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By Dr. Mohammad Hamdi Al Khasawneh

Abstract - Dramatic structural changes are taking place within the rapidly growing Web advertising sector; the most notable being the rise to prominence of Sponsored Search Advertising (SSA) which developed because of the need to find solutions to the increased market demand for more consumer-oriented and targeted advertising and non-intrusive Web Advertising format (Weidlich, 2002). Moreover, SSA offered advertisers the ability to more precisely target Web users, as well as making the advertisements more relevant and meaningful to the consumers (Dou et al., 2001). However, very little attention has been given to SSA in terms of how consumers respond to such advertising within the Web context, and what particular factors drive consumers to attend to, and respond to, SSA. To address this gap in the marketing literature, the current study sought to, firstly present a theoretical Model of Consumer Response Towards SSA by incorporating variables synthesized from the advertising and consumer behaviour literature. Secondly, this study empirically validated the model from the consumer’s perspective.

Keywords : Web Advertising, Sponsored Search Advertising, Consumer behaviour, Consumer attention, and Consumer attitudes.

GJMBR-A Classification : FOR Code :150503, 150505  JEL Code : M37, D91

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A Development and Empirical Validation of the Consumer Response Towards Sponsored Search Advertising (SSA) Model

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Abstract - Dramatic structural changes are taking place within the rapidly growing Web advertising sector; the most notable being the rise to prominence of Sponsored Search Advertising (SSA) which developed because of the need to find solutions to the increased market demand for more consumer-oriented and targeted advertising and non-intrusive Web Advertising format (Weidlich, 2002). Moreover, SSA offered advertisers the ability to more precisely target Web users, as well as making the advertisements more relevant and meaningful to the consumers (Dou et al., 2001). However, very little attention has been given to SSA in terms of how consumers respond to such advertising within the Web context, and what particular factors drive consumers to attend to, and respond to, SSA. To address this gap in the marketing literature, the current study sought to, firstly present a theoretical Model of Consumer Response Towards SSA by incorporating variables synthesized from the advertising and consumer behaviour literature. Secondly, this study empirically validated the model from the consumer’s perspective. The result was the development and empirical validation of the Consumer Response Towards SSA Model. This empirical validation of the research model has made a significant theoretical contribution to our knowledge base. We believe it provided the first empirical analysis of the effect of consumer related factors on consumer attention towards SSA, the outcomes of such attention along with the perceived credibility of SSA, as characterised by attitude toward SSA and intention to click on Sponsored Search Advertisements. This major contribution for the current study was achieved through the extension of previous theoretical advertising and consumer behaviour models to the emerging advertising format on the Web, and the inclusion of a larger set of determinants involving the consumer’s point of view. In addition, the findings of the current research are significant and have provided a number of practical implications related to the determinants and outcomes of consumer’s attentional, attitudinal and behavioural responses toward SSA.

Keywords : Web Advertising, Sponsored Search Advertising, Consumer behaviour, Consumer attention, and Consumer attitudes.

I. Introduction

The Internet is the fastest growing communications medium of all time (Danaher and Mullarkey, 2003; Ko et al., 2005; Yoon and Lee, 2007) of which the Web with its text, audio and video flexibility is the most important tool (Berners-Lee, 2006; Eighmey, 1997; Gallagher, Foster, and Parsons, 2001; Ghose and Dou, 1998; Palanisamy and Wong, 2003; Yaveroglu and Donthu, 2008). Thus, many organisations have begun to consider the Web as having more marketing potential than other Internet tools in the promotion of their products and services, at lower cost and the greater ability to target consumers precisely (Leong, Huang, and Stanners, 1998; Palanisamy and Wong, 2003; Robinson et al., 2008). Consequently, Web advertising revenues are growing quickly and are expected to reach US$ 103 billion worldwide in 2015 (MagnaGlobal, 2010). Additionally, dramatic structural changes are taking place within this rapidly growing Web advertising sector; the most notable being the rise to prominence of SSA which developed because of the need to find solutions to the increased market demand for more consumer-oriented and targeted advertising and non-intrusive Web Advertising format (Weidlich, 2002). Moreover, SSA offered advertisers the ability to more precisely target Web users, as well as making the advertisements more relevant and meaningful to the consumers (Dou et al., 2001). However, very little attention has been given to SSA in terms of how consumers respond to such advertising within the Web context, and what particular factors drive consumers to attend to, and respond to, SSA. To address this gap in the marketing literature, the current study sought to, firstly present a theoretical Model of Consumer Responses Towards SSA by incorporating variables synthesised from the advertising and consumer behaviour literature. Secondly, this study empirically validated the model from the consumer’s perspective. The result was the development and empirical validation of the Consumer Response Towards SSA Model.

