Effectiveness of Nepalese Online Advertisement in Recalling a Product

Rashesh Vaidya[*]

ABSTRACT

Online advertising is becoming more popular because it is easier to access and less expensive. Similar to this, the regulatory limitations on the use of conventional advertising instruments for advertisements in Nepal boosted the popularity of online advertisements. Therefore, marketers also want their advertisement to be very efficient at getting customers to remember their products. The goal of the paper is to determine how well Nepalese online advertisements help consumers recall products. The article polled 270 Nepalese customers who have gone through online advertisements. The study discovered banner ads as the most preferred type of online as among the respondents. The paper found that online ads helped to make online purchasing decisions and recalling products. The respondents were concerned about the value associated with the product displayed in online ads. Similarly, the Nepalese online ad viewers did not find effective the use of humor in online ad in recalling the products and services.

Keywords: Effectiveness, Nepalese online advertisement, product recall

1. INTRODUCTION

An online advertisement is synonymously termed an internet advertisement or web advertisement. The rise of internet access and the user of social media have increased the importance of online advertisement. Similarly, the strategy to personalize and integrate multimedia and real-time interaction increased the popularity of online ads. Hence, online ads increase efficiency, reduce cost, provide flexibility and expose in an international arena. Online advertisement is popular among small entrepreneurs to industrialists, as people have been engaging more in social media. An instant update about the products by the advertisers and quick visibility had further increased the importance of online ads to recall the products (Chaubey et al., 2013).

Broadly, online ads are a marketing communication tools to elevate brand awareness and sales of goods and services. The effectiveness of the online ads depends on the content quality of the ad displayed or played on the online platform, viewing modes of the internet user, and time

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[*] Mr. Vaidya is a PhD scholar in Faculty of Management, Tribhuvan University. Email: vaidyarashesh@gmail.com

spent viewing the displayed online ads. Palanisamy and Wong (2003) stated that online advertising could be effective branding vehicle that provides marketers with powerful marketing communication tools using the internet for presenting information in vast ways in the dynamic web-based marketing environment.

The term product recall and product harm crisis are used synonymously in the marketing but the authentic meaning for these two terms are quite different. (Cleeren et al., 2017). The product harm crisis is a precursor, while a product recall is a consequence.

Danaher and Mullarkey's (2003) study on the effectiveness of internet advertisements indicated that the method of seeing, duration of page viewing, context of the website, text and background complexity, and banner style all have an impact on recall and recognition of the products. The paper also found that longer a person is exposed to web page containing banner ad, the more likely the person remember that banner ad.

According to Alijani et al. (2010), embedded video ads, which improved online advertising and encouraged customers, were more effective than banner plain text ads, floating ads, pop-up ads, and music ads. However, the study found that factors such as credibility, pricing, product or service, and embedded video made internet advertisements more effective at getting buyers to remember the products.

Mazaheri et al. (2011) found that the attitude towards online advertisement varies as per the perception of the respective community. Even though potential Chinese and Canadian buyers did not believe that online advertising increased the price of goods, the study revealed that it was informational but less enjoyable and did not prompt them to make purchases.

Lim et al. (2011) studied among the 200 employees of the private Malaysian university regarding the effectiveness of online advertisement on recalling, liking and clicking the products available at online. The most significant predictor, according to the study, was the capacity to recall online advertisements, which was followed by the frequency of clicking on online ads and views regarding online advertising.

Voorveld (2011) found that multichannel and simultaneously ads on online and radio had more positive effect but had a negative impact on recalling and recognizing the products.

Steenburg (2012) instituted consumers high in need for cognition recall product-type banner ads more readily than those low in need for cognition, while brand-type banner ads are more likely to be recalled by low-need for cognition consumers. Hence, the tendency to engage and enjoy in thinking activities are closely related to the banner-ads.

One of the basic objectives of ad is to remind or recall the products among the consumers' memory. Chaubey et al. (2013) found that animated advertisement and banner plain text were seen very effective in motivating consumers in recalling online ad and enhancing business. At the same time, the price and usefulness of the product displayed through online ads helped the most in recalling the products. Similarly, the paper stated that online advertising is flexible and makes it easier for the company to update their products, information.

Hsuan and Yazdanifard (2014) stated that the effectiveness of online advertisements determines by services delivered by online retailers, quality or functions of the products, payment process, speed of delivery of goods and services, and after-sales services. Ultimately, the paper

concluded that the effectiveness of the online ads could be determined mainly by how the viewer of the ads perceives the information forwarded in the online ads and enhance attention towards the products and services advertised.

