Improved contact efficiency of Web sites through value creation: the South African situation

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1 Introduction

In contrast with the high expectations of the Internet for businesses, Bayers (as quoted by Schlosser and Kanfer 1997:1) reports that many companies are becoming disillusioned with the commercial possibilities of on-line advertising. Moreover, some businesses have even suggested that the Internet is better suited to interpersonal communication and personal sites rather than commercial sites. As executives are questioning whether the potential of the Internet is real or just hype and some companies are even considering decreasing or removing their investment in on-line advertising, it appears that the Internet has reached a crossroad with regard to its true potential as a marketing vehicle.

According to Berthon, Pitt and Watson (1996b:24), marketers and managers by now recognize that a greater understanding of the true nature of commerce on the Web is required, particularly in respect of its utilization as a marketing communication medium. With this statement in mind, the objective of this research was to consider the development
of value strategies to enhance the success of Web sites. According to Berthon, Pitt and Watson (1996a:40), value is one of the factors that plays an important role in the overall efficiency of a Web site. The model of the conversion process on the Web explains the role of value with regard to Web site efficiency. The stages of the model are illustrated in Table 1.

2 Conversion process on the Web: a conceptual model

Berthon et al. (1996a:48–51) introduce a conceptual framework for measuring the efficiency of a Web site in their article, The World-Wide Web as an advertising medium; towards an understanding of conversion efficiency. This conceptual framework is depicted in Table 1.

<table>
<thead>
<tr>
<th>Stage 1:</th>
<th>Converting surfers into aware surfers</th>
<th>Awareness efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 2:</td>
<td>Converting aware surfers (active and passive information seekers) into Web site hits</td>
<td>Localibility/attractability/efficiency</td>
</tr>
<tr>
<td>Stage 3:</td>
<td>Converting Web site hits into active investigators of Web sites</td>
<td>Contact efficiency</td>
</tr>
<tr>
<td>Stage 4:</td>
<td>Converting active investigators of Web sites into purchases</td>
<td>Conversion efficiency</td>
</tr>
<tr>
<td>Stage 5:</td>
<td>Converting purchases into repurchases</td>
<td>Retention efficiency</td>
</tr>
</tbody>
</table>

Source: Adapted from Berthon et al. (1996a:49)

According to this model, value plays an important role in the contact efficiency stage (Stage 3). Contact efficiency measures the conversion of Web site hits into visits. A visit compared to a hit implies greater interaction between the surfer and the Web page. The structure of the model implies that the conversion rate of hits into visits may have an effect on converting hits into purchasers of the product. Consequently, from a marketing perspective, the conversion rate of hits into visits must be as high as possible. Therefore, marketers must formulate suitable value strategies to provide value that encourages the customer to interact with the site.

3 Value as a contact efficiency factor

According to Berthon et al. (1996a:50), converting a hit into a visit is an important stage in the overall efficiency of a Web site. Barker and Groenne (1996:93) also support this notion and report that retaining visitors to a Web site is an important issue to consider. These researchers are of the opinion that the value that the potential customer finds in return for his or her time spent at the advertising Web site is a factor that will influence the time spent on a
Two possible approaches for creating value have been identified. The approach suggested by Barker and Groenne (1996:94) focuses on providing information (infomercials), entertainment (advertainments) and purchase facilitation as strategies to increase the value of the advertising Web site to the customer. The other approach, developed by Gascoyne (1997:133), focuses on a value proposition that is based on four components: the core competencies of the business and solution differentiation, interlinking with business partners, customer values and Internet-enabled business capabilities. These two approaches are discussed in more detail to identify possible strategies marketers can use to increase the value proposition for the customer.

3.1 Infomercials as a value strategy
Products can be divided into high buyer involvement products and low buyer involvement products (Hair, Lamb and McDaniel 1996:19). For products with a high degree of buyer involvement, the infomercial is an obvious method to create customer value, because the customer is usually an active information seeker in this product category (Barker and Groenne 1996:95). Furthermore, according to Ducoffe (1996:22), the informative value of advertising on the Web influences the value of the advertisement as perceived by the customer. The conclusion has been made that increasing the informative value of the advertisement could increase the value of a Web advertisement (Ducoffe 1996:22). Therefore, the research by Ducoffe (1996) further supports the notion that providing information can create value. The infomercial strategy uses the Web's ability to deliver large amounts of product-related information on demand to a global audience.

