How does search advertisement position influence reader's awareness, consideration and willingness to pay?

Bachelor Thesis for Obtaining the Degree

Bachelor of Science (BSc) in

International Management

Submitted to Mr. Daniel Leung

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Affidavit

I hereby affirm that this Bachelor's Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed.

The thesis was not submitted in the same or in a substantially similar version, not even partially, to another examination board and was not published elsewhere.

22. 5. 2017

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Abstract

Search engine marketing, and particularly search advertisement placement, has been gradually becoming a mainstream electronic marketing strategy for local, national and international companies to promote their brands and offerings. Since studies on search engine marketing are limited albeit the indisputable significance of this strategy, the objective of this study is to investigate the influence of search advertisement position on readers' awareness, consideration and willingness to pay. A survey was conducted with 126 participants, and search advertisement position was altered in different conditions as the manipulated variable in two scenarios, with a tangible and an intangible good.

Although repetition of search engine advertisements did not prove conclusively to have a significant effect on the above mentioned factors, some highly significant results concerning the impact of positioning on consumers' likeliness to choose the tangible good and awareness of the intangible good were gained form the research indicating that the bottom search engine advertisement position is more effective than the top one. Additionally, despite being weakly significant, some of the findings on the impact of positioning on awareness and consideration of the intangible good could also be considered relevant as they also seem to confirm the conclusion that the recency effect is higher than the primacy effect.

The study findings are expected to benefit marketers by demonstrating the variant efficacy of search advertisement in influencing consumer consideration as well as behavior according to its position. Furthermore, the result may provide search engines such as Google, Yahoo or Aol with hints for devising an appropriate pricing scheme for placing search advertisements at different positions on their portals.

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List of Abbreviations

Search Engine Marketing (SEM)

Search Engine Optimization (SEO)

Search Engine Results Page (SERP)

Pay Per Click (PPC)

Pay Per Lead (PPL)

Pay Per Sale (PPS)

Pay for Performance (PFP)

Willingness to Pay (WTP)

Click-through rate (CTR)

Return on Investment (ROI)

Advertisement (AD)

Search Engine Advertisement (SEA)

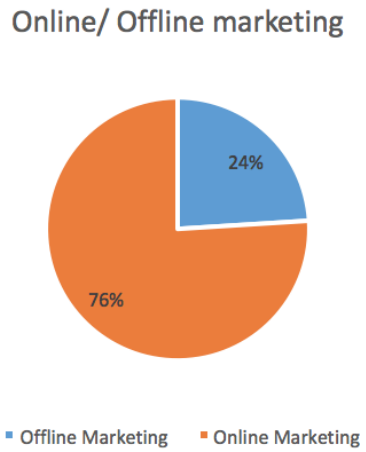
Search Engine (SE)

1 Introduction

Over the last few years, the importance of the Internet as a platform for business transactions has grown dramatically. An ever-increasing number of people around the globe use the online market for business undertakings (eMarketer, 2015a). The number of digital buyers worldwide in 2014 amounted to 1.32 billion and the forecast is for an increase of up to 2.07 billion in 2019 (Statista, 2017a). In the United States (US) alone, the number of online shoppers soared from 198.2 million in 2014 to 211.1 million in 2016 (Statista, 2017b). Although approximately 65% of the US population are now digital buyers, Statista (2017b) forecasts state that the number is expected to reach 224 million in 2019.

The digital environment is not only a continuously expanding market but it also provides businesses with sophisticated opportunities to improve their operations by responding more precisely to consumers' requirements (Boughton, 2005). Through various online marketing strategies and tools (e.g., email marketing and social media marketing) which have been continuously improved over the last years, businesses are now able to focus on one preferred target group, understand their needs and expectations and, subsequently, provide personalized offers in order to satisfy these needs (Boughton, 2005). Besides having a higher level of efficacy in targeting and satisfying customers' needs, online marketing is proven to be more cost effective than traditional mass marketing. According to a survey with 200 US retail marketing executives conducted in 2016 (see Figure 1), over 75% of participating executives agree that digital channels gave better return-on-investment (ROI) than the offline channels did (Allen, 2016). Enterprises are aware of the benefits of the digital marketing approach and the opportunities that come with targeting. This is what makes the online market so attractive for business transactions and the reason why expenditure on online advertising has increased so dramatically over the last years (eMarketer, 2016).

Figure 1: ROI for marketers who use Online or Offline Marketing Channels (Allen, 2016)



Among all types of online marketing strategies, search engine marketing (SEM) is one of the fastest growing sectors in the online market (Brooks, 2004). When it comes so SEM, one has to distinguish between organic search results and paid search results. The positions of organic search results cannot be manipulated since they are determined by a set of predetermined algorithms. According to Boughton (2005), "Google is very secretive about its formula, but it reportedly ranks Web sites based on meta tags (keywords related to a given Web page), outgoing links, and links from other sites" (p. 30). When it comes to the paid search results, the positioning depends on three factors. The first one is the money an advertiser pays on a daily basis. The second one is the set of keywords or phrases the advertiser has included in their keyword list, and the third one is the condition the website of the advertiser is in (Boughton, 2005). Harnessing SEM, businesses are flexible to choose different approaches when targeting customers, which allows all kinds of enterprises to accomplish their goals (Boughton, 2005). The third reason why an abundant number of companies are interested in SEM is because the advertising costs would be imposed only if users click on the paid advertisements (ads) (Boughton, 2005).

Since SEM has long been proven as highly efficient and it has a great potential of expanding even further, the competition between companies for the top positions in the results page is becoming unprecedentedly high (Boughton, 2005). In order to attain the highest efficacy of search advertisement, many aspects have to be considered (e.g., sufficient daily budget and location targeting). However, it is deemed that the right positioning is the primary key to success since it could be the reason why consumers decide to choose a certain search result, click the link and finally deepen their interest in the sponsored product or service or

continue searching somewhere else. Therefore, it is important to know: In what way does the position of the search advertisement influence the customer? And what position offers the best return on investment?

Several scholars have discussed the significance of search ad positions on conversion. According to Boughton (2005), the higher the position an advertisement is placed in the search engine result pages (SERPs), the more likely it is to be seen and clicked by the customers. Although Boughton's (2005) proposition is not an industry standard, practitioners generally share the same thought and this leads to a fierce competition between advertisers for the best position, which allows search engine companies such as Google and Yahoo to charge very high fees for placing ads on those top positions (Boughton, 2005). Even though many studies have explored the perfect positioning for ads and investigated how it is possible to be placed at the top, the influence of the position on certain parameters such as attracting viewers' awareness, increasing their willingness to pay and altering their brand consideration are not empirically investigated. In other words, the question of "how the search ad position influences viewers' awareness, willingness to pay and brand consideration" is still not resolved at the moment of this study.

Drawing on the above-mentioned questions, the primary aim of this experimental study is to investigate whether the positioning of a search ad has a differential influence on the readers' awareness, consideration and willingness to pay. This study contains a survey aiming to collect information about how advertisements' positioning influences readers' perception. In this survey two scenarios will be covered:

1) with a tangible product (Tennis racket)
2) with an intangible product (Hotel)

Given that the findings of this study will provide an overview of which advertisement positioning of the search engines has the most significant influence on readers, its outcome will provide quantitative information which can be used by search engines such as Google, Yahoo, MSN to create an appropriate price scheme for potential clients, according to the best positions. Additionally, the findings and the results of this study might be highly interesting for companies when choosing the best position for their search ads and could enable them to generate the greatest ROI over time.

This study consists of six chapters. The first chapter presents the problem definition and the aim of the study. Chapter 2 will give an overview of online marketing strategies and SEM in particular as well as the customer purchasing decision process. Chapter 3 will describe the methodology, including data collection and data analysis methods, applied in this study. Chapter 4 will present and discuss the findings derived from the quantitative analysis. In chapter 5, an overall conclusion will sum up the paper. Finally, the limitations of the current study as well as some recommendations for SEM practices will be presented in chapter 6.

2 Literature Review

2.1 Online Marketing Development

In pace with the growth in numbers of Internet users, the number of practical applications the digital environment offers has been rising continuously over the last few years. To suppliers, the emergence of the Internet has opened multiple opportunities to reach completely new markets (Schwarzl & Grabowska, 2015). To consumers, the Internet facilitates the shopping process and empowers them to pursue their shopping desires from any location where Internet access is available. The way research is conducted has been revolutionize- books, for example, which used to be available only in hard copies, are now conveniently accessible on the digital market. Researchers have the opportunity to easily source information online, which improves the pace and quality of the entire researching process. Communication has also been revolutionized since the Internet and particularly social media platforms connect people from all over the world instantly and at no cost (Hanna, Rohm & Crittenden, 2011).

Information technology is becoming increasingly more popular as well as affordable, which means that annually millions of new users from across the globe gain access to the Internet (Schwarzl, & Grabowska, 2015). Therefore, the number of people doing business, communicating or searching for information online in rising steeply (Schwarzl, & Grabowska, 2015). This is supported by the table below, which illustrates the rise in the numbers of Internet users worldwide since 2005.

Table 1: World Internet Usage Growth (Statista, 2016)

Year	Billion People	Percentage
2005	1.024	
2006	1.151	12.4%
2007	1.365	18.6%
2008	1.561	14,3%
2009	1.751	12,1%
2010	2.014	15%
2011	2.216	10%
2012	2.459	10,9%
2013	2.660	8.1%
2014	2.931	10.2%
2015	3.207	9.4%
2016	3.488	8,8%

According to table 1, in 2005, only 1.024 billion people used the Internet. This number tripled over the following 10 years and reached an ultimate number of 3.488 billion Internet users in 2016 (Statista, 2016). The average annual percentage increase from 2005 to 2010 was approximately 12% (Statista, 2016). From 2011 to 2016 the average annual percentage increase was approximately 9.5%, representing a small decline in the rate at which the number of users was growing as compared to the period from 2005 to 2010, but there was, nonetheless, a steep rise (Statista, 2016). Based on these numbers it is not surprising that an increasing number of enterprises have taken to executing their business, entirely or partly, through the digital market (Schwarzl & Grabowska, 2015).

2.2 Online Marketing

Regardless of whether or not Internet users are interested in purchasing products online, they can be exposed to online advertisement due to ubiquity. Companies have realized that online marketing offers a host of advantages (Schwarzl & Grabowska, 2015). It reaches a significantly higher number of potential customers and it is extremely versatile in terms of adaptability to customer specific needs (Lammenett, 2009). Through personalized marketing, it is possible to stimulate the consumers' decision making process. It means that it is possible to adjust websites' offers to customers' preferences (Emarsys, 2017). Which is done automatically by a piece of software that analyses customers' online footprint (Accenture Global Service Limited, 2011). Therefore, all the information that a customer reveals in the digital environment is stored by cookies. The more information a customer

leaves behind, the easier its is for a company to suggest appropriate products that might correspond closely to customers' specific interests (Hormozi, 2005). Through this approach it is possible for enterprises to create a special desire or need for a certain product, which ultimately prompts a new decision making process (Emarsys, 2017).