In relation to Arab nations, Khattab and Mahrous (2016) conducted a poll among Egyptian consumers and found that just 10 percent of respondents accurately remembered the brand name and that most respondents couldn't even recall viewing an advertisement on the website. Only a substantial interaction effect of exposure time, task orientation, and website context was shown to have an impact on ads' ability to evoke product recall.

Sharma (2018) found that online advertisement increases efficiency, reduces cost, provided more flexibility and makes higher exposures in the global market which motivates the consumers to recall the products.

Nizam and Jaafar (2018) disclosed that attitude toward online ads, recall power, and frequency of clicking on them significantly influenced a customer's purchasing decision.

In the context of Indian youth, Jain et al. (2018) found that invasiveness and irritation have no significant impact on advertisement value played in an online video advertisement. The paper found that different attitudinal factors affect an individual's purchase intention after watching an online video advertisement.

Salameh et al. (2022) revealed that online advertisement helped in recognition of the brand knowledge of the product. The paper stated that online ads are not limited to a direct relationship between online ad and customer satisfaction.

In context to Nepal, Yadav and Singh (2020) found that time spent online and an impact of online advertisement highly influence on the consumer buying behavior. The paper also found that the viewers age, cost for ad, offers, variety on ad, and effort on first sight attraction on online ads were not seen as influencing factors on their effectiveness. Adaptation towards online advertisement even Nepalese advertising has made interest to find out an effectiveness of such types of advertisement. Hence, the paper tries to evaluate effectiveness of online advertisement in recalling the products as the number of online news portals are becoming popular in Nepal. The newspaper and magazines which have gone online version have been displaying online ads; similarly, social media have been also the popular platform for online ads for the Nepalese entrepreneurs and business entities or even government agencies.

Looking at the increasing interest and importance of online advertisement in Nepalese customers, the paper tries to find out an effectiveness of online advertisement in recalling products among the Nepalese customers.

2. DATA AND METHODS

The paper has focused on finding out an effectiveness of online advertisement on recalling the products among Nepalese consumers; hence, it has followed descriptive research design.

The paper has followed the questionnaire used by Chaubey et al. (2013) to maintain the content validity of an instrument. The paper considered equal probability of taking male and female respondents with the 90 percent of confidence level. Therefore, a sample size of 270 respondents has been considered for the paper. A five-point Likert scale was applied for measuring effectiveness from the score of '1' for 'Great Extent' to a score of '5' for 'Not at All'.

Similarly, after a pilot study among 50 respondents, Cronbach's Alpha was calculated to determine the reliability of the questionnaire. Initially, nine items were accommodated in a questionnaire, and after the reliability test [Cronbach's Alpha (α) =0.679] only five (5) items were used for the further survey among the remaining 220 respondents.

The Krippendoff's Alpha lies between -1 to +1. The Krippendoff's Alpha (α) for the two statements used in the paper was at +0.426, which is seen as systematically agreed and reliable.

The paper followed a simple percentage to interpret the respondent's profile and the responses forwarded for multiple choice question (MCQ) based on 'Yes', 'No' and 'Don't Know'. The paper used a descriptive statistics and one-sample t-test to do further analysis and interpretation for the opinions forwarded for the remaining five items tested using a five-point Likert scale.

3. RESULTS AND DISCUSSION

Respondents' Profile

This section covers the profile of the respondents who gave their opinions through a provided structured questionnaire.

Age Group of the Respondent

The responses were given from the different age groups of people. The age groups of the respondents are seen as follow:

Table 1

Age Group of the Respondent

Age Group	Frequency	Percent	Cumulative percent
16-25	152	56.3	56.3
25-35	76	28.1	84.4
35-45	29	10.7	95.2
45-55	11	4.1	99.3
55 and above	2	0.7	100.0
Total	270	100.0	

Source: Field Survey, 2022

Among a total of 270 respondents, 56.3 percent of them are seen from the age group of 16-25, followed by the age group of 25-35 covering 28.1 years. Only 2 respondents were seen from the age group of 55 and above. Majority of the respondents are seen from the younger age and least number from the older age respondents.

Gender of the Respondents

The table below illustrates the composition of the respondents' gender:

Table 2

Gender of the Respondents

Gender	Frequency	Percent	Cumulative percent
Female	95	35.2	35.2
Male	175	64.8	100.0
Total	270	100.0	

Source: Field Survey, 2022

Majority of the respondents were seen male, covering 64.8 percent of the total respondents and remaining were female respondents.

