

## INFORMATION AND THEIR POWER IN ADVERTISEMENT ON INTERNET

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**Abstract:** *The article is dealing with information and its power in advertisement. In first part explains marketing and information in marketing. Comes through information generally and ends in clarifying advertisement. On model firm gives advices how to increase stability of the firm on local market, possibilities of increasing the effectiveness of marketing through internet.*

**Key words:** *information, advertisement, internet, marketing, SEO,*

### Introduction

In paper is necessary concrete several terms. These terms are marketing, information and of course advertising. We can start with marketing, than continue with information and finish with advertising. Marketing is informing the public consumer about your product or services in a way that is innovative, informative, and creative. One of the biggest parts of marketing is finding a way to gain and keep customers. Marketing according to american marketing association: The following definitions were approved by the American Marketing Association Board of Directors: Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large [1].

One of the most common ways to define information is to describe it as one or more statements or facts that are received by a human and that have some form of worth to the recipient. As the first definition in the Random House College Dictionary suggests for information, "knowledge communicated or received concerning a particular fact or circumstance; definition is consistent with the common notions that information must:

1. Be something, although the exact nature (substance, energy, or abstract concept) isn't clear;
2. Provide "new" information: a repetition of previously received messages isn't informative;
3. Be "true": a lie or false or counterfactual information is misinformation, not information itself;
4. Be "about" something.

This approach to information, like most human-centered approaches to information, leads one to emphasize the meaning and use of message, "what the message is about?" and "what is known already?" over the information carrying messenger and the message itself.

When the message is essentially random, or the message is of no value to the recipient, such as a repeated message previously received and understood, it is colloquially said that no information was received and no information was transmitted [5].

Advertising is, among other things, a method of providing potential buyers with knowledge of the identity of sellers. It is clearly an immensely powerful instrument for the elimination of ignorance—comparable in force to the use of the book instead of the oral discourse to communicate knowledge. A small \$5 advertisement in a metropolitan newspaper reaches (in the sense of being read) perhaps 25,000 readers, or fifty readers per penny, and, even if only a tiny fraction are potential buyers (or sellers), the economy they achieve in search, as compared with uninstructed solicitation, may be overwhelming [2].

### Internet marketing

The amount of relevant information in the market, is not easy to summarize in a single measure—a difficulty common to frequency distributions. If all buyers wished to search sellers, all buyers knowing less than sellers would have inadequate information, and all who knew more than sellers would have redundant information, although the redundant information would not be worthless.

The information possessed by buyers, however, is not simply a matter of chance; those buyers who spend more on the commodity, or who search more for a given expenditure, will also search more for advertisements. The buyers with more information will, on average, make more extensive searches, so the value of information will be greater than this last formula indicates.

We may pause to discuss the fact that advertising in, say, a newspaper is normally "paid" for by the seller. Advertising is valuable to the buyer, and he would be willing to pay more for a paper with advertisements than for one without. The difficulty with having the sellers insert advertisements "free" and having the buyer pay for

them directly is that it would be difficult to ration space on this basis: the seller would have an incentive to supply an amount of information (or information of a type) the buyer did not wish, and, since numerous advertisements are supplied jointly, the buyer could not register clearly his preferences regarding advertising. (Catalogues, however, are often sold to buyers.) Charging the seller for the advertisements creates an incentive for him to supply to the buyer only the information which is desired [2].

Meantime is very important to know, where to find relevant information as for buyers just for sellers. It indicates, that online marketing, or online advertisement, as is defined on business dictionary, see below, offers huge space for marketing.

Marketing efforts done solely over the Internet. This type of marketing uses various online advertisements to drive traffic to an advertiser's website. Banner advertisements, pay per click (PPC), and targeted email lists are often methods used in Internet marketing to bring the most value to the advertiser. Internet marketing is a growing business mainly because more and more people use the internet every day. Popular search engines such as Google and Yahoo have been able to capitalize on this new wave of advertising [3].

