Marketing Research Seminar Series | Department of Marketing | WU Vienna

Michel Wedel, University of Maryland (US)

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"How Online Advertising Can Help the Implementation of Brand Choices: A Process Analysis Using Eye Tracking"

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Abstract: Advertising can be effective by improving consumers' brand choice intentions, but these prior formed intentions often fail to be implemented because of intense competition at the point of purchase. The present study uses two controlled eye-tracking experiments to examine whether and how online display advertising, such as Google's Visual Search ads and Bing's Hero ads, can increase the likelihood that brand choice intentions are implemented. The first experiment examines the influence of the design of the shopping website (cluttered versus organized) and how long the potential benefits of online advertising persist across repeated searches. The second experiment looks deeper into the specific features of display advertising, and provides detailed insights into the latent attention mechanisms that account for the potential search benefits. For this purpose, the authors develop a new model that is calibrated on eye-movement data. The findings show that online display ads are able to reduce the effect of clutter on shopping websites. Exposure to display ads facilitates distinguishing competing brands from the advertised product, improving search efficiency by as much as one third. These effects persist across three searches on shopping websites.