

Digital Banner Blindness in Bank Applications*

Natália Krištinová

(Faculty of Commerce and Marketing, University of Economics, Bratislava, Slovakia)

Abstract: For more than two decades, the Internet has been a privileged space for presenting advertising in various forms. However, based on the findings of research teams from the universities of Bristol, Duisburg-Essen and others, we can say that site visitors, app users, or pedestrians on the streets of modern metropolises systematically ignore advertising. What is the reason for such behavior? Our subconscious brain interventions that “filter” redundant information based on observation and thus experience, or something else, more complicated. In this article, we will analyze not only the conclusions but will also bring our own view of the phenomenon that is a scarecrow not only for advertising companies but also for PR professionals. This paper aims to examine integration of supply chain and demand chain in emerging markets. We present a research model of demand and supply chain integration that responds to customer’s needs through the integrated information flows. Integration of demand and supply chain synchronizes the key processes in terms of frontend development, product planning, product design, procurement, manufacturing, sales and marketing, maintenance activities based on customer needs as process routines.

Key words: banner blindness; CTR; brain; eyes; advertising supply chain; demand chain; integrated information flows; emerging market; Japanese firms

JEL codes: D50, D53, D91

1. Introduction

For more than two decades, the Internet has been a privileged space for presenting advertising in various forms. However, based on the findings of research teams from the universities of Bristol, Duisburg-Essen and others, we can say that site visitors, app users, or pedestrians on the streets of modern metropolises systematically ignore advertising. What is the cause of such behavior? Our subconscious brain interventions that “filter” redundant information based on observation and thus experience, or something else, more complex. In this thesis, we analyze not only the conclusions, but also bring our view of the phenomenon, which is a scarecrow not only for advertising companies but also for PR professionals.

2. Methodology

The presented scientific article aims to identify the issue of banner blindness that has a considerable level of

* VEGA project No. 1/0657/19

Natália Krištinová, ING. (equivalent of MBA), Marketing department, Faculty of Commerce, University of Economics; research areas: the impact of disruptive technologies and innovations on changes in the use of marketing instruments in the financial sector; E-mail: natalia.kristinova1@gmail.com.

degree for applicability in the financial sector, based on a comparison of knowledge from available information sources, results of global research studies. At the same time, the author aims to predict whether banner blindness is genuinely a problem of the new digital era of online marketing based on an analysis of the current state of the issue. To achieve this goal, we used basic methods of scientific research: analysis, synthesis, deduction and description. Through the study, we carried out a gradual collection of information, its classification, evaluation and subsequent interpretation. We used the synthesis to find out the links between signs of selected elements, their interconnections and the subsequent reproduction of the research area with their essential signs and relations.

3. The Results and Discussion

3.1 Where Does the Problem Start?

Recently, a large number of consumers who first click on the internet portal or navigate in a new application environment have deliberately ignored banner advertising. The consequence of not finding expected content due to forced advertising banners is a behavior where consumers automatically scan the area with the ultimate focus on searching for desired content or return back to the resume displaying native content. They are essentially adopting this attitude of learning to avoid ads by purpose, i.e., memorized patterns of behavior. Let us call this behavior “adaptability” for our needs in this study, and the ability of any adaptable action presupposes the use of previous experience in a continually changing environment. This is the result of the level of attention given to the stimulus. The work of the scientific team led by Moor Burke states that “People prioritize two types of prejudices: (a) exogenous, also known as bottom-up incentives, in which role-based attention is attracted, and (b) endogenous, also known as targeted top-down, in which people are inclined to elements based on a job strategy. But web tasks are often more complicated because visitor goals are usually not well defined” (M. Burke et al., 2005), that translated into human language means that people put their attention in activities and things that interest them in everyday life, also because we need to use the subject for our needs. It is, therefore, a conflict of interest between essential needs and human desires. Although ecommerce websites, often attracts customers with “lucrative” banners or texts containing the magic words “free” or “sales”. Why, then, is the online advertising an increasingly attractive format for advertisers when it is claimed that consumers are becoming ignorant of advertising?