In addition to providing general information to the customer, the Web provides companies with the opportunity to offer customized information in innovative ways, for instance by letting customers access the company’s internal databases (Barker and Groenne 1996:95). When used in this way, the Web advertisement becomes more than an electronic brochure, it also offers customer service. Customers can access information at the advertising site, a procedure that normally requires interaction with company employees. By integrating this kind of information in Web advertisements, companies are able to deliver valuable customer service in a way not possible with traditional media (Barker and Groenne 1996:96). This provides an incentive for customers to visit the Web site and compensates for the technical problems and relatively slow speed of the Web.

Komenar (1997:418) reasons that the information exchange between a company and its customers is part of the sales process. If at any point in the sales cycle the customer cannot access the information requested, the likelihood of a successful sale declines. Therefore, information design in a Web site should focus on overcoming possible gaps in the information exchange between the company and the customers during the stages of the sales cycle. According to Komenar (1997:420), product or service related information on a Web site should include these categories:

- Features: objective capabilities of the product or service
- Benefits: qualitative and quantitative business reasons to use the product or service
- Positioning: when, how and where to use it and who uses it
- Strengths: comparisons with previous versions and competitive products.

3.2 Advertainments
Barker and Groenne (1996:100) reason that it is possible to create value-based advertising on the Web for products with a low product fit (low involvement, low information intensity and low possibilities of purchase facilitation). Where products with a high product fit should normally use an infomercial and/or purchase facilitation approach, these approaches are not
likely to be successful for products with a low product fit, because it is difficult to offer product-related information when buyer involvement is low. For these products, providing entertainment can be the most feasible strategy to create value. The research of Ducoffe (1996:23) concludes that entertainment provided in Web advertisements influences the value of the advertisement as perceived by the customer. Ducoffe (1996:23) concludes that increasing the entertainment of the advertisement could increase the value of a Web advertisement. Therefore, the research of Ducoffe (1996) further supports the notion that providing entertainment can create value.

The advertainment model adopts different incentives for the customers to visit and stay at the Web site. Where infomercials focus on product-related value, advertainment attracts customers by providing entertainment and information that have little to do with the product itself. Because of this, Barker and Groenne (1996:100) are also of the opinion that advertainment strategies can theoretically be used for all kinds of products. Furthermore, where infomercials mainly compete for attention with sites containing related content, advertainment competes for attention with both related and unrelated sites. Advertainments are likely to attract surfers rather than searchers because of the limited connection between the company products and the content offered on the site.

The interactivity of the Web provides unique opportunities for creating advertisements with a high entertainment value and a high degree of user involvement and user activation, for example through quizzes, competitions and games. The high-involvement exposures created through advertainment strategies can improve the company's image and build brand preferences (Barker and Groenne 1996:101). Advertainments are a useful strategy for companies manufacturing lifestyle products, for example Coca-Cola or Levis.

3.3 Purchase facilitation as part of the value proposition
The ability of the Web to facilitate purchases is a function that is traditionally not associated with advertising. According to Barker and Groenne (1996:103), transactions and even distribution can be integrated in advertisements to facilitate the purchase. This ability is unmatched in other media, and therefore advertisers whose products score high marks on the possibility of providing a purchase facilitation dimension can consider this approach.

Offering the possibility of purchase facilitation in the advertisement is especially relevant for products with specific characteristics. Chung, King, Lee, Turban and Warkentin (2002: 87) agree that product features determine the possibility to sell over the Internet by identifying characteristics of products that lead to higher on-line sales volume. These products have the following characteristics:

- High brand recognition
- Highly reliable guarantees
- They can be digitized, for example books, music and videos
- They are relatively cheap
- They are frequently purchased
- They have standardized specifications, typically commodities
- They cannot be sold in traditional stores and are well known.

According to Barker and Groenne (1996:80), products that usually sell via mail order, such as books, compact discs, appliances and, to a lesser extent, clothing, are well suited to selling over the Internet. Furthermore, Barker and Groenne (1996:80) acknowledge the influence of brand and standardization on purchase facilitation. Goods with a strong brand franchise and standardized products are also suited for on-line shopping, since trusting the vendor is a critical factor due to the low entry barriers to the medium. For this reason, branded goods and companies with a strong image have an advantage. Therefore, customers are more likely
to trust companies commanding a strong brand franchise. In addition, Barker and Groenne (1996:80) identify pre-purchase trial as a factor that influences the possibility of direct sales over the Internet. Products that normally require pre-purchase trial are obviously at a disadvantage with respect to home shopping. In the case of certain information-based products, however, it is possible to let the customer sample the product, for instance, by listening to a sound clip from a compact disc or reading part of a book. High-risk goods such as cars or furs are also ill suited to on-line sales, since personal contact often plays an important role when such goods are purchased.