Therefore, the following research objectives were considered worthy of investigation, with the broader primary research objective, addressed in this study, being:

To identify the consumer related factors that influence consumer responses towards Sponsored Search Advertising?

To advance our current understanding of SSA from the consumers’ perspective, the focus here is on examining a range of consumer behaviour variables that may determine how they respond to SSA. Therefore, it is proposed that such an examination will advance the

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understanding of consumer behaviour within the context of SSA. As such, the primary focus of this research is on the consumer and those associated consumer related factors that determine their responses to SSA. Extending Rodgers and Thorson’s (2000) contentions, consumer responses to SSA may be viewed as comprising three elements: determinants, process and outcomes. Determinants are those factors that may determine consumers’ attentions towards SSA. Process element stands for the consumer’s initial processing of the SSA (Webb, 1979) which is represented in this research by consumer attention to SSA. The final element, consumer responses, involves outcomes, namely those factors that result from consumer attending to SSA. These factors may be characterised as the consumer’s attitude towards SSA and intention to click on Sponsored Search Advertisements. Therefore, the broader research objective is further elaborated into a number of research questions which are presented below.

RQ1: What are the consumer related factors that account for consumer attention towards SSA and to what extent do they influence attention towards SSA?

RQ2: To what extent does consumer attention towards SSA influence consumer attitude towards SSA?

RQ3: To what extent does consumer attitude towards SSA influence consumer intentions to click on SSA?

RQ4: To what extent does credibility of SSA influence consumer attitude towards SSA?

II. Web Advertising

Web advertising began in 1994 with the presentation of banner advertisements on the Hotwired Website (Barnes, 2003; Kaye and Medoff, 2001; Robinson, Wysocka, and Hand, 2007). Since then, advertisers have considered the Web as one of the most important marketing communication channels because of its distinctive features of interactivity, flexibility, customisation, accessibility and tracking capabilities (Bush, Bush, and Harris, 1998; Chatterjee et al., 2003; Li and Leckenby, 2004; Palanisamy and Wong, 2003; Richard and Chandra, 2005; Robinson et al., 2007; Yaveroglu and Donthu, 2008). The term Web advertising covers many types of advertising from electronic advertisements, that are similar to traditional advertisements (e.g. billboards, banner advertisements), to formats that are distinct from traditional advertisements (e.g. pop-up advertising) (Schlosser, Shavitt, and Kanfer, 1999). In addition, Web advertising formats include the original banner advertising, skyscrapers, pop-up advertising, interstitials, online video advertising, rich media, corporate websites, and keyword search advertising (Briggs, 1999; Chandon, Chtourou, and Fortin, 2003; Cho and Cheon, 2004; Choi and Rifon, 2002; Flores, 2001; Li and Leckenby, 2004; Robinson et al., 2007; Yao and Lin, 2006).

Although banner advertisements have been the dominant format of Web advertising for several years, the revenue from banner advertisements has declined steadily since the advent of other Web advertising formats, such as Keyword Search Advertising (KSA) (Li and Leckenby, 2004). Recently, KSA has proven to be the main, and fastest growing, format within the Web advertising market, growing from one percent in 2002 to 41 percent in 2006 (Maddox, 2006). Simply put, KSA is a process by which search engines place advertising in the search results pages of certain keywords and advertising companies pay fees to the search engine providers when users click on a link to their web sites (Burns, 2005; Schmidt and Patel, 2004).

a) Sponsored Search Advertising

Of the various forms of KSA, Sponsored Search Advertising (SSA) has been identified as the most effective form (Delaney, 2004; Harrison, 2005). SSA represents an advertising technique in which a fee is paid for specific keywords to guarantee priority placement on search engine results pages (Feng et al., 2003; Jerath & Sayedi, 2011; Lu and Chau, 2006; Overture, 2005). SSA has become a critical component of companies’ marketing campaigns (Jerath & Sayedi, 2011), with a global annual growth rate predicted to be 46 percent and have accounted for more than US $44.5 billion of industry revenue in 2011 (Arnold et al., 2012; Ghose and Yang, 2007; Feng et al., 2007, Jansen et al., 2009, Jatarzadeh, Aurum, & D’Ambra, 2011; Rashtchy et al., 2007). Consequently, Sponsored Search Advertising had become the most prominent format of Web advertising by 2003 in terms of revenues (IAB, 2004), as well as the major source of revenues for Web search engines (Jansen and Resnick, 2006). For example, 67 percent of Google’s 2008 revenue came from SSA (Google, 2008). However, the success of search engines in generating revenues using SSA depends mainly on the number of users (consumers) who click on Sponsored Search Advertisements (as advertisers are only required to pay when users click) (Vragov, 2009). For this reason, online users need to notice and pay attention to SSA, so that the desired communication goal of such advertising (click through behaviour) may be achieved (Lu and Chau, 2006). More specifically, as suggested by Jansen and Spink (2007a), SSA may be improved and become more effective by gaining a greater understanding of consumer behaviour in such advertising contexts.

