USERS' ATTITUDE TOWARDS SKIPPABLE ADS ON YOUTUBE TRUEVIEW IN-STREAM – AN EMPIRICAL STUDY AMONG COLLEGE STUDENTS IN BANDUNG

Tejo Sandi Saputra and Ira Fachira
School of Business and Management
Institut Teknologi Bandung, Indonesia
tejo.sandi@sbm-itb.ac.id

Abstract - This study focuses on how young people respond to the YouTube TrueView in-stream as well as the factors that influence. Here, the ad will appear before the original video is playing and has an option "skip" on the ad that will be available after the first 5 seconds. Questionnaire containing demographic, YouTube users' habits, and by adapting the theory of Brackett & Carr (2001) which states that the buyer's attitude toward an ad is influenced by entertainment, informativeness, irritation, credibility and relevant demography, coupled with questions about their attitudes and their reason. The questionnaire was filled in by 150 respondents, undergraduate students of Institut Teknologi Bandung and Universitas Padjadjaran, aged 17-22 years old who have ever visited YouTube. Then the data were analyzed using IBM SPSS 19 for Windows through descriptive analysis, reliability, validity, cross tabulations, multiple regressions, multicollinearity test, autocorrelation test, and normality test. Data showed that there is an influence of the ad entertainment, ad irritation, and ad credibility in the buyer's attitude towards YouTube TrueView in-stream. Ad entertainment has constants bigger than the other two factors. Ad entertainment and ad credibility has a positive relationship, while the ad irritation has a negative relationship. Ad informativeness and relevant demography has no influence on a undergraduate student's decision to skip the ad or not. From all these findings obtained that students always or frequently pass through an ads that appear, this attitude can be interpreted negatively because it does not fit the expectations and goals of the advertiser.

Keywords: marketing, consumers' attitude, advertising, YouTube TrueView

Introduction

The 21th century can be regarded as an Information Age, where the social media has become a trend of people's lifestyles. It has attracted the marketer's attention in several industrial companies to be able to communicate directly with the channel of distributions, retailers, and their consumer through social media. They are using social media as their advertising medium because of the internet promises a lot of positive things in terms of advertising, such as accessibility, coverage, innovative ways, efficiency, effectiveness and serve as a medium of communication between marketers with consumers.

Now, one of the newest forms of Internet advertising is advertising on YouTube which has gained a lot of attention recently, YouTube TrueView. TrueView, launched in 2010, is a medium for marketers to advertise their products, services, ideas in the form of a short video that is unique and creative. This ad will appear on the official website YouTube in three types: In Search Results, Beside Videos, and Before Videos. Another advantage is marketers only need to pay on if each one YouTube user click and watch the video ads. Thus, the marketers will not waste money needlessly.

Now in 2014, YouTube offers numerous types of videos including advertising videos, skippable and non-skippable. Focusing on skippable ads, YouTube can not guarantee that the user will act positively towards the ad, which is by watching it till the end without skip the ads. Users are entitled to act negatively, i.e. skip the ad, because the user has complete control towards skippable ads. This

study was focused on skippable ad videos, to identify consumers' attitude, is it positive or negative, towards YouTube TrueView in-stream ads, plus to explore what factors would most likely to affect consumers to skip the ads on YouTube TrueView in-stream.

Theoretical Foundations

Consumer Attitude

Fishbein (1967) defined an attitude as "a learned predisposition of human beings". Kotler (2000) stated that "an attitude is a person's enduring favorable or unfavorable evaluations, emotional feelings, and action tendencies toward some object or idea". Sangeeta Sahney quotes Schiffman has defined, "Attitudes are an expression of inner feelings that reflect whether a person is favorably or unfavorably predisposed to some "object" (e.g., a brand, a service, or a retail establishment)". Similarly, (Solomon, 2009), an attitude in marketing terms is defined as a general evaluation of a product or service formed over time. Dr. Lars Perner (2010) defines consumer attitude simply as a composite of a consumer's beliefs, feelings, and behavioral intentions toward some object within the context of marketing.