Therefore, it appears that there is agreement between Turban et al. (2002:87) and Barker and Groenne (1996:80) that certain product characteristics influence the likelihood of selling the product over the Internet.

3.4 Gascoyne's complete customer-centric solution approach
Another approach in developing the value proposition was designed by Gascoyne (1997:38), who argues that developing a successful Internet value proposition depends on focusing on a complete customer-centric solution. Gascoyne's approach focuses on providing the customer with all the necessary information to make a buying decision, as well as on serving customer values such as convenience, product and service education and guaranteed fulfilment.

According to Gascoyne (1997:132), the most successful Internet value proposition takes into account four components, namely:

- relevant core-competence and compelling solution differentiation;
- the value of interlinked business partners;
- customers' changing needs and expectations; and
- Internet-enabled business capabilities.

Each of these components is discussed separately to explain how each can contribute to developing a customer-centric value proposition.

3.4.1 Changing values of the customer
According to Gascoyne, the value proposition should address one or more values that are important to the customer (1997:22). Gascoyne (1997:22) identifies 10 specific values of the Internet customer that should be taken into consideration in developing the value proposition. These values are the following:

**Convenience**
Gascoyne (1997:22) is of opinion that convenience will continue to be a prized quality in business and personal transactions because of the demands of everyday life. Furthermore, simplicity of presentation has become an important factor to the customer. According to Gascoyne, studies have shown that graphically rich Internet sites do not generate as much revenue as sites with plainer layouts that are perceived to be more convenient. Peterson (1997:29) supports the notion that convenience is an important value for customers and reports that customers will pay a higher price if they can save time in the process.

**Transparency**
On-line customers may value a high degree of transparency, which is the ability of a user to migrate from one Internet site to another without realising it. A business seeking to provide value-added services should examine its ability to offer links to complementary Internet sites. For example, a real estate concern would possibly want to provide links to a mortgage broker, an insurer and notary services.

**Guaranteed fulfilment**
Customers will rely increasingly on technology to fulfil their needs. Guaranteed fulfilment is
closely aligned with immediate satisfaction and, often, with immediate gratification. It appears that potential customers will expect to obtain all the information they need when they visit a site. If the site fails to fulfil this expectation, the dissatisfied customer will leave the site and move to a competitor's site.

**Security**
Security of electronic transactions is highly valued by the customer. This value will play an important role when the purchasing of products via the Internet is a possibility.

**Education**
According to Gascoyne (1997:24), evidence suggests that the educational element of an Internet site is a key element to its success. Marketers can use information to educate users on product benefits, how they compare with other products and how they should be used.

**Personalization**
The ability to individualize the Internet presence of a business to the customer, business partners, vendors and even employees will become increasingly important in the future.

**Proactivity**
The ability to move beyond meeting customer needs to actually anticipating those needs is the hallmark of a company striving to meet the challenges of a competitive market. The Internet enables companies to act more proactively. For example, floral delivery services can maintain key customer information in their databases (e.g. birthdays, anniversaries and holidays) and send reminder messages in advance via e-mail.

**Timeliness**
Gascoyne (1997:25) states that timely response and delivery of the product or service become increasingly important. Furthermore, customers will expect the information to be updated and immediate.

**Choice**
With access to products and services from around the globe, today's customer can evaluate more alternatives than before. The Internet allows a customer to collect and assess large quantities of information about specific products and services, allowing a degree of comparison shopping previously not possible.

**Interaction**
Initial evidence suggests that interaction provides high value to customers. According to Gascoyne (1997:25), interaction that focuses on a specific topic provides high value to participants.

The results of the ninth Graphic Visualisation and Usability Centre (GVU Centre) user survey (available on-line at [http://www.gvu.gatech.edu/user_surveys](http://www.gvu.gatech.edu/user_surveys)) support the notion of Gascoyne that the Web site must address certain customer values. As indicated by Figure 1, the two most important values identified by respondents when shopping or considering shopping on the Web, are variety and security. Figure 1 also indicates that other values, such as convenience and guaranteed fulfilment, are important to the customer.

**Figure 1 Important features of Web vendors**
3.4.2 Core competence and solution differentiation
In developing the customer-centric solution, the business must identify the part of the solution they could provide. This is usually manifested in the core competence of the business, which in turn is determined by the core assets of the business. According to Gascoyne (1997:125), the core competencies must be identified from the perspective of the Internet customer. Since core competencies are customer driven, changes in what customers value as important could result in redefining the core competence of the business. Through defining or redefining the core-competencies of the business, a differentiable solution can be presented.