### Online advertising

Major benefit of online advertising is the immediate publishing of information and content that is not limited by geography or time. To that end, the emerging area of interactive advertising presents fresh challenges for advertisers who have hitherto adopted an interruptive strategy.

Another benefit is the efficiency of the advertiser's investment. Online advertising allows for the customization of advertisements, including content and posted websites. For example, Ad Words, Yahoo! Search Marketing and Google Ad Sense enable ads to be shown on relevant web pages or alongside search results. [4] As can be seen on research done in several countries in Europe, from which we have chosen for example results in Finland and Denmark, the only advertising which increased was online advertising.

#### FINLAND 2012 - ONLINE ADVERTISING WAS THE ONLY ONE THAT INCREASED

Online advertising grew 10 % in total and the ad spend was 240,4 million euros in 2012. The share of digital ad spending is now 17,8 % of total 1,393 billion euros ad spendings in Finland. It is the only media category that grew in 2012.

The newest ad formats like mobile and social media advertising gave extra kick to the growth of online ad spend. In stream video advertising is also driving online to the top. The importance of search is shown as 25 % growth. “I believe that the share of online advertising is rising to the 30 % in the next few years. The role of Online advertising as a brand and sales developer is growing also. The ecosystem of online advertising is getting more complicated and the role of analytics and technology is getting more important”, Jarkko Kytönen the chairman of IAB Finland board tells [5].

Share of Online ad formats in 2012:

- The share of Display is 96,7 M€ which is 40 % of total , and the year-on-year growth is 14,8 %.
- The share of Classified is 36,8 M€ which is 15 % of total, and the year-on-year change is -2,4 %.
- The share of Search is 82 M€ which is 34 % of total, and the year-on-year growth is 24,6 %.
- The share of Directories is 24,9 M€ which is 10 % of total, and the year-on-year change is -19,4 %.
- The share of Facebook advertising is 9,4 M€ which is 9,7 % of Display advertising, and the year-on-year growth is 104%.
- The share of In Stream Video advertising is 8,7 M€ which is 11 % of Display advertising, and the year-on-year growth is 20 %.
- The share of Mobile advertising is about 1 M€ which is 1,4 % of Display advertising.[5]

In the table 1 are results based on advertising revenues as reported by IAB Denmark members to Deloitte. All figures are net figures not including agency commission. For non-participating companies conservative estimates have been applied. [6]

**Table 1: Online advertising revenues in Denmark (million Euro)**

Source: [6]

	yr 2008	yr 2009	yr 2010	yr 2011	yr 2012	Change
Display	123	135	156	178	194	9%
Search	106	143	172	216	241	11%
Classifieds	166	125	129	130	136	5%
Permission Marketing	18	17	25	30	36	19%
Miscellaneous	1	3	5	2	2	36%
<b>Total revenues</b>	<b>414</b>	<b>422</b>	<b>486</b>	<b>556</b>	<b>609</b>	<b>10%</b>

### Proposal for website advertisement in three simple steps

From information mentioned above, we can propose very simple model for firm website advertising. It is based on small research done in the year 2012 on model firm making business in central Europe. Prices are average for that region. By application of such simple model can be increased amount of costumers and their gaining of information. The model is written below in three steps.

#### 1. Improving the traffic of the website through Google adwords

Google Adwords is an advertising program that allows large and small businesses to advertise products and services on Google and in the network of partner sites. It is necessary to create ads in the program and enter your keywords. These are the terms related to the commercial activity of the company. Ads appear on Google and partner sites. If users will find some of our keywords, you may see our advertisements next to search results. Thus it is possible to view our advertising target an audience that is interested in what the company has to offer. When you click on an ad, users can visit a Web page where they can get information about the company. Adwords ads appear on Google search results page in the right and over the results. Search results in the main section are completely separate from your adwords ads. The Program does not affect adwords search results. Adwords ads can be displayed on the relevant pages of the display network. The Google display network is It is an extensive network of all sorts of websites that are partners with Google. In the ad network is a potential customer shows an advertisement when browsing the Web when their content is related to our product or service. The use of ad networks along with the search engine allows you to reach your customers, no matter what you are looking for on the Internet.