For the online user, SSA offers highly relevant search results (Kiritchenko and Jiline, 2008), which are based on the consumer’s own queries and, thus, they are considered less intrusive than banner advertisements or pop-ups advertising (Ghose and Yang, 2007). In addition, SSA reduces online user search costs (Jansen and Mullen, 2008) and increases the accessibility to useful information within a limited
time frame (Lu and Chau, 2006). Consequently, SSA has become an important element of online users browsing and information searching experiences on the Web (Richardson, Dominowska, and Ragno, 2007).

III. Literature Review

As an aim of the current research is to understand the factors that influence consumers’ responses towards SSA, the literature related to SSA was reviewed. However, much of this research is largely based on practitioners’ views and anecdotal studies with only a small number of scholarly studies being available. Previous research relating to SSA has focused primarily on the advertisers’ perspective. For example, SSA and search engine performance (Bradlow and Schmittlein, 2000; Telang, Boatwright, and Mukhopadhyay, 2004), quality uncertainty and adverse selection in SSA (Animesh, Ramachandran, and Viswanathan, 2003), SSA ranking strategies (Feng, Bhargava, & Pennock, 2003), and the implementation of SSA strategies (Weber and Zheng, 2003). Another area of SSA research has focused on SSA auction mechanisms, from the economic perspective (Edelman and Ostrovsky, 2007). For example, the best bidding strategies for advertising companies to maximise profits (Animesh et al., 2006; Chakrabarty, Zhou, and Lukose, 2007; Coy, 2006; Feng, 2008; Feng et al., 2003; Kitts and LeBlanc, 2004; Mehta et al., 2005; Varian, 2006), as well as decentralising and finding alternative mechanisms for SSA auctions (Khare and Sittler, 2005). However, recently, academicians have called for further research into specific aspects of SSA, especially research related to the consumers’ point of view (Animesh et al., 2006; Li and Leckenby, 2004). Moreover, this need to establish a new direction for future SSA research was identified by Ghoose and Yang (2007), Barry and Charleton, (2009), and Li and Leckenby (2004), who suggest that little understanding currently exists on the major factors influencing consumers behaviour towards such online advertising form. According to Vine (2004), consumers depend on Web search engines to find information on the Web prior to making online or offline purchase-decisions. However, despite the phenomenal growth of the SSA market, limited research has been undertaken to investigate the implication of such advertising upon consumer behaviour. As mentioned previously, SSA has, in the main, been investigated from advertisers’ perspectives, which appears not to provide an encompassing understanding of their effectiveness (Feng et al., 2003; Jatarazadeh et al., 2011; Weber and Zheng, 2003). Further, the consumer behaviour perspective has been largely overlooked (Yao and Male, 2008). In support of this view, Ghoose and Yang (2007) indicate that there is a little understanding of how consumers respond to SSA.

Some research has identified: that online users respond more favourably to natural free results displayed on the search results page in comparison to SSA (Greenspan, 2004; Marble, 2003); that online users tend to distrustful in relation to the viability of Sponsored Search Advertisements, which are perceived as less relevant than the natural free results (Greenspan, 2004; Fallows, 2005; Jansen and Resnick, 2007; Jansen and Resnick, 2006); that online users have a limited understanding of the nature of SSA, with few were able to recognise SSA (Marble, 2003). More specifically, Animesh (2005) suggests that the consumer knowledge of SSA mechanism may foster the click through rates for highly positioned search results. Support for this view is provided by anecdotal evidence suggesting that companies need to be positioned on the first page and within the top search results to match online users’ behaviours (Miller, 2006; Newsome, 2006; Schwarz, 2005). Interestingly, Yao and Male (2008) have found that consumers who engage in more search and clicking behaviour on the Web tend to be more responsive to SSA than others. In brief, despite the emerging stream of literature on SSA, consumer behaviours associated with this type of Web advertising are still not fully understood. Thus more research is required to fill this gap. Most research on SSA has generally explored the topic from a practitioner’s perspective or anecdotal studies. Further, there has been scant research within the consumer behaviour domain in relation to how consumers respond to SSA. As a consequence, examining factors influencing consumer responses towards advertising, based on offline traditional advertising literature, may assist in achieving a more cohesive understanding of how consumers process and respond to SSA.