To analyze it, Brackett and Carr (2001) Brackett and Carr (2001) modified several attitude models of Internet advertising and developed an integrated Web advertising attitude model. This new model is based on the premise that the perceived entertainment, informativeness, irritation, and credibility of an advertisement affect consumers evaluate the way it is. Besides these four variables, the model also includes relevant demographic variables.
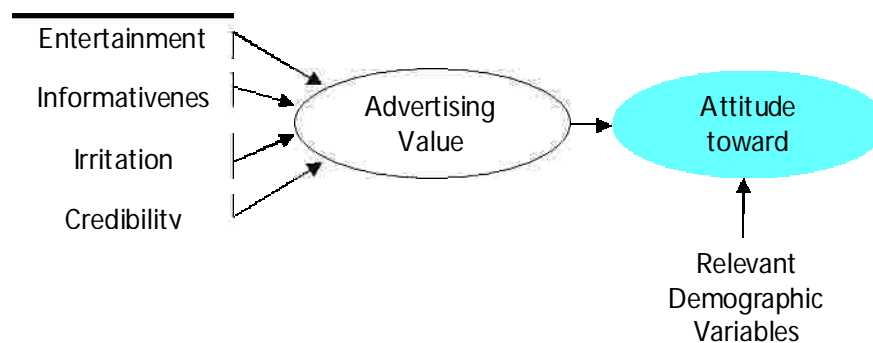

Figure 1 Consumers Attitude towards YouTube Advertising Model
(Adapted from Bracket and Carr, 2001)

ü Entertainment
McQuail (in Ducoffe, 1996, p. 23) define entertainment as "the ability to fulfill an audience's needs for escapism, diversion, aesthetic enjoyment, or emotional enjoyment". Audience's feeling of enjoyment associated with the ad play the greatest role in accounting for their overall attitudes toward the ad (Shavitt, Lowrey and Haefner, 1998). Therefore researcher concludes that an entertaining advertising message will affects the advertising value in a positive direction, which consequently affects the attitude, in this research is reducing the rate of clicking the "skip" option on YouTube ads.

ü Informativeness
Informativeness can be defined as "the ability of advertising to inform consumers of product alternatives so that purchases yielding the greatest possible satisfaction can be made" (Ducoffe, 1996, p. 22). Information delivered to the consumers needs to show qualitative features such as accuracy, timeliness, and usefulness for the consumer (Siau and Shen, 2003). Informativeness is strongly related to the advertising value in positive direction, which is reducing the rate of clicking the "skip" option on YouTube ads.

ü Irritation

ü Ducoffe (1996, p. 23) define irritation as "when advertising employs tactics that annoy, offend, insult, or are overly manipulative". How do consumers feel when being addressed by ads has a very great influence on consumers' attitude toward the ad. Another possible annoyance is unwanted messages, commonly known as spam (Dickinger et al., 2004). Researcher concludes that irritation will negatively affect the advertising value. In this research, it will increase the rate of clicking the "skip" option on YouTube ads.

ü Credibility

Ad credibility can be defined as the extent to which the consumer perceives claims made about the brand in the ad to be truthful and believable, and perceive the source to have knowledge and skills, and to give truthful and unbiased information (MacKenzie& Lutz, 1989; Ohanian, 1990). Credibility of an ad can be influenced by several factors, especially company's credibility (Goldsmith et al., 2002). But it also influenced by the advertising medium. Researcher concludes that the credibility of advertising will affect the consumers' attitude positively, which is reducing the rate of clicking the "skip" will option on YouTube ads.

ü Relevant Demographic

Besides the above-mentioned influencing factors that are mainly related to the ads, researcher also assumes that demographic variables also can affect consumers' attitude towards YouTube ads, which are age, gender, and education.

Advertising

Kotler (2003), state that advertising is "any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor". The purpose of advertising is to persuade the receiver or consumer to take either immediate action or action further down in the future (Richards & Curran, 2002). So, advertising is a promotional tool that is included in the marketing mix, where information about products and services is transmitted to a target audience through interactive mass media such as television, print media, radio, or through the Internet. It is usually paid by the sponsor with the aim to inform, influence, persuade and attract the target audience towards the particular brand of product or service, and can increase sales and profit for the sponsor.