3.4.3 Interlinked business partner core competencies
Interlinking with business partners is an important tool for providing customers with more complete business solutions (Gascoyne 1997:34). Komenar (1997:419) indicates that the Web site must provide the customer with all the information necessary to make a decision. Not only must interlinking with business partners be organized to create complete customer-centric solutions, but points of entry from other sites must also be identified to create customer-centric solutions (Gascoyne 1997:124). Points of entry can be identified as the manner, method, site or path the customer follows to get to a site, content, functionality, and value proposition. Points of entry can further be defined as all the possible routes potential customers may use to get to a site. These points of entry can be business partners, other product or service-related Internet sites or advertisements. According to Gascoyne (1997:124), identifying points of entry is one of the critical tasks of a marketing group. The better the points of entry are defined, the more successful the business can be. This is because more qualified customers will be coming to the site and their needs could be better anticipated and fulfilled. Depending on the situation, identifying potential points of entry may require new business alliances.

3.4.4 Internet-enabled business capabilities
Internet-enabled business capabilities are the fourth part of Gascoyne's value proposition. Ghosh (1998:128) is of the opinion that companies could use the Internet to provide new services inexpensively. A company could, for example, draw on data from its customer base to make available wide-ranging knowledge on a topic. For instance, if a customer has a
problem with a product, he or she might consult a site's directory of frequently asked questions to see how others have solved it. Or closer to the advertisement of products, the customer might benefit from knowing how others have used a particular product. Amazon.com encourages customers to post reviews of books they have read for visitors to see, making it possible for customers to scan reviews by peers before deciding to buy a book.

3.4.5 Similarities and differences between Gascoyne's customer-centric solution and Groenne's value strategies
On comparing Gascoyne's customer-centric solution and Groenne's value strategies, one finds a number of similarities and differences. Providing information, entertainment, on-line ordering and on-line purchasing are incentives to visit a site. The research of Ducoffe (1996) on the predictors of advertising value illustrates that information and entertainment in a Web advertisement predict value from the consumer perspective. Similarly, Barker and Groene (1996) identify information and entertainment as strategies to provide value for the consumer. Therefore, at this stage it appears that consensus exists that information and entertainment are two possible value strategies. Ducoffe (1996) does not consider purchase facilitation as a possible value strategy. Two possible reasons for this can be given: firstly, purchase facilitation is not normally associated with traditional advertising; and secondly, Ducoffe tested if the predictors of advertising value in traditional media are also predictors of value in Web advertising, and therefore, purchase facilitation was not considered.

Customer values must also be considered as part of the value strategy. In 1997, Gascoyne introduced this concept and the findings of the tenth GVU User Survey (available on-line at http://www.gvu.gatech.edu/user_surveys) support the theory of Gascoyne. The survey has indicated that specific features of Web vendors are important to Internet users. According to the information from the user survey, the most important features of Web vendors for Internet users are variety, quality of information, easy ordering, reliability, security and quick delivery.

4 Methodology
The possible influence of providing information, entertainment, on-line ordering, on-line purchasing and addressing customer values on the contact efficiency stage through empirical research was explored.

4.1 Research problem
The research problem investigated in this study was formulated as follows: What are potential value strategies that can be used to improve contact efficiency in an advertising Web site? The reason for formulating this research problem was that identifying possible value strategies could assist advertisers in the process of converting hits into visits.

4.2 Data collection method
Based on the information collected from secondary sources, a questionnaire was constructed to resolve the research problem. The questionnaire was used to gather the primary data of the study. The primary data were collected by means of a mail survey. This mail survey method of data collection was selected for three reasons:

- Most of the questions in the questionnaire were to be answered on a scale. According to Dillon, Firtle and Madden (1994:149), a reason for not using telephone interviews is that respondents may tire very quickly when repeatedly exposed to similar scales on the telephone.
- Mail surveys can be used to collect large quantities of information (Armstrong and
Kotler 1999:112). The questionnaire used in the survey consisted of numerous questions and statements. Asking these questions and explaining all the possible options via a telephone would be very time consuming, costly and the respondent could also lose interest. This is another reason why a telephone survey was not conducted.

- The sample included 299 respondents from all over South Africa. Mail surveys are usually best suited when conducting market research over a large geographical area. The geographical distance made personal interviews costly. The sample size included too many respondents for personal interviews. The geographical dispersion of the respondents also made focus groups ineffective.

