European Advertising Academy

RESEARCH

Enrique Bigne · Sara Rosengren *Eds.*

Advances in Advertising Research X

Multiple Touchpoints in Brand Communication

European Advertising Academy

The objective of the European Advertising Academy (EAA) is to provide a professional association to academics and practitioners interested in advertising and its applications that will promote, disseminate and stimulate high quality research in the field.

More information about this series at http://www.springer.com/series/12465

Enrique Bigne · Sara Rosengren
Editors

Advances in Advertising Research X

Multiple Touchpoints in Brand Communication

Springer Gabler

Editors
Enrique Bigne
University of Valencia
Valencia, Spain

Sara Rosengren
Center for Retailing
Stockholm School of Economics
Stockholm, Sweden

ISSN 2626-0328 ISSN 2626-0336 (electronic)
European Advertising Academy
ISBN 978-3-658-24877-2 ISBN 978-3-658-24878-9 (eBook)
https://doi.org/10.1007/978-3-658-24878-9

Springer Gabler

This Springer Gabler imprint is published by the registered company Springer Fachmedien Wiesbaden GmbH part of Springer Nature.
The registered company address is: Abraham-Lincoln-Str. 46, 65189 Wiesbaden, Germany

Advances in Advertising Research: Brand Communication with Multiple Touchpoints

Enrique Bigne and Sara Rosengren

We are happy to present Advances in Advertising Research Vol. X "*Advances in Advertising Research: Brand Communication with Multiple Touchpoints*", published by the European Advertising Academy (EAA). This volume includes revised and extended versions of selected papers presented at ICORIA 2018, the 17th International Conference on Research in Advertising, which was organized by the University of Valencia, Spain in June 2018.

Icoria 2018 welcomed more than 180 participants from 27 countries and included 39 parallel sessions where 159 papers were presented and discussed. The theme of the conference "Brand communication with Multiple Touchpoints" was selected to reflect the new multi-device reality, where communications are omnipresent thus requiring a holistic perspective from brand managers, researchers, and policy makers. In this reality, there is a need to undertake advertising research with specialized insights and from different angles. The conference theme encourages new research with new insights into how customer engagement is affected by multiple and diverse consumer touchpoints in an omni-connected world.

The papers in this volume clearly highlight the multifaceted topics being discussed in the conference. The 18 papers were selected based on the double-blind review of the Icoria conference and was enhanced through participants' interactions at the conference. They cover issues ranging from Digital Communications and Multiple Touchpoints (Part I), Creativity in Advertising (Part II), and Consumer Responses to Communications (Part III). The book is heavily research-oriented, but also examines practical communications issues.

We want to take this opportunity to thank all the authors for contributing to this volume. Enrique and Sara would also like to thank the European Advertising Academy for supporting the publication of this new volume of Advances in Advertising Research. Specials thanks are addressed to the

organizing committee at the Department of Marketing of the Faculty of Economics at University of Valencia who did an outstanding job to ensure the conference was a big success. The participants co-created a positive atmosphere that facilitated multiple interactions. We especially thank Alberto Badenes who copy edited and formatted the papers in this book.
We hope that academics, practitioners, and students alike will find this volume helpful and enjoy reading it. The authors are eager to receive your comments, but first need to start reading. Go for it!

Valencia/Stockholm, January 2019


ICORIA 2018
VALENCIA
21-23 JUNE
BRAND COMMUNICATION WITH MULTI TOUCHPOINTS
EUROPEAN ADVERTISING ACADEMY
VNIVERSITAT DE VALÈNCIA
Facultat d' Economia
Departament de Comercialització i Investigació de Mercats
mk

The objective of the association is to provide a professional association to academics and practitioners interested in advertising and its applications that will promote, disseminate and stimulate high quality research in the field.

The association particularly serves as a meeting and communication forum for its members. It offers a network for the exchange of knowledge on an international level and constitutes a framework allowing for a better dissemination of information on research and teaching.

The association also aims at the development of relations with all other professional and research-oriented associations which are active in the field, as well as with European or international committees and authorities concerned with political decision making, active in this field.

The EAA is closely related to the yearly International Conference on Research in Advertising (ICORIA). The purpose of the conference is to create a forum where people studying advertising in the academic world could exchange ideas, and where they could meet with practitioners who have experience with advertising in the commercial world.

Every natural person that is professionally concerned with or interested in research or teaching in the field of advertising is, irrespective of nationality, eligible to become a full member of the association.

For further information please visit our website: www.icoria.org

Table of Contents

Part II. Creativity in Advertising

Part III. Consumer Responses to Multiple Communications

Part I. Digital Communications and Multiple Touchpoints

Branded App Engagement: Comparing Apps from Goods and Service Brands

Zeph M. C. van Berlo, Eva A. van Reijmersdal, Guda van Noort

1 Introduction

Digital consumer engagement was recently rated as *the* top strategic priority for the coming years by CEO's and other C-level executives in a large scale survey by McKinsey & Company (2014). A likely reason for this endorsement is that highly *engaged* consumers are believed to be more responsive to advertising messages, leading to increased persuasion (Calder, Malthouse, & Schaedel, 2009). Where digital consumer engagement encompasses consumer engagement via various digital platforms—from social media to company websites—one digital platform that has been receiving an increasing amount of attention in recent years is the branded app.

Branded apps are "software that is downloadable to a mobile device and prominently displays a brand identity [throughout the user experience], often via the name of the app and the appearance of a brand logo or icon" (Bellman, Potter, Treleaven-Hassard, Robinson, & Varan, 2011, p. 191). Differences in marketing strategies between types of brands however, can shape the development of these apps—potentially resulting in branded apps that elicit different experiences. Goods brands for example might configure their apps to facilitate the purchase of (branded) products, where service brands might use them as a platform to offer their (online) service (Kim, Lin, & Sung, 2013). For that reason, apps from different types of brands are expected to elicit different types of engagement experiences with their users.

In this chapter we examine to what extent various types of app engagement are experienced by branded app users and whether this differs between users of goods and service brand apps. By adopting the media engagement framework (Calder et al., 2009), this study offers novel insights into the workings of app engagement. In addition, it increases the understanding of the types of engagement experiences that branded app users experience. Besides, the results offer valuable insights for brand managers and app developers who aim to develop branded apps that will actually be used by their consumers.

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_1

2 Branded App Engagement

2.1 Media Engagement Framework

In this chapter, we conceptualize branded app engagement in line with the media engagement framework (Calder et al., 2009). This framework differentiates between engagement experiences (e.g., convenience, intrinsic enjoyment) and engagement consequences (e.g., clicks, likes, shares). Branded app engagement is defined as the set of experiences branded app users have while using a branded app. This engagement ultimately leads to engagement consequences—like re-using or liking an app—sometimes also referred to as 'indicators of usage and attentiveness' (Calder et al., 2009), 'outcomes of online customer experience' (Alnawas & Aburub, 2016), or 'digital engagement practices' (Eigenraam, Eelen, Van Lin, & Verlegh, 2018).

Branded apps can elicit various types of experiences to be engaging. For example, an app can be more functional or informational and provide utility, whereas another can be more experiential, and provide intrinsic enjoyment experiences (Bellman et al., 2011). It is also conceivable that a branded app is experienced both functionally and experientially at the same time. Take for example the Netflix app, which can clearly be experienced as being functional, for it offers the ability to easily select a film or a series to watch, but at the same time could also be experienced as being experiential, when evoking enjoyment or excitement while watching a film or series. In sum, when engaged with branded apps, people can have different experiences—which may occur simultaneously.

In this chapter, four engagement experience types are considered: personal identification, social facilitation, intrinsic enjoyment, and convenience. The first three were identified by Calder et al. (2009) as important media engagement experiences for websites users. These engagement experiences were later shown to be also relevant in a branded app context (Bellman et al., 2011). The fourth experience type, convenience, was added due to the convenient nature of the medium. A characteristic of branded apps, and mobile apps in general, is that they are inherently convenient, because they can be accessed at any time and are often close at hand (Larivière et al., 2013).

Branded apps are expected to induce, at least to some extent, experiences from all four engagement experience types. Which means that branded app users are believed to experience the engagement dimensions personal identification, social facilitation, intrinsic enjoyment, and convenience. It is unknown however which types of app engagement are experienced the most by branded app users. Therefore, we propose the following research question:

RQ1: To what extent do branded app users experience personal identification, social facilitation, intrinsic enjoyment, and convenience?

2.2 Comparing Branded Apps from Goods and Service Brands

A recent content analysis of branded apps (Kim et al., 2013) showed that there are differences between apps from goods and service brands in the amount of attributes of engagement they integrate. Attributes that are considered by Kim et al. (2013) are for example vividness, multi-platforming and feedback, and are according to the authors integrated into the branded app with the aim to elicit engagement. They indicate that generally goods brands integrate more attributes of engagement than service brands. In addition, the content analysis showed that both types of branded apps seem to include entertainment features.

It is unclear however, whether these differences between apps from goods and service brands also result is different levels of engagement—as experienced by the users of these apps. In line with our first research question, we will examine whether levels of engagement differ between the four dimensions of engagement, however now we differentiate between goods an service brand apps. The following research question is proposed:

RQ2: Do app users, from (i) goods and (ii) service brand apps, differ in the extent to which they experience personal identification, social facilitation, intrinsic enjoyment, and convenience?

Apart from whether levels of engagement experience differ between the four engagement dimensions, the level of experience intensity might also differ within engagement dimensions between the two types of branded apps. We will therefore examine whether branded app users from goods and service brands differ from each other in the levels of engagement that they experience within each app engagement dimensions (i.e., personal identification, social facilitation, intrinsic enjoyment, convenience). The following research question is proposed:

RQ3: Do app users from goods versus service brand apps differ from each other in the levels of engagement they experience within the engagement dimensions personal identification, social facilitation, intrinsic enjoyment, and convenience?

3 Method

3.1 Participants and Procedure

A cross-sectional survey was administered across a representative sample (N = 298) of Dutch smartphone users. The participants (50.0% female) were part of an online panel and ranged in age between 18 and 74 years old (M = 42.54, SD = 14.55). On average they indicated to have 33.43 (SD = 24.83) apps installed on their smartphones, of which on average 8.14 (SD = 7.33) were branded apps—meaning that about one in four of their apps was branded.

The participants were first asked to select the branded app they had used most recently. In this study, branded apps were defined by two criteria. The participants were asked to select an app that (i) had a clear brand identity (for example by including brand indicators such as logos and brand names), and (ii) had been developed by a company that offered a paid product (e.g., retail, grocery shopping) or service (e.g., banking, streaming services). Participants that did not choose an app that met these requirements were excluded from the study.

Next, participants were asked to answer a set of questions about the branded app. Previous studies (e.g., Voorveld, Bronner, Neijens, & Smit, 2013) have shown that asking for the most recent interaction with a medium (in this case a branded app) is an effective method to study media consumption. Apart from this interaction being the most salient in the memory of the participant and thus leading to more reliable answers, this method also facilitates the inclusion of a wider variety of apps that people actually use—increasing the external validity of the findings. The questions measured various app engagement experiences that participants could have with this app. Furthermore, because the survey was part of a larger project (Van Berlo, Van Reijmersdal, & Van Noort, 2018), several additional variables (i.e., app use, app attitude, app attention, and brand attitude) were measured that are not reported or analyzed for this chapter. Finally, the demographic information of the participants was recorded after which the participants were thanked for their participation and paid by the online panel.

3.2 Measures

3.2.1 App Engagement Type

Eighteen items were used to measure app engagement, on Likert scales ranging from 1 (Totally disagree) to 7 (Totally agree). Fourteen items from Calder et al. (2009) were used to measure the personal identification experience (9), social facilitation experience (3), and intrinsic enjoyment experience (2). The four items measuring the convenience experience were based on the two dimensions of convenience (usefulness and ease of use) as described by Davis (1989).

An exploratory factor analysis with direct oblimin rotation was used to determine the dimensionality of app engagement. Bartlett's test of sphericity ($p < .001$), and the Kaiser-Meyer-Olkin (KMO) value (.91), indicated that the factor model was adequate. Four factors were identified, in correspondence with the four engagement dimensions, and reliable index variables were created: personal identification ($EV = 8.32$, $R^2 = .46$, Cronbach's $\alpha = .92$), social facilitation ($EV = 3.26$, $R^2 = .18$, Cronbach's $\alpha = .90$), intrinsic enjoyment ($EV = 1.03$, $R^2 = .06$, $r_{SB2} = .82$), and convenience ($EV = 1.01$, $R^2 = .06$, Cronbach's $\alpha = .90$).

3.2.2 Brand Type

To determine the brand type of the embedded brands, the selected branded apps were all coded either as goods (0) or service (1) brands by one of the researchers. Goods brands were brands that offer a physical product (or products) that people can buy. Examples are retail brands (e.g., clothing, pharmaceuticals, consumer electronics) and brands that sell food products. Service brands are brands that offers a service that people can pay for. For example banking and other financial brands, but also providers of telecommunications and media streaming services were coded as service brands. Overall, 100 brands were coded as goods brands and 198 as service brands. Of these brands, 33 unique goods brands and 37 unique service brands were identified.

4 Results

4.1 Comparing App Engagement Experience Types

To answer the first two research questions, a repeated measures analysis of variance was estimated with app engagement types as within-subject factors and brand type as between-subjects factor. The test was significant, $F(2.41, 746.86) = 271.60$, $p < .001$. Note that the Mauchly's test, $\chi2(5) = 111.82$, $p < .001$, $\varepsilon = .80$, indicated that sphericity could not be assumed and a Huynh-Feldt correction was therefore applied (Field, 2017).

Table 1. Descriptive statistics for app engagement per dimension and brand type.

		Personal Identification		*Social Facilitation*		*Intrinsic Enjoyment*		*Convenience*	
	N	*M*	*SD*	*M*	*SD*	*M*	*SD*	*M*	*SD*
Total	298	3.43[a]	1.30	3.28[a]	1.54	4.59[b]	1.26	5.50[c]	0.97
Goods	100	3.81[a]	1.23	3.82[a]	1.42	4.78[b]	1.20	5.29[c]	0.81
Service	198	3.24[a]	1.29	3.00[b]	1.53	4.50[c]	1.29	5.61[d]	1.03

Note. Means in the same row that do not share a superscript differ from each other with $p < .022$.

The results (as displayed in Table 1, row 'Total') showed that for branded apps in general, there were differences between the mean scores of the four app engagement dimensions. The scores for convenience and intrinsic enjoyment were highest, and differed significantly from each other, of which convenience was the most frequently reported engagement experience. Personal identification and social facilitation were significantly less experienced than intrinsic enjoyment and convenience. Their means did not differ from each other. This means that

branded app users were primarily engaged with branded apps through experiences of convenience and intrinsic enjoyment. Experiences of personal identification and social facilitation were less likely to be reported by branded app users.

4.2 Comparing Branded Apps from Goods and Service Brands

For RQ2 we compared the means of the four types of engagement experiences per brand type, the results (see Table 1, row 'Goods' and 'Service') were similar to the overall findings. For goods brands the levels of engagement experience between the engagement dimensions were identical to the overall experience levels, whereas for service brands the results were slightly different. Social facilitation was, by service brand users, experienced significantly less than personal identification. Similarly to the overall findings, branded apps from both goods and service brands primarily offered engagement to their users through convenience and intrinsic enjoyment experiences.

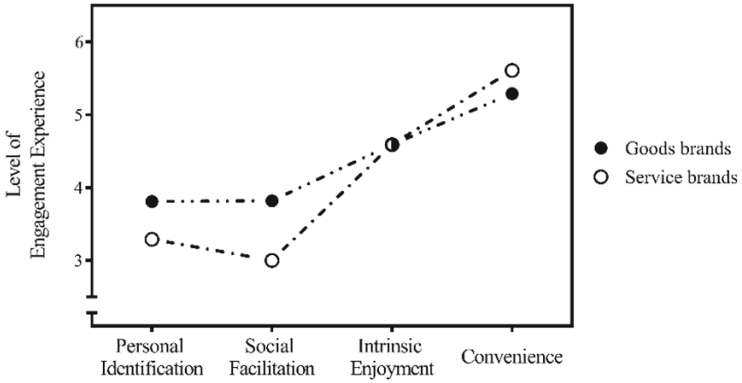


Figure 1: Visualization of the levels of engagement for goods and service brands. Note that the differences in levels of personal identification, social facilitation, and convenience experiences, between goods and service brands, are significant—see Section 4.2 for corresponding statistics.

To answer RQ3, four independent samples *t*-tests were performed to compare engagement experience levels between brand types. Differences were found for personal identification, $t(296) = -3.63$, $p < .001$, $d = 0.44$, social facilitation, $t(296) = -4.41$, $p < .001$, $d = 0.55$, and convenience, $t(296) = 2.69$, $p = .008$, $d = 0.34$. As shown in Figure 1, branded apps from goods brands elicited more personal identification and social facilitation experiences than apps from service brands. Contrary, branded apps from service brands generally elicited more convenience experiences than branded apps from goods brands.

No difference was found between the two types of branded apps for intrinsic enjoyment, $t(296) = -1.78$, $p = .076$. This means that app users from both types of branded apps experienced comparable levels of intrinsic enjoyment from using the apps.

5 Discussion

In this chapter, we examined to what extent various types of app engagement are experienced by branded app users and whether this differs within and between the four engagement dimensions personal identification, social facilitation, intrinsic enjoyment, and convenience. Moreover, differences between users of goods and service branded apps were examined.

First, the results indicate that especially engagement in terms of convenience and intrinsic enjoyment are experienced by branded app users. Personal identification and social facilitation experiences are reported less often. Second, goods brands evoke more personal identification and social facilitation experiences than service brands, where service brands evoke more engagement in terms of convenience experiences. Equal levels of intrinsic enjoyment are experienced by branded app users from goods and service brands.

The fact that branded apps seem to elicit foremost convenience experiences could be explained by the nature of branded apps. Often they are designed to help consumers, for example to facilitate online purchases or by offering information about a product or service (Kim et al., 2013). Additionally, the mobility of the app could also increase the experience of convenience, for branded apps are exclusively mobile. This means that they can be used virtually at any moment and any place (Larivière et al., 2013). The latter could have also contributed to the experience of convenience when using branded apps.

Third, branded apps from goods brands generally elicit more personal identification and social facilitation experiences than those of service brands. An explanation for these differences could be that branded apps from goods brands generally have more attributes of engagement, like vividness, multi-platforming and feedback, integrated into their design (Kim et al., 2013). Where it is currently unknown what specific effects the integration of these attributes has on the different dimensions of engagement, it is conceivable that the integration primarily elevates engagement in terms of personal identification and social facilitation experiences. For example because, as outlined by Kim et al. (2013), branded apps from goods brands seem more likely than those of service brands to offer a more vivid brand experience, to enable users to connect to the brand website, and to facilitate online discussions via the app.

Moreover, branded apps from service brands seem to be experienced as being more convenient than those of goods brands. A likely reason for this difference is that branded apps from service brands are, even more so than apps from goods brands, designed to perform a specific task that makes one's life easier.

5.1 Limitations and Suggestions for Further Research

In this study, only four types of app engagement experiences were considered. Where all four seem experienced at least to some degree by branded app users, it seems likely that additional engagement experiences could be identified that are also important for branded apps. For example, Alnawas and Aburub (2016) demonstrated that branded apps can elicit learning experiences. This type of experience was not considered in the current study, but could be explored in more detail in the future.

Identifying additional app engagement experiences could be done using either a top-down or bottom-up approach (Calder & Malthouse, 2008). When considering a top-down, or theory-driven, approach, engagement experiences are identified based on insights from existing literature. Engagement experiences could for example be extracted from the engagement attributes as described in the content analysis by Kim et al. (2010) or by taking a comprehensive behavioral framework, like the second generation of the unified theory of acceptance and use of technology (Vekatesh, Thong, & Xu, 2012) as starting point. Alternatively, a bottom-up approach could be used, as described in Calder and Malthouse (2008). They demonstrated that engagement experiences can be identified by using qualitative methods such as in-depth interviews.

Furthermore, besides apps from goods and service brands, future research could also focus on other types of branded apps. A type of branded app that is expected to elicit different engagement experiences than the regular branded app is the (fully) gamified branded app; or advergame (Terlutter & Capella, 2013). Where advergames are designed in part to be entertaining (Van Berlo, Van Reijmersdal, & Rozendaal, 2017), it seems conceivable that they elicit higher levels of intrinsic enjoyment than regular branded apps.

Finally, studies could focus on how different engagement experiences result in cognitive, affective, and conative brand responses. These three types of responses have been identified as outcomes of engagement in consumer behavior contexts in the past (Wilkie, 1994). A recent study for example showed that app enjoyment drives affective brand responses for entertainment apps (Van Noort & Van Reijemersdal, 2019). A comprehensive outline of possible outcomes of engagement are described in Eigenraam et al. (2018). Note that where most engagement literature seems to suggest that the causal relationship between engagement experiences and engagement consequences is asymmetrical—from engagement experience to engagement consequence—some literature suggests that this relationship is actually symmetrical.

More specifically, according to the differential susceptibility to media effects model (DSMM; Valkenburg & Peter, 2013), the relationship between engagement experiences (when described as media effects) on the one hand and media use and response states (i.e., cognitive, emotional, excitative responses) on the

other could be described as transactional—meaning that they are likely to influence each other over-time in a reciprocal manner. A concrete example would be that (i) an app user experiences personal identification when using a branded app, after which (ii) the person decides to use the app more often, which over time again (iii) strengthens one's experience of personal identification when using the app.

This possible reciprocal relationship between the types of engagement experiences and the outcomes of engagement could be studied using a longitudinal survey. Ultimately, resulting in a better understanding of how users engage with branded apps and what type of value this ultimately creates for both the brand and the consumer.

5.2 Practical Recommendations

Branded apps can be an effective marketing tool to engage consumers, however not all branded apps offer the same types of engagement and are equally successful. Where over two-thirds of marketers (Adobe, 2018), and more than 90% of the top 100 global brands (Distimo, 2011), nowadays include branded apps into in their marketing mix, mobile testing service Stardust (2013) showed that most of these (branded) apps are actually *zombie* apps—and are hardly used by consumers.

Where this study did not explore the effectiveness of branded apps, the results do offer valuable insight for practitioners who aim to develop branded apps that consumers use and engage with. In this study, participants were asked about their most recent interaction with a branded app, which means that the results are especially generalizable to branded apps that people actually use—apps that seem successful in engaging their target audience.

Considering the results of this study, it seems therefore important for practitioners, when developing or auditing branded apps, to assure that the app offers its users experiences of convenience and intrinsic enjoyment. Convenience is experienced when the app makes one's life easier; for example when it facilitates performing a specific task. App functionalities that are deemed useful by its users could boost convenience experiences. Intrinsic enjoyment experiences are experiences of enjoyment, arousal, or relaxation from using the branded app. Gamifying app functionalities might be key in the elicitation of this type of experience. Where these insights are valuable for branded apps from both goods and service brands, the results indicate that for service brands the convenience experiences are especially important, for they seem to elicit the highest levels of convenience experiences.

6 References

Adobe (2018, February). “The next mobile decade: A report on the state of mobile maturity ten years after the introduction of the iPhone”. Retrieved from: https://landing.adobe.com/dam/2018/downloads/whitepapers/ctir-3861.en.mobile-study.pdf

Alnawas, I., & Aburub, F. (2016). “The effect of benefits generated from interacting with branded mobile apps on consumer satisfaction and purchase intentions”. In: *Journal of Retailing and Consumer Services,* Vol. *31*, 313-322. https://doi.org/10.1016/j.jretconser.2016.04.004

Bellman, S., Potter, R. F., Treleaven-Hassard, S., Robinson, J. A., & Varan, D. (2011). “The effectiveness of branded mobile phone apps”. In: *Journal of Interactive Marketing,* Vol. *25*, 191-200.

Calder, B. J., & Malthouse, E. C. (2008). “Media engagement and advertising effectiveness”. In B. J. Calder (Ed.), *Kellogg on advertising and media* (pp. 1-36). Hoboken, NJ: John Wiley & Sons, Inc.

Calder, B. J., Malthouse, E. C., & Schaedel, U. (2009). “An experimental study of the relationship between online engagement and advertising effectiveness”. In: *Journal of Interactive Marketing,* Vol. *23*, 321-331.

Davis, F. D. (1989). “Perceived usefulness, perceived ease of use, and user acceptance of information technology”. In: *MIS Quarterly,* Vol. *13*, 319-340.

Distimo (2011, October). “The 2011 top 100 global brands and their app store statu”s. Retrieved from: https://www.slideshare.net/zebs/the-2011-top-100-global-brands-and-their-app-store-status

Eigenraam, A. W., Eelen, J., Van Lin, A., & Verlegh, P. W. (2018). “A consumer-based taxonomy of digital customer engagement practices”. In: *Journal of Interactive Marketing,* Vol. *44*, 102-121.

Field, A. (2017). “Discovering statistics using IBM SPSS statistics”. Thousand Oaks, CA: Sage Publications Inc.

Kim, E., Lin, J. S., & Sung, Y. (2013). “To app or not to app: Engaging consumers via branded mobile apps”. In: *Journal of Interactive Advertising,* Vol. *13*, 53-65.

Larivière, B., Joosten, H., Malthouse, E. C., Van Birgelen, M., Aksoy, P., Kunz, W. H., & Huang, M. H. (2013). “Value fusion: The blending of consumer and firm value in the distinct context of mobile technologies and social media.” In: *Journal of Service Management,* Vol. *24*, No. 3, 268-293.

McKinsey & Company (2014, June). “The digital tipping point: McKinsey Global Survey results” [Blog post]. Retrieved from https://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/the-digital-tipping-point-mckinsey-global-survey-results

StarDust. (2013). “Mobile applications & reputation: What do we learn from users’ review analysis?” Retrieved from http://www.stardust-testing.com/ressources_1/notice-m-reputation-en.pdf

Terlutter, R., & Capella, M. L. (2013). “The gamification of advertising: Analysis and research directions of in-game advertising, advergames, and advertising in social network games”. In *Journal of Advertising,* vol. *42*(2-3), 95-112.

Valkenburg, P. M., & Peter, J. (2013). “The differential susceptibility to media effects model”. In *Journal of Communication,* Vol. *63,* No. 2, 221-243.

Van Berlo, Z. M. C., Van Reijmersdal, E. A., & Van Noort, G. (2018). *App engagement experience types: On the value of branded app engagement.* Paper presented at International Conference of Research in Advertising (ICORIA), Valencia, Spain.

Van Berlo, Z. M. C., Van Reijmersdal, E. A., & Rozendaal, E. (2017). "Weet wat er speelt: De rol van merkbekendheid in effecten van mobiele advergames op tieners". In: *Tijdschrift voor Communicatiewetenschap,* Vol. *45*, No. 3, 216-236.

Van Noort, G., & Van Reijmersdal, E. A. (2019). "Branded apps: Explaining effects of brands' mobile phone applications on brand responses". In: *Journal of Interactive Marketing,* Vol. *45*, 16-26.

Venkatesh, V., Thong, J. Y. L., & Xu, X. (2012). "Consumer acceptance and use of information: Extending the unified theory of acceptance and use of technology". In: *MIS Quarterly,* Vol. *36,* No. 1, 157-178.

Voorveld, H. A., Bronner, F. E., Neijens, P. C., & Smit, E. G. (2013). "Developing an instrument to measure consumers' multimedia usage in the purchase process". In: *International Journal on Media Management,* Vol. *15*, 43-65.

Wilkie, W. (1994). *Consumer behavior (3rd ed.).* New York, NY: John Wiley and Sons, Inc.

Patient Satisfaction with the Primary Care Physician and Usage of Physician Rating Websites: How Do They Relate to Each Other?

Sonja Bidmon

1 Introduction

Assessing the quality of care from the patients' perspective has usually been conceptualized as patient satisfaction (van Campen et al. 1995). Several literature reviews have been performed with regard to the existing methods of measuring patient satisfaction with the primary care physician (e.g., Evans et al. 2007; van Campen et al. 1995; Anhang Price et al. 2014) and researchers have shown increased interest in investigating the antecedents and consequences of patient satisfaction (see e.g., Mittal 2016). As a matter of fact, traditional advertising by physicians is restricted by law and ethical considerations in many countries, thus it is not widespread at all (Bidmon, Roettl, and Terlutter 2016). The past ten years have seen increasingly rapid advances in the topic of online physician-rating websites (PRWs), with many studies being conducted in the US (e.g., Gao et al. 2012; Gray et al. 2015), but also in GB (e.g., Galizzi et al. 2012; Jain 2010), in Germany (e.g., Emmert and Wiener 2017; Emmert, Sander, and Pisch 2013; Emmert and Meier 2013; Emmert et al. 2017; Emmert, Meszmer, and Schlesinger 2018) and awakening interest also in China (e.g., Zhang et al. 2018; Hao et al. 2017; Hao 2015). Rating websites have become a widespread phenomenon in several life domains and all of them function in a similar way. Patients gather information about a physician and his/her practice and service (Terlutter, Bidmon, and Roettl 2014), and then enable patients to rate and discuss different aspects of the patient-physician relationship online (Lagu et al. 2010). Even more widespread is the passive role of users who read reviews as a valuable tool in the decision process, which physician to choose. In 2012, 29.3 % respondents of a German sample knew about PRWs and 26.1 % had already used a PRW (Terlutter, Bidmon, and Roettl 2014). In a study in Germany conducted by McLennan et al. (2017) in 2016, 31.16 % of the respondents could be classified as PRW users. Thus, usage of PRWs seems to be on the rise, albeit very slowly.

From the physician's point of view, however, PRWs allow them to inform a potential patient target group about their offers (Moick and Terlutter 2012). PRWs can be interpreted as a means of advertising from a physician's perspective. Patients take multiple factors into consideration besides the favourability of the physician's location or the opening hours of his/her surgery (Roettl, Bidmon, and

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_2

Terlutter 2016). Thus, new ways of communicating physicians' assets are in demand and PRWs have become a crucial point with regard to the digitalization of everyday life. To our best knowledge, there has not been a single study conducted in Austria, which investigates the awareness of PRWs and their usage and investigates how users and non-users of PRWs differ with regard to sociodemographic variables, health status und with regard to patient satisfaction with their PCP. The target group of the present study are individuals, who must have visited a PCP during the last 12 months and must be Internet affine, which was ascertained by using an online survey as research approach.

2 Theoretical Framework and Research Questions

As has been elaborated above, usage of PRWs seems to be on the rise only slowly with regard to the proportions of respondents who are aware of PRWs and who have used them in the past (see e.g., Terlutter, Bidmon, and Roettl 2014; McLennan et al. 2017). There has been little discussion about PRWs in Austria so far, but as the Austrian and German health system is comparable and Internet usage is also comparable in these countries (see e.g., Eurostat 2017; Statista 2017a, 2017b; Statistik Austria 2017), it can be assumed that awareness and usage of PRWs are similar. Thus, our central research question is:

RQ1: How is the status-quo of awareness and usage of PRWs in the present Austrian sample?

The present study is based on the challenges of a changing patient-physician relationship as proposed by Roettl, Bidmon, and Terlutter (2016). Emanuel and Emanuel (1992) list four models of a patient-physician relationship, which can best be described by differing opinions about the goals of the patient-physician interaction, about the values of the patient as well as about the level of a patient's autonomy. These are: the paternalistic model, the informative model, the interpretive model and the deliberative model. The shift from the original paternalistic model to the deliberative model can be characterized not only as a path towards more empowerment of the patient in the medical treatment decision process (Emanuel and Emanuel 1992; Dixon 2010; Hoving et al. 2010), but as a path from a top-down process towards a more consensual system of making decisions together (Roettl, Bidmon, and Terlutter 2016). This, however, is more time-consuming for both the patients as well as for the physicians. From the patient's point of view, the changing patient-physician relationship leads to a more sophisticated and more discerning selection process, whenever he/she is in need of choosing a physician. Similar to choosing options in different areas of everyday life (e.g. accommodation, products, employers), physician-rating websites could be fruitful in this decision process. Additionally, waiting times should become a crucial

point in the whole patient-physician relationship. Thus, patients being less satisfied with the patient-physician relationship in terms of waiting times should come along with a higher tendency to switch the physician and to make use of PRWs in order to choose a new physician. This leads to our first two hypotheses:

H1: Users of PRWs should reveal lower patient satisfaction especially with regard to waiting times in the face of the changing patient-physician relationship than nonusers.

H2: Users of PRWs should reveal a higher tendency to switch the PCP than nonusers of PRWs.

A study conducted with 1,006 randomly selected German patients, who were drawn from an e-panel of GfK Healthcare, revealed that, on average, users of PRWs were to a higher proportion female, better educated, younger and suffered to a higher proportion from a chronic disease (Terlutter, Bidmon, and Roettl 2014). This leads to our third hypothesis:

H3: Users of PRWs should be younger, better educated, to a higher proportion female and should reveal a worse health status than nonusers of PRWs.

3 Method

3.1 Participant Recruitment and Measurement of the Interesting Variables

In order to test the hypotheses, an online survey was conducted by applying Lime Survey. Invitations for participation in the study were sent out with the help of the Facebook account of the Marketing Department at a small Austrian university as well as with the help of the Facebook network of a corresponding marketing research lecture's participants. The initial sample consisted of 413 respondents. In a first step, a thorough data check was executed following the recommendation of Wirtz (2004) to exclude all questionnaires with more than 30 % missing items and those which terminated the online survey ahead of time. As usual, the data was checked for answer patterns (e.g. flatliners, inconsistent answers). To sum up, n=329 usable questionnaires were left for analysis after executing this thorough data check. Based on common missing data analysis, all of the missing data for the patient satisfaction items were imputed with SPSS (version 24). 29.6 % (95/329) of the respondents were male, 66.7 % (214/329) were female, 3.1 % (10/329) did not disclose their gender. The average age of the sample was 27.75 (SD=9.51) years, respondents were between 16 and 71 years old. 46.1 % (142/308) of all respondents who disclosed their educational background, revealed the general qualification for university entrance, 31.8 % (98/308) had completed a university degree, and 10.4 % (32/308) had completed a vocational

school, 7.8 % (24/308) had completed an apprenticeship, the rest was miscellaneous (12/308). The questionnaire consisted of questions regarding demographics (gender, age, highest level of education, occupation) and a broad range of items measuring patient satisfaction with the PCP, who was defined as the physician whom the respondents visit in the first instance in case of medical problems. Endurance of the patient-physician relationship was measured, too. The first part of the online survey referred to the physician, the second part dealt with patient satisfaction measurement and delivered statements to judge different aspects of the patient-physician relationship: the supply of information delivered by the PCP, the professional competence in the eyes of the patients and different aspects of the surgery organisation (e.g., tangibles, staff, waiting times). These items were adopted from the Qualiskope A (Gericke et al. 2004a, 2004b), a profound and well-established German patient satisfaction measurement scale. The scale items were measured with 5-point Likert scales (1=strongly disagree, 5=strongly agree, no answer). Additional items were supplemented on the basis of a profound exploratory research phase with additional items, which led to a total of 48 items measuring patient satisfaction with the PCP on an attribute level. Patient trust and WOM intention were measured with single items (Gericke et al. 2004a, 2004b; Bitzer, Dierks, and Schwartz, 2002; Scholl et al. 2011). The intention to switch was measured by the single item "Will you switch to another physician in the near future?" As an incentive for participation in the study, a prize game was offered.

3.2 Awareness of PRWs and Definition of Users and Nonusers of PRWs

In order to assess whether individuals knew about PRWs, they had to answer the following question: "Do you know about physician rating websites? (These function in a similar way to hotel rating web-sites)"(1=yes, 2=no). The segmentation of the respondents into the user/nonuser category of PRWs was based on the respondents' answers to the single item "Have you ever used a physician rating website (e.g., www.docfinder.at, www.arztsuche24.at, www.doc-suche.at) yourself?" (1= yes, 2=no).

4 Results

4.1 Exploratory Factor Analysis to Determine the Underlying Dimensions of Patient Satisfaction with the PCP

In order to reduce complexity and empirically determine the underlying satisfaction dimensions, an exploratory factor analysis (EFA) for the 48 patient satisfaction items on an attribute level was calculated.

Following the recommendation of Nunnally and Bernstein (1994), to exclude items with factor loadings below .45 and to do the same with items with strong

loadings on more than one factor, 13 items were excluded step-by-step from further analysis. A principal component analysis (varimax rotation, Kaiser normalization) with the 35 remaining items measuring patient satisfaction with the PCP on an attribute level led to five factors (based on the eigenvalue criterion) explaining 66.66 % of variance. All factor loadings were higher than 0.52. According to the contents of the appendant items, the underlying dimensions were denominated as follows: supply of information by the PCP (F1), quality of the patient-physician relationship (F2), competency and thoroughness of the PCP (F3), quality and friendliness of the surgery's staff (F4), organisation of the doctor's surgery (waiting times and tangibles) (F5). The reliability for each dimension is at least .84 (see Table 1 for details).

Table 1. Denomination of the five dimensions of patient satisfaction with the PCP derived from EFA according to item content and Cronbach's alpha.

Factor	*Factor denomination*	*Cronbach's alpha*	*n of items*	*Sample item* [a]
F1	Supply of information by the PCP	0.93	8	*My primary care physician delivers satisfactory information on the physical examinations.*
F2	Quality of the patient-physician relationship	0.91	9	*My primary care physician takes patients seriously.*
F3	Competency and thoroughness of the PCP	0.92	7	*My primary care physician makes referrals in a timely manner.*
F4	Quality and friendliness of the surgery's staff	0.91	5	*The staff is very helpful.*
F5	Organisation of the doctor's surgery (waiting times and tangibles)	0.84	6	*The waiting time in the waiting room is adequate.*

[a] Note: The original items were in German; English translation is merely for the purpose of this book chapter. Answer scale (translation): 1=strongly disagree, 5 = strongly agree, 0= no answer. n = number

4.2 Calculation of Weighted Factor Sum Scores for each of the Underlying Dimensions of Patient Satisfaction with the PCP

In a further step, for all of the 35 remaining items, which had been left for the final EFA, the factor loadings of the purified scales were used to calculate the weighted factor sum score for each of the five dimensions. This procedure was proposed by Distefano, Zhu, and Mîndrila (2009), justified and explained in detail and applied in a similar context by Bidmon and Terlutter (2015).

4.3 Awareness and Usage of PRWs (RQ1)

With regard to knowledge about PRWs, 44.5 % (143/321) knew of PRWs, 53 % (170/321) did not know about PRWs and 2.5 % (8/321) refused to answer the question related to awareness of PRWs. To assess usage of PRWs, 35.8 % (115/321) were classified as users of PRWs, 61.7 % (198/321) as nonusers of PRWs, 2.5 % (8/321) refused to answer this question.

4.4 Differences between Users and Nonusers of PRWs

4.4.1 Differences with regard to Patient Satisfaction with the PCP (H1) and Intention to Switch (H2)

In order to test the hypotheses, t-tests were calculated for the weighted means of factor sum scores for each patient satisfaction dimension with the PCP between users and nonusers of PRWs (see Table 2 and Table 3 for all of the respective descriptives).

Table 2. Descriptives of the weighted factor sum scores for the patient satisfaction dimensions with the PCP for users vs. nonusers of PRWs.

Factor	*Weighted factor sum score names (see Table 1)*	*Group*	*n*	*Mean*	*Standard deviation (SD)*	*Standard error of mean (SE)*
F1	WF1_Inf	users	115	0,02	0,57	0,05
		nonusers	198	0,07	0,57	0,04
F2	WF2_PPR	users	115	-0,06	0,83	0,08
		nonusers	198	0,03	0,75	0,05
F3	WF3_Comp	users	115	-0,05	0,83	0,08
		nonusers	198	0,01	0,81	0,06
F4	WF4_´Staff	users	115	-0,09	0,89	0,08
		nonusers	198	0,05	0,84	0,06
F5	WF5_Org	users	115	-0,14	0,78	0,07
		nonusers	198	0,06	0,73	0,05

As can be seen with regard to patient satisfaction from Table 4, there are no significant differences between users and nonusers of PRWs with regard to the dimensions F1 (Supply of information by the PCP), F2 (Quality of the patient-physician relationship), F3 (Competency and thoroughness of the PCP), F4 (Quality and friendliness of the surgery's staff), but, as has been expected, with regard to F5 (Organisation of the doctor's surgery (waiting times and tangibles)). Users are less satisfied with the organisation of the doctor's surgery (waiting times and tangibles) compared to nonusers of PRWs ($t_{df=311} = -2.29$, $p = .02$). Thus, H1 was supported. Afterwards, t-tests were also calculated for the intention to switch the

physician, and other consequences of patient satisfaction: intention to recommend (WoM) and trust in the PCP.

Table 3. Descriptives of the weighted factor sum score for overall patient satisfaction with the PCP and consequences (for users vs. nonusers of PRWs): intention to switch, intention to recommend (WoM), trust in the PCP (1=totally disagree, 5= totally agree).

Variables	*Group*	*n*	*Mean*	*Standard deviation (SD)*	*Standard error of mean (SE)*
Overall satisfaction with the PCP					
Overall satisfaction (weighted factor score) [a]	users	115	0,10	0,83	0,08
	nonusers	198	-0,02	1,00	0,07
Consequences of patient satisfaction with the PCP					
Intention to switch [b]	users	115	4,17	1,19	0,11
	nonusers	198	4,43	1,00	0,07
Intention to recommend (WoM)	users	115	3,98	1,24	0,12
	nonusers	198	4,14	1,09	0,08
Trust in the PCP	users	115	4,07	0,98	0,09
	nonusers	198	4,23	0,88	0,06

[a] Overall satisfaction was measured with two items, therefore a weighted factor sum score was also calculated similar to the patient satisfaction dimensions.
[b] Intention to switch was recoded to enhance interpretability of the results, so that a higher score reveals a higher intention to switch.

The results showed that users reveal a higher tendency to switch to another physician ($t_{df=207.76}$ =-1.978, p=.042). No significant differences were found between users and nonusers of PRWs with regard to overall patient satisfaction, trust towards the PCP and intention to recommend the PCP to friends (WoM). Hence, H2 was supported (see Table 4).

Table 4. t-Tests for patient satisfaction with the PCP and its consequences for users vs. nonusers of PRWs.

		Levene test of equality of variances		*t-Test*						
				t-value	*df*	*p*	*Mean difference*	*SE of difference*	*95 % CI of difference*	
		F-value	*p*						*lower*	*upper*
Dimensions of patient satisfaction with the PCP on an attribute level (weighted factor sum scores)										
WF1_Inf	ve	0,02	0,88	-0,67	311,00	0,50	0,05	0,07	-0, 18	0,09
	vu			-0,67	238,45	0,50	0,05	0,07	0,18	0,09
WF2_PPR	ve	2,69	0,10	-0,96	311,00	0,34	0,09	0,09	-0, 27	0,09
	vu			-0,93	217,05	0,35	0,09	0,09	-0,27	0,10
WF3_Comp	ve	0,00	0,95	-0,62	311,00	0,54	0,06	0,10	-0, 25	0,13
	vu			-0,61	233,85	0,54	0,06	0,10	-0, 25	0,13
WF4_Staff	ve	0,67	0,41	-1,34	311,00	0,18	0,13	0,10	-0, 33	0,06
	vu			-1,32	226,82	0,19	0,13	0,10	-0, 34	0,07
WF5_Org	ve	0,33	0,57	-2,29	311,00	0,02*	-0,20	0,09	-0,37	-0,03
	vu			-2,26	226,38	0,03*	0,20	0,09	-0,38	-0,03
Overall patient satisfaction with the PCP										
Overall satisfaction[a]	ve	6,58	0,01	1,07	11,00	0,28	0,12	0,11	0,10	0,34
	vu			1,13	74,77	0,26	0,12	0,10	0,09	0,33
Consequential variables of patient satisfaction with the PCP										
Intention to switch[b]	ve	5,85	0,02	-2,07	311,00	0,04	0,26	0,13	-0,51	-0,01
	vu			-1,98	207,75	0,05 *	0,26	0,13	-0,52	0,00
Intention to recommend (WoM)	ve	0,68	0,41	-1,14	311,00	0,26	0,15	0,13	-0,42	0,11
	vu			-1,10	214,44	0,27	0,15	0,14	-0,43	0,12
Trust in the PCP	ve	0,05	0,82	-1,52	311,00	0,13	-0, 16	0,11	-0, 37	,05
	vu			-1,47	217,40	0,14	-0, 16	0,11	-0, 38	,06

[a] Overall satisfaction (weighted factor sum score) was measured with two items, for which also a weighted factor sum score was calculated similar to the patient satisfaction dimensions

[b] Intention to switch was recoded to enhance interpretability of the results, so that a higher score reveals a higher intention to switch.

Note: ve= variances equal, vu= variances unqueal

4.4.2 Differences with regard to Sociodemographic Variables and the Health Status (H3)

Table 5 presents the results from the group comparisons with chi-square tests and t-Tests for users and nonusers of PRWs with regard to age, gender, education, endurance of the patient-physician relationship and health status. In order to be able to interpret the results in a better way, in case of small cell allocations, the categories were recoded and summarized for education (below matura examination level, matura examination level and higher than matura examination level) and endurance of the patient-PCP relationship (up to one year, more than one year). The results demonstrate that more women than men had used PRWs in the past (χ^2_1=4.54, p=0.02), more people with a patient-PCP relationship enduring up to one year had used PRWs (χ^2_1=4.18, p=0.036), more respondents with a higher

education had experience with gathering information through PRWs (χ^2_2=6.34, p=0.042). No significant differences were found between users and nonusers of PRWs with regard to age ($t_{df=282.78}$ =0.00, p=.99) and their health status ($t_{df=311}$ =1.01, p=.315). Thus, H3 was partially supported.