There are many interesting touch points to catch our attention, but our brain can only process a certain amount of information. Advertising spaces are purpose-built eye-catchers that use the play of colors and depict products to which we respond most effectively. On a high street, consumer perception often distracts several differently large areas at the same time, while paying attention, as if subconsciously, to one slightly longer, like the others. However, we do not always process the received information because the frequency of rotation of these areas is perhaps too high. However, is it different in the digital world? The phenomenon of banner blindness or even advertising ignorance has been present on the web for years, since its inception. Banners appeared in 1994, but a study devoted only two years after their introduction to the browser interface found interesting results. “A study conducted in 1996 by a digital advertising company — DoubleClick — found that many banners did not attract the attention of users, but reinforced the idea that banner ads contained rather irrelevant content (...)” (M. Burke et al., 2005). Consumers tend to be more interested in visiting the site, and advertisers have much greater benefits in their configurations than the print form of an ad campaign — that is, how they can tailor who, where, and how the ad appears. However, this is not always the case, and the ad shown to the target group is presenting unexpected results in analytics. Indeed, we can observe the same phenomenon in service providers’ product

applications, such as banks that link many of the features “under one roof”. Why is it like that? Is it the intersection of several factors, or is it just one but the very complex problem?

3.2. The Factual Background Associated With Ignoring Your Ad Identification

Ignoring content is also associated with the visual sense, which is adapted to perceive the image by capturing contrasts and movement on a quiet background. While the evolution has evolved to an imaginary perfection, the conditions that have long been natural have passed since consumers spend a large part of their day watching the displays. In addition to the fact that sedentary lifestyle work affects body posture and breathing rhythm, it also has a negative effect on vision, in all its complexity. Although physiological changes in the eye are not insignificant, processes that are more relevant take place in the areas of the brain where the input data is processed. The hours spent behind the screen prompted us to choose the most efficient methods of selecting essential data to avoid overloading of our memory. However, the time we spend on online portals serves multiple parties as a means of enrichment, and so they appear on almost all websites for one purpose - to usurp our attention. Well, how are they doing it? We all create some *modus operandi* overtime for every, often repetitive activity. Since the search for specific content is a long-term activity that we usually do in parallel to other activities, for example while doing less demanding events (such as walking), the brain load is high. Therefore, the cerebral system will develop useful and practical behavioral patterns over time. It filters irrelevant things characterized by certain unifying (or repeating) elements.

In addition to vibrant colors or controversial content, web advertising features graphically attractive GIF animations and Flash sequences. There is a supposition that these last two should attract visitors the most and should have an extensive reach and belong to the most successful form of advertising. Since the eyes have, as we have already mentioned, a natural tendency to turn towards moving objects. The opposite is true: “Zhang (2006) reported that more than 60% of study participants ignored animated banners” (Sun et al., 2008). How to reach the target group? Several studies showed the best combination of several elements of advertising. In 2003, Franconeri and Simons made the following statement: “Another kind of movement will attract as much attention as sudden onset/depiction (...). Break point or disillusion (flow from behind another object) was very disturbing, while the unique coloring was not.” However, the placement of banners is also essential (M. Burke et al., 2005).

Smaller and even medium-sized web sites are usually built on free platforms like WordPress that also offers unpaid templates. Administrators of such websites or blogs can place a banner with just a few clicks, simply choosing to be placed on the header, footer or on side, or specify whether it will appear on all subpages or only on the main (home) page. However, just the pre-defined banner placement makes most websites a clear place to easily navigate for the first time visitors. After all, observations of eye movement across the display area declare it. As a rule, the main content of the page, always centered, so people do not look at the edge of the screen. It is not natural. The most significant success has banners that, according to JooWon Lee and Jae-Hyeon Ahn (2012): “It will appear in low-attention situations when the ad is subconsciously processed and affects the viewer’s judgment” (JooWon Lee & Jae-Hyeon Ahn, 2012). For this reason, pop-ups have been created. Although pop-ups have a repulsive effect on page visitors, and as a result, consumers leave the web site, especially when they repeatedly pop -up. Considering this, the next question is whether it is economically advantageous to use only static banners, which, while not attracting such attention, but unleashed and subconsciously affecting the visitor and thus remain on the page a little longer — or it pays off to use “popping up” windows? PPC (pay per click) profits, per click per advertised item, are directly related to well-personalized content.

