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CONSUMERS' ATTITUDES AND RESPONSES TOWARD INTERNET ADVERTISING:
The Case of Lebanon

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ABSTRACT

With the tremendous growth that the Internet has been exhibiting during the last few years all around the world, marketers have started to use this new medium as a means to reach target audiences and as a tool to broadcast advertisements and communicate messages to consumers. As a result, a new type of advertising was born: "Internet advertising".

Despite the fact that Internet advertising provides numerous benefits to the public and possesses several distinctive properties and advantages over the other forms of advertising, it was interesting to find out whether the consumers themselves, specifically whether the consumers living in Lebanon, had positive or negative attitudes toward this new type of advertising. More precisely, it was interesting to answer questions such as: Do consumers in Lebanon like Internet advertising? Do they attend to it? Do they have confidence in it? What is their reaction to it? How do they perceive the Internet advertising medium and where does this medium stand in their opinion as compared to the traditional advertising media tools?

This research project is an attempt to find answers to all of the above questions. Indeed, the main objective sought through out this project is to examine and measure the attitudes and responses of the consumers in Lebanon toward Internet advertising. Several phases had to be completed throughout this project in order to achieve this objective. As a matter of fact, a theoretical part providing information about the Internet, Internet advertising, the Internet as compared to other advertising media tools and the Internet market in Lebanon was first executed. After that, the research questions that we wanted to answer thanks to this study that we intended to test through this research were formulated. Next, a questionnaire was developed and a survey was conducted according to the judgmental sampling technique on 255 students who were of course Internet users and who were pursuing university at four different universities. Out of the 255 questionnaires that were filled, 25 turned out to be unusable either because they were incomplete or because they were improperly filled, thus leaving us with 230 questionnaires that we were able to include in our study. The data gathered out of those 230 questionnaires were statistically analyzed using the Statistical Package for Social Sciences (SPSS) software. Finally findings, inferences, recommendations and limitations were reported.

INTRODUCTION

With the emergence of the internet and with its subsequent vast adoption rate all around the world, a new advertising form was born: Internet advertising. In fact, as with television, radio, newspapers and magazines, one can communicate messages and broadcast advertisements to the consumers via the internet. But how do consumers perceive this new kind of advertising? How and why do consumers attend to it? Do they have confidence in it? What is their reaction to it (attitude toward the ad) and to the product it is advertising (attitude toward the brand)?

This research is an attempt to find answers to the above questions. Precisely, it is an attempt to examine and measure the attitude and response of the consumers in Lebanon toward this new type of Internet advertising. For the purpose of achieving this objective, a theoretical part is executed first, the research methodology to be used in this project is specified next, the research methodology is presented, and the results, recommendations and limitations of the study are reported at the end.

The theoretical part consists of the next four chapters, chapter I through chapter IV:

- Chapter I is concerned with the Internet technology. It presents its definition, a small historical overview about its evolution, its various applications and its growth and vast adoption rate all around the world. Moreover, chapter I contains some information about the ownership of the internet and about the control of this new medium worldwide.

- Chapter II is entirely devoted to explain Internet advertising from various perspectives. The ways in which this new type of advertising is defined, applied, and priced are discussed. In addition, the different forms of Internet advertising that are actually used, the objectives that can be reached through Internet advertising and the industries currently using this new type of advertising are also identified in this chapter.

- Chapter III presents several aspects of the internet advertising carrier including the growth of the advertising revenues derived from the net, the increasing usage and popularity of this adverting medium and the major advantages and disadvantages that it actually possesses. Chapter IV also encompasses a

comparison that is drawn on key selected criteria between the Internet and the other main advertising media available on the market, for the purpose of finding out in which position the Internet stands with respect to each of those various media that are actually used by the advertisers all around the world.

- Chapter IV provides information about the Internet industry in Lebanon. More precisely, it gives a brief historical overview about the introduction of the Internet technology to our country. Then it discusses the situation of the Internet field in Lebanon by studying the status of the internet services (particularly the internet access service) provided there and by identifying the various parties that have contributed to the rapid growth of the Internet usage in Lebanon during these last few years.

Once the theoretical part is presented, the research methodology to be used in this project is project is denoted in chapter V. In fact, in this chapter the marketing research problem behind this project and the various components of this problem are presented. Moreover, the research design that will be followed to accomplish this project is also specified.

The general findings and limitations of the research in addition to certain inferences and recommendations that the advertisers community might get benefit from are reported in chapter VII.

CHAPTER I

THE INTERNET

1.1 Definition of the internet

The Internet is a global network of interconnected computers and individual computers, located all over the world and linked together via telephone lines, satellites and other telecommunications systems[1].

1.2 History of the internet

The Internet concept has been around since the late sixties when the Department of Defense in the United States decided to develop a communication network that would be invulnerable to a nuclear attack. What the people at the US Department of Defense intended to build precisely was a means that would enable them to send digital information to computers across the globe, via many different routes, even if part of the network has been destroyed as a result of a nuclear war[2].

In order to attain this objective, a network called ARPANET was founded by the US Advanced Research Projects Agency (ARPA) in the early seventies. During the first years of its creation the main users of this network were scientists, researchers and the US Department of Defense. Later on when the network grew, other parties including universities, government departments and large corporations started to benefit from it as well. In addition small businesses and individuals had to wait until the end of the eighties to access this network, which by that time had become known as the Internet.

1.3 Ownership and control of the internet

There is no one organization that owns or controls the Internet[3]. The control and the ownership of this medium are shared among the thousands of networks linked with one another and which have agreed voluntarily at the moment of their connection to use common communication protocols and similar addressing methods and rules.

Some governments, like the US government for example, have attempted on several occasions to restrict certain contents placed on the Internet. However, their endeavors have failed due to the global nature of the Internet and to the great resentment exhibited by the whole Internet community[4].

1.4 Applications of the internet

E-mail, Usenet and the World Wide Web are considered to be the most common and popular applications of the Internet. Although the E-mail and the Usenet were invented prior to the World Wide Web, the latter is regarded as the most important among all three in drawing people's attention to the Internet and in making them adopt it at a large scale[5]. Therefore, ample information about the World Wide Web will be presented in this section while only brief descriptions will be provided about the E-mail and the Usenet.

1.4.1 E-Mail

Electronic mail or e-mail is a method of sending messages from one computer to another in a matter of seconds[6]. It enables users to send and receive messages from anyone in the world who has an e-mail address; it also allows them to exchange computer files, such as a word processing document or a multimedia application, by attaching these files to an e-mail message.

1.4.2 Usenet

Usenet is the section of the Internet where the netizens (i.e. members of the Internet community of users) meet to discuss electronically a wide variety of subjects. It consists of over 25.000 newsgroups each dedicated to a specific topic such as football, knitting, nuclear physics and other subjects. Through a newsgroup a user usually posts messages to the other users of the group, reads all the messages posted there by the rest of the group members and also has the opportunity to respond to any of those messages in his/her own words.

1.4.3 The World Wide Web

Since the World Wide Web is regarded as the most important application of the Internet and as one of the main factors behind the growth of the Net (i.e. the Internet), abundant information will be presented about it. Therefore, details will be given concerning the definition of the World Wide Web, how it functions, when it was created, how it evolved and how it contributed to the wide expansion of the Internet.

1.4.3.1 Definition of the World Wide Web

The World Wide Web (WWW or the Web) is a user-friendly point-and-click method of

surfing the information stored on the Internet. It uses the Hypertext Markup Language (HTML) to format documents and presents them to its clients, and it is linked to the Internet through a protocol called the Hypertext Transfer Protocol (HTTP)[7].

1.4.3.2 Role of the World Wide Web in the growth of the Internet

With the fast growth that the Web has been exhibiting since the introduction of the graphical browsers, it was considered as the main driver behind the expansion of the Internet. Indeed, it was with the advent of the World Wide Web that the use of the Internet for commercial ends was initiated in 1991. Consequently, not only individuals but also companies were attracted in large numbers to use the Web and to build themselves a presence on it through the establishment of Web sites. This has lead to an expansion out of the Web and the Net and to a huge increase in the number of persons using these two mediums all around the world.

It can be noted here that the Web sites, which are usually made up of several Web pages and a single home page introducing the whole site, have been growing in number at a very rapid pace lately (one new Web site every four seconds) thus increasing the size of the Web more and more and making it by far the most important application of the Internet[8].

1.5 Growth of the internet

During the first years of its introduction, the Internet had been expanding at a very slow rate. However, as mentioned previously, with the subsequent inventions of the World Wide Web and graphical browsers, the Internet began to exhibit a very rapid growth. In fact, while the number of Internauts (i.e. internet users) worldwide accounted until the end of the year 1993 one million users' only[9], this number has increased hugely with the advent of the graphical browsers to attain 26 million users at the end of the year 1994[10].

After 1991, the number of people adopting the Internet continued to grow rapidly; to reach as can be seen in Figure 1.1 approximately 520 million persons at the end of the year 2001 and around 605 million persons in September 2002.

It must be noted here that while the number of Internet users continues to grow, the rate of this growth has been slowing down. This is mainly a function of the math rules: "It is easier to double small numbers than to double large numbers". Since the number of Internet users has become already too large, it is thus more difficult for it to increase from one period to the other at the same high rates as before.

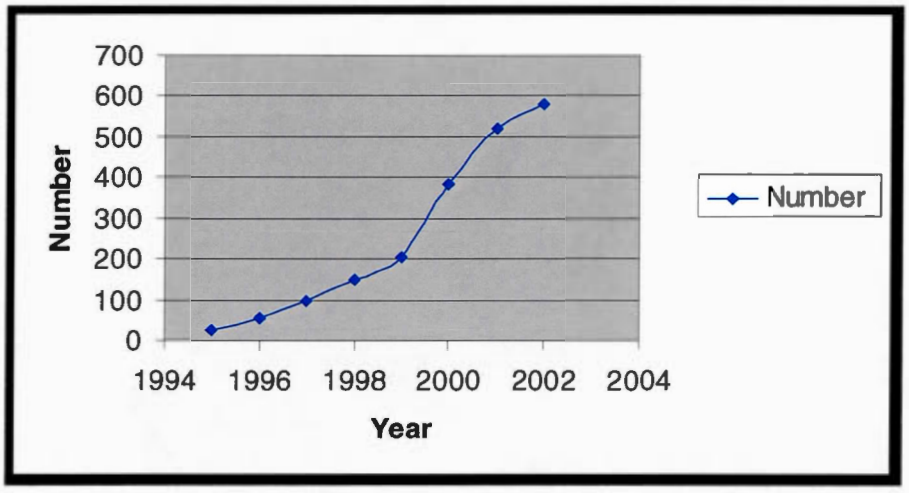


Figure 1.1 The Growth of the Number of Internet Users in the World across the Years *Source:* The NUA Internet Surveys, *How Many Online Worldwide,* [article on-line]; available from http://www.nua.ie/surveys/how_many_online/world.html.

In addition to the fact that the emergence of the World Wide Web and the graphical browsers was the main catalyst behind the growth of the Internet, there were many other factors that have also contributed to the expansion of this technology across the globe. The most important of these factors are:

- the increasing ease of use of the Internet.
- the low unlimited Internet access costs.
- the declining telecommunication costs.
- the availability of cheaper and faster computers[11].

According to Jupiter Communications, a research company mainly interested in e-commerce and Internet advertising, the Internet growth is expected to persist during the next coming years. These expectations are based on the fact that it is predicted that the number of online households in Europe will triple over the next five years and that the number of Internet users in the Asian Pacific region will at least double over the next two years[12]. Since the actual number of people online in Europe and the Asian Pacific region are respectively estimated to be around 190 and 187 million persons, if these numbers grow as anticipated by Jupiter Communications, there is no doubt that the Internet size will continue to expand significantly during the next few years.

CHAPTER II

INTERNET ADVERTISING

With the tremendous growth of the Internet during the last few years, marketers have started to use this new medium as a means to reach target audiences and as a tool to broadcast advertisements and communicate messages to consumers.

This chapter is entirely devoted to explaining this new type of advertising from various perspectives. The ways in which Internet advertising is defined, applied and priced will be discussed. Moreover, the different forms of Internet advertising that are actually used will be presented. In addition to this, the objectives that can be reached through Internet advertising and the industries that are currently using this new type of advertising will be also identified.

2.1 Definition of internet advertising

In order to be able to understand what Internet advertising is, one should start first by defining advertising in general. Advertising can be defined as any paid form of nonpersonal communication about an organization, product, service, or idea by an identified sponsor[1]. Advertising can take place through several media tools, the most important of which can be enumerated as follows:

- Broadcast media: mainly TV and radio
- Print media: primarily newspapers and magazines
- Outdoor media: such as billboards and signs
- Direct mail: like brochures and flyers
- Interactive media: including CD ROMs and the Internet.

Internet advertising, the theme of this project, can be defined as all paid-for space on

the Internet. This kind of advertising can be applied through e-mails; it can also take place on a Web site on the World Wide Web or in a newsgroup in Usenet.

2.2 Models of internet advertising

There are two models for advertising on the Internet:

2.2.1 The text-based advertising model

This model of Internet advertising is practiced via e-mail and Usenet.

2.2.1.1 E-Mail advertising

In e-mail advertising, the advertisers send e-mail messages to the consumers to tell them about the goods and/or services that they provide. These kinds of e-mails usually contain, in addition to the commercial message, the advertiser's Web site address. It also encompasses a hyperlink that enables users to get connected directly to the advertiser's site in order to get additional information and details.

The distribution of commercial e-mails, that is e-mails containing advertisements and sales literature, can be accomplished in two ways:

- The advertiser acquires by him/herself the e-mail addresses of the consumers while they are trying to access free information on his/her Web site, or while they are filling a registration form or a purchase order there. After obtaining the addresses of those consumers, the advertiser sends them the commercial messages via e-mail.
- The advertiser asks a third party, who usually owns a large number of e-mail addresses segmented by categories, to post the e-mail ads that he/she wants to people who make part of his/her target audience (like persons interested in music stuff for example, or persons interested in computers and technology material ...). In this case the advertiser does not obtain the e-mail addresses of the persons to whom he/she is sending the message. He/she only sends the message to the third party and this third party will accomplish the task of distributing it to the right consumers by e-mail[2].

It must be noted here that all the persons who receive commercial e-mails must have given their permission to receive those e-mails or must have actively asked for them[3]. This is what the netiquette that is the etiquette or code of conduct of people and institutions on the Internet, imposes[4]. Companies and persons who violate these rules are considered to

practice "spamming" activities and are regarded as disturbing the Internet users to whom they are sending their commercial e-mails. Such firms and individuals run the risk of being severely punished by the Internet community. In fact, the recipients of e-mails perceived as "spam" may "flam" the senders by bombarding them with thousands of unsolicited e-mails; moreover, they can boycott them and they can even offend them publicly on the Internet by listing them on the black list of Internet advertisers Web site for example[5].

Thus, it can be concluded that those who plan to practice e-mail advertising should pay high attention to always respect and follow the netiquette regulations, in order not to be resented by the Internauts and in order never to incur bad publicity.

2.2.1.2 Newsgroups sponsorships

According to the "netiquette" it is strictly forbidden to post commercials and solicitations on Usenet newsgroups. Such practices are also labeled "spam" and they are highly unwelcome by the Internauts. Therefore, advertisers do not use Usenet to publish commercial material. What they do instead is that they sponsor certain specific newsgroups that they consider as directly related to the business in which they operate, and as highly interesting to their target audience members.

2.2.2 The multimedia-based advertising model.

This model of advertising is applied through the World Wide Web. It includes three main different categories: Sponsorships, interstitials and banners. The use of this advertising model outweighs by far the use of the text-based advertising model. This may be explained by the great attraction and enthusiasm that most persons and companies are exhibiting toward using the Web.

2.2.2.1 Web Sites content sponsorships

Web sites content sponsorships are agreements contracted between two parties, according to which one of the two parties pays the other party money in order to sponsor some of his/her Web site content. Advertisers are increasingly using this type of Internet advertising since it both gives them additional exposure and creates the impression that the hosting Web sites endorse their goods and/or services.

Examples of such Sponsorships include food advertisers sponsoring the pages of a Web site that offers Internauts food recipes, or fashion advertisers sponsoring the content of a fashion magazine Web site.

In Figure 2.1 an example of Web sites content Sponsorships is displayed. In this example it can be clearly seen how a company called High Point Regional Hospital sponsors the weather page on the Web site of another firm.

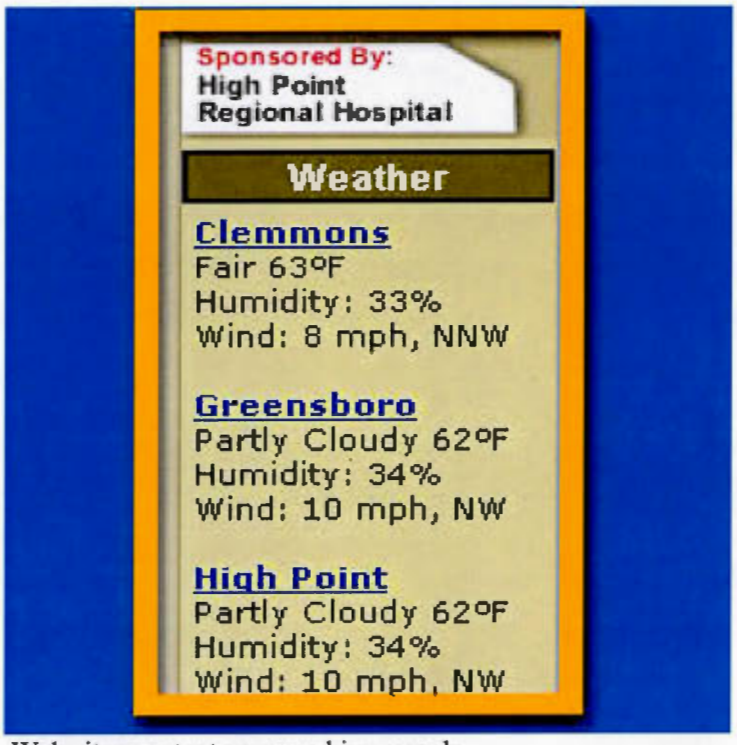


Figure 2.1 Web sites content sponsorships sample
Source: Judy Strauss and Raymond Frost, *Marketing on the Internet: Principles of Online Marketing* (New Jersey: Prentice Hall, 1999), 211.