Table 5. Differences between users and nonusers of physician-rating websites (PRWs) in reference to sociodemographic variables and health status.

Variables	*Users*	*Nonusers*	*Total*	*χ^2 (df)*	*t (df)*	*P (2-sided)*
Age (years), mean (SD)	n=110	n=186	N=296		.00 (282.78)	.99
	27.75 (7.57)	27.75 (10.51)	27.75 (9.51)			
Gender, n (%)	n=115	n=194	N=309	4.54(1)		.02 *
Male	27 (23.5)	68 (71.6)	95 (100)			
Female	88 (41.1)	126 (58.9)	214 (100)			
Education, n (%)	n=115	n=193	N=308	6.34(2)		.042 *
Below matura examination level	17 (27.42)	45 (72.58)	62 (100)			
Matura examination level	50 (35.21)	92 (67.79)	142 (100)			
Higher than matura examination level	48 (46.15)	56 (53.85)	104 (100)			
Endurance of the patient-physician relationship with the PCP [a], n (%)	n=115	n=198	N=313	4.18(1)		.036 *
More than one year	102 (35.17)	188 (64.83)	290 (100)			
Less than one year	13 (56.52)	10 (43.48)	23 (100)			
Health status,[b] n (%)	n=115	n=194	n=309		1.01 (307)	.32
Health status, mean (SD)	1.93 (.90)	1.83 (.82)				

a The categories were dichotomised in order to enhance interpretability.
b Health status was measured with the item "How would you judge your health status according to the school-grade system (1=very good, 5=inadequate)?".

5 Discussion and Conclusion

The results of the present study show that usage of PRWs seems to be similar in Austria (35.8 % usage) as compared to Germany (31.16 % usage), but awareness (44.5 %) seems to be much lower in Austria than in Germany (72.5 %), as

referred by McLennan et al. (2017). Thus, awareness and usage cling together to a greater extent in Austria than in Germany. Lower awareness may be the result of a smaller supply of PRWs in Austria. There are several relationships between usage or nonusage of PRWs and sociodemographic variables, with regard to the endurance of the patient-physician relationship and with regard to different facets of patient satisfaction. It seems that an unsatisfactory organisation of the doctor's surgery especially with regard to waiting times may come along with a higher intention to switch the PCP. Also in the present study, users of PRWs are to a higher degree better educated and female, which is comparable to what was found by Terlutter, Bidmon, and Roettl (2014). Users of PRWs are less satisfied with the organisational aspects of the PCP's surgery, which may lead to a higher intention to switch the physician. No age effects were found, which is contrary to the study of Terlutter, Bidmon, and Roettl (2014).

This is the first study combining patient satisfaction data with PRW usage. It seems that especially in the case of dissatisfaction with the doctor's surgery organisation and unsatisfactory waiting times, people use PRWs to a greater extent, maybe in order to choose a new physician. From an advertising perspective, especially for physicians with recently opened surgeries, PRWs could be an excellent means to acquire new customer segments with a special focus on the main target group of PRW users: female and better educated patients.

Obviously, waiting times are a crucial determinant of patient satisfaction in the face of an incrementally digitalized and empowered patient with regard to the changing patient-physician relationship (Emanuel and Emanuel 1992). Physicians should think about offering online treatment and using digital channels to communicate with their patients. Patients are not only willing to digitalize their personal life, but are also willing to undergo online treatment (Roettl, Bidmon, and Terlutter 2016) and pay for online treatment. This could be a convenient way for occupational groups with scarce time and would reduce the waiting times in the surgery additionally. Thus, excellent time management could be used as the USP and advertising message of a doctor's surgery. Besides, especially highly satisfied and loyal patients could be invited to post reviews on PRWs about the PCP.

In future investigations it might be interesting to explore in greater detail, why people use or refrain from using PRWs and what the main barriers of usage are. Dissatisfied patients, being interested in switching to a different physician, should therefore be more interested in PRW usage. Although PRWs are on the rise, they are not as popular as rating websites are in other areas of life. Although these result-based deliberations are obvious, a severe limitation of the study is, strictly speaking, that due to a cross-sectional approach, no causal dependencies can be ascribed. Because the present study can be classified as exploratory in nature, further studies on the current topic are strongly recommended.

6 Acknowledgement

The author is grateful to Mag. Johanna Roettl for her efforts in preparing the questionnaire in Lime Survey and for co-teaching in the marketing research lecture mentioned (see methodology section). I would like to express my thanks additionally to the corresponding marketing research lecture's participants for their help in data collection through sending out the link to the survey through their Facebook accounts.

7 References

Anhang Price, R.; Elliott, M. N.; Zaslavsky, A. M.; Hays, R. D.; Lehrman, W. G.; Rybowski, L.; Edgman-Levitan, S. and Paul D. Cleary, P. D. (2014) "Examining the Role of Patient Experience Surveys in Measuring Health Care Quality," in: Medical Care Research and Review, 71 (5), 522–54.

Bidmon, S.; Roettl, J. and Terlutter, R. (2016), "A Gender Perspective on Physician-Rating Websites (PRWs): Results from a Web-Based Survey," in: Zabkar, V. (ed.): Proceedings of the 15th International Conference on Research in Advertising (ICORIA) 15, 1-13, Ljubljana, Slovenia.

Bidmon, S. and Terlutter. R. (2015), "Gender Differences in Searching for Health Information on the Internet and the Virtual Patient-Physician Relationship in Germany: Exploratory Results on How Men and Women Differ and Why" in: *Journal of Medical Internet Research*, 17 (6), e156.

Bitzer, E. M., Dierks, M. L. and Schwartz, F. W. (1999), "Zufriedenheit in der Arztpraxis aus Patientenperspektive – Psychometrische Prüfung eines standardisierten Erhebungsinstrumentes. [Satisfaction in the doctor's surgery from a patients' perspective – psychometric examination of a standardised instrument],".in *Zeitschrift für Gesundheitswissenschaften*, 7(39), 196-209. (in German).

Campen, C. V.; Sixma H.; Friele, R. D.; Kerssens, J. and Peters, L. (1995), "Quality of Care and Patient Satisfaction: A Review of Measuring Instruments," in: *Medical Care Research and Review,* 52 (1), 109–33.

Distefano, C.; Zhu, M. and Mîndrila, D. (2009), "Understanding and Using Factor Scores : Considerations for the Applied Researcher. Practical Assessment" in*: Research & Evaluation,* 14 (20), 1–11. http://pareonline.net/pdf/v14n20.pdf (last accessed: 2018-03-21)

Dixon, R. F. (2010), "Enhancing primary care through online communication," in: *Health Affairs*, 29(7), 1364-1369.

Emanuel, E. J. and Linda L. Emanuel, L. (1992), "Four Models of the Physician-Patient Relationship" in: *JAMA 267,* Vol. 16, 2221–26.

Emmert, M. and Meier, F. (2013), "An Analysis of Online Evaluations on a Physician Rating Website: Evidence from a German Public Reporting Instrument," in: *Journal of Medical Internet Research,* 15 (8), e157.

Emmert, M.; Meszmer, N. and Schlesinger, M. (2018), "A Cross-Sectional Study Assessing the Association between Online Ratings and Clinical Quality of Care Measures for US Hospitals: Results from an Observational Study," in: *BMC Health Services Research*, 18 (1), 82.

Emmert, M.; Sander, U. and Pisch, F. (2013), "Eight Questions about Physician-Rating Websites: A Systematic Review," in: *Journal of Medical Internet Research,* 15 (2), e24.

Emmert, M.; Sauter, L.; Jablonski, L.; Sander, U. and Taheri-Zadeh, F. (2017) "Do Physicians Respond to Web-Based Patient Ratings? An Analysis of Physicians' Responses to More Than One Million Web-Based Ratings Over a Six-Year Period," in: *Journal of Medical Internet Research*, 19 (7), e275.

Emmert, M. and Wiener, M. (2017), "What Factors Determine the Intention to Use Hospital Report Cards? The Perspectives of Users and Non-Users," in: *Patient Education and Counseling,* 100 (7), 1394–1401.

Eurostat, (2017), "ICT usage in households and by individuals," retrieved from: http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tin00134&plugin=1 (last accessed 2018-03-21).

Evans, R. G.; Edwards A.; Evans, S.; Elwyn, B. and Glyn Elwyn, G. (2007). "Assessing the Practising Physician Using Patient Surveys: A Systematic Review of Instruments and Feedback Methods," in: *Family Practice*, 24 (2), 117–27.

Fischer, S. and Emmert, M. (2015), "A review of scientific evidence for public perspectives on online rating websites of healthcare providers," in: Gurtner, S., & Soyez, K. (Eds.), *"Challenges and opportunities in health care management. Springer International Publishing,"* 279-290, Cham et al.: Springer.

Galizzi, M. M.; Miraldo, M.; Stavropoulou, C.; Desai, M.; Jayatunga, W.; Mitesh, J. and Parikh, S. (2012), "Who Is More Likely to Use Doctor-Rating Websites, and Why? A Cross-Sectional Study in London," in: BMJ Open 2 (October), 1–10.

Gao, G. G.; Greenwood, B. N.; Agarwal, R. and McCullough, J. (2015), "Vocal Minority and Silent Majority: How Do Online Ratings Reflect Population Perceptions of Quality," in: *MIS Quarterly*, 39(3), 565-589.

Gao, G. G.; McCullough, J. S.; Agarwal, R. and Jha. A. K (2012), "A Changing Landscape of Physician Quality Reporting: Analysis of Patients' Online Ratings of Their Physicians over a 5-Year Period," in: *Journal of Medical Internet Research,* 14 (1), e38.

Gericke, C. A.; Schiffhorst, G.; Busse, R. and Haeussler, B. (2004a), "Messung der Patientenzufriedenheit in ambulanter haus-und fachärztlicher Behandlung: das QUALISKOPE-A," in: *Das Gesundheitswesen*, 66(08/09), 251.(in German)

Gericke, C. A.; Schiffhorst, G.; Busse, R. and Haeussler, B. (2004b), "A validated questionnaire for measuring patient satisfaction in general and specialist ambulatory medical care: the Qualiskope-A," in: *Gesundheitswesen (Bundesverband der Aerzte des Oeffentlichen Gesundheitsdienstes (Germany))*, 66(11), 723-731.

Gray, B. M.; Vandergrift, J. L., Gao, G. G.; McCullough, J. S. and Lipner, R. S. (2015), "Website Ratings of Physicians and Their Quality of Care," in: *JAMA Internal Medicine,* 175 (2), 291–93.

Hao, H. (2015), "The Development of Online Doctor Reviews in China: An Analysis of the Largest Online Doctor Review Website in China," in: *Journal of Medical Internet Research*, 17 (6), e134.

Hao, H.; Zhang, K.; Wang, W. and Gordon Gao, G. G. (2017), "A Tale of Two Countries: International Comparison of Online Doctor Reviews between China

and the United States," in: *International Journal of Medical Informatics*, 99, 37–44.

Hoving, C.; Visser, A.; Dolan, P. and Borne. B. V.D, (2010), "A history of patient education by health professionals in Europe and North America: from authority to shared decision making education," in: *Patient Edu-cation and Counseling,* 78(3), 275-281.

Jain, S. (2010), "Googling Ourselves — What Physicians Can Learn," in: *Health Care*, 6–7.

Lagu, T.; Hannon, N. S.; Rothberg, M. B. and Lindenauer, P. K. (2010), "Patients' evaluations of health care providers in the era of social net-working: an analysis of physician-rating websites," in: *Journal of General Internal Medicine*, 25(9), 942-946.

McLennan, S.; Strech, D.; Meyer, A. and Kahrass, H. (2017), "Public Awareness and Use of German Physician Ratings Websites: Cross-Sectional Survey of Four North German Cities," in: *Journal of Medical Internet Research*, 19 (11), e387.

Mittal, V. (2016), "Measuring & Managing Patient Satisfaction: Implementing Customer-Focused Strategy in Healthcare Using Patient Satisfaction Strategy Maps (PSSM), Rice University, Houston, TX 77005, retrieved from: https://ssrn.com/abstract=2756196 (last accessed 2018-11-29)

Moick, M. and Terlutter, R. (2012), "Physicians' motives for professional internet use and differences in attitudes toward the internet-informed patient, physician–patient communication, and prescribing behaviour," in: *Medicine 2.0*, 1(2), e2.

Montgomery, K. C. and Chester, J. (2009), "Interactive Food and Beverage Marketing: Targeting Adolescents in the Digital Age," in: *The Journal of Adolescent Health : Official Publication of the Society for Adolescent Medicine 45 (3 Suppl)*, Elsevier Ltd, S18-29.

Nunnally, J. C. and Bernstein, I. H. (1994), *Psychometric theory*. New York, NY: McGraw-Hill.

Roettl, J.; Bidmon, S. and Terlutter, R. (2016), "What Predicts Patients' Willingness to Undergo Online Treatment and Pay for Online Treatment? Results from a Web-Based Survey to Investigate the Changing Patient-Physician Relationship," in: *Journal of Medical Internet Research*, 18 (2), e32.

Scholl, I.; Hölzel, L.; Härter, M.; Dierks, M. D.; Bitzer, E. M. and Kriston, L. (2011), "Fragebogen zur Zufriedenheit in der ambulanten Versorgung–Schwerpunkt Patientenbeteiligung (ZAPA) [Questionnaire on satisfaction in ambulatory treatment – emphasis on patient participation (ZAPA)," in: *Klinische Diagnostik und Evaluation*, 4(1), 50-62, (in German).

Statista, (2017a), "Statistiken zur Internetnutzung in Österreich nach Zielgruppen im Jahr 2017. [Statistics on internet usage in Austria by target groups in 2017] (in German)," retrieved from https://de.statista.com/themen/2876/internetnutzung-in-oesterreich/ (last accessed 2018-03-21)

Statista, (2017b), "Anteil der Internetnutzer in Österreich 2017. [Percentage of Internet users in Austria 2017] (in German)," retrieved from https://de.statista.com/statistik/daten/studie/298276/umfrage/internetnutzer-in-oesterreich-nach-zielgruppen/ (last accessed 2018-03-21)

Statistik Austria, (2017), "Europäische Erhebung über den IKT-Einsatz in Haushalten 2017. [European survey on ICT usage in households] (in German)," retrieved from https://www.statistik.at/web_de/statistiken/energie_umwelt_innovation_mobilitaet/informationsgesellschaft/ikt-einsatz_in_haushalten/index.html (last accessed 2018-03-21)

Terlutter, R.; Bidmon, S. and Johanna Roettl, (2014), "Who Uses Physician-Rating Websites? Differences in Sociodemographic Variables, Psychographic Variables, and Health Status of Users and Nonusers of Physician-Rating Websites," in*: Journal of Medical Internet Research*, 16 (3), e97.

Wirtz, M. (2004), "Über das Problem fehlender Werte: Wie der Einfluss fehlender Informationen auf Analyseergebnisse entdeckt und reduziert warden kann [On the Problem of Missing Data: How to Identify and Reduce the Impact of Missing Data on Findings of Data Analysis]," in: *Die Rehabilitation*, 43(2), 109–115 (in German).

Zhang, W.; Deng, Z.; Hong, Z.; Evans, R.; Ma, J. and Zhang, H. (2018), "Unhappy Patients Are Not Alike: Content Analysis of the Negative Comments from China's Good Doctor Website," in: *Journal of Medical Internet Research*, 20 (1), e35.

Influencer Marketing and its Impact on the Advertised Brand

Jana Tabellion, Franz-Rudolf Esch

1 Introduction

Due to digitalization and the accompanying rise of the internet over the past decades, more and more people use social media (e.g. Instagram, Facebook, YouTube) to communicate to each other. In 2017, there have been 2.46 billion users, which means that more than a third of the global population, and almost three quarters of the internet users do use at least one social media channel once a month. This trend is even going on, as the amount of social media users is expected to exceed the mark of 3 billion in 2021 (eMarketer 2017).

The growing usage of social media and the related rise of information communicated via this channel leads to a high interest of electronic word of mouth (eWOM) in consumer behavior (Babić Rosario et al. 2016). This trend is reinforced by recommendations of known people and consumer opinions posted online being very trusted sources for consumers' decisions and purchase behavior (Brown and Reingen 1987; Chevalier and Mayzlin 2006; Hennig-Thurau, Wiertz and Feldhaus 2014).

Based on these developments and the enormous amount of time consumers spent on social media (GlobalWebIndex 2017), marketers have been encouraged to search for advertising strategies to profit from these new mass media communication channels. Most of the time, social media marketing takes places through product recommendations (Liljander, Gummerus and Söderlund 2015), which have a tremendous reach, especially if the person advertising the product or the brand has lots of followers on a specific social media channel. That is the main reason why companies got in contact with these influential persons, called influencers, to advertise their brand and their products (Li, Lai and Chen 2011; Liu, Chou and Liao 2015).

A new research field has been created to explore around this new touchpoint and the accompanying new strategy of advertising, called influencer marketing. Influencer marketing deals with influential persons promoting brands and products on social media, either in cooperation with a company or not. There are strong reasons why this research is of interest to both academics and marketers. First, it is not yet comprehensively investigated how social media and especially its users impact other consumers' attitudes towards a brand and their purchase behavior. Second, marketers need to know, which influencer marketing strategy is most positively impacting their brand. To this day, these questions cannot be fully answered by past research articles.

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_3

Several authors dealt with the topic of individuals promoting products or brands on social media. More specifically, they examined for example the influential factors of product placements' effectiveness (Liu et al. 2015) or the role of content, content-user fit, and influence on social media rebroadcasting behavior (Zhang, Moe and Schweidel 2017).

To the best knowledge of the authors, an analysis of the influencer's impact on consumer behavior, and an examination of the influencers' credibility, in terms of expertness and trustworthiness, to measure its impact on the advertised brand, is missing. This is surprising, because the influencer's credibility is of major importance for the research field of influencer marketing, especially because influencers are very often described as opinion leaders (Galeotti and Goyal 2009). Opinion leaders usually are experts on a specific topic (Lazarsfeld, Berelson and Gaudet 1969). Influencers do indeed produce content on predominantly one or two topics as well (e.g. fashion and cosmetics, or electronics and video games), but in contrast to the classical opinion leader, they however sometimes report about brands or products outside of their field of expertise. This may influence the effectiveness of the advertisement. Source credibility has been part of many research works regarding celebrity endorsements before. Even though celebrity endorsements have been examined for advertisements (Ohanian 1990; Eisend and Langner 2010), for TV spots (Praet 2008), and several social media channels, like Twitter (Wood and Burkhalter 2014) or Facebook (Boerman, Willemsen and Van Der Aa 2017), the findings of these studies cannot be fully applied for influencer marketing. In many cases, influencers are no celebrities, but rather persons who became famous through their social media activities. In contrast to celebrities, who are known because they are singers, actors, models, etc., influencers are known for their content and making recommendations about products and brands. They are internally motivated to promote or criticize brands, whereas celebrities are attributed with paid advertisements (Mowen and Brown 1981).

The present research focuses on those persons, who grew more popular through their internet activities to differentiate from classical celebrity endorsement research. It examines the impact of influencer marketing on brands on an image-based social media channel, namely Instagram. Instagram is one of the most important social media channels to share texts and pictures, and therefore is very often used for product endorsements (Zabel and Pagel 2017). Thereby, the authors make several contributions to the extant literature dealing with source credibility. The research pursues the goal of elaborating various levels of the influencer's credibility on the attitude towards the brand, brand credibility, brand image, brand trust, purchase intention, and willingness to recommend the brand. Source credibility is going to be divided and manipulated in its dimensions expertness and trustworthiness, which has rarely been done before (Bergkvist and Zhou 2016).

2 Theoretical Background

Social influence is an ubiquitous phenomenon whereof research was mainly shaped by Kelman (1958; 1961). He distinguishes three different processes of influence depending on their influencing level, namely compliance, identification, and internalization. The strongest influential effect occurs in the case of internalization, when the consumer adopts the opinion or behavior of the communicator. In this case, the communicator most often is perceived as a credible source (Kelman 1958; Kelman 1961).

That is why the source credibility is the most important determinant in marketing and advertising research (Crane 1972). It is subdivided into two characteristics, namely expertness (the extent to which the communicator is perceived to be *able* to know the truth) and trustworthiness (the degree of confidence to which the communicator is perceived to *tell* the truth), both being critical in the overall perception of a communicator's credibility (Hovland, Janis and Kelley 1953). While some studies measured credibility in relation to celebrity endorsements treating its dimensions as two variables separately, others explored credibility as one bi-dimensional variable (Bergkvist and Zhou 2016). The results of these studies come to different conclusions. Considering credibility as one variable with two dimensions, researchers found a positive effect on brand evaluations (Lafferty and Goldsmith 1998; Spry, Pappu and Cornwell 2011). Dividing credibility in two separate variables leads to significant effects on brand evaluation for expertness, but not for trustworthiness (Ohanian 1991; Eisend and Langner 2010; Rossiter and Smidts 2012). Rossiter and Smidts (2012) argue that the missing effect of trustworthiness occurs, because consumers know that celebrity endorsers have been paid for the advertisement. Since this is not necessarily the case for influencers on social media, and influencers are obligated to tag advertisements on Instagram (Instagram 2017), it is one main goal to explore how the degree of advertisement shown influences brand evaluations.

3 Hypotheses

Source credibility as a bi-dimensional construct has been examined in various studies, underlining its positive impact on attitude towards the brand and purchase intention (Dholakia and Sternthal 1977; Craig and McCann 1978; Pornpitakpan 2004). Focusing on the source expertness dimension, the same results have been shown for purchase intentions (Woodside and Davenport 1974; Ohanian 1990) and brand evaluations (Lafferty and Goldsmith 1998; Spry et al. 2011). Therefore, we propose:

H1a: The more an influencer is perceived as an expert, the better is the consumers' attitude towards the advertised brand.

The same is true for brand image **(H1b)**, brand trust **(H1c)**, purchase intention (**H1d)** and willingness to recommend **(H1e)** the advertised brand.

For source trustworthiness, it has been shown that trustworthy persons have a stronger impact on attitude changes than non-trustworthy persons (Hovland and Weiss 1951; Hovland and Mandell 1952). Rossiter and Smidts (2012) as well as Ohanian (1990) argue that trustworthiness has no impact on consumers' purchase intention if the brand is advertised by a celebrity, because celebrity endorsers are not attributed to trustworthiness in advertising. Following this argumentation, it is proposed that an influencer advertising a brand because of his or her intrinsic motivation has a more positive impact on brand evaluation than an influencer who is payed for his brand-related post. Therefore, we propose:

H2a: The more trustworthy an influencer is perceived, the better is the consumers' attitude towards the advertised brand.
The same is true for brand image **(H2b)**, brand trust **(H2c)**, purchase intention **(H2d)** and willingness to recommend **(H2e)** the advertised brand.

The last set of hypotheses deals with the interaction of source expertness and source trustworthiness. Influencers are persons on social media one can follow voluntarily and actively, why intrinsically recommended brands are perceived as recommendations by a friend (Nielsen 2015). Therefore, we expect brand evaluations to be the most positive in case of high trustworthiness. As already mentioned, influencers usually are opinion leaders on a specific topic (Lazarsfeld et al. 1969; Berger and Heath 2008; Berger and Ward 2010). For persons advertising a brand in their field of expertness social influence has been proven to be stronger than for persons who are not perceived as experts (Berger and Heath 2008; Berger and Ward 2010). Transferred to the field of influencer marketing we therefore propose:

H3: The impact of the influencer's expertness is influenced by its trustworthiness. A non-expert influencer influences brand evaluations (attitude towards the brand **(H3a)**, brand image **(H3b)**, brand trust **(H3c)**, purchase intention **(H3d)**, willingness to recommend **(H3e)**) positively in case of high trustworthiness. In case of moderate and low trustworthiness there is no effect of expertness.

4 Methodology

Design: The goal is to investigate the role of the influencer's credibility in terms of expertness and trustworthiness and its impact on the attitude towards the brand, brand credibility, brand image, brand trust, purchase intention, and willingness to recommend. Therefore, a 2 (expertness: expert; non-expert) × 3 (trustworthiness: high; moderate; low) between-subjects design was chosen. Each participant has seen an influencer's post presenting a fashion brand. The expertness of the influencer was manipulated by showing an overview of the influencer's

Instagram profile beforehand, (1) representing pictures of products of his field of expertness (fashion) as well as a short description text, mentioning the influencer being a fashion expert or rather (2) pictures from another field (travelling) and a description text, mentioning the influencer being an expert on travelling. The trustworthiness of the influencer was manipulated by the degree of payed advertisement stated within the post. In the case of (1) high trustworthiness, there was no labelling of a payed endorsement, and the post contains indications of the internal motivation to advertise (*#noadvertisement*). In the case of (2) moderate trustworthiness, there was a moderate indication of the advertisement being payed (*#Ad*). In the case of (3) low trustworthiness, it was very clear that the advertised brand sponsored the post, by showing the *Paid partnership with*-subheader directly under the influencer's name as well the *#Ad*. The stimuli only differed in the mentioned aspects, the pictures and the non-manipulated parts were controlled and the same for each group.

Sample: The participants were between 16 and 34 years old (M = 26,85, SE = 4,94), because this group represents the major part of Instagram users (Omnicore 2018), and at the same time very often reflects the target group of firms' influencer marketing activities. Because of the between-subject design used, there were six groups whereof each group was confronted with another manipulation condition (Field and Hole 2003). The participants have been equally distributed over sexes (50,4 % male) and the manipulation groups to avoid a bias. In total, the sample consisted of 246 users of Instagram, after the data set have been cleaned and outliers have been excluded.

Procedure: The survey was conducted online, because this enables a greater geographic spread and is more attractive to the considered target group with high online affinity (Pincott and Branthwaite 2000; Miller and Dickson 2001). The study started with a short introduction before then, as a screener, the amount of the average media usage, for both time, and channel, per month was requested. Participants answering to use social media less than once a month or answering not to use Instagram have been to be screened out. Appropriate subjects were then asked the following question-sets to relevant constructs.

Independent variables: Prior to the stimulus presentation, the participant were asked about the attitude towards the fashion brand advertised (MacKenzie and Lutz 1989; MacKenzie and Spreng 1992; Aaker and Williams 1998; Pham and Avnet 2004; Park et al. 2010), the brand image, and brand trust (Morgan and Hunt 1994; Erdem, Swait and Valenzuela 2006). After the influencer's post has been shown to the participant, he or she was asked about the influencer's trustworthiness and expertness (Dholakia and Sternthal 1977; Sternthal, Dholakia and Leavitt 1978; Ohanian 1990), which functions as a manipulation check at the same time.

Dependent variables: As already mentioned before, there are several dependent variables which were asked after the stimulus presentation: attitude towards

the brand, brand image, brand trust. The evaluation of these scales pre and post the manipulation enables to figure out changes in consumers' attitudes and allow to control for preconditions in the minds of the participants. In addition, purchase intention and willingness to recommend the brand (Baker, Donthu and Kumar 2016) were captured after the stimulus presentation.

Covariates: Next to the independent and dependent variables, there was a list of further variables that need to be captured to control the results. These were the consumers' brand and price orientation (Sproles and Kendall 1986), self-consciousness (Fenigstein, Scheier and Buss 1975; Goukens, Dewitte and Warlop 2009), product involvement (Laurent and Kapferer 1985; Mittal and Lee 1988), brand involvement (Zaichkowsky 1985), social media usage, brand familiarity, brand bonding (Fullerton 2003), and attitude towards the advertisement (MacKenzie, Lutz and Belch 1986; Mittal 1990; Bergkvist and Rossiter 2007; Dahlén 2005).

5 Findings

A pretest (n = 46) was conducted in February 2018 to ensure the manipulations' efficiency. While the expertness-group assessed the influencer to be an expert in fashion ($M_{exp} = 0{,}96$, $SE_{exp} = 0{,}20$), the non-expertness group didn't ($M_{NonExp} = 0{,}05$, $SE_{NonExp} = 0{,}22$), resulting in a significant difference between the groups ($t(44) = 14{,}785$, $p = 0{,}000$). Focusing the influencer's trustworthiness, there are significant differences ($t(23) = -2{,}363$, $p < 0{,}05$) between high trustworthiness ($M_{TrustHigh} = 4{,}80$, $SE_{TrustHigh} = 1{,}62$) and moderate trustworthiness ($M_{TrustMod} = 6{,}00$, $SE_{TrustMod} = 0{,}93$) and between moderate and low trustworthiness ($M_{TrustLow} = 6{,}75$, $SE_{TrustLow} = 0{,}58$; $t(23{,}192) = -2{,}686$, $p < 0{,}05$).

According to these results, the manipulated stimuli were able to be transferred to the main study which has been conducted in March 2018.

Analysing the hypotheses H1a-H1e focusing on the influencer's expertness, using regression analysis conducted with IBM SPSS, all assumptions can be confirmed. As expected, there is an influence of expertness on attitude towards the brand (H1a), brand image (H1b), brand trust (H1c), purchase intentions (H1d) and willingness to recommend the brand (H1e). That means that the more an influencer is perceived to be an expert, the better are the analysed outcomes on the advertised brand ($p < 0{,}000$). Therefore, the expertness of an influencer advertising a brand is a very important factor for the formation of brand evaluations. The results are summarized in Table 1.

Table 1: Results of the regression analysis for expertness

Dependent variables	*Influencer's expertness*						
	Model			Coefficient			
	R^2	F	p	b	SE	t	P
Attitude towards the brand (H1a)	0,313	111,07	0,000	0,622	0,059	10,54	0,000
Brand image (H1b)	0,347	129,41	0,000	0,544	0,048	11,38	0,000
Brand trust (H1c)	0,325	117,63	0,000	0,635	0,059	10,85	0,000
Purchase intention (H1d)	0,185	55,24	0,000	0,681	0,092	7,43	0,000
Willingness to recommend (H1e)	0,180	53,62	0,000	0,647	0,088	7,32	0,000

The more an influencer is perceived to be an expert, the better are the analysed outcomes, in terms of attitude towards the brand, brand image, brand trust, purchase intention and willingness to recommend the advertised brand.

The same is true looking at the influencer's trustworthiness. Again, there is a positive impact of the credibility dimension on the brand evaluations (H2a-H2e) that has been proven to be significant ($p < 0,000$). Table 2 shows the results of the regression analysis conducted.

Up to here, the study confirms that the dimensions of an influencer's credibility, expertness and trustworthiness, independently from each other have a significant effect on the formation of brand evaluations. Furthermore, it was a goal to analyze the interaction of the dimensions of credibility, which was tested using an ANOVA.

Table 2: Results of the regression analysis for trustworthiness

Dependent variables	*Influencer's trustworthiness*						
	Model			Coefficient			
	R^2	F	p	b	SE	t	P
Attitude towards the brand (H2a)	0,315	112,13	0,000	0,666	0,063	10,59	0,000
Brand image (H2b)	0,334	122,49	0,000	0,570	0,051	11,07	0,000
Brand trust (H2c)	0,356	134,85	0,000	0,709	0,061	11,61	0,000
Purchase intention (H2d)	0,162	47,34	0,000	0,681	0,099	6,88	0,000
Willingness to recommend (H2e)	0,177	52,39	0,000	0,683	0,094	7,24	0,000

For attitude towards the brand it was shown that there is an interaction of the credibility's dimensions that turned out to be significant ($F(1, 157) = 4{,}056$, $p = 0{,}046$). The result shows that a non-expert influencer influences a consumer's attitude towards the advertised brand positively in the case of high trustworthiness. The same conclusion can be drawn for brand image. Again, there is a significant effect of high trustworthiness ($F(1, 157) = 4{,}825$, $p = 0{,}030$). Until now, the study shows that an influencer's expertness and trustworthiness do interact in the formation of brand attitudes and image. The interaction that has been assumed for the dependent variable brand trust turned out not to be significant on a 5 %-level ($F(1, 157) = 3{,}633$, $p = 0{,}058$), but it gives a tendency in the predicted direction.

Looking on the impact of the interaction on constructs that focus on consumers' actions instead of their attitudes, a different picture must be drawn. While an influence could have be shown before, there is no interaction for purchase intentions ($F(1, 157) = 0{,}646$, $p = 0{,}423$), and willingness to recommend the advertised brand ($F(1, 157) = 1{,}374$, $p = 0{,}243$).

6 Conclusion

The present study contributes to the extant literature in examining the effects of influencer marketing on the advertised brand in the context of the influencer's credibility. It has several important implications for research and practice. For research the importance of the source credibility model can be strengthened because of its application in social media advertising. The credibility construct is

examined in its two dimensions, which has rarely been done before. The research also contributes to the rising fields of digital branding and word-of-mouth-marketing.

For practitioners, the study leads to essential insights into the consequences of influencer marketing and its influence on consumers. Using this knowledge, they can more accurately control their social media touchpoints and activities by finding expert-influencers and apply a marketing strategy that is evaluated as the most trustworthy. Since it has been shown that an influencer's expertness is critical in the evaluation of the brand, practitioners should be very careful in choosing suitable influencers for their brand. Furthermore, the relevance of intrinsic motivated advertisements (word-of-mouth) in contrast to payed advertisements has been underlined. That leads to the consequence for practitioners that it should be an import goal of their influencer campaigns to make their endorsers brand fans that advertise the brand intrinsically motivated in the long-term. Lastly, it has been shown, that the interaction of the brand credibility's dimensions is also important when it comes to the formation of brand image and attitude towards the brand. Therefore, it is important to marketers not only to focus on one of these dimensions, but on both, expertness, and trustworthiness.

7 References

Aaker, J. L. and P. Williams (1998), "Empathy versus Pride: The Influence of Emotional Appeals across Cultures," in: *Journal of Consumer Research*, Vol. 25 (3), 241-261.

Babić Rosario, A.; Sotgiu, F.; de Valck, K. and T. H. A. Bijmolt (2016), "The Effect of Electronic Word of Mouth on Sales: A Meta-Analytic Review of Platform, Product, and Metric Factors," in: *Journal of Marketing Research*, Vol. 53 (3), 297-318.

Baker, A. M.; Donthu, N. and V. Kumar (2016), "Investigating How Word-of-Mouth Conversations About Brands Influence Purchase and Retransmission Intentions", in: *Journal of Marketing Research*, Vol. 53 (2), 225-239.

Berger, J. and C. Heath (2008), "Who drives divergence? Identity signaling, outgroup dissimilarity, and abandonment of cultural tastes," in: *Journal of Personality and Social Psychology*, Vol. 95 (3), 593-607.

Berger, J. and M. Ward (2010), "Subtle signal of inconspicuous consumption," in: *Journal of Consumer Research*, Vol. 37 (4), 555-569.

Bergkvist, L. and J. R. Rossiter (2007), "The Predictive Validity of Multiple-Item Versus Single-Item Measures of the Same Constructs," in: *Journal of Marketing Research*, Vol. 44 (2), 175-184.

Bergkvist, L. and K. Q. Zhou (2016), "Celebrity Endorsements: A Literature Review and Research Agenda," in: *International Journal of Advertising*, Vol. 35 (4), 642-663.

Boerman, S. C.; Willemsen, L. M. and E. P. Van Der Aa (2017), "'This Post Is Sponsored': Effects of Sponsorship Disclosure on Persuasion Knowledge and Electronic Word of Mouth in the Context of Facebook," in: *Journal of Interactive Marketing*, Vol. 38, 82-92.

Brown, J. J. and P. H. Reingen (1987), "Social Ties and Word-of-Mouth Referral Behavior," in: *Journal of Consumer Research*, Vol. 14 (3), 350-362.
Chevalier, J. A. and D. Mayzlin (2006), "The Effect of Word of Mouth on Sales: Online Book Reviews," in: *Journal of Marketing Research*, Vol. 43 (3), 345-354.
Craig, C. S. and J. M. McCann (1978), "Assessing Communication Effects on Energy Conservation," in: *Journal of Consumer Research*, Vol. 5 (2), 82-88.
Crane, E. (1972), "Marketing Communications: Decision-Making as a Process of Interaction Between Buyer and Seller," 2nd ed., John Wiley & Sons, New York.
Dahlén, M. (2005), "The Medium as a Contextual Cue: Effects of Creative Media Choice," in: *Journal of Advertising*, Vol. 34 (3), 89-98.
Dholakia, R. R. and B. Sternthal (1977), "Highly Credible Sources: Persuasive Facilitators or Persuasive Liabilities?," in: *Journal of Consumer Research*, Vol. 3 (4), 223-232.
Eisend, M. and M. Langner (2010), "Immediate and Delayed Advertising Effects of Celebrity Endorsers' Attractiveness and Expertise," in: *International Journal of Advertising*, Vol. 29 (4), 527-546.
eMarketer Inc. (2017), "eMarketer Updates Worldwide Social Network User Figures," July 17, https://www.emarketer.com/Article/eMarketer-Updates-Worldwide-Social-Network-User-Figures/1016178.
Erdem, T.; Swait, J. and A. Valenzuela (2006), "Brands as Signals: A Cross-Country Validation Study," in: *Journal of Marketing*, Vol. 70 (1), 34-49.
Fenigstein, A.; Scheier, M. F. and A. H. Buss (1975), "Public and Private Self-Consciousness: Assessment and Theory," in: *Journal of Consulting and Clinical Psychology*, Vol. 43 (4), 331-337.
Field, A. P. and G. Hole (2003), "How to design and report experiments," Sage: London.
Fullerton, G. (2003), "When does commitment lead to loyalty?," in: *Journal of Service Research*, Vol. 5 (4), 333-344.
Galeotti, A. and S. Goyal (2009), "Influencing the Influencers: A Theory of Strategic Diffusion," in: The *RAND Journal of Economics*, Vol. 40 (3), 509-532.
GlobalWebIndex (2017), "Daily time spent on social networks rises to over 2 hours," May 16, https://blog.globalwebindex.net/chart-of-the-day/daily-time-spent-on-social-networks/.
Goukens, C.; Dewitte, S. and L. Warlop (2009), "Me, Myself, and My Choices: The Influence of Private Self-Awareness on Choice," in: *Journal of Marketing Research*, Vol. 46 (5), 682-692.
Hennig-Thurau, T.; Wiertz, C. and F. Feldhaus (2015), "Does Twitter Matter? The Impact of Microblogging Word of Mouth on Consumers' Adoption of New Movies," in: *Journal of the Academy of Marketing Science*, Vol. 43 (3), 375-394.
Hovland, C. I.; Janis, I. L. and H. H. Kelley (1953), "Communication and Persuasion: Psychological Studies of Opinion Change," Yale University Press: New Haven.
Hovland, C. I. and W. Mandell (1952), "An Experimental Comparison of Conclusion-Drawing by the Communicator and by the Audience," in: *Journal of Abnormal and Social Psychology*, Vol. 47 (3), 581-588.

Hovland, C. I. and W. Weiss (1951), "The Influence of Source Credibility on Communication Effectiveness," in: *Public Opinion Quarterly*, Vol. 15 (4), 635-650.

Instagram (2017), "Bringing More Transparency to Commercial Relationships on Instagram," June 14, https://instagram-press.com/blog/2017/06/14/bringing-more-transparency-to-commercial-relationships-on-instagram/.

Kelman, H. C. (1958), "Compliance, Identification, and Internalization: Three Processes of Attitude Change," in: *Journal of Conflict Resolution*, Vol. 2 (1), 51-60.

Kelman, H. C. (1961), "Processes of Opinion Change," in: *Public Opinion Quarterly*, Vol. 25 (1), 57-78.

Lafferty, B. A. and R. E. Goldsmith (1999), "Corporate Credibility's Role in Consumers' Attitudes and Purchase Intentions When A High Versus A Low Credibility Endorser Is Used in The Ad," in: *Journal of Business Research*, Vol. 44 (2), 109-116.

Laurent, G. and J.-N. Kapferer (1985), "Measuring Consumer Involvement Profiles," in: *Journal of Marketing Research*, Vol. 22, 41-53.

Lazarsfeld, P. F.; Berelson, B. and H. Gaudet (1969), "Wahlen und Wähler: Soziologie des Wahlverhaltens [The people's choice - how the voter makes up his mind in a presidential campaign]," in: Maus, H. and F. Fürstenberg (1961) (eds.): *Soziologische Texte* [*Sociological texts*], Luchterhand: Neuwied. 5-231.

Li, Y.-M.; Lai, C.-Y. and C.-W. Chen (2011), "Discovering influencers for marketing in the blogosphere," in: *Information Sciences*, Vol. 181 (23), 5143-5157.

Liljander, V.; Gummerus, J. and M. Söderlund (2015), "Young consumers' responses to suspected covert and overt blog marketing," in: *Internet Research*, Vol. 25 (4), 610-632.

Liu, S.-H.; Chou, C.-H. and H.-L. Liao (2015), "An exploratory study of product placement in social media," in: *Internet Research*, Vol. 25 (2), 300-316.

MacKenzie, S. B. and R. J. Lutz (1989), "An Empirical Examination of the Structural Antecedents of Attitude Toward the Ad in an Advertising Pretesting Context," in: *Journal of Marketing*, Vol. 53 (2), 48-65.

MacKenzie, S. B. and R. A. Spreng (1992), "How Does Motivation Moderate the Impact of Central and Peripheral Processing on Brand Attitudes and Intentions?," in: *Journal of Consumer Research*, Vol. 18 (4), 519-529.

MacKenzie, S. B.; Lutz, R. J. and G. E. Belch (1986), "The Role of Attitude Towards the Ad as a Mediator of Advertising Effectiveness: A Test of Competing Explanations," in: *Journal of Marketing Research*, Vol. 23 (2), 130-143.

Miller, T. W. and P. R. Dickson (2001), "Online Market Research," in: *International Journal of Electronic Commerce*, Vol. 5 (3), 139-167.

Mittal, B. (1990), "The Relative Roles of Brand Beliefs and Attitude Toward the Ad as Mediators of Brand Attitude: A Second Look," in: *Journal of Marketing Research*, Vol. 27 (2), 209-219.

Mittal, B. and M.-S. Lee (1988), "Separating Brand-Choice Involvement from Product Involvement Via Consumer Involvement Profiles," in: *Advances in Consumer Research*, Vol. 15, 43-49.

Morgan, R. M. and S. D. Hunt (1994), "The Commitment-Trust Theory of Relationship Marketing," in: *Journal of Marketing*, Vol. 58 (3), 20-38.

Mowen, J. C. and S. W. Brown (1981), "On Explaining and Predicting the Effectiveness of Celebrity Endorsers," in: *Advances of Consumer Research*, Vol. 8, 437-441.

Nielsen (2015), "Global Trust in Advertising: Winning Strategies for an Evolving Media Landscape," Nielsen.

Ohanian, R. (1990), "Construction and Validation of a Scale to Measure Celebrity Endorsers' Perceived Expertise, Trustworthiness, and Attractiveness," in: *Journal of Advertising*, Vol. 19 (3), 39-52.

Ohanian, R. (1991), "The Impact of Celebrity Spokespersons' Perceived Image on Consumers' Intention to Purchase," in: *Journal of Advertising Research*, Vol. 31 (1), 46-54.

Omnicore (2018), "Instagram By the Numbers: Stats, Demographics & Fun Facts," January 1, https://www.omnicoreagency.com/instagram-statistics/.

Park, C. W.; MacInnis, D. J.; Priester, J.; Eisingerich, A. B. and D. Iacobucci (2010), "Brand Attachment and Brand Attitude Strength: Conceptual and Empirical Differentiation of Two Critical Brand Equity Drivers," in: *Journal of Marketing*, Vol. 74 (6), 1-17.

Pham, M. T. and T. Avnet (2004), "Ideals and Oughts and the Reliance on Affect versus Substance in Persuasion," in: *Journal of Consumer Research*, Vol. 30 (4), 503-518.

Pincott, G. and A. Branthwaite (2000), "Nothing New Under the Sun?", in: International *Journal of Market Research*, Vol. 42 (2), 137-155.

Pornpitakpan, C. (2004), "The Persuasiveness of Source Credibility: A Critical Review of Five Decades' Evidence," in: *Journal of Applied Social Psychology*, Vol. 34 (2), 243-281.

Praet, C. (2008), "The influence of national culture on the use of celebrity endorsement in television advertising: A multi-country study," Paper presented at the International Conference on Research in Advertising (ICORIA), June 27-28, Antwerp, Belgium.

Rossiter, J. R. and A. Smidts (2012), "Print Advertising: Celebrity Presenters," in: *Journal of Business Research*, Vol. 65 (6), 874-879.

Spry, A.; Pappu, R. and T. B. Cornwell (2011), "Celebrity endorsement, brand credibility and brand equity," in: *European Journal of Marketing*, Vol. 45 (6), 882-909.

Sproles, G. B. and E. L. Kendall (1986), "A Methodology for Profiling Consumers' Decision-Making Styles," in: *Journal of Consumer Affairs*, Vol. 20 (2), 267-279.

Sternthal, B.; Dholakia, R. and C. Leavitt (1978), "The Persuasive Effects of Source Credibility: Tests of Cognitive Response," in: *Journal of Consumer Research*, Vol. 4 (4), 252-260.

Wood, N. T. and J. N. Burkhalter (2014), "Tweet This, Not That: A Comparison Between Brand Promotions in Microblogging Environments Using Celebrity and Company-Generated Tweets," in: *Journal of Marketing Communications,* Vol. 20 (1/2), 129-146.