Ducoffe (1996) describe that advertising messages refer to communication exchanges between advertisers and consumers. Here the communication model between the advertisers and the consumers by Kotler & Keller (2006):
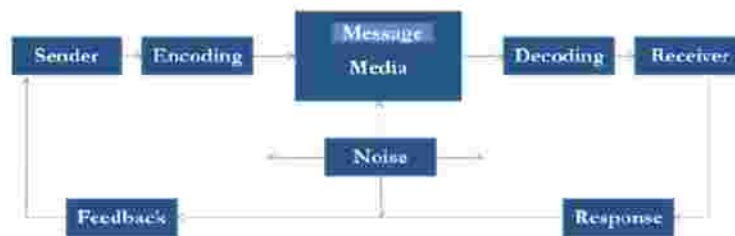

Figure 2 Communication Model
(Adopted from Kotler & Keller, 2006)

Descriptions:
ü Sender : The party sending the message (company, organizations)
ü Encoding   : The process of putting thought into symbolic form
ü Message   : The set of symbols that the sender transmits (the ad)
ü Media : The communication channels through which the message moves from the sender to the receiver (radio, television, internet, newspaper, etc.)
ü Decoding   : The process by which the receiver assigns meaning to the symbols encoded by the sender

ü Receiver   : The party receiving the message (consumer)
ü Response : The reactions of the receiver after being exposed by the message
ü Feedback : The receiver's response communicated back to the sender
ü Noise : The unplanned static or distortion during the communication process

Internet Advertising

Internet Advertising uses the Internet to deliver the promotional marketing messages to consumers; it also called as Online Advertising. It can be search engine, social media, email, display marketing, and mobile advertising (Wikipedia, 2014).

Internet advertising has advantages and limitations. For the advantages, internet advertising has advantages in high selectivity, low cost, immediacy, interactive capabilities. As for the limitations, potential internet advertising has only a low impact, coupled with the fact that the audience controls the exposure.

Internet is already established as one of the most important communication channels for global commerce (Thomas, 1998). However, Novak and Hoffman (1996) empirical evidence shows that the way how consumers respond to ads in the Internet the same way they respond to the ads in the traditional media. Similarly, Drèze and Hussherr (1999) found response to the advertising on the internet to be similar to response to advertising in other media, except that advertising on the internet appeared to be easier to ignore.

Indonesian Consumers Online Behavior

According to recent data obtained from the site Finance Seconds, 2014, Indonesia's population reached more than 238 million people. Badan Pusat Statistik Indonesia predicts this number will grow to more than 255 million people in 2015. Here is the result of the latest survey of market research company MarkPlus Insight and online magazine Marketeers about netizens' behavior in Indonesia (Lukman, 2013):

ü In 2013, Indonesia has 74.6 million internet users; a 22% increase from last year's 61.1 million. Predicted that number will pass 100 million in 2015.

ü Indonesia now has 31.7 million of netizen who spends at least three hours online per day this year, an increase from 24.2 million people last year.

ü In Indonesia, only 20% of netizens who shop online, most of these shoppers are female, just a 5% increase compared to last year. This can be caused by the following reasons:

ü The three most popular items bought by these netizens are pretty obvious: clothing (67.1%), shoes (20.2%), and bags (20.0%). 14% of these netizens spend an average of IDR 200,000 ($20) for online shopping in the last one year.

ü Netizens prefer to conduct their online shopping activities on messenger groups, such as BBM groups (27.0%), online forum or classifieds sites like Kaskus and OLX (26.6%), and social media (26.4%) rather than on conventional online shopping sites (20.0%). It is because they are more trusted, easy to access, simple, and sometimes they know the seller personally.

ü Price is still the biggest factor that drives online shopping decisions.

ü Payment methods: bank transfers account for 80.7 % of all transactions. Second and third places go to cash-on-delivery (27.1%) and credit cards (2.5%).

ü The most searched information on the net: news (54.2%), entertainment (16.3%), film (10.2%), sports (8.7%), and music (8.5%). Political news (7.4%), soap operas (6.0%), celebrity news (5.5%), gossip (5.2%), and educational material (5.0%).

ü Top brands among Indonesia's netizens: Online media: Detik, Kompas, and Yahoo. Online shops: OLX, Kaskus, and Facebook. Internet banking: KlikBCA, Mandiri, and BRI.