4.3 Selecting the sample
The target population was identified as marketing directors of the companies included in the Financial Mail Top Company Survey 2000, a widely used and recognized source in South Africa. The Financial Mail Top Company Survey (2000) included 299 companies and all were included in the survey. The primary reason for selecting marketing directors was that drawing a representative sample of the South African Internet user population would be problematical. Drawing a sample according to industry standards (Dillon et al. 1994:235) would mean that only 0,0163% of Internet users would participate in the study. (The calculation is based on the Network Users Association [NUA 2000] statistics for Internet users in South Africa.) This sample size might not be big enough to be representative of the population. Other reasons for addressing the questionnaire to marketing directors were the following:

- Marketing directors were specifically selected as the researchers attempted to understand the factors that influence contact efficiency from a marketing strategy design perspective.
- Addressing the questionnaire to the marketing director meant that the most senior marketing individual in the company completed the questionnaire.
- The study drew on the Internet marketing knowledge and experience of these individuals.

The sample size was 299 and the response rate was 18%.

5 Results of the empirical survey

5.1 Use of product-related information as an incentive to convert hits into visits
More than half of the respondents (almost 50,9%) agreed that product-related information could be used as an incentive. An additional 27,3% of the respondents strongly agreed with the use of product-related information, while only 14,5% of the respondents neither agreed nor disagreed. Very few of the respondents (7,3%) disagreed to some extent. These responses are illustrated in Table 2.

<table>
<thead>
<tr>
<th>Did not answer the question</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly disagree</td>
<td>1</td>
<td>1,8</td>
</tr>
<tr>
<td>Disagree</td>
<td>3</td>
<td>5,5</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>8</td>
<td>14,5</td>
</tr>
</tbody>
</table>
The percentages in the columns are rounded off to the first decimal. Consequently, the percentages in a column may count up to 99,9 or 100,1. These totals are rounded off to 100. This principle applies to all tables in this study.

More than three-quarters of the respondents perceived product-related information as an incentive to convert hits into visits at a Web site. These results further confirmed the use of product information as an incentive to improve the conversion rate of the contact efficiency stage. In addition, the survey also provided more insight regarding the use of different types of product-related information to enhance the conversion of hits into visits.

The theoretical study identified five types of product-related information that could be included in a Web site. The respondents rated the extent (using a 5-point Likert scale where 1 = low use and 5 = high use) to which a marketing manager could use each of the types of product-related information as an incentive to convert hits into visits. According to the respondents, information on product benefits had the highest use as an incentive. The main results regarding each type of product-related information were the following:

5.1.1 Product features
Of the respondents, 36,4% indicated that product features had a high use as an incentive for Web site visitors. Furthermore, 30,9% of the respondents also rated the use as four on the 5-point scale.

5.1.2 Product benefits
Of the respondents, 40% indicated that product benefits had a high use as an incentive for Web site visitors. Another 34,5% of the respondents rated the usefulness of this type of product-related information as four on the 5-point scale.

5.1.3 Comparison with previous products
Only 14,5% of the respondents indicated that this type of product information had a high use as an incentive to convert hits into visits. In addition, it appeared that this type of product-related information had the lowest use as an incentive, according to Table 2. Figure 2 depicts the mean of each type of product-related information tested in the survey. The mean of the responses for this type of product-related information was 3,3. This is the lowest mean of all five of the types of product-related information included in the empirical research.

5.1.4 Comparison with competitive products
Of the respondents, 18,2% indicated that this type of information had a high use for them. More that a third of the respondents (34,5%) rated the usefulness of this type of product-related information as four on the 5-point scale. The mean for this type of product-related information was the second lowest, as illustrated by Figure 2.

<table>
<thead>
<tr>
<th>Agree</th>
<th>28</th>
<th>50,9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>15</td>
<td>27,3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>55</td>
<td>100*</td>
</tr>
</tbody>
</table>

*The percentages in the columns are rounded off to the first decimal. Consequently, the percentages in a column may count up to 99,9 or 100,1. These totals are rounded off to 100. This principle applies to all tables in this study.
5.1.5 Links to other sites related to the product
Only 21.8% of the respondents indicated that this type of product-related information had a perceived high use. Of the respondents, 25.5% rated the influence as four on the 5-point scale.

5.1.6 Conclusion
The respondents indicated in their opinions that information on product benefits was the most useful type of product information that could be used as an incentive to convert hits into visits. Product features were also important, while comparisons with previous products were rated as the least important of the five types of product-related information.