Woodside, A. G. and J. W. Jr. Davenport (1974), "The Effect of Salesman Similarity and Expertise on Consumer Purchasing Behavior," in: *Journal of Marketing Research*, Vol. 11 (2), 198-202.

Zabel, C. and S. Pagel (2017), "Influencer Marketing – Die Sicht der YouTube-Creators [Influencer Marketing – The YouTube creators' perspective]," in: *Marketing Review St. Gallen*, Vol. 2, 26-35.

Zaichkowsky, J. L (1985), "Measuring the Involvement Construct," in: *Journal of Consumer Research*, Vol. 12 (3), 341-352.

Zhang, Y.; Moe, W. W. and D. A. Schweidel (2017), "Modeling the Role of Message Content and Influencers in Social Media Rebroadcasting," in: *International Journal of Research in Marketing*, Vol. 34 (1), 100-119.

The Effects of Abstract vs. Concrete Mindsets on the Persuasiveness of Online Reviews: A Construal Level Perspective

Xijia Hu, Stephan Winter

1 Introduction

Online reviews and recommendations play a major role in consumers' decision making. Prior research shows that consumers are heavily influenced by the visible opinions of others when they decide whether to buy a product or not (Babic Rosario et al., 2016). However, less is known about the role of different review sources and message types: Do sources that are similar to the consumers (e.g., reviewers with the same age) always have a stronger influence or are there circumstances under which people are also more open toward information from dissimilar sources (that may provide more novel information)? How does the type of arguments in the review (e.g., whether they focus on details or "the big picture") affect the persuasiveness of the review? Prior work on these moderating variables of review influence provided mixed results (e.g., Brandes et al., 2011; Lin and Xu, 2017). Some recent studies, however, indicate that the preference for specific sources and arguments may be a matter of timing: For decisions in the near future, consumers are influenced more strongly by similar sources and feasibility-related arguments, whereas for decisions in the distant future, dissimilar sources and higher-order arguments on the desirability of options were more persuasive (Winter and Schulte-Bockholt, 2017; Zhao and Xie, 2010). These shifts in preferences have been explained by Construal Level Theory (CLT; Trope and Liberman, 2003; 2010), which posits that psychological distance affects the mental construal of events. For instance, classic studies found that when the temporal distance increased, people were influenced more strongly by abstract information (Liberman and Trope, 1998; Trope and Liberman, 2003).

While previous studies focused on temporal distance, the present study aims to explore whether more subtle cues can also lead to a shift in the importance of similar vs. dissimilar sources and higher- vs. lower-order arguments. As the time factor is in most cases only relevant for hotel bookings (but rarely for product purchases that are typically planned for the relatively near future), the goal of this study was to test whether an experimental manipulation of consumers' mindset with a relatively short intervention leads to comparable effects.

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_4

2 Theoretical Background: Construal Level Theory

The basic idea of CLT is that psychological distance has an influence on the mental construal of events or objects. As Trope and Liberman (2003) argued, the theory assumes that "from the distant perspective, people see the big picture, whereas from the proximal perspective, they see the details" (p. 405). Distance can be temporal, social or spatial. When psychological distance increases, people's information processing and decision making becomes more abstract. High-level construal is associated with abstract, decontextualized, and superordinate representations, while low-level construal consists of concrete, contextualized, and subordinate representations (Liberman and Trope, 2008). First studies mainly concentrated on temporal distance: For instance, an experiment by Liberman and Trope (1998) showed that desirability-related (higher-order) arguments (e.g., how interesting is a seminar) are more important when the event is in the next year, whereas simple feasibility-related aspects (e.g., whether the seminar is at a convenient time) are more influential for the next day. In a related vein, studies found that distant-future events are often described in an abstract way, while near-future events are described with more concrete information (Fujita et al., 2006). Additionally, a match in levels of psychological distance (e.g., high temporal and high social distance) has been shown to lead to easier processing and positive outcomes such as enhanced trust (Henderson et al., 2006; Sungur, Hartmann, and van Koningsbruggen, 2016). As contemporary online platforms such as review websites (e.g., Yelp, Tripadvisor or e-commerce sites such as Amazon) contain information from sources with varying social and spatial distance and can refer to decisions with different time frames or mindsets, scholars have begun to employ CLT as a framework to investigate online consumer behavior (e.g, Aerts, Smits, and Verlegh, 2017).

2.1 Effects of Timing on Preference for Sources and Arguments

First applications of CLT to the effects of online reviews and recommendations concentrated on the factor of temporal distance, with the notion that purchase or booking decisions in the distant future lead to stronger effects of dissimilar sources and higher-order arguments (as there would be a match in psychological distance levels). Zhao and Xie (2010) found that a recommendation for a product (given by students from a different vs. the same university) was more influential in the distant future. Similarly, Winter and Schulte-Bockholt (2017) found that hotel review sources that were older than the participants (higher social distance) had a stronger influence on the perception of the hotel's style when the booking was supposed to be in the more distant future. However, it may be argued that only hotel and travel decisions typically refer to the distant future (e.g., in three or four months), whereas product purchases (except for high-involvement products with a very long delivery time) are typically bought directly

or ordered for the short-term future. This limits the applicability of the findings on time-dependent preferences. Therefore, the present study aimed to explore whether similar shifts in preferences also occur under non-temporal-distance-related conditions.

2.2 Effects of Mindset Manipulation

Some studies have employed instructions and cues to affect people's current mindset (concrete vs. abstract) in experimental procedures. For instance, the How and Why task (Freitas et al., 2004) subsequently asks participants for the reasons for a specific behavior or the way in which a specific behavior would be executed. An experiment by Hansen and Wänke (2010) found that people who were primed with a concrete mindset judged concrete (vs. abstract) statements as more likely to be true than those primed with an abstract mindset. Additionally, Sungur, Hartmann, and van Koningsbruggen (2016) showed that for online news that were set in a distant location, people with an abstract mindset found the news to be more credible than people with a concrete mindset.

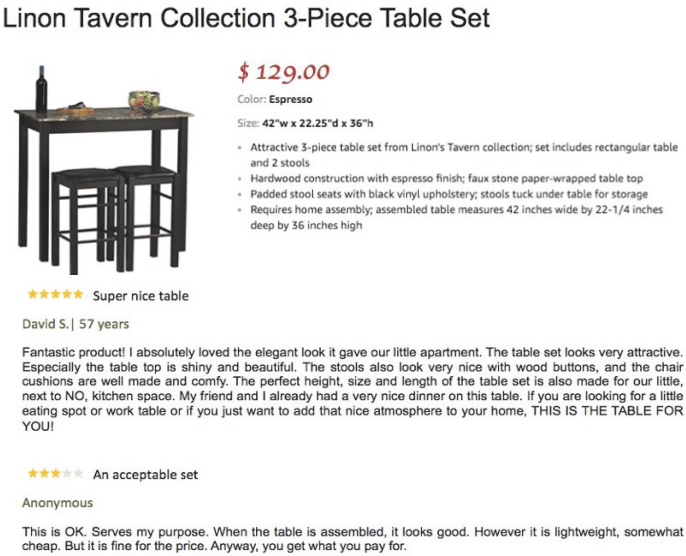
On this basis, we assumed that such variations of mindset should also affect the preference for similar vs. dissimilar sources and desirability- vs. feasibility-related arguments.

H1: People with an abstract mindset will be influenced more strongly in their product evaluation and purchase decision by dissimilar sources, whereas people with a concrete mindset will be influenced more strongly by similar sources.
H2: People with an abstract mindset will be influenced more strongly in their product evaluation and purchase decision by desirability-related arguments, whereas people with a concrete mindset will be influenced more strongly by feasibility-related arguments.

3 Method

An online experiment with a 2 (abstract mindset vs. concrete mindset) X 2 (review source with low social distance vs. high social distance) X 2 (desirability-related review vs. feasibility-related review) between-subjects design was employed to test these hypotheses. Participants were first randomly assigned to the abstract or concrete mindset manipulation condition. Subsequently, participants were exposed to a (mock) online shopping site including one (desirability-related or feasibility-related) review, and the age of reviewer was either similar (low social distance) or dissimilar (high social distance) to the age of the participant.

Figure 1. Example of the stimulus material (Product description, desirability-related review with older source, and second filler review).



3.1 Sample

A total of 415 participants who were recruited via Amazon Mechanical Turk completed the experiment. To have a homogeneous age group, only participants between 25 and 30 were recruited. 70 participants were excluded because they did not notice the age of reviewer or indicate an age lower than 18 in the manipulation check. In addition, seven participants were excluded because they did not mention abstract or concrete thoughts in their task (see below). The final sample consisted of 338 valid participants located in the US (134 male, 203 female, and 1 non-revealed), their age ranged from 25 to 30 (M = 28.05, SD = 1.43). With regard to educational level, 50 participants had a Master's or Doctor degree, 144 participants had a bachelor degree, and further 144 participants had a lower degree.

3.2 Independent Variables and Stimulus

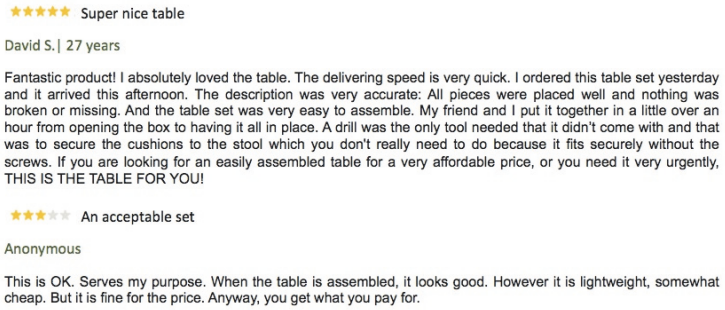
For the manipulation of the current mindset, we used the How and Why task to guide participants to enter high- (abstract) or low-level (concrete) thoughts,

which was designed and validated by Freitas et al. (2004). This scenario was described as the first part of the study. Participants were exposed to the goal of "improving and maintaining health". According to their assigned group, they were required to answer why or how to reach this goal. In the "how" condition (concrete mindset), the goal was presented at the top of the page and participants were asked to specify the behavior below (Sungur et al., 2016). Possible answers answer could be: improve and maintain health → how? → exercise → how? → go to gym → how? → get gym membership card → how? → pay the membership fee. In the "why" condition (abstract mindset), the goal was at the bottom of the page and participants entered reasons in text fields above. Possible answers could be: improve and maintain health → why? → to live longer → why? → to have more time → why? → to spend with family and friends → why? → to be happy. According to Vallacher and Wegner (1989), the why answers can be categorized as superordinate and abstract, whereas the how answers refer to subordinate and concrete behavior (Sungur et al., 2016; Wakslak and Trope, 2009). Appendix A documents the examples and instructions given to the participants.

All answers were coded to check if participants went through the expected path. If their answer fulfilled the criterion "Y by X", a +1 score was added; if "X by Y" was fulfilled, the added value was -1 (a score of 0 was given when none of the criteria were fulfilled). The final score was the sum of the scores for the four text fields. Seven participants who had a positive score in the abstract condition or scored negative in the concrete conditions were excluded from the sample as this is an indicator that they did not follow the instructions (see Sungur et al., 2016).

After the task, participants were guided to the (ostensibly unrelated) second part of the survey and asked to imagine that they would browse on a shopping website and are searching for a table. Then, a screenshot with a product description for a table set and two reviews were shown. The first review was very positive (five stars) and was manipulated according to the experimental factors source and argument type. The second review gave a medium rating (three stars) to avoid ceiling effects. The feasibility-related review emphasized how easy it is to build the table set, while the desirability-related review focused on the beautiful appearance and the good quality (see Figure 1 and 2). The age of reviewer was shown below the review headline. Given that participants were aged between 25 and 30, the reviewer in the similar-age condition was 27 years old and in the dissimilar-age condition 57 years old.

Figure 2. Feasibility-related review with younger source and second filler review.



3.3 Dependent Measures

Product evaluation was measured with seven adjective pairs such as negative-positive or bad-good with 7-point scales (alpha = .89, M = 4.85, SD = 1.01). Purchase intention was assessed with the question of "how likely would you be to order the product after reading the review" on a 7-point scale between "extremely unlikely" and "extremely likely" (M = 4.41, SD = 1.60).

Furthermore, participants were asked if they believe the review they saw was credible and helpful (two seven-point scales, alpha = .85, M = 5.40, SD = 1.30) and how likely they would recommend the product to others.

4 Results

4.1 Manipulation Checks

To test if participants correctly recognized the type of review they read, they were asked whether the review described how elegant the product was (desirability) and how easy it was to use it (feasibility). There was a significant effect of the argument condition on the desirability question ($F(1, 336) = 47.82$, $p < .001$) as well as on the feasibility question ($F(1, 336) = 20.80$, $p < .001$). As expected, those who read the desirability-related review (M = 5.48, SD = 1.24) had a higher score on the desirability question than those who read the feasibility-related review (M = 4.36, SD = 1.68). Conversely, the feasibility condition (M = 5.70, SD = 1.29) had a higher score on the respective question than the desirability group (M = 5.04, SD = 1.35), which indicates a successful manipulation of argument type.

With regard to the age manipulation, participants were asked to recall the age of reviewer (those who entered no age or an age lower than 18 had been excluded per a pre-defined criterion, see above). As expected, participants who had been exposed the 57-year old reviewer remembered a higher age (albeit still younger than the actual age, M = 37.71, SD = 13.27) than those who saw the 27-year old reviewer (M = 29.48, SD = 6.53), F (1, 336) = 52.01, p < .001.

4.2 Hypothesis Tests

To test the hypotheses, we conducted analyses of variance with mindset, review type, and social distance (source age) as fixed factors. For the dependent variable of product evaluation, there were no main effects of mindset, F (1, 330) = .17, p = .680, review type, F (1, 330) = .59, p = .444, and source age, F (1, 330) = .47, p = .496. Most importantly, the hypothesized interactions between mindset and review type, F (1, 330) = .37, p = .545, as well between mindset and source age, F (1, 330) = .00, p = .974, were insignificant. The three-way interaction between all three experimental factors did not reach a significant result, either, F (1, 330) = 2.32, p = .129.

Similarly, the analysis for purchase likelihood did not show significant main effects (mindset: F(1, 330) = 2.23, p = .137, review type, F(1, 330) = .00, p = .992, source age: F(1, 330) = .02, p = .902) nor any significant interactions (mindset and review type: F(1, 330) = .09, p = .763, mindset and source age: F(1, 330) = .10, p = .751, three-way interaction: F(1, 330) = .37, p = .545). On this basis, H1 and H2 are not supported by the data and have to be rejected.

Table 1: Mean values of experimental conditions for the dependent measure of product evaluation (standard deviations in brackets)

Experimental condition			*Product evaluation*
Mindset	Social distance	Argument type	
Abstract	Similar age	Feasibility	4.93 (0.92)
		Desirability	4.80 (0.91)
	Dissimilar age	Feasibility	4.57 (1.13)
		Desirability	5.00 (0.85)
Concrete	Similar age	Feasibility	4.87 (1.13)
		Desirability	4.94 (0.99)
	Dissimilar age	Feasibility	4.85 (1.12)
		Desirability	4.81 (1.02)

5 Discussion

Contrary to the assumptions derived from CLT and previous findings, results of this experiment showed that the priming of an abstract vs. concrete mindset did not change people's preference for similar vs. dissimilar sources or for desirability- vs. feasibility-related arguments. Although null findings are more difficult to interpret than clearly significant results, we believe that this outcome suggests noteworthy conclusions and avenues for future research.

First, it appears to be difficult to shift consumers' attention to dissimilar sources and higher-level arguments by inducing a shift in the current mindset. Perhaps the promising findings that people may listen more strongly to sources that are dissimilar to themselves (e.g., Zhao and Xie, 2010) only occur with changes in the time frame of the decision (e.g., in the setting of hotel bookings) but do not work with more regular product purchases and experimental manipulations (or even more subtle cues in online environments). Second, it can be asked how generalizable and robust the predictions of CLT are: Even though we closely followed a previously used experimental paradigm, the interactions between mindset and argument type did not replicate.

Before dismissing the idea, however, it has to be noted that the imagined scenario of the current study may not have been sufficiently realistic. Perhaps different results would have emerged when the How and Why task had been related more strongly to the shopping scenario or with other dimensions of social distance. Given that there are some promising findings (see Trope and Liberman, 2010) and given the potential impact when the predicted patterns of being open to dissimilar sources would be visible in further contexts, further research is needed to test the circumstances under which CLT-related effects may occur.

6 References

Aerts, G.; Smits, T.; and P. W. Verlegh (2017), "How online consumer reviews are influenced by the language and valence of prior reviews: A construal level perspective," in: *Computers in Human Behavior*, Vol. 75, 855-864.

Babić Rosario, A.; Sotgiu, F.; De Valck, K. and T. H. Bijmolt (2016), "The effect of electronic word of mouth on sales: A meta-analytic review of platform, product, and metric factors," in: *Journal of Marketing Research*, Vol. 53(3), 297-318.

Brandes, L. and I. Nolte (2011), "Where Do the Joneses Go on Vacation? Social Distance and the Influence of Online Reviews on Product Sales"

Freitas, A. L.; Gollwitzer, P.; & Y. Trope (2004), "The influence of abstract and concrete mindsets on anticipating and guiding others' self-regulatory efforts," in: *Journal of Experimental Social Psychology*, Vol. 40(6), 739-752.

Fujita, K.; Trope, Y.; Liberman, N. and M. Levin-Sagi (2006), "Construal levels and self-control," in: *Journal of Personality and Social Psychology*, Vol. 90(3), 351.

Hansen, J. and M. Wänke (2010), "Truth from language and truth from fit: The impact of linguistic concreteness and level of construal on subjective truth," in: *Personality and Social Psychology Bulletin*, Vol. 36(11), 1576-1588.

Liberman, N. and Y. Trope (1998), "The role of feasibility and desirability considerations in near and distant future decisions: A test of temporal construal theory," in: *Journal of Personality and Social Psychology*, Vol. 75(1), 5.

Liberman, N. and Y. Trope (2008), "The psychology of transcending the here and now," in: *Science*, Vol. 322(5905), 1201-1205.

Liberman, N.; Trope, Y. and C. Wakslak (2007), "Construal level theory and consumer behavior," in: *Journal of Consumer Psychology*, Vol. 17(2), 113-117.

Lin, C. A. and X. Xu (2017), "Effectiveness of online consumer reviews: The influence of valence, reviewer ethnicity, social distance and source trustworthiness," in: *Internet Research*, Vol.27(2), 362-380.

Sungur, H.; Hartmann, T. and G. M. van Koningsbruggen (2016), "Abstract mindsets increase believability of spatially distant online messages," in: *Frontiers in Psychology*, Vol.7, 1056.

Trope, Y. and N. Liberman (2003), "Temporal construal," in: *Psychological Review*, Vol. 110(3), 403.

Trope, Y. and N. Liberman (2010), "Construal-level theory of psychological distance," in: *Psychological Review*, Vol. 117(2), 440.

Vallacher, R. R. and D. M. Wegner (1987), "What do people think they're doing? Action identification and human behavior," in: *Psychological Review*, Vol: 94(1), 3.

Wakslak, C. and Y. Trope (2009), "The effect of construal level on subjective probability estimates," in: *Psychological Science*, Vol: 20(1), 52-58.

Winter, S. and L. Schulte-Bockholt (2018), "When Do We Trust Online Reviews by Similar vs. Dissimilar Users? An Application of Construal Level Theory", in: *Advances in Advertising Research IX* (pp. 287-300). Springer Gabler, Wiesbaden.

APPENDIX: Instructions for Induction of Current Mindset (based on Freitas et al., 2004, and Sungur et al., 2016)

Why task

For everything we do, there always is a reason why we do it. Moreover, we often can trace the causes of our behavior back to broad life-goals that we have. For example, you currently are participating in an online study. Why are you doing this? Perhaps to learn more about the topic or to get an additional payment. Why are you aiming for an additional payment? Perhaps to buy a gift for your family. Why? Perhaps because you want to do them a favor. Why do you do them a favor? Maybe you want to make them happy because you feel that doing so can also bring you more happiness in life.

Research suggests that engaging in thought exercises like this, in which one thinks about the ways one's actions relate to one's ultimate life goals, can improve people's life satisfaction. In this study, we are testing such a technique. This thought exercise is intended to focus your attention on why you do the things you do.

Please note that this thinking process can be represented with the below schema starting from Box 1 at the bottom to the Box 4 at the top. In the next page, you will conduct a similar thought exercise yourself and create a schema like the one below.

Now you need to perform the thought exercise yourself. Your topic is: "Improving and maintaining physical health." […]

How task

For everything we do, there always is a process of how we do it. Moreover, we often can follow our broad life goals down to our very specific behaviors. For example, like most people, you probably hope to find happiness in life. How can you do this? Perhaps having a good relationship with friends and family can help. How can you do these things? Perhaps by doing them a favor. How do you do them a favor? Perhaps by buying them a gift. How do you buy them a gift? Maybe by earning an additional payment. In some cases, such as today, you can do this by participating in an online study.

Research suggests that engaging in a thought exercise like this, in which one thinks about how one's ultimate life goals can be expressed through specific actions, can improve people's life satisfaction. In this experiment, we are testing such a technique. This thought exercise is intended to focus your attention on how you do the things you do.

Please note that this thinking process can be represented by the below schema. In the next page, you will conduct a similar thought exercise yourself and create a schema like the one below.

Now you need to perform the thought exercise yourself. Your topic is: "Improving and maintaining one's physical health." […]

Consumer View on Personalized Advertising: Overview of Self-Reported Benefits and Concerns

Joanna Strycharz, Guda van Noort, Edith Smit, Natali Helberger

1 Introduction

In today's digital world, activities that were once private or shared with a group of selected others are open to public scrutiny as we leave our digital footprint when we visit websites and submit information to online services (Acquisti, Brandimarte, and Loewenstein 2015). As a result, advertisers have access to a wide range of data about consumers: demographic data, information on their interests, location, and more (Smit, Van Noort, and Voorveld 2014). Such data is commonly used by advertisers for personalization, which has been defined as the strategic creation, modification, and adaptation of content and distribution to optimize the fit with personal characteristics, interests, preferences, communication styles, and behaviors (Bol et al. 2018).

Research on personalized advertising has underlined the paradoxical nature of the phenomenon. "Personalization paradox" (Awad and Krishnan 2006) refers to the diametrical positive and negative effects of personalization. In other words, personalization typically fosters both benefits and concerns. On the one hand, personalized content provides access to information that is personally relevant. This means that the consumer receives a better preference match, better products, better service, better communication, and better experience (Vesanen 2007). In addition, past qualitative research also reports monetary benefits, such as personalized discount coupons (Treiblmaier and Pollach 2007). On the other hand, personalization may also induce concerns, such as users' sense of vulnerability and privacy concerns. Online collection of personal data, which is then used for all kinds of purposes including personalization, poses challenges for consumer privacy (Awad and Krishnan 2006). The fact that personal data are used for personalization makes consumers feel uncomfortable and concerned; they do not want to be targeted (Turow et al. 2009). Hence, personalized advertising is a paradox causing both positive and negative outcomes.

The notion of benefits and concerns has been widely used in social scientific research in order to understand self-disclosure behavior online as well as consumer attitude towards personalized advertising. Most of the research has been centered around benefits stemming from relevance of personalized messages and privacy-related concerns caused by them. However, with the wide possibilities companies have to use personal data, the question arises if such focus sufficiently represents the social mood. Our recent research into the practitioners' perspective

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_5

on personalization suggests that crucial benefits have been absent in consumer research (Strycharz, van Noort, Helberger and Smit forthcoming). At the same time, legal scholars name other concerns related to personalization online, such as the risk of discrimination (Zuiderveen Borgesius 2014), which have not been investigated in the context of personalized advertising. Thus, the aim of the current study is to look deeper into the benefits and concerns that arise in relation to personalization. In order to construct an inventory of benefits and concerns, we post the following research questions:

RQ1: What benefits of personalized advertising do consumers see?
RQ2: What concerns do consumers have related to personalized advertising?

As this study is exploratory in nature, no scales were used, but respondents could voice benefits and concerns themselves. More specifically, in order to get a comprehensive list of benefits and concerns related to personalized advertising, we presented a large representative sample of the population with a description of the phenomenon and asked them to list their thoughts on benefits and concerns. These thoughts were coded following a codebook constructed based on past literature on perceived benefits and concerns. It allows us to see what benefits and concerns consumers report most commonly and to identify ones that have not been investigated in consumer research.

The current study makes theoretical and practical contributions. First, the exploratory nature gives us the possibility to investigate new benefits and concerns not included in existing scales. This, in turn, allows the future construction of more comprehensive scales and contributes to the advancement of theories for which benefits and concerns are central, such as the personalization paradox. Second, from a practical perspective, the findings can be seen as an indication for the advertising industry what consumers feel about personalization and where actions may be needed to address these concerns and make personalisation strategies more acceptable to consumers. Finally, the findings inform lawmakers, particularly about consumer concerns. So far, much of the regulatory response to possible consumer concerns about personalised advertising focuses on the area of data protection law, with, in Europe, the General Data Protection Regulation (GDPR) being the main framework. The current study raises the question how well the GDPR has really succeeded in addressing the concerns of users that are affected by personalised advertising.

2 Methodology

2.1 Participants and Procedure

The online survey, which was administered through a panel company, was distributed between May 15 and June 20, 2017. It was part of a greater data collection that encompasses seven wave questionnaires about personalization in various contexts. A total of 1,217 respondents participated (response rate = 79.5%). However, 68 participants (5.6%) filled in the survey in less than 50% of the estimated time, which indicates that they did not provide thought-through answers. These participants were excluded from the final sample, which includes 1,149 respondents. Quota sampling (on gender, age and education) was used to have data representative of the population aged 18 years or older. The final sample in this study consists of 49% female respondents, with a mean age 55.17 (*SD* = 16.64, range 18 – 90). Most had finished a medium level of education (57.1%) or a higher level of education (36.4%).

In order to match the exploratory nature of the study, respondents were given a chance to voice benefits and concerns freely. More specifically, in the questionnaire, they were provided with a short description of personalized advertising. They were informed that organizations personalize their messages based on personal data in the way that two consumers can, for example, get different recommendations in a newsletter. They were also made aware of different data sources used for personalization. The sentiment of the description was kept as neutral as possible. Next, the respondents were asked to list benefits and concerns that personalization causes in them.

All the answers provided by the respondents were split into single thoughts that were subsequently coded according to the codebook (see section 2.2.) Following the principle of data saturation, the coding stopped when no new categories were emerging from the data (Glaser and Strauss 1967). This resulted in a subsample of thoughts provided by 300 participants. To assure that this subsample was not different that the entire pool of 1217 respondents, we conducted multiple t-test on key variables and concluded that the subsample did not differ significantly from the full sample when it comes to age, gender and education and thus, was truly random.

In the coding procedure, first, the number of benefits and concerns was counted to consecutively code each benefit and concern according to the codebook. To conclude what thoughts were prevalent among consumers, a t-test was conducted. Next, frequencies were calculated to examine which concerns were most present among consumers when they were confronted with personalized advertising. All answers that did not fit in any of the pre-defined categories were collected and coded in two steps. First, open codes were assigned to each answer. Initial properties of categories were defined in this step. In the second step, with

the help of the initial codes, axial codes were assigned to group the initial codes into overarching categories (Strauss and Corbin 1990). The newly identified concern categories are presented in the results with quotes coming from the respondents (quotes are introduced in italics).

2.2 Codebook Construction

In order to answer our research questions, the open answers had to be coded. The codebook was constructed based on existing academic literature. We performed a keyword search of the most important electronic databases in communication science. The keywords used were "personalized/personalised (online) advertising," "online behavioral/behavioural advertising," and "customized/customised advertising" in combination with "concerns" and with "benefits." Articles that investigated personalized advertising in the online context and operationalized benefits and concerns related to it were included in the codebook. It resulted in 10 studies that we included when creating the codebook (see * in the reference list). The benefits and concerns coming from literature were first listed. Next, similar items were grouped to create categories. It resulted in the previously described six categories of benefits and eight categories of concerns. When a certain thought did not fit the pre-defined categories, the coders were asked to include the entire answer. This allowed us to later identify new concerns that have not been investigated in the context of personalization.

Next, answers provided by 30 respondents were randomly chosen to be coded by the first author of the chapter and a second trained coder. To assess reliability, Krippendorf's alpha was computed for all the variables. It turned out to be problematic to code certain concerns. The unclear cases were discussed by the coders, and it was decided to remove categories where no agreement between coders could be reached as well as to add explanations and illustrative examples for each category to facilitate the coding process. Moreover, subcategories were added in order to enable more fine-grain coding. For each subcategory an example was added. Table 1 and 2 show the final list of main categories as well as the illustrative examples.

Table 1: Overview of reported benefits.

Category	*Illustrative example*	*N*	*Percentage*
Convenience	*Overview at a glance*	56	16.4
Economic benefits	*Better discounts*	26	7.6
Personal relevance	*Seeing information meant for me*	175	51.2
Added advertising value	*More informative ads*	43	12.6
Less advertising	*Less ads?*	5	1.5
Higher brand Relatedness	*I feel like they see me as a person*	6	1.8
Other	-	31	9.1

N = 324 benefits listed by 251 respondents

Table 2: Overview of reported concerns.

Category	*Illustrative example*	*N*	*Percentage*
Privacy risk	*I do not want them to sell my data*	202	36.2
Intrusiveness	*Irritating ads keep following me*	37	6.6
Message processing costs	*I am overwhelmed with stuff I don't need*	35	6.3
Discrimination	*Higher price for me*	10	1.8
Loss of control, Resignation	*I am unable to make choices*	85	15.2
Manipulation	*They influence my purchase behavior*	40	7.2
Lack of agency		2	0.4
Stereotyping	*It's like fitting you in a frame*	4	0.7
Other		143	25.6

N = 558 concerns listed by 251 respondents

3 Results and Discussion

This section presents an overview of the reported benefits and concerns and discusses them in the context of past literature on positive and negative sides of personalized advertising.

3.1 Prevalence of Concerns among Consumers

Out of the 300 respondents whose answers were coded, 49 did not provide any information (they could not leave the open answer field blank, but they filled it in with random characters). The remaining 251 respondents provided us with 900 valid responses, while 190 thoughts were marked as missing as they did not mention benefits or concerns related to personalization. In total, 324 benefits and 558 concerns were reported. Thus, on average, respondents reported 1.4 benefits and 2.2 concerns, which means that they filled in significantly more concerns than benefits ($t(299) = -8.67$, $p < .00$). Also, out of the 251, 72 respondents provided only concerns and were not able to think of any benefits of personalized communication. Such differences are a first indication of the lack of balance between costs and benefits of personalization from the perspective of consumers – they report mostly the negative sides of the phenomenon. On the one hand, this can be brought back to general consumer negativity towards personalization. Indeed, past research has shown that consumers find it creepy and do not want to be a target of such practices (Ur et al. 2012). Along these lines, Strycharz, van Noort, Helberger and Smit (2017) concluded a negative sentiment of the media coverage regarding personalized marketing and privacy. Thus, it may not come as a surprise that negative thoughts are more salient among consumers. On the other hand, the significant prevalence of concerns does not necessarily mean that consumers are more negative, but it may be attributed to their negativity bias. This theory commonly applied in social psychology assumes that humans tend to give greater weight to negative entities (Rozin and Royzman 2001). More specifically, negativity dominance implies that combinations of negative and positive entities lead to evaluations that are more negative than the simple sum of positives and negatives would predict, while negative differentiation means that negative entities are more varied, they yield more complex conceptual representations, and lead to more responses. Thus, it is possible that consumers do notice positive and negative sides of personalization equally, but the concerns are naturally more salient in them.

3.2 Benefits: Relevance at the Heart of Personalization

Regarding benefits, the prevalence of ***relevance*** is not surprising. In fact, more than half of the coded thoughts has been classified in this category. Relevance can be defined as the degree to which the consumer perceives the personalized ad to

be self-related or in some way instrumental to achieving their personal goals and values (Zhu and Chang 2016). Past studies on the effectiveness of personalization name relevance as one of the main drivers of the effects that personalized ads have on consumers. For example, in the context of Facebook, De Keyzer, Dens and Pelsmacker (2014) showed that personalization improves responses to ads through perceived relevance. Similarly, Jung (2017) concluded that perceived ad relevance increased attention to ads and decreased ad avoidance. The current study also underlines the importance of relevance for personalization.

As relevance is both the most salient benefit as well as the main mechanism behind workings of personalization, we delved deeper into operationalization used in past research as well as specific benefits mentioned by respondents. Through fine-grain coding we concluded that more than half the relevance-related thoughts (88) can be matched with relevance operationalized as advertising relevant to the needs or interests of consumers (Kim and Huh 2017). Consumers named *They know what I am interested in and show me such ads, I get to see offers that I might actually be interested in.* Relevance has also been operationalized as advertising created just for the recipient (Kim and Huh, 2017). This was mentioned 54 times: *These ads are made with me as a target, Everything on the internet is personally for me.* Other operationalizations common in the literature such as personalized advertising being important or meaningful (Kim and Huh 2017) were barely present in the dataset.

Next, consumers consider personalized advertising not only as relevant to their needs but also as ***convenient*** for fulfilling them. Chellappa and Sin (2005) in their study on privacy paradox argued that personalization led to more convenience for consumers, i.e., improved purchase experience and after-sale support, and to better (personalized) goods such as software adjusted to the needs of the consumer. Indeed, our findings show that personalization increases efficiency of internet users (*I am more efficient when surfing when I see only such ads for me)*, makes surfing easier *(I feel like now, Internet costs me less effort)* and helps consumers make purchase decisions online (*I use ads as reminders when I need to buy something. This way, someone thinks along with me*). This shows that while relevance of the ads makes consumers pay attention to them, at the same time, they consciously use personalized ads to their own benefit, e.g., when they need to remember to purchase a product. Thus, it is not only how consumers perceive and react to personalization that matters for benefits, but also how they can use it to their own advantage and change the meaning of the ad.

Third most commonly reported benefit was classified as ***added advertising value***. In past research, personalized ads have been said to have more informative value, be more entertaining and less irritable (Schade, Piehler, Warwitz, and Burmann 2017). Indeed, respondents noted that nowadays they see *No bullshit ads* and that *Advertising is less annoying*. Moreover, personalized ads are indeed ap-

preciated for their informativeness: *Such ads have much more up-to-date information.* Finally, personalized ads have generally been said to be more attractive: *Personalized ads are nicer, I like them more.* Thus, compared to generic advertising, consumers do notice improvement when data is used to personalize ads.

Surprisingly, other benefits named in personalization literature were barely present in the thought listing answers. While according to Chellapa and Sin (2005) consumers can ***gain financially*** by providing their data to marketers (e.g., by receiving personalized discount coupons, store credits or free samples), only 7.6% of thoughts could be classified as such and they exclusively focused on personalized discounts: *I get good discount offers from this.* Consumers see that personalized emails offer them coupons, but this is not considered a major benefit of personalization. Similarly, consumers do not name benefits underlined by the marketers, namely ***less advertising*** and ***higher brand relatedness*** (Strycharz et al. forthcoming). Advertisers have in fact argued that personalization is more effective in reaching their target audience so publishers can charge more for personalized ads. As a result, the necessary income can be made with a smaller amount of advertisements. This was noted only in five thoughts, but even those were skeptical, e.g., one respondent wrote *Less ads online?* while another added the word *possibly*. The question remains if personalization can indeed lead to less advertising online, or if it only increases revenues of publishers (who earn more on the same number of ads). Similarly, while advertisers argue that personalization brings the online interaction with consumers on a more interpersonal level, this remains unnoticed by consumers. Only six thoughts were related to the brand-consumer relationship, for example *Companies online see you as a person*. Thus, personalization may have at least in theory the potential to enhance brand-consumer relatedness, but it has not been reached yet. Possibly, interactive, two-way communication is necessary to form a relationship between a consumer and a brand.

Interestingly, almost one in ten thoughts did not fit any categories coming from past research. Following a qualitative approach, we grouped these thoughts in two categories. First, the respondents claimed that personalized advertising ***keeps internet free.*** In fact, they believed that *In exchange for data, I can use websites for free*. This is in line with claims long-made in legal research. Indeed, "paying with your data" has been named as one of the challenges of the digital world (Helberger 2016). It is reassuring to see at least some awareness of it among consumers, who understand financial benefits that sharing their data with advertisers gives them. Second, personalization helps consumers to ***overcome the information overload*** on the internet. In fact, personalization serves as a filter: *They filter the information for me*. In this case, the commonly discussed "filter bubble" (Pariser 2011) is described as a positive development. *There is too much information online, these ads help me to orientate* – consumers need help to deal with

online clutter and personalization of information can be seen as one of the possible countermeasures.

3.3 Concerns: World beyond Privacy

In total, based on past literature, we distinguished eight concern categories. As expected, ***privacy risk*** was most commonly mentioned by the respondents. In fact, more than a third of them named such issues as *Data is not safe once it is collected* or *My data can be sold to others without my knowledge.* This lies in line with past personalization studies which have argued that concern of privacy invasion can take various forms, for example, fear of data collection by unauthorized parties, selling data to third parties and unauthorized access (among others Chellappa and Sin 2005; Dinev and Hart 2006). At the same time, it is worth noting that 67% of thoughts related to privacy risk were more general than previous operationalizations of this concept. Most commonly, respondents noted that personalized advertising poses *Threat to my privacy* or that it causes *Privacy concerns*. The respondents were thus aware of the concern, but did not provide deeper thoughts about it. One could speculate that among others, due to the extensive negative media coverage of personalization in relation to privacy threats consumers are concerned about their privacy, but at the same time, they are not willing or able to consider what specifically the threat is. Thus, while the importance of privacy concern is definitely shown by its prevalence in the answers, they do not provide any further guidance of what privacy aspects (e.g. data safety, sharing with third parties) consumers are concerned about in particular, and whether the existing legal safeguards such as transparency and explainability, actually address the concerns that consumers have.

Interestingly, second most commonly named concern related to ***loss of control and consequent resignation*** consumers feel when confronted with personalization: *I do not want anyone to know everything about me, but that is what is happening now.* Indeed, personalization can involve a loss of control over personal data used for personalization purposes. Earlier research found that consumers felt that they were not aware of the value of their data, and who could access and use them, and they were afraid that they had no way to take control over the situation (Turow 2017). This is indeed what the respondents feel in this study: *They know too much about me*; *I basically cannot do anything to make it stop*. Recent studies have argued that such resignation will eventually lead to consumers turning negative towards personalized advertising (Turow, King, and Draper 2015). These findings also mean that empowering users and mitigating the feeling of resignation prevalent among them is in the interest of the industry.

Worth noting is the proportion of concerns beyond privacy and resignation reported by the respondents. In fact, almost half of the coded thoughts were about other negative sides of personalization. Some respondents find personalized advertising ***intrusive:*** *It irritates me a lot*, which indeed was suggested by Van

Doorn and Hoekstra (2013) who claimed that personalized advertising may be irritating, or give the consumer an uneasy feeling. Similarly, consumers "agree" with academics that personalized advertising increases ***message processing costs*** (see Krafft, Arden, and Verhoef 2017). The respondents have named concerns related to higher cognitive load caused by advertising (*Overkill with such information so that I have no attention for other* things) and a high number of promotional emails (*I get emails I don't want!*).

This manipulates me into impulse purchases and *My choices and awareness are manipulated* was the next common concern. Mckenna (2011) argued that personal information can be used in a way that will facilitate the ***manipulation*** of consumer behavior, which is rather questionable from an ethical as well as legal point of view. Similarly, Zarsky (2006) argued that using the knowledge they gain from personal data, advertisers can more effectively than ever influence our behavior. The thin line between advertising and manipulation becomes even less clear.

At the same time, the concerns found in this study go beyond what has been said in personalization research. In fact, such concerns as ***discrimination***, ***lack of agency*** and ***autonomy*** and ***stereotyping*** have been rather mentioned in legal normative studies, but not in empirical studies on psychological mechanisms behind personalization. For example, regarding discrimination, researchers have argued that individuals living in a certain area might receive different prices on offers in newsletter compared to inhabitants of another neighborhood (Zuiderveen Borgesius 2014). While some consumers indeed were afraid that *I get to pay more because of what they know about me*, this concern was identified in only 10 thoughts. While according to past studies it takes place online, consumers are either not afraid or not aware of it. The same applies to stereotyping: only a small proportion of the respondents expressed the concern that *Someone is trying to fit me in a frame*.

Importantly, we also found that a significant amount of thoughts is related to concerns that are less commonly addressed in the communication science literature and in legal debates. More specifically, as many as 143 thoughts could not be coded according to the codebook. The fact that more than a quarter of the answers deviated from concerns researched in the past shows how how much more we need to understand personalisation in relation to consumers. It also underlines how important it is to conduct exploratory studies that give the floor to the consumer instead of presenting them with existing batteries of questions. The unclassified answers were axial coded, which led to the creation of nine additional categories presented in Table 3. Below, we discuss a number of the new concerns in detail.

Table 3: Overview of newly-identified concerns.

Category	*N*	*Percentage*
Tunnel vision	36	6.5
Fear	30	5.4
Surveillance	25	4.5
Loss of freedom	19	3.4
Information quality	12	2.2
Power inequality	8	1.4
Inability of informed decision-making	5	1
Lack of secrecy	4	1
Chilling effects	4	1

N = 143 concerns listed by 251 respondents

The biggest emerging concern relates to ***tunnel vision***. It can be defined as the feeling that receiving personalized ads makes the respondent's world smaller: *I miss a complete overview; I am afraid to become short-sighted.* While consumers see the benefits of personalized ads that *make internet easier to use* and help them manage the information overload online, at the same time, they also are aware of the negative side, namely ending up in a bubble. To meet the concerns of users, personalised advertising should not be used in a way to prevent users from exploring the overall market place, and comparing products and services. In fact, bursting the personalized advertising bubble can be beneficial for advertisers who may observe unexpected sales (see Strycharz et al. forthcoming).

The respondents also reported that they constantly feel followed online. More specifically, they are concerned about ***institutional surveillance***. By surveillance we mean here the concern of being constantly under watch of both governments and commercial organizations. Most commonly mentioned was: *Big brother is watching you*. This feeling leads to changes in behaviour, for example by exerting chilling effects. Consumers refrain from certain actions online due to the feeling of being surveyed: *I am afraid to click on things*. At the same time, personalization and related surveillance fuel fears. More specifically, respondents are afraid of ***inequality of power***: *Firms have more power than ever,* and that due to the power and possibility of firms to manipulate, consumers will ***lose their freedom*** online: *I cannot just do things any more*. The respondents not only referred to the right to being left alone (and e.g., not being a target of data collection), but also to the right to autonomy, to decide about themselves, which is challenged in the age of personalization: *Others decide for me what I should find important.*

4 Conclusion

The aim of the current study was to verify if benefits and concerns of personalized advertising currently investigated in advertising research mirror the vox populi. We can conclude that on the one hand, they indeed overlap to a great extent. Relevance is the central benefit both to academics and consumers, while privacy and resignation are most commonly named concerns. On the other hand, particularly in the context of concerns, the issue is more complex than currently presented in personalization research. In fact, consumers do not have problems with naming a number of negative sides (while coming up with a list of benefits was more challenging) and they look beyond informational privacy. Personalization shall thus not only be seen in the light of privacy as control, but also privacy as identity construction (Zuiderveen Borgesius 2014) and as the right to autonomy (Allen 2011).

At the same time, consumer-reported benefits and concerns also contrast with ones seen by the industry. While advertisers believe that personalization leads to less ads online and creates stronger bond between consumers and brands, these effects remain unnoticed by consumers. At the same time, the industry strongly focuses on informational privacy, while consumers have moved beyond it and notice new threats related to broader societal effects of personalization, such as tunnel vision and institutional surveillance. From an industry perspective, also the users' dissatisfaction about the lack of agency and control possibilities should be alarming as an important source of dissatisfaction. Thus, to address consumer concerns, advertisers should adjust their ways of working and not only focus on information notices that assure internet users that their personal data is protected, but also look beyond transparency and acknowledge concerns about personalization as a tool of manipulation and unwanted influence. Similar is true for regulators as users remain having a variety of concerns about personalized advertising that regulatory actions so far, and data protection law in particular, were clearly not able to alleviate.

Apart for the practical implications for the industry, the current study can also be used to guide research. Indeed, the benefits and concerns previously ignored in the personalization literature shall be investigated further. This will allow to fully study personalization paradox and the psychological mechanisms that guide it.

5 References

Acquisti, A., Brandimarte, L., and G. Loewenstein. (2015), "Privacy and Human Behavior in the Age of Information," in: *Science*, Vol. 347, No. 6221, 509-514.

Allen, Anita. (2011), *Unpopular privacy: what must we hide?,* Oxford University Press.

Awad, Naveen Farag, and M. S. Krishnan. (2006), "The Personalization Privacy Paradox: An Empirical Evaluation of Information Transparency and the Willingness to Be Profiled Online for Personalization," In: *MIS Quarterly*, Vol. 30, No. 1, 13–28.*

Bol, Nadine, et al. (2018), "Understanding the effects of personalization as a privacy calculus: analyzing self-disclosure across health, news, and commerce contexts," in: *Journal of Computer-Mediated Communication*.

Chellappa, Ramnath K., and R. G. Sin. (2005), "Personalization versus privacy: An empirical examination of the online consumer's dilemma," in: *Information technology and management*, Vol. 6, No. 2-3, 181-202.*

De Keyzer, Freya, Dens, N., and P. De Pelsmacker. (2015), "Is this for me? How consumers respond to personalized advertising on social network sites," in*: Journal of Interactive Advertising,* Vol. 15, No. 2, 124-134.