Methodology

Researcher develops a research framework in order to obtain information needed in solving the research problem. The research process diagram will be shown in the next figure.
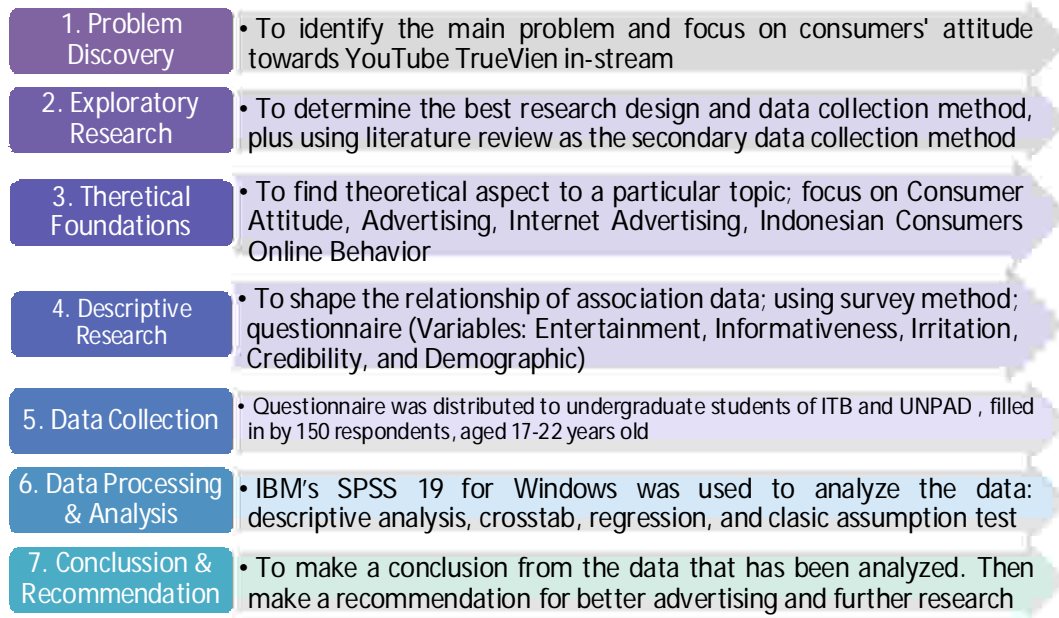
1. Problem Discovery	• To identify the main problem and focus on consumers' attitude towards YouTube TrueVien in-stream
2. Exploratory Research	• To determine the best research design and data collection method, plus using literature review as the secondary data collection method
3. Theretical Foundations	• To find theoretical aspect to a particular topic; focus on Consumer Attitude, Advertising, Internet Advertising, Indonesian Consumers Online Behavior
4. Descriptive Research	• To shape the relationship of association data; using survey method; questionnaire (Variables: Entertainment, Informativeness, Irritation, Credibility, and Demographic)
5. Data Collection	• Questionnaire was distributed to undergraduate students of ITB and UNPAD , filled in by 150 respondents, aged 17-22 years old
6. Data Processing & Analysis	• IBM's SPSS 19 for Windows was used to analyze the data: descriptive analysis, crosstab, regression, and clasic assumption test
7. Conclussion & Recommendation	• To make a conclusion from the data that has been analyzed. Then make a recommendation for better advertising and further research

Figure 3 Research Diagram Process

Data Analysis

The results of reliability analysis showed that the model used is reliable, because it meets the value of criteria of Nunnally (1967) that is equal to 77,3%, greater than 60%.

Table 1 Reliability Test
Overall Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.773	.771	12

In addition, the results of validity test by using bivariate correlation between each indicator scores for a total score of constructs showed that each indicator has been categorized as a valid question, because of the total score of the construct (Total) showed significant results.

Table 2 Bivariate Correlation
Correlations

		ENT	INF	IRR	CRE	TOTAL
ENT	Pearson Correlation	1	.507**	.013	.464**	.764**
	Sig. (2-tailed)		0	.876	0	0
	N	150	150	150	150	150
INF	Pearson Correlation	.507**	1	.022	.466**	.737**
	Sig. (2-tailed)	0		.794	0	0
	N	150	150	150	150	150

IRR	Pearson Correlation	.013	.022	1	-.071	.464**
	Sig. (2-tailed)	.876	.794		.391	0
	N	150	150	150	150	150

Correlations

CRE	Pearson Correlation	.464**	.466**	-0.071	1	.618**
	Sig. (2-tailed)	0	0	0.391		0
	N	150	150	150	150	150
TOTAL	Pearson Correlation	.764**	.737**	.464**	.618**	1
	Sig. (2-tailed)	0	0	0	0	
	N	150	150	150	150	150

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

ENT=Entertainment, INF=Informativeness, IRR=Irritation, CRE=Credibility

The variable of entertainment, informativeness, irritation, and credibility can explain the variable of rate of clicking "skip" by 27.4%, while the rest (100% -27.4% = 72.6%) is explained by other causes outside the model.