Besides being able to target and focus on a group of potential customers, online marketing and particularly personalized advertisement, is found to be more cost efficient than traditional marketing (Lammenett, 2009). The costs of reaching a targeted audience of 2,000 people with online marketing through search advertisement and social networking is between 100 and 150 US Dollars (Munteanu, n.d.). On the contrary, in order to target the same group with traditional marketing through broadcasting, newspaper, magazines and direct mailing, a budget of approximately 1,800 US Dollars is required (Munteanu, n.d.). This example illustrates why many businesses try to focus on online marketing - their costs are lower and their ROI is higher.

Table 2: Online advertising revenue in the United States from 2000 to 2015 (PwC, 2016)

Year	Billion US Dollars	Percentage
2000	8.09	
2001	7.13	-11.9%
2002	6	-15.8%
2003	7.3	21.7%
2004	9.6	31.5%
2005	12.5	30.2%
2006	16.9	35.2%
2007	21.2	25.4%
2008	23.4	10.4%
2009	22.7	-2.9%
2010	26	14.5%
2011	31.7	21.9%
2012	36.6	15.5%
2013	42.8	16.9%
2014	49.5	15.7%
2015	59.6	20.4%

Table 2 illustrates the development of online advertising revenue in the United States since 2000. As shown in Table 2, in 2000 8.09 billion US Dollars was spent on online advertising in the United States. The following two years there was a slight decline of approximately 2

billion US Dollars (PwC, 2016). By 2004, however, spending on online advertisement had recovered and even exceeded the level reached in 2000. The following four years investment in online advertising grew to 23.4 billion US Dollars. Despite a slight decline in 2009, the amount of money spent continued to rise in the subsequent six years (PwC, 2016).

2.2.1 The importance of understanding consumer behavior

An essential aspect of successful online marketing is understanding and adapting to customer behavior. Marketing is concerned with why and how a customer makes decisions as well as with many additional factors which affect the decision making process (Kotler, Armstong, Harris, & Piercy, 2013).

Figure 2: Consumer Decision Making Process (Kotler, Armstong, Harris & Piercy, 2013)

As presented in Figure 2, consumers generally process three stages before making a buying decision. The first stage, when the customer experiences a certain "need" to acquire a certain product, is "Need recognition". The desire to satisfy this need is in human nature and in order to be able to satisfy needs, the customer has to inform himself or herself about the options in the market (Kotler et al., 2013). Which leads to stage number two, namely "Information Search". The duration of this stage varies as it always depends on the degree of importance of a specific product or service (Mooradian, Matzler & Ring, 2012). Therefore, making a purchasing decision when considering buying e.g. a computer usually lasts longer than when purchasing e.g. a chocolate bar. The third stage is called "Evaluation of Alternatives" (Kotler et al., 2013). After finishing the evaluation of various options, the

purchasing decision would then be made as to whether, when and where the transaction will take place. The purchasing decision is mostly made instantly and does not exceed a duration of more than six seconds. The last stage is the "Post-Purchase Behaviour" (Kotler et al., 2013). In the final stage, it is important for the company to establish why customers bought its product, how long they are going to use it, the value that product created for the customer and customers' satisfaction level with the purchased product. All these aspects have many important practical applications for companies or brands because they enable companies to establish a good customer relationship, to comprehend the reasons for their customer's loyalty and to offer a product that will be purchased again (Mooradian et al., 2012). Awareness and clear understanding of the reasons behind a purchasing decision as well as information the customer reveals throughout the purchasing process are invaluable for personalized marketing because the purchaser's needs can be targeted more precisely – companies can suggest similar products, or even a product that the company anticipates will be needed in the future. This way, it is possible to stimulate interest in the phase before need recognition and thus create, rather than merely satisfy, a need (Kotler, et al., 2013).

2.2.2 Factors affecting consumers

From a marketing perspective, it is crucial to fully understand the factors affecting the decision making process, namely awareness, consideration and willingness to pay (Murphy, Hofacker & Mizerski, 2006). As stated earlier, the main purpose of this paper is to identify how the positioning of search advertisement influences these factors. However, we need to define what exactly these factors are and why are they so important.

In brief, awareness indicates how conscious a person is of the existence and image of a certain brand. It can be categorized as high or low. A person's awareness of the brand depends on the person's knowledge or experience with this brand gained over the years (Keller, 1993). Another factor that is highly important throughout the purchasing decision is consideration. Why do people consider purchasing a certain good or using a specific service? The factors that influence consideration are numerous (e.g. color, size and usability). However, in this paper, the ad positioning in the Search Engine Result Page (SERP) plays an important role and will be analyzed in terms of the effect it has on a person's consideration. According to Ditmer and Griffin (1994), the position of a message causes a significant impact on the customer. For example, restaurant owners attempt to place products with the highest

margin at the top of their menu due to the fact that this prominent position is more attractive and more frequently considered than the others (Murphy et al., 2006). This phenomenon is applicable not only in the restaurant industry, but also in many different fields such as newspapers and election, where consideration is important and leads to the conclusion that the positioning plays an important role when it comes to consideration (Murphy et al., 2006). The third important factor affecting customer decisions is the willingness to pay (WTP). It refers to how much money an individual person would agree to pay for a certain good or service and it might also be affected by positioning (Hanemann, 1991).

In addition, other factors such as friend's recommendations, word of mouth, advertisements, previous experience and attitude, high or low motivation have to be taken into account (Murphy et al., 2006). In terms of how these factors are affected by the positioning of messages, according to Petty, Tormala, Hawkins and Wegener (2001), the probability that the first message is considered by people who are highly motivated when browsing for a certain product or service is higher than for people who are less motivated and so people with lower motivation tend to consider the messages after the top ranked position.

As we can see, many factors play an essential role when it comes to the purchasing decision. The decision making process is crucial and should be considered by companies when applying a marketing strategy (Mooradian et al., 2012). It is correlated to the awareness of a certain product or service (Satish & Peter, 2004), and it is also linked to the consideration. If a product or service is not even considered by an individual, then the ultimate awareness is likely to be relatively low, which might also lead to a relatively low willingness to pay. Therefore, all these three factors are interconnected.

2.3 Affiliate Marketing, E-Mail Marketing and Search Engine Marketing

After understanding customer purchasing behavior, suitable online marketing strategies have to be applied in order to reach as many potential customers as possible. Nowadays there are many strategies that can be used but they should be selected carefully as they are not universally suitable for every kind of business. Before deciding which online marketing strategy to apply, a company has to define its goal and, more importantly, the budget that it wants to invest in marketing in order to achieve the highest possible ROI (Fahlström & Jensen, 2017).

The most well-known online marketing approaches are Affiliate Marketing, E-Mail Marketing and Search Engine Marketing. Affiliate marketing refers to a business transaction where a website's owner receives a certain commission for promoting a specific product, service, banner, links and others via a foreign website, person or company (Lammenett, 2014). The website's owner is the merchant and the person or company who promotes, for examples the company's banner ad or video, is the affiliate partner (Birkner, 2012). According to Lammenett (2014), 40% of the Internet users enjoy watching online videos that represent businesses or brands. Affiliate partners can be any type of website or social media platforms such as Facebook, Twitter and Instagram.

There are three ways how the affiliate partner receives payment, namely Pay-Per-Click (PPC), Pay-Per-Lead (PPL) and Pay-Per-Sale (PPS) (Lammenett, 2014). PPC is an online marketing pricing model where the advertiser pays a certain amount of money every time someone clicks on the advertisement (Lammenett, 2014). This model is very popular with advertisers since it enables generation of a high level of traffic to their website. The most well-known search engine which provides this advertising system is Google AdWords. The rank of the advertisement within the displayed website strongly depends on factors such as the bid for the keyword, the quality score and the quality of the landing page (O'Connor, 2009).

When it comes to PPL, the payment always depends on the arrangement the affiliate partner has with the merchant. For example, a lead might be a software download or a subscription for a magazine. In this case, the affiliate partner would only be paid if the agreed lead was completed. Concerning PPS, the affiliate partner receives payment only if sales are generated and it depends on the arranged commission (Davila, 2009). Table 3 illustrates the social networking revenue in the US from 2014 to 2017

Table 3: Social network advertising revenue from 2014-2017 (eMarketer, 2015b)

Year	Billion US Dollars	Percentage
2014	17.85	
2015	25.14	40.8%
2016	32.91	30.9%
2017	41	24.6%

It can be seen from table 3 that spending on social network advertisement amounted 17,85 billion US Dollars in 2014 (eMarketer, 2015b). This number was expected to increase the

following two years by approximately 15 billion US Dollars and reach 41 billion US Dollars in 2017 (eMarketer, 2015b). According to Facebook it had 1.968 billion users in January 2017 (Facebook, 2017). Based on these and the above tables, it can be concluded that the number of social media users and the amount of money spent on social media advertisement are directly correlated. The staggering number of potential customers is the reason why an affiliate partner such as Facebook is so demanded.

Affiliate Marketing is an excellent strategy for companies who wish to raise awareness and create a need for their products (Lammenett, 2009). It targets especially customers in the pre-Need Recognition stage and aims to create this need through applying keyword advertising. The concept of Keyword advertising will be explained in detail in the next section.

Another well-known online marketing approach is E-Mail Marketing. Due to its convenience and low-cost nature, it is highly popular and used by almost every company. With E-Mail Marketing, it is convenient for companies to send personalized messages in newsletters to targeted customers (Lammenett, 2014). In this context, personalized message means that the content sent to the customer is linked to prior purchases. The company uses its database where all the information about customers is stored and based on that it creates precise suggestions concerning customers purchase preferences (Lammenett, 2009). Through this approach the company can create value for the customer and at the same time control the entire process. E-Mail Marketing tools enable companies to monitor the number opened emails, the number of clicks on a link, and the number and type of orders made due to the referrals from newsletter and thus analyze the effectiveness of the email campaign. This has led companies to a completely new level of precision in advertising, which they could have never reached with traditional marketing (Lammenett, 2009).

The third main online marketing strategy is Search Engine Marketing. “The Interactive Advertising Bureau found out that search engine marketing is the fastest growing sector in the online market”, as Brooks (2004, p.1) notes. According to Ho, Lu, Huang and Ho (2010), search engine marketing is a marketing technique that provides the opportunity for client’s websites to be placed at the top positions at the displayed page and creates due to the top raking a higher level of website visits.

When it comes to SEM one can differentiate between Search Engine Optimization and Keyword Advertising (Quinton & Khan, 2009). Since this paper is primarily concerned with SEM, it will be discussed at length in the following chapters.

2.3.1 Search Engine Marketing- SEO and Keyword Advertising

To achieve success in SEM, it is essential to understand how it actually works and what has to be considered in order to appear at the top position of a search engine such as Google for example.