Dinev, Tamara, and P. Hart. (2004), "An extended privacy calculus model for e-commerce transactions," in: *Information systems research*, Vol. 17, No.1, 61-80.*

Glaser, Barney, and A. Strauss. (1967), *The discovery of ground theory*, Alpine, New York, NY.

Helberger, Natali. (2016), "Profiling and targeting consumers in the Internet of Things–A new challenge for consumer law," Retrieved from: https://ssrn.com/abstract=2728717.

Jamal, Arshad, Coughlan, J., and M. Kamal. (2013), "Mining social network data for personalisation and privacy concerns: a case study of Facebook's Beacon," in: *International Journal of Business Information Systems*, Vol. 13, No. 2, 173–198.*

Jung, A-Reum. (2017), "The influence of perceived ad relevance on social media advertising: An empirical examination of a mediating role of privacy concern," in: *Computers in Human Behavior,* No. 70,303-309.

Kim, Hyejin, and J. Huh. (2017), "Perceived Relevance and Privacy Concern Regarding Online Behavioral Advertising (OBA) and Their Role in Consumer Responses," in: *Journal of Current Issues & Research in Advertising*, Vol. 38, No.1, 92-105.*

Krafft, Manfred, Arden, C. M., and P. C. Verhoef. (2017) "Permission Marketing and Privacy Concerns—Why Do Customers (Not) Grant Permissions?," in: *Journal of interactive marketing*, Vol. 39, 39-54.*

Krishnamurthy, Sandeep. (2006), "A Comprehensive Analysis of Permission Marketing," in: *Journal of Computer-Mediated Communication*, Vol. 6, No. 2.*

Mckenna, Alan. (2011), "Profiling and manipulating Human behaviour: a core contemporary privacy concern," retrieved from: https://ssrn.com/abstract=2169813.

Prince, Christine. (2017), "Do Consumers Want to Control Their Personal Data? Empirical Evidence," in: I*nternational Journal of Human - Computer Studies*, Vol. 110, 21–32.*

Rozin, Paul, and E. B. Royzman. (2001), "Negativity bias, negativity dominance, and contagion," in: P*ersonality and social psychology review,* Vol. 5, No. 4, 296-320.

Schade, Michael, Piehler R., Warwitz C., C. Burmann. (2017), "Antecedents of the Intention to Use Location-Based-Advertising: Advertising Value, Privacy

Concerns, and the Role of Brand Trust: An Abstract," in: Patricia Rossi (eds) *Marketing at the Confluence between Entertainment and Analytics. Developments in Marketing Science: Proceedings of the Academy of Marketing Science*.*

Smit, Edith G., Van Noort, G., and H. A. M. Voorveld. (2014), "Understanding Online Behavioural Advertising: User Knowledge, Privacy Concerns and Online Coping Behaviour in Europe," in: *Computers in Human Behavior*, Vol. 32, 15–22.

Smith, H. Jeff, Milberg, S. J., and S. J. Burke. (1996), "Information Privacy: Measuring Individuals' Concerns about Organizational Practices About Organizational Practices," in: *MIS Quarterly*, Vol. 20, No. 2, 167–196.*

Strauss, Anselm, & J. M. Corbin. (1990), "Basics of qualitative research: Grounded theory procedures and techniques," Thousand Oaks, California.

Strycharz, Joanna, van Noort, G., Helberger, N., and E. Smit. (forthcoming), "Contrasting perspectives – practitioner's viewpoint on personalised marketing communication," in: *European Journal of Marketing*.

Treiblmaier, Horst, and I. Pollach. (2007), "Users' Perceptions of Benefits and Costs of Personalization," in: *ICIS 2007 Proceedings*, Vol. 141.*

Turow, Joseph. (2017), *The aisles have eyes: How retailers track your shopping, strip your privacy, and define your power*. Yale University Press.

Turow, Joseph, Hennessy, M., and N. Draper. (2015) "The tradeoff fallacy: How marketers are misrepresenting American consumers and opening them up to exploitation," retrieved from: https://ssrn.com/abstract=2820060.

Turow, Joseph, King, J., Hoofnagle, C. J., Bleakley, A., and M. Hennessy. (2009), "Americans Reject Tailored Advertising and Three Activities That Enable It," in: *SSRN Electronic Journal*. doi:10.2139/ssrn.1478214.

Ur, Blase., Leon, P. G., Cranor, L. F., Shay, R., and Y. Wang. (2012), "Smart, useful, scary, creepy: perceptions of online behavioral advertising," in *Proceedings of the eighth Symposium on Usable Privacy and Security*.

Van Doorn, Jenny, and J. C. Hoekstra. (2013), "Customization of online advertising: The role of intrusiveness," in: *Marketing Letters*, Vol. 24, No. 4, 339-351.

Vesanen, Jari. (2007), "What Is Personalization? A Conceptual Framework," in: *European Journal of Marketing*, Vol. 41, No. 6, 228–39.

Zhu, Yu-Qian, and J. Chang. (2016), "The key role of relevance in personalized advertisement: Examining its impact on perceptions of privacy invasion, self-awareness, and continuous use intentions," in *Computers in Human Behavior*, Vol. 65,442-447.

Zarsky, Tal Z. (2006). "Online privacy, tailoring, and persuasion," in: *Privacy and technologies of identity*, Springer, Boston, 209-224.

Zuiderveen Borgesius, Frederik. (2014), "Improving Privacy Protection in the Area of Behavioural Targeting," University of Amsterdam.

Customer Engagement through the Vocal Touchpoint: An Exploratory Cross-Cultural Study

Fabrice Desmarais, Alexandra Vignolles

1 Introduction

An important touchpoint in advertising is the voice used to catch and hold customers' attention. This touchpoint is especially crucial in radio and television where the voice is employed to reach the consumers on a cognitive and an emotional level and motivate them to take action. Regrettably, research into the influence of advertising voices is scant and cross-cultural research is almost non-existent.

2 Exploring Cultural Preferences of Hard Sell and Soft Sell Vocal Approaches

There is an infinite variation in voices, however, voice professionals such as Alburger (1999, 30) identify three broad delivery styles that are used in advertising scripts: "Hard-sell (fast and punchy), Medium-sell (mellow), soft-sell (relaxed)". The more general advertising literature often simply differentiates between two approaches (soft sell and hard sell) which provide distinct ways of communicating with audiences. Hard sell is simply defined as a direct, explicit, rational, information-based approach encouraging a quick sale, and soft sell is defined as using indirect, image-based emotional appeals (Okazaki, Mueller, & Taylor, 2010a). Interestingly, however, studies considering hard and soft sell approaches always fail to consider how voice contributes to the hard and soft sell appeals. This study wishes to fill this overlooked area of research by exploring whether consumers have a preference for one of these advertising vocal approaches (hard sell/authoritative or soft sell/seductive).

In addition, this study's originality resides in exploring whether these preferences for vocal approaches are culturally based. Indeed, the uniqueness of this study lies in it being the first to explore consumers' preferences for a vocal approach from a cross-cultural perspective. Cross cultural studies of advertising voices are indeed extremely rare and limited to comparative quantitative analyses of voice-overs' gender across countries (see Furnham and Palzer 2010). Despite early arguments that voice has a "social quality" and that people in society "imitate each other's voices to a not considerable extent" (Sapir 1927, 895), consumer research has failed to explore the question of the cultural formatting of advertising voices. So far, only one cross cultural study (Desmarais 2000), which we will

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_6

build on, has researched the culturally formatted characteristics of advertising voices and provided insight into advertising professionals' cultural production logic of these voices. As Desmarais (2000) showed, advertising professionals from specific countries favour, select what they consider to be competent authorities for consumers. As a result, at the level of a nation Desmarais (2000) notes, 'vocal formations' ─ specific vocal styles or symbolic vocal constructions within the advertising discourse ─ are shaped by years of practice and institutionalised by the industry and the mass media that uses them. In the end, through the repetition of a certain pattern of vocal communication in the advertising discourse, voice-overs encode a cultural distinction and become part of a taken-for-granted everyday cultural environment to which the national audience becomes familiar and accustomed (Desmarais, 2000).

Therefore, with this study we are not only interested in customers' preference and attitude towards advertising vocal approaches, we are also interested in whether customers' cultural familiarity with these vocal approaches (i.e the fact they are accustomed to certain vocal approaches in their own country) may influence their preference and attitude. It is indeed possible that, in line with what is known as the exposure-affect relationship (Zajonc 1968), consumers' familiarity with a vocal approach, induced by the repetition of that specific advertising vocal approach in these consumer's cultural environment, might influence these consumers' preference and attitude towards a specific vocal approach. It has indeed been shown that repeated exposure to a stimulus leads to an increase in positive affect towards it, in other words that familiarity leads to liking (Bornstein 1989). In advertising or example, although rare studies show that prior familiarity with an ad enhances its likeability and reduces boredom (Mano, 1996), many studies have shown that the exposure-affect relationship does not to apply because increased repetition of an advertisement leads to a wear out phenomenon: consumer inattention, disinterest, resulting in lower ad effectiveness (Calder and Sternthal 1980; Greenberg and Suttoni 1973). Thus far, there has not been any research testing consumers' preference for, and attitude towards, specific vocal advertising approaches against consumers' familiarity (due to repeated exposure) with these. Our study fills this gap, it proposes to explore whether consumers' preference for and attitude towards vocal approaches is cultural, in other words whether it is influenced by the repetition of, and therefore familiarity with, specific 'vocal formations' (Desmarais, 2000) circulating in their advertising cultural environment.

3 The Context

In order to be able to test the impact of familiarity on consumers' preferences for a vocal approach, we needed to choose participants from two contrasting cultural environments in which vocal approaches were sufficiently distinct. France and New Zealand were chosen as they provided contrasting advertising landscapes in terms of vocal approaches. French advertising has been described as

emotional and using sex appeal (Abhijit, Olsen and Carlet 1992). French advertising professionals have a strong reluctance to use a direct communicative approach focused on pushing explicit elements such as price and therefore "soft sell outsells hard sell in France" (Taylor, Grubbs and Haley 1996, 11). French advertising's indirect tone is characterised by a heavy reliance on seduction and politeness, to the point that advertising and seduction are almost fused (Desmarais 2003; Taylor, Grubbs and Haley 1996). This reliance on seduction is illustrated in the frequent use of soft sell female and male voice-overs which French consumers are accustomed to (Desmarais, 2000, 2003).

In contrast, the New Zealand advertising discourse privileges a more immediate, direct, and authoritative communication approach which is embodied in a majority of explicit unambiguous messages and in the overwhelming frequency of male characters and hard sell male and female voice-overs which New Zealand consumers are accustomed to (Desmarais, 2000, 2003). France and New Zealand therefore provided ideal contrasting advertising environments for a cross cultural study wishing to assess consumers' preference towards hard sell and soft sell vocal approaches.

4 Exploring the Impact of Voice on Brand Image and Intention to Purchase

In addition to exploring potential cultural preferences for soft sell and hard sell vocal approaches, we also explored whether cultural differences exist in consumers' belief in the influence of advertising voices to affect brand image and influence them to choose/buy the brand advertised. We used these complementary questions because research has shown that an advertising voice can help convey information about a brand's image, thus affecting consumers' attitude towards the brand (Chattopadyay et al, 2003; Darmon and Laroche, 1991; Gelinas-Chebat and Chebat, 1992; Whipple and MacManamon, 2002) and may have an influence on consumer purchase intentions (Gélinas-Chebat, Chebat and Vaninsky, 1996; Leung and Kee, 1999; Wiener and Chartrand, 2014), yet no research has tried to discover whether these influences are culturally based. Our study's exploration fills this gap by exploring whether differences exist at the higher cultural level.

Our study therefore aims to answer the following questions:

(1) What is consumers' preferred vocal approach? (between hard sell/authoritative or soft sell/seductive). Do preferences differ according to culture?

(2) Do consumers believe the feelings triggered by a voice can affect the image of the brand advertised? Do responses differ according to culture?

(3) Do consumers believe the feelings triggered by a voice can influence them to choose/buy the brand advertised? Do responses differ according to culture?

5 Method

For this study we created an online questionnaire on the Qualtrics platform. The questionnaire asked respondents to firstly listen to four advertising voices especially designed for the study (two voices -one male and one female - representing the loud, fast, hard sell authoritative approach dominant in New Zealand and two voices - one male and one female - representing the slower, soft sell seductive approach dominant in France). All voices were recorded in New Zealand and France by professional voice artists who all had extensive experience recording advertising messages for prominent radio and television channels. The female hard sell message was 15 seconds long (224 wpm) and the male hard sell message was 16 seconds long (210 wpm). The male and female soft sell voices were approximately twice as slow as the hard sell messages. The female soft sell message was 30 seconds long (112 wpm) and the male soft sell message was 27 seconds long (124 wpm). For consistency, all four messages were recorded in the English language. The English language was selected as it has become a universal language and is familiar and understood in both New Zealand and France.

5.1 The Message

We used the same neutral advertising copy for each vocal approach because research has suggested that people pay particular attention to advertising voices cues under low involvement conditions and "when they are likely to be processed in an automatic, almost effortless way" (Gelinas-Chebat and Chebat 1992, 456). Since we were concerned about assessing people's reactions to broad vocal approaches (hard and soft sell) and since it is under low involvement conditions that listeners better evaluate voice cues, we designed a non-specific advertising message so respondents would first and foremost focus on the voice characteristics of the advertising message and would not be influenced by elements that can affect processing of the message such as product type, product involvement, and country of origin. This was especially important to maintain consistency in a cross cultural study such as ours because specific types of voice might be associated with types of product in one culture but not in the other and could influence respondents' assessments. Thus, the message we submitted to respondents was the equivalent of an all-purpose, low-involvement message designed so they would concentrate their attention on the vocal approach:

> "For one week only we are offering a different range of products, which can be used for any purpose, whether indoors or outdoors, come rain or shine. Simply choose from beige, black, grey, yellow, green or white. You can reach us by phone, fax, or visit our website. Call us now for an obligation free quote".

5.2 Participants

A total of 312 undergraduate students from two business schools served as participants in this study: New Zealand (n=188) and France (n=124). The average age of respondents across both countries was 22.79. Respondents' gender was evenly split with 51% female and 49% male across both countries. The questionnaire was administered at specific times in university computer laboratories. Using headphones, participants listened to the four voices which were presented randomly to avoid bias. After listening to these voices as models of soft sell and hard sell approaches, they were asked to:

a) Rate, using a seven-point Osgood semantic differential scale, the vocal approach they preferred based on two contrasting items/descriptors (authoritative/hard sell or seductive/soft sell).

b) Rate, using a seven-point Osgood semantic differential scale, the overall potential of an advertising vocal approach to affect consumers' image of a brand.

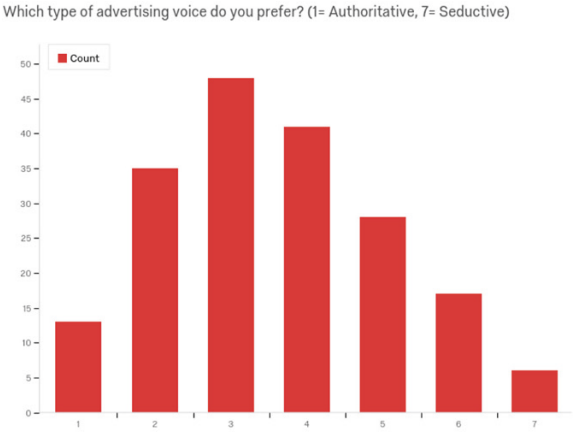
c) Rate, using a seven-point Osgood semantic differential scale, the overall potential of an advertising vocal approach to influence their choice to buy.

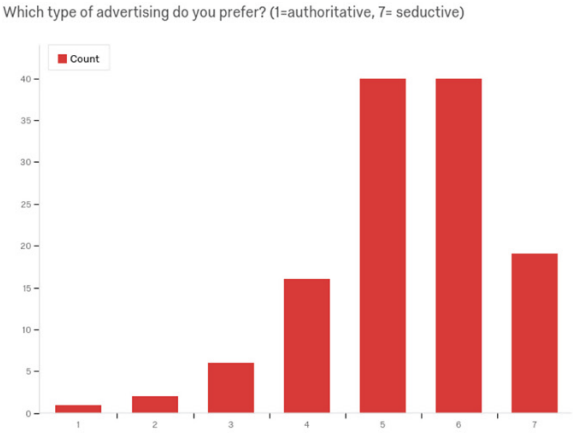
6 Results and Discussion

Responses to the three questions revealed marked differences between cultures.

6.1 Preferred Vocal Approach

First, respondents in each country were asked to rate their preferred vocal approach on a continuum from hard sell/authoritative to soft sell/seductive. The results were markedly different between cultures, with French respondents clearly preferring a soft sell seductive approach (Mean= 5.32, std deviation=1.20, Variance= 1.43) while New Zealand respondents' preference was more balanced but leaned towards a preference for the hard sell/authoritative approach (Mean= 3.59, std deviation=1.50, Variance= 2.25) (see figures 1 and 2). The difference in means was highly significant ($p<0.0001$) (see table 1).





Figures 1 and 2: Preferred vocal approach

These results suggest that consumers tend to prefer vocal approaches they are accustomed to hearing. This was especially the case for French respondents who overwhelmingly preferred the soft sell seductive approach they are familiar with and rejected the hard sell authoritative approach that is far less common in that country. This overwhelming preference for a soft sell approach suggests that culture, and the cultural advertising environment in each country, influences vocal preference. Consumers are subjects of their culture and as a result tend to be more receptive to the advertising vocal approaches that already predominate in their cultural environment.

Table 1: Difference in means for preferred vocal approach

Difference	1.730
Standard error	0.161
99% CI	1.4139 to 2.0461
t-statistic	10.768
DF	310
Significance level	P < 0.0001

We can offer other possible explanations for these cultural preferences. France, a country in which there is a cultural emphasis on politeness in advertising and a tendency to consider the act of selling as a shameful activity (see Desmarais, 2000, 2003) might lead consumers to be more receptive to, and prefer, a softer, more polite, vocal approach. On the other hand, New Zealand consumers who are used to an advertising vocal environment that favours a hard sell, direct, authoritative communication approach (Desmarais, 2000, 2003) would be more receptive to such vocal approach. These findings therefore also suggest that repetition of vocal approaches may not lead to the wear out phenomenon suggested by some advertising research but on the contrary may provide consumers from a specific culture a form of closeness and familiarity which they seem to value.

6.2 Vocal Approach's Impact on Brand Image and Willingness to Buy

Next, we asked respondents to rate how the feelings triggered by a voice can (1) affect the image they have of the brand advertised and (2) their intention to purchase.

Results for question (1) were dramatically different between New Zealand and France. New Zealand respondents (Mean= 6.30, std deviation=0.87, Variance= 0.75) were much more likely than their French counterparts (Mean= 2.39, std deviation=2.12, Variance= 4.50) to believe the feelings triggered by a voice can affect the image they have of the brand advertised (see figures 3 and 4). The difference in means was highly significant ($p<0.0001$) (see table 2):

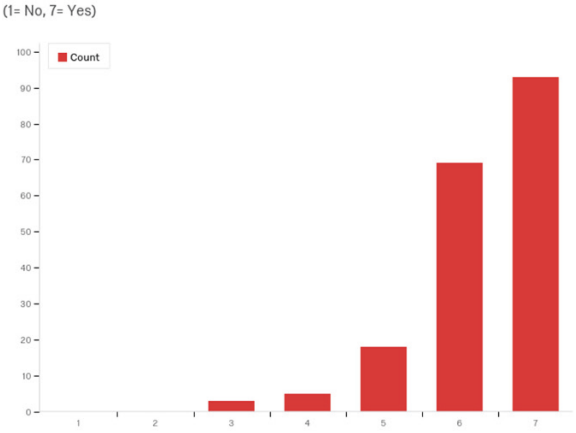


Figure 3. Do you believe the feelings triggered by a voice can **affect the image** you have of the brand advertised? (New Zealand)

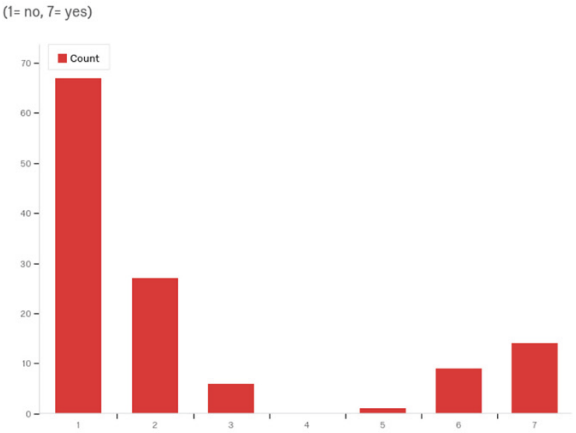


Figure 4. Do you believe the feelings triggered by a voice can **affect the image** you have of the brand advertised? (France)

Figures 3 and 4: Vocal approach's impact on brand image

Table 2: Difference in means for impact on brand image

Difference	-3.910
Standard error	0.173
99% CI	-4.2507 to -3.5693
t-statistic	-22.583
DF	310
Significance level	P<0.0001

Question (2) asked respondents to rate how the feelings triggered by a voice can affect their intention to purchase. Again, results were dramatically different between New Zealand and France. New Zealanders (Mean= 5.38, std deviation=1.54, Variance= 2.39) were much more likely than their French counterparts (Mean= 2.96, std deviation=1.82, Variance= 3.30) to believe the feelings triggered by a voice can influence them to buy the brand advertised (see figures 5 and 6). The difference was highly significant (p<0.0001) (see table 3).

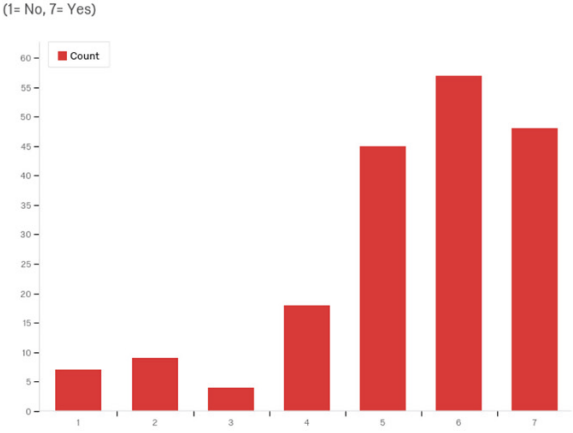


Figure 5. Do you believe the feelings triggered by a voice can influence **you to choose/buy** the brand advertised? (New Zealand)

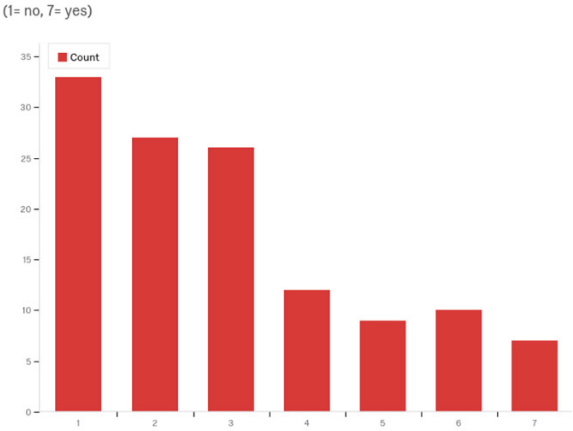


Figure 6. Do you believe the feelings triggered by a voice can influence **you to choose/buy** the brand advertised? (France)

Figures 5 and 6: Vocal approach's impact on willingness to buy

Table 3: Difference in means for willingness to buy

Difference	-2.420
Standard error	0.192
99% CI	-2.7971 to -2.0429
t-statistic	-12.626
DF	310
Significance level	P<0.0001

These extremely different and surprising results, which show an important cultural difference between French and New Zealand consumers, are extremely interesting but challenging to interpret. French respondents obviously considered themselves as beyond the influence of advertising voices, rejecting advertising voices' ability to impact on their feelings and thus affect the image they have of a brand and their intention to purchase. Given that the overwhelming majority of French consumers responded in the same manner to this question clearly shows that this response is influenced by their culture, possibly inspired by a discourse rejecting commercial influence that has been circulating in France for decades

(see Desmarais, 2003). As French advertising professionals noted French consumers are "people [who] hate to define themselves primarily as consumers" (Desmarais, 2000, p. 148), therefore admitting to being influenced by a commercial voice could be considered as a sign of weakness a French consumer might not want to confess. On the other hand, for New Zealand consumers who are more used to, and accepting of, hard sell authoritative voices as the cultural norm (see Desmarais, 2000, 2003), there was no shame in admitting the influence of voice on their feelings and decisions. The influence of commercial culture through advertising voices was more easily accepted amongst New Zealand consumers. In any case these results' striking contrast shows that culture seriously affects consumers views about the influence of advertising voices on themselves. Further study is needed to better understand the reasons for these remarkable differences as well as the implications for advertising professionals.

7 Conclusion

The aim of the study was to explore whether consumers preference for vocal approaches is universal or influenced by culture. Our results tend to suggest that vocal preferences are not universal but indeed influenced by culture. An advertising voice may need to be, not simply suitable for a product and target as is usually assumed, but also be congruent with the culture within which it circulates. Our results show that consumers tend to like vocal approaches they are familiar with and that, therefore, they are influenced by the advertising vocal environment they are part of. This suggests advertisers should be cautious and rather conservative when choosing an advertising voice. Trying to cut through with a punchy hard sell voice in a cultural environment in which this type of voice is not familiar nor liked is akin to taking a cultural communicative risk. Similarly, advertising professionals in one culture should be aware that their consumers, will exhibit different levels of resistance to the influence of advertising voices. In the end, it is clear that managing the 'vocal touch point' in advertising is a complex affair not only involving micro marketing communication decisions (such as choosing the right voice for a specific product or target) but also careful cultural considerations.

8 References

Abhijit, B., Olsen, J. E. and V. Carlet (1992), "A comparison of print advertisements from the United States and France," in The Journal of Advertising, Vol 21(4), 73-81.

Alburger, J. (1999), "The art of voice-acting: The craft and business of performing for voice-over," Focal Press, Boston.

Bornstein, R. F. (1989), "Exposure and affect: Overview and meta-analysis of research, 1968-1987," in Psychological bulletin, Vol 106(2), 265-289.

Calder, B. J., and B. Sternthal (1980), "Television commercial wearout: An information processing view," in Journal of Marketing Research, Vol 17(2), 173-186.
Chattopadyay, A, D.W. Dahl, R. J. B. Ritchie, and K. N. Shahin (2003), "Hearing voices: The impact of announcer speech characteristics on consumer response to broadcast advertising," in Journal of Consumer Psychology, Vol 13(3), 198-204.
Darmon, R. and M. Laroche (1991), "Advertising in Canada: A Managerial approach," MCGraw-Hill Ryerson, Toronto, Ontario, Canada.
Desmarais, F. (2000), "Authority Versus Seduction: The Use of Voice-Overs in New Zealand and French Television Advertising," in Media international Australia incorporating culture and policy, Vol 96, 135-152.
Desmarais, F. (2003), "The discourse of New Zealand and French television advertising: a comparative approach," (PhD Thesis, University of Waikato, Hamilton, New Zealand).
Furnham, A., and S. Palzer (2010), "The portrayal of men and women in television advertisements: An updated review of 30 studies published since 2000," in Scandinavian Journal of Psychology, Vol 51, 216-236.
Gélinas-Chebat, C., Chebat, J.C. and A.Vaninsky (1996), "Voice and advertising: Effects of intonation and intensity of voice on source credibility, attitudes toward the advertised service and the intent to buy," Perceptual and Motor Skills, Vol 83(1), 243-262
Gelinas-Chebat, C and J.C. Chebat (1992), "Effects of two voice characteristics on the attitudes toward advertising messages," in The Journal of Social Psychology, Vol 132(4), 447-459.
Greenberg, A., and C. Suttoni (1973), "Television commercial wearout," in Journal of Advertising Research, Vol 13, 47–54.
Leung, L. and O. K. Kee (1999), "The effects of male celebrity voice-over and gender on product brand name recall, comprehension, and purchase intention," in New Jersey Journal of Communication, Vol 7(1), 81-92.
Mano, H. (1996), "Assessing emotional reactions to tv ads: A replication and extension with a brief adjective checklist," in Advances in Consumer Research, Vol 23, 63-69.
Okazaki, S., Mueller, B., and C.R. Taylor (2010), "Global consumer culture positioning: testing perceptions of soft-sell and hard-sell advertising appeals between U.S. and Japanese Consumers," in Journal of International Marketing, Vol 18(2), 20-34.
Sapir, E. (1927), "Speech as a personality trait," in American Journal of Psychology, Vol 32(6), 892-905.
Taylor, R. E., Grubbs, H. M. and E. Haley (1996), "How French advertising professionals develop creative strategy, in The Journal of Advertising, Vol 25(1), 1-14.
Whipple, T. W. and M. K. MacManamon (2002), "Implications of using male and female voices in commercials: An exploratory study," in Journal of Advertising, Vol 31(2), 79-91.
Wiener, H. J. D. and T. L. Chartrand (2014), "The effect of voice quality on ad efficacy," in Psychology and Marketing, Vol 31(7), 509-517.
Zajonc, R. B. (1968), "Attitudinal effects of mere exposure," in Journal of Personality and Social Psychology Monographs, Vol 9(2), 1–27.

Part II. Creativity in Advertising

The Impact of Capitalization on Advertising Headline Readability

Tobias Langner, Tobias Klinke, Nader Fadl, Malte Christ

1 Introduction

YOU´RE NOT YOU WHEN YOU´RE HUNGRY. SNICKERS SATISFIES.

The use of all uppercase letters in advertising is prominent, across various media and product categories (Figure 1). Although some brands (e.g., Mercedes) mix upper- and lowercase letters in their marketing messages, rather than adopting the exclusive use of uppercase letters, they appear to be a vanishing breed - seemingly due to the conventional wisdom among advertising practitioners that ads with uppercase letters evoke better aesthetic evaluations.

Advertising research lacks evidence of the comparative effectiveness of advertising messages, taglines, or headlines written entirely in uppercase letters, relative to those with conventional letter cases, but some findings from journalism and newspaper research, published mainly in the first half of the 20th century, indicate that uppercase letters slow reading speed. The vastly increasing use of uppercase letters in advertising headlines in recent decades suggests the need to question and investigate if these findings continue to hold in modern advertising contexts.

In particular, greatly diminished advertising exposure times overall - magazine and online banner ads, for example, retain consumers' attention for just 1-2 seconds (e.g., Armstrong 2010) - implies that even small obstacles due to decreased readability might hamper consumers' perception of advertising messages. Thus, an updated answer to the question of whether capital letters are more difficult to read and potentially less effective in conveying an advertising message is crucial for advertising research and practice.

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_7

Figure 1: Example print advertisements with lowercase and uppercase headlines (top left: Print ad for Mercedes-Benz in Esquire Magazine's Sexiest Woman Alive Issue 2013; top right: Print ad of BMW in Sophisticated Living in 2016; bottom: Facebook title picture of Gillette Venus UK in November 2016)

To address this relevant question, we conduct both a preliminary analysis and an experimental study. First, with a small-scale content analysis, we confirm the increasingly prevalent use of uppercase letters in modern advertising in Germany. Second, we compare the readability of German advertising headlines written in uppercase letters versus regular letters.

2 Preliminary Study: Content Analysis of Headline Capitalization in Magazine Ads

With a small-scale content analysis, we seek insights into the actual extent of the use of letter capitalization in advertising practice in Germany by assessing the October 2017 issue of *Cosmopolitan* magazine. It revealed widespread usage of capitalization. In this issue, 73% of full-page or double-sided advertisements used uppercase headlines. This prevalence of all capital letter headlines highlights the

paramount relevance of this topic for practitioners. It also might imply that consumers experience substantial exposure to this typeface, which in turn might have enabled them to develop cognitive capabilities that mean they are equally able to perceive and process uppercase versus regular case letters.

3 Literature Review: Effects of Letter Capitalization

We know of no advertising or marketing research that explicitly investigates the readability of headlines written in uppercase versus lowercase letters, though prior brand management research cites the effects of letter case on brand name identification and brand perceptions (see Table 1). The effect of letter case on newspaper readability also was investigated in early journalism research. Furthermore, some studies note the impact of letter case on the identification of single words or characters. These different research streams, as detailed in the following sections, offer mixed results about the advantages of upper- and lowercase letters. Overall, the superiority of one typeface over the other appears to depend on the concrete (experimental) task and the examined depended variable.

3.1 Letter Capitalization in Marketing Research

The effects of letter case generally have been ignored in marketing research (Table 1), though in recent years, some studies have investigated these effects on perceptions of brand names, measured as brand identification and evaluation. For example, brand names can be identified faster when they are written in their archetypical letter case, rather than a non-standard case configuration. So, adidas and IKEA are more readily identified than ADIDAS and ikea (Perea et al. 2015). Xu, Chen, and Liu (2017) reveal that brands with names written in uppercase are perceived as more authoritative and less friendly than those written in lowercase. Wen and Lurie (2018) also note that brand names with lowercase letters are associated with feminine characteristics and those with uppercase letters link to masculine characteristics. Furthermore, they observe increased purchase intentions when consumers' consumption goals are congruent with their brand associations, based on brand (letter) case.

Table 1: Research on upper- and lowercase letters in marketing.

Authors (Year)	*Title*	*Journal*	*Findings*
Perea et al. (2015)	Letter-case information and the identification of brand names	*British Journal of Psychology*	Brand names written in their standard case configuration are identified faster (identification speed) than in a different case configuration.
Xu, Chen, and Liu (2017)	The effects of uppercase and lowercase wordmarks on brand perceptions	*Marketing Letters*	Letter case affects associations: Brands with lowercase letters are perceived as friendlier than those using uppercase; brands with uppercase letters are perceived to be more authoritative.
Wen and Lurie (2018)	The Case for Compatibility: Product Attitudes and Purchase Intentions for Upper versus Lowercase Brand Names	*Journal of Retailing*	Brands with lowercase letters are associated with feminine characteristics, whereas brands with uppercase letters are associated with masculine characteristics. Purchase intentions increase if consumers' consumption goals are congruent with these brand associations.

3.2 Letter Capitalization in Journalism and Newspaper Research

Early studies in journalism and newspaper research reveal the superiority of lowercase letters for the readability of (newspaper) headlines (e.g., English 1944; Tinker 1955). In experiments conducted more than 60 years ago, simulating how people read headlines, lowercase letters seem superior for enhancing reading speed (e.g., Burtt 1949; English 1944; Tinker 1955; Tinker and Paterson 1929) and, to some extent, text reproduction accuracy (Breland and Breland 1944; Paterson and Tinker 1946). This reading speed advantage from lowercase relative to uppercase letters ranges from 13.4% (Tinker and Paterson 1929) to 18.0% (English 1944) across studies. Similarly, Tinker and Paterson (1939) identify fewer fixations on headlines in lowercase compared with uppercase letters.

The effect of letter case on the reproduction accuracy of headlines depends on the distance between the subject and the headline (Breland and Breland 1944; Paterson and Tinker 1946). Lowercase seems to outperform uppercase at short distances of up to 6 feet, by 5.3% (Paterson and Tinker 1946) to 18.9% (Breland and Breland 1944) depending on type size. At distances of 10-14 feet, research indicates no difference in reproduction accuracy for upper- or lowercase letters. Past 17 feet, uppercase headlines lead to better reproduction accuracy (Paterson

and Tinker 1946), likely due to the effect of larger letters and more distinct letter outlines in uppercase (cf. Paterson and Tinker 1946).

3.3 Letter Capitalization in Reading Research

Research on reading in psychology reveals an advantage of all uppercase letters when it comes to identifying single characters or words. Many studies document, single characters or single words can be identified more rapidly and accurately in uppercase compared with lowercase (Arps et al. 1969; Hodge 1962; Smythe et al. 1970; Juola et al. 1995; Kember and Varley 1987; Phillips 1979; Pušnik et al. 2016; Vartabedian 1971). For example, Arditi and Cho (2007) report that visually small text in uppercase letters is more legible than the same text in lowercase. Both Kember and Varley (1987) and Foster and Bruce (1982) specify though that the superiority of uppercase letters in prompting identification may be limited to single characters or short words; they do not find any significant difference in reading speed for longer text written in uppercase versus lowercase. Finally, Sheedy et al. (2005) report no difference in the legibility of single characters presented in upper- or lowercases, when adjusted for size.

In summary, existing literature reveals mixed results regarding the effects of uppercase and lowercase letters on dependent variables such as reading speed or reproduction accuracy. However, considering the widespread use of uppercase letters in modern advertising, consumers might have gained improved abilities to read uppercase letters. Thus, older research results should be reconsidered.

4 Theoretical Background: The Acquisition of Reading Ability

According to reading research (Frith, 1985; Ehri 1991; Tracey and Morrow 2017), the development of reading skills involves three successive steps:

1. *Logographic skills* are acquired first, establishing the ability to recognize familiar words instantly. Graphic features act as important visual cues, whereas letter order and phonological factors are of less importance in this step.
2. *Alphabetic skills* refer to learning and using individual phonemes and graphemes. Here, letter order and phonological factors are paramount. Readers also learn to pronounce novel and nonsense words in this step.
3. *Orthographic skills* are acquired when the reader gains sufficient experience with the spelling patterns of a language. The phonological recoding of letter sequences becomes an automatic process, and the reader analyzes words instantly as orthographic units, processing the words in bigger units and without any phonological conversion. If exposures to different typeface configurations of the same word happen sufficiently

often, readers expand their orthographic structure and should be able to read the word, independent of its configuration, with the same speed.

To investigate the effect of repeated exposures to the same word in different letter configurations, McClelland (1977) invented meaningless words in two typefaces (uppercase and handwritten) and encouraged study participants to learn them in one of the two typefaces as a standard configuration, along with a provided meaning for each word. Among adult readers, we anticipate that invented words (e.g., BARDREL, a stimuli in the experiment) will not be processed through the application of logographic skills, because they have sufficient knowledge of the language. Rather, they can be pronounced, on the basis of alphabetic skills, and learned quickly as orthographic units. After the training phase, participants were exposed to both typeface variations and had to assign meaning to the words (their reaction time for this task was measured). Initially, reaction times in response to the non-standard typeface configuration were higher, but after a few exposures, this difference disappeared.

The three steps of acquiring reading ability normally occur sequentially: first logographic skills, then alphabetic, and finally orthographic skills. When orthographic structures ultimately are enabled, readers can read familiar words rapidly (Juel 1983). Among both adult and child readers, a few exposures to a word appear sufficient for acquiring orthographic representations (Reitsma 1983). That is, after a sufficient number of exposures to a word written in uppercase letters, differences in reading time between uppercase and lowercase letters may vanish.

As our content analysis reveals, uppercase letters are very common today, in advertising in general and headlines in particular. Thus, consumers are widely exposed to uppercase letters, as a more or less standard typeface. In turn, we anticipate that consumers have acquired orthographic knowledge pertaining to uppercase letter writing for most words in everyday language, as might appear in advertising. Because of this acquisition, upper and lowercase letters might no longer provoke different readability levels, and a reanalysis of the readability of uppercase letters in headlines is necessary. Formally, we hypothesize:

H: There are no differences in reading speed between advertising headlines written in uppercase letters and advertising headlines written in lowercase letters.

5 Study: Impact of Letter Capitalization on Reading Speed for Advertising Headlines

5.1 Method

The response latency experiment took the form of a one-factorial (uppercase vs. lowercase letters) within-subjects design. Sixty-five graduate business students (53.8% women; average age = 23.3 years; SD = 2.76) from a German university participated for partial course credit. Each participant was exposed to eight headlines: four exclusively written in uppercase and four in German regular letters (lowercase letters for verbs and adjectives and the first letter of nouns in uppercase). The eight stimulus headlines came from actual German magazine advertisements but were adjusted to control for headline length and complexity.

Table 2: Example stimuli for both conditions in the reaction time study

Condition	*Example Stimulus (German)*	*Translation*
Non-exclusive use of uppercase letters	Astra warnt dringend vor sehr gefährlichen Schlägertypen.	Astra urgently warns against very dangerous thugs.
Exclusive use of uppercase letters	ASTRA WARNT DRINGEND VOR SEHR GEFÄHRLICHEN SCHLÄGERTYPEN.	ASTRA URGENTLY WARNS AGAINST VERY DANGEROUS THUGS.

Following Fazio's (1990) guidelines for response latencies, we instructed the participants in advance that they had to read and memorize the headlines quickly, with as much accuracy as possible. To capture response latencies, we asked participants to press the space bar on a keyboard just after they finished reading each headline. Then, participants had to reproduce the headline as precisely as possible.

5.2 Results: Response Latency

Prior to the data analysis, we excluded two stimuli from the data set, due to inconsistencies with the other stimuli (i.e., one stimulus differed in one word between conditions; one stimulus was merely a list of adjectives and had no internal logic). Furthermore, we excluded participants who recorded response latencies on at least one stimulus that were greater than two standard deviations from the mean (Kaspar et al. 2013) or less than 100 ms (Whelan 2008), to reduce the potential influence of outliers and biased results. Overall, we eliminated eight participants from the sample (12.31%).

Next, we ran a regression analysis and uncovered a significant impact of headline capitalization on response latencies ($F(1, 112) = 4.086$, $p = .046$; ß = 613.503 ms; SE = 303.493). Headlines written entirely in uppercase letters produced a reading time 13% longer than did headlines written in regular letters. The mean difference in response latencies was .61 seconds. Thus, we must reject our hypothesis. Table 3 and Figure 2 depict the differences in the response latencies of the six headlines written either entirely in uppercase letters or in regular letters.

Table 3: Study 1 descriptive statistics: Means and standard deviations of response latencies per headline

Exclusively uppercase	4881.67 ms (SD = 1881.10)	5019.27 ms (SD = 1818.82)	4200.46 ms (SD = 1436.49)	6426.33 ms (SD = 2619.21)	6462.38 ms (SD = 2638.08)	4873.33 ms (SD = 1910.19)
Uppercase and lower case	4476.79 ms (SD = 1902.39)	4420.88 ms (SD = 1693.97)	3600.09 ms (SD = 1324.35)	5729.38 ms (SD = 2347.59)	5653.79 ms (SD = 2100.62)	4581.92 ms (SD = 1597.91)

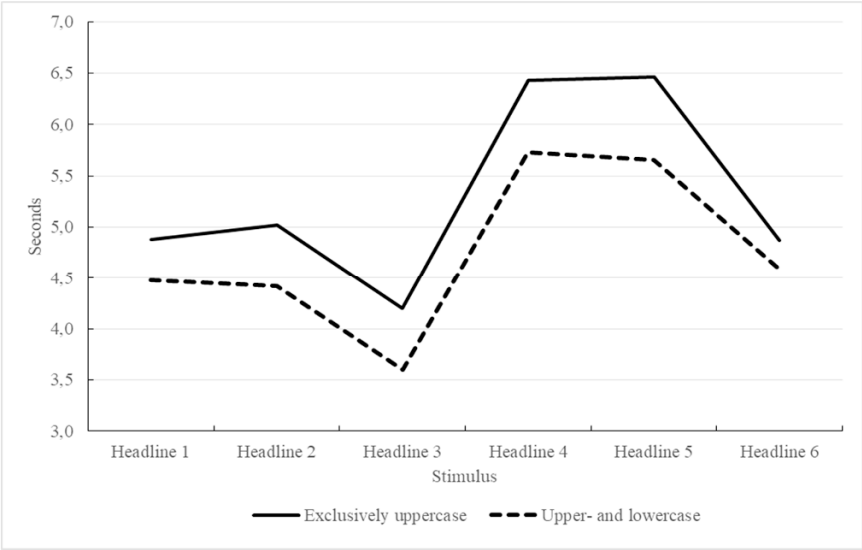


Figure 2: Study 1 response latencies for the six stimuli in both conditions

6 Conclusions, Limitations, and Implications

Our analysis contributes to understanding of the readability of advertising headlines. It shows that the full capitalization of advertising headlines still has a negative impact on readability. German headlines written entirely in uppercase take 13% longer to read and process. Thus, the results of early journalism and newspaper research still hold true. Furthermore, German consumers do not appear to have acquired cognitive abilities that would enable them to read uppercase letters more efficiently. Despite their vast exposure to uppercase letters, consumers have not gained an ability to read uppercase letters more quickly. Continued research should address why uppercase letters continue to be an obstacle for advertising comprehension and why we have not observed an improvement in reading ability that leads to equivalence with regular case letters.

A limitation of this study arises because the headlines we tested were not embedded in a pictorial advertisement. Thus, they did not compete with pictorial information that usually appears in an ad. In conventional, real-world advertising with pictures, headlines might suffer even more from reduced readability when they are in all uppercase letters. Further research should address this open question. Moreover, researchers could investigate whether the readability of short headlines is affected in the same way as the readability of longer headlines. The comprehension of long headlines might suffer more from the use of uppercase letters. Another limitation of our study is that we only consider headlines in German; the findings accordingly are limited to the German language and its special characteristics (e.g., capitalizing the first letter of nouns). Additional research could investigate whether the observed effects of letter capitalization on reading speed hold in other languages (e.g., English).

We also call for research that expands the scope of our content analysis, in at least two ways. First, to analyze whether letter capitalization in advertising headlines is internationally relevant, researchers should investigate its prevalence in other markets. Second, longitudinal research might examine the development of headline capitalization over time in advertising. Such a bidirectional extension of the content analysis would help advertising researchers understand the evolution and current use of letter capitalization in advertising headlines.