5.2 Use of entertainment as an incentive to convert hits into visits
It appeared that there was some uncertainty among the respondents on the use of entertainment as an incentive. From Table 3 it appears that 38.2% of the respondents neither agreed nor disagreed with the use of entertainment as an incentive to convert hits into visits. What is more, 29.1% of the respondents disagreed and 7.3% strongly disagreed. Only 14.5% of the respondents agreed with the use of entertainment and another 10.9% of the respondents strongly agreed.

Table 3 Entertainment is an incentive

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did not answer the question</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>4</td>
<td>7.3</td>
</tr>
<tr>
<td>Disagree</td>
<td>16</td>
<td>29.1</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>21</td>
<td>38.2</td>
</tr>
<tr>
<td>Agree</td>
<td>8</td>
<td>14.5</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>6</td>
<td>10.9</td>
</tr>
<tr>
<td>TOTAL</td>
<td>55</td>
<td>100</td>
</tr>
</tbody>
</table>

According to the literature, entertainment could be categorized into product-related entertainment and non product-related entertainment. The question concerned the type of entertainment that would be the best incentive to convert hits into visits. The responses are listed in Table 4. Respondents nominated product-related entertainment (50.9%) as the best
type of entertainment to be used as an incentive. Only 12.7% of the respondents indicated that non product-related entertainment was the best incentive. In addition, 25.5% of the respondents was of the opinion that the type of entertainment did not matter.

**Table 4 Best type of entertainment to convert hits into visits**

<table>
<thead>
<tr>
<th>Did not answer the question</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product-related information</td>
<td>28</td>
<td>50.9</td>
</tr>
<tr>
<td>Non product-related entertainment</td>
<td>7</td>
<td>12.7</td>
</tr>
<tr>
<td>Type of entertainment does not matter</td>
<td>14</td>
<td>25.5</td>
</tr>
<tr>
<td>TOTAL</td>
<td>55</td>
<td>100</td>
</tr>
</tbody>
</table>

**5.2.1 Conclusion**
The results of the survey did not conclusively support the literature on this issue. It appears that the respondents did not view entertainment as an important incentive to convert hits into visits. Secondly, the respondents were of opinion that product-related entertainment was the best type to use.

**5.3 Use of on-line ordering as an incentive to convert hits into visits**
Of the respondents, 36.4% strongly agreed that on-line ordering of products was an incentive, while 50.9% of the respondents agreed. As with the response concerning information as a potential incentive, there was little uncertainty among the respondents regarding the use of on-line ordering. Only 9.1% indicated uncertainty by neither agreeing nor disagreeing. The responses are listed in Table 5.

**Table 5 On-line ordering as an incentive**

<table>
<thead>
<tr>
<th>Did not answer the question</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly disagree</td>
<td>1</td>
<td>1.8</td>
</tr>
<tr>
<td>Disagree</td>
<td>1</td>
<td>1.8</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>5</td>
<td>9.1</td>
</tr>
<tr>
<td>Agree</td>
<td>28</td>
<td>50.9</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>20</td>
<td>36.4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>55</td>
<td>100</td>
</tr>
</tbody>
</table>

**5.3.1 Conclusion**
The responses to this question supported the literature that on-line ordering can be used as an incentive to improve the contact efficiency of a Web site.

**5.4 Use of on-line purchasing as an incentive to convert hits into visits**
The use of on-line purchasing as an incentive to improve contact efficiency was also tested in the empirical survey. As in the case of on-line ordering, a substantial group of the respondents (85.5%) either agreed or strongly agreed with the question. Few respondents
showed uncertainty; only four of the respondents neither agreed nor disagreed with the question. The results to this question are given in Table 6.

Table 6 On-line purchasing as an incentive

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did not answer the question</td>
<td>1</td>
<td>1,8</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>1</td>
<td>1,8</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>3,6</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>4</td>
<td>7,3</td>
</tr>
<tr>
<td>Agree</td>
<td>25</td>
<td>45,5</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>22</td>
<td>40</td>
</tr>
<tr>
<td>TOTAL</td>
<td>55</td>
<td>100</td>
</tr>
</tbody>
</table>

5.4.1 Conclusion
According to a large group of respondents, offering on-line purchasing could be used as an incentive to improve contact efficiency. The survey results on on-line ordering and purchasing further supported the findings of the literature that purchase facilitation can be used as an incentive for customers to visit a Web site.