The Sponsorships of such Web sites have flourished at a large scale lately, especially with the huge success that the free Internet telephony services industry has been realizing recently all around the world. "Phonefree.com" is actually considered to be one of the leaders in this industry and is thus attracting a large number of Web users and consequently a large number of sponsors and advertisers aiming to reach those users on the net. Among the invaluable modem communication services that this company offers currently to the consumers and that are making it really successful and popular to the whole Internet community at that stage, several services can be enumerated including: free PC-to-Phone calling to and within the United States, free worldwide PC-to-PC calling, free voice mail, video mail, video calling and teleconferencing with anybody connected to the Internet and located anywhere on the globe[6].

2.2.2.2 Interstitials

Interstitials are ads that pop up in a separate small window on one's computer screen when the content of the publishing Web site is loading, as can be seen in Figure 2.2. This type of advertising implies that the hosting Web site owner(s) receive money from the advertisers in exchange of accepting to publish their messages. Relying on this form of Internet advertising that is still very limited, since executing interstitials properly on the Internet from a technical point of view is still a hard task until now.

Figure 2.2 Interstitials sample
Source: Judy Strauss and Raymond Frost, *Marketing on the Internet: Principles of Online Marketing* (New Jersey: Prentice Hall, 1999), 214.

2.2.2.3 Banners

Banners are currently the primary form of advertising used on the Internet. In fact according to the Internet Advertising Bureau, an association entirely devoted for the coverage of advertising on the Internet, more than half of the total expenditures spent on Internet advertising during the year 2002 went to banners, thus making them the most popular advertising vehicle on the Internet[7]. (See Figure 2.3 where the distribution of the Internet advertising expenditures among the various forms of Internet advertising during the year 2002 is shown).

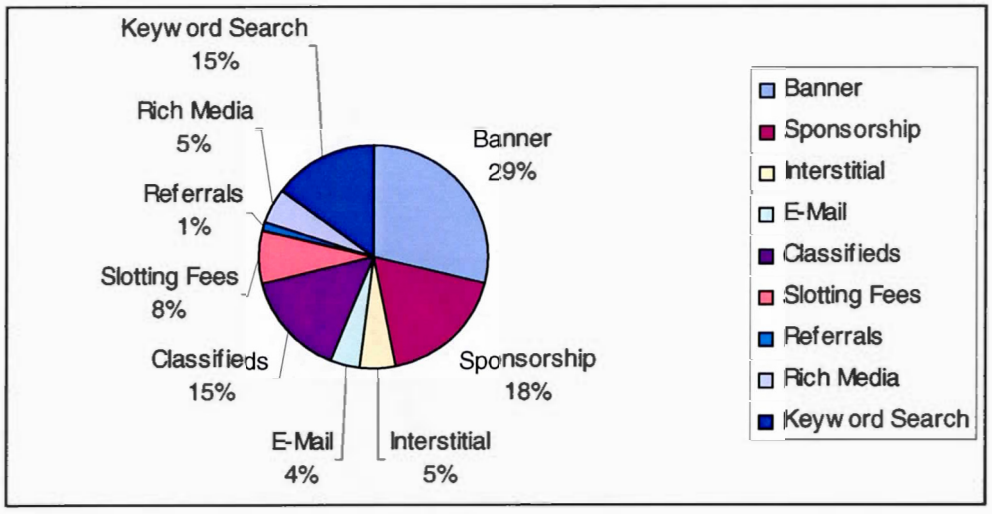


Figure 2.3 Distribution of the internet advertising expenditures among the various Forms of internet advertising during the year 2002.
Source: PricewaterhouseCoopers, *Internet Advertising Bureau, 2002 Full- year results.*

Given the fact that banners are actually the type of advertising the most relied on the Internet, the information that will be provided next about them will be much more detailed and abundant than the information presented in the previous pages about the other types of Internet advertising. Indeed the definition of banners will be stated, their most commonly used sizes will be revealed, their evolution will be reviewed, and tips to ensure the success of banner advertising campaigns will be also discussed.

2.2.2.3.1 Definition of banners

Banners are small graphics or images used for advertising on the Internet and placed on Web sites for a fee in a space designated especially for rent[8]. (See Figure 2.4. where a banner ad displayed on a Web page can be found). These graphs and images are designed to entice Web sites visitors to click on them when they see them, in order to get connected to the advertiser's Web site where ample information about the advertiser's goods and/or services can be usually found[9].

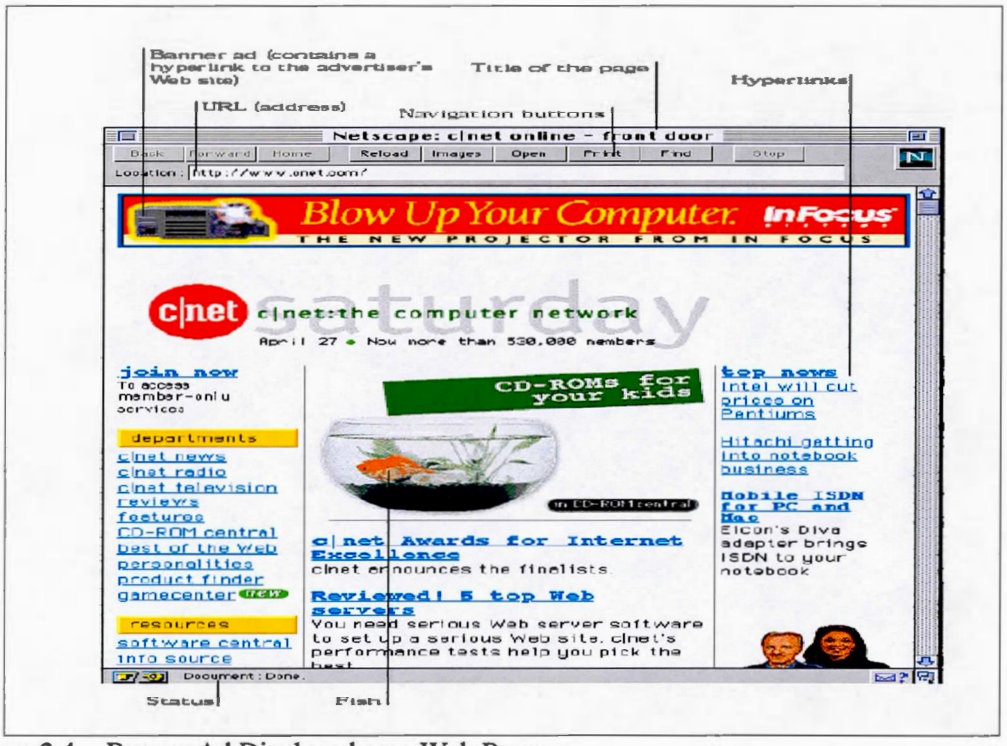


Figure 2.4 Banner Ad Displayed on a Web Page
Source: Christian Barker and Peter Gronne, *Advertising on the World Wide Web*, April 1996.

2.2.2.3.2 Size

Banners can have different forms and sizes. However, according to the Internet Advertising Bureau (IAB) and to the Coalition for Advertising Supported Information and Entertainment (CASIE: an organization whose mission is to guide the development of interactive advertising and marketing in the world), the most commonly accepted dimensions for banners are the ones listed in Table2.1:

Table 2.1
IAB/CASIE Banner sizes

Size in pixels	Type of Banner
468 X 60	Full Banner
392 X 72	Full Banner with Vertical Navigation Bar
234 X 60	Half Banner
125 X 125	Square Button
120 X 90	Button #1
120 X 60	Button #2
88 X 31	Micro Button
120 X 240	Vertical Banner

Source: Internet Advertising Bureau Web Site, *IAB/CASIE Proposal for Voluntary Model Banner Sizes.*

2.2.2.3.3 Evolution

Banner advertising has evolved enormously since the time when the first banner ad, which was an ad for the famous telecommunication service provider AT&T, appeared on the Hotwired Web site in October 1994. (Refer to Appendix I where an illustration of this banner is presented) [10].

In fact, when banners were first created they were mainly static and they included the message "click here" as can be seen in Figure 2.5. The main objective behind posting this message was to train the netizen that banners can be clicked and that by clicking on them he/she can be transported directly to the advertiser's Web site.

Figure 2.5 Static Banner Sample Source: Stuff UK Web Site.

Later on, the animation features were been added to banners and animated banners are been used extensively on the World Wide Web, especially when advertisers want to expose the users to a sequence of messages.

2.2.2.3.4 Tips for banners

According to the specialists, advertisers must follow certain tips and must abide by certain specifications in order for their banners to get noticed considerably on the Web, and in order for those banners to achieve high click-through rates. Among those tips and specifications that advertisers must use and that experts recommend greatly, the following ones mainly related to the banners' message, design, size and placement can be stated:

- Message

  Banners messages should feature a call to action like "click here" for example. They should create urgency by including expressions like "last chance" or other time dependent phrases. They can include offers to provide users with valuable benefits such as free information, free recipes, and free samples[11].

- Design

  The banners should be drawn in colors that stand out on the site on which they are published. They should include some kind of animation[12].

- Size

  The banners should be large in size in terms of pixels (typically 468 X 60 pixels) since wider banner ads usually get noticed more than smaller ones[13]. They should have a small size in terms of bites (less than 10 kilobytes); consequently, they will load more rapidly on one's computer screen. Moreover, ads with a size less than 9 kilobytes tend to show up before most other content on a Web page and thus have the opportunity to be spotlighted on the user's screen even if only for a very short time.

- Placement

  The banners should be placed on Web pages that the advertisers consider as really interesting and attractive to their target audience members[14]. They should appear on the top of the Web pages and not further down thus obliging the viewer to scroll down to see them. This is because there is a high probability that the user leaps

from one Web page to another before viewing the whole first page from top till bottom, and therefore he/she may not see the ad on the first page if it is placed in the middle or at the end of it for example.

In addition to all the tips related to the banners message, design, size and placement, there are two additional tips that experts also advise advertisers to use to guarantee the success of their banner advertising campaigns:

- Banners should be refreshed on a regular basis since their click-through rates drop considerably after only several days.
- Banner ads should be permanently tested, tracked and monitored by the advertisers in order to find out which features and elements in those ads are being more effective in drawing the viewers' attention and in generating higher click-through rates. As a result, the banners design, specifications and content would be altered accordingly on a continuous basis, in an attempt to always ensure a big success of the banner advertising campaign.

2.3 Pricing of internet advertising

There are different ways that are currently used for pricing the various forms of advertising on the Internet. In fact commercial e-mails, sponsorships, and banners and interstitials are actually each priced in a special and particular method that does not only differ from one type of Internet advertising to the other, but that also differs from one publisher on the Internet to the other.

2.4 Internet advertising objectives

There are several communications objectives that advertisers might want to reach while advertising on the Internet like for example building brand awareness, creating a favorable brand image, generating purchases. Nevertheless, the various communication objectives that advertisers generally intend to attain through Internet advertising are principally based on the hierarchy of effects model[15].

2.4.1 The Hierarchy of Effects Model

The hierarchy of effects model is based on assumption that there are three stages that consumers pass through in moving from a state of not being aware of a company, product or brand to actual purchase behavior. These three stages are:

- The cognitive stage: it encompasses awareness and knowledge.
- The affective stage: it includes liking, preference and conviction.
- The behavior stage: it embraces purchase.

People first become aware of and learn about a new product; this is the cognitive stage. Next, they develop positive or negative attitudes toward this product; this is the affective stage. Finally if convicted, they will buy the product in the behavioral stage[16].

2.4.2 Internet advertising communication objectives

The primary goal of advertising is to move consumers through the different stages of the hierarchy of effects model in order to finally make them reach the behavior stage, whereby they purchase the advertised good or service.

As far as Internet advertising is concerned, the main communication objectives that can be reached through it at the various stages of the hierarchy of effects model can be listed as follows:

- The cognitive stage

  At the cognitive stage, Internet advertising enables advertisers mainly to reach two goals: create awareness about the advertiser, the brand advertised and/or the goods and services advertised in the ad and provide information to the consumers about the advertiser and/or his/her offerings.

- The affective stage

  The most important objectives that Internet advertising helps advertisers to attain at the affective stage are: branding that is making people recognize the advertiser's brand, and feel considerably favorable about it, and positioning which involves setting the brand or the product advertised apart from competition in the consumers' minds.

- The behavior stage

  At the behavior stage, the ultimate objective of most advertisers can be reached through Internet advertising: induce consumers to purchase the advertised good or service.

Thus, it can be concluded that advertising on the Internet can permit advertisers to attain the most important objectives that they might intend usually to reach through their advertising campaigns.

2.5 Evolution of internet advertisers

In the early stages of Internet advertising and more exactly in the year 1995, advertisers on the Internet came mainly from the computing industry (individuals and companies offering computer products and services, and software packages). Two years later, this trend changed and advertisers belonging to other industries started to use Internet advertising[17]. In 1999, consumer-related advertisers including principally packaged goods manufacturers and retailers, automotive companies, and traveling agencies, became the primary advertisers on the Internet.

In fact, as per the Internet Advertising Bureau, the industry categories that were leading spending in terms of Internet advertising during the year 2002 were: consumer-related, computing, financial services, media, and business services. As can be seen in Figure 2.6, those five industries accounted respectively for 32%, 18%, 13%, 12%, and 7% of the total expenditures spent on Internet advertising during the year 2002. Many other industries categories have also become Internet advertisers at that stage. All these other industries accounted combined for 18% of online ad spending at that time[18].

It can be concluded that at that stage, advertisers belonging to various industries have already started to list the Internet on their media plans and have already begun to use this medium in their promotional activities. But how does the Internet compare to other advertising media? What are its advantages? What are its disadvantages? What is the size of the advertising revenues derived from it? This is what will be discussed in details in the next chapter.

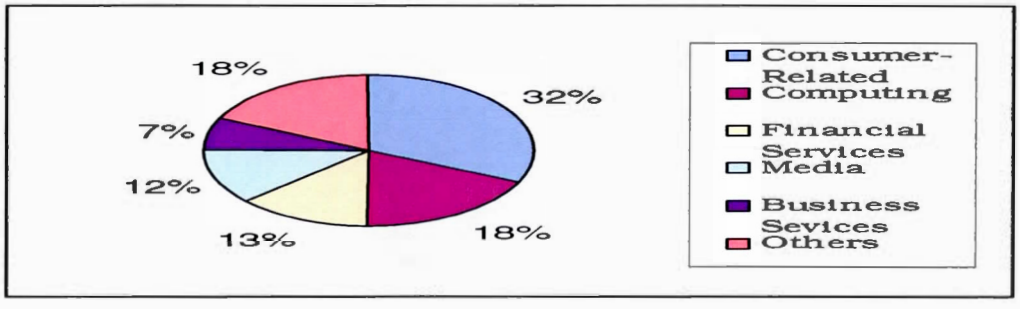


Figure 2.6 The Leading Internet Advertising Spending Industries during the Year 2002.
Source: PricewaterhouseCoopers, *Internet Advertising Bureau, 2002Full- year results.*

CHAPTER III

THE INTERNET AS COMPARED TO OTHER ADVERTISING MEDIA

There are several media tools that the advertisers can usually use to communicate messages to the consumers. Among these media TV, radio, magazines, newspapers, direct mail and outdoor can be enumerated. The newest medium that has been used for such ends and that has been thus added lately to the list of carriers employed by the advertising community was the Internet.

In this chapter the Internet, this newest advertising medium relied on by the advertisers, will be compared to the other advertising media available on the market. In order to meet this goal, we will first discuss several aspects of the Internet advertising carrier including the growth of the advertising revenues derived from the net, the increasing usage and popularity of this advertising medium and the major advantages and disadvantages that it actually possesses. Secondly, we will select certain key criteria and we will then draw a comparison on these key criteria between the Internet and the other main advertising carriers used by the advertisers, in an attempt to find out how the Internet stands with respect to each of these carriers.

3.1 The internet advertising medium

3.1.1 Growth of the internet advertising revenues

During the last few years and more specifically since October 1994, the date when the first banner was published online, the Internet has been attracting the attention of more and more marketers and has been gaining the confidence of an increasing number of advertisers.

These facts have been formally recognized with the huge growth that the advertising revenues derived from the Internet in the USA have been actually exhibiting since the

year 1996. (See Figure 3.1. where the Internet advertising revenues in the USA from the year 1996 until the year 2003 are presented). In fact, while those revenues accounted only for $267 million in the year 1996, they increased by 240% the following year to reach $907 million in 1997. In 1998 those revenues continued to grow hugely to attain $1.920 billion, increasing by 110% over the figures of the previous year. During the year 2002, the US Internet advertising revenues attain $6.010 billion, down approximately 16% versus 2001. As compared to other media, this growth is considered to be very favorable. In fact while the broadcast television for example took six years to reach $4 billion in yearly advertising revenues in the USA, the cable television took thirteen years and the radio took thirty years (adjusted for inflation), the Internet has been able to meet this end only in its fifth year of growth[1].

According to Pete Petrusky, Director, New Media, PricewaterhouseCoopers, specifies that: "A number of factors that had been negatively impacting revenue growth seem to be turning favorable, including a modest rebound in overall advertising spending. Also, sellers are no longer cycling through lost revenue from the dot com fall-out, and the sharp growth in high-speed Internet access adoption is providing more opportunities for large traditional brand advertisers to experiment with the successful larger and more creative ad formats."[2]

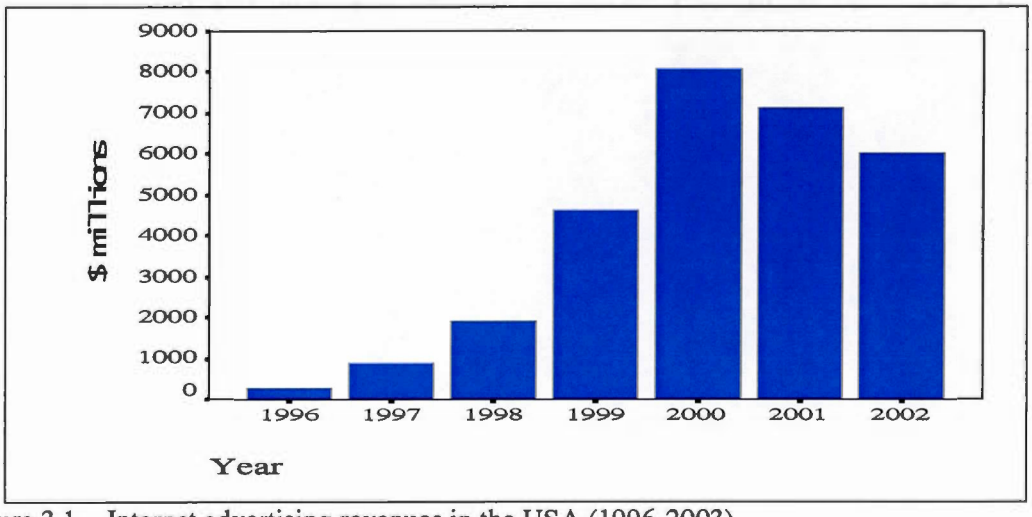


Figure 3.1 Internet advertising revenues in the USA (1996-2003)
Source: PricewaterhouseCoopers, *IAB Internet Advertising Report: 2002 Full-Year results.*

3.1.2 Increasing popularity of the internet advertising carrier

The spectacular growth trend in the online advertising revenues that has been experienced so far has enabled the Internet not only to become regarded as a significantly utilized advertising medium; it has also enabled it to outweigh several other advertising media.