Finally, despite these limitations, this study has several implications for practitioners and advertising managers. They should strategically reconsider whether the exclusive use of uppercase letters in advertising headlines hinders their target audience's reading speed. Especially in low involvement situations, when consumers just glance at an advertisement, headlines written in uppercase might prevent recipients from receiving the intended message. In contrast with its increasingly widespread use in advertising practice, we recommend avoiding the exclusive use of uppercase letters (in German language), especially in potentially low involvement situations.

7 References

Arditi, A. and J. Cho. (2007), "Letter case and text legibility in normal and low vision," in: *Vision Research*, Vol. 47, 2499–2505.

Arps, R.; R. Erdmann; A. Neal and C. Schlaepfer (1969), "Character legibility versus resolution in image processing of printed matter," in*: IEEE Transactions on Man-Machine Systems*, Vol. 10, 66–71.

Armstrong, J. S. (2010), "Persuasive Advertising: Evidence-Based Principles," New York.

Breland, K. and M. K. Breland (1944), "Legibility of newspaper headlines printed in capitals and in lower case," in: *Journal of Applied Psychology*, Vol. 28, 117–120.

Burtt, H. E. (1949), "Typography and readability," in: *Elementary English*, Vol. 26, 212–221.

Ehri, L. C. (1991), "Development of the ability to read words," in: Barr, R.; Kamil, M. L.; Mosenthal, P.; P. D. Pearson (1991) (Eds): Handbook of reading research, Longman Publishing Group, New York, 383-417.

English, E. (1944), "A study of the readability of four newspaper headline types," in: *Journalism Quarterly*, Vol. 21, 217–229.

Fazio, R. H. (1990), "A practical guide to the use of response latency in social psychological research," in: *Research methods in personality and social psychology*, Vol. 11, 74–97.

Frith, U. (1985), "Beneath the surface of developmental dyslexia," in: Patterson, K. E.; Marshall, J. C. and M. Coltheart (1985) (Eds.): Surfac dyslexia, Erlbaum, London, 301-330.

Foster, J. J. and M. Bruce (1982), "Reading upper and lower case on viewdata," in: *Applied Ergonomics*, Vol. 13, 145–149.

Hodge, D. C. (1962), "Legibility of a uniform-strokewidth alphabet: I. Relative legibility of upper and lower case letters," in: *Journal of engineering psychology*, Vol. 1, 34–46.

Juel, C. (1983), "The development and use of mediated word identification," in: *Reading Research Quarterly*, Vol. 18, 306-327.

Juola, J. F.; A. Tiritoglu and J. M. Pleunis (1995), "Reading text presented on a small display," in: *Applied Ergonomics*, Vol. 26, 227–229.

Kaspar, K.; Hloucal, T. M.; Kriz, J.; Canzler, S.; Gameiro, R. R.; Krapp, V. and P. König (2013), "Emotions' impact on viewing behavior under natural conditions" in: *PLOS ONE*, Vol. 8, 1–14.

Kember, P. and D. Varley (1987), "The legibility and readability of a visual display unit at threshold," in: *Ergonomics*, Vol. 30, 925–931.

McClelland, J. L. (1977), "Letter and configuration information in word identification," in: *Journal of Verbal Learning and Verbal Behavior*, Vol. 16, 137-150.

Paterson, D. G. and M. A. Tinker (1946), "Readability of newspaper headlines printed in capitals and in lower case," in: *Journal of Applied Psychology*, Vol. 30, 161–168.

Perea, M.; Jimenez, M.; Talero, F. and S. Lopez-Canada (2015), "Letter-case information and the identification of brand names," in: *British Journal of Psychology*, Vol. 106, 162–173.

Phillips, R. J. (1979), "Why is lower case better? Some data from a search task," in: *Applied Ergonomics*, Vol. 10, 211–214.
Pušnik, N.; Možina, K. and A. Podlesek (2016), "Effect of typeface, letter case and position on recognition of short words presented on-screen," in: *Behavior and Information Technology*, Vol. 35, 164–169.
Reitsma, P. (1983), "Printed word learning in beginning readers," in: *Journal of experimental child psychology*, Vol. 36, 321-339.
Sheedy, J. E.; Subbaram, M. V.; Zimmerman, A. B. and J. R. Hayes (2005), "Text legibility and the letter superiority effect", in: *Human Factors*, Vol. 47, 797–815.
Smythe, P. C.; Stennett, R. G.; Hardy, M.; & H. R., Wilson (1970), "Developmental patterns in elemental reading skills: visual discrimination of primary-type upper-case and lower-case letters," in: *Journal of Reading Behavior*, Vol. 3, 6-13.
Tinker, M. A. (1955), "Prolonged reading tasks in visual research" in: *Journal of Applied Psychology*, Vol. 39, 444–446.
Tinker, M. A. and D. G. Paterson (1929), "Influence of type form on speed of reading," in: *Journal of Applied Psychology*, Vol. 12, 359–368.
Tinker, M. A. and D. G. Paterson (1939), "Influence of type form on eye movements," in: *Journal of Experimental Psychology*, Vol. 25, 528–531.
Tracey, D. H. and L. M. Morrow (2017), "Lenses on reading: An introduction to theories and models," Guilford Publications.
Vartabedian, A. G. (1971), "The effects of letter size, case, and generation method on CRT display search time," in: *Human Factors*, Vol. 13, 363–368.
Wen, N. and Lurie, N. H. (2018), "The Case for Compatibility: Product Attitudes and Purchase Intentions for Upper versus Lowercase Brand Names," in: *Journal of Retailing*, Vol. 4, 393– 407.
Whelan, R. (2008), "Effective analysis of reaction time data," in: *The Psychological* Record, Vol. 58, 475–482.
Xu, X.; Chen, R. and M. W. Liu (2017), "The effects of uppercase and lowercase wordmarks on brand perceptions," in: *Marketing Letters*, Vol. 28, 449–460.

Are Incomplete Advertisements More Effective? A Test of the Generation Effect and the Ambiguity Effect

Antonia Kraus, Heribert Gierl

1 Introduction

During the European Football Championship 2016 in France, Carlsberg promoted its beer only by using the word "probably" with the means of perimeter advertising that looked like the logo of the brand. Neither the brand name nor the product was depicted. The Mars Company sometimes promotes its sweets with ads that only contain a portion of the brand name letters. An image of the bottle of Coca Cola is sometimes shown in advertisements that do not reveal the full product. Nike sometimes uses ads that only contain its slogan (Just do it) without indicating the brand name or a product image. In a particular campaign, Marlboro promoted its cigarettes by displaying only the red-colored upper part of the packaging (Figure 1).

In academic literature, there is already research on the effect of the (in)completeness of verbal and visual stimuli on recognition and recall values (denoted as generation effect) and on the evaluations of these stimuli (denoted as ambiguity effect). As we show in the next section, the findings are mixed. Mostly, the authors report a positive effect of incompleteness on recognition and recall while few other authors report the opposite result. For stimulus evaluations, the results are highly contradictory. Thus, we contribute to this research by reporting the findings from new studies on the effect of (in)completeness.

2 Prior Research

2.1 Generation Effect: The Effect of (In)completeness on Recognition and Recall

The generation effect suggests that incomplete stimuli cause heightened arousal and are processed more intensely (i.e., with greater cognitive effort) to be able to mentally complete the stimulus (Slamecka and Graf 1978). This process is presumed to be the reason why such stimuli are better stored in memory and thus can be remembered more easily.

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_8

Figure 1: Examples of incomplete elements in advertisements used in practice

There are numerous studies on the effect of (in)completeness of verbal stimuli on recall and recognition values. In the experiment conducted by Slamecka and Graf (1978) which can be considered as the starting point of this stream of research, one portion of test participants read complete pairs of words (e.g., lamp-light, sea-ocean, rapid-fast) and the other portion received incomplete pairs (e.g., lamp-l____, sea-o____, rapid-f___). Immediately after the presentation of the word pairs, a list of words was presented and the participants were asked to encircle all words that occurred during the presentation of the pairs of words. The authors found that recognition values were higher for incomplete words compared to complete words. The same effect was reported by McElroy and Slamecka (1982) and Nairne, Pusen, and Widner Jr. (1985) for verbal "nonwords" (combinations of letters). Jacoby (1978) slightly modified the experimental setting and provided incomplete words such as "foot s__e." One subsample of the test participants had to identify the missing letters (in the example: "ho") themselves, the other subsample received the solution from the experimenter. The author found higher recall values for the self-generated solutions compared to experimenter-provided solutions. A similar experiment was conducted by McFarland, Frey, and

Rhodes (1989). In this study, the test participants who were assigned to the experimental group received three pieces of information as follows: (1) "Expert training made it possible for the ___ to become a champion," (2) the word "source," and (3) the information that the missing word and "source" should rhyme. They were asked to indicate a fitting word (e.g., horse). In the control group, the test participants could read the complete sentence (including "horse"), received the additional word ("source") as well, and the instruction to pay attention to the fact that, for instance, "horse" and "source" rhyme. After two minutes, the persons had to write down all target words. In the self-generated condition, the number of correctly recalled words (e.g., "horse") was higher. Brennan (2008) asked test participants to read a fictional story (six pages) about a couple who decides whether to eat out of home or at home. In the case of eating at home, the text stated that the couple intended to buy some food items. The story included a shopping list that contained six brand names. The completeness of these brand names was systematically manipulated in three levels: (a) all brand names were complete, (b) the last letter or a letter in the middle of the name was replaced by a dash, or (c) a larger portion of the letters at the end of the brand name was replaced by a dash. Immediately after reading the six pages, the test persons were asked to remind the brand names contained on the shopping list. The author found that the number of the recalled brand names was highest in condition (b) representing the moderate degree of incompleteness.

Peynircioglu (1989) was the first who examined the generation effect for pictures. Half of the test participants received a booklet with pictures in it and should rate the artistic quality; the other half received a booklet with names or descriptions of the pictures and should draw the described pictures. Regardless of the task, participants had ten seconds time for each picture. Afterwards, a memory test was conducted. The results show that the recall values were higher for the "drawn" pictures compared to the "seen" pictures (43.3% vs. 29.8%). Kinjo and Snodgrass (2000) used simple black-and-white line drawings in their study. Participants were exposed to the name of the picture and either to the complete versions or to an incomplete version of the drawings (approximately 75% of the drawing was deleted). In the following recall test, the participants had to mention all pictures they could remember. The recall values were higher for the "generated" pictures compared to the seen pictures (57% vs. 48%).

Sengupta and Gorn (2002) transferred the idea of the generation effect to advertising research and manipulated the (in)completeness of advertisements. They used photos showing a camera of the Olympus brand and created different ad versions (Figure 2). In one version, the camera was displayed on a man's chest, and in one other version, only the silhouette of the camera was shown on his chest by displaying a less brown part of his body. The authors showed the target ad within a series of filler ads. Few minutes later, the test participants were asked to report the product categories and brands that were shown in this series. Among

the test participants who saw the incomplete (vs. complete) version, 86.2% (vs. 61.9%) were able to remember that the series contained an ad promoting a camera. However, there was no significant effect of the ad version on the recall values of the brand name (complete: 28.2%, incomplete: 20.0%). The authors replicated the experiment for the Marlboro brand. In the incomplete ad version, the cowboy who sits on the horse was removed. Recall values were assessed two days after the exposure to the ads. Recall values for the incomplete version compared to the complete version were higher for the product category (68.4% vs. 50%) and the brand (67.1% vs. 45.7%) indicating that incompleteness results in higher recall values.

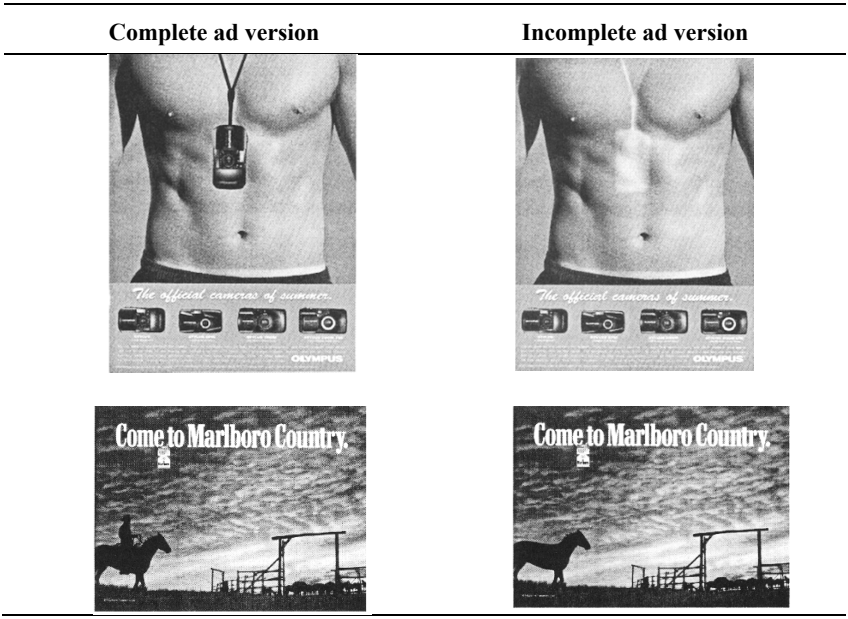


Figure 2: Test stimuli used in the experiment conducted by Sengupta and Gorn (2002)

In summation, this research suggests that recognition and recall of incomplete stimuli are higher compared to complete stimuli. Moreover, this research suggests that the degree of incompleteness must not be too high supporting an inverted-U-shaped relation of the degree of incompleteness and recall values. It should be noted that other researchers found a null effect or even the opposite sign of the relationship (Nairne and Widner 1988; Steffens and Erdfelder 1998).

2.2 *Ambiguity Effect: The Effect of (In)completeness on Evaluative Responses*

In a different stream of research that does not relate to the findings regarding the generation effect, the ambiguity effect (Peraccio and Meyers-Levy 1994; Hagtvedt 2011) is discussed. This effect posits that incomplete stimuli cause perceptions of ambiguity. Ambiguity likely prompts more intense processing and a search for completion. Individuals experience the pleasure of being able to complete the stimulus. This effect is presumed to be transferred to the stimulus itself resulting in a more favorable stimulus evaluation. Only few studies investigated evaluative responses to (in)completeness thus far.

Peracchio and Meyers-Levy (1994) tested the effect of the (in)completeness of visual stimuli. They created an ad promoting a pair of jeans that showed a young man wearing the jeans and a pick-up truck, which against the young man was leaning. A further ad was created that promoted beer and which showed the bottle and a glass of beer and an exotic looking woman who consumed this beer. For each product (jeans, beer), three ad versions were created. In the first version, both the product image and the additional image (truck, woman) were complete. In the second version, the product image was incomplete ("cropped"). In the third version, the additional image was incomplete. The authors assessed the attitude toward the promoted product. If we aggregate the mean values across further experimentally manipulated factors (type of slogan, motivation to process information), the results indicate a positive effect of "cropping" the additional image on product evaluations. For cropping the product image itself, the results were mixed.

Hagtvedt (2011) manipulated the (in)completeness of words. He fabricated brand names (Consul, Element, April, Centurox, and Salient). In one condition, these words were written in a regular font; in the other condition, they were shown in a fuzzy way (Table 1). The author informed the test participants that the words represent the name of firms. He asked them to indicate beliefs about the firm's innovativeness and trustworthiness and the attitude toward the firm. He found that beliefs of innovativeness were higher in the incomplete-font condition while beliefs of trustworthiness were higher in the complete-font condition. The author also considered the promotion and prevention orientation of the test participants as a factor. When we aggregate the results across the regulatory-focus factor, the main effect of (in)completeness on the attitude toward the firm did not conform to the predictions of the ambiguity effect. Depending on the fabricated brand name, the incomplete name had a null or even a negative effect on brand evaluations compared to the complete brand name.

Table 1: Test stimuli and results of the experiment conducted by Hagtvedt (2011)

Test stimuli		*Innovativeness of the firm*		*Trustworthiness of the firm*		*Attitude toward the firm*	
Complete font used to write the brand name	Incomplete font used to write the brand name	Complete	Incomplete	Complete	Incomplete	Complete	Incomplete
CONSUL	CONSUL	3.67	4.36	4.53	3.93	-	-
ELEMENT	ELEMENT	3.18	3.77	3.87	3.18	-	-
APRIL	APRIL	3.34	3.93	4.49	3.61	-	-
CENTUROX	CENTUROX	-	-	-	-	4.23	3.47
SALIENT	SALIENT	3.39	4.18	3.80	3.29	3.85	3.63

Items: innovative, creative; trustworthy, reliable; favorable, positive, good, pleasant, like very much (scale: 1-7)

In summation, the results of the studies are contradictory. Peracchio and Meyers-Levy (1994) report a null or positive effect of the incompleteness (for visual stimuli) whereas Hagtvedt (2011) found a null or negative effect (for verbal stimuli). One might speculate on the reasons for the mixed findings. Probably, perceptual fluency (the ease of recognizing and processing the stimuli; see Jacoby and Dallas 1981; Lee and Labroo 2004) is higher in the condition of complete stimuli which produces positive effects. Thus, we surmise that for incomplete (compared to complete) stimuli, a positive ambiguity effect might be counterbalanced by a negative fluency effect.

3 Hypotheses

The theories underlying the generation effect and the ambiguity effect of (in)complete stimuli have commonalities. Both are based on the presumption that people enjoy the engagement when completing incomplete stimuli what results in better storage and more favorable stimulus evaluations. While most of the research on recall or recognition values is consistent, the findings of incompleteness on evaluations are highly contradictory. Thus, we intend to contribute to this research and test:

H1: Ad stimuli containing incomplete elements (compared to complete elements) result in higher recall values.

H2: Ad stimuli containing incomplete elements (compared to complete elements) result in **(a)** more favorable brand evaluations, **(b)** higher perceptions of ad innovativeness, **(c)** higher sensations of curiosity, **(d)** lower perceptions of brand/firm trustworthiness, and **(e)** lower perceptual fluency.

The hypotheses H2b and H2d were adopted from Hagtvedt (2011). By testing H2a, we intend to test the basic proposition of the ambiguity effect.

4 Experiment 1 (Generation Effect)

In this experiment, we tested the generation effect. The experimental design was a 3 (product image: complete, moderately incomplete, strongly incomplete) × 2 (brand: Sierra Tequila, Fanta soft drink) between-subjects design. In the moderately-incomplete-image condition, only half of the product image was shown and the remaining half was covered. In the strongly-incomplete-image condition, the product image was fully covered (Figure 3). The target ad stimuli were contained in a series of ads promoting different products (Calvin Klein perfume, DKNY perfume, Chanel perfume, YPG perfume, Hermes perfume, Dooley's liquor, Calvin Klein watch, Armani jeans, and Congstar communication services). The position of the target ad was held constant in the sequence (in the middle of the sequence). The test persons saw each ad (i.e., the target ad and all filler ads) for eight seconds via a power-point presentation and then were asked to indicate the product categories and brands for which they had seen advertisements just before. Overall, 175 students provided data (89 female, M_{age} = 24.2 years). The recall values are summarized in Table 2. For the product categories, the recall values did not differ significantly across the ad versions. For the brands, the recall values were higher for incomplete ad versions ($\chi^2(2) = 8.905$, $p < .05$ for Sierra Tequila, $\chi^2(2) = 9.265$, $p < .01$ for Fanta). Thus, hypothesis H1 is partly supported.

Table 2: Results of Experiment 1 (Recall values depending on the (in)completeness of advertisements)

		Ad version		
		Complete	*Moderately incomplete*	*Strongly incomplete*
Sierra Tequila	Product category recall	23%	39%	40%
	Brand recall	20%	33%	49%
Fanta soft drink	Product category recall	26%	43%	47%
	Brand recall	29%	56%	59%

5 Experiment 2 (Ambiguity Effect)

Experimental design: This experiment aimed to test the ambiguity effect. We used a 3 (elements shown in the ad: complete, moderately incomplete, strongly incomplete) × 6 (brand: Orangina, Marlboro, Milka, Amazon, Telekom, Coca Cola) between-subjects design. Thus, we created three ad versions for each brand (Figure 4).

Brand	Complete	Moderately incomplete	Strongly incomplete
Sierra Tequila			
Fanta soft drink			

Figure 3: Test stimuli used in Experiment 1

Procedure: Data were collected with the help of an online-survey tool except for the Coca Colas ads; in the latter case, data were collected face-by-face. Each test participant was exposed to one ad version and could watch it as long as s/he wished. Subsequently, s/he had to indicate purchase intent and intention to recommend the brand (or company) to her/his friends, followed by the assessment of brand attitudes. Then, we asked them to report their perceptions of brand innovativeness and company trustworthiness. We did this because we wanted to replicate the findings of Hagtvedt (2011). Furthermore, we assessed sensations of curiosity and perceptual fluency that might depend on stimulus material incompleteness. Additionally, we assessed the attitude toward the ad (ad likeability) and further emotions (irritation, frustration, anger, confusion); we do not consider all these aspects in this publication due to limited space. Finally, we assessed brand familiarity, interest in the product category, consumption frequency, and demographic data as control variables (which did not differ significantly across the experimental conditions). Finally, the participants were informed about the purpose of the experiment and thanked.

Test persons: In total, 616 persons participated in the experiment (50% females, 82% students, M_{age} = 24.18 years, SD = 3.06). There was a small portion of people in the sample who indicated to be not a student. As the links of the

online survey targeted student communities, we surmise that these people just had finished their studies. Data collection took place in Germany.

Measures: We collected intentions to buy and to recommend the product and averaged the variables due to high correlation (R = .689). Brand attitudes were assessed by agreement with "The brand is very good," "appealing," "attractive," "positive," and "likeable" (α = .948). In the following, we focus on the averaged scale based on intentions to buy and intentions to recommend the product and refrain from considering the brand-attitude items because the correlation between the intentions and the attitude scale was rather high (R = .620). We denote the measures based on behavioral intentions as brand evaluations in the Result section. We asked the test participants to indicate their agreement with "The ad is very creative," "novel," "innovative," "unique," "extraordinary," "uncommon," "outstanding," and "is very different from other ads" to measure perceptions of innovativeness (α = .899; Hagtvedt (2011) had used the adjectives "innovative" and "creative"). Agreement to "trustworthy," "reliable," and "honest" served to measure perceptions of brand/firm trustworthiness (α = .840; Hagtvedt (2011) had used the adjectives "trustworthy" and "reliable"). Sensations of curiosity were assessed by "I feel surprised," "I feel curious," and "The state of interest describes my feelings" (α = .842). We used agreement to "it is very easy to comprehend the ad," "to understand," and "to grasp the meaning" for measuring perceptual fluency (α = .749). All scales were seven-point scales anchored with "totally disagree" and "totally agree."

Results: In Table 3, we summarize the mean values of the response variables depending on the level of the completeness of the ad elements. At first glance, it is obvious that the level of ad (in)completeness neither affects perceptions of brand trustworthiness (ANOVA $F(2; 612) = .069$, $p = .933$) nor perceptual fluency ($F(2; 612) = .027$, $p = .974$) what contradicts the hypotheses H2d and H2e. However, (in)completeness affects brand/firm evaluations positively ($F(2; 612) = 4.378$, $p = .013$), improves perceptions of ad innovativeness ($F(2; 612) = 12.865$, $p < .001$), and leads to higher sensations of curiosity ($F(2; 612) = 7.761$, $p < .001$). Thus, our experiment provides support for H2a, H2b, and H2c. These findings indicate that ad (in)completeness affects evaluations via perceptions of innovativeness which induce sensations of curiosity.

To test the "incompleteness → perceptions of innovativeness → sensations of curiosity → evaluations" sequence, we used the procedure of Hayes (2013, model 6) which is recommended when estimating a serial mediation model. We collapsed the levels of the (in)completeness factor and calculated a binary independent variable (0 = complete, 1 = incomplete). Our estimates (see Figure 5) indicate a full mediation because the residual direct effect is non-significant. We found support for the hypothesized relationship but additionally a weak (direct) effect of perceptions of ad innovativeness on brand evaluations.

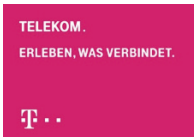
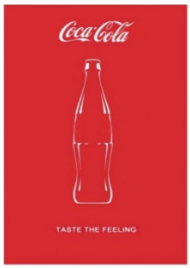
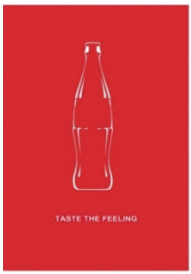
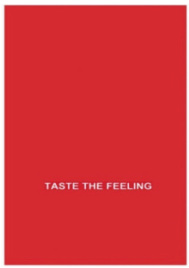
Brand	Complete	Moderately incomplete	Strongly incomplete
Orangina			
Marlboro			
Milka			
Amazon			
Telekom			
Coca Cola			

Figure 4: Test stimuli used in Experiment 2

Table 3: Results of Experiment 2 (Brand perceptions and evaluations depending on the (in)completeness of advertisements)

Response variable	*Brand*	*N*	*Complete ad*	*Moderately incomplete ad*	*Strongly incomplete ad*
Brand evaluation	Orangina	133	4.13 (1.61)	4.63 (1.59)	5.10 (1.60)
	Marlboro	110	2.07 (1.56)	1.81 (1.09)	2.40 (1.57)
	Milka	109	4.61 (1.47(	4.46 (1.68)	5.11 (1.41)
	Amazon	93	3.33 (1.46)	3.50 (1.18)	3.56 (1.08)
	Telekom	81	3.12 (1.68)	3.97 (1.46)	4.34 (1.61)
	Coca Cola	90	3.30 (1.37)	3.67 (1.19)	3.80 (1.48)
	Overall	616	3,47 (1.73)	3.78 (1.69)	3.98 (1.75)
Perceptions of ad innovativeness	Orangina	133	3.54 (1.23)	3.67 (1.41)	4.01 (1.29)
	Marlboro	110	2.25 (1.07)	2,67 (1.26)	3.31 (1.30)
	Milka	109	3.36 (1.18)	3.09 (1.26)	4.17 (1.37)
	Amazon	93	3.13 (1.32)	3.65 (1.33)	3.56 (1.12)
	Telekom	81	2.17 (1.05)	3.35 (1.04)	3.37 (1.51)
	Coca Cola	90	2.80 (.82)	3.24 (.74)	3.24 (1.24)
	Overall	616	2.93 (1.24)	3.31 (1.26)	3.58 (1.34)
Sensations of curiosity	Orangina	133	3.59 (1.21)	3.58 (1.40)	4.12 (1.50)
	Marlboro	110	2.07 (1.15)	2.07 (1.19)	2.78 (1.37)
	Milka	109	3.76 (1.42)	4.16 (1.55)	4.40 (1.30)
	Amazon	93	2.67 (1.34)	3.32 (1.36)	3.43 (1.45)
	Telekom	81	2.71 (1.16)	3.40 (1.03)	3.45 (1.46)
	Coca Cola	90	1.89 (.66)	2.16 (1.02)	2.33 (1.32)
	Overall	616	2.85 (1.38)	3.20 (1.49)	3.42 (1.55)
Perceptions of brand trustworthiness	Orangina	133	4.52 (1.01)	4.58 (1.00)	4.68 (1.31)
	Marlboro	110	2.96 (1.35)	2.95 (1.32)	2.98 (1.57)
	Milka	109	4.99 (1.07)	4.76 (1.40)	5.08 (1.13)
	Amazon	93	5.23 (1.43)	5.08 (1.53)	5.36 (1.20)
	Telekom	81	3.87 (1.45)	4.03 (1.17)	4.03 (1.44)
	Coca Cola	90	4.34 (1.25)	4.18 (1.22)	4.07 (1.37)
	Overall	616	4.30 (1.43)	4.31 (1.41)	4.35 (1.57)
Perceptual Fluency	Orangina	133	4.74 (1.11)	4.94 (1.06)	5.13 (1.67)
	Marlboro	110	4.81 (1.23)	4.54 (1.31)	4.51 (1.10)
	Milka	109	5.62 (.92)	5.55 (1.14)	5.42 (1.09)
	Amazon	93	5.27 (.67)	5.19 (.93)	5.22 (.89)
	Telekom	81	5.10 (.97)	5.03 (.84)	5.05 (.89)
	Coca Cola	90	4,81 (1.31)	4.92 (1.35)	4.79 (1.88)
	Overall	616	5.03 (1.11)	5.03 (1.14)	5.01 (1.23)

Scale ranges from 1 (low) to 7 (high). Standard deviations in parentheses.

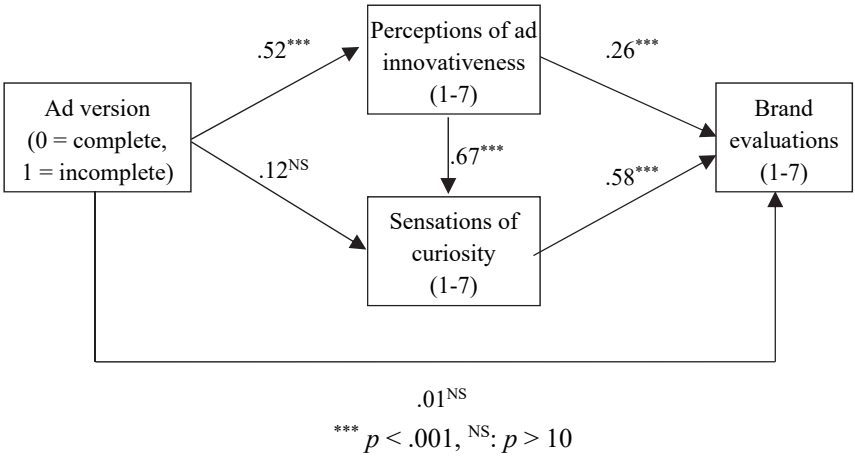


Figure 5: A serial-process model explaining brand evaluations by incompleteness

6 Interpretation

Our studies revealed a positive effect of incomplete advertisements on recall values and thus provide support for the generation effect. The approach of the generation effect is not limited to verbal stimuli and can be transferred to advertisements as well: the self-generated completion of an advert leads to higher recall values.

Furthermore, our results revealed a positive effect of incomplete advertisements on consumers' evaluations. Regarding the ambiguity effect, previous research had provided mixed findings. Our results are consistent with the results reported by Peracchio and Meyers-Levy (1994) who also used visual stimuli and found a positive effect of incompleteness. Hagtvedt (2011) found a negative effect of (in)completeness on the attitude toward the firm for verbal stimuli. Contrary to our expectation, the perceptual fluency was not affected by the (in)completeness of the stimuli. Thus we cannot explain this negative effect found by Hagtvedt. It is conceivable that perceptual fluency is more effective in the case of verbal stimuli compared to visual stimuli. In further research, it could be investigated if perceptual fluency depends on the kind of incomplete stimuli (visual vs. verbal).

7 Suggestions for Future Research

We found a positive effect of incompleteness of ad elements on evaluations. Future research could focus on answering the question about how to amplify the effect by using special types of incompleteness and under which conditions this

technique is highly effective. For instance, incompleteness could transport special information (see the Carlsberg ad "Don't drink and drive" and the Nike ad that emphasizes lightness in Figure 6). Next, incompleteness could evoke humorous responses (see the naked Corona beer bottle at the nudist beach and the topless VW logo promoting a cabriolet). Another technique is announcing the introduction of new products by showing incomplete images (see the ad promoting a Nikon camera and the ad used by a car dealer in the UK).

Figure 6: Creative types of visual incompleteness

Moreover, researchers can test the effectiveness of wordplays. For instance, a Guinness ad showed a glass of beer and asked "Gu___ss who"? A VW ad that warned customers from writing messages on the phone while driving with the car showed the text "See you n" and the suggestions of the phone how to complete the sentence (now, never). The German organization of the Red Cross uses the message "Donate lood t he ed Cross. It is only noticed when it is missing" (translated).

8 References

Brennan, I. (2008), "Brand placement in novels: A test of the generation effect," in: *International Journal of Advertising*, Vol. 27, No. 4, 495-509.

Hagtvedt, H. (2011), "The impact of incomplete typeface logos on perceptions of the firm," in: *Journal of Marketing*, Vol. 75, No. 4, 86-93.

Hayes, A. F. (2013), "Introduction to mediation, moderation, and conditional process analysis: A regression-based approach," Guilford Press, New York.

Jacoby, L. L. (1978), "On interpreting the effects of repetition: Solving a problem versus remembering a solution," in: *Journal of Verbal Learning and Verbal Behavior,* Vol. 17, No. 6, 649-667.

Jacoby, L. L. and M. Dallas (1981), "On the relationship between autobiographical memory and perceptual learning," in: *Journal of Experimental Psychology: General*, Vol. 110, No. 3, 306-340.

Kinjo, H. and J. G. Snodgrass (2000), "Does the generation effect occur for pictures?" in: *The American Journal of Psychology*, Vol. 113, No. 1, 95-121.

Lee, A. and A. Labroo (2004), "The effect of conceptual and perceptual fluency on Brand evaluation," in: *Journal of Marketing Research,* Vol. 41, No. 2, 151-165.

McElroy, L. A. and N. J. Slamecka (1982), "Memorial consequences of generating nonwords: Implications for semantic-memory interpretations of the generation effect," in: *Journal of Verbal Learning and Verbal Behavior,* Vol. 21, No. 3, 249-259.

McFarland, C. E.; Frey T. J., and D. D. Rhodes (1980), "Retrieval of internally versus externally generated words in episodic memory," in: *Journal of Verbal Learning and Verbal Behavior,* Vol. 19, No. 2, 210-225.

Nairne, J. S.; C. P. Pusen, and R. L. Widner Jr. (1985), "Representation in the mental lexicon: Implications for theories of the generation effect," in: *Memory & Cognition*, Vol. 13, No. 2, 183-191.

Nairne, J. S. and R. L. Widner (1988), "Familiarity and lexicality as determinants of the generation effect," in: Journal of Experimental Psychology: Learning, Memory, and Cognition, Vol. 14, No. 4, 694-699.

Peracchio, L. A. and J. Meyers-Levy (1994), "How ambiguous cropped objects in ad photos can affect product evaluations," in: *Journal of Consumer Research*, Vol. 21, No. 1, 190-204.

Peynircioğlu, Z. F. (1989), "The generation effect with pictures and nonsense figures," in: *Acta Psychologica*, Vol. 70, No. 2, 153-160.

Sengupta, J., and G. J. Gorn (2002), "Absence makes the mind grow sharper: Effects of element omission on subsequent recall," in: *Journal of Marketing Research*, Vol. 39, No. 2, 186-201.

Slamecka, N. J. and P. Graf (1978), "The generation effect: Delineation of a phenomenon," in: *Journal of Experimental Psychology: Human Learning and Memory*, Vol. 4, No. 6, 592-604.

Steffens M. C. and E. Erdfelder (1998), "Determinants of positive and negative generation effects in free recall," in: *The Quarterly Journal of Experimental Psychology Section A*, Vol. 51, No. 4, 705-733.

The Role of Creativity in a Digital World: Advertising Practitioner Views from China

Julie Bilby, Stefan Petersen, Lukas Parker

1 Introduction

Unprecedented technological advancement across the world has seen traditional advertising struggle to evolve and keep up with the change (Kumar and Gupta, 2016; McCraw, 2016). Some have suggested that the exponential change in technology, personal and device connectivity, data collection and analysis has the potential to transform 'business, the global economy and society at large' (Marko, 2015, 2). Advertisers can now engage with consumers, and their 'insatiable taste for media consumption' (McCraw, 2016, para 4), through numerous and diverse touch-points. New advertising technologies are emerging in response to increasing consumer connectivity, including personalisation in the form of programmatic advertising (McStay, 2017), though the challenge for brands to stand out and have a lasting impact remains (McCraw, 2016).

In addition, an increasing body of work is questioning whether traditional advertising models developed in an age of mass media are even applicable in an age of digital, increasingly mass-customised and interactive marketplace (Heath and Feldwick, 2008; Kerr, Schultz, Kitchen, Mulhern and Beede, 2015; Schultz, 2016). Literature, in general, recognises that advertising agencies worldwide have to adapt to an environment that is going through rapid, revolutionary changes (Bilby and Sinha, 2017; Kitchen and Tourky, 2015; Parker, Nguyen and Brennan, 2017; Stipp, 2016). However, the research and theories that underpin what advertisers and advertising managers actually do, are under pressure to keep up and remain relevant. Articles and commentary regularly point out the need to have academics generate research that is relevant to managers and advertising decision makers (Armstrong, 2011; Kim, Hayes, Avant and Reid, 2014; Taylor, 2011). There is clear scope for research that considers the broad range of changes that the global advertising industry is going through, however, the focus of this study is more specific. It considers the ways that the advertising industry in China is responding to the digital era; paying particular attention to the role of creativity in communicating with digitally connected Chinese consumers.

1.1 Advertising in China

Although the Chinese advertising industry and its consumers are developing and changing at such a rapid rate, little research has been conducted here. Chinese

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_9

consumers are arguably amongst the most connected in the world (Bilby, Reid and Brennan, 2016; Bilby and Sinha, 2017; Ma, 2017) and the Chinese industry - relatively free of 'legacy' advertising theory and practice – may be free to respond more quickly and nimbly than older, more established advertising industries and markets (Bilby and Sinha, 2017). Additionally, as Shao, Desmarais and Weaver (2014) propose, there is limited understanding of how Chinese culture and context informs advertising creative processes, or of the potential 'roadblocks' (citing De Mooij, 1994) and bridges, that may exist between advertising practice in China and other nations. They further suggest that this has benefits for foreign firms seeking to establish or sustain a foothold in the Chinese market.

It is also important to investigate advertising in a Chinese context from an industry and academic perspective, given its phenomenal growth in scope, size and spend (Shao, Desmarais and Weaver, 2014). In less than two decades since entering the World Trade Organization (WTO) in 2001, China had become the world's second largest advertising industry and was set to become the largest by 2020 (Benes, 2016). As Bilby and Sinha (2017) observe, around three million people were employed in over 105,700 advertising agencies in China in 2015, with an estimated payroll of US$23.1 billion. The Chinese advertising industry experienced annual revenue growth of 20.2 per cent between 2010 and 2015 and was estimated to have generated US$102.8 billion in revenue by 2015, with total industry assets were estimated to be worth US$66.1 billion (IBISWorld, 2015).

1.2 Digital Communication in a Chinese Context

It is possible - at least in the area of utilising and responding to digital communication and data – that the emerging Chinese market may be ahead of more mature markets (Jin and Hurd, 2018; Li, 2016). In China, there has been a shift towards mobile advertising, as mobile ownership and dependency increases (Li, 2016). A recent study found that in metropolitan China, 76 per cent of Chinese consumers use digital wallets. Physically and environmentally embedded e-commerce, utilising QR codes, digital wallets, and instantaneous transactions, have become conventional social processes and artefacts in China (Forrester Institute, 2017).

Another important feature of the Chinese digital landscape is its domination by three giant enterprises: Baidu, Alibaba and Tencent, collectively known as BAT (Duggan, 2017). Tencent owns China's most popular chat app, WeChat (Duggan, 2017); Alibaba owns some of the world's largest eCommerce companies like Taobao and TMall (McNair, 2018). Baidu, the 'Google of China', is known for its search engine and artificial intelligence (McNair, 2018). It was estimated that by 2018, the BAT companies had garnered as much as 90 per cent of China's digital advertising revenue (McNair, 2017), while the combined U.S.

digital advertising share of Google, Facebook and Twitter – all blocked in China - was estimated at 61 per cent (eMarketer, 2017).

1.3 Advertising Creativity in a Digital Age

Creativity, in an advertising context, has been defined in various ways, including 'the ability to produce work that is both novel (i.e. original) and appropriate (i.e. suitable)' (West, Caruana and Leelapanyalert, 2013, 3). Koslow (2015) clarified that although originality is important, it must also be fitting to its context. Creativity in advertising is conventionally understood to pertain to the work of the 'creatives' and 'creative departments' where the advertisements are produced (Devinney, Dowling and Collins, 2005; O'Barr, 2011). Traditionally, the different functions of multinational advertising organisations have operated in silos: creative agencies, media agencies, production agencies and digital agencies (Devinney, Dowling and Collins, 2005).

The question of whether advertising creativity is still valid or necessary in a digital age - where machine learning or artificial intelligence (AI) can extend creativity into a wider variety of digital and interactive formats and channels - is an interesting one that has only just begun to be explored in advertising research (MacRury, 2018). Lee and Lau (2018) propose that in order to flourish in the digital era, advertising creatives will need to 'expand their working practices by doing more tasks and collaborating with more experts' (p. 3), 'develop strategic thinking and negotiation skills' and 'function beyond the traditional roles' (p. 16).

Regarding the situation for creativity in China, *Advertising Week* recently ran a conference session in New York describing the Chinese advertising industry as a 'new frontier for creativity and innovation' where 'powerful social networks and an explosion of digital content are enabling brands deliver memorable experiences and engage consumers in new ways' (Advertising Week, 2017, para 1). This current study explores the contemporary state of Chinese advertising creativity, in the context of digitisation, from the perspective of the practitioners who are responsible for implementing it. Although it is situated in China, the findings of this study have implications and applications for advertising practice globally.

2 Method

This research adopts an exploratory approach, where data is collected through depth interviews with key informants. This method is recommended as a means of accessing the expertise and knowledge of a range of individuals and groups (Canhoto, Clark and Fennemore 2013). The participants in this study are based in China (Beijing and Shanghai), most hold senior positions within their organisations and have responsibility for, or oversight of, digital media, strategy,

analysis or implementation. Eight interviews were completed in this exploratory study with Table 1 showing a summary profile of all participants.

Table 1: Participant profile

No.	*Years in Industry*	*Sex*	*Agency Type*	*Location*	*Position*	*Age*
1	35+	M	Digital Consultancy	Beijing	CEO	55+
2	18+	F	Digital Consultancy	Shanghai	Managing Director	45+
3	15+	F	International Media Agency	Shanghai	Chief Digital Officer (CDO)	45+
4	30+	M	Multinational Advertising Agency	Shanghai	Head of Strategy	50+
5	18	M	Multinational Communications Agency	Shanghai	Executive Creative Director	40+
6	20	M	Multinational Advertising Agency	Shanghai	Creative Director	30+
7	3+	M	Digital Advertising Agency	Guangzhou/ Shanghai	Copywriter	25+
8	1	F	Digital Advertising Agency	Shanghai	Strategist	25+

Interviews followed an iterative approach (Corbin and Strauss, 2015), with opportunity to reflect on each interview and go back to participants for more information as required. Interviews were recorded, and notes and observations were taken as the interviews are underway. Following the interviews, notes and recordings were compiled, transcribed, coded and analysed. Analysis followed the process outlined by (Spiggle, 1994). Data was categorised into key themes, according to constructs identified in the relevant literature (Canhoto, Clark and Fennemore 2013).

3 Findings and Discussion

Several significant themes emerged from the practitioner interviews regarding China's rapid uptake of digital technology and the social changes that it brings: the impact of digitisation on Chinese advertising industry structure, function and agency-client relationships; how the practitioners themselves are responding to

this rapidly changing environment, and a shift in how creativity is understood and applied in China.

3.1 China's Response to Digital Technology

There is little doubt that Chinese consumers have embraced digital technology and connectivity in a way that is ahead of many more developed parts of the world. The CEO of a technology company in Beijing offered the following insights about the digitally connected Chinese marketplace:

> In China all I need to carry with me is my smartphone. So, I don't carry business cards, because I just scan QR codes. I don't carry cash because I can just use my digital wallet. I can do anything and everything I could possibly think of on that… So, I think in many ways China is actually leading the world (Participant 1).

The Executive Creative Director (ECD) of a communications company based in Shanghai similarly observed, 'China is an interesting market because it just changes so fast… When we talk about digital, it's hard to imagine that China is a country that's more digitally savvy than any other'. (Participant 4). In fact, all informants expressed similar sentiments about the pace of change and the rapidity of consumer uptake of digital technologies, in China.

In response to the question of whether the increasing digitisation of communication technology represents just another media channel or something more significant, a Shanghai-based advertising creative responded by saying, 'When it first started it was maybe just a channel. I think it's everything now. So, I don't think it's fair to identify as channel or technology or social media… because it's just part of people's life' (Participant 5). Another creative stated, 'we don't only think about digital as a channel, we also think about it in a social way to engage people to participate in our campaigns' (Participant 6).

3.2 Advertising Agency Organisation and Structure

Some of the practitioners proposed that the business model for the future is to partner with digital specialists rather than merely outsourcing or, as has been the case in recent years, of large conglomerates swallowing up smaller boutique specialists (Sinclair 2012; Jin 2013). For example, the Chief Digital Officer (CDO) of a multinational media organisation stated, 'It's a very new model. So, we're going to bring in start-ups to work together… it's about using more agile solutions by working with partners' (Participant 3). Others provided a more extreme view: advertising agencies will cease to exist altogether, their functionality completely taken over by internet giants and big data analytics. As

one digital consultant commented, 'I wouldn't advise anyone, especially fresh graduates, to enter advertising agencies now because a lot of the 4A jobs will be eliminated… a lot of it will become automated' (Participant 2).

The majority of the advertising professionals expressed tensions and views consistent with those discussed in recent research, most notably in agency-client relationships. Some spoke of a constant struggle in bridging the gap of the reality of a digital landscape and the often more conventional understandings and expectations of clients. Some raised the idea that agency-client relationships in China are too short-lived, and consequently the work produced by agencies is more reactive than strategic. As a Chinese creative director explained: 'Clients need the reactions from agencies. But I think agency people also need their space and time for thinking, not just following' (Participant 6). The ECD of a communications company echoed this view:

> I think the bigger challenge is actually the speed of [change] in client and company's relationship… [unlike] in other countries where the client-agency relationship would last a long time… But in China it's always short… clients are constantly looking for better, cheaper, faster (Participant 5).