Table 3 Coefficient of Determination

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.542(a)	.294	.274	.481

a. Predictors: (Constant), Credibility, Irritation, Entertainment, Informativeness

Regression analysis result that the informativeness variable is not significant. It can be seen from the probability of significance for the Informativeness is 0.992 (above the 0.05). While other variable such as can be said to be significant because it has a value below the 0.05.

Table 4 Individual Parameter Significance Test (t-test)

Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.184	0.22		5.372	0
	ENT	0.044	0.011	0.337	3.976	0
	INF	0	0.013	-0.001	-0.01	0.992
	IRR	-0.037	0.009	-0.3	-4.276	0
	CRE	0.037	0.018	0.175	2.107	0.037

a. Dependent Variable: Click SKIP or not?

ENT=Entertainment, INF=Informativeness, IRR=Irritation, CRE=Credibility

Here is the mathematical equation from the multiple regression analysis above:

$$SKIP = 1.184 + 0.044\ ENT - 0.037\ IRR + 0.037\ CRE$$

Constants (bo) of 1184 states that if the independent variables are considered constant, then the average of clicking SKIP is equal to 1,184. The regression coefficient of Entertainment and Credibility worth +0044 (positive) and +0037 (positive) respectively, indicating that any increase in the value of factor will positively impact to the advertisement, reducing the rate of clicking SKIP.

The regression coefficient of Irritation valued of -0037 (negative), indicating that the increase in the value of factor will impact negatively to the advertisement, in this case the rate of clicking SKIP opportunities will increase.

In addition, there is no multicollinearity among the independent variables in the regression model. Because of the results of the tolerance value are bigger than 0.10, meaning there is no correlation between the independent variable. The results of the calculation of Variance Inflation Factor (VIF) also showed that the same thing, no single independent variable has a VIF value of more than 10.

Table 5 Multicollinearity Test

Coefficients (a)								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.184	0.22		5.372	0		
	ENT	0.044	0.011	0.337	3.976	0	0.676	1.479
	INF	0	0.013	-0.001	-0.01	0.992	0.674	1.483
	IRR	-0.037	0.009	-0.3	-4.276	0	0.99	1.01
	CRE	0.037	0.018	0.175	2.107	0.037	0.707	1.415

a. Dependent Variable: Click SKIP or not?

ENT=Entertainment, INF=Informativeness, IRR=Irritation, CRE=Credibility

Therefore, the value of the DW is worth 1,825 and greater than the upper limit (du) which is 1.79 (5%, n=150, k=4) and less than 4 - 1.76 (4 - du), it can be concluded that there is no autocorrelation in this regression model.

Table 6 Autocorrelation Test

Model Summary (b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.542 (a)	0.294	0.274	0.481	1.825

a. Predictors: (Constant), Credibility, Irritation, Entertainment, Informativeness

b. Dependent Variable: Click SKIP or not?

Based on the chart of normal p-p plot below, it can be seen that most of the data spread around the diagonal line, and follow the direction of the diagonal line. It can be concluded that the regression model has met the assumption of normality.
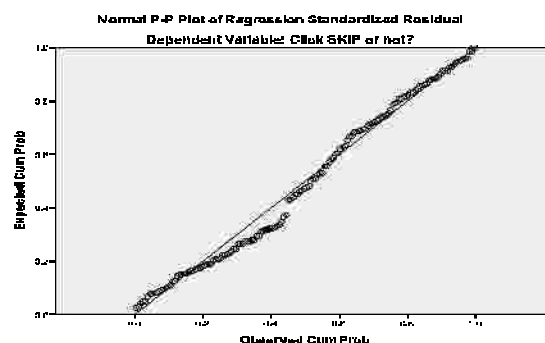

Figure 4 Normality P-P Plot

Crosstab analysis - Both factor Gender, Age and University, Chi-square results showed a value of 5.938, 15.622, and 0.490 respectively with significance probability 0.051, 0.111, and 0.783 respectively, all three have a value above 0.05. It can be concluded that there is no relationship or association between the consumers' decision to skip the ad and the consumers' gender, age and university.