According to (Paraskevas, Katsogridakis, Law & Buhalis. 2011), search engines commonly include:

- A program known as web crawler or spider searches for every web-page that can be accessed in the digital world. It searches for essential, but hidden pieces of information on the web-page which are called meta-elements or meta-tags.
- Through this process an indexing program creates an index based on all the words the crawler finds on a certain web-page. It is stored in the SE's database.
- After the index is created, and a user requests a specific result, a retrieval program browses the whole index in order to find a relevant outcome.
- A results page containing links to several web-pages that match the search request appears. Each result on the SERP comprises specific information about the searched website (Paraskevas et al., 2011).

Most of the results that can be found when searching for something with a search engine are called organic results. These results are not sponsored and are ranked in order of relevance, which is determined by an algorithm (Abou Nabout & Skiera, 2012). Some search engines also offer advertisers the option to acquire better positions amongst organic results through payment (Pan, Litvin & O'Donnell, 2007). However, many SE, including Google, one most of the most popular search engines (Pan et al., 2007), do not support this feature since it compromises the integrity of the search results (Pan et al., 2007). Therefore, with most SE the position of organic results depends on the advertisers' web-page and the meta-elements it contains, which is where SEO can be applied to achieve an excellent position without paying for it as SEO does not involve payment to the SE (Kritzinger & Weideman, 2013). The

goal is to optimize and design a website in the most effective way so as to be considered by the algorithm and to gain one of the top positions amongst organic results (Kritzinger & Weideman, 2013).

In addition to the organic results, the SE displays paid results, which are located either above, below or on the right side of the organic results. According to Abou Nabout and Skiera, (2012), whether the result is at a higher or lower position depends on all clients' bids for the selected keyword. To ensure a fair competition between all advertisers, the SE auctions out keywords and evaluates the bids and the ad's quality, which is reflected in a quality score. Finally, the ads are ranked based on these criteria (Abou Nabout & Skiera, 2012).

The goal of every enterprise is to raise awareness of its products or services, and that is exactly where keywords play an essential role. In order to explain this, this paper refers to the buying funnel and its stages. According to Geddes (2010), “understanding where a keyword falls in the buying cycle can help signal where a consumer is within the buying process so you can ensure that your ad and landing page match the consumer’s shopping phase” (p. 20).

Overall, it can be said that the more popular the keyword is, the higher the costs and therefore costlier for the company to appear at a top position above the organic results (Abou Nabout & Skiera, 2012).

There is a difference in the cost per click of general keywords, which are extremely desired, and of more specific keywords. For example, “TV” would be a keyword that is frequently requested by companies due to its general meaning (Geddes, 2010). Therefore, the company that bids the most for it, and that has a great quality score and landing page (website that appears after clicking on an ad) will be ranked at the top position of the displayed website (Abou Nabout & Skiera, 2012). This means that advertisers have to make significant investments if they wish to appear at the top based on such general keywords and thus raise awareness of their products or services with the ultimate aim of triggering the process of the buying funnel (Geddes, 2010).

As empirical data proves, much more money was invested in PPC (spend on keyword advertising) than in SEO, more specifically exactly 82% of the money spent on SEM was invested in PPC, merely 12% in SEO and the remaining 6% in other search engine marketing

strategies (Kritzinger & Weideman, 2013). Based on these numbers, it is obvious that more businesses tend to focus on PPC than on SEO.

2.3.2 Search Engine Marketing and Businesses

Although Keyword Advertisement is more popular with businesses, both strategies have benefits and disadvantages. Before deciding which online marketing strategy is used, a company has to define its goal and, more importantly, the budget that it wants to invest in marketing. These, and more, aspects have to be considered when choosing a marketing approach since every business wants to achieve the highest possible Return On Investment.

When it comes to the Keyword advertisement strategy, sometimes referred to as PPC due to the pricing model, the higher the competition for certain keywords the higher the price. That is the reason why, even though it is possible to control expenditure and limit it to a certain amount, the PPC strategy can be very costly (Kritzinger & Weideman, 2013; Shih, Chen & Chen, 2013). An advantage of the Keyword/PPC strategy is that it is possible to oversee the whole investment and to assess whether or not it is profitable (Kritzinger & Weideman, 2013).

SEO, on the other hand, might be more suitable for companies with smaller budgets (Kritzinger & Weideman, 2013; Shih et al., 2013) since through an appropriately designed website it is possible to gain a great position amongst organic results (Kritzinger & Weideman, 2013). However, since search engine providers regularly modify their ranking algorithms, the web-page has to be continuously optimized and adjusted in order to be considered by the algorithm and to appear at a top position amongst organic results (Kritzinger & Weideman, 2013; Shih et al., 2013; Sen, 2005).

Overall, through the Keyword / PPC approach, websites have the chance to instantly gain a great position on the displayed page whereas achieving this through SEO might often last long because it can be very time-consuming for the spiders and crawlers to find and extract all the information required from the web-page and create a SERP index (Kritzinger & Weideman, 2013; Sen, 2005; Shih et al., 2013). Therefore, according to a study by Kritzinger and Weideman (2013), a company should apply both strategies in order to gain the greatest visibility. This is also supported by the findings of another research in this field, which state that the click- through rate is higher when both strategies are applied simultaneously and

paid advertisement as well as organic results appear on the displayed page (Yang & Ghose, 2010). In short, it is essential for companies not to leave one out, since this might result in a loss of potential customers (Kritzinger & Weideman, 2013).

Nowadays it is very difficult for businesses to select a suitable strategy due to the multitude of offers provided by marketing agencies and due to budget limitations. This is particularly true for small businesses (Mc Cartan-Quinn & Carson 2003). Since small businesses do not have such high budgets as larger sized companies, online marketing offers them the chance to compete with even the "big players" for an affordable price (Mc Cartan-Quinn & Carson 2003). Therefore, a limited budget does not automatically result in fewer chances to compete; it rather highlights the fact that a marketing strategy has to be chosen wisely so as to minimize costs while specifically targeting a group of potential customers that the company is focusing on.

According to Quinton & Khan (2009), who interviewed three managers of small and medium businesses, managers stated that applying a SEM strategy such as PPC might be very costly and the ROI would not justify such a high investment. They reported that they had therefore chosen to optimize their web-page through SEO and thus gain a higher position amongst organic results. Furthermore, other interviews with marketing managers revealed that most of the companies do not manage their websites on their own. They outsource the task of running their web-site to an agency (Murphy & Kielgast, 2006). However, according to the interview conducted by Murphy and Kielgast (2006), companies using SEO or PPC in their marketing strategy are rather limited. Respondents were not entirely convinced by the usage of either approaches. They believed that neither SEO or PPC would make any difference since, through their current marketing strategies such as affiliate partners or the domestic presence, they were already known by their potential customers. Furthermore, many respondents did not have sufficient budget which to invest in SEM and, additionally, most of them were focusing solely on short-term goals (Murphy & Kielgast, 2008).

To conclude, even though applying SEM might be very costly for businesses in the long-run, it gives companies the opportunity to ensure a great positioning of their website in the search engine paid and organic results and thus to raise awareness of the products or service they offer. Therefore, applying SEM through a mix of SEO and PPC might be the optimal solution for a company wishing to penetrate the market.

2.4 Competition and Challenges

Over the last few years' awareness of the significance of search engine marketing has risen dramatically. Years ago businesses who tried to implement an online advertising strategy had the whole search engine market for themselves due to the relatively low awareness of how effective this environment is (Moran, & Hunt, 2014). However, nowadays most of the businesses are aware of the impact a SEM approach can have on their future success. This leads to more competition, which is particularly challenging for small companies competing through PPC with big cooperation with large budgets available (Boughton, 2005). The competition amongst enterprises for the most desired keywords is fiercer than ever and especially new companies with the limited budget small business have experience substantial initial difficulties when trying to enter the market (Boughton, 2005). Corporations, on the other hand, compete on a completely different level since the positioning of paid search ads depends on the bids for keywords, whose price can afford to raise and thus eliminate competitors (Boughton, 2005). This is another reason why SEO - the website's design, meta- tags used etc. - should be applied and the various forms of SEM chosen wisely to match the business's objectives. (Moran, & Hunt, 2014).

In short, despite being a very challenging and highly competitive environment, the continuously growing online market provides great opportunities to expand a business and to access territories not even considered before (Moran, & Hunt, 2014). Companies whose presence was only regionally considered, have now the opportunity, through the Internet, and especially through SEM, to enter a completely different market and to reach new potential customers. Therefore, if a business succeeds in being more efficient than competitors, it is able to stabilize its position in a new territory (Moran, & Hunt, 2014).

3 Methodology

The aim of this chapter is to explain how the research was conducted, how the survey was administered and what method was used to analyze the data.

3.1 Research Methods

In order to investigate what type of information is rather undiscovered and is, therefore relevant to explore as well as to identify which research method should be applied, the literature review was taken into account (Creswell, 2014).

There is a great number of methods available for conducting research. Overall one can differentiate between qualitative, quantitative and mixed methods (Creswell, 2014). As regards qualitative research, various data collection procedures such as observations, interviews, documents and audio- visual materials can be used (Creswell, 2014). Concerning quantitative research, surveys and experiments are the most frequently used options, which provide information about trends, attitudes, opinions of the specific sample group that was chosen by the researcher (Creswell, 2014). The third well-known approach is the mixed method. There are three main basic mixed method designs: the convergent parallel mixed method, the explanatory sequential mixed method and the exploratory sequential mixed method (Creswell, 2014).

To answer the research question "How does Search Advertisement positioning influence readers' awareness, consideration and willingness to pay?", a quantitative research method was applied and a survey was conducted. According to Creswell (2014), "a survey design provides a quantitative or numeric description of trends, attitudes or opinions of a population by studying a sample of the population" (p.155), this method appears to be the most appropriate when aiming to gain insightful results.

3.2 Survey Design

The first page of the survey gave the participants an overview of the topic explored. Before starting the survey, they had to read about the first scenario, in which they had to imagine they were looking for a tangible good, a tennis racket. Then, before reading the SERPs, they had to respond to pre- reading questions. The first group of the pre-reading questions was concerning their awareness, consideration, and their willingness to pay for a certain tennis brand. Consideration was measured by answering three questions about participants' awareness towards the list of brands, attitude towards the list of brands as well as their likeliness to choose those brands. The willingness to pay was measured by the amount of money respondents stated they would pay for the item mentioned in the scenario and is

therefore later also referred to as “price”. The second group of questions addressed the sources of information and search terms the participants would use to inform themselves about a tennis racket. In the next stage of the survey a screenshot of a fictitious search engine result page was displayed. This page included organic results as well as a paid advertisement for one of the brands. There were four different positioning versions of the paid advertisement for scenario Tennis Racket. The first screenshot displayed a SERP where the paid search advertisement was placed either at the top or at the bottom of the page. The next step involved displaying a new SERP. For some participants, the positioning of the ad was identical (later referred to as repeat) to the first SERP and for others it was different or completely omitted. After being exposed to the two SERPs, post- reading questions were asked. The post-reading questions were identical to those from the first group of the pre-reading questions, namely regarding awareness, attitude, likeliness to choose and willingness to pay. In addition, two manipulation-check questions regarding the location of the search advertisement were asked in order to check if they are assigned to the right scenario.