Based on a revision of a number of studies related to consumer responses to offline traditional advertising, as well as Web advertising and most importantly, based on Rodgers and Thorson’s (2000) findings, that Web advertising effectiveness relies on how consumers respond to such advertising, and that it may be examined using determinants, process and outcomes, it is apparent that process focuses on the consumer’s tendency to pay attention to advertising and, moreover, this process could be determined by a range of variables related to the consumers. Further, the outcomes appear to reflect consumers’ attitudes and behaviour upon attending to advertisements. Interestingly, consumers’ tendency to pay attention to Web advertisements has witnessed a decline since it was first introduced due to such factors as their intrusiveness and irritation level (Li et al., 2002; Yaveroglu and Donthu, 2008). However, given that SSA has proved to be the most effective form of Web
advertising (Mack, 2004; Mara, 2004), it would seem there is an opportunity to examine consumer attention to SSA and the related determinants of such response. Li and Leckenby (2004) asserted that this research is needed as there have been few studies into understanding the factors and determinants of how consumers attend to, and respond to such advertising. Therefore, a number of focal constructs relevant to this research are discussed, in terms of consumer responses towards SSA and the determinants of such attention (prior experience with SSA, subjective knowledge of SSA, familiarity of brands (or websites) included in the SSA, and perceptions of SSA relevancy and credibility) and the outcomes associated with attention towards SSA (attitudes towards SSA and behavioural intentions).

IV. Hypotheses Development

It appears that consumers’ attention is strongly influenced by their motivations, abilities, and opportunities to process advertisements. For example, the ability to pay attention to advertising may be conceptualised by aspects related to experience with, and knowledge about, the related environment (Batra and Ray, 1986; Celsi and Olson, 1988; Hallahan, 2000; MacInnis, Moorman, and Jaworski, 1991). If this is so, then, aspects of prior experience with advertising (negative or positive) are likely to influence an individual’s ability to attend to, and process, advertisements (Batra and Ray, 1986; Celsi and Olson, 1988; MacInnis et al., 1991). Therefore, prior experience with SSA was deemed pertinent to the current research as a determinant of consumer attention towards SSA. This position is consistent with the view that consumer attention is mainly dependent on prior experience and that prior experience is an important determinant of consumer behaviour (Fazio and Zanna, 1981; Jarvelainen, 2007). A number of researchers suggest that the ability to attend to advertising messages may result from the amount and type of knowledge an individual possesses regarding the advertising, for example, subjective knowledge (Batra and Ray, 1986; Celsi and Olson, 1988; Hallahan, 2000; MacInnis et al., 1991). Therefore, subjective knowledge is another important determinant factor that influences consumer attention and processing behaviour towards SSA (Bettman and Park, 1980; Claxton, Fry, and Portis, 1974; Brucks, 1986; Pingol and Miyazaki, 2005; Raju, Lionel, and Mangold, 1995). However, within the online environment, it appears that online users have limited knowledge of the approaches employed by search engines to rank, retrieve and prioritise Sponsored Search Advertisements (Greenspan, 2004; Hotchkiss, 2004; Marble, 2003). This being the case, it may be that consumer subjective knowledge of SSA could influence attention towards this type of Web advertising.

Thirdly, the consumer’s motivation to process the advertising message is largely determined by consumers’ findings cues in the advertisement that are recognisable (Batra and Ray, 1986; Celsi and Olson, 1988; Hallahan, 2000; MacInnis et al., 1991), for example, familiar brands and relevancy of the advertisement. As such, familiarity of brands (or websites) included in the SSA was selected as an aspect of the current research, due to its importance in influencing advertising effectiveness (Campbell and Keller, 2003) and consumer attention toward advertising (Chun and Wolfe, 2001; Keller, 1991; MacKenzie and Spreng, 1992; Rayner et al., 2001; Rosbergen et al., 1997; Yantis, 2000). In addition, it was found that online users tend to check Sponsored Search Advertisements if they are perceived as relevant (Jansen and Spink, 2007a, Jansen and Resnick, 2006). Thus, perception of SSA relevancy appears to be an important factor influencing consumer response to SSA. It is also suggested that relevancy of SSA is also influenced by brand familiarity as finding familiar brands (or websites) within the content of SSA message may result in perceiving such advertising as relevant. Finally, Moore and Rodgers (2005) suggest that consumers are more likely to ignore advertisements because of less perceived credibility. Fourthly, another important aspect covered in the offline advertising literature is that the extent of perceived credibility is based upon an accumulation of information and consumers’ experiences with advertisements (MacKenzie and Lutz, 1989). Maloney (1994) supported this view by asserting that advertising credibility is based on the interaction of the advertisement with the consumer memories are accumulated from prior experiences. Therefore, it appears that online users with positive previous experiences with SSA will be more likely to consider SSA as credible and, so consider processing or engaging with these types of advertisements. Furthermore, attention to SSA is expected to have an influence on SSA credibility. The reason for this is that a greater attention paid to SSA results in higher perceived credibility of SSA. Similarly, within a social marketing context, Griffin and O’Cass (2005) found that the more attention paid to social advertising, the more credibility is associated with those advertisements. Accordingly, those online users who pay more attention to SSA may be more likely to positively evaluate those advertisements, resulting in higher advertising credibility.