As a matter of fact, as can be noticed in Figure 3.2 on the next page, where the distribution of the US advertising revenues for the year 2002 among the various media types available on the market is presented, while outdoor and business papers, two traditional advertising carriers, garnered respectively $5.2 billion and $4.0 billion in revenues in the USA in that year, the Internet has managed to collect $6 billion and thus has succeeded in surpassing both of these two media.

Analysts from Jupiter Communications, the famous Internet research company, predict that in four years from now the Internet advertising medium will become more and more popular and will be capable in the US for example to jump ahead of other important advertising media including cable TV, magazines and yellow pages. These predictions are based on the expectations that the quick expansion in the US Internet advertising revenues will persist during the coming years and that those revenues will attain as far as $11.5 billion in the year 2008 for example[3].

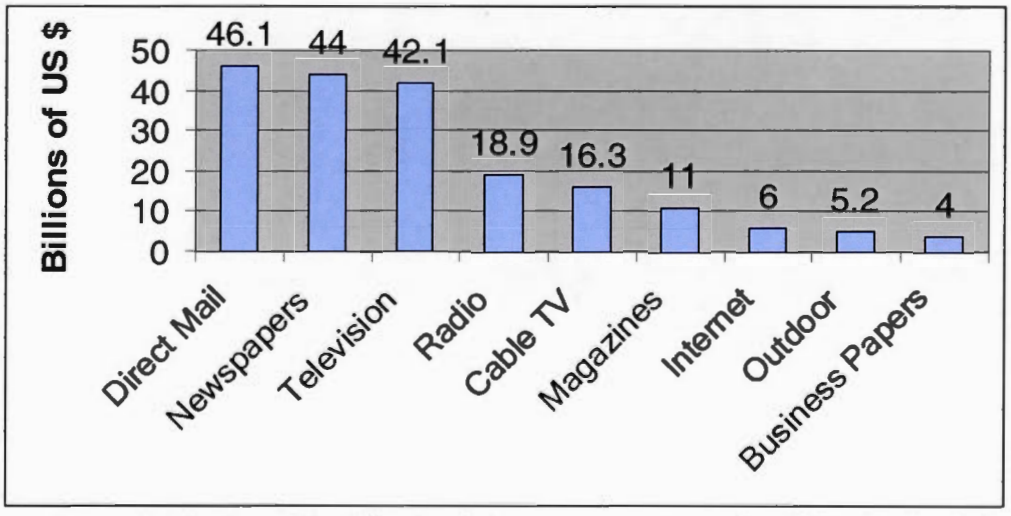


Figure 3.2 Distribution of the US advertising revenues among the different advertising media types during the year 2002.
Source: PricewaterhouseCoopers, *IAB Internet Advertising Report: 2002 Full-Year results.*

3.1.3 Advantages and disadvantages of the internet advertising medium

The Internet advertising medium possesses several advantages in addition to few disadvantages. While the advantages make the net really attractive to the advertisers and incite them to rely on it more and more, the disadvantages discourage them from using it on a large scale and keep some of them suspicious as whether it is a reliable advertising carrier at all. The most important among these advantages and disadvantages are discussed hereafter.

3.1.3.1 Advantages

The advantages that characterize the Internet that make it a highly appealing advertising carrier to the advertisers can be presented as follows:

3.1.3.1.1 Size of the audience

Since the number of Internet users is already big and is increasing at a very rapid pace all over the world, and since the size of the Internet is expected to continue to grow more and more in the coming years as already mentioned in the introdaction, therefore it can be assured that the market potential and the coverage capability of the Internet advertising medium are really extensive and that the Internet can seriously help the advertisers reach large numbers of consumers[4].

3.1.3.1.2 Targeting

The most powerful aspect of the Internet advertising medium is targeting. This aspect permits the advertisers to deliver to each person connected to the net the ads most appropriate to his/her taste, interests, buying habits and so forth. This is usually executed on the Web through the use of special software packages. Which deliver ads to each Web site visitor according for example to his/her geographical location and psychographics[5].

The targeting advantage of the Internet also enables advertisers to target their proper audiences with a minimum of waste coverage and with a high degree of effectiveness, In fact, when a company that sells pet food for instance sponsors a Web site or a newsgroup about dogs, puts a banner ad on a site providing instructions on how to raise cats, or simply sends commercial e-mails to a person who has already revealed his/her interest in pet food products (while accomplishing a transaction previously on the firm's Web site or while trying to access information there for example), this company will guarantee that its messages will have a real chance to grab the viewers' attention and to incite them to

execute purchase transactions. This is because those viewers are consumers who belong to the company's target audience and are already highly interested in its products.

3.1.3.1.3 Information capacity

The Internet permits the advertisers to provide the consumers with a wealth of information regarding all the products that they offer. Indeed, the fact that almost each ad on the net includes usually a link to the advertiser's Web site gives the consumers the chance to directly visit this site where they can access instantly and conveniently plenty of additional details related to the advertiser and to all the products that he/she provides[6].

3.1.3.1.4 Flexibility

The Internet provides advertisers with a high degree of flexibility and allows them to alter their messages quickly when changes occur in the market. This is because Internet advertising can be usually prepared and executed within a short period of time; consequently, the advertising campaigns launched on the net can be updated, supplemented or changed promptly and easily whenever the consumers' needs or the market conditions are modified[7].

3.1.3.1.5 Interactivity

The interactive nature of the Internet offers the consumers the opportunity to literally interact with the advertisers. It permits both parties to communicate directly with one another regardless of distance or time. It moves the receivers from being passive participants to active ones. As a result it ensures a fast and easy way of communication between the consumers and the organizations advertising on the net[8].

3.1.3.1.6 Sales potential

Since it is a direct response medium, advertisers can have the chance to immediately increase their sales figures through the Internet. In fact, when a person clicks through a banner ad for example, he/she usually gets more details about the product advertised and has also the opportunity to complete a purchase transaction and to order the product online, thus directly responding to the ad and contributing to an immediate increase in the advertiser's sales volume.

3.1.3.2 Disadvantages

There are certain disadvantages that the Internet advertising medium currently suffers from and that may limit its usage and popularity within the advertising

community. These disadvantages are listed and explained hereafter:

3.1.3.2.1 Limited production quality

The Internet advertising medium does not possess up till now the capabilities of several other media from a production point of view. As a matter of fact, screen images carrying Web graphics are still not of the same high quality as printed or television graphics[9].

3.1.3.2.2 Clutter

Experts are afraid that as the number of ads increase on the Internet, the chance for each individual ad to be noticed distinctly by the users will decrease; therefore the effectiveness of Internet advertising as a whole will become questionable.

3.1.3.2.3 Reduced bandwidth

The bandwidth or "the data transferring capacity" of the Internet is still limited. This weakness extends the time required for documents and especially for graphics and banner ads to download thus threatening the success of Internet advertising by inciting the users sometimes to jump from one page on the net to the other before that the advertising messages posted on each of these pages load or appear entirely on the screen[10].

3.1.3.2.4 Lack of common reliable methods for advertising effectiveness measurement

Until now, no commonly worldwide standards for measuring advertising effectiveness on the Internet and particularly on the Web have been established yet. In fact, while some Web sites rely on "hits" for example to measure the number of visitors that they have and thus to estimate the number of delivered impressions that they can guarantee to an advertiser, others rely on "page views". The publishers who use the "hits" measurement will definitely offer a much higher number of impressions than those using "page views". This is because a hit is registered on the server of a Web site each time any text or graphic file is delivered from this site; however, a page view is counted there every time a complete HTML page, including sometimes a text file in addition to several graphic files, is delivered to a user. Therefore when a page containing for example five images is viewed by a visitor, six hits will be registered (one for each image and one for the page itself) but only one page view will be counted[11].

In addition to the absence of common worldwide standards set for measuring the

effectiveness of Internet advertising, the Internet advertising medium suffers from another major weakness. In fact, the different measurement methods that are currently used to evaluate Internet advertising are in reality questionable and not always reliable[12]. This is mainly due to the following problems:

- The problem of cashing

  When a user "cashes" or downloads files from the net on his/her computer, this user will be able to review the files and to revisit the pages that he/she wants several times without connecting to the Internet again. As a result, several hits, page views and impressions would not be registered on the servers of the Web sites that he/she might have visited and the traffic figures provided there would be therefore inaccurate[13].

- The problem of identifying unique Web site visitors

  Internet users' visits to, from and within a Web site are usually tracked, monitored and counted based on the visitors' Internet Protocol (IP) addresses[14]. In fact, every computer connected to the net has a unique numerical IP address. An IP address is usually formed of four numbers separated by periods like for example: 149.174.211.5. When a person connects to the Internet and visits a Web site, the IP address of the computer that he/she is using is registered directly on the visited Web site server[15].

Although this method permits the diffrentiation among various consumers visiting a specific Web site, and thus ensures a precise counting and tracking of these individual visits across the Web, it does not give any reliable information about the identity of the persons accomplishing these visits.

Indeed when the same IP address is registered several times on a Web site server, this does not always mean that it is the same user who has visited this site all these times. This is because it is possible for example that several persons are allowed to use the same computer (like students who employ the same terminals at a university computer laboratory for instance) and that all these persons are visiting the same site each at a particular time; however, since the same IP address will be decoded on the visited Web site server during the visits of all these individuals, it will be impossible to differentiate among them and it might be concluded that only one person has accomplished all these visits. In this case, the number of this Web site visitor would be underestimated.

The visitors' Internet Protocol addresses method can lead not only to an underestimation of the number of a specific Web site visitors; it can also lead to an overestimation of this number. In fact, when the same person visits the same site, once by using the computer that he/she has at home and once by using a friend's computer for example, it might be inferred that two different persons have visited the site since the two computers used by this same visitor have two different IP addresses.

Under these conditions, it can be deduced that no reliable methods for audience measurement and thus for advertising effectiveness evaluation are always guaranteed on the Internet at that stage[16].

Despite the fact that the Internet actually suffers from several disadvantages that may discourage certain advertisers from considering it in their media plans, a major thing should be mentioned: it is expected that all the weaknesses and disadvantages that are currently associated with the Internet advertising medium will soon disappear since major technical improvements and important breakthroughs are registered every day in the Internet and the computing fields all around the world. Consequently, it is anticipated that in the near future the Internet will become extremely attractive to the advertisers and will seriously threaten all the other media tools available on the market since it will be transformed into an advertising carrier offering nothing but advantages to the advertising community across the globe[17].

3.2 Comparison between the Internet and the traditional media

Now that we have overviewed the growth of the Internet advertising medium and that we have identified the advantages and disadvantages of this carrier, next we will try to draw a comparison between the Internet and the traditional advertising media.

In order to meet this end, we will first of all select certain key criteria, then we will study the performance of each main advertising medium available on the market on each of these key selected criteria; this will enable us to find out at the end how the Internet precisely stands with respect to each of these various media on the key dimensions that we would have chosen at the beginning.

3.2.1 Criteria used for evaluating the different media tools

According to the experts, there are several dimensions that should be considered while evaluating an advertising medium. The most important of these dimensions are:

- Reach: the total audience the medium actually covers.
- Selectivity: the ability of the medium to reach a specific target audience.
- Information capacity: the amount of information that can be processed through this particular medium.
- Cost per thousand (CPM): the cost of exposing one thousand members of a target audience to an advertising message through this carrier. It is usually calculated by taking the cost of one ad space on this medium, dividing it by the audience size of this same medium and then multiplying it by 1000.
- Flexibility: the ease with which the advertising message, published on this specific medium, can be altered and modified according to market changes.
- Measurability: the capability of tracking, evaluating and precisely measuring advertising effectiveness on this carrier.

3.2.2 Performance of the various advertising carriers on the key selected criteria

At that stage, we will try to evaluate the performance of the major advertising media available on the market, on the key evaluation criteria that we have specified in the previous paragraph. The advertising carriers that will be considered in our discussion will be: newspapers, magazines, television, radio, direct mail, outdoor and the Internet.

3.2.2.1 Newspapers

Newspapers have a moderate reach. They offer advertisers more geographic or territorial selectivity than any other advertising medium except direct mail. However, on the other hand, they do not offer high selectivity in terms of demographics or lifestyle characteristics. The information capacity ensured in newspapers is considerable but it is however limited by the high costs incurred when renting large advertising spaces. Newspapers are characterized by a moderate CPM, a good degree of message flexibility and an acceptable level of ad effectiveness measurability.

3.2.2.2 Magazines

Magazines have usually moderate or even limited circulation numbers and thus offer a low reach extent. However on the other hand, magazines ensure a very high degree of selectivity since they are usually aimed at fairly well-defined groups of people and therefore permit the advertisers to segment the audience by demographics,

psychographics, geographies and interests.

The information capacity provided in magazines is moderate due mainly to limited space (especially when the magazine is issued on a quarterly or yearly basis for example) and to high rental ad space rates; in fact, the CPM for advertising in magazines is high and advertisers accept to pay such high CPMs mainly because of the particular potential for selectivity and targeting that this medium usually guarantees and because of the fair level of ad effectiveness measurability that it also offers[18].

Concerning message flexibility, magazines do not provide an acceptable degree of flexibility and do not permit advertisers to react promptly to fast changing market conditions. This is because most magazines have a long lead time (between 30 and 90 days), which means they all require that the ads must be handed in by all the advertisers well in advance of the publication date; changes in the art or copy of any ad cannot be made at all after the closing date.

3.2.2.3 Television

The television carrier has a wider reach than any other advertising medium. It guarantees a fair degree of ad effectiveness measurability and it is especially appropriate for the companies which sell mass consumption products[19].

Despite the high reach that it provides, the selectivity that the TV ensures was considered until now limited. Nevertheless, at that stage, more selectivity is being attained through this medium with the growth of cable TV and with the emergence of a large number of specialized channels which appeal to groups with specific interests like sports, music, news, movies and computers.

One of the most important strengths of TV is its low CPM and this is mainly due to the high degree of reach that it offers to the advertisers. However, it must be mentioned that the costs for renting TV advertising space and for producing TV commercials are very high; consequently the information capacity ensured through TV is rather reduced and the possibility for quickly updating the ads broadcasted there through the continuous production of new ads versions is almost abscent.

3.2.2.4 Radio

Although this carrier has attained a very high penetration rate all around the world^ the size of the audience of most radio stations is in fact small[20]. As a result, the reach

extent ensured through the radio advertising medium is actually considered moderate especially as compared to TV for example.

Despite this slight weakness, the radio offers advertisers several distinctive advantages including a fair degree of ad effectiveness measurability, the lowest CPM among all advertising media and a high level of selectivity. It must be noted that such a level of selectivity can be attained through this medium since there are plenty of radio stations and a large variety of radio programs that appeal to specific target audiences like housewives and teenagers for instance.

In addition to all the advantages that have been already mentioned above, there is still one more advantage that the radio medium provides to the advertisers. Indeed, due to the ease and the quickness with which radio commercials can be usually executed and scheduled and due to the low production costs of these commercials, the radio permits advertisers to adjust their messages regularly and in a prompt manner according to market changes. In other words, it ensures them a good degree of message flexibility.

Despite the fact that the radio medium possesses several strengths, it still has certain drawbacks; the most important of these drawbacks is the fact that it lacks the visual element. This major drawback makes from the radio an advertising carrier with a very low information capacity as compared to all the other advertising media offered on the market[21].

3.2.2.5 Direct mail

Direct mail can ensure a moderate reach and a very high selectivity levels, provided however that the databases and the lists used to target potential customers are accurate and continuously updated. Indeed when such conditions are fulfilled, the advertisers are usually able to reach the most narrowly defined audiences through this medium.

Direct mail offers a very high degree of message flexibility since the material designated to be sent to the target audiences via the mail can be usually put together very quickly and can be distributed in a rather short period of time.

The information capacity that the direct mail presents is also considerable. This is mainly due to the fact that flyers, brochures and even catalogs containing a lot of explanations and details can be sent to the consumers through this carrier.

Despite all the advantages that the direct mail possesses and despite the fact that,

unlike other advertising media, it provides an extremely high level of ad effectiveness measurability, the usage of this medium still presents certain disadvantages. Two main reasons rely behind that:

- Direct mail has a poor image. It is often referred to as junk mail.
- Direct mail has a very high CPM especially as compared to the other advertising carriers. In fact, many expenses are incurred when executing advertising through this medium including for example the printing, production and most of all the postage expenses.

3.2.2.6 Outdoor

Outdoor is a mass medium which permits to attain a high level of reach, especially at the local level, at a low CPM[22]. This advertising carrier does not ensure an acceptable degree of audience selectivity and may even lead to a great extent of waste coverage; this is because not every person passing near a billboard for example, and therefore exposed to the advertising message posted on this billboard, necessarily belongs to the advertiser's target audience[23].

Concerning the information capacity offered through outdoor, it is really limited since it is difficult for the billboards viewers, who are in majority drivers and passengers and who are shortly exposed to the ad placed on the billboard, to read long advertising messages and to recognize a lot of illustrations.

In addition to the low levels of selectivity and of information capacity that the outdoor medium provides, it also presents other disadvantages; in fact, it offers advertisers very limited degrees of ad effectiveness measurability and of message flexibility[24].

3.2.2.7 The Internet

As already mentioned in the previous section of this chapter, the Internet offers advertisers a level of reach that is potentially considerable; in addition to this, it ensures them very high degrees of selectivity, information capacity and message flexibility.

Concerning the CPM of the Internet advertising medium, although it can fluctuate a lot from one publisher to the other and from one form of Internet advertising to the other, it is considered on average low as compared to the other media.

A major shortcoming that the net carrier suffers from at that stage, and that is

expected to disappear soon as explained previously, is actually the lack of common reliable methods for measuring the effectiveness of Internet advertising.