After scenario one with tangible good Tennis Racket, a second scenario involving an intangible good - Hotels in Manhattan - was introduced. The same structure was utilized; pre- reading questions, fictitious search engine result page with a paid advertisement for one of the hotel brands, a second SERP “repeat”, SERP with an altered position of the paid advertisement or a SERP with the paid advertisement omitted– overall four different versions in this scenario as well. After reading the SERPs, the post- reading questions had to be answered.

At the end of the survey, questions about the participants' age, gender, occupation, average monthly household income and frequency of purchasing goods online were asked.

3.3 Survey Questions

The questions asked in the survey were based on the literature review. In order to facilitate the answering process, the participants were presented with options to choose from on a scale of one to five as well as some additional information for the rest of the questions to help them respond.

In order to identify the level of awareness, attitude, likeliness to choose and willingness to pay measurement scales were applied. For awareness, consideration and likeliness to choose, the 5-point Likert scale was used (ranging from 1: Very unlikely to 5: Very likely). For willingness to pay, a graphic rating scale was applied in order to identify how much money participants would spend on the tangible or intangible goods. For both goods, a range between EUR 50- EUR 300 was given.

3.4 Data analysis

When evaluating the findings, a certain method has to be applied. In this case, the most suitable one was a two-way ANOVA analysis (Analysis of variance), because in this study different variables have to be taken into account. The two independent variables were the positioning of the search advertisement and the repetition or lack thereof in the displayed SERP's. The four dependent variables were awareness, attitude, likeliness to choose and willingness to pay.

The aspects tested are:

1) How does the position influence the dependent variables?
2) How does the repetition influence the dependent variables?
3) How do position and repetition influence the dependent variables?

In this case, question one and two represent the main impact on the dependent variables. Question three represents the interactive impact on the dependent variables.

4 Findings

4.1 Demographic information

Table 4 illustrates that out of the 126 people who filled out the survey, 66 were women and 60 were men. Therefore, the female participants outnumbered the male ones.

Table 4: Gender Information

Gender					
		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Male	60	47.6	47.6	47.6
	Female	66	52.4	52.4	100.0
	Total	126	100.0	100.0	

Table 5 shows that approximately 74% of the participants in the survey were between 19 and 25 years old. Almost 13% were between 26 and 35 years old. Approximately 8% were between 36 and 45 years old. Just under 5% of the participants were between 46 and 55 years old and only one person, or less than 1%, was above 55 years.

Table 5: Age Information

Age					
		Frequency	**Percent**	**Valid Percent**	**Cumulative**
Valid	19 - 25	93	73.8	73.8	73.8
	26 - 35	16	12.7	12.7	86.5
	36 - 45	10	7.9	7.9	94.4
	46 - 55	6	4.8	4.8	99.2
	Above 55	1	.8	.8	100.0
	Total	126	100.0	100.0	

Table 6 illustrates that 126 people participated in this part of the survey. Out of this number, over 60% have a monthly household income lower than EUR 2,000 and 15% have between EUR 2,001 and EUR 3,000 available. About 6% have a monthly household income between EUR 3,001 and EUR 4,000. 5,6% out of 126 have between EUR 5,001 and EUR 6,000 every month and almost 9% more than EUR 6.001.

Monthly household income (before tax)

Table 6: Monthly Household Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Under EUR 2,000	77	61.1	61.1	61.1
	EUR 2,001 - EUR 3,000	19	15.1	15.1	76.2
	EUR 3,001 - EUR 4,000	8	6.3	6.3	82.5
	EUR 4,001 - EUR 5,000	7	5.6	5.6	88.1
	EUR 5,001 - EUR 6,000	4	3.2	3.2	91.3
	EUR 6,001 or above	11	8.7	8.7	100.0
	Total	126	100.0	100.0	

Table 7 shows how often people undertake online purchases every month. 20 people have never done online shopping. However, this table displays the importance of online marketing as nearly 85% percent of participants' shop online with almost half of them purchasing something online once or twice a month. Only a slightly lower number, namely 17 people, purchase goods in the online market 3 to 4 times per month and 30 people, or nearly a quarter of all participants, shop more than 5 times per month in the digital world.

Table 7: Frequency of buying goods online

Frequency of buying goods online (per month)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	None	20	15.9	15.9	15.9
	1 - 2 times	60	47.6	47.6	63.5

	3 - 4 times	17	13.5	13.5	77.0
	5 times or above	29	23.0	23.0	100.0
	Total	126	100.0	100.0	

According to the table 8, 109 out of the 126 revealed their occupation. Most participants were students.

Table 8: Occupation Information

Ranking	**Occupation**	**Number of people**
1	Students	82
2	International officer	2
3	Army	2
4	Technician	2
5	Teacher	1
6	Receptionist	1
7	Close Protection	1
8	Fire Officer	1
9	Communications Officer	1
10	Sales Assistant	1
11	Procurement Assistant	1
12	International foreign service	1
13	Home worker	1
14	Human resources officer	1
15	Civil Servant	1
16	Assistant	1
17	Waitress	1
18	Office Worker	1
19	Hotelier	1
20	Enrollment advisor	1
21	Other Occupations	6
	Total	**109**

Scenario Tennis racket

Information Source Websites

Tables 9 - 11 illustrate the top 3 websites respondents would use in to search for information about a tennis racket. The order of preference is indicated as Website 1, Website 2 and Website 3.

Table 9: Information Source Websites 1

Ranking	**Website 1**	**Number of People who chose this website**
1	Google	102
2	Amazon	4
3	Tennis point	3
4	Intersport	1
5	Sports direct	1
6	Instagram	1
7	YouTube	1
8	Amazon	1
9	Tennisnet	1
10	Tennis magazine	1
11	Winston	1
12	Vergleich org.	1
	Total	**118**

Table 10: Information Source Websites 2

Ranking	**Website 2**	**Number of People who chose this website**
1	Facebook	26
2	Amazon	18
3	YouTube	8
4	Google	6
5	Yahoo	5
6	Tennis Point	5
7	Intersport	3

8	Willhaben	2
9	Hervis	2
10	Ebay	2
11	Tennis warehouse	2
12	Geizhals	1
13	Spock.com	1
14	Head	1
15	SportsDirect	1
16	Expertentesten.de	1
17	House of Tennis	1
18	Sportbible	1
19	Yandex	1
	Total	**87**

Table 11: Information Source Websites 3

Ranking	**Website 3**	**Number of People who chose this website**
1	Facebook	18
2	Amazon	12
3	Instagram	8
4	SportsDirect	6
5	Google	4
6	Ask	2
7	Hervis	2
8	Bing	2
9	Decathlon	2
10	Yahoo	2
11	SportGuru	1
12	Ebay	1
13	Rackettester	1
14	Gutefrage.at	1
15	Fischer	1
16	Idealo	1

17	Tennis- weblog	1
18	Nora Sport	1
19	Tau Bao	1
20	Testberichte	1
21	Other websites used	6
	Total	**74**

As shown in tables 9 - 11, 118 filled out the section about Website 1 (Table 10), 87 participants stated their Website 2 (Table 11) and 74 people filled out the last section about Website 3 (Table 11).

Table 9 illustrates that the most popular website amongst all is Google. 102 people, or over 80% of the 118 participants in this section, chose Google as the number 1 website when searching for a Tennis racket. Table 10 illustrates that Facebook was number one second most preferred website when searching for a tennis racket with nearly 30% of the 87 participants in this sections choosing the social media giant, followed by Amazon with slightly over 20% people listing it in this category. Finally, according to table 11, the website people would choose as their number three most preferred one when searching for a tennis racket is, again, Facebook with 18 people, or nearly a quarter of the 74 who filled out this section. The social media platform as well as Amazon appear to be highly demanded when it comes to looking for a product.

This section of the survey supports the conclusions from the literature review in terms of the importance of search engine marketing since an overwhelming majority of participants listed Google as their number one most preferred website when looking for information regarding a product.

Information Sources including non-online sources

Tables 12- 14 illustrate the top 3 sources, including non-online sources, people would use to search for information about a tennis racket.

Table 12: Tennis Source 1

Ranking	Tennis Source 1	Number of People who chose this source
1	Internet	50
2	Magazines	10
3	Google	8
4	Newspaper	8
5	Friends	7
6	Sport Shop	5
7	Tennis Trainer	4
8	Tennis club	4
9	Website	2
10	Word of mouth	2
11	Online Review	1
12	Expert	1
13	TV	1
14	YouTube	1
15	Hervis	1
16	Internet Articles	1
17	Sport catalogue	1
18	Online	1
19	Producer	1
20	Amazon	1
21	Search Engine	1
22	Reports	1
	Total	**112**

Table 13: Tennis Source 2

Ranking	Tennis Source 2	Number of People who chose this source
1	Magazines	30
2	Friends	21

3	Internet	16
4	Shop	9
5	Newspaper	3
6	Trainer	3
7	Online Review	2
8	Tennis Player	2
9	Expert	1
10	Forum	1
11	Search Engine	1
12	Nike	1
13	YouTube	1
14	Advertisement	1
15	Tennis Blog	1
16	TV	1
17	Amazon	1
18	Facebook	1
19	Websites	1
	Total	**97**

Table 14: Tennis Source 3

Ranking	**Tennis Source 3**	**Number of People who chose this source**
1	Magazines	31
2	Tennis shop/club	15
3	Friends	15
4	Sport/ Newspaper	12
5	Internet	4
6	Tennis players	3
7	Sport chat rooms	2
8	Amazon	2
9	TV	2
10	Internet Reviews	2
11	Snapchat	1

12	Instagram	1
13	Word of mouth	1
14	Commercials	1
15	Head	1
16	YouTube	1
17	Prof/Tennis players	1
18	Other People	1
	Total	**96**

According to the tables, 112 people participated in this part of the survey and filled out the first section stating their number one most preferred information source. 97 participated in the second section and stated their second most preferred source and 96 people filled out the last section about tennis source number 3. Here also the number of people participating in all the 3 section declined.

According to table 12, out of 112 participants in this section almost 45% chose the Internet as their number one source followed by Magazines with about 10% as source 1. From table 13 it is clear that the most common choice number two are Magazines, with close to 30%, followed by over 20% who would rely on their friends to find out information about a tennis racket. The Internet is also a popular second source with over 16 %. Finally, table 14 shows that nearly a third of the 96 participants would use Magazines as their third source of information. An equal number, namely 15 people respectively, would seek help from tennis shops or clubs or rely on their friends' opinion.