Although much of the offline traditional advertising literature has confirmed that a positive relationship exists between consumer attention and attitude towards advertising, such relationship has received scant attention in the Web advertising context. For example, outcomes of consumers’ attention in the Web context may operate into different directions depending on the type of exposure to Web advertising. For example, forcing online users to be exposed to Web
advertising messages (such as the case with pop-up advertising) may generate negative attitudes towards such advertising. This view is consistent with the argument of Rust and Varki (1996) who advocate that Web advertising should be less intrusive because forcing consumers to be exposed to advertisements may generate negative attitudes towards advertising. Many other Web advertising studies have provided support for this view by showing that consumers tend to ignore intrusive and annoying Web advertisements and, more, tend to hold negative attitudes towards such advertisements (Brackett and Carr, 2001; Cho and Cheon, 2004; Li et al. 2002; Reed, 1999). Alternatively, consumers are expected to pay more attention and hold more positive attitudes towards unintrusive and targeted Web advertisements such as SSA (Bloem, 2003; Mehta and Sivadas, 1995).

Finally, the attitude and behavioural intention relationship was originally advocated by Fishbein and Ajzen (1975). More recent advertising research supports this theory, where it is suggested that the attitude toward the object (in this case the SSA) will influence the intention to use the object (intention to click on SSA) (MacKenzie et al., 1986). More specifically, support for this relationship is found in some Web advertising studies which have reported a significant effect of attitude towards Web advertising on intention to click on Web advertisements (Burns and Lutz, 2006; Cho, 1999; Jin and Jun, 2007; Shamdasani et al., 2001). However, to the best of our knowledge, limited studies have examined such relationship in the SSA context. Given the above discussion, it appears plausible that consumers’ attitudes towards SSA are related to their behavioural intentions of clicking on Sponsored Search Advertisements.

Based on the preceding literature review, a theoretical model of Consumer Response Towards SSA (Figure 1.1) and research hypotheses (Table 1.1) have been provided to address the research objective and associated research questions, of the study. In doing so, the theoretical model conceptualises SSA from a consumer behaviour perspective. Overall, it was found that several factors act upon and influence consumers’ attention to, subsequent attitudes towards, and clicking behaviour on SSA. These factors, identified as consumer related factors, incorporated prior experience with SSA, subjective knowledge of SSA, familiarity with brands (or websites) included in the SSA, and perceptions of SSA relevancy and credibility.

<table>
<thead>
<tr>
<th>No.</th>
<th>Hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Prior experience with SSA has a significant positive effect on attention to SSA.</td>
</tr>
<tr>
<td>H2</td>
<td>Subjective knowledge about SSA has a significant positive effect on attention to SSA.</td>
</tr>
<tr>
<td>H3</td>
<td>Familiarity of brands (or websites) included in the SSA has a significant positive effect on attention to SSA.</td>
</tr>
<tr>
<td>H4</td>
<td>SSA relevancy has a significant positive effect on attention to SSA.</td>
</tr>
<tr>
<td>H5</td>
<td>Familiarity of brands (or websites) included in the SSA has a significant positive effect on SSA relevancy.</td>
</tr>
<tr>
<td>H6</td>
<td>Prior experience with SSA has a significant positive effect on SSA credibility.</td>
</tr>
<tr>
<td>H7</td>
<td>Attention to SSA has a significant positive effect on SSA credibility.</td>
</tr>
<tr>
<td>H8</td>
<td>Credibility of SSA has a significant positive effect on attitude towards SSA.</td>
</tr>
<tr>
<td>H9</td>
<td>Attention to SSA has a significant positive effect on attitude towards SSA.</td>
</tr>
<tr>
<td>H10</td>
<td>Attitude toward SSA has a significant positive effect on intention to click on SSA.</td>
</tr>
</tbody>
</table>