Education of the Respondents

The education level achieved by the respondents has been illustrated below:

Table 3

Education Level of the Respondents

Education Level	Frequency	Percent	Cumulative percent
Below Class Ten	6	2.2	2.2
Secondary (Plus Two)	85	31.5	33.7
Bachelor	137	50.7	84.4
Masters	30	11.1	95.5
M. Phil.	12	4.5	100.0
Total	270	100.0	

Source: Field Survey, 2022

The respondents were seen with the qualification up to the M. Phil. level and also below class ten. The least number of the respondents were seen with the education below class ten covering 2.2 percent, followed by M. Phil. covering 4.5 percent of the total respondents. More than 50 percent of the respondents were seen with a bachelor degree. This shows that the majority of the respondents were seen crossed the teenage age and are also not from the elderly aged people.

Employment Status of the Respondents

The table below reflects the employment status of the respondents:

Table 4

Employment Status of the Respondents

Employment status	Frequency	Percent	Cumulative percent
Unemployed	120	44.4	44.4
Employed	150	55.6	100.0
Total	270	100.0	

Source: Field Survey, 2022

As most the respondents were from the bachelor level or secondary level students, 44.4 percent were seen unemployed and remaining respondents were seen employed. The respondents with higher education and have been engage in the family business stated as an employed person.

Results

Opinion on Preferred Online Ad

There are various types of online ads used to advertise the products and services by advertisers. The table below shows the preferred online ads by the respondents:

Table 5

Preferred Online Ad

Preferred Ad	Frequency	Percent	Cumulative percent
Banner Ad	113	41.9	41.9
Pop-up Ad	46	17.0	58.9
Sky scrappers	30	11.1	70.0
Email	19	7.0	77.0
Tracking	12	4.4	81.5
Interstitial Ad	11	4.1	85.6
Coupons	11	4.1	89.6
Pay per Ad program	10	3.7	93.3
Banner swapping	10	3.7	97.0
Reward	8	3.0	100.0
Total	270	100.0	

Source: Field Survey, 2022

Banner ad is the most preferred online ad among the respondents covering 41.9 percent of the total respondents followed by pop-up ad covering 17 percent. The least preferred online ad is the reward by the Nepalese respondents covering only 3 percent. The low level of faith and scam on reward ad that appears on online also made at the bottom position. The spam and the malware linked to the reward forwarded by the hacker and scammer had reduced the reliability of the reward as per the respondents. Similarly, more faith in the physical cash transaction among Nepalese customers also raised questions about the link of rewards in online ads.

Relation of Online Ad with Online Purchasing

The respondents were asked whether the online ad has anything to do with their online purchasing. The respondents forwarded the following responses:

Table 6

Opinion on Relation of Online Ad with Online Purchasing

Opinion	Frequency	Percent	Cumulative percent
Yes	202	74.8	74.8
No	37	13.7	88.5
Don't know	31	11.5	100.0
Total	270	100.0	

Source: Field Survey, 2022

Table 6 shows that the online ads have been influencing on the online purchasing process of the respondents. About 75 percent of the respondents stated that the online as helps to make them go for online purchasing. Especially an attractive presentation of the products and information provided regarding the services on online ads lured the respondents to go for online shopping. Similarly, ease in searching products and making payment instantly while making online purchase in due course of going through online ads also influences the customer to go for online purchasing process.

Opinion on Online Ad helps on Recalling the Product

The respondents have forwarded the following opinions on online ad on recalling the products:

Table 7

Opinion on Online Ad helps on Recalling the Product

Opinion	Frequency	Percent	cumulative percent
Yes	222	82.2	82.2
No	21	7.8	90.0
don't know	27	10.0	100.0
Total	270	100.0	

Source: Field Survey, 2022

Table 7 shows that more than 80 percent of the respondents stated that the online ad help them to recall the product. One of the objectives of advertisement is reminding or recalling the product. The display of the products virtually further enhance in recalling the product to the customers. The information of the products, price and offers, availability as well as deliver facilities alongside the online ads helped to recall the product once they have seen the ad are used earlier.

Opinion on Effectiveness of Online Ad in Recalling a Product

An advertisement is launched with some theme over a time period. It is used to create opportunities in marketing environment. A sum of money is invested with an expectation in enhancement of performance of an organization. Hence, the ad should be effective to fulfill the basic objectives that have been put forwarded by the marketer. Opinions forwarded on effectiveness of online ad in recalling a product have been illustrated below:

Table 8 shows that the all the items were effective to some extent in context to recalling the product with the help of online advertisement. The respondents found it more effective in influencing them in online purchasing, with a score of 2.46 points, followed by embedded videos used in Nepalese online ads.