Interestingly, even when including non-online sources of information, nearly half of the participants stated they would use the Internet as a first source of information when researching a specific product, which, again, reiterates the significance of online marketing and search engine marketing more specifically.

Tennis Search Terms

The next three tables illustrate the top 3 tennis search terms people would use in order to search for information about a tennis racket.

Table 15: Tennis Search Term 1

Ranking	Tennis Search Term 1	Number of People who chose this search term
1	Tennis rackets	23
2	High quality tennis racket	12
3	Best tennis rackets	10
4	Cheap tennis rackets	4
5	Tennis racket for beginners	4
6	Good tennis racket	2
7	Tennis	2
8	Popular tennis rackets	2
9	Tennis racket beginner	2
10	Tennischläger	2
11	Best tennis racket brand	1
12	Good value tennis rackets	1
13	Top spin racket	1
14	Best tennis racket of 2017	1
15	Tennis rackets women	1
16	Top 10 tennis rackets	1
17	Control rackets	1
18	Training tennis racket	1
19	Light tennis racket	1
20	How to choose a tennis racket	1
21	Other search terms used	23
	Total	**96**

Table 16: Tennis Search Term 2

Ranking	Tennis Search Term 2	Number of people who chose this search term
1	Tennis rackets for beginners	5
2	Cheap tennis rackets	5
3	Tennis rackets	4
4	Good tennis rackets	3

5	Best tennis rackets	3
6	Light tennis racket	3
7	High- quality tennis rackets	3
8	The best tennis rackets	2
9	Head tennis rackets	2
10	Racket	2
11	Recommendation for tennis racket	1
12	Recommended tennis rackets	1
13	The best tennis rackets	1
14	Tennis	1
15	Top spin rackets	1
16	Tennis equipment	1
17	mid range tennis rackets	1
18	Top racket 2017	1
19	Top quality tennis racket	1
20	Tennis racket cheap	1
21	Other search terms used	40
	Total	**82**

Table 17: Tennis Search Term 3

Ranking	**Tennis Search Term 3**	**Number of People who chose this search term**
1	High quality tennis racket	5
2	Cheap tennis rackets	5
3	Tennis racket	4
4	Best tennis racket	3
5	Good tennis rackets	3
6	Quality rackets	2
7	Best tennis racket	2
8	Hobby tennis racket	2
9	Professional tennis racket	1
10	Racket	1
11	Good quality tennis racket	1

12	Professional tennis rackets	1
13	Popular tennis equipment	1
14	What is the difference between	1
15	Beginner tennis racket	1
16	Tennis racket high quality	1
17	Tennisschläger Top10	1
18	Value for money tennis racket	1
19	Affordable tennis racket	1
20	The best deals for tennis	34
	Total	**72**

According to the tables, from the 126 participants in this study 96 filled out the first section about the right tennis search term for their tennis racket. 82 stated the second term they would use and 72 people filled out the last section about tennis search term number 3. Therefore, the number of people participating in all the 3 section declined.

According to table 15, almost 25% of the 96 participants chose to use “tennis rackets” as number one search term and about half that number of people decided to type “high qualitative tennis racket” when searching for a racket. Table 16, where participants had to enter the second most likely search term they would use when browsing for a racket, shows a diversity of 60 different search terms. It illustrates that an equal number of respondents out of the 82, namely 5 respectively, would use the term “tennis rackets for beginners” or “cheap tennis rackets. Finally, according to table 17 the diversity for the third most popular search term is almost as high as for the second one with 54 different search terms with “high quality tennis racket” and “cheap tennis rackets” being the most common among respondents.

This section of the survey illustrates the variety of terms respondents would use, with the only recurring word being “racket”, the essence of the product. This leads to the conclusion that the positioning might potentially be more or at least as important as the choice of wording in search engine advertisement.

Scenario Hotel in Manhattan

Information source websites

Tables 18- 20 illustrate the top 3 Websites respondents would use in order to search for information about 4-star hotels in Manhattan.

Table 18: Hotel Information Source Websites 1

Ranking	Website 1	Number of People who chose this website
1	Google	55
2	Booking.com	35
3	TripAdvisor	10
4	Trivago	7
5	Holiday check	2
6	Hotels.com	2
7	Expedia	2
8	Agoda	2
9	Facebook	2
10	Checkfelix	1
11	Städtereisen	1
	Total	**119**

Table 19: Hotel Information Source Websites 2

Ranking	Website 2	Number of People who chose this website
1	Booking.com	23
2	TripAdvisor	16
3	Google	13
4	Trivago	10
5	Facebook	8
6	Expedia	5
7	Hotel spec. website	4
8	Hotels.com	3

9	Yahoo	3
10	Airbnb	2
11	centurion	2
12	Agoda	1
13	Twitter	1
14	Secret escape	1
15	Holiday check	1
16	Travelbird	1
17	Rentals in Manhattan	1
18	YouTube	1
19	Venere	1
20	Restplatzbörse	1
21	hostelworld	1
22	Obitz	1
	Total	**100**

Table 20: Hotel Information Source Websites 3

Ranking	**Website 3**	**Number of People who chose this website**
1	Google	18
2	Trivago	13
3	TripAdvisor	11
4	Facebook	10
5	Booking.com	7
6	Expedia	6
7	Hotels.com	5
8	Airbnb	5
9	Instagram	4
10	Hotel sepc. Website	2
11	Holidaycheck	2
12	Blogs	1
13	Hoferreisen	1
14	YouTube	1

15	Yahoo	1
16	Tophotels	1
17	Opodod.com	1
18	Ebookers	1
19	Momondo	1
	Total	**91**

According to the tables, 119 people filled out the first section about choosing the right website for their hotel search. 100 stated their second most preferred website in section two and 91 people filled out the last section about website number 3. Therefore, the number of people participating in all the 3 section declined.

According to table 18, out of 119 who filled out this section, 55 decided to choose Google as their number 1 website. It is followed by booking.com with about 35 people. The diversity of websites considered as number one is rather low (11 difference websites). Table 19 illustrates that almost a quarter of the 100 people chose Booking.com as their second most preferred website when looking for a hotel. It is followed closely by the well-known travel platform "TripAdvisor" (16 people). The diversity of the Hotel websites considered increased in this section to 21. Finally, according to table 20, 18 out of 91 people chose Google as their their third most likely to use website. It is closely followed by Trivago (13 people) and TripAdvisor (11 people).

As can be seen from these tables, Google is ranked at the top as the most preferred website source of information with close to 50% choosing it as their number one. Consequently, these findings support the conclusions from the literature review with regard the importance of search engine advertisements for businesses.

Information sources, including non-online sources

Table 21: Hotel Source 1

Ranking	Hotel Source 1	Number of people who chose this hotel source
1	Internet	53
2	Travel Magazine	13
3	Google	7
4	Friends	6
5	Travel/Websites	6
6	Newspaper	4
7	TripAdvisor	4
8	Online	2
9	Word of mouth	2
10	Booking.com	1
11	Booking sites	1
12	Reisebüro	1
13	Travel agencies	1
14	Reisekatalog	1
15	Phone App	1
16	Hotels.com	1
17	Online resources	1
18	Online review	1
19	Trivago	1
	Total	**107**

Table 22: Hotel Source 2

Ranking	Hotel Source 2	Number of People who chose this hotel source
1	Hotel or Travel Magazine	26
2	Friends	16
3	Internet	11
4	Travel agency	6
5	Google	4

6	Newspaper	3
7	TripAdvisor	2
8	Travel office	2
9	Websites	2
10	Phone app	2
11	People	2
12	Booking.com	2
13	Facebook	2
14	People	2
15	Recommendations	1
16	TV	1
17	Holiday check	1
18	Travel reviews	1
19	Instagram	1
20	Travel guide	1
21	Other Sources used	8
	Total	**96**

Table 23: Hotel Source 3

Ranking	**Hotel Source 3**	**Number of People who chose this hotel source**
1	Travel Magazines	24
2	Friends/ Family	17
3	Newspaper	9
4	Internet	8
5	TripAdvisor	3
6	Facebook	2
7	Google	2
8	Booking.com	2
9	Travel guide	2
10	Blogs	2
1	Trivago	1
12	Orbitz.com	1

13	Travel Apps	1
14	Expedia.com	1
	Total	**75**

According to the tables, 107 people filled out the first section about choosing the source for their hotel search, including non-online sources. 96 participated in the choosing source number 2 and 75 people filled out the last section about source number 3. Therefore, the number of people participating in all the 3 section declined.

According to table 21, half of the 107 people chose the Internet as their number one source when searching for information about hotels. 13 people chose Travel Magazines as their second most chosen source. According to table 22 over a quarter of the 96 participants chose Hotel or Travel Magazines as their second most favored information source. It is closely followed be the 16 people who would rely on their friends' opinion. Finally, table 23 shows that 24 out of 75 people chose Travel Magazines as their source number 3. As in the previous section, it is closely followed by Friends/ Family (17 people). In this part of the survey the Internet does not seem to be among the top information sources, when non-online sources are available.

Search Term

Table 24: Hotel Search Term 1

Ranking	**Hotel Search Term 1**	**Number of People who chose this search term**
1	Hotels in Manhattan	32
2	Hotels Manhattan	19
3	Manhattan hotel	12
4	Hotels in New York	5
5	Hotels New York	2
6	Hotel in Manhattan central position	1
7	Nice Hotel in Manhattan	1
8	Hotels with best view Manhattan	1

9	Comfort Hotels Manhattan	1
10	Manhattan top 10 Hotels	1
11	Manhattan	1
12	Manhattan stay	1
13	Best in Manhattan	1
14	Mid- Town Manhattan	1
15	Manhattan Hotel cheap	1
16	Good Hotel Manhattan	1
17	Well located hotels in Manhattan with all included comfort	1
18	Popular Hotels New York	1
19	Best Hotels in Manhattan	1
20	Five star hotels Manhattan	1
21	Other search terms used	7
	Total	**92**

Table 25: Hotel Search Term 2

Ranking	**Hotel Search Term 2**	**Number of People who chose this search term**
1	Cheap Hotel Manhattan	4
2	Hotels in New York	3
3	Best hotel in Manhattan	3
4	Cheap hotel Manhattan	2
5	Affordable hotels in Manhattan	2
6	Hotels in Manhattan	2
7	4 star hotels in Manhattan	2
8	Good hotels in Manhattan	2
9	Where to stay Manhattan	1
10	Best Manhattan hotel	1
11	Hotel Manhattan center	1
12	4 star hotels Manhattan	1

13	Best in Manhattan	1
14	Top of Manhattan	1
15	Hotels time square	1
16	Hotels Manhattan	1
17	Manhattan cheap hotel	1
18	Airbnb Manhattan	1
19	High class stay Manhattan	1
20	Manhattan tourist perfect	1
21	Other search terms used	41
	Total	**73**

Table 26: Hotel Search Term 3

Ranking	**Hotel Search Term 3**	**Number of People who chose this search term**
1	Hotel in Manhattan	4
2	Manhattan hotel	2
3	Best hotels in Manhattan	2
4	Cheap hotels in Manhattan	2
5	Manhattan	2
6	Where to stay in Manhattan	1
7	Manhattan vacation	1
8	Hotel Manhattan close to	1
9	Luxury hotels in Manhattan	1
10	Traditional Manhattan hotel	1
11	Luxury hotels Manhattan	1
12	Top hotels Manhattan	1
13	Place to stay Manhattan	1
14	Central location Manhattan	1
15	Hotels in New York	1
16	Best staying Manhattan	1
17	Hotel Manhattan 5 stars	1
18	Recommended hotels in Manhattan	1

19	Accommodation in New York	1
20	Hotel central Manhattan	1
21	Other search terms used	22
	Total	**59**

According to the tables, from the 126 people who participated in this study, 92 people filled out the first section about choosing the search term for their hotel search.73 stated their second most favored search term and 59 people filled out the last section about search term number 3. Therefore, the number of people participating in all the 3 sections declined.

