

It can change – capricious, stellar – only the interest of consumers to it always remains unchanged.

Advertising of low price cosmetics can often be seen in inexpensive magazines, such as «Lisa» or «Magic and beauty».

Mass market cosmetics are cosmetic products intended for the mass consumer. Typically, these cosmetics are used to care for the skin, hair and nails. Representatives of such cosmetics are the brands Nivea, Garnier. Advertising of cosmetics of this class can be seen in expensive glossy magazines, and in cheaper ones.

Thus, in today's world, advertising is a priority in the field of cosmetic sales. Promotion of goods and development of cosmetic business will be more successful if the company develops and implements effective advertising projects. In the face of fierce competition, advertising is of great importance as a means of bringing information about the product to the mass consumer. Taking into account the competitive nature of cosmetic products in the market of supply and demand, the role of factors of promotion and positioning is significantly increasing.

### References

1. Istoriya vynyknennya kosmetyky [Elektronnyy resurs]. – Rezhym dostupu : <http://mestectvo.com/zvnovost/438-istkosmet.html>
2. Reklama kosmetyky v hlyantsevykh zhurnalakh za uchastyu zirok kino i shou-biznesu [Elektronnyy resurs]. – Rezhym dostupu : <https://ukrbukva.net/69392-Reklama-kosmetiki-v-glyancevyh-zhurnalah-s-uchastiem-zviezd-kino-i-shou-biznesa.html>

DOI: <http://doi.org/10.31617/k.knute.2019-03-19.08>

### REASONS AND EFFECTS OF ONLINE AD BLOCKING

#### **Moroz M.**

Dr. hab., prof.

Department of Organization and Economics

*Wrocław University of Economics, Poland*

#### **Hlynsky N.**

Candidate of sciences (Ph.D.),

Associate Professor

Department of Marketing and Logistics

*Lviv Polytechnic National University, Ukraine*

**Keywords:** *online-advertising, blocking, marketing, Internet users.*

Online marketing is subject to a process of continuous growth. There are an increasing number of ads, increasing time of ads exposure, increasing value of the expenditure on online advertisement. For online publishers these trends are clearly positive. Ad revenues play an important role in financing the operation of such businesses as portals, online publishers, vortals. With the stream of advertising revenue it is possible to finance the creation of valuable content, which then are offered free of charge to Internet users. In this context, one talks about so-called indirect financing model. It consists in paying activity of online services not directly through using these services (consuming digital contents); and by advertisers, who pay for the possibility of placing a particular advertising creation. In other words, users do not pay in cash for the use of e-services, but too for them advertisements are being served as well as their personal details are being collected.

Changes in marketing communications also include the emergence of new advertising formats. These formats are supposed by design to counteract decreasing conversion rates (decreasing CTR indicator). This means, however, on the other hand, that the new advertising formats are more invasive compared to the past. The desire to increase the effectiveness of the advertising caused the widespread use of forms of advertising, which are moving, are filling the central part of the screen, are starting along with loading a web page.

From a point of view of the average Internet user combination of above factors (of growing number of advertisements and their invasiveness) caused feeling the exaggerated saturation with the marketing message. Therefore the part of Internet users decided to use solutions that block the display of online advertising.

Ad blocking (ad filtering) is a solution enabling on the programmatic way, more rarely be hardware, blocking the advertising content displayed in the website or mobile application. As a result, the user receives a website without content marketing, only to the content of substance. Figure 1 gives the idea of blocking online advertising.

The primary reason for using ad-blocking software is to increase the intensity of advertising on the Internet. This increase reflected both in terms of the number of display ads and time of exposure, as well as the diversity of advertising formats. In the latter case it is mainly about the invasiveness of the particular advertising formats.

The use of software that blocks advertising message carries serious consequences for the entire virtual ecosystem. First, the effects of ad blocking experience right now, and they will feel even more strongly in the future, any company continued the publication of ads (online publishers). Portals, vortals,

websites in part of that income from the ads – all of these businesses must take into account the changing nature of the environment.

Secondly, the indirect effects of ad blocking software will be felt by advertiser and online publishers. It would be impossible in the conditions of ad blocking to lead the campaign as usual. Ad blockers software is making it impossible to reach the chosen target group with the advertising transmission the first time round. Also the scope of a campaign will reduce – it will be necessary to repeat action in order to reach the planned auditorium. All this will translate into performance indicators of the campaign.

Thirdly, the widespread use of blocking software will affect Internet users. Creating valuable content is costly. In the current model the indirect cost of generating content was covered in whole or in part from advertising revenue. In the absence of this revenue stream will translate into level of the quality of the materials presented on the Internet. There will also be more charges for access to content.

Online publishers take a number of actions which have the objective to allow further use of stream of advertising revenue and minimize the negative impact of software blocking advertising. Educating the user that someone has to pay for content, displaying the content conditional on the deactivation of ad blocking software, legal battle with the white list, taking into account changes in the standards of advertising – these are just some of the activities of organizational, technical, legal nature to keep the advertising industry in the possibly good condition.

On the other hand, the use of block e-ad irreversibly changed the market for online advertising. There is no return to make the all-too-intrusive advertising formats. Too invasive and intrusive advertising formats can't continue to be the basis for the development of e-marketing. The generalization of the using software blocking ads, as well as the satisfaction of the majority users taking the effects produced by this software shows that just a subjective feeling of discomfort watching e-advertising is enough in order to start in a smooth manner ad-blocking.

For online publishers, this means changing the business model. Without a doubt, it reduces the role of the indirect model of creating revenues. Dissemination of ad blocking highlighted the importance of the direct model. In this situation players should very carefully analyzed previous experience of those who have started to collect fees directly from users. It is expected that more and more publishers will implement pay-type solutions like pay wall. However, such implementation does not take place smoothly and probably will cause organizational, financial and legal perturbations on a scale not only individual company, but the entire sector.