5.5 Influence of addressing customer values on the contact efficiency stage
In 1997, Gascoyne identified 10 customer values that could be included in the value proposition. The respondents were asked to rate the influence (using a 5-point Likert scale where 1 = no influence and 5 = strong influence) of each of these factors on converting hits into visits. The results are as follows:

5.5.1 Convenience
The majority of respondents (65,5%) indicated that convenience in the use of the Web site had a strong influence on the decision of an Internet user to visit a Web site. A quarter of the respondents (25,5%) rated the influence of convenience as four on the 5-point scale. Only 7,3% of the respondents rated convenience as three on the 5-point scale. Very few respondents (only 1,8%) indicated that convenience in the use of the Web site had no influence on the Internet user's decision to visit a Web site.

5.5.2 Transparency
Almost half of the respondents (49,1%) agreed that transparency (defined as the easy movement from one site to another that provides additional information) had a strong influence on the decision of an Internet user to visit a Web site. Approximately a quarter of the respondents (25,5%) rated the influence of transparency as four on the 5-point scale. Less than a quarter of the respondents (23,6%) rated the influence of transparency on the contact efficiency of a Web site as three on the 5-point scale.

5.5.3 Guaranteed fulfilment
Most of the respondents (65,5%) rated the influence of guaranteed fulfilment as a very strong influence on the Internet user's decision to visit a Web site. Of the respondents, 21,8% rated the influence as four on the 5-point scale. Only 10,9% of the respondents rated the influence as three on the 5-point scale.

5.5.4 Security of electronic transactions
The literature study suggests that security is an important factor to consider when selling products or services on the Internet. Almost three-quarters of the respondents (72,7%)
indicated that they felt that security had a strong influence in the Internet user's decision to visit a Web site. This response further emphasized the importance of security for the customer.

5.5.5 Educating the user on product usage or benefits
Only 30.9% of the respondents indicated that educating the user on product usage or benefits was perceived to have a strong influence of the Internet user's decision to visit a Web site. Of the respondents, 29.1% rated the influence of this interactive function as three on the 5-point scale or as four on the 5-point scale.

5.5.6 Personalization
Of the respondents, 30.9% indicated that personalization could be used as a strong influence to convert more hits into visits. Another 23.6% of the respondents rated it as four on the 5-point scale and 27.3% rated it as three on the 5-point scale.

5.5.7 Proactivity
Only 27.3% of the respondents indicated that proactivity had a strong influence on the decision of the Internet user to visit a Web site. Another 43.6% of the respondents rated the influence of proactivity as four on the 5-point scale, while 20% rated it as three on the 5-point scale.

5.5.8 Timeliness
A sizeable group of the respondents showed agreement on the influence of timeliness as a factor that influenced the number of hits converted to visits. More than two-thirds of the respondents (69.1%) pointed out that timely information provided a strong influence on the Internet user's decision to visit a Web site. Another 21.8% of the respondents rated the influence as four on the 5-point scale.

5.5.9 Choice
Just less than one-third of the respondents (32.7%) were of opinion that providing product options and product diversity for the customer had a strong influence in the decision to visit the Web site. A further 43.6% of the respondents rated the influence of choice on converting hits into visits as four on the 5-point scale.

5.5.10 Interaction
The responses implied that interaction had less of an influence on the perceived decision of the Internet user to visit a Web site. Of the respondents, 41.8% rated it as three on the 5-point scale rating. Another 21.9% of the respondents rated the influence of interaction on converting Web site hits into visits as two on the 5-point scale.

5.5.11 Means of customer values
The responses, as discussed above, did not provide a conclusive answer regarding the perceived usefulness of the listed customer values. Further manipulation of this data included calculating the mean for each customer value. The results of this calculation are reflected in Figure 3.

Figure 3 indicates that updated and immediately available information had the highest mean of all the factors. Furthermore, security, convenience and guaranteed fulfilment were jointly perceived by the respondents as the second most important customer values that could influence the decision of the Internet user to visit a Web site. The respondents perceived personalization to be a lesser customer value influencing contact efficiency. Even more surprisingly, the respondents rated interaction overall as the value factor with the least possible influence on the Internet user's decision to visit a Web site.
5.5.12 Conclusion  
According to the respondents, timely and updated information was the most important customer value to address. Customer values were ranked from strongest possible influence to least possible influence by using the mean of each value factor. According to the respondents, this indicated which customer values had the strongest influence on the Internet user's decision to visit a Web site. This ranking is presented in Table 7.