However, another practitioner disagreed, stating that while Chinese clients expect very quick turnarounds and don't allow a lot of time for the development of creative ideas, they are more innovative and open to change than the international clients (operating in China) who are slower to react and 'rely on old models' of business and communication. The responses reflected the changing relationshps between client and agency, that are evolving in the face of industry's rapid transformation.

3.3 Practitioner Response to Technological and Social Change

An oft-repeated theme was that experienced advertising professionals, especially creatives, are exhausted by the effort of keeping up with such rapid pace of change. A creative director of an agency in Shanghai observed, 'We keep being asked for more and more ways to use digital as a tool to deliver smart ideas so we have to… keep up with new trends… If you're not following it, maybe you will lose your job' (Participant 6). Another creative similarly explained:

> Traditionally, maybe only five years ago, so-called digital creative was just a group of people who did website design. So the kind of talent that's needed to make digital - to have a good understanding of the landscape, and come up with ideas and everything - to be honest there's not many of them… A lot of more senior creatives are exhausted from trying to keep up with new social and digital trends… They are passionate about coming up with ideas; they are

> not passionate about doing executions. But digital is all about execution at the moment in China (Participant 5).

This represents something of a conundrum, although it is probably not unique to China. Experienced creatives don't have an inherent passion for digital technology while young creatives - who are comfortable in the digital space - don't have the professional experience of their seniors.

3.4 Advertising Creativity in a Digital Future

In China, emphasis on engagement and relevancy via digital technology are said to be generating a new form of creativity, as a director of a media company proposes:

> Creative will become data technology driven; you analyse the data, and then use the technology to deliver a certain message… I don't believe in the creative awards anymore. How do you judge what's award winning creative when it's just very, very visual, when in the new media world everything is results driven? So, it's not about visual, or the best use of creative ideas – it's about data and technology (Participant 2).

However, another senior media practitioner suggests that although digital technology is dominant, you 'couldn't replace the emotional and artistic parts of creativity, the leap of faith' (Participant 3). With regards to the potential of digital technology to enhance, and be enhanced by, creativity a Chinese creative makes this observation: 'Of course it's made it hard to keep up with new trends… but on the other hand, if you create some interesting content it is easier to share and will be effective for the target audience' (Participant 6). Another practitioner agrees, pointing to the benefits of digital technology for advertising creativity:

> From a positive angle… this digital age is actually good for China. And it actually allows a lot better work because… [clients are still] willing to take some risks. It's not like a TV spot, which needs a lot of research... so you get to see some interesting work (Participant 5).

On the other hand, a creative director in Shanghai points to the expansion and diversification of the role of a creative, saying 'I think we're not so much like creative guys any more, we need to be more like a TV or movie director, to reach people in more emotional and touching ways, to drive people to share' (Participant 6).

In relation to the future of advertising creativity in China, some have suggested that regardless of how clever, accurate and effective analytics might become, there will always be room for the 'magic' of creativity (Participant 3).

This view maintains that genuine human insights that can only come from humans and that analytics is really only effective when applied by creative people. As a digital media consultant explains,

> Creativity in programmatic will replace a lot of the work we do, but a good human idea or touch in terms of story telling and a judgment of brand experience… I think that will still need a lot of human intervention (Participant 2).

The CDO of a multinational media organisation agrees, stating that the future of advertising lies in people and relationships: 'One thing that will never change about advertising is that it's about people… you still need people to initiate ideas, to drill down into the insights' (Participant 3).

4 Conclusion

China leads the world in its uptake of digital communication and e-commerce and, after only three decades, is the second largest and one of the fastest growing advertising industries in the world (Benes, 2016; WARC Data, 2018). Yet, according to the findings of this study, there is room for improvement in the ways that clients and their agencies work together, to foster trust and long-term relationships. In doing so, the fundamentals of brand building and consumer engagement, as well as the creative process - which may have been neglected in the Chinese advertising industry's haste to grow (Bilby and Sinha 2017) – will be allowed to develop and mature. There is little doubt that advertising communication will become a more structured and technologically driven process, and that data will play an increasingly large role. This is consistent with Schultz (2016) who proposes that, 'Research in all of its permutations will replace much of the traditional focus on communication creativity. We're seeing this transition occurring now with the emphasis on consumer data driving not just advertising but business decisions' (p. 5). However, as a Beijing based digital consultant optimistically asserts, the Chinese advertising industry can 'take the lead again by focusing on the consumer journey, which is what they used to do' (Participant 1). This resonates with Walker's (2014) proposal that 'we will need to discover new patterns and correlations in the sea of data to offer new insights and conclusions. Big data won't stifle creativity, inspiration, guesswork… but it will find new uses for them' (p.183).

The findings of this study also bear out Lee and Lau's (2018) observations that the advertising creativity has expanded far beyond the traditional realm of copywriter and art director; creatives are now 'involved actively in the preparation, production and post-production of advertising campaign materials… within more complex networks of social relationships that include media, strategy and a range of technical experts' (p.16). While senior creatives in China are

finding it challenging – even exhausting – to keep up with new technology and information, their experience is valuable and should be fostered. The encouragement from the practitioners interviewed is to persevere: 'keep evolving, keep studying, keep learning new things' (Participant 6). Another states, ' I don't think there's any secret to success but it does require a lot more time to find out, to experience things yourself… to understand a bit more about the logic or the lifestyle, why people are spending time [online] and how to really interest them' (Participant 5).

Although this study focuses on China, the findings and implications have resonance for the global advertising industry. How China – one of the world's largest advertising markets and a world leader in consumer and industry adoption of digital media and technology – responds to these challenges may provide a template for the advertising industry worldwide. This provides impetus for further research into advertising industry response to digital communication and capabilities across the globe.

5 References

Advertising Week (2017), "Advertising in China: New Frontiers for Creativity and Innovation," in: *Advertising Week*, 25 October, http://www.advertisingweek.com/events/ny/2017/calendar/-newyork-2017-09-25-advertising-in-china-new-frontiers-for-creativity-and-innovation.

Armstrong, J. S. (2015), "Evidence-Based Advertising: An Application to Persuasion," in: *International Journal of Advertising*, Vol. 30, No. 5, 743–767.

Benes, R. (2016), "5 Charts: Forecasting the 2017 Global Ad Market," in: *Digiday*, 6 December, https://digiday.com/marketing/charts-forecasting-2017/.

Bilby, J.; Reid, M. and L. Brennan (2016), "The future of advertising in China: Practitioner insights into the evolution of Chinese advertising creativity," in: *Journal of Advertising Research*, Vol. 56, No. 3, 245-258.

Bilby, J. and K. Sinha (2017), "China: unique approaches to advertising in a globalising world," in: Crawford, R.; Brennan, L.; Parker, L. (2017) (eds.): *Global Advertising Practice in a Borderless World*, Routledge, Abingdon, 192-207.

Canhoto, A. I.; Clark, M. and P. Fennemore (2013), "Emerging segmentation practices in the age of the social customer," in: *Journal of Strategic Marketing*, Vol. 21, *No.* 5, 413-428.

Corbin, J. and A. Strauss (2015), "Basics of Qualitative Research," 4th ed., SAGE Publications,
New York.

de Mooij, M. (1994), "Advertising Worldwide: Concepts, Theories, and Practice of International, Multinational and Global Advertising," 2nd ed., Prentice Hall, London.

Devinney, T.; Dowling, G. and M. Collins (2015), "Client and Agency Mental Models in Evaluating Advertising," in: *International Journal of Advertising*, Vol. 24, No. 1, 35-50.

Duggan, W. (2017), "9 Most Popular Mobile Apps in China," in: *Bezinga.com*, 11 March, https://www.benzinga.com/general/education/17/03/9159381/9-most-popular-mobile-apps-in-china.

eMarketer (2017), "Net US Digital Ad Revenues, by Company, 2016-2019 (Billions)," in: *eMarketer*, 9 October, http://www.emarketer.com/Chart/Net-US-Digital-Ad-Revenues-by-Company-2016-2019-billions/211332.

Forrester (2017), "WeChat and Alipay Inspire Mobile Wallet Players to Go Beyond Payments," in: *Forrester Institute*, April 18, https://www.forrester.com/WeChat+And+Alipay+Inspire+Mobile+Wallet+Players+To+Go+Beyond+Payments/-/E-PRE9765.

Heath, R. and P. Feldwick (2008), "Fifty Years Using the Wrong Model of Advertising," in: *International Journal of Market Research*, Vol. 50, No. 1, 29–59.

IBISWorld (2015), "Advertising Agencies in China: Market Research Report," in: *IBISWorld,* http://www.ibisworld.com/industry/china/advertising-agencies.html.

Jin, D. Y. (2013), "De-Convergence of Global Media Industries," Routledge, New York.

Jin, H. and F. Hurd (2018), "Exploring the Impact of Digital Platforms on SME Internationalization: New Zealand SMEs Use of the Alibaba Platform for Chinese Market Entry," in *Journal of Asia Pacific Business*, Vol. 19, No. 2, 72-95.

Kerr, G.; Schultz, D. E.; Kitchen, P. J.; Mulhern, F. J. and P. Beede (2015), "Does Traditional Advertising Theory Apply to the Digital World?" in: *Journal of Advertising Research*, Vol. 55, No. 4, 390-400.

Kim, K.; Hayes, J. L.; Avant, J. A. and L. N. Reid (2014), "Trends in Advertising Research: A Longitudinal Analysis of Leading Advertising, Marketing, and Communication Journals, 1980 to 2010," in: *Journal of Advertising*, Vol. 43, No. 3, 296-316.

Kitchen, P. J. and M. Tourky (2015), "Integrated Marketing Communications: a Contextual International Advertising Approach," in: Kitchen P. J.; Uzunoğlu, E. (2015) (eds.): *Integrated Communications in the Postmodern Era*, Palgrave Macmillan, London.

Koslow, S. (2015), "I Love Creative Advertising," in: *Journal of Advertising Research*, Vol. 55, No. 1, 5-8.

Kumar, V. and S. Gupta (2016), "Conceptualizing the Evolution and Future of Advertising," in: *Journal of Advertising*, Vol. 45, No. 3, 302-317.

Lee, P. Y. and K. W. Lau (2018), "A New Triadic Creative Role for Advertising Industry: a Study of Creatives´ Role Identity in the Rise of Social Media Advertising," in: *Creative Industries Journal*, Vol. 11, No. 3, 137-157.

Li, H. (2016), "Advertising and consumer culture in China," Polity Press, Cambridge.

Ma, W. (2017), "China's Mobile economy: Opportunities in the largest and fastest information consumption boom," John Wiley & Sons, Chichester.

MacRury, I. (2018), "Advertising Creativity," in: Hardy, J; MacRury, I.; Powell, H. (2018) (eds.): *The Advertising Handbook*, 4th ed., Routledge, Abingdon.

Marko, K. (2015), "The Omni-Connected World: Bell Labs Plans for Future of Connected Everything," in: *Forbes.com*, 27 October,

https://www.forbes.com/sites/kurtmarko/2015/10/27/omni-connected-world/#92e45c626fb3.
McCracken, G. D. (1988), "The Long Interview," SAGE Publications, Newbury Park.
McCraw, J. (2017), "The Future of Advertising and What It Means for Agencies," in: *HuffPost*, 13 December, https://www.huffingtonpost.com/young-entrepreneur-council/the-future-of-advertising_b_13579588.html.
McNair, C. (2018), "Programmatic Advertising in China: eMarketer's Updated Forecast and Estimates," in: *eMarketer*, 22 January, https://www.emarketer.com/Report/Programmatic-Advertising-China-eMarketers-Updated-Forecast-Estimates/2002186.
McStay, A. (2017), "Privacy and the Media," SAGE Publications, London.
O'Barr, W. M. (2011), "Creativity in Advertising," in: *Advertising & Society Review*, Vol. 11, No. 4.
Parker, L.; Nguyen, D. and L. Brennan (2017), "Digital advertising and the new world of 'viral' advertising," in: Crawford, R.; Brennan, L.; Parker, L. (2017) (eds.): *Global Advertising Practice in a Borderless World*, Routledge, Abingdon, 42-58
Schultz, D. (2016), "The Future of Advertising or Whatever We're Going to Call It," in: *Journal of Advertising*, Vol. 45, No. 3, 276-285.
Shao, Y.; Desmarais, F. and C. K. Weaver (2014), "Chinese Advertising Practitioners' Conceptualisation of Gender Representation," in: *International Journal of Advertising*, Vol. 33, No. 2, 329-50.
Sinclair, J. (2012), "Advertising, the Media and Globalisation: A World in Motion," Routledge, Abingdon.
Spiggle, S. (1994), "Analysis and Interpretation of Qualitative Data in Consumer Research," in: *Journal of Consumer Research*, Vol. 21, No. 3, 491-503.
Stipp, H. (2016), "What 80 Years of Study Means for the Future of Advertising Research," in: *Journal of Advertising Research*, Vol. 56, No. 3, 231-234.
Taylor, C. R. (2015), "Editorial," in: *International Journal of Advertising*, Vol. 30, No. 5, 739-742.
Walker, S. J. (2014), "Big Data: A Revolution That Will Transform How We Live, Work, and Think," in: *International Journal of Advertising*, Vol. 33, No. 1, 181-183.
WARC Data (2018) "Global Ad Trends", in: *WARC Data*, 23 January, https://www.warc.com/data.
West, D. C.; Caruana, A. and K. Leelapanyalert (2013), "What Makes Win, Place, or Show?" in: *Journal of Advertising Research*, Vol. 53, No. 3, 324-348.

Stimulating Users in Online Pre-Roll Ads: How to Use Arousal for Different Advertising Audiences

Daniel Belanche, Carlos Flavián, Alfredo Pérez-Rueda

1 Introduction

The growth of Internet has completely changed the advertising ecosystem, with advertising spending moving from traditional to digital formats. Indeed, digital advertising surpassed television spending for the very first time in 2017 (Magna 2017). Digital advertising investment (including all different display formats such as banners, images, text, audio or video, together with search and social platforms ads) is estimated to take 44.0 percent of all advertising global budget in 2018 (Magna 2017). This rapid growth has been largely influenced by technology revolution and the increased use of social media platforms.

Social media platforms are changing their business models toward advertising-based businesses (Hofacker and Belanche 2016). Indeed, online social media advertising is growing at a 20% every year (Marinucci, 2018). Nowadays, tech giants Facebook and Google dominate the market with a 46.4 percent of the global digital ad spending (Handely 2017). In particular, the Global Web Index annual report shows that YouTube is the most visited website worldwide, 88.0 percent of all Internet users visit this Google's video platform, and 85.0 percent of all top global brands upload content in YouTube every month (Hernández 2018).

Alternatively, the rapid evolution of interactive technologies and high-speed Internet connections (Hussain and Lasage 2013) enable advertisers to design new advertising formats (Hernández-Méndez and Muñoz-Leiva 2015). On the current advertising context, new forms of online video advertising have emerged, such as pre-roll video advertisements (Campbell et al. 2017). These commercials appear just before the beginning of the desired content and are offered as either skippable, viewers are given the choice to skip the ad after the initial 5 seconds, or non-skippable, viewers are not given the choice to skip the ad (YouTube 2018). Non-skippable ads need to be mandatorily watched in order to access the intended content. In this vein, non-skippable ads play a similar role than ads on traditional media (e.g. TV) exposed to a captive audience that have no choice but to be exposed to the ad. In contrast, skippable ads give audiences a choice of pace in consuming media content (Belanche, Flavián, and Pérez-Rueda 2017a). This simple but relevant advancement gives users a higher control on the media context, and on their advertising experience. Indeed, skippable advertising could be considered a prototypical example of interactive advertising format. In this line, previous research has shown that interactive audiovisual formats increase users' interest in

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_10

and acceptance of online ads (Fortin and Dholakia 2005), enhance pleasant experiences (Raney 2003), as well as influence consumer opinions and attitudes (Pashkevich et al. 2012)

Due to its novelty, pre-roll video online advertising, and specifically skippable formats, is a relatively unexplored research field to date. Furthermore, it should be taken into account that depending on the advertising format (non-skippable vs. skippable), the audience may behave in a more captive or active way (Ha, 2017). Recent studies investigate different aspects of the new format, such as how skippable ads improve viewing experience (Pashkevich et al. 2012), personal and situational variables that influence skipping behavior (Belanche, Flavián, and Pérez-Rueda 2017b), ad clutter (Ha 2017), length and content (Campbell et al. 2017), and skippable ads monetization model (Krishnan and Sitaraman 2013).

However, advertisers are in a continuous advertising battle to attract consumers' attention. Particularly, little is known about the most effective strategies to take and maintain consumers' attention along pre-roll video ads. For that purpose, this study deepens on arousal which is an effective motivator of attention (Desimone and Duncan 1995). Arousal has been described as a physiological and psychological variable that is directly related to cognitive and affective processes and that represents the level of general activation of the body, from the low-arousal of deep sleep to the high-arousal of intense excitement (Gould and Krane 1992). Attracting attention is the first step in information processing (Aaker, Batra, and Myers 1992), one of the main reasons for arousal use, and essential for achieving commercial aims. This view is in line with hierarchical models of advertising, which propose that higher attention leads to better ad memorization (Kuisma et al. 2010), such as the attention–interest–desire–action model (AIDA) (Aaker, Batra, and Myers 1992). Nevertheless, because of users' get used to commercials' designs (Belanche, Flavián, and Pérez-Rueda 2017b) and there are differences kinds of audiences depending on advertising formats there is a need to better understand how to use arousal stimuli in this context. Previous research already found that using one high arousal peak could increase advertising effectiveness (Belanche, Flavián, and Pérez-Rueda 2017); but the use of one arousal stimulus might not be a sufficient condition to maintain viewers' attention during the ad. In turn, using two arousal stimuli could be more effective in some cases, but could be perceived as an excessive arousing stimulation, which decreases the attentional processes or rises distress, in some other cases (Lang 2000).

To solve this research gap, our study tests the effectiveness of one versus two high arousal stimuli for active (i.e. skippable ads) or captive (i.e. non-skippable) audiences. In order to advance in the understanding of advertising theories applied to the online context, our research combines a consumer neuroscience pre-test and an experimental study in a lab setting.

The remaining of this book chapter is as follows. First, we develop a set of hypotheses based on a literature review on arousal, attention and advertising formats. Then, we present our neuroscience pretest for the selection of the video and arousal stimuli. Next, we describe our main study, carried out in a lab setting, and its principal results. Finally, we discuss the main findings and implications for management, together with some of the limitations of this research.

2 Hypotheses Development

2.1 Arousal as an External Determinant of Attention and Ad Effectiveness

Arousal can be defined from a physiological perspective as the degree of energization, activation, inner tension, or alertness, and from a psychological perspective as a state of wakefulness or preparation (Shapiro and MacInnis 2002). Previous studies demonstrate that high arousal stimuli are often used as attention triggers in advertising (Bialkova and van Trijp 2010). In this sense, consumers pay more attention to external stimuli that generate a high level of arousal (e.g., color, audio, and moving images) (Bakalash and Riemer 2013). A high arousal stimulus favors better decoding in memory and better ad recall (Angell et al. 2016; Sharot and Phelps 2004) and other key variables of advertising effectiveness such as attitude toward the ad (Olney, Holbrook, and Batra 1991), purchase intentions (Bellizzi and Hite 1992) or recommendations (Leventhal and Singer 1966). However, excessive arousal activation can be negative to users, distracting them from the ad content and producing negative feelings (Henthorne, LaTour, and Nataraajan 1993). The Limited Capacity Model of Mediated Message processing argues that in the encoding subprocess, individuals choose unconsciously the most important pieces of information to store (Lang 2000). More than one arousal stimulus trying to take the viewers limited capacity of attention could lead to an overstimulation state, making more difficult the information process.

The principal challenge of research on arousal pertains to the difficulty of measuring and analyzing it. Traditionally, consumer behavior research has relied on self-reported techniques to measure arousal (e.g., scales), although this method has been criticized and described as incomplete (Ariely and Berns 2010; Poels and Dewitte 2006). Additionally, some researchers have discussed how activation should be measured, and suggested that arousal should be measured using psychophysiological methods, such as skin conductance (which is also used in consumer neuroscience methods) (Bellman 2007). In addition, there is a need to combine and compare the predictive power of autonomic measures with self-reported measures (Poels and Dewitte 2006).

However, despite the widespread knowledge about the use of arousal in advertising, little is known about how many arousal stimuli are required to increase effectiveness in online ads. It is logical to assume that the moment at which the

arousal is shown in the ad impacts attitudes and brand recall (Belanche, Flaváin and Pérez-Rueda). Thus, there is a need to better understand whether placing one or various arousal triggers in a video ad, skippable or non-skippable, contributes to the enhancement of ad effectiveness.

2.2 Online Audiences

One fundamental issue challenging advertisers is the different behavior of captive and active audiences in information processes (Ha and McCann 2008). The difference between both captive and active audiences is that active audiences choose to consume media content at whatever pace they prefer (Ha 2017). Active audiences demand more interactive content and vividness in the information process than captive audience (Ha 2017), which is forced to the advertising exposition (Cho, Lee, and Tharp 2001). Therefore, we expect that a two arousal peak ad design increase effectiveness for an active audience who requires higher levels of stimulation than for a captive o passive audience. This two arousal design will get worst results in terms of effectiveness when is presented to the captive audience of non-skippable ads. Captive audience is forced to watch the ad in full before the demanded content and the two stimuli could distract them from the advertising message. Similarly, one high arousal stimulus might not be sufficient to stimulate an active audience (skippable), while it could help to generate some attention to the ad for a captive audience (non-skippable). Thus, we propose the following hypotheses:

H1: Ad skippability moderates the influence of arousal on advertising effectiveness (ad recall [**H1a**], attitude toward the ad [**H1b**], purchase intentions [**H1c**], and recommendations [**H1d**]); such that two arousal peaks are more effective for users in a skippable context than for users in a non-skippable context, but one arousal peak are more effective for users in non-skippable context than in skippable context.

3 Method

3.1 Consumer Neuroscience Pre-Test

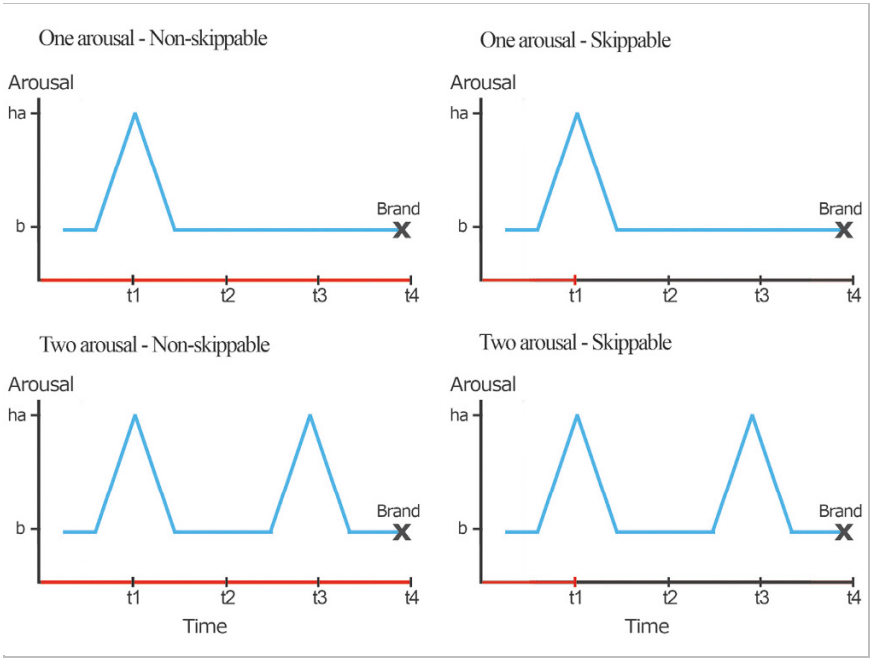
A neurophysiological pre-test was conducted to select the video advertisements to use in our main experiments. A sample of 42 persons participated in the pre-test (aged 18 to 42, 50% female). The instruments used were a 32-channel electroencephalograph (EEG) and a skin conductance sensor. Both were synchronized within the common amplifier and the software by the company BitBrain Technologies. Participants watched 24 different videos of different nature. Following previous research on arousal and advertising (Shapiro and MacInnis

2002), the videos were presented randomly in three blocks of 8 videos each, with a video intermission time of 10 seconds and block intermissions of 3 minutes. The arousal superposition of each subject provided the aggregated measure of arousal. The video with higher arousal variations was an action movie trailer with various arousal peaks. That video was adapted to create the one arousal peak and two arousal peaks spots for the main study. A fictitious brand name was used as it is common practice in advertising research (Cauberghe and De Pelsmacker 2008).

3.2 Main Study

A total of 161 graduate and postgraduate students from a large, northeastern Spanish university, participated in the study in exchange for course credit. None of the participants had been exposed to the neurophysiological pre-tests. Figure 1 summarize our experimental design with the four different conditions of the study: 2 (Arousal: one high arousal stimulus ad, two high arousal stimuli ad) × 2 (Skippable: non-skippable format, skippable format). In a random assignation, at least 36 participants were assigned to each scenario. The sample age ranged from 18 to 54 years. As well, participants were 54% women and 46% men.

Figure 1: Simplified depiction of the conditions proposed in the study



The study was presented as an online navigation exercise in which users had to watch some videos about tourist destinations around the world. After the adjustment of the headset in an isolated individual setting, participants were invited to watch one of five tourist videos. However, before being exposed to the intended video content, and imitating pre-roll video ads, participants were exposed to one of the two video ads created for this study, configured as either non-skippable or skippable depending on the experimental condition. Finally, after watching the intended video, participants completed a short online questionnaire, which included measures of ad effectiveness and sociodemographic information. Attitude toward the ad was measured according to two items using seven-point bipolar scales based on Huang et al. (2013), for example, "My attitude toward the ad is unfavorable/favorable" (From 1 = unfavorable, to 7 = favorable). Measures of ad recall was assessed by three 7-point Likert-scale items, for example, "I remember details of the ad", adapted from Okazaki (2007). Two 7-point Likert-scale items of purchase intentions were adapted from Belanche, Casaló, and Flavián (2010), "I will intend to purchase the advertised product", whereas three 7-point Liker-scale recommendation items were based on the scale of Yi (1990), "I will recommend this product to other consumers". Each of the scales presented a high level of convergence (α>0.7, Cronbach 1970).

4 Results

Table 1 presents the direct effect and the hypothesized interaction between arousing designs and format using a 2 (one/two arousal peaks) × 2 (skippable/non-skippable) analysis of variance (ANOVA).

Table 1: Results of the ANOVA analyses

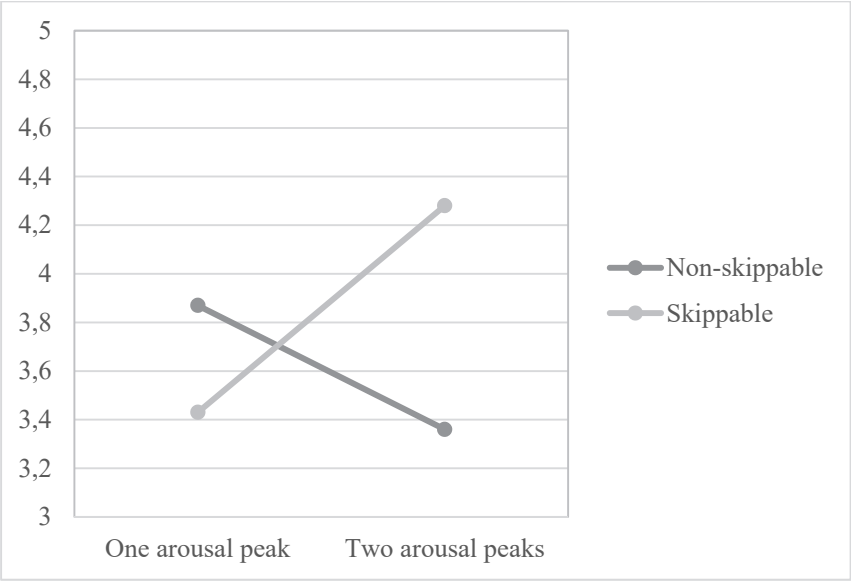
		Ad recall		*Ad Attitude*		*Purchase intention*		*WOM*	
	d.f.	F	*p-value*	F	*p-value*	F	*p-value*	F	*p-value*
Intercept	1	1662.66	.00	969.72	.00	460.47	.00	544.23	.00
Arousal	1	3.701	.05*	.51	.48	.00	.99	2.19	.14
Skippable	1	34.819	.00***	.98	.32	.33	.56	.05	.83
Arousal × skippable	1	1.415	.23	8.00	.01**	6.70	.01**	7.85	.01**

[a]Arousal (base category: one arousal peak ads); skippable (base category: non-skippable ads).
* p < 0.10, ** p < 0.05, *** p < 0.01.

Across both skippable and non-skippable conditions, two arousal peaks design positively influences ad recall ($F(1, 160) = 3.701$, $p<.05$), in contrast with a one arousal peak ad. Similarly, considering both one and two arousal peaks, skippable format affects positively ad recall ($F(1, 160) = 34.819$, $p<.01$) compared to the non-skippable format. The interacting effect of arousal and skippability on ad recall is not significant ($F(1, 160) = 1{,}415$, $p>.10$), against the predicted moderation effect proposed in H1a.

Considering both skippable and non-skippable conditions, the direct effect of arousal on attitude toward the ad ($F(1, 160) = .51$, $p>.10$), purchase intentions ($F(1, 160) = .99$, $p>.10$) and recommendation ($F(1, 160) = 2.19$, $p>.10$) are not significant. Similarly, across one and two arousal peaks conditions, skippability does not affect significantly attitude toward the ad ($F(1, 160) = .98$, $p>.10$), purchase intentions ($F(1, 160) = .33$, $p>.10$) and recommendation ($F(1, 160) = .05$, $p>.10$). However, the interaction effect of arousal and format is significant on these three dependent variables, attitude toward the ad ($F(1, 160) = 8.00$, $p<.05$), purchase intentions ($F(1, 160) = 6.70$, $p<.05$) and recommendation ($F(1, 160) = 7.85$, $p<.05$). Thus, H1b, H1c, H1d are supported, meaning that the two arousal peaks design is more effective in skippable contexts whereas the one arousal peak commercial increases ad effectiveness in a non-skippable context in terms of attitudes, purchase intentions and recommendations. Figure 2 depicts the interaction effect for attitude toward the ad as the dependent variable.

Figure 2: Interaction effect of arousal and advertising format on ad attitude



Considering demographics, we perform a preliminary analysis of the potential direct and interaction effects of age and gender on each of the four dependent variables. Only the interaction effect of arousal and age on ad recall was found significant, ($F(1, 160) = 4.13$, $p<.05$); observing that the one arousal peak spot is more recalled among older users, whereas the two arousal peak spot is more recalled among younger users.

5 Discussion

As online media is becoming increasingly popular, online advertising is gradually replacing traditional advertising. Online video advertising, and specifically interactive formats, has been introduced as an advantageous feature in current advertising, with positive consequences for advertisers, online platforms, and users (Pashkevich et al. 2012). However, skippable ad form represents a relatively unexplored format, while being an innovative instrument by which professionals and scholars can develop new marketing insights.

In this line, arousal has been commonly proposed theoretically and used in advertising as an instrument to catch viewers' attention (Bolls, Lang, and Potter, 2001). We confirmed this theoretical assumption and linked it to advertising effectiveness in an innovative context. Our research contributes to the online advertising literature by investigating whether different arousal designs (one vs. two arousal peaks) should be used to enhance ad effectiveness comparing skippable and non-skippable formats. In terms of ad recall, results reveal direct effects of the independent variables. Thus, both strategies, using two arousal peaks, or using skippable ads contribute to increase the level of ad recall. These findings agree with previous research which found that continuous consumer activation during the ad improves decoding in memory (Jeong and Biocca 2012), and that skippable format favors ad effectiveness (Belanche, Flavián, and Pérez-Rueda 2017a).

Additionally, in support of the hypothesized moderating effect, the two arousal peaks ad is more advantageous in the skippable format, whereas the one arousal peak design performs better in a non-skippable format. Specifically, these moderating effects were significantly affecting attitudes toward the ad, purchase intentions and recommendations. These findings may indicate that active users require a continued stimulation because of their continued expectation, and their increased level of control of their interactive advertising experience (Ha 2017). Active audience does not need to watch advertising, as captive audience does; rather, they have the choice, at a click of the mouse, to skip or continue watching the ad after the first five seconds. All these possibilities could make consumers need more attentional triggers, such arousal stimuli, to continue watching the ad until the end. On the other hand, captive audiences that are forced to watch the online ad do not require too many stimuli, since using two arousal peaks in the non-skippable context is counterproductive as far as this design damages ad attitude, purchase intention and user's recommendations.

Interestingly, the finding of a preliminary interaction effect of arousal and age, reveal that the two arousal peak ad is more recalled among millennials; whereas the one arousal peak ad is more effective among older users (non-millennials). This finding suggest that younger consumers may be more use to deal with arousing stimuli and may require higher stimulation than older ones.

Finally, this research relied on an innovative research discipline, consumer neuroscience, which is considered a precise set of techniques by which to assess arousal (McDuff 2017). More precisely, the pre-test study followed suggestions from previous research to contribute to the diffusion of consumer neuroscience methods in marketing academic research and to combine different consumer research technics (Poels and Dewitte 2006).

6 Managerial Implications

This study proposes two alternative strategies to adapt to innovative advertising features and audience characteristics in order to help advertisers', designers, and managers to take advantage of the increasingly relevant online advertising context.

Our research contributes to better understand how to satisfy the different demands of different advertising audiences. Specifically, this research claims that advertising campaigns should not be used across formats and users carelessly, but that ad design needs to be adapted to the different ad formats and kind of audiences. Specifically, they should consider the different characteristics of the advertising skippable context (involving active-audience media) in contrast to non-skippable context (which entails captive-audience media) (Ha 2017). Managers and advertisers should take into account that the online audience has a predisposition to interact with the ad based on the media characteristics and need arousal stimuli in higher extent than the captive audience. According to these findings, the different characteristics of the audience should inform the design of ads, depending on the media type.

Moreover, our results reinforce the importance of arousal stimuli and could help professionals to improve online advertising design in a highly competitive online advertising ecosystem. Two high arousal stimuli ads are particularly effective in skippable advertising formats presented in a skippable context, but they can damage ad effectiveness when in a non skippable context. Managers should leverage this finding by inserting two high arousal stimuli in new skippable ads, especially if the audience targets are young viewers. Furthermore, advertisers should avoid using two high arousal stimuli in non-skippable advertising context because this design could cause overstimulation to the captive audience or a less young audience. Indeed, empirical evidence suggests that advertisers using non-skippable advertising formats should use one high arousal stimulus which helps to maintain the attention of these audiences during the ad in a smoothly way. In

any case, this research should be considered an exploratory study to inspire further research on arousal, new online advertising formats and audience needs.

7 Limitations

Despite the novel contribution of this research, this work entails several limitations that suggest further research avenues.

First, our study uses the YouTube's regular skippable video advertising format, in which viewers can skip the ad after the first five seconds. Future studies should explore the efficiency of other ad sequences' structure in terms of length, time of forced exposure, brand appeal, or other stimuli, throughout the skippable video. For example, previous studies have confirmed that longer video ads reduce ad acceptance (Pashkevich et al. 2012). Although the pre-roll skippable format is the most commonly used on YouTube, further research should examine other formats (e.g., mid-roll video ads). Similarly, this work considers simple, straightforward ad designs, but alternative designs might serve to increase the attractiveness and acceptance of skippable ads; for instance, in the assessment of moment-to-moment reactions toward alternative ad designs (Teixeira, Wedel, and Pieters 2010).

Second, this study used a fictitious brand name to increase internal validity (Cauberghe and de Pelsmacker 2008), by using unknown brand names, we ensured that the viewers did not have any knowledge about the advertised brand. But, on the other hand, that choice reduces the generalizability of our results because viewers usually have some knowledge of an advertised brand. Thus, our proposed framework should be replicated with different brands to generalize our findings.

Third, our research is based on students' reactions in the experimental design, which is a common limiting factor in marketing research. However, European Internet users tend to be between 16 and 34 years of age (INE 2018), suggesting that there is a need to focus on millennials as the most relevant group of online users and consumers. The interaction effect between format and age also deserve further attention in future studies. We also recommend scholars to explore other advertising based video platforms such as Facebook or Vimeo.

8 References

Aaker, D. A.; Batra R. and J. G. Myers (1992), "Advertising Management," Prentice Hall, Englewood Cliffs, NJ.

Angell, R., Gorton, M.; Sauer, J.; Bottomley, P. and J. White (2016), "Don't Distract Me When I'm Media Multitasking: Toward a Theory for Raising Advertising Recall and Recognition," in: *Journal of Advertising*, Vol. 45 (2), 198-210.

Ariely, D. and G. S. Berns (2010), "Neuromarketing: The Hope and Hype of Neuroimaging in Business." In: *Nature Reviews Neuroscience* Vol. 11 (4), 284-292.

Bakalash, T. and H. Riemer (2013), "Exploring Ad-elicited Emotional Arousal and Memory for the Ad Using fMRI," in: *Journal of Advertising* Vol. 42 (4), 275-291.

Belanche, D.; Casaló, L. V. and C. Flavián (2010), "Providing Online Public Services Successfully: The Role of Confirmation of Citizens' Expectations," in: *International Review on Public and Nonprofit Marketing* Vol. 7 (2), 167-184.

Belanche, D.; Flavián, C. and A. Pérez-Rueda (2017a), "Understanding Interactive Online Advertising: Congruence and Product Involvement in Highly and Lowly Arousing, Skippable Video Ads," in: *Journal of Interactive Marketing* Vol. 37, 75-88.

Belanche, D.; Flavián, C. and A. Pérez-Rueda (2017b), "User Adaptation to Interactive Advertising Formats: The Effect of Previous Exposure, Habit and Time Urgency on Ad Skipping Behaviors," *Telematics and Informatics* Vol. 34 (7), 961-972.

Bellizzi, J. A. and R. E. Hite (1992), "Environmental Color, Consumer Feelings, and Purchase Likelihood," in: *Psychology & marketing* Vol. 9 (5), 347-363.

Bellman, S. (2007), "Theory and Measurement of Type 1 and Type 2 Emotions," in: *Australasian Marketing Journal* Vol. 15 (1), 14-22.

Bialkova, S. and H. Van Trijp (2010), "What Determines Consumer Attention to Nutrition Labels?," in: *Food Quality and Preference* Vol. 21(8), 1042-1051.

Campbell, C.; Mattison Thompson, F.; Grimm, P. E. and K. Robson (2017), "Understanding Why Consumers Don't Skip Pre-roll Video Ads," in: *Journal of Advertising* Vol. 46 (3), 411-423.

Cauberghe, V. and P. De Pelsmacker (2008), "The Impact of Banners on Digital Television: The Role of Program Interactivity and Product Involvement," in: *CyberPsychology & Behavior* Vol. 11 (1), 91-94.

Cho, C. H.; Lee, J. G. and M. Tharp (2001), "Different Forced-exposure Levels to Banner Advertisements," in: *Journal of Advertising Research* Vol. 41 (4), 45-56.

Cronbach, L. J. (1970), "Essentials of Psychological Testing," Harper and Row, New York.

Desimone, R. and J. Duncan (1995), "Neural Mechanisms of Selective Visual Attention," in: *Annual Review of Neuroscience* Vol. 18 (1), 193-222.

Fortin, D. R. and R. R. Dholakia (2005), "Interactivity and Vividness Effects on Social Presence and Involvement with a Web-based Advertisement," in: *Journal of Business Research* Vol. 58 (3), 387-396.

Gould, D. and V. Krane (1992), "The Arousal-performance Relationship: Current Status and Future directions," in Horn T. (eds.): *Advances in Sport Psychology*, Human Kinetics, Champaign, IL, 142-149.

Ha, L. (2017), "Digital Advertising Clutter in an Age of Mobile Media," in Rodgers, S. and Thorson E. (2017) (eds.): *Digital Advertising: Theory and Research,* Routeldge, New York, 69-85.

Ha, L. and K. McCann (2008), "An Integrated Model of Advertising Clutter in Offline and Online Media," in: *International Journal of Advertising* Vol. 27 (4), 569-592.

Handely, L. (2017), "Facebook and Google Predicted to Make $106 Billion from Advertising in 2017, almost Half of World's Digital Ad Spend," in: CNBC. https://www.cnbc.com/2017/03/21/facebook-and-google-ad-youtube-make-advertising-in-2017.html

Henthorne, T. L.; LaTour, M. S. and R. Nataraajan 1993. "Fear Appeals in Print Advertising: An Analysis of Arousal and Ad Response," in: *Journal of Advertising* Vol. 22 (2), 59-69.

Hernández, R. (2018), "Estadísticas de Redes Sociales 2018," in http://rodrigohm.com/estadisticas-redes-sociales-2018/

Hernández-Méndez, J. and F. Muñoz-Leiva (2015), "What Type of Online Advertising is Most Effective for eTourism 2.0?: An Eye Tracking Study Based on the Characteristics of Tourists," in: *Computers in Human Behavior* Vol. 50, 618-625.

Hofacker, C. F. and D. Belanche (2016), "Eight Social Media Challenges for Marketing Managers," in: *Spanish Journal of Marketing-ESIC* Vol. 20 (2), 73-80.

Huang, J.; Su, S.; Zhou, L. and X. Liu (2013), "Attitude Toward the Viral Ad: Expanding Traditional Advertising Models to Interactive Advertising," in: *Journal of Interactive Marketing* Vol. 27 (1), 36-46.

Hussain, D. and H. Lasage (2014), "Online Video Advertisement Avoidance: Can Interactivity Help?," in: *Journal of Applied Business Research* Vol. 30 (1), 43-49.

INE (2018), "Instituto Nacional de Estadística: Población que usa Internet," in: INE. http://www.ine.es/ss/Satellite?L=es_ES&c=INESeccion_C&cid=1259925528782&p=1254735110672&pagename=ProductosYServicios%2FPYSLayout

Jeong, E. J. and F. A. Biocca (2012), "Are There Optimal Levels of Arousal to Memory? Effects of Arousal, Centrality, and Familiarity on Brand Memory in Video Games," in: *Computers in Human Behavior* Vol. 28 (2), 285-291.

Krishnan, S. S. and R. K. Sitaraman (2013), "Understanding the Effectiveness of Video Ads: a Measurement Study," in *Proceedings of the 2013 conference on Internet measurement conference.* 149-62. New york: ACM.

Kuisma, J.; Simola, J.; Uusitalo, L. and A. Öörni (2010), "The Effects of Animation and Format on the Perception and Memory of Online Advertising," in *Journal of Interactive Marketing* Vol. 24 (4), 269-282.

Lang, A. (2000), "The Limited Capacity Model of Mediated Message Processing," in: *Journal of Communication* Vol. 50 (1), 46-70.

Leventhal, H. and R. P. Singer (1966), "Affect Arousal and Positioning of Recommendations in Persuasive Communications," in: *Journal of Personality and Social Psychology* Vol. 4 (2), 137-146.

Magna (2017), "Magna Advertising Forecasts Winter Update," in: Magna Global. https://magnaglobal.com/magna-advertising-forecasts-winter-update/

Marinucci, J. (2018), "Five Social Media Trends That Will Impact Digital Advertising," in: Forbes. https://www.forbes.com/sites/forbesagencycouncil/2018/09/14/five-social-media-trends-that-will-impact-digital-advertising/#26f4eebe2f05

McDuff, D. (2017), "New Methods for Measuring Advertising Efficacy," in Rodgers, S. and Thorson E. (2017) (eds.): *Digital Advertising: Theory and Research,* Routeldge, New York, 327-342.

Okazaki, S. (2007), "Exploring Gender Effects in a Mobile Advertising Context: on the Evaluation of Trust, Attitudes, and Recall," in: *Sex Roles* Vol. 57 (11-12), 897-908.

Olney, T. J.; Holbrook, M. B. and R. Batra (1991), "Consumer Responses to Advertising: The Effects of Ad Content, Emotions, and Attitude Toward the Ad on Viewing Time," in: *Journal of Consumer Research* Vol. 17 (4), 440-453.

Pashkevich, M.; Dorai-Raj, S.; Kellar, M. and D. Zigmond (2012), "Empowering Online Advertisements by Empowering Viewers with the Right to Choose: The Relative Effectiveness of Skippable Video Advertisements on YouTube," in: *Journal of Advertising Research* Vol. 52 (4), 451-457.

Poels, K. and S. Dewitte (2006), "How to Capture the Heart? Reviewing 20 Years of Emotion Measurement in Advertising," in: *Journal of Advertising Research* Vol. 46 (1), 18-37.

Raney, A. A.; Arpan, L. M.; Pashupati, K.. and D. A. Brill (2003), "At the Movies, on the Web: An Investigation of the Effects of Entertaining and Interactive Web Content on Site and Brand Evaluations," in: *Journal of Interactive Marketing* Vol. 17 (4), 38-53.

Shapiro, S. and D. J. MacInnis (2002), "Understanding Program-induced Mood Effects: Decoupling Arousal from Valence," in: *Journal of Advertising* Vol. 31 (4), 15-26.