Table 3.1 summarizes the characteristics of the Internet compared to the main advertising media. As shown in this table, the Internet compares favorably to the other media on the dimensions of reach, selectivity, information capacity, CPM, and message flexibility. Its single weakness relies now in the measurability criteria.

Table 3.1
Characteristics of the main advertising media

	Reach	Selectivity	Information Capacity	CPM	Ad. Message	Ad Effectiveness
Newspapers	Moderate	Moderate	Moderate	Moderate	Good	Fair
Magazines	Low	Very High	Moderate	High	Poor	Fair
TV	Very High	Moderate	Low	Low	Poor	Fair
Radio	Moderate	High	Very Low	Very Low	Good	Fair
Direct Mail	Moderate	Very High	High	Very	Excellent	Excellent
Outdoor	High	Low	Low	Low	Poor	Difficult
Internet	Potentially	Very High	Very High	Low	Excellent	Actually

CHAPTER IV

THE INTERNET IN LEBANON

As mentioned in the introduction, the objective of this research is to measure the attitudes and responses of the consumers toward Internet advertising and the scope of this research is the Lebanese territory, it is therefore necessary to understand Internet industry in Lebanon. In this chapter we will give a brief historical overview of the introduction of the Internet technology in Lebanon, and then we will discuss the situation of the Internet field in Lebanon by studying the status of the Internet service providers (ISPs) and the Internet users. And we will identify the different parties that have contributed to the rapid growth of the Internet industry in Lebanon during these last few years.

4.1 A historical overview

The Internet was introduced to Lebanon on the twenty third of December in the year 1993 by the American University of Beirut.

At the time of its introduction, the uses of the Internet were really limited in Lebanon and they embraced mainly the transfer of files (FTP) and e-mail services. Two years later, various new uses for the Internet started to be offered in Lebanon including primarily Web surfing, Web sites design and Web hosting.

Since the moment when it was launched in Lebanon, Internet has succeeded in drawing the attention and the interest of the Lebanese public; therefore, the number of the ISPs started to increase one year after the other, the number of the Internet subscribers and users began to grow rapidly and Internet cafes, providing the cafes visitors with PCs and enabling them to get connected to the net for an hourly fee, were established at a fast pace all over Lebanon[1].

4.2 The internet service providers

Data Management was the first company to provide Internet services to the Lebanese public on September 1995[2]. Several other companies started to offer Internet services in Lebanon including Inconet and Destination in 1995, and Cyberia in 1996[3]. Since then, the number of ISPs in Lebanon has been increasing steadily with around 25 companies in 1998, and around 40 companies in May 2001[4]. In Table 4.1 the names and Web site addresses of the major ISPs in Lebanon as of June 2003 are listed in alphabetical order.

Concerning the ranking of those ISPs, toward the end of the year 2002, Cyberia was considered to be Lebanon's leading provider with a market share of around 45%, Inconet Data Management came in the second place, Terranet in the third[5], followed by Destination and PSINet in the fourth and fifth place[6]. However, many things have changed since that date and that is why we are not sure whether any of those rankings is still the same today or not. As for the year 2002, the number of ISPs in Lebanon decrease to around 23 companies, a lot of companies merge together like PSINet acquired Lynx[7], Cyberia bought Intracom[8].

Table 4.1
The major ISPs in Lebanon as of June 2003

Name of ISP	**Web Site Address**
Cyberia	http://www.thisiscyberia.com
Inconet Data Management	http://www.idm.net.lb
Destination	http://www.destination.com. lb
Libancom	http://www.libancom.com.lb
PSINet Lebanon/Lynx	http://www.psinetlebanon.com
Sodetel	http://www.sodetel.net.lb
TerraNet	http://www.terra.net.lb

Those acquisitions have strengthened the financial and technical status of Lynx and Cyberia and made them able to offer better services to the public, have improved the position and image of those two ISPs on the market, and have at the same time incited the other ISPs to look for partnerships with foreign parties particularly. In this context, Data Management for example signed a partnership agreement with British Telecom[9], and several other similar agreements are expected to be contracted soon between the other Lebanese ISPs and foreign companies from abroad. Mergers and acquisitions within the Lebanese market are also strongly anticipated at that stage among the Lebanese ISPs themselves.

In the meantime, and in order to be able to survive within the stiff competition that is actually reigning over the Internet market in Lebanon, several Lebanese ISPs have expanded or plan to expand soon in the world; indeed, Cyberia for example has already contracted several projects in Saudi Arabia, Jordan and soon in Egypt, Data Management has opened business in Kenya, Saudi Arabia, Kuwait and Dubai, TerraNet plans to go to Azerbaijan, the Gulf and North Africa[10], and PSINet Lebanon is determined to operate throughout the Middle East shortly.

4.3 The internet services provided

The products offered by the Lebanese ISPs to the public at that stage are numerous and differ slightly from one provider to the other. However, they embrace mainly in most of the cases the majority of the services mentioned hereafter[11]:

4.3.1 Services targeted mainly to the individuals

- Internet access
- E-mail addresses and boxes
- Internet roaming: which allows the users to access the Internet and to check their mailboxes from anywhere in the world while traveling.

4.3.2 Services targeted mainly to the companies

- Corporate access solutions
- Corporate networking solutions (Intranet and Extranet solutions)
- E-mail addresses and boxes
- Web design and hosting: for the firms wishing to establish their own Web sites

on the net.

- Domain name registration: This involves the registration of a firm's Web site address on the Internet so that it becomes the property of this sole firm.
- Leased lines: for the companies that need 24 hours Internet connection such as banks and airline agencies[12].
- Web advertising: through banners and interstitials mainly. Other services including precisely Internet telephony services and Internet fax services (faxes sent via the Internet), targeted to the individuals as well as to the companies, used to be offered by the ISPs in Lebanon. However in September 1999, the Lebanese Ministry of Post and Telecommunication (MPT) prohibited the ISPs from selling those services since they were providing them to the consumers at rates much lower than the MPT did and consequently they were seriously depriving the ministry of revenue[13]. In the mid of the year 2000, negotiations are being held between the Lebanese MPT and the various parties that used to offer Internet telephony services in the country prior to the ban decision, in order to regulate those activities and therefore to lift the ban placed on practicing them[14].

4.4 The internet access service

According to the experts, although the Lebanese ISPs offer a wide array of services, providing Internet access to the public is still the service that ensures the major source of resources to a big portion of those ISPs. Consequently, this section is entirely devoted to discussing various issues related to this service including the basic requirements needed to get connected to the Internet, the methods available to establish a connection with an ISP in Lebanon the rates charged for obtaining this service and the ways set to pay the charged rates. It should be noted here that the majority of information mentioned in this section was primarily written after visiting the Web sites of the 7 ISPs listed in Table 4.1 and after calling each of those ISPs to get additional details and to make sure that the information published on their Web sites is up to date and correct.

4.4.1 The methods available for the internet connection establishment

Once the basic requirements mentioned above are fulfilled, the user should establish a connection with the ISP that he/she has selected. This operation can be achieved in three different methods according to the selected ISP. In fact, while some ISPs give the

user the chance to apply any of those three methods, others offer one or two methods only

- Method #1: the company sends a technician to the user to accomplish the setting up process.
- Method #2: the user buys the starter kit specific to the company that he/she has decided to deal with, and establishes him/her the Internet connection. In fact, the starter kit usually contains everything needed to execute the installation operation including the setting up instructions and the Internet software; in addition to this, it also includes free Internet access hours that the user can use at his/her ease or a free unlimited Internet subscription for one to two months.
- Method #3: this method is only applied when an Internet browser is already downloaded previously on the user's PC. In this case, the user buys a prepaid card specific to the ISP that he/she has chosen to deal with, follows the installation instructions mentioned on this card and thus establishes the Internet connectivity. The prepaid card that the user employs in this method is sold for a price ranging between $8 and $25 and which is mainly set according to the number of Internet access hours that the card contains.

It must be mentioned that when the user accomplishes by him/herself the connection operation according to Methods 2 or 3, he/she can call the customer service department of the ISP that he/she has picked and can obtain free technical assistance over the phone.

4.4.2 The internet access rates

In addition to the fee that the Internet user will have to pay to the Lebanese MPT, in exchange for using a local phone line while connected to the net, we have two formula: the six digit numbers, a fee that is set at LL40 (LL means Lebanese Lira; 1$ = LL 1,500) for the first minute and LL35 for each additional minute between 6 a.m. and 9 p.m., and at LL20 for the first minute and LL17.5 for each additional minute between 9 p.m. and 6 a.m., and the four digit numbers (you must dial the four digit number in your dial-up connection in order to be charged at a flat rates as seen in Table 4.2), the user will also have to pay a monthly phone subscription fee of LL 12,000 to the MPT and 10% municipal taxes/VAT[15]. In addition to all this, another fee is also charged to the user by the ISP that is providing him/her with the Internet connectivity.

Table 4.2
Rates for internet connections

Numbers of Hours	Monthly Fee
>0hr - 25hr (01 min - 1500 min)	L.P.19,000
>25hr - 55hr (1501 min - 3300 min)	L.P. 39,000
>55hr - 100hr (3301 min - 6000 min)	L.P. 48,000
>100hr - 200hr (6001 min - 12000 min)	L.P.153,000
>200hr - 300hr (12001 min - 18000 min)	L.P. 396,000
>300 hr (18001 min or more)	Regular local rate

Source: OGERO, http://www.ogero.gov.lb

As can be seen in Table 4.3 the rates charged to the users to access the Internet differ according to the ISP selected and according to the type of account chosen. At that stage there are various types of accounts that are offered to the Lebanese public and those accounts are enumerated hereafter: (it must be mentioned here that an empty cell in Table 4.3 means that the corresponding ISP does not offer the mentioned account)

- The regular unlimited account: it entitles the user to employ the Internet for 24 hours a day. The subscription for obtaining such an account is usually made on a monthly basis but at certain ISPs subscriptions for 3, 6 or even 12 months are also offered.
- The unlimited student account: this account is similar to the regular unlimited account but it is targeted to the students solely and the subscription in it is available only on a monthly basis.
- The unlimited pro or gold account: this account is also similar to the regular unlimited account: but with such an account, the user can benefit from a better service including for example a superior download speed and a guaranteed availability of access lines. The fee for subscribing in this account is paid per month.
- The simultaneous connections unlimited account: this account enables the user to

have two or three simultaneous unlimited connections to the Internet for 24 hours a day; it is priced per month and it is usually used by the companies.

- The pay as you go account: this account is priced on an hourly basis and it is especially suitable to the persons who need to use the Internet for a limited number of hours only.

Table 4.3
Internet Access Rates at the Various Lebanese ISPs / May 2003

		Cyberia	Inconet Data	Destination	Terranet	PSINet	Libancom
One Month Unlimited Account Access	Regular	$22	$22	$17.6	$21.78	13$	$11.99
	Student						
	Pro/Gold	$26.4	$33		$30.25		
	2 simultaneous connections					$22	
	3 simultaneous connections					$33	
Pay as you go account		$2.2	$3	$1.65	$0.9	$3	
3 months regular unlimited account				$29.99			
6 months regular unlimited account							
12 months regular unlimited account				$99.99	$220		
Special packages				*Surf with a friend: 1 month at $9.99 3 months at $19.99 12 months at $69.99 *10 hours at $20	5 hours at $5	*4 hours at $10 *10 hours at $20 *20 hours per month at $10 + $1.5 for each additional hour	

Source: DATABANK, Internet access rate for various ISPs.

In addition to those various accounts that the ISPs in Lebanon offer to the public, some ISPs also offer special packages at reduced rates as can be seen in Table 4.3 In this context, PSINet for example has a day plan connection; Destination offers lower rates for the regular unlimited account (1 month, 3 months and 12 months) to each user who introduces a new user to the company and according to this offer the old and the new user benefit both from the lower rates. Other special packages include also several Internet access hours sold at prices much lower than when sold on a single basis (i.e. per hour); while some of those packages do not have any limited period to be used within it, others must be consumed within one month.

It can be noted here that among all the ISPs mentioned in Table 4.3 PSINet is the only one that offers approximately all the kinds of accounts that we have mentioned above.

The final observation that we will make in the context of rates is that as can be clearly seen in Table 4.3 the rates for the same kind of account differ sometimes greatly from one ISP to the other. This is mainly due to the fact that some ISPs offer (or sometimes only pretend to offer) better connectivity and better customer service to the users, and thus they charge higher fees to the public.

4.4.3 The payment methods

There are currently four different methods that the users in Lebanon can follow to pay for the Internet access service[161]. While some ISPs offer to the users the opportunity to select any of those four payment methods, others offer them less choice like three, two and even sometimes only one settlement method. Those four methods can be listed as follows:

- Method #1: cash payment
- Method #2: credit card withdrawal
- Method #3: automatic bank withdrawal; in this method the payments are automatically withdrawn from the user's bank account.
- Method #4: prepaid cards. Those are the same cards that the user can use to establish a connection to the Internet as explained previously. Once the user follows the instructions mentioned on such cards, he/she will be able to enter the Web site of the ISP that he/she has selected to deal with and to which the card

belongs of course. There the user will be capable to activate the card and to fill (if it is the first time he/she is being connected to the Internet) or to refill his/her Internet account online; thus, he/she will be eligible to start using the Internet access service since the fee for obtaining this service would have been settled through the prepaid card activated online. It must be noted here that the prepaid cards are sold at the authorized resellers of each ISP and that those cards are mainly divided into three types:

- Type 1: those which contain a certain number of hours to be used, and which do not have any limited period to be used within it.
- Type 2: those which contain a certain number of hours to be used and which must be consumed within one month.
- Type 3: those which can be activated online according to the desire of the user as a tool to pay for the "pay as you go account" or for "the monthly regular unlimited account".

4.5 The internet users

Until now, there is no published information about the profile of the Internet users in Lebanon. The only two things that are known about those users so far are actually their approximate number at the end of the year 1997 and their growth since that time.

In fact, according to the research study that were conducted by the Internet Arab World (IAW) magazine in the years 1997, the number of Internet users in Lebanon was about 44,000 users at the end of the year 1997[16], then it increased dramatically to reach around 380,000 users in September 2002 thus achieving a growth of more than 764% in 58 months[17]. Compared to the growth of the number of Internet users in the world within the same period, this growth is considered to be spectacular. In fact, as was mentioned in Chapter II, the number of Internet users in the world was around 150 million at the end of the year 1997 and it increased to attain about 605 million in September 2002 thus exhibiting a growth of nearly 304%, a growth much lower than the growth witnessed in Lebanon during the same period.

With the number of Internet users that was recorded in Lebanon by the end of the year 2001, our country ranked fourth among the Arab countries in terms of the number of users that it encompasses, right behind United Arab Emirates (660,000 users), the Saudi

Arabia (570,000 users) and Egypt (560,000 users)[18]. Lebanon ranked also fourth in the Arab world with respect to the Internet penetration rate per head of population that it possesses. In fact, this rate stood at 6.56 users in every 100 people at the time when Ajeeb research unit executed its research in February 2002 as opposed to 24.44 in the United Arab Emirates, 16.67 in Bahrain, and 10.27 in Qatar, the three highest rates registered in the Arab region in February 2002. We can note here that as compared to the Internet penetration rate witnessed in the USA, one of the highest rates attained in the world so far and which accounted for about 58.5% as of January 2002, the rates registered in the Arab countries by that same date and which we have mentioned above are still considered very low[19].

4.6 The parties contributing to the growth of the internet usage in Lebanon

There are mainly three parties that have contributed to the growth of the Internet usage in Lebanon: the ISPs themselves, the Lebanese government and lately the Lebanese banks. Next, we will try to disclose the strategies and plans that each of those three parties has followed and implemented, and which have lead consequently to the tremendous increase in the Internet usage in Lebanon.

4.6.1 The ISPs

The marketing tools that the ISPs in Lebanon have been using, or in other terms the "product, price, place and promotion" (the 4Ps) that the ISPs have been offering to the Lebanese public during the last few years, have really encouraged the people there to use the Internet.

In fact in terms of the product offered, the ISPs in Lebanon have been continuously improving their technical capabilities in order to offer better Internet connectivity and more varied services to the public. In addition to this, they have also introduced several new simple methods (i.e. the starter kit and the prepaid cards) that have permitted the users to establish the Internet connection by themselves in an easy and convenient way. Moreover, they have also provided several payment methods (like for example the automatic bank withdrawal and the prepaid cards methods) that have facilitated the payment process enormously to the people.

In terms of prices, the ISPs have launched several types of accounts to cater to the different needs and financial capabilities of the various users. On the other hand, the ISPs have also twice decreased their prices substantially especially as far as the monthly

regular unlimited Internet account is concerned; indeed, while the cost for subscribing in this account was $100 per month in May 1998, it decreased to settle at around $30 on average during the first eight months of the year 1999, and then it dropped once again to range actually between $10 and $25 per month at the majority of the ISPs (refer to Table 4.3 above).

In terms of place, most ISPs have made their starter kits and prepaid cards available to the consumers everywhere in Lebanon through a large number of authorized resellers located all over the country, a step that has made the Internet in the hand of each person wherever he/she is living in Lebanon.

Finally, in terms of promotion, the majority of the ISPs in Lebanon have launched numerous attractive sales promotions by offering for example several Internet access hours at a reduced price. In addition to this, some ISPs have been sponsoring important events occurring in the country (mainly sports and entertainment events) and certain ISPs have been advertising heavily during the last few years especially in newspapers, magazines and through billboards thus building awareness, interest and liking toward the Internet within the Lebanese people and inciting them seriously to start using this technology[20].

4.6.2 The Lebanese government

The Lebanese government has played a fundamental role in encouraging the Internet usage in Lebanon. In this context, the following actions can be listed:

4.6.2.1 Upgrading the telecommunication network

Since the year 1995 the Lebanese government has invested more than $1 billion to upgrade the telecommunication network in Lebanon[21]. As a result, the telecommunication network that is actually available in Lebanon has become somewhat modem and its capacity has increased hugely, two requirements that were extremely necessary so that the Internet industry exists and grows in Lebanon[22].

4.6.2.2 Reducing the new phone lines installation fee

In the summer of the year 2002 the Lebanese ministry of Post and Telecommunication reduced the price for installing a new local telephone line by approximately 28%, from LL427.000 to LL307.000, and they have introduced new second line for Internet access only for a price of LL57.000[23], With this reduction in the

local lines installation fee, the whole Lebanese Internet community (i.e. the Internet users as well as the ISPs) has benefited.