Source: Developed for this research.
V. Methodology

A quantitative approach was used in this research. An examination of the literature assisted in the development of a conceptual model of Consumer responses towards SSA. A convenience sample of 325 respondents from the Australian population (who have online access and who have searched or purchased online) were surveyed using an online self-administered survey. The resultant data were analysed to test the model of consumer response towards SSA. The administration of the survey followed a Web-based self-administered method. The data collection involved the researcher employing an Australian market research company (The Final Prospect Company) to send an email, on behalf of the researcher, to Australian online users inviting them to participate in the study. The email included a link to a unique Web site location to access the survey. In addition, the email informed potential respondents about the purpose of the research, the length of the survey, and provided assurance that the collected information would be treated confidentially and would be used only for the purposes of the research.

VI. Results Analysis

Analysis of the data was conducted via correlation analysis, exploratory factor analysis, reliability analysis and Partial Least Squares (PLS) regression analysis. Based on the preliminary analysis, the evaluation of the data via factor analysis and reliability estimates indicated that all scale items were appropriate and valid for further statistical analysis. Additional testing of the quality of the scales was conducted, which established the convergent and discriminant validity. Further testing for the common method variance, via Harmon’s one factor test, provided evidence of the non-existence of common variance problem, indicating that the data were ready for subsequent analysis. PLS was considered as the most appropriate approach for the current study as it has several advantages over other SEM techniques. In particular, PLS allows the assessment of the psychometric properties of the measures and the exploration of the hypothesised relationship among the constructs (Chin, 1998; Hulland, 1999). Moreover, PLS facilitates simultaneous tests of the measurement models and structural models (Barclay et al., 1995); it is also compatible with interval-style data and can assess a model with a relatively small sample size (Chin, 1998; Gefen et al., 2000; Thompson et al., 1995). In consideration of these points, and due to its increasing acceptance within consumer behaviour and marketing domains PLS was chosen to evaluate the research model and test the hypotheses. Table 1.2 highlights the hypotheses of the study, and shows the path coefficient between the exogenous and endogenous variables; the average variance accounted for, $R^2$ and bootstrap critical ratios. The bootstrap critical ratios determined the stability of the estimates and were acceptable at ranges between -1.96 and +1.96 (Chin, 1998). Alternatively, the Average Variance Accounted for (AVA) represented the mean of $R^2$ of the structural model and

![Figure 1: A Conceptual Model of Consumer Response Towards Sponsored Search Advertising (SSA).](image-url)
indicated the overall predictive power of the model (Fornell and Bookstein, 1982). In the current study, the AVA for the endogenous variables was .46 and the \( R^2 \) values for the predicted variables were all greater than the Falk and Miller’s (1992) recommended level of .10; therefore, it was appropriate to examine the significance of the paths associated with these variables. All of the paths were above the recommended level of 0.015 as advocated by Falk and Miller (1992), and all variables had bootstrap critical ratios above the acceptable level (greater than 1.96, \( p < .05 \)).

**Table 2**: Partial Least Squares Results for the Theoretical Model.

<table>
<thead>
<tr>
<th>Predicted Variable</th>
<th>Predictor Variables</th>
<th>Hypothesis</th>
<th>Path</th>
<th>Variance due to path</th>
<th>( R^2 )</th>
<th>Critical Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attention to SSA</td>
<td>Prior experience</td>
<td>H1</td>
<td>.419</td>
<td>.291</td>
<td>7.89</td>
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</tr>
<tr>
<td></td>
<td>Subjective Knowledge</td>
<td>H2</td>
<td>.232</td>
<td>.082</td>
<td>6.45</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Familiarity of brands</td>
<td>H3</td>
<td>.148</td>
<td>.071</td>
<td>2.84</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SSA relevancy</td>
<td>H4</td>
<td>.248</td>
<td>.148</td>
<td>.59</td>
<td>5.34</td>
</tr>
<tr>
<td>SSA relevancy</td>
<td>Familiarity of brands</td>
<td>H5</td>
<td>.499</td>
<td>.249</td>
<td>6.89</td>
<td>.25</td>
</tr>
<tr>
<td>SSA Credibility</td>
<td>Prior experience</td>
<td>H6</td>
<td>.373</td>
<td>.269</td>
<td>16.56</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attention to SSA</td>
<td>H7</td>
<td>.504</td>
<td>.384</td>
<td>26.84</td>
<td></td>
</tr>
<tr>
<td>Attitudes towards SSA</td>
<td>SSA Credibility</td>
<td>H8</td>
<td>.545</td>
<td>.413</td>
<td>10.03</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attention to SSA</td>
<td>H9</td>
<td>.279</td>
<td>.193</td>
<td>6.16</td>
<td></td>
</tr>
<tr>
<td>Intention to click</td>
<td>Attitudes toward SSA</td>
<td>H10</td>
<td>.452</td>
<td>.204</td>
<td>7.60</td>
<td></td>
</tr>
<tr>
<td>AVA</td>
<td></td>
<td></td>
<td>.46</td>
<td></td>
<td></td>
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</tbody>
</table>