According to table 24, over a third of the 92 section 1 participants chose "Hotels in Manhattan" as their search term number 1. It is followed by "Hotels Manhattan" with about 19 people, or over a fifth. The diversity of search terms used is high and amounts to 27. Table 25 shows that about 4 out of 73 people chose "Cheap Hotel Manhattan" as their hotel search term number 2 and about 3 people would type in "Hotels in New York". The diversity of search terms used is very high with 62 different search terms. Finally, table 26 reveals that 4 of 59 people would enter "Hotel in Manhattan" as their search term 3. Again, the diversity of search terms used is very high (53 different search terms).

Just as in scenario Tennis Racket, the specific search term varies widely among the participants, which suggests it may be more difficult to target the correct keyword than to select the correct positioning of the paid advertisement.

4.2 Two- Way ANOVA- Awareness, Attitude, Likeliness to choose, Willingness to pay

Scenario 1- Tennis

According to table 27, when testing the dependent variable "Awareness of the tennis brand-Yonex" after the displayed SERPs, the results gained were not significant. Tennis Scenario position has a significance level of 0.329. Tennis Scenario repeat has a significance level of 0.548, both independent variables together have a significance level of 0.185. The significance level should have been under 0.05 in order to be relevant for this study. Therefore, all the results gained from this table are not significant.

Table 27: Awareness "Yonex"

Tests of Between-Subjects Effects					
Dependent Variable: Awareness of tennis brand (2) - Yonex					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	6.474[a]	3	2.158	1.039	.378
Intercept	973.879	1	973.879	469.055	.000
Tennis Scenario_position	1.992	1	1.992	.959	.329
Tennis Scenario_repeat	.754	1	.754	.363	.548
Tennis Scenario_position * Tennis Scenario_repeat	3.689	1	3.689	1.777	.185
Error	253.303	122	2.076		
Total	1232.000	126			
Corrected Total	259.778	125			

According to table 28, when testing the dependent variable "Attitude to tennis brand-Yonex" after the displayed SERP's Tennis Scenario position has a significance level of 0.599, Tennis Scenario repeat has a significance level of 0.704 and both independent variables together have a significance level of 0.586. However, the significance level should have been under 0.05 in order to be relevant for this study. Therefore, all the results gained from this table are not significant.

Table 28: Attitude" Yonex"

Tests of Between-Subjects Effects					
Dependent Variable: Attitude of tennis brand (2) - Yonex					
Source	Type III Sum	df	Mean Square	F	Sig.
Corrected Model	1.023[a]	3	.341	.238	.869
Intercept	1263.919	1	1263.919	883.774	.000
Tennis Scenario_position	.398	1	.398	.278	.599
Tennis Scenario_repeat	.207	1	.207	.145	.704

Tennis Scenario_position * Tennis Scenario_repeat	.427	1	.427	.299	.586
Error	174.477	122	1.430		
Total	1439.000	126			
Corrected Total	175.500	125			

According to tables 29 and 30, when testing the dependent variable "likeliness to choose Tennis brand- Yonex" after the displayed SERPs the result gained from tennis scenario position was significant. The significance level has to be under 0.05 in order to be relevant for this study and Tennis scenario position produced a significance level of 0.013, which indicates its significance. Furthermore, according to the descriptive statistics, the position of search advertisement that influenced the likeliness to choose the most was at the bottom and when the search ad was repeated. Therefore, the recency effect is higher than the primacy as the position at the bottom had more influence on the participants than the top position. Furthermore, the "repeat" had a greater mean value than "not repeat" and amounted to 3.22. The other two variables tested, Tennis scenario repeat and both independent variables together did not receive a significant result

Table 29: Likeliness to choose "Yonex"- Descriptive Statistics

Descriptive Statistics				
Dependent Variable: Likeliness to choose tennis brand (2) - Yonex				
Tennis - Position	Tennis - Repeat or not	Mean	Std. Deviation	N
At the top	Repeat	2.94	1.209	31
	Not repeat	2.84	1.273	32
	Total	2.89	1.233	63
At the bottom	Repeat	3.50	1.741	32
	Not repeat	3.45	.850	31
	Total	3.48	1.366	63
Total	Repeat	3.22	1.518	63
	Not repeat	3.14	1.120	63
	Total	3.18	1.329	126

Table 30: Likeliness to choose: "Yonex"

Tests of Between-Subjects Effects					
Dependent Variable: Likeliness to choose tennis brand (2) - Yonex					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	11.034[a]	3	3.678	2.139	.099
Intercept	1276.015	1	1276.015	742.127	.000
Tennis Scenario_position	10.821	1	10.821	6.294	.013
Tennis Scenario_repeat	.155	1	.155	.090	.765
Tennis Scenario_position * Tennis Scenario_repeat	.015	1	.015	.009	.926
Error	209.767	122	1.719		
Total	1497.000	126			
Corrected Total	220.802	125			

According to table 31, when testing the dependent variable "Price for a tennis racket- Yonex" after the displayed SERPs the results were not significant. Tennis Scenario position has a significance level of 0.371. Tennis Scenario repeat has a significance level of 0.865, and both independent variables together have a significance level of 0.236 The significance level should have been under 0.05 in order to be relevant for this study. Therefore, all the results gained from this table are not significant.

Table 31: Willingness to pay: "Yonex"

Tests of Between-Subjects Effects					
Dependent Variable: Price for having a tennis racket (2) - Yonex					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	5502.867[a]	3	1834.289	.750	.524
Intercept	2583220.714	1	2583220.714	1056.071	.000
Tennis Scenario_position	1971.795	1	1971.795	.806	.371
Tennis Scenario_repeat	71.478	1	71.478	.029	.865
Tennis Scenario_position * Tennis Scenario_repeat	3471.000	1	3471.000	1.419	.236
Error	298420.348	122	2446.068		

Total	2884789.000	126			
Corrected Total	303923.214	125			

Tennis Difference (before- after displayed SERPs)

According to table 32, when testing the dependent variable "Tennis Awareness Difference", the results gained were not significant. The awareness people have of a tennis racket brand was tested before and after the SERPs were displayed. The difference between both results is not significant. Tennis Scenario position has a significance level of 0.839. Tennis Scenario repeat has a significance level of 0.645, and both independent variables together have a significance level of 0.347. The significance level should have been under 0.05 in order to be relevant for this study.

Table 32: Tennis Awareness Difference

Tests of Between-Subjects Effects					
Dependent Variable: Tennis Awareness Difference					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	2.115[a]	3	.705	.380	.767
Intercept	63.173	1	63.173	34.099	.000
Tennis Scenario_position	.077	1	.077	.041	.839
Tennis Scenario_repeat	.394	1	.394	.213	.645
Tennis Scenario_position * Tennis Scenario_repeat	1.649	1	1.649	.890	.347
Error	226.020	122	1.853		
Total	291.000	126			
Corrected Total	228.135	125			

According to the findings above, when testing the dependent variable "Tennis Attitude Difference", the results gained, were not significant. The attitude people have towards a tennis racket brand was tested before and after the SERPs were displayed. The difference between results is not significant. Tennis Scenario position has a significance level of 0.209. Tennis Scenario repeat has a significance level of 0.458, and both independent variables together have a significance level of 0.529. The significance level should have been under 0.05 in order to be relevant for this study.

Table 33: Tennis Attitude Difference

Tests of Between-Subjects Effects					
Dependent Variable: Tennis Attitude Difference					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	5.037[a]	3	1.679	.858	.465
Intercept	.271	1	.271	.138	.710
Tennis Scenario_position	3.115	1	3.115	1.592	.209
Tennis Scenario_repeat	1.083	1	1.083	.554	.458
Tennis Scenario_position * Tennis Scenario_repeat	.779	1	.779	.398	.529
Error	238.677	122	1.956		
Total	244.000	126			
Corrected Total	243.714	125			

According to the tables 34 and 35, when testing the dependent variable "Tennis Likeliness Difference" after the displayed SERPs, the result gained from tennis scenario position was significant. The significance level has to be under 0.05 in order to be relevant for this study. Tennis scenario position gained a significance level of 0.014, which indicates its significance. As regards positioning, according to the descriptive statistics, the position of search advertisement that influenced the likeliness to choose the most was at the bottom and the search ad was repeated. Therefore, the recency effect is higher than the primacy due to the fact that the position at the bottom had more influence on the participants than the top position. Furthermore, the "repeat" had a greater mean value than "not repeat" and

amounted to 0.4762. The other two variables tested, Tennis scenario repeat and both independent variables together did not receive a significant result

Table 34: Tennis Likeliness Difference- Descriptive Statistics

Descriptive Statistics				
Dependent Variable: Tennis Likeliness Difference				
Tennis - Position	Tennis - Repeat or not	Mean	Std. Deviation	N
At the top	Repeat	.1935	1.10813	31
	Not repeat	.1563	.95409	32
	Total	.1746	1.02453	63
At the bottom	Repeat	.7500	1.34404	32
	Not repeat	.6452	1.25295	31
	Total	.6984	1.29060	63
Total	Repeat	.4762	1.25540	63
	Not repeat	.3968	1.12937	63
	Total	.4365	1.18993	126

Table 35: Tennis Likeliness Difference

Tests of Between-Subjects Effects					
Dependent Variable: Tennis Likeliness Difference					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	8.838[a]	3	2.946	2.137	.099
Intercept	23.972	1	23.972	17.393	.000
Tennis Scenario_position	8.604	1	8.604	6.242	.014
Tennis Scenario_repeat	.159	1	.159	.115	.735
Tennis Scenario_position * Tennis Scenario_repeat	.036	1	.036	.026	.872
Error	168.154	122	1.378		
Total	201.000	126			
Corrected Total	176.992	125			

According to table 36, when testing the dependent variable “Tennis Price Difference”, the results gained from the study were not significant. The price people would pay for a tennis racket brand was tested before and after the SERPs were displayed. The difference that appeared is not significant. Tennis Scenario position has a significance level of 0.303, Tennis Scenario repeat has a significance level of 0.435, and both independent variables together have a significance level of 0.290. The significance level should have been under 0.05 in order to be relevant for this study.