Concerning the users, since a local telephone line is necessary to get connected to the Internet and since the penetration rate of the telephone in the Lebanese households was only around 35% in 1997[24], reducing the price for installing a new line was appealing and inciting to the public to at least have one telephone line (if not more).

Concerning the ISPs, dropping the price for installing new phone lines was helpful to them and consequently to the users. This is because when the number of subscribers of an ISP increases, the ISP is obliged to buy additional phone lines (sometimes hundreds of lines). Therefore, cutting the price for buying new phone lines has reduced one of the primary expenses of the ISPs and has therefore enabled them to reduce their Internet access fees.

4.6.2.3 Decreasing the price of the 64 kilobytes leased line

Another action taken by the government that has contributed to boost the Internet usage and the Internet industry in the country is decreasing the price of the 64 kilobytes leased line. In fact Four years ago, the Lebanese government cut the price of the 64-kilobytes-per-second line, a leased line connecting the ISP offices to the Internet network to allow a large number of users to access it at the same time, by approximately 70% from about LL15 million to LL4.5 million. This step has also enabled the ISPs to decrease the Internet access fees that they charge to the consumers. Consequently, not only more people have started to use the Internet in Lebanon, but also more ISPs have started to be founded in the country[25].

4.6.3 The banks

Lately, several of the Lebanese banks have launched new types of loans and accounts in the country that have helped to increase the Internet usage seriously in Lebanon.

4.6.3.1 The Net/Millennium account

A new bank account type, entitling its holder to several banking services in addition to a free unlimited Internet access and a free Internet card, started to be offered to individuals in September 1999. "Banque Audi", one of the leading banks in Lebanon, was the first bank to launch this type of account under the name of "The Net Account".

"Credit Libanais", another leader in the Lebanese banking sector, followed it and initiated a similar account under the name of "The Millennium Account". Such accounts have been extremely appealing to the public, especially that the monthly fee for holding any of those two accounts was set at a low level (between LL 10,000 and LL15,000)[181]. The result was for sure a considerable increase in the number of customers of Banque Audi and Credit Libanais and simultaneously a considerable increase in the number of Internet users in the country. In this context, we can mention for example that during the first six weeks of the launch of The Net Account, the number of Internet users in Lebanon increased by 8.000[26].

4.6.3.2 The PC loan

In September 1999 a new type of personal loans, labeled the PC loan, started to be offered successively at several of the leading banks in Lebanon like "Banque Audi", "Byblos Bank" and "Credit Libanais"

Through this kind of loan, the banks have been helping the Lebanese individual to buy a PC of a very well known brand (a Compaq at Banque Audi, a Hewlett-Packard at Byblos Bank and an IBM at Credit Libanais), equipped with most of the modem specifications available actually on the market and at a very competitive price. Several extra services are also being provided free of charge to the individual with this type of loan the most important of which are a free unlimited Internet access and a free Internet credit card.

According to Mr. Semaan Bassil, General Manager Deputy at Byblos Bank, the main objective behind initiating the PC loan at Byblos Bank was to increase the Internet usage in Lebanon[27]. In fact, since a PC is necessary to get connected to the Internet, and since the PC penetration rate in the Lebanese households stood only at 6.8% in 1997, a level very low if compared with the US where the PC penetration rate in the households was about 36% at that time[28], helping people to buy PCs was really necessary if the Internet usage rate was to be augmented in Lebanon.

It must be mentioned here that several experts estimate that since the time when the PC loan was launched in Lebanon, it has been attracting a large number of customers and thus it has been greatly contributing to the improvement of the penetration rates of both the PC and the Internet in the Lebanese households.

4.7 Additional steps required from the part of the Lebanese government

There is no doubt that the various policies followed by the government, the ISPs and lately the banks in Lebanon have lead to a substantial increase in the penetration rates of the telephone, the PC and consequently the Internet in Lebanon. However, additional steps are required urgently, especially from the part of the Lebanese government, in order to boost the Internet industry more and more in Lebanon and in order to enable it to be up to the international standards.

Such steps include mainly the regularization of the Internet activities in Lebanon, and the foundation of strict, clear and modem laws applicable specifically to the Internet, a task that the government has started working on few years ago and that has not been fulfilled until now.

Another step that should be also enumerated and that the Lebanese government is urged to implement rapidly is to provide the ADSL, or Asymmetrical Digital Subscriber Line, it allows downloads from the Internet to take place at a speed of between 1.5Mbps and 8Mbps depending on the distance of the end user from the central office. "ADSL is the best option available at this time. It is much more feasible, quite cost efficient in the long run in that it keeps all the parties happy and it is much more secure as a line," said Bassam Jabre, Cyberia's general manager[29].

CHAPTER V

METHODOLOGY

5.1 Problem definition

Throughout the previous chapters we introduced the various arguments listing the characteristics of Internet advertising that make it recognizable and appealing to the consumers. The most important of the characteristics can be summarized as follows:

- This newest form of advertising is published through an attractive medium that has already acquired a very large number of adopters across the globe and that is expected to continue to acquire more and more users day after day all around he world.
- This modern type of advertising can enable consumers to access instantly plenty of relevant and up to date product information in an easy and convenient manner.

Despite all these properties and despite all the benefits that Internet advertising provides to the consumers. Our research wanted to discover whether the consumer in Lebanon, had positive or negative attitudes toward Internet advertising. More specifically, we wanted answers to such questions: Do consumers in Lebanon like Internet advertising? Do they attend to it? Do they have confidence in it? What is their reaction to it? How do they perceive Internet advertising medium and where does this medium stand in their opinion as compared to the traditional advertising media tools?

More specifically, our research would provide answers to the following specific questions:

- What is the attitude of the consumers in Lebanon toward Internet advertising?
- How do the consumers in Lebanon react to Internet advertising?
- What is the effect of Internet advertising on the consumers in Lebanon?

- Are the attitudes of the consumers in Lebanon towards the ads posted on the Internet and toward the brands promoted in these ads interconnected?
- How do the consumers in Lebanon perceive the Internet advertising medium as a source of product information?
- In the opinion of the consumers in Lebanon, where does the Internet stand with respect to other media tools available on the market as a valuable advertising carrier?
- What are the variables that influence the reaction of the consumers in Lebanon toward Internet advertising?

5.2 Research design

5.2.1 Questionnaire

A survey was conducted in order to answer these research questions. Personal interviews, whereby the respondents directly answered a detailed questionnaire handed to them in person, were used to conduct the survey.

The questionnaire was composed of eleven questions:

- The first two questions can be classified as demographic questions revealing the gender and the education level of the various respondents.
- The second two questions are related to the frequency of usage of the Internet and the ability to use this medium by the different respondents.
- Question 5 is asked to identify the Internet advertising form that catches the attention of the consumers in Lebanon the most.
- Questions 6 is concerned with the medium through which such purchases are being made by the consumers in Lebanon as a result of Internet Advertising.
- Questions 7 and 8 are designed to disclose the various attitudes of the consumers in Lebanon toward Internet advertising and toward the Internet advertising medium.
- Questions 9, 10 and 11 will enable us to find out where the Internet stands with respect to other media tools available on the market as a valuable advertising carrier.

It must be mentioned that this questionnaire was pretested first on ten respondents using the personal interview method. Several modifications turned out to be necessary as a result of this first pretesting. Once those modifications were implemented, another testing was conducted on another ten respondents. This time, no further changes were needed and the final version of the questionnaire is presented in Appendix B was adopted.

5.2.2 Sampling technique

Although the population of interest in our project was "Consumers living in Lebanon and using the Internet" and although the research methodology and the questionnaire were developed on this basis in our project, we were obliged to select our sample from among university students'. AUB (American University of Beirut), LAU (Lebanese American University), USJ (Saint Joseph University) and USEK (Holly Spirit University of Kaslik).

While reviewing various surveys conducted by different parties on Internet users, in the world as well in the Arab world, we found out that university students represent a big portion if not the biggest portion of all Internet users. Based on this inference, we decide to conduct our survey among university students in Lebanon. Data collection took place at those universities, between October 5 and October 14, 2003.

CHAPTER VI

DATA ANALYSIS

The questionnaire, which was discussed in the previous chapter, was distributed to 255 students pursuing university at AUB (American University of Beirut), LAU (Lebanese American University), USJ (Saint Joseph University) and USEK (Holly Spirit University of Kaslik). Out of the 255 questionnaires that were filled out, 25 turned out to be unusable either because they were incomplete or because they were improperly filled thus leaving us with 230 usable questionnaires that we were able to include in our study. The data was coded and entered into the Statistical Package for Social Sciences (SPSS) software.

This chapter presents the analysis of the gathered data. It presents the results of the testing of the different components that we have formulated previously. Moreover, it provides answers to the various research questions that we have developed in chapter 5.

Several types of tests were used for the purpose of accomplishing this chapter:

First, frequencies and percentages were calculated in order to disclose the profile and characteristics of our sample.

Second, t-tests were used in order to test:

- The attitudes of consumers in Lebanon toward Internet advertising
- The reaction of consumers in Lebanon toward Internet advertising
- The effect of Internet advertising on consumers in Lebanon
- The interconnection of the attitudes of consumers in Lebanon toward the ads posted on the Internet and toward the brands promoted in these ads

- The perception of consumers in Lebanon about the Internet advertising medium as a source of product information

Third, frequencies and percentages were applied once again to identify the percentage of consumers in Lebanon who have already made purchases that they would attribute to as a direct result of Internet advertising. The same statistical procedures were also followed to find out whether "Banners" is the Internet advertising form that catches the attention of consumers in Lebanon the most.

Fourth, frequencies and sums were calculated and Wilcoxon Signed Ranks tests were conducted in order to specify the position in which the Internet stands with respect to other advertising media available on the market as a valuable advertising carrier.

Fifth, one-way ANOVA tests were executed in an attempt to find out whether gender, university level, the amount of time spent regularly on the Internet and the ability to use the internet affect individually the frequency with which consumers in Lebanon read the advertising messages posted on the Internet.

Finally, cross tabulations and chi-square tests were run to detect whether a relationship exists between the frequency with which consumers in Lebanon have already made purchases that they would attribute to be as a direct result of Internet advertising on one hand and between each of the four next mentioned variables on the other hand: gender, university level, the amount of time spent regularly on the Internet and the ability to use the Internet.

6.1 Sample profile

Our sample consisted of 230 respondents: 110 males and 120 females. This means 47.8% of our sample elements are males and 52.2% are females as can be seen in Table 6.1.where the distribution of our sample per gender is presented.

Table 6.1
Frequencies and percentages for sample distribution by gender

Gender	**Frequency**	**Percentage**
Male	110	47.8%
Female	120	52.2%

Concerning the educational level of the respondents, 182 of them are undergraduate students and the rest (48) are graduates. These correspond respectively to 79.1% and to 20.9% of the sample (refer to Table 6.2).

Table 6.2
Frequencies and percentages for sample distribution by university level

University Level	**Frequency**	**Percentage**
Undergraduate	182	79.1%
Graduate	48	20.9%

It must be mentioned here that the distributions per gender and university level of our sample respondents were rather expected since they approximately reflect the distribution of the students at the four universities according to gender and university level.

As far as the frequency of usage of the Internet, 13.9% of our respondents turned out to use the Internet less than one hour per week, 34.3% use it from 1 to 3 1/2 hours, 26. 1% use it from 3 1/2 to 7 hours and 25.7% use it more than 7 hours per week (refer to Table 6.3). It can be concluded that (26.1% + 25.7%) i.e. 51.8% of our sample elements (which means more than half of our sample elements) use the internet on average more than half an hour per day.

Table 6.3
Frequencies and percentages for ample distribution by number of weekly Internet usage hours

Weekly Internet Usage hours	**Frequency**	**Percentage**
Less than one hour	32	13.9%
From 1 to 3 ½ hours	79	34.3%
From 3 ½ to 7 hours	60	26.1%
More than 7 hours	59	25.7%

With respect to the ability to use the Internet, as can be noticed in Table 6.4.below where the frequencies and percentages for the distribution of the sample among the different Internet usage ability levels are provided, while 8.3% of the sample elements think that they are novice Internet users, 63% believe that they are intermediate users and 28.7% estimate that they are advanced users. Therefore, it can be inferred that the majority of our sample respondents consider themselves as intermediate users.

Table 6.4
Frequencies and percentages for sample distribution by internet usage ability level

Internet Usage Ability Level	**Frequency**	**Percentage**
Novice user	19	8.3%
Intermediate user	145	63%
Advanced user	66	28.7%

6.2 Components testing

In order to better explain the results of my t-tests and to reveal the attitudes, reaction, effect, interconnection and perception of consumer in Lebanon toward Internet advertising, we have to consider point 4 as the neutral point, because we have taken it as a mean.

6.2.1 Attitudes of consumers in Lebanon toward internet advertising

As mentioned previously, t-tests were conducted in order to identify the attitudes consumers in Lebanon toward Internet advertising, more precisely in order to find whether consumers in Lebanon like Internet advertising, and whether they it entertaining, attractive, interesting, informative, understandable, convincing, safe and valuable. The results are presented in Tables 6.5 and 6.6

Table 6.5
Significance of consumers liking of internet advertising

Statement*	**Mean**	**T-Value**	**T-Probability (one-tailed test)**	**Significance at 0.01 level**
I like internet advertising	4.78	6.22	0.000	Yes

* The statement in the above table is measured on a 7 point Semantic Differential scale, where 1 is strongly disagree and where 7 is strongly agree.

From the above table it can be noticed that consumers in Lebanon significantly like Internet advertising. This is because the mean of the ratings attributed by our sample respondents to the statement "I like Internet advertising" (4.78) is significantly higher than the scale mean (4) since t-probability for this statement (0.000) is smaller than α (0.01).

Table 6.6
Significance of Consumers' Attitudes toward Internet Advertising

Statement*	**Mean**	**T-Value**	**T-Probability (one-tailed test)**	**Significance at 0.01 level**
Internet advertising is entertaining/ not entertaining	3.039	-8.367	0.000	Yes
Internet advertising is attractive/ unattractive	2.62	-12.939	0.000	Yes
Internet advertising is interesting/ not interesting	2.5	-14.114	0.000	Yes
Internet advertising is informative/ uninformative	2.45	-15.920	0.000	Yes
Internet advertising is understandable/ confusing	2.61	-14.087	0.000	Yes
Internet advertising is convincing/ unconvincing	2.99	-10.271	0.000	Yes
Internet advertising is safe/ dangerous	4.14	1.164	0.245	No
Internet advertising is valuable/ worthless	3.16	-7.274	0.000	Yes

*The statements in the above table are measured on a 7 point Semantic Differential scale, where 1 is the positive characteristic of Internet advertising and where 7 is the negative characteristic of Internet advertising

From Table 6.6 we can conclude that consumers in Lebanon find Internet advertising significantly entertaining, attractive, artful, interesting, informative, understandable, convincing and valuable. This is because the means for all those statements are significantly smaller than the scale mean 4 since t-probabilities for all those statements are smaller than α (0. 0 1). On the other hand, it seems that consumers

in Lebanon don't find Internet advertising significantly safe. In fact, as can be seen in Table 6.6. the mean of degree of agreement of our sample respondents on the statement "Internet advertising is safe/dangerous" (4.14) is not significantly higher than the scale mean (4) since t-probability for this statement (0.245) is higher than α(0.01).

We can conclude that consumers in Lebanon do not hold any negative attitude toward Internet advertising. On the contrary, they hold positive attitudes toward this new type of advertising on the majority of the criteria that we have selected in our research. However, as far as security is concerned, consumers in Lebanon do not agree that Internet advertising scores high on this dimension and they view it with some caution.

6.2.2 Reaction of consumers in Lebanon to internet advertising

In order to examine the reaction of consumers in Lebanon toward Internet advertising, a t-test was first used to know whether consumers in Lebanon often read the advertising messages posted on the Internet. Then frequencies and percentages were calculated to disclose the percentage of consumers in Lebanon who have already made purchases that they would attribute to be as a direct result of Internet advertising and to find out whether "Banners" is the Internet advertising form that catches the attention of consumers in Lebanon the most. The results can be reviewed in Tables 6.7, 6.8 and 6.9.

Table 6.7
Significance of consumers' frequency of reading advertising messages posted on the internet

Statement	**Mean**	**T-Value**	**T-Probability (one tailed test)**	**Significance at 0.01 level**
I often read the advertising messages posted on the Internet	4.09	0.826	0.410	No

* The statement in the above table is measured on a 7 point Semantic Differential scale, where 1 is strongly disagree and where 7 is strongly agree.

As can be noticed in the above table, the mean (4.09) on the statement "I often read the advertising messages posted on the Internet" is not significantly higher than the scale

mean (4) since t-probability (0.410) is higher than α (0.01). This means that consumers in Lebanon do not significantly agree on this statement.

Table 6.8
Frequencies and percentages for sample distribution according to purchases made as a result of internet advertising

Purchase	**Frequency**	**Percentage**	**Cumulative percentage**
Yes, through the Web	15	6.5%	6.5%
Yes, through trade, channels	37	16.1%	22.6%
Yes, through the web & Trade. Channels	7	3%	25.7%
No	171	74.3%	100%

According to the above table (Table 6.8) 74.3% of our sample respondents have never made any purchase that they would attribute to be as a direct result of Internet advertising.

Table 6.9
Frequencies and percentages of internet advertising form catching attention of consumers in Lebanon the most

Internet advertising form	**Frequency**	**Percentage**
Commercial e-mails	38	16.5%
Banners	163	70.9%
Content sponsorships	29	12.6%

It can be clearly deduced from the above table (Table 6.9) that "Banners" is the Internet advertising form that catches the attention of consumers in Lebanon the most.

In a nutshell, concerning the reaction of consumers in Lebanon toward Internet advertising, we can deduce that those consumers recognize banners the most among the three forms of Internet advertising that are actually mostly used worldwide: banners, commercial e-mails and content sponsorships. In addition to this, we can also conclude that consumers in Lebanon do not seem to often read the advertising messages that are published on the Internet and that the majority of those consumers have never made purchases that they would attribute to be as a direct result of Internet advertising. Nevertheless, we must also recognize the following two facts on the other hand:

- 25.7% of our sample respondents have already made purchases as a result of Internet advertising (refer to Table 6.8. above). This reaction from the part of consumers should make Internet advertisers very optimistic concerning the effect that Internet advertising has on consumers. In fact, at that time, Internet advertising is still considered to be at its infancy stage especially in Lebanon, and if at that stage 25.7% of consumers who use the Internet in Lebanon have been already triggered to act and to buy the product advertised as a result of Internet advertising, this suggests that in the future (especially when the number of Internet users increases in Lebanon) a bigger portion of consumers living in Lebanon might have such a positive reaction.
- 9.5% of our sample elements have not only already made purchases that they would attribute to be as a direct result of Internet advertising, they have also made these purchases through the Web (refer to Table 6.8. above). This should make the persons concerned with e-commerce rejoice since what we expected and what the experts in Lebanon believe in general is that the proportion of consumers executing transactions through the Web in Lebanon is much smaller than what our survey has revealed, and this is due mainly to security issues related primarily to the payment methods applied through the Web like paying by credit cards for example.