The PLS results, as shown in Table 2.2, indicate that prior experience with SSA has a significant positive effect on online users (consumers) attention towards SSA (\( \beta = 0.419, t = 7.89, p < 0.01 \)), indicating that online users with prior positive experience with SSA, will pay greater attention to SSA, thereby, supporting H1. As proposed in H2, subjective knowledge of SSA has a significant positive effect on attention to SSA (\( \beta = 0.232, t = 6.45, p < 0.01 \)), suggesting that those online users who have more knowledge about the nature and benefits of SSA are more likely to pay attention to SSA. This finding supports H2. Consistent with H3, familiarity of brands (or websites) included in the SSA, has a significant positive effect on online users’ attention towards SSA (\( \beta = 0.148, t = 2.84, p < 0.01 \)), implying that those Sponsored Search Advertisements that include familiar brands (or websites) are more likely to be noticed and attended by online users, thereby supporting H3. The result for H4 indicate that SSA has a significant positive effect on online users’ attention towards SSA (\( \beta = 0.248, t = 5.34, p < 0.01 \)); thus, the higher the relevancy of SSA, the greater the attention paid to the advertisement. This finding supports H4. As shown in Table 1.2, familiarity of brands (or websites) included in the SSA has a significant positive effect on the level of the relevancy of SSA (\( \beta = 0.499, t = 6.89, p < 0.01 \)) suggesting that Sponsored Search Advertisements that include familiar brands (or websites) are more likely to be considered as relevant to online users, thereby, supporting H5. Prior experience with SSA has a significant positive effect on the credibility of SSA in general (\( \beta = 0.373, t = 10.85, p < 0.01 \)) suggesting that online users who have positive prior experience with SSA are more likely to perceive SSA as credible and believable, providing support for H6. Further, attention to SSA was found to be related to the degree of perceived credibility of SSA (\( \beta = 0.504, t = 26.85, p < 0.01 \)), implying that the more attention paid to a Sponsored Search Advertisement, the greater the credibility of the SSA thereby supporting H7. Credibility of SSA has a significant positive effect on attitude towards SSA (\( \beta = 0.545, t = 10.03, p < 0.01 \)), suggesting that the greater the credibility of SSA the more positive the attitude toward the Advertisement supporting H8.

As shown by the PLS results, attention towards SSA has a significant positive effect on attitude towards SSA (\( \beta = 0.279, t = 6.16, p < 0.01 \)) suggesting that the higher level of attention paid to a Sponsored Search Advertisement the greater the positive attitude towards SSA, thereby supporting H9. Consistent with H10, attitude toward SSA has a significant positive effect on intention to click on Sponsored Search Advertisements (\( \beta = 0.452, t = 7.60, p < 0.01 \)) implying that the more positive the attitude toward SSA the greater the intention to click on Sponsored Search Advertisements supporting H10. Thus, the results from the current study...
show that all the hypotheses (H1, H2, H3, H4, H5, H6, H7, H8, H9, and H10) were supported.

As shown in Table 1.2, the average variance accounted (AVA) for in the endogenous variable by the exogenous variables was 0.46 (46%). In addition, the data indicates that 65% of the variance in SSA credibility is explained by prior experience with SSA and attention towards SSA, whereas 25% of the variance in SSA relevancy is explained by familiarity of brands included in the SSA. Additionally, 59% of the variance in attention towards SSA is explained by prior experience with SSA, subjective knowledge of SSA, familiarity of brands (or websites) included in the SSA, and SSA relevancy. Furthermore, SSA credibility and attention to SSA account for 61% of the variance in attitude towards SSA. Finally, attitude towards SSA accounts for 20% of the variance in intention to click on Sponsored Search Advertisements.