However, the correct format is not the only important element in successful online advertising. The success directly depends on small details or variables. One of them is, for example, semantics and suitable or striking syntax, but these do not ultimately have much influence on the display frequency. More important is the use of significant variables such as the headline or the changed expected proposal, that is, the completely changed wording of the promotional material.

In practice, this means that content can be artificially selected, but does not deliver the desired reach because it is displayed against an inappropriate color background, according to also psychologists to which a suitably chosen color scale plays a vital role. Or it pays off to use “popping up” windows? PPC (pay per click) is directly related to well-personalized content. It’s not just about the content correlation, but the fact that if you use one of the most popular Google Ad words services, you’re competing with huge competition. Therefore, as soon as the impression percentage drops below the expected value, it is time to change completely banner graphics.

Content creation for the targeting consumer group of potential clients in this particular case is “in charge” of Google tools that are based on the obligations under the GDPR so should not take into account anything other than cookies — the history of the search engine. However, there is another “issue” that advertisers have to consider. In individual browser settings, you have the option to turn off advertising. However, we will not address this attribute at this moment but is pivotal to remind you of its presence in the virtual world.

However, the banner blindness phenomenon applies not only to full-page versions but also to responsive websites, optimized for the diagonal screen of smart phones. Advertisers these days use even more aggressive forms of advertising, the so-called “sticky” banners, still visible, as it automatically scrolls through the page. The Java Script advertising system provides this movement; therefore, the banner itself does not need special modifications at all.

There are several placement variations, but the user needs to be able to see and then identify that the advert is an advert and if not interested, then not to click on it. For dynamic ads, the CTA is unrecognizable - the customer will only notice small disturbing movements. Still, the content will contextually change upon his preferences to attract target audience with native content in line with a marketing message. Why? According to authors J. Horáček, L. Kesner, C. Španiela (2016), “It sounds paradoxical, but even during fixation, the eye moves. These minor movements refer as micro-cascades (short straight movements), drift (slow eye movements) and muscle tremor (small oscillations).” It is these movements of the eye that transmit input data that acts on the brain so that the recorded information is evaluated and, even if the cerebral system does not give them a high priority, it will remain in the memory for a few milliseconds. As a result, we are impacted by advertising, and the following sentence declares: “Some scientists believe that micro-cascades may be the result of subliminal activation of the oculomotor system, thus reflecting information on psychological processes (endogenous and exogenous attention). Thus, whether or not the advertisement embedded in memory is partly about the interplay of fortunate circumstances resulting from the user’s mood, but also the setting of banner parameters. The application interface seems to have the most efficient display and proper reach environment where the developer can accurately implement how the output is displayed. It can determine not only the location, but also the time and format of the output, while the advertisement banner is usually tailored to the functionality of the app, so it refers to other options offered directly in its interface. Paradoxically, the claim based on data from the analysis of emarketer.com that, despite a downward trend in delivery, shows that ad banner performance is increasing the sales of services and goods advertised. According to Corney Mc Nair et al. (2017): “E-commerce retail sales will continue to generate profits in 2017, increasing by 23.2% to \$2.290 trillion.” This is a consequence of the “subliminal” effect

of advertising when the user does not pay attention to the advertising banner or link, but searches for the product or service on its line using the tools provided.

