indignity, and Price perception positively

affects the online attitude of adolescent. Trust has negative effect on the online attitude of adolescent, while regulation does not affect the online attitude of adolescent in Indonesia.

## 7. Future Scope

This study is limited to 5 variable dimensions of online advertising, further study can measure the impact of online advertising from other dimension such as the ads message. Also, since this study is limited to adolescent in Bandung Indonesia, this cannot be used as generalization for other region that further study is requires representing the attitude of all adolescent in every city in Indonesia. For the next study, it is suggested to enlarge the study subject, not only limited to adolescent but also to children up to adult to determine the more comprehensive impact of online advertising of several age categories.

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