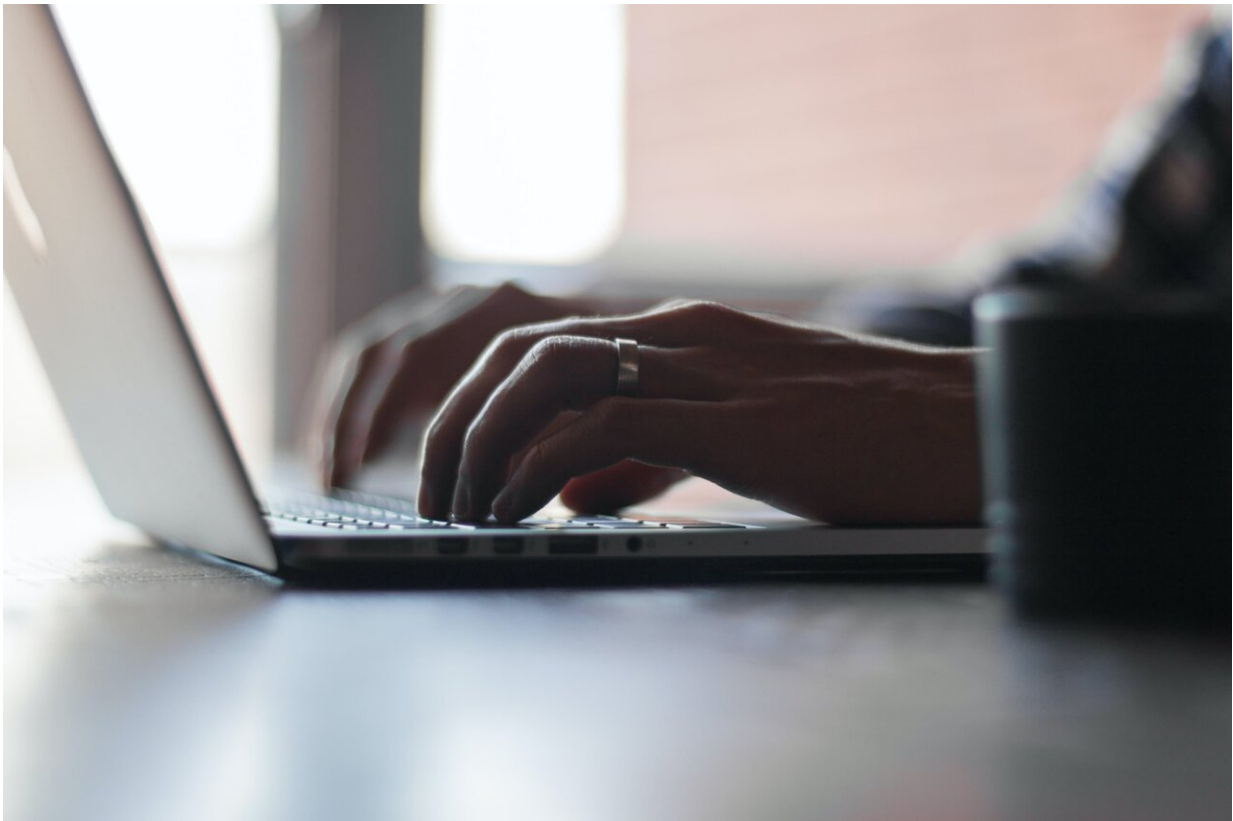


Ads may not provide benefits companies say they do

August 27 2020, by Daniel Tkacik



Credit: Unsplash/CC0 Public Domain

Roughly a quarter of US Internet users today use ad-blocking software, and those numbers [continue to grow](#). Many find online ads annoying and disruptive to their browsing experience, while others have security and

privacy concerns. To push back, the online advertising industry [has claimed](#) that online ads actually help consumers find better, cheaper products faster.

But what does the science say?

A recent study by researchers in Carnegie Mellon University's CyLab and Heinz College (Alisa Frik, Amelia Haviland, and Alessandro Acquisti) has put those claims to the test. [Their findings](#) were presented the [USENIX Security Conference](#), held virtually earlier this month.

"We wanted to know: in the absence of ads, would people be choosing products that are cheaper or more expensive?" says Alisa Frik, who led the study as a visiting researcher at the Heinz College and is currently a postdoctoral researcher at the International Computer Science Institute at UC-Berkeley. "We also wanted to see if people would be spending more or less time searching for products, and whether they would be more or less satisfied with their choices."

Frik and her co-authors invited 212 study participants into their lab to shop online. They were given 10 different product categories (e.g. winter hat, book, flash drive, etc.) and could shop for products within those categories. If participants indicated they wanted several different items, only one was randomly chosen at the end to be actually purchased. Participants were informed they would be compensated for up to \$25; for prices beyond that, they would have to cover the difference out-of-pocket, and for prices below that, they would keep the change.

"Because participants didn't know which product we were going to randomly choose, [in theory](#) they should have felt motivated to choose a product they would be happy with or wouldn't have to pay too much out of pocket for," says Frik.

To study the effects of online ads on their shopping experience, the researchers asked half the participants to shop on laptops where ad-blocking software blocked ads, and the other half to shop in the presence of ads. The researchers kept track of time spent searching for each item, amount spent, and levels of satisfaction after the purchase.

"We observed no statistically significant difference in prices of products participants chose to purchase, as well as time spent and satisfaction," says Frik.

Given these findings, should companies stop paying for online ads? Not so fast, says Frik.

"Our study didn't try to look at the effectiveness of the ads themselves," she says. "It's possible the ads convinced consumers to choose one brand over another, increasing the sales of a certain brand—re-allocating consumer's budget without necessarily changing it—but they didn't show any significant benefit that ad companies claim consumers receive."

Frik also says it's important to consider a couple potential limitations of the study. First, the number of study participants may be too low to draw any large conclusions about online consumers at large. Also, participants were instructed to choose products from a set of categories, instead of organically needing something and deciding themselves to shop for a product. Future studies, Frik says, may help improve some of these potential shortcomings.

"Still, our findings suggest that even with a larger sample of shoppers, the benefits of ads on the shopping experience may be small at best," Frik says.

More information: www.usenix.org/system/files/sec20-frik.pdf

Provided by Carnegie Mellon University

Citation: Ads may not provide benefits companies say they do (2020, August 27) retrieved 7 August 2024 from <https://phys.org/news/2020-08-ads-benefits-companies.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.