VII. Conclusion

The findings provided useful insights into a nomological network explicating the determinants, process, and outcomes of consumer responses towards SSA, from a consumer behaviour perspective. In particular, the findings provided empirical support for Consumer Response Towards SSA Model, revealing that a number of consumer related variables (prior experience with SSA, subjective knowledge of SSA, familiarity of brands (or websites) included in the SSA and SSA relevancy) act as determinants of consumer attention towards SSA. As posited in the findings, online users (consumers) who had positive prior experience with SSA are more likely to notice and pay attention to SSA. In addition, the findings provided support for the positive relationship between online users’ subjective knowledge of SSA and attention paid to Sponsored Search Advertisements. Furthermore, the proposed relationship between familiarity of brands (or websites) and attention to SSA was supported. In the context of the relationship between familiarity of brands (or websites) and SSA relevancy, it was found that those Sponsored Search Advertisements that include familiar brands (or websites) are more likely to be considered as relevant, and those relevant Sponsored Search Advertisements influence attention towards such advertisements.

The proposed research model also identified that particular factors determine the credibility of SSA. For example, the findings indicate that the nature of the prior experience with SSA is a factor in determining the credibility of SSA. Accordingly, those online users (consumers) who experienced a positive prior experience with SSA are more likely to consider SSA as a credible form of Web advertising. In addition, the findings show that attention towards SSA positively influences the credibility of SSA. This implies that those online users who pay more attention to SSA are also more likely to perceive such advertising as credible.

In relation to the outcomes of Consumer Responses Towards SSA Model, online users who pay attention to SSA appear to have more positive attitudes towards SSA. Further, as proposed in this research model, SSA credibility was found to influence a consumer’s attitude towards SSA, and that attitude impacted upon their intention to click on Sponsored Search Advertisements.

The current results confirmed the proposed conceptual Model of Consumer Response Towards SSA to be a valid representation of the determinants, process and outcomes associated with consumer responses toward SSA. Firstly, in terms of determinants, the model assists in understanding the role of consumer related factors (comprising prior experience with SSA, subjective knowledge about SSA, familiarity of brands (or websites) included in the SSA, SSA relevancy, and SSA credibility) as determinants of consumer responses to Sponsored Search Advertisements. Secondly, in relation to process, the model acknowledges that online users either pay attention (or not) to SSA based on a number of consumer related factors mentioned previously. Finally, in terms of outcomes, the model acknowledges that attitude toward SSA and intention to click on Sponsored Search Advertisements as outcomes of consumers’ responses to SSA.

The empirical testing provided validation of the theory from the consumer’s standpoint, within the context of SSA, which appears not to have been attempted previously. As such, the current research is advantageous in that it both integrates earlier advertising research associated with consumer behavioural aspects. In doing so, the Consumer Response Towards SSA Model provides a valuable theoretical example for Web advertising effectiveness models (from a consumer behaviour perspective) by highlighting the determinants that affect consumer attention towards advertising and the outcomes of both attention and perceptions of advertising credibility characterised by consumer’s attitude towards, and intention to click on, Sponsored Search Advertisements. For this reason, the proposed model offers a broad perspective on how an individual perceives, processes, and responds to SSA. The process begins with consumers who are conducting a search activity in order to collect information about an issue, product or service. As consumers are exposed to two different types of search results (SSA and natural free results), the immediate process will be to attend to those search results that give consumers positive outcomes and lead to the previously proposed outcomes. Accordingly, the current research has advanced our knowledge within the advertising and consumer behaviour domains, as well as contributing to the use of SSA in practice.
The value of research in the area of marketing lies in its ability to be applied in practice. In this sense, the value of this research, in terms of the Consumer Response Towards SSA Model is that it expands our understanding of SSA by identifying and synthesising the determinants and outcomes of consumer responses towards such advertising. The practical implications of these findings are that they add to the understanding of SSA from a consumer’s behaviour perspective and, therefore, act as a valuable base for SSA practitioners. The current study provides practitioners with insights into consumers and the factors that influence their intention to click on Sponsored Search Advertisements when they use Web search engines. The findings identify what type of consumer (according to their experiences, subjective knowledge, familiarity with brands (or websites), and perceptions of credibility and relevancy) are more likely to attend and process SSA, and what are the outcomes of consumer response towards SSA, that is, attitude to SSA and intention to click on Sponsored Search Advertisements.

VIII. Future Research

As the data collection process has focused on Australian online users, it could be suggested that the results may lead to different findings for online users in other countries. As such, the model of this study could be tested in other developed countries such as the United States of America, Canada and the United Kingdom, and in developing countries such as Jordan. This replication would allow examining whether the findings hold true in other regions, and thus provide greater support for the generalisability of the findings of the study. Future research could also extend the model to examine what the most likely actions to be taken by consumers after clicking on Sponsored Search Advertisements such as gathering more information, requesting e-mail updates, subscribing or registering an interest, downloading documents, and purchasing products or services. These responses after clicking on Sponsored Search Advertisements are expected to be greatly influenced by the design and performance of the landing page.

References Références Referencias


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