3.3 Banner Advertising, Its Placement in a Banking App as a Tool to Improve Sales and Customer Experience.

One of the main reasons for the increased interest of financial institutions and banks in the growing potential of digital advertising comes from two aspects:

Firstly increased consumer appetite for smart technology and banking as an ultimate part of this change. We monitor daily use of apps for better customer experience. Secondly for lower media costs and immediate ROI measurability. Selection and placement of advertising banners directly in the banking application guides to the so-called “CTA = call to action”, i.e., action and reaction to direct sales. The success of the sales banner is based on the behavioral analysis of the so-called BIG DATA and the “behavioral patterns of the targeted customer”. The advertiser records in detail on the platform user’s behavior (click) and uses this information to push relevant advertising in front of the customer at the right time (in real-time). These are offers of financial products and services directly tailored to a specific consumer need, using propensity algorithms also known in digital marketing under the name “Next best offer”. It is a new buzzword but also a phenomenon of the future for direct marketing and targeting that is getting even more attraction from advertisers. Thus, the digital conductor of ethical decision-making is based on specific customer behavior; the predictive engine knows precisely whether the consumer needs a credit card, loan, investment products or insurance.

A great example of such practice is a cross-selling technique often used to sell complementary product or services such as CPI or credit card in addition to a pre-approved loan or mortgage to selected target customers.

The success of the cross-sell as mentioned earlier increased by almost a double-digit after introducing in-app “next best offer” or “good advice” in several countries of Intesa San Paolo International Subsidiary banks, thanks to the implementation of the engine and enabling purchase of the service in seamless few step process directly online or in the app. The added benefit led to a 3-fold higher conversion of the mobile banner than conversion after ATL advertising, mainly because the relevant information reached the consumer at the right time. Nevertheless, not only this condition is a determinant of the success of a two-digit conversion. It is also the CX (customer experience), which in this case copied the well-known “Amazon one-click”, i.e., the one-click sale.

We will remain valid if we also mention the reasonable costs of such advertising. It is managed internally, based on user data, mathematical probability equation and real-time decision (RTD) model, an, i.e., real-time decision in the media space owned by the submitter. The effectiveness of the advertising message, as well as the sales, are measured immediately.

“Spending on in-app mobile ads is the future of the mobile ad category. Given that, 85 percent of people who have access to a smart phone or tablet today spend an average of three hours a day. For this reason, advertisers, brands and marketing agencies consider in-app banners to be an increasing phenomenon”, says Chad Gallagher, director of mobile advertising agency.com.

4. Conclusion

Banner blindness is not exclusively related to digital space. Consumers often try to ignore the signage along the roads or sidewalks, but even there, they will not escape to its impact. The critical aspect is the difference in how you run your campaign and how it is targeted. Even the best-designed Big Board does not have the same

effect as an artfully configured ad with suitable parameters on the web. There are dozens of small sites on the Internet for local users, but with so much specific content. They show click through numbers a few tenths higher (which is a noticeable difference) than large news portals where people search for informational content, but usually do not look for anything there, which would be related to their interests.

References

- Corey McNair and contributors (22.11.2018). "Worldwide retail and ecommerce sales", available online at: <https://www.emarketer.com/Report/Worldwide-Retail-Ecommerce-Sales-eMarketers-Estimates-20162021/2002090>.
- Horáček J.; Kesner L.; Höschl C.; Španiel F. et al. (2016). *Mozek a jeho člověk + Mysl a její nemoc*, Galén, Praha, str. 248.
- JooWon Lee and Jae-Hyeon Ahn (2012). "Attention to banner ads and their effectiveness: An eye-tracking approach", in: *International Journal of Electronic Commerce*, p. 120.
- Lapa Ch. (2007). "Using eye tracking to understand banner blindness and improve website design", in: *Rochester Institute of Technology RIT Scholar Works*, p. 4.
- M. Burke et al. (December 2005). "High-cost banner blindness: Ads increase perceived workload, hinder visual search, and are forgotten", in: *ACM Transactions on Computer-Human Interaction*, Vol. 12, No. 4, pp. 424-425.
- Sun et al. (2008). Youngquiang Sum, Kai H. Lim, Jerry Z. Peng, Xiaojian Chen. "Why and when will banner blindness occur? ", An Analysis Based on the Dual Processing Theory in: *Proceedings of the Fourteenth Americas Conference on Information Systems*, Toronto, ON, Canada, str. 2.