6.2.3 Effect of internet advertising on consumers in Lebanon

First we want to examine whether Internet advertising increases the degree of awareness that consumers in Lebanon hold toward the brands advertised, and the second one examine whether Internet advertising increases the desire of those consumers to buy

the products advertised. T-tests were used in order to test those two statements. The results are displayed in Table 6.10.hereafter.

Table 6.10
Significance of internet advertising effect on consumers in Lebanon

Statement	**Mean**	**T-Value**	**T-Probability (one tailed test)**	**Significance at 0.01 level**
Internet advertising increases the degree of awareness that I hold toward the brands advertised	4.7	6.036	0.000	Yes
Internet advertising increases my desire to buy the products advertised	3.85	-1.135	0.258	No

* The statement in the above table is measured on a 7 point Semantic Differential scale, where 1 is strongly disagree and where 7 is strongly agree.

Table 6.10 clearly shows that while there is enough evidence to support the first statement (Mean 4.7 significantly>4 since t-probability 0.000 <α=0.01), there is no such evidence to support the second statement (Mean 3.85<4). This means that according to consumers in Lebanon, Internet advertising significantly increases the degree of awareness that they hold toward the brands advertised, however, it does not increase their desire to buy the products advertised. It ca be also noted that since the mean (3.85) for the statement "Internet advertising increases my desire to buy the products advertised" is not significantly lower than the scale mean (4) (t-probability for this statement 0.258>α=0.01), it can be concluded that consumers in Lebanon neither agree nor disagree significantly on this statement, they rather hold a neutral position toward it.

We can conclude that at that stage Internet advertising has at least one certain significant effect on consumers in Lebanon that the advertisers can greatly benefit from: Internet advertising increases the degree of awareness of consumers toward the brands advertised, an objective that most advertisers usually strive to achieve.

6.2.4 Interconnection of the attitudes of consumers in Lebanon toward the Ads posted on the internet and toward the brands promoted in these Ads.

The elements in our sample were asked to state their degree of agreement or disagreement on the four statements mentioned hereafter in order to study the interconnection of the attitudes of consumers in Lebanon toward the ads posted on the Internet and toward the brands promoted in these ads. The idea of studying this interconnection was based on the fact that, as already explained in the previous chapter, the attitudes of consumers in general toward an ad in traditional advertising and their attitudes toward the brand promoted in this ad mutually affect each other. The four statements presented to the respondents are:

- An appealing Internet ad makes me like the brand it is advertising.
- An unappealing Internet ad makes me dislike the brand it is advertising.
- When I like a brand I like the Internet ads that promote it.
- When I dislike a brand I dislike the Internet ads that promote it.

While the first two statements will make us find out whether the attitudes of consumers in Lebanon toward an Internet ad affect their attitudes toward the brand advertised through this ad, the third and fourth statements will enable us to detect whether the attitudes of consumers in Lebanon toward a brand affect their attitudes toward the Internet ads promoting this brand. T-tests were conducted on the means of the ratings attributed by our sample elements to each of the 4 statements mentioned above and the results of those tests can be found in Table 6.11

Table 6.11
Significance of interconnection of attitudes toward Ads posted on the internet and toward brands promoted in these Ads.

Statement	**Mean**	**T-Value**	**T-Probability (one tailed test)**	**Significance at 0.01 level**
An appealing internet ad makes me like the brand it is advertising	5.02	10.415	0.000	Yes
An unappealing internet and makes me dislike the brand it is advertising	4.29	2.479	0.014	No
When I like a brand I like the internet ads that promote it	4.23	1.75	0.081	No
When I dislike a brand I dislike the internet ads that promote it	3.1	-7.345	0.000	Yes

* The statement in the above table is measured on a 7 point Semantic Differential scale, where 1 is strongly disagree and where 7 is strongly agree.

From Table 6.11 we can infer that an appealing Internet ad significantly makes consumers in Lebanon like the brand it is advertising (Mean 5.02 significantly>4 since t-probability $0.000<\alpha=0.01$); however, an unappealing Internet ad does not significantly make those consumers dislike the brand it is advertising (Mean 4.29>4 but t-probability $0.014>\alpha=0.01$). Consequently, we can only partially support those two statements.

On the other hand, we can also conclude from Table 6.11 that the attitudes of consumers in Lebanon toward a brand do not affect their attitudes toward the Internet ads promoting this brand and thus that we do not have enough evidence to support the third fourth statements. This is due to the following two reasons:

- According to Table 6.11 consumers in Lebanon do not significantly agree on the statement "When I like a brand I like the Internet ads that promote it"; in fact, the mean 4.23 of the ratings attributed by our sample respondents to this statement is not significantly higher than the scale mean 4 (t-probability $0.081>\alpha=0.01$).
- As per Table 6.11 consumers in Lebanon significantly disagree on the statement "When I dislike a brand I dislike the Internet ads that promote it". Indeed the mean 3.1 of the ratings attributed by our sample respondents to this statement is significantly lower than the scale mean 4 (t-probability $0.000<\alpha=0.01$).

After analyzing the answers of our sample respondents to the four statements mentioned at the beginning of this section we can deduce that concerning the interconnection of the attitudes of consumers in Lebanon toward the ads posted on the Internet and toward the brands promoted in these ads, such an interconnection:

- Significantly exists in 1
- Exists but not significantly in 2 and 3
- Exists in evidence to the contrary in 4.

6.2.5 Perception of consumers in Lebanon towards internet as a source of product information

T-tests were applied to discover the perceptions of consumers in Lebanon about the Internet medium and thus to find out whether those consumers perceive the Internet medium to be a convenient, reliable source of up to date and complete product information that they use when they are deciding to buy something. The results are displayed in Table 6.12

Table 6.12
Significance of consumers' perceptions about the internet as a source of product information

Statement	**Mean**	**T-Value**	**T-Probability (one tailed test)**	**Significance at 0.01 level**
The internet is a convenient source of product information	6.19	50.909	0.000	Yes
The internet is a reliable source of product information	5.58	27.629	0.000	Yes
The internet is a source of up to date product information	6.57	57.996	0.000	Yes
The internet supplies complete product information	5.67	26.731	0.000	Yes
The internet is a source of product information that I use when I am deciding to buy something	3.78	-1.697	0.091	No

* The statement in the above table is measured on a 7 point Semantic Differential scale, where 1 is strongly disagree and where 7 is strongly agree.

Table 6.12 reveals that consumers in Lebanon significantly agree that the Internet is a convenient and reliable source of complete and up-to date product information. This is because the means of the ratings attributed by our sample respondents to those four statements are significantly higher than 4 since t-probabilities for those 4 statements are smaller than α (0.01).

Despite the positive perceptions that consumers in Lebanon turned out to have about the Internet medium as a source of product information, those consumers did not agree on the statement "The Internet is a source of product information that I use when I am deciding to buy something" (Mean 3.78<4); however, it must be mentioned that since the mean degree of agreement of our sample respondents on this statement (3.78) is not significantly lower than the scale mean (4) (t-probability $0.091>\alpha=0.01$), it can be deduced that consumers in Lebanon rather hold a neutral position toward it.

We can conclude that although consumers in Lebanon significantly agree that the Internet is a reliable source of product information, they probably use other sources of information when they are deciding to buy something. Those sources might embrace particularly reference groups since in general consumers in Lebanon still rely primarily on their friends and relatives opinions and recommendations when they want to purchase something.

6.2.6 Position of the internet with respect to other media as a valuable advertising carrier

Frequencies and sums were calculated and Wilcoxon Signed Ranks tests were conducted in order to detect the position that the Internet occupies as compared to other advertising media available on the market with respect to the completeness and the reliability of the product information that it provides and with respect to, its ability to offer entertaining ads. Thus, the following three components were tested:

- The ability of the Internet to supply consumers complete product information is the highest as compared to the ability of other advertising media tools available on the market.
- The product information that is provided through the Internet is less reliable than that provided through TV.
- The ability of the Internet to offer consumers entertaining ads is less than that of TV.

The results for first component can be found in Tables 6.13, 6.14 and 6.15, the results for second component can be found in Tables 6.18, 6.19 and 6.20 and finally the results for third component are presented in Tables 6.23, 6.24 and 6.25.

6.2.6.1 Completeness of product information supplied

Five advertising media were selected in order to test first component and thus in order to know whether the ability of the Internet to supply consumers complete product information is the highest as compared to the ability of other advertising media tools available on the market. Since the respondents in our sample were asked to assign the rank of 1 to the medium that supplies them the most complete product information and the rank of 5 to the medium that supplies them the least complete product information, then the medium that gets the lowest sum of ranks is the one whose ability to supply consumers complete product information is the highest among the five media considered in this research and mentioned in Table 6.13 hereafter.

Table 6.13
Sums of Ranks Attributed to Different Advertising Media According to Ability of Each to Supply Complete Product Information

Advertising Medium	**Sum of Ranks**
Internet	437
Print Media	575
TV	579
Radio	851
Billboards	1008

As can be seen in Table 6.13 the Internet got the lowest sum of ranks thus suggesting that it is the medium that has the highest ability to supply consumers complete product information as compared to the other advertising media selected in our research. However, in order to make sure that the ability of the Internet to supply consumers complete product information is significantly the highest; a Wilcoxon Signed Ranks test was conducted between the ranks attributed by our sample elements to the Internet on one hand and to Print Media on the other. Print Media is the medium that received the second lowest sum. of ranks as per Table 6.13, thus, if the Internet turns out to be significantly more able than Print Media in supplying consumers complete product information, it will

be also significantly more able in achieving this end than all the other advertising media that we have considered in our research. Since this is the case as can be inferred from Tables 6.14 and 6.15 below (Z-probability<α=0.05).

Table 6.14
Print media-internet ranks comparison according to ability to supply complete product information

	Cases	**Mean rank**	**Sum of ranks**
Negative ranks (print media rank< internet rank)	69	92.5	6382.5
Positive ranks (print media rank> internet rank)	161	125.36	20182.5
Ties (print media rank = internet rank)	0		
Total	230		

Table 6.15
Significance of Higher Ability of the Internet to Supply Complete Product Information

Variables to compare	**Z-value**	**Z-probability (One tailed test)**	**Significance at 0.05 level**	**Conclusion**
Internet and print media	-7.319	0.000	Yes	Internet ability to supply consumers product information is significantly higher than of print media

In addition to the previous Wilcoxon Signed Ranks test, we conducted three similar tests respectively between the ranks assigned by our sample respondents to Print Media (ranked second with respect to its ability to supply consumers complete product information as can be deduced from Table 6.13) and TV (ranked third), TV and Radio

(ranked fourth), and Radio and Billboards (ranked fifth). The objective behind these tests was to disclose whether the rankings assigned by our sample respondents to each of the five media selected in our study are significantly different from one another with respect to the ability of those media to supply consumers complete product information. The results are shown in Tables 6.16 and 6.17

Table 6.16
Various media ranks comparisons according to ability to supply complete product information

Variables to compare		**Cases**	**Mean rank**	**Sum of ranks**
TV and print media (PM)	Negative Ranks (TV Rank <PM Rank)	114	115.3	13144.5
	Positive Ranks (TV Rank> PM Rank)	116	115.69	13420.5
	Ties (TV Rank = PM Rank)	0		
	Total	230		
TV and radio ®	Negative Ranks (TV Rank <R Rank)	183	119.71	21907
	Positive Ranks (TV Rank>R Rank)	47	99.11	4658
	Ties (TV Rank = R Rank)	0		
	Total	230		
TV and billboards (B)	Negative Ranks (TV Rank <B Rank)	160	115.57	18491.5
	Positive Ranks (TV Rank> B Rank)	70	115.34	8073.5
	Ties (TV Rank = B Rank)	0		
	Total	230		

Table 6.17
Significance of difference in rankings of various advertising media with respect to ability to supply complete product information

Variables to compare	**Z-value**	**Z-probability (One tailed test)**	**Significance at 0.05 level**	**Conclusion**
Print Media and TV	-0.141	0.888	No	Print Media ranking is not significantly less than that of TV
TV and Radio	-8.712	0.000	Yes	TV ranking is significantly less than that of Radio
Radio and billboards	-5.398	0.000	Yes	Radio ranking is significantly less than that of billboards

From Tables 6.13, 6.15.and 6.17 we can conclude that consumers in Lebanon rank the five advertising media that we have considered in this project as follows with respect to the ability of each medium to supply them complete product information :

1. The Internet

2. Print Media and TV

4. Radio

5. Billboards

Those results can be attributed to the following facts that were already stated in chapter III previously:

- The Internet has the most considerable information capacity as compared to the other media selected in our research.
- Print Media presents a moderate information capacity due to limited space. However, its information capacity is more considerable than that of TV, Radio and Billboards.

- The information capacities provided through TV, Radio and Billboards are low due to the high costs for renting advertising space and for producing commercials in the case of TV, due to the lack of the visual element in the case of Radio and due to limited space in the case of Billboards.

6.2.6.2 Reliability of product information provided

Sums of ranks were calculated and Wilcoxon Signed Ranks tests were also relied on in order to test second components and consequently in order to know whether the product information that is provided through the Internet is less reliable than that provided through TV. The sums of ranks attributed to each of the five media considered in this research with respect to the reliability of the product information that they provide are presented in Table 6.18

Table 6.18
Sums of ranks attributed to different advertising media according to reliability of product information provided

Advertising Medium	**Sum of Ranks**
Print Media	529
TV	544
Internet	560
Radio	874
Billboards	943

Given the fact that the elements of our sample were asked to assign the rank of 1 to the advertising medium that provides them with the most reliable product information and the rank of 5 to the medium that provides them with the least reliable product information, therefore the higher the sum of ranks that a medium gets the less the product information provided through this medium is reliable.

As can be noticed from Table 6.18 the sum of ranks attributed to the Internet is higher than that attributed to TV. This suggests that consumers in Lebanon consider that the product information provided through the Internet is less reliable than that provided

through TV. In order to test whether this finding is statistically significant, we conducted a Wilcoxon Signed Ranks test between the ranks assigned to the Internet and those assigned to TV with respect to the reliability of the product information that each one of those two media provides. As can be deduced from Tables6.19 and 6.20 below where the results of this test are shown, there is no significant difference between the Internet and the TV ranks (Z-probability> α=0.05).

Table 6.19
TV-Internet ranks comparison according to reliability of product information provided

	Cases	**Mean rank**	**Sum of ranks**
Negative Ranks (TV Rank <Internet Rank)	75	161.04	12078
Positive Ranks (TV Rank> Internet Rank)	155	93.46	14487
Ties (TV Rank = Internet Rank)	0		
Total	230		

Table 6.20
Significance of lower reliability of product information provided through internet

Variables to compare	**Z-value**	**Z-probability (One tailed test)**	**Significance at 0.05 level**	**Conclusion**
Internet and TV	-1.247	0.212	No	The product information provided through the internet is not significantly less reliable than that provided through TV

Three more Wilcoxon Signed Ranks tests were also conducted respectively between the ranks assigned to Print media (ranked first by our sample respondents with respect to the reliability of the product information that it provides as can be deduced from Table 6.18) and TV (ranked second), Internet (ranked third) and Radio (ranked fourth), and Radio and Billboards (ranked fifth). The results of these three tests, which are displayed in Tables 6.21 and 6.22 hereafter, are going to help us find out how consumers in Lebanon rank the five advertising media considered in this study with respect to the reliability of the product information that each one of those media provides.

Table 6.21
Various media ranks comparisons according to reliability of product information provided

Variables to compare		**Cases**	**Mean rank**	**Sum of ranks**
TV and print media (PM)	Negative Ranks (TV Rank <PM Rank)	117	104.79	12260
	Positive Ranks (TV Rank> PM Rank)	113	126.59	14305
	Ties (TV Rank = PM Rank)	0		
	Total	230		
Radio and Internet (I)	Negative Ranks (R Rank <I Rank)	69	48.3	3369.5
	Positive Ranks (R Rank>I Rank)	161	144.07	23195.5
	Ties (R Rank = I Rank)	0		
	Total	230		
Radio (R) and billboards (B)	Negative Ranks (R Rank <B Rank)	138	109.75	15145.5
	Positive Ranks(R Rank> B Rank)	92	124.13	11419.5
	Ties(R Rank = B Rank)	0		
	Total	230		

Table 6.22
Significance of difference in rankings of various advertising media with respect to reliability of product information provided

Variables to compare	**Z-value**	**Z-probability (One tailed test)**	**Significance at 0.05 level**	**Conclusion**
Print Media and TV	-1.062	0.032	Yes	Print Media ranking is significantly less than that of TV
Internet and Radio	-9.978	0.000	Yes	Internet ranking is significantly less than that of Radio
Radio and billboards	-1.898	0.058	No	Radio ranking is not significantly less than that of billboards

According to the results displayed in Tables 6.18, 6.20 and 6.22, it can be deduced that consumers in Lebanon consider the product information provided through Print Media significantly the most reliable as compared to the other media selected in our research. TV comes next in their opinion with an ability to offer reliable product information higher but not significantly higher than that of the Internet. On the other hand, consumers in Lebanon consider the product information offered through the Radio more reliable but not significantly more reliable than that offered through Billboards. However, those consumers believe that the reliability of the product information supplied through Print Media, TV and the Internet is significantly higher than that supplied through Radio and through Billboards.

These findings that we have obtained with respect to the ability of the different advertising media selected in our research to supply consumers reliable product information can be interpreted as follows:

- Print Media supplies the most reliable product information since in this medium unlike in the other media considered in this study, the information published is in general collected from a recognizable source.
- TV comes next to Print Media because it is at that stage the only medium among the five media selected in this research that enables consumers to see exactly how the product advertised looks like and how it practically works.
- TV and Internet ranks are not significantly different: since despite the problem of bandwidth that the Internet still actually suffers; from, consumers are becoming more and more able one day after the other to see how the product advertised looks like and how it works not only through TV but also over the net,
- Radio and Billboards are considered to offer product information less reliable than that of Print Media, TV and the Internet. This is due to the low information capacity provided through Radio and Billboards on one hand and due to the lack of the visual element in the case of the Radio on the other hand.