The respondents stated that embedded videos used in online ads also increased their ability to recall the products and services. The visual display of the product seems to give some idea regarding the features and specialty of the products. At the same time, an embedded video in online ads helps to add a level of information and entertainment to the viewer of the ad.

Table 8

Opinion on Effectiveness of Online Ad in Recalling a Product

Items	Mean	Std. deviation	Skewness	Std. error	Kurtosis	Std. error	T-test*
Influence of online ad in online purchase.	2.46	1.12	+0.40	0.15	-0.60	0.30	6.82 (0.000)
Embedded video used in online ad increases my ability to recall product or services.	2.53	1.31	+0.41	0.15	-0.98	0.30	7.87 (0.000)
Usefulness of the product or service recalls in online product or service ads.	2.53	1.11	+0.40	0.15	-0.52	0.30	9.63 (0.000)
Value associated with the product in online ads increases my ability to recall products or services.	2.62	1.06	+0.50	0.15	-0.29	0.30	9.63 (0.000)
Use of humor in online ads increases my ability to recall product or services.	2.69	1.18	+0.29	0.15	-0.77	0.30	6.59 (0.000)

Source: Field Survey, 2022

*Sig. (2-tailed)

Similarly, the respondents stated that the online ad of the products help to recall an insight on the usefulness of the products. The respondents viewed that the value associated with the products are not significantly adjoined on the online ads of the respective products.

Humor used in the online ad is found not much effective in recalling the products, with a score of 2.69 points which shows that the viewers are not concerned with the use of humor in online ads. Though the motto of the use of humor in the online ad is to reduce viewers' stress, recall the products, and is a win-win-win strategy, Nepalese viewers do not see it from this perspective while scrolling through the online ads.

The measure of dispersion shows that all the items positively skewed, showing the opinion is negative reflect the distribution with lighter tails than that of normal distribution.

The one-sampled t-test shows all the opinions forwarded regarding an effectiveness of online ad in recalling products by the respondents are statistically significant. This shows that the opinion forwarded by the respondents does not differ from the predetermined mean score.

Discussion

The growing popularity of online ad has shown its effectiveness to recall the products. Various types of online ads are used by advertisers to recall the products and services. Alijani et al. (2010) found that the banner ad was not seen effective to recall the products while the study among the Nepalese customers found that the banner ad as the most suitable ad to recall the products.

The paper found the banner ads most preferred online ad among the Nepalese customers to recall the products. Chaubey et al. (2013) also found the animated advertisement and banner plain texts were seen very effective to recall the products. Similarly, the paper also found that an embedded video on online advertisements help to recall the products among the Nepalese customers.

Yadav and Singh (2020) stated that the online ads influence the buying behavior of the customer among the Nepalese customers. The current paper also shows that the value associated with the products helps consumer to recall the products through the online ads among the Nepalese customers.

The increasing use of online media to promote the products and services using social media as well as online media has increased an importance of online ads in context to Nepal as well. Thus, there is an existing avenue to see an effectiveness of online ads to recall the products among the online ad viewers.

4. CONCLUSION AND IMPLICATION

A decline in costs and easy internet access has made online advertisement popular among advertisers. Similarly, restrictions on where Nepalese advertisers could promote their goods and services under the 2019 Advertisement (Regulation) Act compelled them to switch to online advertisements. A ruling from the Supreme Court of Nepal in 2006 to ban hoarding boards near temples and heritage sites as well as on September 2, 2015, the Court banned all forms of hoarding boards, billboards, paintings, posters, and pamphlets to reduce visual pollution. These rulings made the government restrict the display of hoarding boards, pamphlets, billboards, and flex boards as per Advertising Board Promotional Material Regulation Policy, 2013 and Sec. 11[2(i)] of Local Government Operation Act, 2017 to reduce visual pollution in the city. These legal provisions also boosted online ads in Nepal.

All the above mentioned causes have made Nepalese advertisers move towards an online ad in Nepal. Hence, the advertisers who have been following traditional techniques of ads made concerned about the effectiveness of online ads in the context of Nepal. The paper found that a banner ad is the most preferred mode of online advertisement among Nepalese ad viewers. Similarly, Nepalese online customers connect their buying decision through an online shopping portal by looking at the online ads as well as using the online ads to recall the products. The paper found that an embedded video in an online ad is making a difference among Nepalese online ad viewers while recalling the products.

Nepalese customers are concerned about the value associated with the products and services displayed in online ads that helped them to recall the products and services. At the same time, the use of humor in online ads was not a concern among Nepalese viewers. These factors should be taken by Nepalese online ads designers in the coming days while developing online ads for advertising agencies.

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