Sharot, T. and E. A. Phelps (2004), "How Arousal Modulates Memory: Disentangling the Effects of Attention and Retention," in: *Cognitive, Affective, and Behavioral Neuroscience* Vol. 4 (3), 294-306.

Texeira, T.; Wedel, M. and R. Pieters (2012), "Emotion-induced engagement in internet video ads," in: *Journal of Marketing Research* Vol. 49 (2), 144-159.

Yi, Y. (1990), "Cognitive and Affective Priming Effects of the Context for Print Advertisements," in: *Journal of Advertising* Vol. 19 (2), 40-48.

YouTube (2018), "*How Video Ads Work,"* in YouTube. https://support.google.com/displayspecs/answer/6244557?hl=en

Written Honesty is the Best Policy: Effects of Disclosure Explicitness and Disclosure Modality on Brand Responses via Critical Attitudes

Loes Janssen, Marieke L. Fransen

1 Introduction

Influencer marketing has become an invaluable marketing tool. Integrating commercial messages into the social media posts of 'influencers' with a large follower base has become a trending and effective way for advertisers to promote their products. Since viewers may be unaware that the creative content of their favorite influencers on Instagram and YouTube are sponsored by brands, content creators in both Europe and the US are strongly advised to disclose any form of endorsement marketing on their channel (CAP, 2015; Federal Trade Commission, 2013; Stichting Reclame Code, 2014; Word of Mouth Marketing Association, 2013). These regulations are based on the notion that audiences have the right to know when they are being marketed to.

In the present study we aim to shed light on disclosure practices on the video-sharing platform YouTube. Since there is no uniform standard for disclosing sponsored content in online media, disclosure practices on YouTube are currently far from consistent and transparent (Wu, 2016), which calls for research investigating what factors may affect the impact of disclosures in this context. Specifically, we aim to examine the effect of two notable factors that currently vary in how content creators on YouTube disclose sponsored content in their videos: disclosure explicitness and disclosure modality. Whereas some YouTubers only state that their video is sponsored, others explain their commercial relationship with the company in question more explicitly. Moreover, disclosures are presented either verbally by the content creator, or in written form, for example as a text overlay during the video. For legislators and consumers it is relevant to know what types of disclosures are most effective in activating viewers' persuasion knowledge (Friestad & Wright, 1994), both conceptual (i.e., recognizing sponsored video content as advertising and understanding its persuasive intent) as well as attitudinal (i.e., critical attitudes toward the sponsored message; cf. Rozendaal, LaPierre, Van Reijmersdal, & Buijzen, 2011). What level of explicitness is required for critical attitudes to be activated and does this depend on the modality in which the disclosure is presented? On the other hand, marketers and content creators may benefit from more insight into the effects of these disclosure characteristics (either positive or negative) on consumers' brand responses.

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_11

A considerable amount of academic research has investigated disclosure effects on both persuasion knowledge and brand responses, however, these studies have mainly focused on sponsored content in traditional media like movies and television shows (for a review, see Boerman & Van Reijmersdal, 2016). Recent studies investigating disclosure effects on social media have mainly focused on Instagram (e.g., Evans, Phua, Lim, & Jun, 2017), with no study to date investigating disclosure effects in the context of influencer marketing on YouTube (for a qualitative study, see Chapple & Cownie, 2017). Moreover, although the effects of disclosure explicitness and disclosure modality have been studied separately, they have never been examined in interaction, which is important to investigate since both factors vary in current YouTube disclosures. The present experiment therefore investigated how disclosure explicitness and disclosure modality affect a) the activation of conceptual and attitudinal persuasion knowledge, b) consumers' attitude toward the promoted brand, and c) consumers' intention to purchase the promoted brand in the context of a sponsored YouTube vlog.

1.1 Influencer Marketing on YouTube

In recent years, marketers have eagerly embraced the popularity of YouTube 'influencers': social media users who have in some cases gained millions of followers by enthusiastically sharing self-generated video content on their channels. A popular YouTube genre is the vlog, a form of video diary in which content creators (mostly women) provide regular updates on their daily activities and personal interests (Chapple & Cownie, 2017). Vlogs are a natural extension of blogs (text-based weblog posts) in video format, and regularly contain opinions, evaluations, recommendations, and display of products and services (Harnish & Bridges, 2016). Vlogs are an important source of word-of-mouth for a young viewer audience, who generally perceive content generated by their peers as more credible than brand-generated product information (Chapple & Cownie). YouTube vlogs have therefore become an attractive medium for brands, who pay content creators to endorse and promote their products or services, or send them free items for review (Chapple & Cownie). These vlogger paid-for-endorsements have been shown to positively affect young consumers' perceptions and purchase intentions for the endorsed brands (e.g., Lee & Watkins, 2016).

Due to the lack of a uniform standard for disclosing sponsored content in online media, the precise way of communicating that a vlog is a marketing communication is subject to the vlogger's personal 'style' (CAP), resulting in a lack of consistency and transparency (Wu, 2016). Observing current disclosure practices on YouTube reveals two notable aspects on which disclosures differ: the explicitness of the statement of commercial sponsorship and the modality of disclosure (in verbal or written form). To formulate hypotheses on the effects of these variables on the activation of persuasion knowledge and brand responses in a YouTube context, a review of relevant empirical work will be presented below.

1.2 Disclosure Explicitness

Content creators on YouTube differ in how explicitly they disclose their commercial relations with a sponsor. Disclosures vary from short statements like "this video is sponsored", "includes advertising", or "is supported by", to more elaborate explanations such as "I have been paid to talk about this product", or "in this video I am using product X from brand X, who paid me to feature them and want you to know about…" (CAP, 2015).

Existing research provides limited insights in the effects of disclosure explicitness on the activation of consumers' persuasion knowledge and reports both negative, positive, and null effects on brand responses such as brand attitude and purchase intent. In the context of television, a study by Dekker and Van Reijmersdal (2013) showed that an explicit disclosure (stating that a celebrity promoting a product on a TV show was meant to persuade and presented a one-sided view) made participants less acceptant of the product claims as compared to a simple disclosure (stating that the TV show was sponsored by the specific brand), but did not affect brand attitude. Boerman, Van Reijmersdal, and Neijens (2015) showed that a more explicit disclosure in a TV program combining text ("This program contains product placement") and a product placement logo (PP) resulted in more negative brand attitudes than a PP logo alone, because the more explicit disclosure increased advertising recognition (i.e., conceptual persuasion knowledge). Similarly, Wojdynski and Evans (2016) found that "advertising" and "sponsored" disclosures in a sponsored news article resulted in a more negative attitude toward the sponsoring company than less explicit disclosures such as "brand voice" or "presented by", via higher advertising recognition. More recently, Evans et al. (2017) demonstrated that a "Paid Ad" disclosure accompanying a sponsored Instagram post had a more negative impact on brand attitude and willingness to share the post than the less explicit "SP", because the disclosure increased recognition of the sponsored content as advertising.

Positive effects of disclosure explicitness on brand responses have also been reported. Carr and Hayes (2014) demonstrated that explicitly disclosing that a blog review was sponsored (the blogger specifically mentioned being paid by the company to review their product) resulted in higher perceived credibility of the blogger than a less explicit disclosure. Perceived credibility was positively related to how much participants felt their product attitude was influenced by the blogger. Hwang and Jeong (2016) also studied the effects of disclosure explicitness in sponsored blog posts, and showed that an 'honest opinions' disclosure ("this post was sponsored by…, but the contents are based on my honest opinions") resulted in a more positive attitude toward the sponsored blog post and higher perceived credibility of the blogger than a simple disclosure ("this post was sponsored by…"). However, disclosures did not affect participants' brand attitude and their intent to visit the holiday destination that was advertised in the blog.

In sum, when it comes to effects of disclosure explicitness on brand responses, the literature reviewed above presents mixed findings. As compared to simple disclosures, more explicit disclosures have been shown to result in both negative, positive, and no effects on brand attitude and purchase intent (Boerman et al., 2015; Carr & Hayes, 2014; Dekker & Van Reijmersdal, 2013; Evans et al., 2017; Hwang & Jeong, 2016; Wojdynski & Evans, 2016). Focusing on empirical evidence in a blog context only (e.g., Carr & Hayes, 2014), disclosure explicitness seems to have predominantly positive effects on brand responses. In line with these findings, a recent qualitative study in the context of YouTube showed that vlogger transparency in general encouraged positive brand attitudes and purchase behavior (Chapple & Cownie, 2017). Our first hypothesis therefore states:

H1. An explicit disclosure about a paid relationship in a YouTube video results in a) a more positive brand attitude and b) a higher intent to purchase the promoted brand than simply stating that video content is sponsored (i.e., simple disclosure).

With respect to effects of disclosure explicitness on persuasion knowledge, disclosures that more specifically evidence the commercial nature of editorial content seem to increase people's conceptual persuasion knowledge, i.e., it increases their recognition of the sponsored content as advertising. Based on the empirical evidence discussed above we may assume that paid video content is also more likely to be recognized as advertising the more explicitly it is disclosed. However, in contrast to this assumption, since an ever-increasing amount of social media content is sponsored and social media users are getting accustomed to this phenomenon (Mediakix, 2017; Wu, 2016), an extensive explanation of the nature of paid promotion may nowadays not have any additional benefit over a simple statement anymore. In the context of YouTube, the present study will therefore explore the effect of disclosure explicitness on conceptual persuasion knowledge. We propose the following research question:

RQ1. What is the effect of disclosure explicitness on the activation of conceptual persuasion knowledge (i.e., recognizing video content as sponsored)?

In addition, the present research will investigate the effect of disclosure explicitness on attitudinal persuasion knowledge. To our knowledge, no study to date has measured how critical attitudes toward the sponsored content are affected by disclosure explicitness. Based on the findings by Carr and Hayes (2014) and Hwang and Jeong (2016), consumers seem to appreciate transparency about commercial relationships among bloggers. People perceived a blogger as more credible and responded more positively to the sponsored content when the blogger explicitly (as compared to more ambiguously) disclosed a paid endorsement. Since

a vlog is most akin to a blog, we assume that being explicit about a paid relationship in a YouTube vlog may also result in a less critical attitude toward the sponsored content than simply stating that the content is sponsored. Corroborating this assumption, Chapple and Cownie (2017) found that transparency is of particular importance in the context of YouTube. Disclosures of vlogger paid-for-endorsements are generally appreciated by their audience, positively affecting perceived honesty and trust. In the present research, we therefore hypothesize the following:

H2. Viewers will demonstrate a less critical attitude (i.e., will activate less attitudinal persuasion knowledge) toward sponsored video content when a YouTube vlog contains an explicit disclosure as compared to a simple disclosure.

Based on our assumptions that explicit disclosures in vlog context may also result in a more positive attitude and higher intent to purchase the promoted brand than simple disclosures, and previous research repeatedly showing that brand responses are positively related to lowered critical processing of sponsored content (e.g., Boerman, Van Reijmersdal, and Neijens, 2012), we hypothesize that:

H3. Disclosure explicitness positively affects both brand attitude and purchase intent, via lowered critical responses toward the sponsored video content.

1.3 Disclosure Modality

Next to disclosure explicitness, another prominent aspect of disclosures on YouTube is the modality in which the disclosure is presented. YouTubers verbally disclose in their videos, or present a disclosure textually, either in the description box under the video or by using YouTube's built-in disclosure feature (YouTube 2016), which makes a disclosure appear as a text-overlay during the video. Thus far, disclosure modality has not been subject of many empirical studies and modality effects on persuasion knowledge and brand responses are mixed.

Evans and Hoy (2016) measured parents' activation of conceptual persuasion knowledge for a children's advergame in response to a textual disclosure or a dual-modality (text and audio) disclosure. Disclosure modality did not affect persuasion knowledge, nor participants' attitudes toward advergames. In studies among children, An and Stern (2011) also did not find differences in conceptual persuasion knowledge in response to a visual or an audio disclosure in an advergame. However, brand recall and brand preference were somewhat higher among children exposed to a visual disclosure. In more recent work, a visual disclosure in a TV program did not differ from an auditory disclosure in affecting children's recognition of sponsored content as advertising (i.e., conceptual persuasion knowledge), nor did disclosure modality affect brand attitude. However, in comparison with no disclosure, a visual disclosure was more effective than an auditory

disclosure in heightening both children's recognition of advertising and their attitude toward the advertised brand (De Pauw, Hudders, & Cauberghe, 2017).

In sum, in direct comparison, visual and auditory disclosures do not seem to generate differential effects on conceptual persuasion knowledge and brand responses, but when compared to a no disclosure control condition, visual disclosures seem to 'outperform' auditory disclosures. De Pauw et al. (2017) attribute the finding that visual disclosures are more effective than auditory disclosures in activating persuasion knowledge to the visual superiority effect. Visual cues appear to be more easily and automatically processed and memorized than auditory cues, whose processing requires more cognitive capacity (e.g., Drew & Grimes, 1987; Rolandelli, Wright, Huston, & Eakins, 1991). Whether this visual superiority effect may also explain why visual disclosures (in comparison to a no disclosure control condition) resulted in more positive brand responses than auditory disclosures remains unclear.

To explore the effects of disclosure modality (textual versus auditory) in the context of a YouTube vlog, the present research will compare its impact to a no disclosure control condition, resulting in our second research question:

RQ2. What is the effect of disclosure modality on the activation of persuasion knowledge (conceptual and attitudinal) and brand responses (brand attitude and purchase intent)?

As stated before, no research to date has investigated the effects of disclosure explicitness and disclosure modality in interaction. We will therefore explore whether these factors interact, and more specifically, whether the hypothesized mediation effect of disclosure explicitness (H3) is moderated by disclosure modality.

2 Method

A convenience sample of 142 Dutch consumers (96 female, 44 male, 2 unknown, M_{age} = 33.27 years, SD = 13.64) voluntarily participated in an online experiment. The study used a 2 (Disclosure explicitness: simple disclosure vs. explicit disclosure) x 2 (Disclosure modality: textual vs. auditory) between-subjects factorial design, with a no disclosure control condition.

Participants were randomly assigned to one of the five conditions. They all watched a 3.30-minute video in which a female vlogger unboxes and demonstrates the Fitbit Charge 2 (a wristband tracking physical activity) on her YouTube channel. The vlog was created for this experiment and the vlogger was unknown to participants. After 15 seconds, an 8-second disclosure was presented in the upper left corner of the screen (in the textual condition) or orally presented by the vlogger. The simple disclosure stated "This vlog is sponsored by Fitbit", whereas the explicit disclosure stated "This vlog is sponsored by Fitbit, which means that

I am being paid by Fitbit to promote this product". The control condition did not contain a disclosure.

We subsequently assessed participants' attitude toward the Fitbit brand with 5 items on a bipolar 7-point scale (e.g., "To me, the brand is (un)appealing", α = .94; cf. Matthes, Schemer, & Wirth, 2007). Purchase intent was measured with 2 items ($r = .81$, $p < .001$): "I am interested in buying a Fitbit product" and "I would probably buy a Fitbit product" (1 = *totally disagree*; 7 = *totally agree*). Conceptual persuasion knowledge was subsequently assessed with 6 items on a 7-point scale (e.g., "The vlog contained advertising", α = .88; Ham, Nelson, and Das 2015), and attitudinal persuasion knowledge was measured with 11 statements (α = .88; Ham et al., 2015), including "I feel that demonstrating a Fitbit product in the vlog is deceitful" (1 = *totally disagree*; 7 = *totally agree*).

Finally, participants indicated on 7-point scales how often they watched vlogs (1 = *never*; 7 = *daily*) and whether they were interested in doing sports (1 = *totally disagree*; 7 = *totally agree*), since these variables may affect how one responds to disclosures and/or sponsored online content about a sports gadget. These variables indeed significantly correlated with our dependent variables and were included as covariates in all upcoming analyses. Eight participants indicated that they (had) owned a Fitbit product.

3 Results

To test H1 (an explicit disclosure results in a more positive brand attitude and a higher intent to purchase the promoted brand than a simple disclosure), and to explore a potential interaction effect between disclosure explicitness and disclosure modality on brand attitude and purchase intent, two ANCOVAs were performed. Frequency of watching vlogs and showing an interest in doing sports were significant covariates in both analyses, $F(1,108) = 17.86$, $p < .001$; $F(1,108) = 15.74$, $p < .001$; $F(1,108) = 9.25$, $p = .003$; $F(1,108) = 19.81$, $p < .001$, respectively.

As hypothesized, main effects of disclosure explicitness on brand attitude ($F(1,108) = 7.22$, $p = .008$, d = 0.39) and purchase intent ($F(1,108) = 10.53$, $p = .002$, d = 0.53) were found, with explicit disclosures resulting in a more positive brand attitude and higher purchase intent than simple disclosures (for an overview of all means and standard deviations, see Table 1). No main effects of disclosure modality were observed, Fs < 1. Moreover, the analyses showed a significant interaction effect between disclosure explicitness and disclosure modality on brand attitude, $F(1,108) = 5.55$, $p = .020$, $\eta^2 = .036$, and purchase intent, $F(1,108) = 3.50$, $p = .064$, $\eta^2 = .023$ (marginally significant). Simple main effect analyses revealed that an explicit disclosure only resulted in a more positive brand attitude ($F(1,108) = 12.43$, $p = .001$, d = 0.65) and higher purchase intent ($F(1,108) = 12.81$, $p < .001$, d = 0.76) when the disclosure was presented textually (auditory disclosure NS). Contrasting the four disclosure conditions with the no disclosure

control condition showed that only the explicit textual disclosure differed from the control condition, showing a significantly more positive brand attitude ($F(1,135) = 3.32$, $p = .013$; $p_{contrast} = .004$, d = 0.76) and higher intent to purchase the promoted product ($F(1,135) = 3.92$, $p = .005$; $p_{contrast} = .002$, d = 0.80).

To test H2 (viewers will demonstrate a less critical attitude (i.e., attitudinal persuasion knowledge) in response to an explicit disclosure as compared to a simple disclosure), and to explore a potential interaction effect between disclosure explicitness and disclosure modality on the activation of both conceptual and attitudinal persuasion knowledge, two ANCOVAs were performed. Frequency of watching vlogs and showing an interest in doing sports were (marginally) significant covariates, $F(1,108) = 7.04$, $p = .009$; $F(1,108) = 3.36$, $p = .070$, respectively. In both analyses, no significant main effects were found, nor any significant effects on conceptual persuasion knowledge, Fs < 1.30. However, a significant interaction effect between disclosure explicitness and disclosure modality on attitudinal persuasion knowledge was found, $F(1,108) = 5.77$, $p = .018$, $\eta^2 = .046$. In line with H2, simple main effect tests demonstrated that participants showed less critical responses when confronted with an explicit disclosure as compared to a simple disclosure, $F(1,108) = 3.48$, $p = .065$, d = 0.39 (marginally significant). However, this was only found when the disclosure was presented textually (auditory disclosure NS). Contrasting the four disclosure conditions with the no disclosure control condition did not show any significant differences.

Table 1: Means (M) and standard deviations (SD) on all dependent variables, as a function of disclosure explicitness and disclosure modality

	Textual disclosure		*Auditory disclosure*		*No disclosure control*
	Simple (N = 24)	*Explicit* (N = 33)	*Simple* (N = 28)	*Explicit* (N = 29)	(N = 28)
	M(*SD*)	M(*SD*)	M(*SD*)	M(*SD*)	M(*SD*)
Attitudinal persuasion knowledge	3.78_b(*0.87*)	3.42_a(*0.96*)	3.47(*0.88*)	3.82(*0.92*)	3.75(*1.12*)
Conceptual persuasion knowledge	5.72(*1.43*)	5.87(*0.91*)	5.86(*0.81*)	6.13(*0.77*)	5.88b(*0.90*)
Brand attitude	4.33_b(*1.53*)	5.21_a(*1.15*)	4.78(*1.22*)	4.89(*1.06*)	4.26_b(*1.35*)
Purchase intent	2.69_b(*1.57*)	3.92_a(*1.70*)	3.00(*1.46*)	3.43(*1.61*)	2.66_b(*1.46*)

Notes: Means in the same row that do not share subscripts, differ at $p < .05$, with the exception of attitudinal persuasion knowledge, where $p = .065$

To test H3 (the effect of disclosure explicitness on brand responses is mediated by attitudinal persuasion knowledge), and to explore whether the demonstrated interaction effects between disclosure explicitness and disclosure modality on brand attitude and purchase intent are mediated by attitudinal persuasion knowledge, we performed two moderated mediation analyses (Model 7, Hayes 2013), see Figure 1. The first analysis showed a significant indirect effect of disclosure explicitness on brand attitude via attitudinal persuasion knowledge (Model R2 = .12, p = .015; indirect effect = .43; BootSE = .21, 95% BCBCI [.0890, .9485], that was moderated by disclosure modality (index of moderated mediation = .43, 95% BCBCI [.0890, .9485]. Frequency of watching vlogs and showing an interest in doing sports were held constant. In line with H3, participants who received an explicit disclosure liked the promoted product more than participants who received a simple disclosure, because they were less critical toward the sponsored content. However, this effect was only significant when the disclosure was presented textually (B = .24, 95% BCBCI [.0048, .5649]), as compared to a disclosure that was auditorily presented (B = -.19, 95% BCBCI [-.5151, .0268]).

A second moderated mediation analysis showed a significant indirect effect of disclosure explicitness on purchase intent via attitudinal persuasion knowledge (Model R2 = .12, p = .015; indirect effect = .30; BootSE = .18, 95% BCBCI [.0361, .7555], that was moderated by disclosure modality (index of moderated mediation = .30, 95% BCBCI [.0361, .7555]. Frequency of watching vlogs and showing an interest in doing sports were held constant. In line with H3, participants who received an explicit disclosure were more willing to buy the promoted product than participants who received a simple disclosure, because they were less critical toward the sponsored content. Corroborating the findings for brand attitude, this effect was only significant when the disclosure was presented textually (B = .17, 95% BCBCI [.0068, .4742]), as compared to a disclosure that was auditorily presented (B = -.13, 95% BCBCI [-.4347, .0162]). (Note: A moderated serial mediation analysis with disclosure explicitness as predictor, purchase intent as dependent variable and both attitudinal persuasion knowledge and brand attitude as mediators, with frequency of watching vlogs and showing an interest in sports held constant, did not show sequential moderated mediation).

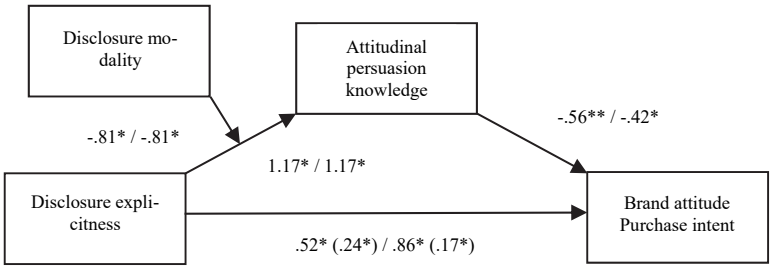


*Figure 1: Standardized regression coefficients for the moderated relationship between disclosure explicitness and brand attitude/purchase intent as mediated by attitudinal persuasion knowledge. The standardized regression coefficient between disclosure explicitness and brand attitude/purchase intent, controlling for attitudinal persuasion knowledge, is in parentheses. *p < .05 **p < .001*

4 Discussion

The findings of the present study confirm our hypothesis that disclosure explicitness positively affects consumers' brand responses because it lowers critical responses toward the sponsored vlog content. This mediation effect appeared to be moderated by disclosure modality, demonstrating the effect for textual disclosures only. Hence, only when an explicit textual disclosure was used, consumers were less likely to activate their attitudinal persuasion knowledge, resulting in more positive brand attitudes and a higher purchase intention. No effects of disclosure explicitness and disclosure modality on conceptual persuasion knowledge were found.

In line with previous research in vlog and blog context (Carr & Hayes, 2014; Chapple & Cownie, 2017; Hwang & Jeong, 2016), our study shows that vlogger transparency about commercial relations seems to be appreciated. Consumers became less critical toward the sponsored vlog review when the vlogger explicitly stated being paid for product promotion, as compared to simply stating that the vlog was sponsored. Future research could test whether this effect is caused by higher perceived credibility of the vlogger (cf. Hwang & Jeong, 2016), which was not measured in our study. Critical responses toward the sponsored content may also have been lower in response to the explicit disclosure because the vlogger herself was perceived as the source of the disclosure (by stating that she was paid to promote the Fitbit wristband) instead of the disclosure being imposed by YouTube or a regulatory authority (which could have been inferred when a simple, 'basic' statement was used).

Critical attitudes toward the sponsored content (i.e., attitudinal persuasion knowledge) did not differ between conditions in which disclosures (either simple or explicit) and no disclosure was presented, which may result from the fact that consumers have gotten so used to online product reviews being sponsored that mentioning it does not make them more or less critical than not mentioning it at all (cf. Wu, 2016). Nowadays, consumers may have developed an overall critical attitude toward online product reviews, which is only attenuated by an explicit disclosure, which may induce a sense of honesty and credibility (cf. Chapple & Cownie, 2017).

By lowering critical responses toward the sponsored content, both brand attitude and purchase intent were positively affected by disclosure explicitness. When a vlogger explicitly states being paid by a company to promote their product in a video, viewers report a more positive attitude toward the promoted brand, as well as higher intentions to buy a product from the sponsoring company. Vloggers thus seem to become more persuasive when they explicitly reveal being sponsored by a brand. Future research may in more detail explore the relation between disclosure explicitness, critical responses (i.e., attitudinal persuasion knowledge) and brand responses. Does an explicit disclosure make consumers less critical because they feel more protected, making them more vulnerable to the sponsored content? Feeling protected may result in less elaborate or biased processing. Consumers may let their guard down and respond more positively to 'honest' influencer content than they otherwise would have (cf. Sagarin, Cialdini, Rice, & Serna, 2002). Or does an explicit disclosure induce trust and liking of the vlogger, resulting in a spillover effect to brand responses?

In the present study, we did not find any disclosure effects on conceptual persuasion knowledge, which could imply that consumers do not need any type of disclosure to become aware that an online vlog review is sponsored. Most participants in our study seemed to be highly aware of the branded content, as demonstrated by the mean scores on our measure of conceptual persuasion knowledge (range 5.72 - 6.16 on a 7-point scale). Social media users nowadays may have become so accustomed to paid-for-endorsements that a disclosure is not always needed to help them recognize the persuasive intent of a video. With respect to effects of disclosure modality on persuasion knowledge, our findings cannot confirm the results of De Pauw et al. (2017), who showed that as compared to a condition without a disclosure, a visual disclosure in a TV program resulted in more conceptual persuasion knowledge than an auditory disclosure. In line with An and Stern (2011) and Evans and Hoy (2016), we did not find any differences in advertising recognition between different disclosure modalities.

However, a visual superiority effect may have indeed presented itself in modality moderating the effects of disclosure explicitness on brand responses. Specifically, the positive effects of disclosure explicitness on brand attitude and purchase intent via less critical attitudes was found for textual (i.e., visual)

disclosures only. Based on the present findings we can only speculate what may have caused this effect. Aside from the notion that auditory stimuli are inherently more effortful to process than visual stimuli (cf. Rolandelli et al., 1991), participants may have been less able to recognize and process the auditory disclosures because oral presentation was inherently faster (2 seconds to pronounce the simple disclosure and 5 seconds to pronounce the explicit disclosure) than visual presentation (both textual disclosures were presented for 8 seconds to make sure that viewers were able to fully read the explicit statement). If auditory disclosures have indeed been harder to process, disclosure explicitness may have been less likely to cause any effects in these conditions. However, since participants in our study were not more likely to remember having seen a disclosure in the textual (63.2%) as compared to the audio conditions (61.4%), this explanation seems unlikely. Future research may profitably explore what process could explain the present findings.

A limitation that should be mentioned, is that the vlogger in our video was not an actual influencer. We deliberately created the vlog ourselves, with a vlogger unknown to participants, to be able to study the effects of disclosure explicitness and disclosure modality in a controlled experimental setting. Since participants were not presented with information on the number of followers of the vlogger's YouTube channel and the number of views and likes that the video received, participants may nevertheless have assumed that the vlogger was an actual influencer. To improve the external validity of our research, future studies could use a video of a well-known vlogger and control for vlogger likeability and familiarity (cf. Chapple & Cownie, 2017).

For legislators, the present findings suggest that both disclosure explicitness and disclosure modality are insignificant when it comes to increasing advertising awareness (conceptual persuasion knowledge), which is disclosures' main goal. However, this may be due to already heightened consumer scepticism in our sample when it comes to online vlog reviews, which could have attenuated disclosure effects. Consumers becoming less sceptical in response to an explicit (textual) disclosure could be worrisome if this means that consumers let their guard down and therefore respond more positively to sponsored vlog content than they otherwise would have. Future research could investigate whether consumers may use explicit textual disclosures as a heuristic cue signalling that the presented content is trustworthy.

For companies as well as online content creators the present findings seem promising. Instead of being harmful to business (as disclosures in traditional media have been shown to have predominantly negative effects on brand evaluations and purchase intentions, Boerman and Van Reijmersdal, 2016), simple disclosures do not seem to have a negative effect and (textual) explicit disclosures even

positively affect brand responses to sponsored vlogs. Hence, for brands and vloggers it seems that 'Written honesty is the best policy' when it comes to disclosing commercial relationships in online video content.

5 Acknowledgement

The authors would like to thank Lotte Verberne for her assistance in data collection.

6 References

An, S. and S. Stern (2011), "Mitigating the Effects of Advergames on Children," in: *Journal of Advertising*, 40(1), 43-56.

Boerman, S. C. and E. A. Van Reijmersdal (2016), "Informing Consumers About Hidden Advertising. A Literature Review of The Effects of Disclosing Sponsored Content," in: De Pelsmacker, P. (2016) (ed.): *Advertising in New Formats and Media: Current Research and Implications for Marketers*, Emerald Group Publishing, London, UK, 15-146.

Boerman, S. C.; Van Reijmersdal, E. A. and P. C. Neijens (2012), "Sponsorship Disclosure: Effects of Duration on Persuasion Knowledge and Brand Responses," in: *Journal of Communication*, 62(6), 1047-1064.

Boerman, S. C.; Van Reijmersdal, E. A. and P. C. Neijens (2015), "Sponsorship Disclosure: Effects of Duration on Persuasion Knowledge and Brand Responses," in: *Journal of Communication*, 62, 1047-1064.

CAP (2015), "Video blogs: Scenarios", Retrieved on 27 November from https://www.asa.org.uk/advice-online/video-blogs-scenarios.html

Carr, C. T. and R. A. Hayes (2014), "The Effect of Disclosure of Third-Party Influence on An Opinion Leader's Credibility and Electronic Word of Mouth in Two-Step Flow," in: *Journal of Interactive Advertising*, 14(1), 38-50.

Chapple, C. and F. Cownie (2017), "An Investigation into Viewers' Trust in and Response Towards Disclosed Paid-for-Endorsements by YouTube Lifestyle Vloggers," in*: Journal of Promotional Communications*, 5(2), 110-136.

Dekker, K. and E. A. Van Reijmersdal (2013), "Brand Placement Disclosures to Mitigate Persuasion: The Role of Celebrity Endorsement and Disclosure Type," in: *Journal of Promotion Management*, 19, 224-240.

DePauw, P.; Hudders, L. and V. Cauberghe (2017), "Disclosing Brand Placement to Young Children," in: *International Journal of Advertising*, 37(4), 508-525.

Drew, D. G. and T. Grimes (1987), "Audio-Visual Redundancy and TV News Recall," in: *Communication Research*, 14(1), 452-461.

Evans, N. J. and M. G. Hoy (2016), "Parents' Presumed Persuasion Knowledge of Children's Advergames: The Influence of Advertising Disclosure Modality and Cognitive Load," in: *Journal of Current Issues & Research in Advertising,* 37(2), 146-164.

Evans, N. J.; Phua, J.; Lim, J. and H. Jun (2017), "Disclosing Instagram Influencer Advertising: The effects of Disclosure Language on Advertising Recognition, Attitudes, and Behavioral Intent" in: *Journal of Interactive Advertising*, 17(2), 138-149.

Federal Trade Commission [FTC] (2013), ".Com Disclosures. How to Make Effective Disclosures in Digital Advertising," Retrieved on March 21, 2018 from https://www.ftc.gov/sites/default/files/attachments/press-releases/ftc-staff-revises-online-advertising-disclosure-guidelines/130312dotcomdisclosures.pdf

Friestad, M. and P. Wright (1994), "The Persuasion Knowledge Model: How People Cope with Persuasion Attempts," in: *Journal of Consumer Research,* 21(1), 1-31.

Ham, C.; Nelson, M. R. and S. Das (2015), "How to Measure Persuasion Knowledge," in: *International Journal of Advertising: The review of Marketing Communications*, 34(1), 17-53.

Harnish, R. J. and K. R. Bridges (2016), "Mall Haul Videos: Self-Presentational Motives and the Role of Self-Monitoring," in: *Psychology & Marketing*, 33(2), 113-124.

Hayes, A. F. (2013), "Introduction to Mediation, Moderation, and Conditional Process Analysis: A Regression-Based Approach," Guilford Press, New York.

Hwang, Y. and S. Jeong (2016), "This Is A Sponsored Blog Post, But All Opinions Are My Own": The Effects of Sponsorship Disclosure on Responses to Sponsored Blog Posts," in: *Computers in Human Behavior,* 62, 528-535.

Lee, J. E. and B. Watkins (2016), "YouTube Vloggers' Influence on Consumer Luxury Brand Perceptions and Intentions," in: *Journal of Business Research*, 69(12), 5753-5760.

Matthes, J.; Schemer, C. and W. Wirth (2007), "More Than Meets The Eye: Investigating The Hidden Impact of Brand Placements in Television Magazines," in: *International Journal of Advertising,* 26, 477-503.

Mediakix (2017), "Instagram Influencer Marketing is a 1 Billion Dollar Industry," Retrieved on November 20 from http://mediakix.com/2017/03/instagram-influencer-marketing-industry-size-how-big/#gs.WHR=fwg

Rolandelli, D. R.; Wright, J. C.; Huston, A. C. and D. Eakins (1991), "Children's Auditory and Visual Processing of Narrated and Non-Narrated Television Programming," in: *Journal of Experimental Child Psychology*, 51(1), 90-122.

Rozendaal, E.; Lapierre, M. A.; Van Reijmersdal, E. A. and M. Buijzen (2011), "Reconsidering Advertising Literacy As A Defense Against Advertising Effects," in: *Media Psychology*, 14(4), 333-354.

Sagarin, B.J.; Cialdini, R. B.; Rice, W. E. and S.B. Serna (2002), "Dispelling The Illusion of Invulnerability: The Motivations and Mechanisms of Resistance to Persuasion," in: *Journal of Personality and Social Psychology*, 83, 526-541.

Stichting Reclame Code 2014, "Reclamecode Social Media (RSM)," Retrieved on 21 March from https://www.reclamecode.nl/nrc/pagina.asp?

Wojdynski, B. W. and N. J. Evans (2016), "Going Native: Effects of Disclosure Position and Language on the Recognition and Evaluation of Online Native Advertising," in: *Journal of Advertising*, 45(2), 157-168.

Word of Mouth Marketing Association (WOMMA) 2013, "The 2017 WOMMA Guide to Influencer Marketing and WOMMA Social Media Disclosure Guidelines," Retrieved on 21 March from http://womma.org/free-womm-resources/

Wu, K. (2016), "YouTube Marketing: Legality of Sponsorship and Endorsements in Advertising," in: *Journal of Law, Business & Ethics,* 22, 59-91.

YouTube (2016), "Paid Product Placements and Endorsements," Retrieved on 22 March from https://support.google.com/youtube/answer/154235?hl=en

The Effects of a Third-Party Certification Seal in Advertising: The Role of Need for Cognition

Kei Mineo

1 Introduction

Third-party certification (TPC) seals have been effective communication tools for a long time. To deliver product quality appeal to consumers, many companies use these seals in various communication strategies. TPC seals imply that the designated products and services are approved and endorsed by third-party organizations (TPOs). There are various types of TPOs ranging from private enterprises to government and public agencies. By showing the TPO endorsements on their advertisements or packages, companies can enhance the credibility of their advertising and product messages and improve consumers' perceptions of the company's products.

In Japan, TPC seals are often used as a communication strategy for functional foods. To include health claims on product packages and advertisements, food companies must use the Food with Health Claims (FHC) system. FHC in Japan has three categories; Foods with Specified Health Uses (FOSHU, launched in 1991), Foods with Nutrient Function Claims (FNFC, launched in 2001), and Foods with Function Claims (FFC, launched in 2015). Each category has different procedures for their use and different permitted health claims.

Every food submitted must be checked and evaluated in terms of its claimed effect and safety (The Consumer Affairs Agency, 2015), and then only foods approved as FOSHU are permitted to use the seal of approval, called the "Tokuho mark". This TPC seal has a high utility value as a communication strategy, and is widely used by many advertisers.

However, while FOSHU has beneficial outcomes, there are also costly and risky aspects for advertisers. The government must evaluate the claimed effects and safety of the particular product (The Consumer Affairs Agency, 2015), which can take a long time and cost a lot of money. Normally, companies need to pay the development costs of FOSHU products, from tens to hundreds of millions of yen by the time it is commercialized, and it takes several years until the Consumer Affairs Agency gives permission after checking the effectiveness and safety of the product (The Nikkei, 2015). Because of these time and monetary costs, some companies are hesitant about using this system.

To overcome the defects of conventional systems, the Consumer Affairs Agency created a new FHC system called the FFC. "Under the food business operator's own responsibility" (the Consumer Affairs Agency, 2015, p. 3), the

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_12

FFC is allowed to be labelled using health claims based on scientific evidence. Thus, FFC does not require testing by governmental agencies, and therefore food companies can launch new functional foods with health claims more quickly and less costly than with FOSHU.

Under these circumstances, the number of companies that employ FFC has been increasing. After the FFC system was launched, the number of companies that employ FOSHU, on the other hand, has been decreasing (Nikkei Marketing Journal, 2016, April 10). Meanwhile, even with that change, some food companies still continue to employ FOSHU for their new products, believing in its effectiveness.

Considering the above history and its background, it is meaningful to determine whether TPC seals on advertisements are effective for improving consumer's perceptions and, further, what types of consumers find these seals to be effective. Revealing their effects provides useful implications for marketers that can help them make a decision on whether to adopt TPC seals as part of their communication strategies.

Parkinson (1975), the earliest study in this field, regards seals of approval and advertisements as independent sources of information, and compared the relative source credibility of TPC seals, salesmen, and friends as different informational channels. The results of this comparison show that a TPC seal was rated the highest for the credibility dimensions of expertise and impartiality in four channels and second only to friends on perceived trustworthiness.

On the other hand, Beltramini and Stafford (1993) insisted that TPC seals are commonly used in advertising strategy, and indeed, seals within advertisements for consumers should be tested for their effects. They tested the effect of TPC seals on consumer ad perceptions. However, the effects were weak and not enough significant. They suggested the possibility that personal traits related to a consumer's efforts to process product information act as moderators for the effects of TPC seals on a consumer's perception.

This study focuses on the seal type of TPO endorsements on advertisements. This form of seals lets consumers immediately know that the products were approved by the TPO. However, little is known about the effectiveness of TPC seals for advertisements. Further, research in this area has not fully examined the moderation effects of personal traits resulting from these TPC seals.

2 Literature Review and Research Question

2.1 Third-Party Certification Seals

To understand how TPC seals affect consumer perceptions, this study utilized the TPO endorsement framework. TPO is an organizaiton that is independent

from advertisers and consumers. A TPO endorsement is defined as "product advertising that incorporates the name of a TPO and a positive evaluation of the advertised product that is attributed to the TPO" (Dean and Biswas, 2001, p. 42). Over the past few decades, many researchers have shown an interest in determining the effects of a TPO endorsement on marketing strategy.

Dean and Biswas (2001) noted that there are three general forms of TPO endorsements: (1) the product is ranked against competing products in its class for one or more criteria, (2) the product is awarded a "seal" of approval by TPO (although how the seal differentiates between products in the same class may be unclear), or (3) a subjective, noncomparative statement is made about one or more attributes of a product. TPC seals can be considered the second type. Seals of approval are not limited to advertising use; they are often used for one attribution of a product.

2.2 How TPC Seals Work as Signaling Cues

Prior research often has used the signaling theory framework to explain the process and how TPC seals positively influence a consumer's perception (e.g., Dean, 1999; Dean and Biswas, 2001; Feng, Wang, and Peracchio, 2008). Signaling theory was originally developed as part of information economics by Spence (1973) and is used to explain a consumer's behaviour when there are two parties with different amounts of information, explaining how they each attempt to reduce the information asymmetry between them (Spence, 2002). One party, the sender, generally has more informationthan the receiver. The sender must choose whether and how to communicate (or signal) that information, and the receiver must choose how to interpret the received signal (Connelly, Corto, Ireland, and Reutzel, 2011). Some marketing studies have also applied this theory to studies of pre-purchase contexts. In the marketing context, senders are generally sellers (or advertisers), and the receivers are buyers (or consumers).

Several TPO endorsements studies have been conducted applying this theory (e.g., Dean and Biswas, 2001; Feng et al., 2008). Dean and Biswas (2001) indicated that consumers also recognize the advantage of TPO endorsements as a quality cue, and they then estimate their pre-purchase evaluations by referring to such quality cues. Consumers also recognize a TPO endorsement as a chunk of information that delivers both experiential and credential attributions of the product and service efficiently, so the endorsement can decrease the cost for information acquisition (Dean and Biswas, 2001; Wang, 2005). Therefore, it is quite reasonable to develop advertisements with TPO endorsements to deliver valuable information to consumers. It is also presumed that consumers will demonstrate a favourable attitude toward any advertisement that has a TPC seal.

According to Moussa and Touzani (2008), a TPO endorsement can be categorized as a sale-independent default-independent signal. To use this kind of signal

in a communication strategy, advertisers have to pay a high cost in advance (Kirmani and Rao, 2000). If advertisers use false claims and consumers discover the untruths, the advertisers cannot regain their prepaid costs. Therefore, a TPC seal serves as a signalling cue for claim believability.

In terms of the antecedents of attitude towards the ad (Aad), Lutz, Mackenzie, and Belch (1983) presented five Aad determinants: ad credibility, ad perceptions, attitude toward the advertiser, attitude toward advertising in general, and mood. In Lutz et al.'s (1983) conceptual framework, ad execution cognitive responses led Aad through ad perceptions during central processing. TPC seals can be regarded as persuasive elements of ad execution. At first, the seals' presence improves a brand's message credibility, and then leads to the consumer's favourable perception. Accordingly, it is assumed that claim believability works as a mediator in the relationship between the positive effects of a third-party seal on a consumer's perception. Given this previous research, this study proposes the following research model (see Figure 1).

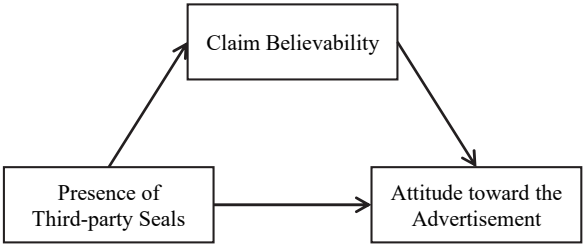


Figure 1: Hypothesized mediation effect model

2.3 Need for Cognition and Cue Utilization Behaviour

This study applies the need for cognition (NFC) as a personal trait, as it relates to the motivation to process information. NFC is defined as "the tendency for an individual to engage in and enjoy thinking" (Cacioppo and Petty, 1982, p. 116). This concept is usually used to explain the elaboration likelihood model, "a general framework for organizing, categorizing, and understanding the effectiveness of persuasive communications" (Haugtvedt, Petty and Cacioppo, 1992, p.241). Consumers are likely to follow a different route to persuasion, "whether the elaboration likelihood of the communication situation (i.e., the probability of message- or issue-relevant thought occurring) is high or low" (Petty et al, 1983, p. 137).

The elaboration likelihood model explains a consumer's cue utilization behaviour. According to this model, consumers with high-NFC follow a central route and tend to evaluate message arguments (central cues) thoughtfully. On the

other hand, consumers with low-NFC follow a peripheral route and tend to rely more on peripheral cues separate from messages such as the expertise or attractiveness of a message source, when processing messages to determine their purchase (e.g., Haugtvedt et al., 1992). TPC seals can be seen as peripheral cues (Beltramini and Stafford, 1993).

On the other hand, some of the prior research points out that there is the possibility that TPC seals may also work as central cues. TPC seals are closely related to the product and service quality. These types of peripheral cues also require consumers to exert some effort to process the product information.

Grunert (2002) suggested the likelihood that consumers might ignore quality labels due to a lack of knowledge and awareness. Grunert (2005) also pointed out the issue that consumers may misinterpret label meaning and draw inferences that go far beyond what the label was originally intended to communicate. Beltramini and Stafford (1993), in their research, pointed out the possibility that personal traits related to a consumer's efforts to process product information act as moderators for the effects of seals of approval on a consumer's perception. They may also lead to a higher likelihood of accepting the third-party endorsement seal. Then, Beltramini and Stafford (1993) suggested NFC as a moderator, which is a personal trait related to seal comprehension and usage. From the previous studies, it can be assumed that consumers with high-NFC are able to recognize the presence of the seals and make some effort to comprehend their meaning.

Accordingly, this study suggests that there are two posibilities of the moderation effects of NFC: positive or negative moderation. Whether positive or negative, however, NFC works as a moderator on the effects of seals on a consumer's perceptions (see Figure 2).