6.2.6.3 Ability to offer entertaining Ads

As noted at the beginning of this section, the final issue related to the Internet advertising medium that we wanted to disclose was the position that this medium occupies as compared to TV with respect to its ability to offer consumers entertaining ads. This time also, sums of ranks and Wilcoxon Signed Ranks tests were used in order to detect this issue. The sums of ranks attributed to each of the five media considered in this research with respect to their ability to offer consumers entertaining ads are displayed in Table 6.23 hereafter.

Table 6.23
Sums of ranks attributed to different advertising media according to ability of each to offer entertaining Ads

Advertising Medium	**Sum of Ranks**
TV	322
Print Media	713
Billboards	759
Internet	782
Radio	874

Since the respondents were asked to assign the rank of 1 to the medium that offers them the most entertaining ads and the rank of 5 to the medium that offers them the least entertaining ads, then the higher the sum of ranks that a medium gets the less it is able to offer consumers entertaining ads.

The results in Table 6.23 above show us that the ability of the Internet to offer consumers entertaining ads is less than that of TV since the sum of ranks attributed to the Internet (782) is much higher than that attributed to TV (322). This finding is statistically significant as per the results of a Wilcoxon Signed Ranks test presented in Tables 6.24 and 6.25 below (Z-probability α=0.05).

Table 6.24
TV-Internet ranks comparison according to ability to offer entertaining Ads

	Cases	**Mean rank**	**Sum of ranks**
Negative Ranks (TV Rank <Internet Rank)	207	118.6	24437.5
Positive Ranks (TV Rank> Internet Rank)	23	92.5	2127.5
Ties (TV Rank = Internet Rank)	0		
Total	230		

Table 6.25
Significance of lower ability of the internet to offer entertaining Ads

Variables to compare	**Z-value**	**Z-probability (One tailed test)**	**Significance at 0.05 level**	**Conclusion**
Internet and TV	-11.165	0.000	Yes	The ability of the internet to offer consumers entertaining ads is significantly less than that of TV.

Wilcoxon Signed Ranks tests were used once again in order to disclose whether the different rankings attributed to the five advertising media that we have selected in our research in terms of the ability of each of those media to offer consumers entertaining ads are different one from the other or not (as can be deduced from Table 6.23 rank 1 is assigned by our sample respondents to TV, rank 2 is assigned to Print media, rank 3 is assigned to Billboards, rank 4 is assigned to the Internet and rank 5 is assigned to Radio).

The results of those tests can be reviewed in Tables 6.26 and 6.27

Table 6.26
Various media ranks comparisons according to ability to offer entertaining Ads

Variables to compare		**Cases**	**Mean rank**	**Sum of ranks**
TV and print media (PM)	Negative Ranks (TV Rank <PM Rank)	207	121.89	25231
	Positive Ranks (TV Rank> PM Rank)	23	58	1334
	Ties (TV Rank = PM Rank)	0		
	Total	230		
Print media(PM) and billboards (B)	Negative Ranks (PM Rank <B Rank)	138	107.83	14881
	Positive Ranks (PM Rank>B Rank)	92	127	11684
	Ties (PM Rank = B Rank)	0		
	Total	230		
Internet (I) and billboards (B)	Negative Ranks (I Rank <B Rank)	92	141.38	13006.5
	Positive Ranks (I Rank> B Rank)	138	98.25	13558.5
	Ties (I Rank = B Rank)	0		
	Total	230		
Internet (I) and Radio (R)	Negative Ranks(I Rank <R Rank)	161	95.79	15421.5
	Positive Ranks(I Rank> R Rank)	69	161.5	11143.5
	Ties(I Rank = R Rank)	0		
	Total	230		

Table 6.27
Significance of difference in rankings of various advertising media with respect to ability to offer entertaining Ads

Variables to compare	**Z-value**	**Z-probability (One tailed test)**	**Significance at 0.05 level**	**Conclusion**
TV and print Media	-12.117	0.000	Yes	TV ranking is significantly less than that of Print Media
Print Media and Billboards	-1.64	0.101	No	Print Media ranking is not significantly less that that of billboards
Billboards and Internet	-0.277	0.782	No	Billboards ranking is not significantly less that that of the internet
Internet and Radio	-2.152	0.031	Yes	Internet ranking is significantly less than that of Radio

Since as per Table 6.27 Print Media and Billboards rankings are not significantly different and Billboards and Internet rankings are not significantly different, it was necessary to conduct one more additional Wilcoxon Signed Ranks test to detect whether the rankings of Print Media and the Internet are significantly different or not with respect to their ability to offer consumers entertaining ads. The result of this test is displayed in Tables 6.28 and 6.29

Table 6.28
Print media-internet ranks comparison according to ability to offer entertaining Ads

	Cases	**Mean rank**	**Sum of ranks**
Negative Ranks (PM Rank <Internet Rank)	138	119.33	16468
Positive Ranks (PM Rank> Internet Rank)	92	109.75	10097
Ties (PM Rank = Internet Rank)	0		
Total	230		

Table 6.29
Significance of difference in rankings of print media and the internet with respect to ability to offer entertaining Ads.

Variables to compare	**Z-value**	**Z-probability (One tailed test)**	**Significance at 0.05 level**	**Conclusion**
PM and Internet	-3.309	0.001	Yes	PM ranking is significantly less than that of the Internet

The findings from Tables 6.23, 6.25, 6.27 and 6.29 enable us to come up with the following conclusions. According to consumers in Lebanon:

- TV is the advertising medium that offers them significantly the most entertaining ads.
- Next to TV, comes Print Media with an ability to offer entertaining ads significantly higher than that of the Internet and of the Radio.
- Billboards come in between, i.e. between Print Media and the Internet.
- Radio comes at the end with an ability to offer consumers entertaining ads significantly lower than that of all the other media selected in our research.

Those conclusions that we have reached in the context of the ability of the various media to offer entertaining ads can be explained as follows:

- TV is the medium that offers the most entertaining ads because on one hand unlike all the other media selected in our research (except the Internet) TV offers multimedia (i.e. sound and image) to the public and because on the other hand the production quality of the ads broadcasted on TV is very high.
- Print Media and Billboards come next to TV due to three reasons: the high production quality of the ads published through those two media, the fact that consumers can see and review closely the ads published in Print Media at their ease, and the fact that when there is traffic jam (a situation that occurs very often in Lebanon) and people are stuck in the streets, there are few sources of entertainment available for them to pass the time and Billboards constitute one of those sources.
- Although the Internet provides multimedia, its ability to offer entertaining ads is considered to be less than that of TV, Print Media and Billboards. This is because the production quality of the ads posted on this medium is still very low as compared to the majority of the other advertising media available on the market as already explained previously in chapter III.
- Radio comes at the end due to the fact that unlike all the other media considered in this study; this medium lacks the visual element.

6.2.7 Variables influencing the reaction of consumers in Lebanon toward internet advertising

In order to identify the variables affecting the reaction of consumers in Lebanon toward Internet advertising, we decided to disclose the following:

6.2.7.1 Whether gender, university level, weekly Internet usage hours and Internet usage ability affect individually the frequency with which consumers in Lebanon read the advertising messages posted on the Internet.

6.2.7.2 Whether a relationship exists between the frequencies with which consumers in Lebanon have made purchases as a result of Internet advertising on one hand and between each of the four next mentioned variables on the other hand: gender, university level, weekly Internet usage hours and Internet usage ability.

6.2.7.1 Variables influencing the frequency with which consumers in Lebanon read the advertising messages posted on the internet

One-way ANOVA tests were used in order to test the variables influencing the frequency with which consumers in Lebanon read the advertising messages posted on the Internet ("Read"). The results of those tests are displayed in Table 6.30 It should be mentioned here that in order to measure the variable "Read", the respondents were asked to state their degree of agreement on a 7 point Semantic Differential scale, where 1 is strongly disagree and where 7 is strongly agree on the following statement: "I often read the advertising messages posted on the Internet."

As can be concluded from Table 6.30 presented hereafter "Gender", "Internet usage ability", and "Weekly Internet usage hours" affect the frequency with which consumers, in Lebanon read the advertising messages posted on the Internet (F-probability$<\alpha=0.05$ for those three variables). Only the variable "University Level" do not affect the frequency with which consumers in Lebanon read the advertising messages posted on the Internet (F-probability $0.373>\alpha=0.05$).

Table 6.30
One-Way ANOVA tests results

Independent variable	**Dependent variable**	**F-value**	**F- probability**	**Significance at 0.05 level**
Gender	Read	3.275	0.004	Yes
University level	Read	1.084	0.373	No
Weekly internet usage hours	Read	3.354	0.003	Yes
Internet usage ability	Read	4.516	0.000	Yes

6.2.7.2 Variables influencing the frequency with which consumers in Lebanon have already made purchases as a result of internet advertising

The final issue that we wanted to test in the context of this research was as mentioned previously whether a relationship exists between the frequency with which consumers in Lebanon have already made purchases as a result of Internet advertising one hand ("Purchase") and between each of the four following variables on the other hand: "Gender", "University level", "Weekly Internet usage hours" and "Internet usage ability". Cross tabulations and chi-square tests were run for this purpose; the results are displayed respectively hereafter.

6.2.7.2.1 Purchase-gender relationship

In order to find out whether gender affects the frequency with which consumers in Lebanon have made purchases that they would attribute to be as a direct result of Internet advertising a cross tabulation was first run between the two variables "Gender" and "Purchase". The results of this cross tabulation are presented in the Table 6.31 hereafter.

Table 6.31
Purchase-Gender Cross Tabulation (A)

Gender / **Purchase**	**Male**	**Female**	**Total**
Purchase through the Web	13	2	15
Purchase through trade Channels	23	14	37
Purchase through the Web & trade Channels	5	2	7
No purchase	69	102	171
Total	110	120	230

Since two cells in Table 6.31 contain observed frequencies less than 5 and since this situation does not allow us to conduct a chi-square test and thus to test whether a

significant relationship exists between "Gender" and "Purchase", we had to merge the first three rows in this table into one row thus ending up with two rows only:

- Row 1 encompassing the number of males and females in our sample who have already made purchases as a result of Internet advertising (through the Web, through traditional channels, as well as through the Web and traditional channels at the same time).
- Row 2 including the number of males and females in our sample who have not made yet any purchase as a result of Internet advertising.

As a result of these modifications, Table 6.31 was substituted by Table 6.32 where the results of the cross tabulation between the two variables "Purchase" and "Gender' after the modifications are displayed.

Table 6.32
Purchase-Gender Cross Tabulation (B)

Gender / Purchase	Male	Female	Total
Purchase through the web, through trade Channels, and through the web & trade Channels	41 (37.3%)	18 (15%)	59 (25.6%)
No purchase	69 (62.7%)	102 (85%)	171 (74.4%)
Total	110	120	230

A chi-square test that was conducted at that stage between the two variables "Purchase" and "Gender" and whose results are shown in Table 6.33 has revealed that there is a significant relationship between those two variables at the 0.05 significance level (Chi-Square calculated > Chi-Square tabulated).

Table 6.33
Purchase-Gender Chi-Square test results

Chi-Square calculated	**Chi-Square tabulated (DOF =1, α = 0.05)**	**Conclusion**
14.92	3.841	There is a significant relationship at the 0.05 level between "Gender" and "Purchase"

Concerning the direction of the relationship between "Gender' and "Purchase", it can be deduced from Table 6.32 that while (41/110) = 3 7.3 % of the males in our sample have already made purchases that they would attribute to be as a direct result of Internet advertising, only (18/120) =15% of the females have already made such purchases. Thus, it can be concluded that in Lebanon, males have already made purchases as a result of Internet advertising more than females.

6.2.7.2.2 Purchase-University level relationship

A cross tabulation was run between "University level" and "Purchase" in order to detect whether a relationship exists between those two variables and thus in order to find out whether university level affects the frequency with which consumers in Lebanon have made purchases that they would attribute to be as a direct result of Internet advertising . The results of this cross tabulation are shown in Table 6.34

Table 6.34
Purchase-University level Cross Tabulation (A)

Univ. level / Purchase	Undergraduate	Graduate	Total
Purchase through the Web	13	2	15
Purchase through trade Channels	32	5	37
Purchase through the Web & trade Channels	5	2	7
No purchase	132	39	171
Total	182	48	230

As can be noticed in Table 6.34 above, several cells have frequencies less than 5. Since this situation does not allow us to conduct a chi-square test and thus to test whether a significant relationship exists between "University level" and "Purchase", we merged the first three rows in Table 6.34 into one row thus ending up with two rows:

- Row 1 including the number of undergraduate and graduate students in our sample who, have already made purchases as a result of Internet advertising.
- Row 2 representing the number of undergraduate and graduate students in our sample who have not made yet any purchase as a result of Internet advertising.

Consequently, Table 6.34 was modified and it took a new form which is displayed under Table 6.35

Table 6.35
Purchase-University Level Cross Tabulation (B)

Univ. level / Purchase	Undergraduate	Graduate	Total
Purchase through the web, through trade Channels, and through the web and trade Channels	50 (27.5%)	9 (18.75%)	59 (25.6%)
No purchase	132 (72.5%)	39 (81.25%)	171 (74.4%)
Total	182	48	230

Now, in order to find out whether a significant relationship exists between "purchase" and "University level" as mentioned previously, we conducted a chi-square test. The results of this test, which are presented in Table 6.36 hereafter, show that such a relationship does not exist at the 0.05 significance level (Chi-Square calculated < Chi-Square tabulated).

Table 6.36
Purchase-University Level Chi-Square Test Results

Chi-Square calculated	**Chi-Square tabulated (DOF =1, α = 0.05)**	**Conclusion**
1.52	3.841	There is no significant relationship at the 0.05 level between "university level" and "Purchase"

6.2.7.2.3 Purchase-Weekly internet usage hours relationship

In order to find out whether the amount of time spent regularly on the Internet affects the frequency with which consumers in Lebanon have made purchases that they would attribute to be as a direct result of Internet advertising, we conducted first of all a

cross tabulation between the two variables "Purchase" and "Weekly Internet usage hours". The results of this cross tabulation are displayed in Table 6.37

Table 6.37
Purchase-Weekly internet usage hours Cross Tabulation (A)

Weekly internet usage hours / Purchase	Less than one hour	From 1 to 3 ½ hours	From 3 ½ To 7 hours	More than 7 hours	Total
Purchase through the Web	1	0	4	10	15
Purchase through trade channels	2	10	12	13	37
Purchase through the Web & trade channels	1	2	3	1	7
No purchase	28	67	41	35	171
Total	32	79	60	59	230

Since it was necessary to conduct a chi-square test between "Purchase" and "weekly Internet usage hours" in order to find out whether a significant relationship exists between those two variables, and since Table 6.31 included several cells with frequencies less than 5 (a situation not allowed while conducting chi-square tests), we had to do the following:

- Merge the first three rows in Table 6.37 into one row representing the number of respondents in our sample who have already made purchases as a result of Internet advertising.
- Merge the first two columns in Table 6.37, into one column encompassing the number of respondents who use the Internet less than 3 1/2hours per week.

As a result of those modifications, the cross tabulation between "Purchase" and "Weekly Internet usage hours" which was represented in Table 6.37 took a new form that can be reviewed in Table 6.38

Table 6.38
Purchase-Weekly internet usage hours Cross Tabulation (B)

Weekly internet usage hours / Purchase	Less than 3 ½ hours	From 3 ½ to 7 hours	More than 7 hours	Total
Purchase through the web, through trade channels, and through the web and trade Channels	16 (14.4%)	19 (31.7%)	24 (40.7%)	59 (25.6%)
No purchase	95 (85.6%)	41 (68.3%)	35 (59.3%)	171 (74.4%)
Total	111	60	59	230

Once the modifications were applied, it was possible at that stage to conduct the chi-square test already mentioned above between "Purchase" and "weekly Internet usage hours". As can be concluded from Table 6.39 below where the results of this test are shown, a significant relationship exists between those two variables at the 0.05 significance level (Chi-Square calculated>Chi- Square tabulated).

Table 6.39
Purchase-Weekly internet usage hours Chi-Square test results

Chi-Square calculated	Chi-Square tabulated (DOF =1, $\alpha = 0.05$)	Conclusion
15.46	5.991	There is a significant relationship at the 0.05 level between "weekly internet usage hours" and "Purchase"

Since as per Table 6.38 (16/111)=14.4% of those who use the Internet less than 3 ½ hours per week have already made purchases that they would attribute to be as a direct result of Internet advertising, while (19/60) = 31.7% of those who use the Internet between 3 ½ and 7 hours per week have made such purchases and (24/59) = 40.7% of those who use the Internet more than 7 hours per week have made such purchases, it can be concluded that the more consumers in Lebanon use the Internet the more is the tendency for them to make purchases as a direct result of Internet advertising.

6.2.7.2.4 Purchase-Internet usage ability relationship

In order to find out finally whether the ability to use the Internet affects the frequency with which consumers in Lebanon have made purchases that they would attribute to be as a direct result of Internet advertising in other words in order to find, out whether a relationship exists between the two variables "Internet usage ability" and "Purchase", a cross tabulation was run between those two variables. The results of this cross tabulation are shown in Table 6.40

Table 6.40
Purchase-Internet usage ability Cross Tabulation (A)

Internet usage ability / **Purchase**	**Novice internet user**	**Intermediate internet user**	**Advanced**	**Total**
Purchase through the Web	0	2	13	15
Purchase through trade channels	2	19	16	37
Purchase through the Web & trade channels	1	3	3	7
No purchase	16	121	34	171
Total	19	145	66	230

As can be noticed in Table 6.40 several cells have frequencies less than 5, thus we had to do the following:

- Merge the first two columns in Table 6.40 into one column representing the number of respondents in our sample who consider themselves novice or intermediate Interne users.
- Merge the first three rows in Table 6.40 into one row encompassing the number of respondents who have already made purchases as a result of Internet advertising.