Table 36: Willingness to pay difference “Tennis Price Difference”

Tests of Between-Subjects Effects					
Dependent Variable: Tennis Price Difference					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	4857.414[a]	3	1619.138	.929	.429
Intercept	16980.646	1	16980.646	9.743	.002
TennisScenario_position	1865.014	1	1865.014	1.070	.303
TennisScenario_repeat	1066.919	1	1066.919	.612	.435
TennisScenario_position	1969.535	1	1969.535	1.130	.290
Error	212633.800	122	1742.900		
Total	234293.000	126			
Corrected Total	217491.214	125			

Scenario 2- Hotel

According to the tables 37 and 38, when testing the dependent variable "Awareness of hotel brand- New Yorker Hotel" after the displayed SERPs the result gained about hotel scenario repeat was weakly significant. The significance level has to be under 0.05 in order to be highly significant for this study. Hotel scenario repeat gained a significance level of 0.067, which is almost a clear indication for its significance. Furthermore, the "not repeat" had a greater mean value than repeat and amounted up to 3.03. The other two variables tested, Hotel scenario position and both independent variables together did not receive a significant result.

Table 37: Awareness "New Yorker Hotel"- Descriptive Statistics

Descriptive Statistics				
Dependent Variable: Awareness of hotel brand (2) - New Yorker Hotel				
Hotel - Position	Hotel - Repeat or not	Mean	Std. Deviation	N
At the top	Repeat	2.59	1.434	32
	Not repeat	2.91	1.400	32
	Total	2.75	1.414	64
At the bottom	Repeat	2.53	1.414	32
	Not repeat	3.17	1.513	29
	Total	2.84	1.485	61
Total	Repeat	2.56	1.413	64
	Not repeat	3.03	1.449	61
	Total	2.79	1.444	125

Table 38: Awareness “New Yorker Hotel”

Tests of Between-Subjects Effects					
Dependent Variable: Awareness of hotel brand (2) - New Yorker Hotel					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	8.048[a]	3	2.683	1.296	.279
Intercept	978.861	1	978.861	472.740	.000
Hotel Scenario_position	.323	1	.323	.156	.693
Hotel Scenario_repeat	7.092	1	7.092	3.425	.067
Hotel Scenario_position * Hotel Scenario_repeat	.842	1	.842	.407	.525
Error	250.544	121	2.071		
Total	1233.000	125			
Corrected Total	258.592	124			

According to table 39, when testing the dependent variable “Attitude of Hotel brand- New Yorker Hotel” after the displayed SERP’s, the results gained, were not significant. Hotel scenario position has a significance level of 0.121. Hotel scenario repeat has a significance level of 0.121, and both independent variables together have a significance level of 0.615 The significance level should have been under 0.05 in order to be relevant for this study. Therefore, all the results gained from this table are not significant.

Table 39: Attitude “New Yorker Hotel”

Tests of Between-Subjects Effects					
Dependent Variable: Attitude of hotel brand (2) - New Yorker Hotel					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	6.581[a]	3	2.194	1.650	.182
Intercept	1259.371	1	1259.371	947.124	.000
Hotel Scenario_position	3.249	1	3.249	2.443	.121
Hotel Scenario_repeat	3.249	1	3.249	2.443	.121
Hotel Scenario_position * Hotel Scenario_repeat	.337	1	.337	.254	.615
Error	160.891	121	1.330		

Total	1422.000	125			
Corrected Total	167.472	124			

According to the tables 40 and 41, when testing the dependent variable "Likeliness to choose hotel brand- New Yorker Hotel" after the displayed SERPs the result gained about hotel scenario repeat was almost significant. The significance level has to be under 0.05 in order to be considered significant for this study. Hotel scenario repeat gained a significance level of 0.093, which is almost a clear indication for its significance. Furthermore, the "not repeat" had a greater mean value than repeat and amounted to 3.38. The other two variables tested, Hotel scenario position and both independent variables together - did not receive a significant result.

Table 40: Likeliness to choose "New Yorker Hotel"- Descriptive Statistics

Descriptive Statistics				
Dependent Variable: Likeliness to choose hotel brand (2) - New Yorker Hotel				
Hotel - Position	Hotel - Repeat or not	Mean	Std. Deviation	N
At the top	Repeat	2.97	1.177	32
	Not repeat	3.25	1.218	32
	Total	3.11	1.197	64
At the bottom	Repeat	3.06	1.294	32
	Not repeat	3.52	1.153	29
	Total	3.28	1.240	61
Total	Repeat	3.02	1.228	64
	Not repeat	3.38	1.186	61
	Total	3.19	1.216	125

Table 41: Likeliness to choose "New Yorker Hotel"

Tests of Between-Subjects Effects					
Dependent Variable: Likeliness to choose hotel brand (2) - New Yorker Hotel					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	5.307[a]	3	1.769	1.202	.312
Intercept	1277.375	1	1277.375	867.913	.000

Hotel Scenario_position	1.016	1	1.016	.690	.408
Hotel Scenario_repeat	4.224	1	4.224	2.870	.093
Hotel Scenario_position * Hotel Scenario_repeat	.235	1	.235	.159	.690
Error	178.085	121	1.472		
Total	1457.000	125			
Corrected Total	183.392	124			

According to table 42, when testing the dependent variable "Price for a one night- stay New Yorker Hotel" after the displayed SERP's the results gained were not significant. Hotel Scenario position has a significance level of 0.602. Hotel Scenario repeat has a significance level of 0.148, and both independent variables together have a significance level of 0.494 The significance level should have been under 0.05 in order to be relevant for this study and therefore all the results gained from this table are not significant.

Table 42: Willingness to pay "New Yorker Hotel"

Tests of Between-Subjects Effects					
Dependent Variable: Price for a one-night stay (2) - New Yorker Hotel					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	6581.940[a]	3	2193.980	.965	.412
Intercept	2502492.330	1	2502492.330	1100.595	.000
Hotel Scenario_position	620.370	1	620.370	.273	.602
Hotel Scenario_repeat	4818.227	1	4818.227	2.119	.148
Hotel Scenario_position *	1068.574	1	1068.574	.470	.494
Error	275125.292	121	2273.763		
Total	2784064.000	125			
Corrected Total	281707.232	124			

According to the tables 43 and 44, when testing the dependent variable "Hotel Awareness Difference" after the displayed SERPs the result gained about hotel scenario position was significant. The significance level has to be under 0.05 in order to be relevant for this study. Hotel scenario repeat gained a significance level of 0.004, which indicates its significance. Furthermore, the "not repeat" had a greater mean value than repeat and amounted to 0.8689. The other two variables tested, Tennis scenario repeat and both independent variables together did not receive a significant result.

Hotel Difference (before- after displayed SERPs)

Table 43: Awareness "Hotel Awareness Difference"- Descriptive Statistics

Descriptive Statistics				
Dependent Variable: Hotel Awareness Difference				
Hotel - Position	Hotel - Repeat or not	Mean	Std. Deviation	N
At the top	Repeat	.4063	.83702	32
	Not repeat	.7188	1.08462	32
	Total	.5625	.97386	64
At the bottom	Repeat	.0938	1.32858	32
	Not repeat	1.0345	1.47558	29
	Total	.5410	1.46713	61
Total	Repeat	.2500	1.11270	64
	Not repeat	.8689	1.28420	61
	Total	.5520	1.23429	125

Table 44: Awareness "Hotel Awareness Difference"

Tests of Between-Subjects Effects					
Dependent Variable: Hotel Awareness Difference					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	15.040[a]	3	5.013	3.489	.018
Intercept	39.593	1	39.593	27.553	.000
HotelScenario_position	8.150E-5	1	8.150E-5	.000	.994

HotelScenario_repeat	12.248	1	12.248	8.524	.004
HotelScenario_position * HotelScenario_repeat	3.078	1	3.078	2.142	.146
Error	173.872	121	1.437		
Total	227.000	125			
Corrected Total	188.912	124			

According to table 45, when testing the dependent variable “Hotel Attitude Difference”, the results gained, were not significant. The attitude people have towards a hotel brand in Manhattan was tested before and after the SERPs were displayed. The difference that appeared is not significant. Hotel Scenario position has a significance level of 0.865. Hotel Scenario repeat has a significance level of 0.865, and both independent variables together have a significance level of 0.626. The significance level should have been under 0.05 in order to be relevant for this study.

Table 45: Attitude: “Hotel Attitude Difference”

Tests of Between-Subjects Effects					
Dependent Variable: Hotel Attitude Difference					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	.345[a]	3	.115	.096	.962
Intercept	11.077	1	11.077	9.199	.003
Hotel Scenario_position	.035	1	.035	.029	.865
Hotel Scenario_repeat	.035	1	.035	.029	.865
Hotel Scenario_position * Hotel Scenario_repeat	.287	1	.287	.238	.626
Error	145.703	121	1.204		
Total	157.000	125			
Corrected Total	146.048	124			

According to table 46, when testing the dependent variable “Hotel Likeliness Difference”, the results gained were not significant. The likeliness for people to choose a hotel in Manhattan for one night was tested before and after the SERPs were displayed. The difference that appeared is not significant. Hotel Scenario position has a significance level of 0.210. Hotel Scenario repeat has a significance level of 0.120, and both independent variables together have a significance level of 0.552. The significance level should have been under 0.05 in order to be relevant for this study. Therefore, all results gained from this table are not significant.

Table 46: Likeliness to choose “Hotel Likeliness Difference”

Tests of Between-Subjects Effects					
Dependent Variable: Hotel Likeliness Difference					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	4.967[a]	3	1.656	1.501	.218
Intercept	11.481	1	11.481	10.408	.002
Hotel Scenario_position	1.753	1	1.753	1.589	.210
Hotel Scenario_repeat	2.700	1	2.700	2.447	.120
Hotel Scenario_position * Hotel Scenario_repeat	.392	1	.392	.355	.552
Error	133.481	121	1.103		
Total	150.000	125			
Corrected Total	138.448	124			

According to table 47, when testing the dependent variable “Hotel Price Difference”, the results gained were not significant. The price people would pay for a hotel in Manhattan per night was tested before and after the SERPs were displayed. The difference that appeared is not significant. Hotel Scenario position has a significance level of 0.749. Hotel Scenario repeat has a significance level of 0.890, and both independent variables together have a significance level of 0.404. The significance level should have been under 0.05 in order to be relevant for this study. Therefore, all the results gained from this table are not significant.