Table 7 Ranking the value factors

<table>
<thead>
<tr>
<th>Rank</th>
<th>Value factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Timeliness of information</td>
</tr>
<tr>
<td>2</td>
<td>Security/Convenience/Guaranteed fulfilment</td>
</tr>
<tr>
<td>3</td>
<td>Transparency</td>
</tr>
<tr>
<td>4</td>
<td>Choice</td>
</tr>
<tr>
<td>5</td>
<td>Productivity</td>
</tr>
<tr>
<td>6</td>
<td>Educating</td>
</tr>
<tr>
<td>7</td>
<td>Personalization</td>
</tr>
<tr>
<td>8</td>
<td>Interaction</td>
</tr>
</tbody>
</table>

6 Findings, conclusions and recommendations

6.1 Findings and conclusions
6.1.1 Findings and conclusions regarding the use of information as an incentive to convert hits into visits  
The majority of the respondents were of the opinion that providing product-related information could serve as an incentive to convert hits into visits. The finding supports the literature on product-related information as an incentive to convert hits into visits. The empirical survey further contributed to an understanding on how product-related information can be used as an incentive by determining which type of product-related information could
best serve as an incentive. It appears that product benefits are the best type of information to provide. Providing information on product features and links to sites related to the product could also serve as incentives to convert hits into visits.

6.1.2 Findings and conclusions regarding the use of entertainment as an incentive to convert hits into visits
In the empirical research, the majority of the respondents were uncertain on whether entertainment could be used as an incentive or not. However, the empirical survey did identify product-related entertainment as the best type of entertainment that could be used as an incentive to convert hits into visits.

6.1.3 Findings and conclusions regarding on-line ordering and on-line purchasing as incentives to convert hits into visits
As expected, the empirical survey supported the literature study. The majority of the respondents were of the opinion that on-line ordering and on-line purchasing provided incentives to convert hits into visits.

6.1.4 Findings and conclusions regarding the influence of addressing customer values on the contact efficiency of a Web site
The empirical research indicated that addressing customer values could improve the conversion of hits into visits. In general, none of the values identified from the literature had a mean below three on a 5-point scale (where 5 = strong influence and 1 = no influence). Therefore, the empirical research generally supported the literature study. In addition, the empirical research contributed to an understanding of the influence of customer values on contact efficiency by identifying the possible influence of each customer value on the contact efficiency stage. According to the empirical research, timely, up-to-date information was the customer value that had the strongest influence on the user's decision to visit a site or not. The other customer values that the empirical survey found important were convenience, guaranteed fulfilment and security.

6.2 Recommendations
6.2.1 Recommendations regarding the use of information as an incentive to convert hits into visits
One of the strategies that a marketing manager can consider to improve contact efficiency is to provide product-related information as an incentive to convert hits into visits. The best types of information to include are information on product benefits and product features, and links to sites that are related to the product.

6.2.2 Recommendations regarding the use of entertainment as an incentive to convert hits into visits
Given the uncertainty regarding the use of entertainment, further research is necessary to determine its influence as an incentive to convert hits into visits. If entertainment is used as an incentive, product-related entertainment would best serve the purpose.

6.2.3 Recommendations regarding on-line ordering and on-line purchasing as incentives to convert hits into visits
To improve the contact efficiency of an advertising Web site, marketers can use on-line ordering and on-line purchasing as incentives. On-line ordering and purchasing provide an incentive for the customer to visit the advertising Web site. To employ this strategy effectively, marketers must consider the influence of product characteristics on the potential of on-line selling. Given the nature of certain products, the possibility of using on-line purchase facilitation as an incentive could be minimal.

6.2.4 Recommendations regarding the influence of addressing customer values on the
contact efficiency of a Web site
Marketers must consider addressing customer values as part of the value proposition. By focusing on specific customer values, the contact efficiency of an advertising Web site can be enhanced. It appears that the most important customer value to address is providing the customer with timely, updated information. Other important customer values to address are convenience, guaranteed fulfilment and security.

6.2.5 Conclusion
This research succeeded in identifying potential value strategies that influence the contact efficiency of an advertising Web site. In addition to achieving the main objective of the study, this research could contribute to the future success of companies in the digital economy; it could provide marketing managers and practitioners with more insight for developing effective Web site value strategies. Improving the understanding of value strategies that enhance the contact efficiency of advertising Web sites could lead to improved results such as more on-line sales for on-line advertising sites. It is therefore imperative that marketing managers and practitioners of companies with on-line advertising Web sites consider the recommendations of this study.

7 References


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