Table 7 Crosstab Analysis Chi-Square

	Chi-Square Tests Gender			Chi-Square Tests Age			Chi-Square Tests University		
	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.938(a)	2	0.051	15.622(a)	10	0.111	.490(a)	2	0.783
Likelihood Ratio	5.966	2	0.051	14.675	10	0.144	0.491	2	0.782
Linear-by-Linear Association	5.764	1	0.016	2.428	1	0.119	0.359	1	0.549
N of Valid Cases	150			150			150		

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 2.07.

a. 10 cells (55.6%) have expected count less than 5. The minimum expected count is .17.

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 2.33.
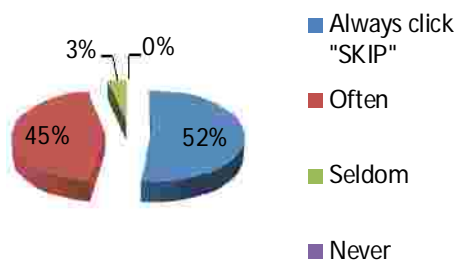

Figure 5 Frequency Clicking "SKIP"

Figure 6 Reason To Skip

The data obtained that the majority of respondents replied that they would always skip the ads that appear on YouTube. From these data it can be concluded that the respondents tend to prefer to skip ads on YouTube than watching it.
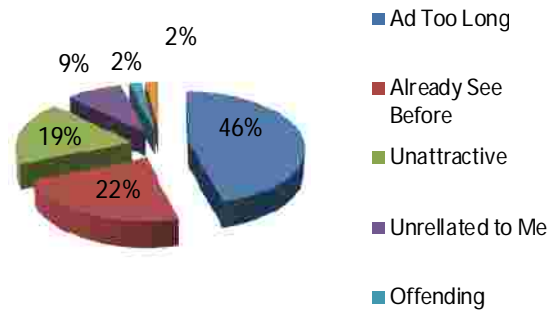
The top position is occupied by reason "Ad Too Long" with the percentage of 46%. 22.7% of respondents gave the reason "Already See Before" as the reason why they skip ads on YouTube. Some of these reasons can be categorized into factors outside the model, which is not explained by the regression model.

Conclusion and Recommendation

Conclusion

College students have a negative attitude towards skippable pre-roll ads that are on YouTube. They always or more often click skip ad that appears before the video plays. This statement is supported by the results of data analysis showed that 145 of the 150 respondents are likely or will always skip the ads. This fact indicates that advertisers' efforts to attract the young user such as college students, promote their products or services through an ads on YouTube TrueView in-stream has low effectiveness, because the message that should be conveyed properly, it was not implemented because the message is ignored. This attitude was influenced by ad entertainment, ad irritation, and ad credibility, although all three have little effect, plus personal reasons of college students.

Recommendation

Recommendations for advertiser:

1. Focus on the first 5 seconds: option "skip" on the pre-roll ads will be available after the first 5 seconds, so the user can not skip the ads in the first 5 seconds, this 5 seconds is an opportunity for advertisers to promote the essence of the message, after 5 seconds, all belongs to users.
2. If an advertisers want to target advertising to college students, it would be better if these ads can set the time of its appearance, researcher recommends bringing it up at night, or between 18:01-00:00. This time period can be said as a peak hours for college students to go to YouTube. So the more likely the ad can be seen and heard by college students. But be careful, because of the peak hours, then it is definitely a lot of other ads also will appear, if the ad appear after a few other ads appear, the ad may be considered as a spam. Researchers suggest, if advertisers have more budgets, why not try to make the ads on YouTube TrueView priority, if this facility is held.
3. College students love music and something to entertain them, so why not make an ad with easy listening music or the current trends in the music charts, as well as create a scene that is on the ad is entertaining, could of actor / actress, view, etc.
4. Do not expects that college students will take the initiative to go to the official website of the company without something worthwhile, because many college students who tend to be passive. So, make a clear and attractive advertisements, without having to go to the official website, the audience already understands what they need to know.

Recommendations for further research:

1. The number of Internet users is still largely dominated by the young generation, especially in those who are high school students. By analyzing how their attitudes towards the ads, then the research can add to and complement previous studies.
2. It would be better if add and analyze consumers' mood and situation as the influence factors, because clearly seen that what they are feeling as they watch an ad, regardless of the factors of the ad, will influence their decision.
3. If in the future is going to analyze the attitudes of college students, then it would be better if the analysis was based by their major. Because the major difference may affect the college student's interests and needs towards the YouTube.

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