Table 47: Willingness to pay “Hotel Price Difference”

Tests of Between-Subjects Effects					
Dependent Variable: Hotel Price Difference					
Source	Type III Sum of	df	Mean Square	F	Sig.
Corrected Model	1089.354[a]	3	363.118	.274	.844
Intercept	14210.992	1	14210.992	10.706	.001
Hotel Scenario_position	136.674	1	136.674	.103	.749
Hotel Scenario_repeat	25.649	1	25.649	.019	.890
Hotel Scenario_position * Hotel Scenario_repeat	932.721	1	932.721	.703	.404
Error	160613.958	121	1327.388		
Total	176154.000	125			
Corrected Total	161703.312	124			

Overall, according to Krugman (1972), the first exposure to information stimulates interest and curiosity and the second exposure forms the perception of the object. These factors are essential in order to be considered by the reader. Therefore, the more often a person is exposed to the same information the more likely it is that the person will consider it (Krugman, 1972). This might be an explanation why the repeated bottom position appears so significant.

5 Conclusion

The purpose of this paper was to identify how positioning of search advertisement influences the reader's awareness, consideration and willingness to pay. In order to illustrate why the position is essential the literature review gives an overview of online marketing, factors affecting consumers, types of online marketing and details about search engine marketing. In addition, a study was conducted.

The results of the study confirmed the information from the literature review by highlighting the importance of online marketing and search engine marketing in particular. Even when non-online sources are available, almost half of the respondents stated that they would turn to the Internet for information when wanting to purchase tangible or intangible goods. More importantly, the overwhelming majority of participants stated repeatedly that Google was their number one online source of information when looking for a product.

Since the effects of advertisement positioning are rather unexplored, this study focused on revealing the influence of position on readers. In order to identify that, independent variables such as positioning of search advertisement and repetition of the SERPs were used. These independent variables were used to test the possible effects on the dependent variables such as attitude, likeliness to choose, awareness and willingness to pay. However, the results gained through this study were mostly not significant, which could be attributed to two reasons. Firstly, the survey is comparatively long. The participants might not have read all materials carefully before giving the answers or not have taken the survey seriously. Secondly, the analysis only includes responses provided by 126 respondents, which barely passes the minimum amount of testing samples. The inclusion of more and diversified samples is expected to better examine whether the positioning of search ads would influence readers' consideration.

Nevertheless, in terms of positioning and repetition some significant results were gained, namely "likeliness to choose a tennis brand", "tennis likeliness difference" and "hotel awareness difference". Furthermore, there were two weakly significant results in "awareness in hotel brand" and "likeliness to choose a hotel brand".

According to the results from scenario one, when it comes to "likeliness to choose" a certain product the positioning plays an important role since in this case the bottom position had

the greatest impact on the reader. Repetition of the SERPs also appears essential with regards to consideration by the reader. These findings were confirmed by the results “tennis likeliness difference”, where the bottom position was also the most significant in influencing the reader and repetition also played and important role.

In scenario two, hotel awareness difference repeat was also significant with the position at the bottom influencing the reader’s awareness the most. This is another indication that the positioning is highly important also with regard to factors influencing the purchasing decision. However, in this case, repetition did not appear to be as important as in scenario one.

Concerning the findings from scenario Hotel Brand, two more results could be seen as relevant and should, therefore, be taken into consideration, namely the findings “awareness of hotel brand” and “likeliness to choose hotel brand”, which were weakly significant. In both cases the bottom position without a repeated search ad, had the highest impact on the readers, which seems to confirm the superiority of the bottom search advertisement position over top search ad position.

In light of the above findings, it can be concluded that the recency effect is higher than the primacy effect. As regards repetition of SERP or lack thereof, it appears that this factor does not significantly influence the reader. It could be argued that the recency effect owes its impact to the capacity of the short- term memory to store information even if a SERP is displayed only once.

6 Limitations and Recommendations

Admittedly, there were some limitations that have to be identified. Firstly, the number of people participating in the survey was rather low. It is our belief that a higher number of participants might have resulted in much more significant findings. Secondly, in hindsight, it could be said that the survey was rather long, which seems to have discouraged some respondents from the completion. Finally, the survey was distributed online. If it had been conducted in person, participants would probably have focused more on the questions asked, and, in addition, immediate assistance in case of uncertainty would have been available.

Although the results did not prove to be as conclusive as initially hoped and only three results were significant and two results weakly significant, they should not be dismissed. Based on the results gained through this study, the bottom position of a SERP influences the readers the most. Therefore, the recommendation for businesses is to obtain a position at the bottom of the displayed SERPs. Furthermore, search engines companies who charge fees for the positioning of advertisement should reconsider their current pricing model where the top positing is the most expensive one. In addition, the findings provide some clues for advertisers to consider whether they should place too much bid/money on competitive keywords, or evenly allocate the money to various keywords.

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Appendices

APPENDIX A: Scenario 1 Tennis Racket

Tennis racket Pre Reading Ratings	**Source:**
Questions group 1: awareness, attitude, likeliness to choose and willingness to pay	
Please indicate your level of awareness of the following brands by choosing the appropriate number: [1: Unknown to me 5: Known to me] - Technifibre - Völkl - Yonex	(Murphy, Hofacker & Mizerski, 2006)
Please indicate your attitude towards the following brands by choosing the appropriate number: [1: Bad 5: Good] - Technifibre - Völkl - Yonex	(Murphy, Hofacker & Mizerski, 2006)
Please indicate your likeness to choose the rackets produced by the following brands by choosing the appropriate number: [1: Very unlikely 5: Very likely] - Technifibre - Völkl - Yonex	(Murphy, Hofacker & Mizerski, 2006)
Please indicate the maximum amount of money you would pay for a tennis racket from each of the following brands. (The average price of a tennis racket is between 100€ and 260€) - Technifibre - Völkl - Yonex	(Hanemann, 1991).
Questions group 2: sources of information, search terms and websites	
Please name the top three information sources you would use to search for the tennis racket. (e.g., newspapers, magazines published by tennis clubs)	
Please name the top three websites you would use for searching the tennis racket. (e.g., Google.com, Facebook.com)	
Please name three search terms you would use to search for the tennis racket. (e.g., cheap tennis rackets,	

high-quality tennis rackets)	

After these questions the first fictitious search engine result page was shown; followed by the second factitious search engine result page "repeat", altered position or no paid ad.

Tennis Racket **Post reading ratings:**	**Source:**
Questions group 1: awareness, attitude, likeliness to choose and willingness to pay	
Please indicate your level of awareness of the following brands by choosing the appropriate number: [1: Unknown to me 5: Known to me] - Technifibre - Völkl - Yonex	(Murphy, Hofacker & Mizerski, 2006)
Please indicate your attitude towards the following brands by choosing the appropriate number: [1: Bad 5: Good] - Technifibre - Völkl - Yonex	(Murphy, Hofacker & Mizerski, 2006)
Please indicate your likeness to choose the rackets produced by the following brands by choosing the appropriate number: [1: Very unlikely 5: Very likely] - Technifibre - Völkl - Yonex	(Murphy, Hofacker & Mizerski, 2006)
Please indicate the maximum amount of money you would pay for a tennis racket from of the following brands. (The average price of a tennis racket is between 100€ and 260€) - Technifibre - Völkl - Yonex	(Hanemann, 1991).
Questions group 2: search advertisement positioning	
The location of the search advertisement shown in the first search engine result page was: - At the top	(Ditmer & Griffin 1994)

- At the bottom - I do not know	
The location of the search advertisement shown in the second search engine result page was: - At the top - At the bottom - I did not see any search advertisement in the second page - I do not know	(Ditmer & Griffin 1994)

APPENDIX B: Scenario 2 Hotel in Manhattan

Hotel Manhattan Pre Reading Questions	
Questions group 1: awareness, attitude, likeliness to choose, willingness to pay	**Source**
Please indicate your level of awareness of the following brands by choosing the appropriate number: [1: Unknowntome 5: Knowntome] - Millenium Hotel - Parmount Hotel - The New Yorker	(Murphy, Hofacker & Mizerski, 2006)
Please indicate your attitude towards the following brands by choosing the appropriate number: [1:Bad 5:Good] - Millenium Hotel - Parmount Hotel - The New Yorker	(Murphy, Hofacker & Mizerski, 2006)
Please indicate your likeness to choose the rooms offered by the following brands by choosing the appropriate number: [1: Very unlikely 5: Very likely] - Millenium Hotel - Parmount Hotel - The New Yorker	(Murphy, Hofacker & Mizerski, 2006)
Please indicate the maximum amount of money you would pay for a one-night stay offered by each of the	(Hanemann, 1991).

following brands. (The average price for a room in a 4 - star hotel in Manhattan is between 100€ / night and 200€ / night) - Millenium Hotel - Parmount Hotel - The New Yorker	
Questions group 2: sources of information, websites, search terms	
Please name the top three information sources you would use to search for the hotel. (e.g., newspapers, travel magazines)	
Please name the top three websites you would use to search for the hotel. (e.g., Google.com, Facebook.com)	
Please name three search terms you would use to search for the hotel. (e.g., hotels in Manhattan)	

After these questions the first fictitious search engine result page was shown; followed by the second factitious search engine result page "repeat", altered ad position or no paid ad.

Hotel Manhattan Post- reading ratings	**Source:**
Questions group 1: awareness, attitude, likeliness to choose, willingness to buy	
Please indicate your level of awareness of the following brands by choosing the appropriate number: [1: Unknowntome 5: Knowntome] - Millenium Hotel - Parmount Hotel - The New Yorker	(Murphy, Hofacker & Mizerski, 2006)
Please indicate your attitude towards the following brands by choosing the appropriate number: [1:Bad 5:Good] - Millenium Hotel	(Murphy, Hofacker & Mizerski, 2006)

- Parmount Hotel - The New Yorker	
Please indicate your likeness to choose the rooms offered by the following brands by choosing the appropriate number: [1: Very unlikely 5: Very likely] - Millenium Hotel - Parmount Hotel - The New Yorker	(Murphy, Hofacker & Mizerski, 2006)
Please indicate the maximum amount of money you would pay for a one-night stay from each of the following brands. (The average price for a room in a 4-star hotel in Manhattan is between 100€ / night and 200€ / night) - Millenium Hotel - Parmount Hotel - The New Yorker	(Hanemann, 1991).
Questions group 2: search advertisement positioning	
The location of the search advertisement shown in the first search engine result page was: - At the top - At the bottom - I did not see any search advertisement on the second page - I do not know	(Ditmer & Griffin 1994)
The location of the search advertisement shown on the second search engine result page was: - At the top - At the bottom - I did not see any search advertisement on the second page - I do not know	(Ditmer & Griffin 1994)
Demographics:	
Your gender - Male - Female	
You age - Under 18 - 19-25	

- 26-35 - 36- 45 - 46-55 - Over 55	
Your occupation	
Your monthly household income (before tax) - Under EUR 2,000 - EUR 2,001- EUR 3,000 - EUR 3,001- EUR 4,000 - EUR 4,001- EUR 5.000 - EUR 5,001- EUR 6,000 - EUR 6,001 or above	
Your frequency of buying goods online (per month) - None - 1-2 times - 3-4 times - 5 times or more	