Once those modifications were applied, the cross tabulation between the two variables "purchase" and "Internet usage ability" took the following form as illustrated in Table 6.41

Table 6.41
Purchase-Internet usage ability Cross Tabulation (B)

Internet usage ability / **Purchase**	**Novice and intermediate internet user**	**Advanced**	**Total**
Purchase through the web, through trade channels, and through the web & trade channels	27 (16.5%)	32 (48.5%)	59 (25.6%)
No purchase	137 (83.5%)	34 (51.5%)	171 (74.4%)
Total	164	66	230

A chi-square test conducted at that stage between "Purchase" and "Internet usage ability", and whose results are displayed in Table 6.42, has revealed that a significant relationship exists between those two variables at the 0.05 significance level (Chi-Square calculated >Chi-Square tabulated).

Table 6.42
Purchase-Internet usage ability Chi-Square test results

Chi-Square calculated	**Chi-Square tabulated (DOF =1, α = 0.05)**	**Conclusion**
25.3	3.841	There is a significant relationship at the 0.05 level between "internet usage ability" and "Purchase"

As far as the direction of the relationship, between "Purchase" and "Internet usage ability" is concerned, it must be mentioned that the higher the level of Internet usage ability of consumers in Lebanon the more those consumers are prone to make purchases as a direct result of Internet advertising. This was inferred from Table 6.41 where it can be noticed that while (27/164) = 16.5% of the novice and intermediate Internet users in our sample have already made purchases that they would attribute to be as a direct result of Internet advertising, (32/66) = 48.5% of the advanced Internet users have already made such purchases.

CHAPTER VII

INTERPRETATION AND CONCLUSION

First, a summary of the findings revealed in this research and an interpretation of these findings will be provided. Then, a list of inferences and recommendations that the advertisers community might get benefit from will be suggested. Finally, the limitations that this study presents will be identified.

7.1 Findings and interpretation

The main objective of executing this research was to examine and measure the attitudes and responses of students in Lebanon toward Internet advertising. The survey conducted through this project has revealed several facts in this context, on the positive as well as on the negative side.

The findings on the positive side are numerous and can be summarized and interpreted as follows:

- Consumers in Lebanon do not hold any negative attitudes towards Internet advertising. On the contrary, they significantly like Internet advertising and they think that it is significantly entertaining, attractive, interesting, informative, understandable, convincing and valuable. This might be attributed to the selectivity that the Internet medium provides. Since the advertising ads that consumers usually encounter while using the Internet promote products and services that reflect more or less their personal interests, those consumers are likely to hold a positive attitude toward Internet advertising.
- Internet advertising significantly increases the degree of awareness that consumers, in Lebanon hold toward the brands advertised. This is because each

ad posted on the Internet includes usually a link to the advertiser's Web site where the consumer can access plenty of information about the advertiser and about all the products that he/she offers.

- An appealing Internet ad significantly makes consumers in Lebanon like the brand it is promoting. This is probably because the Internet is still considered rather a new medium in Lebanon and because most of consumers who use it there are really excited about it and are impressed by all the information posted on it including ads.
- A significant portion (=25%) of consumers using the Internet in Lebanon has already made purchases as a direct result of Internet advertising. Such a reaction is considered natural and should be anticipated when the attitude of consumers in Lebanon toward. Internet advertising is in general positive as already mentioned above.
- More than one third (=37%) of the purchases that have been already made by consumers in Lebanon as a result of Internet advertising were accomplished through the Web. The fact that the Internet is a new medium and that people are in general excited to use all the services that it offers, may explain this finding.

On the negative side, the following findings were obtained:

- Consumers in Lebanon do not find Internet advertising significantly safe since anyone can have a Web site and can post ads on the Internet.
- They do not significantly agree on the statement suggesting that they often read the advertising messages posted on the Internet. This might be explained by the fact that using the Internet is still expensive in Lebanon, the thing that prevents a lot of persons in Lebanon from accessing the Internet as much as they want and thus prevents them from spending a lot of time on reading the advertising messages posted there.
- They do not think that Internet advertising increases their desire to buy the products advertised and this might be due to the low production quality of the ads published on the net.

In addition to the findings related to the attitude and reaction of consumers in Lebanon toward Internet advertising, several other findings were revealed through this

project. Those findings can be enumerated and explained as follows:

- Consumers in Lebanon significantly agree that the Internet is a convenient and reliable source of complete and up-to date product information. This is mainly due to the interactivity feature that the Internet offers to the public, to the considerable information capacity that this medium possesses and to the flexibility that it provides in updating the information posted on it. However, consumers in Lebanon hold a neutral attitude toward the statement suggesting that the Internet is a source of product information they use when they are deciding to buy something probably because most of the persons in Lebanon still rely primarily on their friends and relative's opinions and recommendations when they want to purchase something.

- Consumers in Lebanon consider that the ability of the Internet to supply them complete product information is significantly the highest as compared to the ability of other advertising media tools available on the market, the considerable information capacity that the Internet possesses can explain this finding. On the other hand, consumers in Lebanon perceive that while the product information that is provided through the Internet is not significantly less reliable than that provided through TV, the ads that are posted on the Internet are significantly less entertaining than those broadcasted on TV probably because of the low production quality with which they are executed.

- "Banners" is the Internet advertising form that catches the attention of consumers in Lebanon the most. This finding was expected because "Banners" is actually the type of advertising the most relied on the Internet and because banners have been evolving continuously from being static to becoming animated, interactive and lately transactional thus unlike the other forms of Internet advertising always presenting something new to appeal to consumers and to attract the public.

- Gender, weekly internet usage hours, and Internet usage ability affect the frequency with which consumers in Lebanon read the advertising messages posted on the Internet. Only the university level do not affect, what the research has indeed exactly revealed in this context is that the more consumers in Lebanon use the Internet, the more expert in usage the internet the more they read the advertising messages published on the Internet. This might be explained by the

fact that the more a person spends time on the Internet, the more this person will be an expert in Internet, the more this person is ready to afford the cost of using the Internet and/or the more he/she is likely to have time to spend on this medium; thus, the more he/she is willing to devote a bigger portion of time on reading the advertising messages posted on the net.

- A significant relationship exists between the frequencies with which consumers in Lebanon have already made purchases that they would attribute to be as a direct result of Internet advertising and between each of the three next mentioned variables gender, the amount of time spent regularly on the Internet and the Internet usage ability. In this context, the following three precise findings were detected.

- Males have made purchases as a result of Internet advertising more than females in Lebanon. This might be because in Lebanon females rely in general more than males on their friends' and relatives opinions rather than on advertising when they want to buy something.

- The more consumers in Lebanon use the Internet, the more they have already accomplished purchases as a result of Internet advertising. The explanation for this finding could be that the more a person spends time on the Internet, the higher the frequency with which he/she will be exposed to the advertising messages posted there and the more he/she is likely to be affected by those messages and to buy the products they are promoting.

- The higher the level of Internet usage ability of consumers in Lebanon, the more those consumers have already executed purchases as a result of Internet advertising. This may be attributed to the fact that the more a consumer is acquainted to use the Internet, the more he/she will be able to collect information directly through the Web about the product advertised on the net by visiting the Web site of the advertiser and by interacting with the advertiser for example, thus, the more he/she will be capable to make sure by him/herself that the product advertised on the net really suits him/her and the more he/she will be ready to buy this product as a direct result of Internet advertising.

7.2 Inferences and Recommendations

After that we have presented and interpreted the various findings that we were able to reveal through this research, we can infer that at that stage Internet advertising enables the advertisers to achieve several of the objectives that they usually strive to achieve (and which were explained in chapter II) specifically with respect to consumers living in Lebanon:

- In fact, at the cognitive stage, Internet advertising provides a lot of information to consumers in Lebanon about the products and brands advertised and it significantly increases the degree of awareness that they hold toward those products and brands.
- At the affective stage, an appealing Internet ad makes consumers in Lebanon like the brand it is advertising. Now, since consumers in Lebanon like Internet advertising and find it significantly entertaining, attractive, and interesting, there is a significant possibility that this will make them exhibit positive attitudes toward the brands promoted through this new type of advertising.
- At the behavior stage, Internet advertising has so far succeeded to incite a good portion (=25%) of consumers; using the Internet in Lebanon to buy the product it is promoting. However, Internet advertising should be able to convince a larger portion of those consumers to execute purchase transactions if it is to be considered as able to make the advertisers reach the ultimate objective that they usually seek: induce consumers to buy the products they are advertising.

The various findings and inferences identified through this study, and which were presented above, enable us to suggest several recommendations specifically to the advertisers whose target audiences are consumers living in Lebanon and using the Internet. Those recommendations are enumerated hereafter:

- Those advertisers should seriously recognize the importance of the Internet advertising medium as a valuable advertising carrier.
- They should use Internet advertising since this kind of advertising can help them attain several of their objectives.
- Among the three forms of Internet advertising that are the most used at that stage in the world, i.e. among commercial e-mails, content sponsorships and banners,

those advertisers should rely the most on "Banners", the Internet advertising form that catches the attention of consumers in Lebanon the most.

- The information that those advertisers provide through their Internet ads should be as true and safe as possible. Consequently, consumers in Lebanon will end up having significant positive attitudes toward Internet advertising as far as the safeness of this type of advertising are concerned and they might use the Internet more frequently when they are deciding to buy something.
- Those advertisers should assist the various parties trying to promote Internet usage more and more in Lebanon and attempting to improve Internet usage ability levels there. This is because the more time consumers in Lebanon use the Internet, the more they read the advertising messages posted on the Internet and the more they execute purchase transactions as a result of those messages. This is also because the higher the level of Internet usage ability of consumers in Lebanon, the more those consumers are prone to make purchases as a result of Internet advertising.

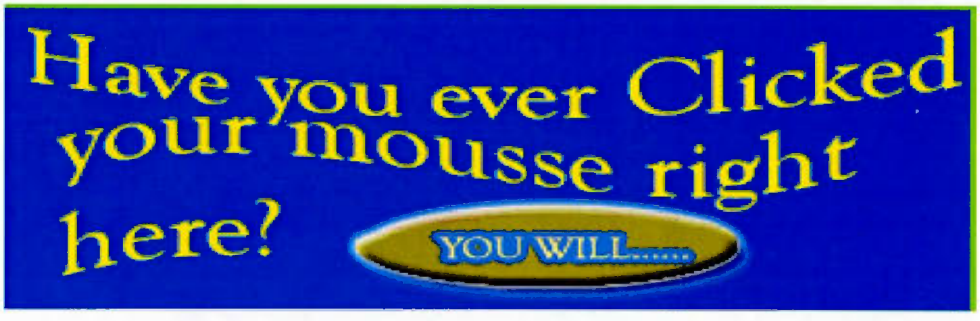
7.3 Limitations

Despite the valuable findings that we were able to obtain through our study, this research still presents one principal limitation. The results that we have attained through it cannot be generalized without caution since judgmental sampling was used to select the sample elements. Further studies, conducted on samples representing more precisely the Internet users' population in Lebanon are recommended, whenever reliable information concerning the distribution and the profile of the Internet users in Lebanon becomes available.

Nevertheless, we can end this project saying that the fact that the attitudes and response of university students in Lebanon are in general positive towards Internet advertising as found out through this research enables us to predict a prosperous future for Internet advertising in Lebanon. This is because several of those students are likely to take important positions in the future, to become the decision-makers at numerous companies and institutions and probably to make those companies and institutions use Internet advertising and rely on it more and more in their advertising campaigns in the time yet to come.

APPENDIX A

FIRST BANNER PUBLISHED ON THE WORLD WIDE WEB



APPENDIX B

QUESTIONNAIRE

Please check the category that best describes you and your Internet use.

1. Gender
   - O Male
   - O Female
2. University level
   - O Undergraduate level
   - O Graduate level
3. How many hours do you spend on the internet per Week?
   - O Less than one hour per Week
   - O From 1 to 31/2 hours per Week
   - O From 31/2 to 7 hours per week
   - O More than 7 hour per Week
4. How do you describe your ability to use the internet?
   - O Novice user: just learning how to use the internet
   - O Intermediate user: feels comfortable using the internet
   - O Advanced user: can use most or all internet services
5. Among the following three forms of internet advertising which form is the one that catches your attention the most?
   - O Commercial e-mails (that is messages received through e-mail containing advertisements and promoting specific products)

- O Banners (or the small graphics and images appearing on a web page and advertising a specific product with a link to its site)
- O Content sponsorships (which take place when a specific advertiser sponsors the content of another company's web site)

6. Have you ever made any purchase of a good or service that you would attribute to be as a direct result of internet advertising?
   - O Yes, and the purchase was made through the web
   - O Yes and the purchase were made through traditional channels (stores, supermarkets…)
   - O Yes, and such purchases were made through the web as well as through traditional channels
   - O No

7. Listed below are different statements about internet advertising and about the internet advertising medium. Please indicate how strongly you agree or disagree with each statement by writing the number that corresponds to your opinion prior to each statement:

S1: I like internet advertising.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S2: I often read the advertising messages posted on the internet.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S3: Internet advertising increases the degree of awareness that I hold toward the brands advertised.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S4: Internet advertising increases my desire to buy the product advertised.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S5: When I like a brand I like the internet ads that promote it.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S6: When I dislike a brand I dislike the internet ads that promote it.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S7: An appealing internet ad makes me like the brand it is advertised.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S8: An appealing internet ad makes me dislike the brand it is advertised.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S9: The internet is a convenient source of product information.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S10: The internet is a reliable source of product information.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S11: The internet is a source of up-to-date product information.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S12: The internet supplies complete product information.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

S13: The internet is a source of product information that I use when I am deciding to buy something.

1	2	3	4	5	6	7
Strongly Disagree						Strongly Agree

8. Please mark (X) on the blank the number that best indicates how accurately each scale describes your evaluation of internet advertising. Internet advertising is:

Entertaining	___:___:___:___:___:___:___ (1 2 3 4 5 6 7)	Not entertaining
Attractive	___:___:___:___:___:___:___ (1 2 3 4 5 6 7)	Unattractive
Interesting	___:___:___:___:___:___:___ (1 2 3 4 5 6 7)	Not interesting
Informative	___:___:___:___:___:___:___ (1 2 3 4 5 6 7)	Uninformative

Understandable	___:___:___:___:___:___:___	Confusing
	1 2 3 4 5 6 7	
Convincing	___:___:___:___:___:___:___	Unconvincing
	1 2 3 4 5 6 7	
Safe	___:___:___:___:___:___:___	Dangerous
	1 2 3 4 5 6 7	
Valuable	___:___:___:___:___:___:___	Worthless
	1 2 3 4 5 6 7	

9. rank the following advertising media from 1 to 5 according to their ability to supply you complete product information (assign 1 to the medium that supplies you the most complete product information and 5 to the medium that supplies you the least complete product information; make sure to assign each grade from 1 to 5 only once):

__ Print media (Magazines and Newspapers)
__ Internet
__ Radio
__ Television
__ Billboards

10. Rank the following advertising media from 1 to 5 according to their ability to offer you entertaining ads (assign 1 to the medium that offers you the most entertaining ads and 5 to the medium that offers you the least entertaining ads; make sure to assign each grade from 1 to 5 only once):

__ Print media (Magazines and Newspapers)
__ Internet
__ Radio
__ Television
__ Billboards

11. Rank the following advertising media from 1 to 5 according to the reliability of the product information that they usually provide you with (assign 1 to the medium that provides you with the most reliable product information and 5 to the medium that provides you the least reliable product information; make sure to assign each grade from 1 to 5 only once):

__ Print media (Magazines and Newspapers)
__ Internet
__ Radio
__ Television
__ Billboards

Thank you

APPENDIX C

CODING OF THE QUESTIONNAIRE

Quest #	Variable Label	Value Label	Value
1	Gender	Male	1
		Female	2
2	Unilevel	Undergraduate	1
		Graduate	2
3	Hourweek	Less than one hour	1
		From 1 to 3 1/2 hours	2
		From 3 1/2 to 7 hours	3
		More than 7 hours	4
4	Ability	Novice User	1
		Intermediate User	2
		Advanced User	3
5	Form	Commercial E-mails	1
		Banners	2
		Content Sponsorships	3
6	Purchase	Yes, through the Web	1
		Yes, through Trad. Channels	2
		Yes, through the Web & Trad. Channels	
		No	

7	S1: Like	Strongly disagree /2 /3 /4 /5 /6 / Strongly agree	1/2/3 /4/5/6/7
	S2: Read	…	…
	S3: Iawarene	…	…
	S4: Indesire	…	…
	S5: Brandlik	…	…
	S6: Bradisli	…	…
	S7: Aadlikeb	…	…
	S8: Aaddilib	…	…
	S9: Convenie	…	…
	S10: Reliable	…	…
	S11: Uptodate	…	…
	S12: Complete	…	…
	S13: Iuse	…	…
8	Entertaining	Entertaining/ 2/ 3/ 4/ 5/ 6/ Not entertaining	1/2/3/ 4/5/6/7
	Attractive	Attractive/ 2/ 3/ 4/ 5/ 6/ Unattractive	…
	Interesting	Interesting/ 2/ 3/ 4/ 5/ 6/ Not interesting	…
	Informative	Informative/ 2/ 3/ 4/ 5/ 6/ Uninformative	…
	Understandable	Understandable/ 2/ 3/ 4/ 5/ 6/ Confusing	…
	Convincing	Convincing/ 2/ 3/ 4/ 5/ 6/ Unconvincing	…
	Safe	Safe/ 2/ 3/ 4/ 5/ 6/ Dangerous	…
	Valuable	Valuable/ 2/ 3/ 4/ 5/ 6/ Worthless	…
9	ComPrint	First in supplying complete p. inf./ Second in supplying complete p. inf./ Third in supplying complete p. inf./ Fourth in supplying complete p. inf./ fifth in supplying complete p. inf./	1/ 2/ 3/ 4/ 5
	ComNet	…	…
	ComRadio	…	…
	ComTV	…	…

	ComBill	First in supplying complete p. inf./ Second in supplying complete p. inf./ Third in supplying complete p. inf./ Fourth in supplying complete p. inf./ fifth in supplying complete p. inf./	1/ 2/ 3/ 4/ 5
10	EntPrint	First in offering ent. Ads/ Second in offering ent. Ads/ Third in offering ent. Ads/ Fourth in offering ent. Ads/ Fifth in offering ent. Ads	1/ 2/ 3/ 4/ 5
	EntNet	…	…
	EntRadio	…	…
	EntTV	…	…
	EntBill	…	…
11	RelPrint	First in Providing reliable p. inf./ Second in Providing reliable p. inf./ Third in Providing reliable p. inf./ Fourth in Providing reliable p. inf./ Fifth in Providing reliable p. inf.	1/ 2/ 3/ 4/ 5
	RelNet	…	…
	RelRadio	…	…
	RelTV	…	…
	RelBill	…	…

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