Keywords are the words, which are in the search box to Google users. The key word is mostly composed of several words. In adwords, keywords to determine our advertising to appear. To display only users that are searching for your product or service. CPC (cost per click) is the amount you pay each time someone clicks on our ads and visit our website. It is the basic model of the adwords program, which has the advantage of the price that we pay only for actual visits to the site. The costs of advertising campaigns can be managed, and this in two ways. The first way is to manually set the prices. Here you can choose the cost per click on our ads and the daily limit. Select a price 10 cents/per click will allow users to access the site through advertising in the daily one limit of 10 €. In determining the daily limit of 10 € monthly payment will be around 300 € for the ad campaign. The second way is to automatically adjust the price.

In this case, the room is managed by the adwords system, which sets a price for a click on your ad, so that we get the most clicks within your budget on advertising. This means, if there is a high demand for the offered goods, so reducing the cost per click. If there is low demand, the adwords system will increase the cost per click on an ad, the ad will be placed in the higher position on the search page.

#### 2. Improving website traffic through SEO optimization

The acronym SEO is composed of English words Search Engine Optimization. A translation of the English phrase in English is search engine optimization. It is a fairly difficult and gradual process than adapted, supplemented and, consequently, promote the web page for the purpose of achieving the highest positions in the unpaid search results.

SEO optimization is possible in two ways: the first way is passing a two-day seminar, which is designed for business owners, managers and administrators of the site. The seminar participants will receive information on how to build an effective website and get ahead of the competition. Price ranges from 100 to workshops session 200 euros. this method is preferable. The downside is that the worker must spend a few days off of work and businesses after returning to time implementation of SEO optimization. The second way is to confer in the hands

of the company, which is dealing with this issue professionally engaged. This method is financially demanding and consists of two basic steps. The Onpage and Offpage SEO analysis.

Complete SEO Onpage analysis includes: keyword analysis and editing web site structure recommendations, their competitiveness, recommendations for new content for each page, in particular, the exact wording of the headings, images, and expressions to be used in the text of the site. The analysis deals with registration in the online catalogues: Offpage, exchanging links with other web sites, links with compelling content, purchase links on non-relevant Web sites. Both of these steps move in price from 195 € session upwards. The amount of the prices of these services depends on the complexity of the site; the scope of the changes that need to be carried out; the area in which the company operates and the intensity of competition in the field of business.

### 3. Improvement of Internet marketing through social networks

Social networks represent a unique marketing opportunity for your company. With the growing number of people who have access to the Internet and become members of these social networks, it is possible to obtain better information about the company, products and services, as perceived by the customer. From the perspective of marketing is already a success and finding ideas and desires of the customer communication. Through this form of communication may be the company to build a better relationship with customers and they can provide feedback to the company. Feedback can be positive or negative, but also contributes to the knowledge of the product and the brand of the company, as it is perceived. In this way, the company achieved an increase in sales and at the same time increase traffic to a website.

Ads on social networks have several advantages over other ads on the Internet. In particular, the possibility of a more precise targeting of the target group of customers. Users of social networking sites publish various information about yourself, such as your gender, age, education, marital status, which helps this targeted advertising. Creation of advertising in this case is very simple. When creating ads, it is necessary to insert a link to a Web page, the text and insert the photo. Text ads should be targeted to the exact customer and photograph should characterize our offer.

### Conclusion

The current economic environment it provides to firms via the Internet to great opportunities in progress, whether in terms of obtaining information about customers about their needs, new technologies, to which it is possible to invest and gain a competitive advantage and hence the possibility of improving the financial situation.

Finally, it should be noted that the implementation of the above proposals requires the investment of funds. But success does not depend only on the number of these funds, but also from a suitably chosen keywords in advertising and targeting the right group of customers.

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