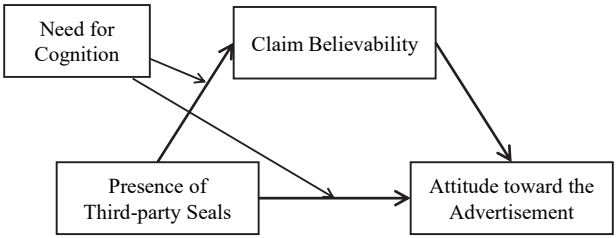


Figure 2: Moderation effects of need for cognition

Baker and Lutz (1987) and Petty and Cacioppo (1981) implied that consumers with high cognitive efforts expect more central processing of non-message ad characteristics. Furthermore, Mackenzie and Lutz (1989) refined the structural model by Lutz et al. (1983) and implied that there were correlations between ad perceptions and ad credibility.

From these findings, this study presumes that the effect of the presence of the seal on Aad might be mediated by claim believability only for high-NFC consumers that follow a central route. Thus, the following research question is offered:

RQ: How does the need for cognition moderate the effect of the presence of TPC seals on a consumer's perception of the seals?

3 Methods

To test our research questions, the research used a between-subjects factorial design (the presence of the seal: ad bearing the seal vs. ad not bearing the seal). The dependent variables were claim believability (CB) and attitude toward the advertisement (Aad).

This study suggests that there is a case for moderated mediation in which NFC moderates the indirect effect of the presence of a seal on Aad through CB. In particular, the study predicted that NFC would moderate the direct and indirect effects of the presence of a seal on Aad.

3.1 Measure

First, this study applied dummy-coded variables for the presence of the seal (0 = absent; 1 = present) manipulation. All scales for dependent variables were adapted from prior studies and used 7-point scales (see Table 1). These scales were then translated into Japanese. To verify the reliability and validity of the items, the questionnaire was pretested with 171 college students to refine the wording and reliability of the items.

Table 1: Constructs with sources

Variable Name	Item	Crombach's α	Source
Claim Believability (CB)	3	0.98	Beltramini (1988)
Attitude toward the Advertisement (Aad)	3	0.96	Mackenzie and Lutz (1989)
Need for Cognition (NFC)	4	0.88	Cacioppo and Petty (1982)

3.2 Stimulus

The study chose FOSHU, the system for functional foods, as a TPO and its seal of approval "Tokuho mark" as a TPC seal. This TPC seal implies that the

Consumer Affairs Agency endorsed the products in terms of effectiveness and safety. This seal of approval is very well-known in Japan (97.3% of Japanese know the system) (MyVoice Communications, Inc, 2018), so it is regarded as an appropriate TPC for this experiment.

An advertised product, a "green tea" beverage, was the stimulus product chosen for this research. According to the survey, a tea beverage was the most popular FOSHU among Japanese consumers (Suntory Beverage and Food Limited, 2014). Additionally, this study chose a lesser-known brand as the advertised product to avoid a brand equity bias. Signaling theory is most relevant for the purchase of experiential goods whose quality is unobservable (Nelson, 1974) and, therefore, difficult to evaluate before purchase (Boulding and Kirmani, 1993).

Based on the above discussions, this study prepared two types of ad stimuli: one for the advertisement bearing a seal that also included a product picture, an ad claim, and a TPC seal as its elements; and one for the advertisement that was not bearing a seal. The second type included a product picture and an ad claim, but there was no third-party seal on the advertisement.

3.3 Sampling and Procedure

An online experiment was conducted by a professional research firm that recruited respondents from its own consumer panel. A total of 1,000 respondents were recruited. Of the respondents, 42 had already used the advertised product and were eliminated from this survey. The final sample size was thus 958 (see Table 2).

Table 2: Respondents' profile

Demographics			Total sample (N = 958)		
Gender		（%）	*Occupations*		（%）
	Male	49.9		Executive/managerial	2.2
	Female	50.1		Administrative/clerical	35.4
				Self-employed	7.3
Age	M = 47.59	（20-69）		Part-time workers	14.0
	20-29	6.9		Public employee	3.3
	30-39	24.0		Freelance	2.4
	40-49	23.7		Homemakers	18.8
	50-59	23.2		Students	1.0
	60-69	22.2		Retired	4.7
				Unemployed	9.1
				Other	1.8

The respondents were divided into two groups, one for the control ad (not bearing a seal) (n = 478) and the other for a manipulated ad bearing a seal (n = 480) (see Table 3).

Table 3: Sample distribution in each condition

Demographics				
		With Seal (n = 478)	Without Seal (n =480)	Total Sample (N = 958)
Gender				
	Male	244	234	478
	Female	234	246	480

4 Results

To assess the moderated mediation proposed in the research question, this study analysed the conditions using an SPSS macro PROCESS designed by Preacher, Rucker, and Hayes (2007; Model 8) and a HAD ver. 15.00 statistical application by Shimizu (2016), which incorporates a bias-corrected bootstrapping procedure that generates a sample size of 2,000 to assess the regression models necessary for mediation analysis.

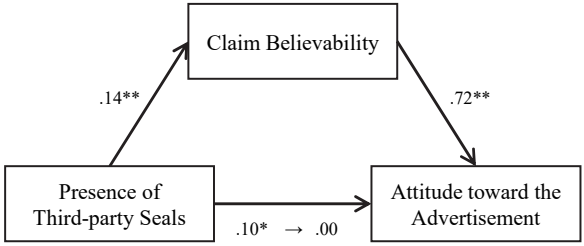
The first mediator model, which examined the effect of NFC, the presence of the seal, and their interaction on CB, was predicted by NFC. The significant interaction effect ($\beta = 0.04$, SE = 0.02; 95 percent CI [0.003, 0.069]) suggested that the direct effect of the presence of the seal on CB varied on NFC.

The second mediator model examined NFC, the presence of the seal, CB, and NFC × the presence of the seal interactions as a predictor of Aad. This analysis revealed a significant effect of CB on Aad ($\beta = 0.69$, SE = 0.02; 95 percent CI [0.645, 0.732]), but there was no significant interaction between NFC × the presence of the seal ($\beta = 0.01$, SE = 0.01; 95 percent CI [-0.008, 0.037]). Contrary to expectations, NFC did not moderate the direct impact of seals on Aad.

Finally, the study verified the moderated mediation effects using the recommended bootstrapping technique. However, no significant moderated mediation effect was confirmed from this survey ($\beta = 0.02$, SE = 0.02; 95 percent CI [-0.005, 0.057]).

This study then tried to verify the moderated mediation effects by following a second method. Murayama (2009) suggested that mediation effects should be compared between the case of a highly-moderated score (+1 SD) and a less-moderated score (1 SD) to assess the moderated mediation effects. Based on Murayama (2009), this study validated two models by substituting ±1 SD scores for

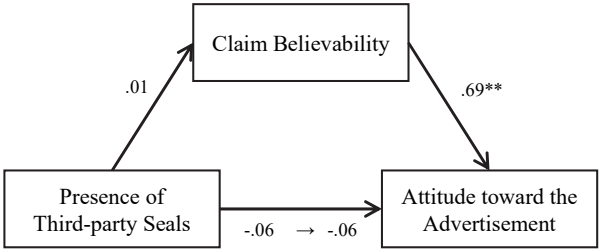
each case. In the case of high-NFC scores, mediation effects were statistically significant (β = 0.21, SE = 0.08; 95 percent CI [0.045, 0.362]) and the complete mediation model was confirmed (Baron and Kenny, 1986) (see Figure 3).



NOTE:* = $p < 0.05$, ** = $p < 0.01$, *** = $p < 0.001$

Figure 3: High-NFC condition (+1 SD)

On the other hand, no moderation model was established, and no significant moderation effect was found in the low-NFC respondents (β = 0.01, SE = 0.08; 95 percent CI [-0.150, 0.149]) (see Figure 4). The path from the presence of seals to CB and Aad was lower for the low-NFC than for the high-NFC and was insignificant based on the linear regression analysis.



NOTE:* = $p < 0.05$, ** = $p < 0.01$, *** = $p < 0.001$

Figure 4: Low-NFC condition (-1 SD)

Therefore, although this study could not find a significant moderated mediation by using an SPSS macro PROCESS, the results still suggest a marginally moderated mediation effect in this model.

5 Discussion and Implications

The current research investigated the effect of the presence of TPC seals on consumer perceptions toward an advertisement, integrating the concept of NFC related to consumers' cognitive efforts with the model.

This study demonstrated an exploratory analysis for learning the process and how the presence of seals leads to consumers' favourable evaluations of an advertisement and how NFC moderates the process for third-party seals leading to a consumer's perceptions. NFC moderates the relationship between the seal and claim believability. However, NFC does not moderate the relationship between the seal and Aad. In short, NFC actually moderated only the path to claim believability, whereas there was no direct moderation effect of the path from seals to Aad.

Furthermore, the results showed there is a structure for high-NFC respondents where the effect of the presence of seals on the CB becomes stronger, and so the evaluation of Aad also becomes more favourable. This result implies that TPC seals are effective communication tools only for high-NFC consumers and that recognizing the presence of seals, and that comprehending their meaning requires the audience to undertake a certain amount of cognitive effort. It seems that TPC seals work more like central cues than peripheral cues, and this finding is inconsistent with those of existing or prior cue utilization studies.

5.1 Theoritical Implications

Theoretically, this study revealed how the presence of seals affects consumers' perceptions and how personal traits that are related to cognitive efforts moderate these relationships. The study provides some interesting theoretical implications and contributes a new aspect of TPO endorsement studies.

Few studies have addressed TPO endorsements on advertisements. This study particularly sheds light on the form of the seals of approval in TPO endorsement studies. It has been common in prior studies for the presence of TPO endorsements to have a positive effect on consumers' perceptions. However, the results of prior studies using seals of approval are mixed. This study examined the effects of TPC seals within advertisement in the context of Japanese functional foods specifically. These specific circumstances contribute to studies on seals of approval by extending the possibility of further generalization. Further, this study applied the concepts of NFC as a moderator to verify the interaction effects. The results seem to be significant in that they revealed the factors that affect the impact of seals within an advertisement.

Moreover, this study reveals the process for how the presence of seals affect Aad using the mediation models. To the best of my knowledge, this is the first attempt at that challenge, and this study is therefore able to provide useful implications for methodologies in this area of research.

5.2 Managerial Implications

In practice, these results have some valuable contributions. To build an advertising strategy for TPC seals use, advertisers should know how the presence of

seals influence a consumer's perception and in what cases the strategy of using seals are indeed effective.

First, for high-NFC consumers, it is effective to put seals on the advertisement. When marketers set high-NFC consumers as their target, they can utilize the seal for their communication strategies. On the other hand, if marketers set low-NFC consumers as their target, they should find other ways to appeal to these particular consumers. For example, celebrity endorsements seem to be useful in attracting low-NFC consumers, since the meanings of celebrities requires less cognitive effort than central cues to comprehend them.

Second, the results imply that NFC plays an important role with significant main effects. It also implies that visual elements should be taken into account to develop communication strategies. When marketers employ a seal strategy, it is better to make the product packages and advertisements designs simpler and less complicated to highlight the presence of the seals. Marketers can take advantage of this implication to use for other tools as well, such as in-store communications.

Finally, the presence of seals affects on CB independently, and NFC only moderates the effects of seals on perceived claim believability in the mediation model. Therefore, putting the seals on the package and/or advertisements improves consumers' perceptions more effectively, paticularly when the seal appears with advertising messages.

6 Limitations and Further Studies

As with all studies, there remains room for further study here as well.

There are methodological limitations. This study adopted a specific product category, functional foods in Japan, as its stimulus. Therefore, it is necessary to extend the product categories in any future research. In addition, only one type of third-party seals, those provided by a Japanese governmental agency, was applied to this survey. Future studies should extend the type of seals and include those provided by private companies. It is likely that the size of seals might also be an important factor in this experiment. Therefore, subsequent experiments should be conducted taking into account the size of seals and examining its effect in detail.

The current study tested the moderation effects of NFC only as a personal trait that relates to consumer cognitive efforts and focusing on whether consumers recognize the presence of seals and attempt to comprehend the meaning of that presence. There may be other personal traits, such as product and topic involvement (e.g., heatlh involvement), that may influence the choice behaviour from the seal. Future research would be beneficial to address these issues and improve these research conditions.

7 Acknowledgement

This study was supported by a grant from the Yoshida Hideo memorial foundation in 2015 (the 49th).

8 References

Baker, W. E., and R. J. Lutz. (1987). "The relevance-accessibility model of advertising effectiveness". In S. Hecker and D. W. Stewart (Eds.), *Nonverbal Communication in Advertising*: 59-84. Lexington, MA: Lexington Books.

Baron, R. M., and D. A. Kenny. (1986). "The moderator-mediator variable distinction in social psychological research: Conceptual, Strategic, and Statistical Considerations". In: *Journal of Personality and Social Psychology* vol. 51, no.6: 1173-1182.

Beltramini, R. F. (1988). "Perceived believability of warning label information presented in cigarette advertising". In: *Journal of Advertising* vol. 17, no.2: 26-32.

Beltramini, R. F. and E. R. Stafford. (1993). "Comprehension and perceived believability of seals of approval information in advertising". *Journal of Advertising* vol. 22, no.3, 3-13.

Boulding, W., and A. Kirmani. (1993). "A consumer-side experimental examination of signaling theory: Do consumers perceive warranties as signals of quality". *Journal of Consumer Research* Vol. 20, no.1: 111-123.

Cacioppo, J. T., and R. E. Petty (1982), "The need for cognition". *Journal of Personality and Social Psychology* Vol. 42, no.1: 116-131.

Connelly, B. L., S. T. Certo, R. D. Ireland, and C. R. Reutzel. (2011). "Signaling theory: A review and assessment". *Journal of Management* 37: no.1: 39-67.

Dean, D. H. (1999). "Brand endorsement, popularity, and event sponsorship as advertising cues affecting consumer pre-purchase attitudes". *Journal of Advertising* vol. 28, no.3: 1-12.

Dean, D. H. and A. Biswas. (2001). "Third-party organization endorsement of products: An advertising cue affecting consumer prepurchase evaluation of goods and services". *Journal of Advertising* vol. 30, no.4: 41-57.

Feng, J., K.-Y. Wang, and L. A. Peracchio. (2008). "How Third-party Organization (TPO) endorsement advertising works: Do consumers perceive TPO endorsement as signals of quality?" in: Advances in Consumer Research vol. 35: 616-623.

Grunert, K. G. (2002). "Current issues in the understanding of consumer food choice". *Trends in Food Science and Technology* vol. 13, no.8: 275-285.

Grunert, K. G. (2005). "Food quality and safety: Consumer perception and demand". in *European Review of Agricultural Economics* vol. 32, no.3: 369-391.

Haugtvedt, C. P., R. E., Petty, and J. T. Cacioppo. (1992). "Need for cognition and advertising: Understanding the role of personality variables in consumer behaviour".in: *Journal of Consumer Psychology* vol. 1, no.3: 239-260.

Kirmani, A., and A. R. Rao. (2000). "No pain, no gain: A critical review of the literature on signaling unobservable product quality". In: *Journal of Marketing* vol. 64, no.2: 66-79.

Lutz, R. J., S. B. MacKenzie, and G. E. Belch. (1983). "Attitude toward the ad as a mediator of advertising effectiveness: Determinants and consequences". In R. Bagozzi, P. and A. M. Tybout (Eds.), *Advances in Consumer Research* 10: 532-539. Ann Abor, MI: Association for Consumer Research.

Mackenzie, S. B., and R. J. Lutz. (1989). "An empirical-examination of the structural antecedents of attitude toward and ad in an advertising pretesting context". In: *Journal of Marketing* vol. 53, no.2: 48-65.

Moussa, S., and M. Touzani. (2008). "The perceived credibility of quality labels: a scale validation with refinement". In: *International Journal of Consumer Studies* vol. 32, no.5: 526-533.

Murayama, K. (2009). "Baikai bunseki, maruti reberu baikai bunseki [Mediation analysis, multi-level mediation analysis]", Retrieved June 26, 2017, from http://koumurayama.com/koujapanese/mediation.pdf.

MyVoice Communications, Inc. (2018). "Tokuteihokenyou inryō ni kansuru ankēto tyōsa [A survey for FOSHU usage]" Retrieved December 8, 2018, from https://www.myvoice.co.jp/biz/surveys/23702/index.html

Nelson, P. (1974). "Advertising as Information".In: *The Journal of Political Economy* vol. 82, no.4: 729-754.

Nikkei Marketing Journal. (2016), April 10. Kinōsei shokuhin sijō 2.3 bai ni [The functional food market in 2016 has grown up 2.3 times as big as in 2015]: 11.

Parkinson, T. L. (1975). "The role of seals and certifications of approval in consumer decision-making". In: *Journal of Consumer Affairs* Vol. 9, no.1: 1-14.

Petty, R. E., J. T. Cacioppo. (1983). "Central and peripheral routes to persuasion: Application to advertising". In: *Advertising and consumer psychology*, no.1: 3-23.

Petty, R. E., Cacioppo J. T., and D. Schumann. (1983). "Central and peripheral routes to advertising effectiveness: The moderating role of involvement. In: *Journal of Consumer Research* vol. 10, no.2: 135-146."

Preacher, K. J., D. D. Rucker, and A. F. Hayes. (2007). "Addressing moderated mediation hypotheses: Theory, methods, and prescriptions". In: *Multivariate Behavioral Research* vol. 42, no.1: 185-227.

Shimizu, H. (2016). "An introduction to the statistical free software HAD: Suggestions to improve teaching, learning and practice data analysis". In: *Journal of Media, Information and Communication* Vol. 1: 59-73

Spence, M. (1973). "Job market signalling". In: *The Quarterly Journal of Economics* vol. 87, no.3: 355-374.

Spence, M. (2002). "Signaling in retrospect and the informational structure of markets". In: *American Economic Review* Vol. 92, no.3: 434-459.

Suntory Beverage and Food Limited. (2014), June 3. Santorī tokuho inryō repōto [A report on FOSHU beverages by Suntory] Retrieved January 30, 2016, from http://www.suntory.co.jp/softdrink/news/pr/d/sbf0154.html

The Consumer Affairs Agency. (2015). What are 'Foods with Function Claims'? Retrieved January 30, 2016, from http://www.caa.go.jp/foods/pdf/151224_1.pdf

The Nikkei. (2015), October 7. Kinōseishokuhin kōrituteki ni shohinka: tokuho s eibun 4 wari ga siyō [FFC is commercialized efficiently: 40% of FOSHU ado pt the ingredient]:42.

Wang, A. (2005). "The effects of expert and consumer endorsements on audience response". In: *Journal of Advertising Research* vol. 45, no.4: 402-412.

Part III. Consumer Responses to Multiple Communications

Are Your Products Arranged in a Good Shape? The Effect of Entitativity on the Attitudes toward Family Brands

Tanja Steinhart, Heribert Gierl

1 Introduction

Recently, an advertising campaign of the Vio brand (beverages) attained attention in Germany. The brand decided to focus on communicating its products as a real family consisting of Mum and Dad (Vio sparkling and Vio still mineral water), the children/siblings (three kinds of organic Vio lemonade), and the relatives from the countryside (three kinds of organic Vio juice drinks). The commercials of the TV campaign showed the brand's products in typical family situations: conversations while lunch ("Mum, where do we actually coming from?") or walks with the children in their stroller. Images of this campaign are shown in Figure 1. This advertising strategy could be interpreted as a marketer's attempt to position the brand's products in an entitative (and humanizing) way. Nivea (cosmetics brand) on the other hand uses the exact opposite way for positioning its products. As can be seen in Figure 2, the brand portrays its products on the brand's website in a very low entitative way. Since both, high and low entitative, positioning of family brands are used in advertising practice, it seems to be important to analyze, which way is more effective for gaining favorable brand attitudes. In this paper, we introduce into the concept of entitativity. We present the origins of the concept (Gestalt theory) and show applications in social psychology (social groups) and research on brand families. We use the insights to derive and test hypotheses on the effect of displaying the products of a brand in a more or less entitative way.

2 Theoretical Considerations and Prior Research on Entitativity

2.1 Fundamentals of Gestalt Theory

The concept of entitativity has its roots in Gestalt theory. Originally, Max Wertheimer studied the visual perception of objects and formulated the so-called Gestalt principles. Researchers in the field of Gestalt theory developed three main propositions.

First, there is an inherent tendency in people to link separate elements of an aggregate together which are recognized sensually at the same moment, i.e., aim to recognize them as one unity that is an interpretable whole. Linking elements means that people aim to mentally combine or unite elements, to form a group, or

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_13

regard the elements as parts of a whole to make more sense of them. The researchers provide evidence for this presumption by creating a multitude of pictures showing "two images in one image," "figure-ground images," "double-face-illusion images," and "ambiguous geometrical images." Although it is immediately clear for the viewer that her/his attempts to find one meaningful image (group) in the arrangement of the element will not be successful, s/he mentally tries to build one interpretable unity. Other researchers showed "images with the potential of a 'good Gestalt'," "impossible figures," or "stimuli suggesting omissions" which are processed by automatically adding information to the elements or omitting information to create a meaningful group of the elements.

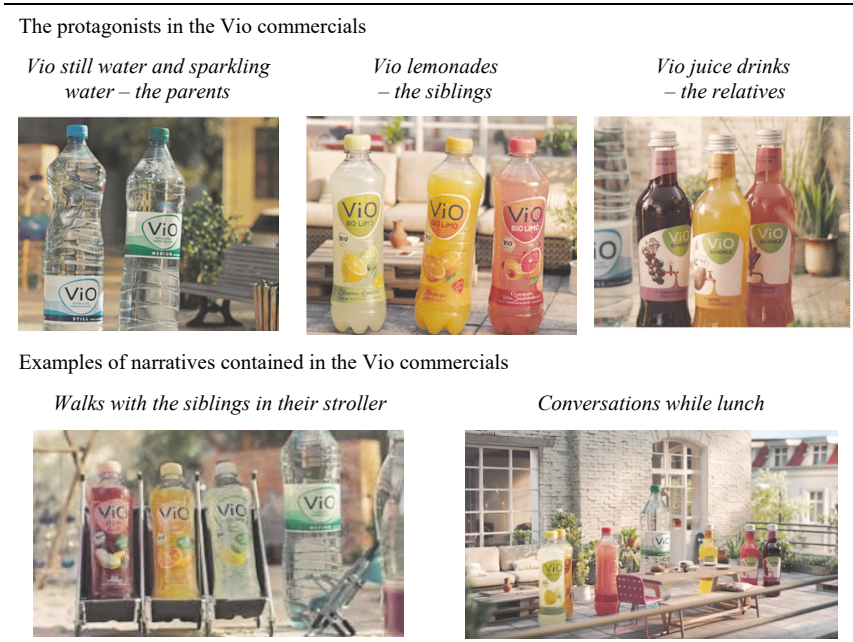


Figure 1: Protagonists and narratives in commercials promoting the Vio beverages (high-entitativity group of elements)

Figure 2: Nivea's positioning of its products (low-entitativity group of elements

Second, if the elements are in line with "Gestalt principles," the process of linking the elements together is facilitated. Wertheimer (1923) proposed a list of principles that help people to create one unity based on visual elements. The more these principles are implemented, the higher is the likelihood that discrete (unrelated) elements are perceived as parts of one "whole." Wertheimer suggested that elements that are spatially close together, that are similar to each other, that are arranged in "good shape" (e.g., in a shape that can easily be recognized such as a triangle, a heart, or a silhouette of a flower), that move in the same direction, that induce the imagination of a whole even when some elements are absent, and/or that are arranged on a curve can easily be perceived as a whole. Starting with Wertheimer's list, over hundreds of principles assisting people to build unities have been suggested (e.g., proximity cues, similarity cues, common-movement cues, closeness cues, cues suggesting continuation, and symmetry cues). Entitativity of elements is defined as the degree to which elements of a set of elements can be easily and correctly perceived as a unity. It reflects the degree to which elements are perceived as belonging together, are similar, have a structure, in other words: possess a "Gestalt." Synonym terms of entitativity are degree of unity, groupness, homogeneity, similarity, or coherence. Figure 3 gives an example of how researchers use the laws of similarity, proximity, and good curve/shape to manipulate entitativity (Ip, Chiu, and Wan 2006).

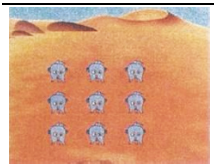
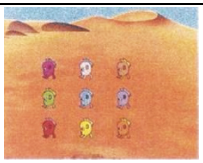
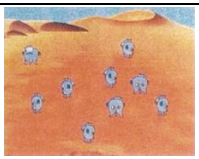
High entitativity: High degree of closeness and similarity	Moderate entitativity: High degree of closeness and low degree of similarity	Moderate entitativity: low degree of closeness and high degree of similarity	Low entitativity: Low degree of closeness and similarity
			

Figure 3: An example of the manipulation of entitativity by varying two laws of Gestalt theory (Source: Ip, Chiu and Wan 2006)

Another example that illustrates entitativity is illustrated at the top row of Figure 4. On the left, the objects are positioned at random in the visual field; on the right, they are arranged on a curve in the 'good' shape of a heart. The more Gestalt principles are met, the higher is the perceived entitativity of a collection of elements.

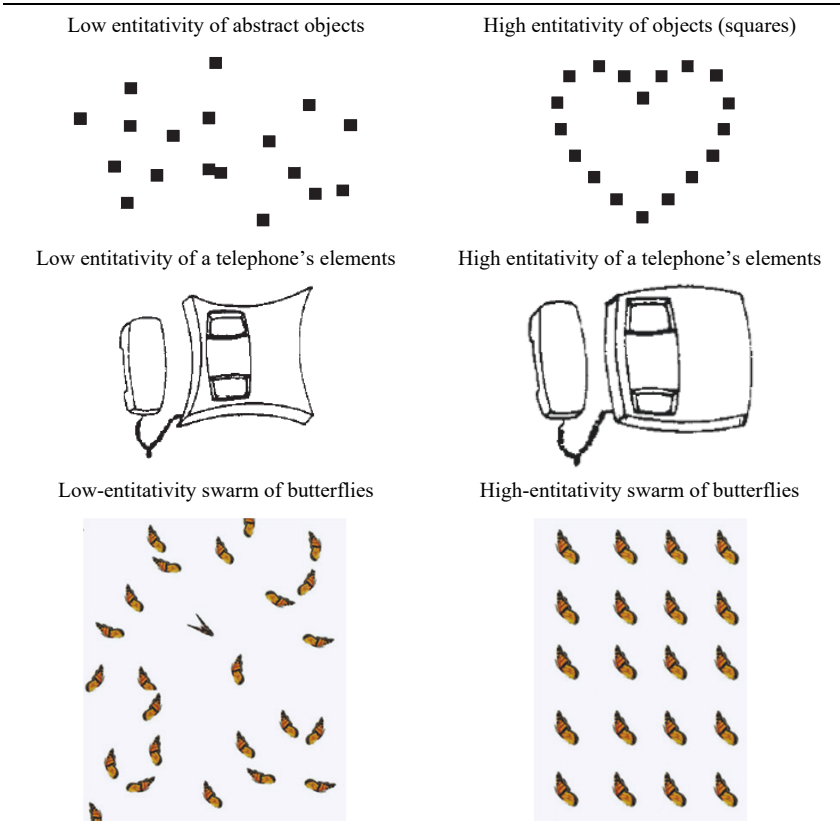


Figure 4: Examples indicating how entitativity can be manipulated (Sources: Squares: own illustration, telephone images: Veryzer and Hutchinson 1998; butterfly images: Smith, Faro, and Burson 2013)

Third, when people observe elements of a group of elements, they likely judge the valence (likeability) of the group. It is presumed that *liking the group* is contingent on the *entitativity of the group's elements*. Researchers provided three arguments in favor of the presumption that the likeability of the group of elements is contingent on the degree to which people actually are able to link the elements together.

Beauty and harmony (aesthetic response): Early theorists in the field of Gestalt theory discussed effects of element entitativity on group liking. Hartmann (1935, 13) states that "what we call beauty is none other than 'degree' of Gestalt." Other researchers connect a high degree of unity with beauty and harmony. Koffka (1935, 175) states that a violation of Gestalt principles contradicts the human feeling of fit and hurts "our sense of beauty." Lauer (1979) considered unity in the field of design and alternatively used the term harmony as an evaluative response: Harmony arises when the arrangement of elements seems as if there is some kind of visual connection between them that is not random.

Ease of processing: It is easier to process (i.e., recognize and/or store) information about highly entitative objects compared to objects that are low in entitativity. Building an overall impression of low-entitativity groups of elements seems to be more difficult, effortful, or sometimes even impossible. Moreover, people are presumed to like cognitive activities if they can be performed with low effort. If people transfer the affect resulting from the ease of the cognitive processing of the elements to the group of the elements, highly entitative groups of elements are liked to a higher extent. The latter effect is consistent with findings in research on perceptual fluency. If people easily can interpret a stimulus, they experience pleasant feelings due to the fact that they have sufficient cognitive capabilities. The feelings are activation of reward areas of the human brain. The people transfer these positive feelings to the source of the feelings, i.e., the group of the elements.

Depth of elaboration: If objects can be easily recognized and stored in memory, a higher portion of cognitive resource is available for interpreting the group of objects. If the features of the objects are positive, the individuals have more capacity to elaborate on favorable aspects. As a consequence, the group is evaluated more favorably.

Prior studies of researchers in the field of Gestalt theory and related fields (e.g., product design) provided evidence for a positive relationship between element entitativity and group evaluation. Lennon (1990) produced 28 photos of female models wearing garments and accessories that either matched or did not match in color, style, or pattern. She reports that clothing consisting of matching components is perceived as more attractive. Bell, Holbrook, and Solomon (1991) created images of living room furniture. They combined five furnishing items (chair, table, sculpture, lamp, and painting) that differed regarding design style (either traditional or contemporary), resulting in 32 combinations. Each test participant rated the images that were designed for each combination with regard to unity, aesthetic response, and likeability. They found that furniture of the same style increased perceived unity. An increase in perceived unity resulted in an increase of aesthetic response, what in turn enhanced general liking. Veryzer (1993) as well as Veryzer and Hutchinson (1998) investigated the degree of fit of different elements of a product regarding shape or lines (e.g., the shape of the telephone receiver looked

either similar or dissimilar to the shape of the telephone docking station; see Figure 4, middle row). They report that consumers judge products higher in terms of visual attractiveness when the products are composed of similar components or lines. Smith, Faro, and Burson (2013, 964 f.) found a positive effect of the degree of unity in an animation of a swarm of butterflies on the willingness to donate for the endangered species of butterflies (see Figure 4, bottom row).

2.2 The Concept of Entitativity in Social Psychology

From a visual perception of objects, this concept was transferred into social psychology. Campbell (1958) dealt with requirements that have to be met so that an aggregate of people might be perceived as one social group, i.e., a collection of humans. He borrowed the basic principles from Gestalt theory and rephrased them so that they were suitable for people. People who are very similar and/or close to each other (visual and psychological), who share common goals and have a common fate are perceived as being highly entitative, i.e., as belonging to one social group. Hamilton, Sherman, and their colleagues published a large number of papers on the effect of the entitativity of social groups on the mode how recipients store information about a group of persons (e.g., Hamilton and Sherman 1996). For highly entitative groups (e.g., families or friends), this stream of research denotes the mode of processing as "on-line" or "integrative" and presumes that an individual processes information about group characteristics immediately when s/he is exposed to (descriptions of) a group. For descriptions of low-entitativity groups of persons (e.g., people who live in the same neighborhood or people waiting at the bus stop), the researchers surmise that discrepancies and inconsistencies between the group members prohibit immediate processing of group information, as more cognitive effort is supposed to be needed. Building an overall impression of low-entitativity groups seems to be more difficult, effortful, or sometimes even impossible. Hamilton, Sherman, and their colleagues showed that recall values of group characteristics are high (vs. low) if the social group is high (vs. low) in entitativity. Additional theoretical considerations in social psychology concerning the effect of entitativity on *evaluative responses* are rather scarce. This stream of research only added the aspect that the elements of a group could also possess negative features (e.g., groups of persons who have undesirable characteristics such as "being in prison for committing thievery" or outgroup characteristics). In this condition, high (compared to low) entitativity enables more intense elaboration of favorable characteristics making positive evaluations even more positive and high (compared to low) entitativity enables more intense processing of unfavorable characteristics making negative evaluations even more negative. This effect is denoted as the polarization effect of entitativity which could also be transferred to other types of elements of a group of elements.

In social psychology, authors were able to replicate the positive effect of entitativity for positive and neutral groups as it was found in Gestalt theory. Spencer-Rodgers, Hamilton, and Sherman (2007) exposed test participants to the verbal names of a sample of 24 social groups that differed with respect to entitativity. Test participants were asked to list and rate their thoughts coming to mind while reading the names of each of these groups (e.g., surgeons). More favorable thoughts were found for groups higher in entitativity. Castano, Yzerbyt, and Bourguignon (2003, study 2) used the EU countries as test objects and students from Belgium as test subjects. The authors provided textual information about the countries of the EU and asked the test participants either to concentrate on commonalities or differences between the countries to create the high- and low-entitativity conditions. They found higher ratings of identification with the EU when the students' attention was directed to commonalities indicating a positive entitativity-evaluation relationship.

2.3 The Concept of Entitativity in Research on Family Brands

Chang and Lou (2010) showed that the concept of the entitativity continuum is not only applicable to collections of objects and social groups but also to family brands, i.e., brands that offer a variety of products. Gürhan-Canli (2003) investigated the effect of the entitativity of family brands (manipulated textually) on brand evaluations. She reported a null effect of entitativity on the evaluation of the family brand. We surmise that the fact that Gürhan-Canli did not find an effect of entitativity on family brand evaluations was the result of providing contradictory information about each product's quality.

3 Development of Hypotheses

Research in social psychology showed that entitativity has a positive (negative) effect on group evaluations when its members are judged positively (negatively). In our study, we focus on positively or neutrally evaluated brands and do not investigate the polarization effect. We chose favorably evaluated brands (resulting from a pre-test) and test:

H1: Displaying the products of a brand in a highly entitative manner results in a more favorable brand attitude compared to displaying the products in a less entitative manner.

Gestalt theory suggests that the positive effect of entitativity on evaluations results from higher perceptions of harmony and beauty. Thus, we test:

H2: The effect of entitativity on brand attitude is mediated by aesthetic response.

It is also imaginable that higher ease and depth of processing in the condition of high entitativity results in more favorable evaluations. In the case of depictions of family brands, ease and depth of processing might be represented by the degree

to which the consumer believes to recognize the special characteristics of the brand's nature or substance (Yzerbyt, Corneille, and Estrada 2001). We test:

H3: The effect of entitativity on attitude is mediated by perceptions of the degree to which the ad represents the brand's essence.

4 Experiment

Experimental design: The study is based on a 2 (entitativity: high, low) × 2 (number of depicted products: small, large) experimental design and complemented by a singularity condition. High entitativity means that the products are displayed closely together, arranged in a good shape (row or V-shape), and thus representing a unity. Low entitativity means that the products are located at random positions. The number of products was manipulated by displaying three or a large number of products of the brand. In the singularity condition, single products are displayed; for this condition, six products were selected as representatives of the brand's products and each product was shown in a separate ad. This experimental design was used for promoting the Vio (beverages) and Nivea (cosmetics) brand. The brand factor (beverages, cosmetics) and the number-of-products factor were included as replicate factors into the design to enable us checking the generalizability of the results. In a pretest, the attitude ratings were rather high for each of these brands; thus, we surmise that the brand's products are not evaluated negatively (what would have predicted a negative entitativity effect).

Test stimuli: We created advertisements for each experimental condition. Figure 5 shows examples of ads for the Vio brand. Figure 6 illustrates examples of ads for the Nivea brand. Note that, for the three-product ads, two ad versions were created (showing different samples of the products), and for the single-product ads, six ad versions were created (each showing one of the products) and shown in different sub-samples of test persons.

Procedure: Data were assessed by an online-survey. The links to the questionnaire were posted in student social networks. Each test person was exposed to one ad version. After asking the persons to take part in a thought-listing task, attitudes toward the brand were assessed. Subsequently, aesthetic response and perception of the brand's essence were measured. The test persons reported their interest in the category of beverages (or cosmetics, respectively) and knowledge in the category. Moreover, agreement with statements indicating general attitudes toward aesthetics was assessed. Additionally, we assessed perceptions of entitativity and used these data to check the validity of our manipulation. Finally, age, gender, and occupational status were assessed. The sample was allocated to the experimental conditions at random. If there were sub-conditions (for the three-product ads and single-product ads), sub-samples were built.

Sample: In total, 837 persons took part in our experiment (70.8% female, 79.0% students, M_{age} = 24.24 years, SD = 3.69).

Measures: We assessed the attitude toward the brand by agreement with "(The brand) is very attractive," "interesting," "appealing," and "likeable" (α = .941). The statements for measuring aesthetic response are in line with the suggestions of researchers in the field of Gestalt theory; the test persons agreed with "(The displayed product/s is/are) presented in a pleasant way," "appears to be very harmonious," and "is displayed in a beautiful manner" (α = .914). The degree to which the essence of the brand is expressed by the ad was assessed by agreement with "The displayed product(s) represent(s) the brand's essence very well," "represent the brand's image very well," "represent the brand's substance very well," and "represent the brand's meaning very well" (α = .939). Perceptions of entitativity were assessed by asking the test participants to agree with "The displayed products are very similar," "I perceive the depicted products as one unit," and "The products are displayed in a very structured way" (α = .830). In the single-product conditions, we refrained from assessing entitativity. All scales were seven-point scales and anchored with "totally disagree" and "totally agree."

Manipulation check: In the small-number-of-products condition, perceptions of entitativity were higher in the high- compared to the low-entitativity condition ($M_{\text{low entitativity}} = 5.27$, $M_{\text{high entitativity}} = 5.97$, $F(1; 284) = 24.121$, $p < .001$). The same result was obtained in the large-number-of-products condition ($M_{\text{low entitativity}} = 4.32$, $M_{\text{high entitativity}} = 4.81$, $F(1; 322) = 13.041$, $p < .001$). Thus, we conclude that the manipulation of entitativity was successful.

Description of results: In Table 1, we report the effect of the number of the depicted products and the entitativity factor on brand attitude, aesthetic response, and perceptions of the degree to which the ad represents the brand's essence depending on the brand (Vio, Nivea). Overall, the findings show that there are more favorable values of these response variables in the high-entitativity compared to the low-entitativity conditions. The control variables (general interest in the category, knowledge in the category, general attitudes toward aesthetics, age, gender, and occupational status) did not systematically vary across the experimental conditions.

Multiple-products condition

	High entitativity	*Low entitativity*
Small number of products (example of stimuli)		
Large number of products		

Single-product condition (examples of stimuli)

Figure 5: Test stimuli created for the Vio brand

Figure 6: Test stimuli created for the Nivea brand

Table 1: Attitude toward the brand, aesthetic response, and perceptions of the brand's essence depending on entitativity, number of products, single product/multiple products depiction, and brand

Brand	Response variable	Single product	Small number of products		Large number of products	
			High entitativity	Low entitativity	High entitativity	Low entitativity
Vio	Brand attitude	4.84 (1.42)	4.82 (1.20)	4.56 (1.37)	5.28 (1.22)	4.45 (1.16)
	Aesthetic response	5.49 (1.23)	5.39 (1.08)	5.04 (1.27)	5.60 (1.11)	4.46 (1.58)
	Brand's essence	4.69 (1.37)	4.74 (1.68)	4.51 (1.34)	4.93 (1.19)	4.77 (1.19)
Nivea	Brand attitude	4.57 (1.49)	5.04 (1.77)	4.49 (1.36)	5.02 (1.40)	4.56 (1.39)
	Aesthetic response	4.82 (1.42)	5.64 (1.07)	5.11 (1.32)	4.99 (1.53)	4.53 (1.51)
	Brand's essence	5.35 (1.25)	5.86 (1.11)	4.90 (1.39)	5.18 (1.26)	4.78 (1.35)
Overall	Brand attitude	4.71 (1.45)	4.93 (1.19)	4.52 (1.36)	5.15 (1.32)	4.51 (1.28)
	Aesthetic response	5.16 (1.36)	5.52 (1.08)	5.08 (1.29)	5.29 (1.37)	4.50 (1.54)
	Brand's essence	5.02 (1.35)	5.30 (1.53)	4.71 (1.37)	5.06 (1.23)	4.77 (1.27)

Hypotheses test: Because we found that the effect of entitativity on brand attitude does not systematically vary across the brands (Vio, Nivea) and the number of depicted products (small number, larger number), we collapsed data across these conditions. In H1, we expected more favorable brand attitudes in the high- compared to the low-entitativity condition. Our results are in line with this presumption ($M_{\text{low entitativity}} = 4.51$, $M_{\text{high entitativity}} = 5.04$, $F(1; 608) = 25.808$, $p < .001$, $\eta = .202$). We estimated a mediation model (Hayes 2013, model 4) to test H2 and H3. In this model, we used entitativity as a binary independent variable (0 = low entitativity, 1 = high entitativity). Note that we excluded the data for the single-product condition for this analysis. The aesthetic response and the perceptions of the degree to which the ad represents the brand's essence were used as mediating variables. The brand attitude served as the dependent variable. The findings are shown in Figure 7. They indicate that both the aesthetic response and the brand's essence are statistically significant mediating variables. These findings provide support to H2 and H3.

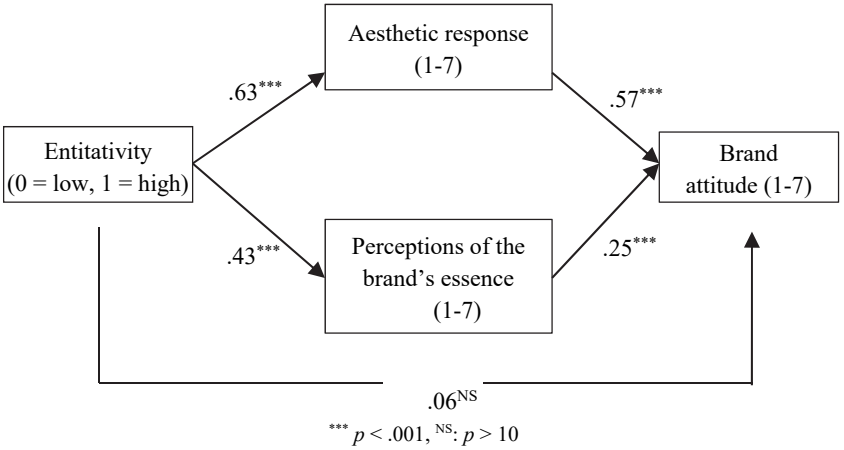


Figure 7: A mediation model explaining the effect of entitativity on brand attitude

Interpretation: Our findings show that high-entitativity depictions of the products of a family brand result in more favorable brand attitudes because the likeability of the product's presentation is higher and the brand's essences becomes more clear. Single-product depictions are more effective than low-entitativity depictions of a group of products but less effective than high-entitativity depictions of a group of products.

Limitations: We used a student sample. Students might respond less sensitive to ad manipulations because they have higher skills to cope with manipulations. Vio might be known as a brand that promotes its products by the means of high-entitativity depictions. This aspect likely biased our finding. Moreover, we used favorably evaluated brands; for less desirable brand, a negative effect of entitativity might appear. The test stimuli predominantly showed product images; including more product information might reduce the observed effect. Due to the manipulation of the number of products, we did only consider few three-product combinations and only a part of the single-product cases. These restrictions limit the validity of our results.

Recommendation and suggestion for future research: Our study suggests displaying the products of a family brand in a highly entitative manner. Probably, an additional effect results if entitativity as supplemented by means to humanize the brand. The latter aspect provides avenues for future research.

5 References

Bell, S. S.; Holbrook M. B. and M. R Solomon (1991), "Combining esthetic and social value to explain preferences for product styles with the incorporation of personality and ensemble effects," in: *Journal of Social Behavior and Personality,* Vol. 6, No. 6, 243-274.

Campbell, D. T. (1958), "Common fate, similarity, and other indices of the status of aggregates of persons as social entities," in: *Systems Research and Behavioral Science*, Vol. 3, No. 1, 14-25.

Castano, E.; Yzerbyt, V. and D. Bourguignon (2003), "We are one and I like it: The impact of ingroup entitativity on ingroup identification," in: *European Journal of Social Psychology*, Vol. 33, No. 6, 735-754.

Chang, J. W. and Y. C. Lou (2010), "Varieties of family brand entitativity," in: Campbell, M. C.; Inman J. and R. Pieters (eds.): *Advances in Consumer Research*, Vol. 37, MN: Association for Consumer Research, Duluth, 769-771.

Gürhan-Canli, Z. (2003), "The effect of expected variability of product quality and attribute uniqueness on family brand evaluations," in: *Journal of Consumer Research*, Vol. 30, No. 1, 105-114.

Hamilton, D. L. and S. J. Sherman (1996), "Perceiving persons and groups," in: *Psychological Review*, Vol. 103, No. 2, 336-355.

Hartmann, G. W. (1935) (Reprint 1974), "Gestalt Psychology: A Survey of Facts and Principles," CT: Greenwood Press, Westport.

Hayes, A. F. (2013), "Introduction to mediation, moderation, and conditional process analysis: A regression-based approach," Guilford Press, New York.

Ip, G. W.; Chiu C. and C. Wan (2006), "Birds of a feather and birds flocking together: Physical versus behavioral cues may lead to trait- versus goal-based group perception," in: *Journal of Personality and Social Psychology*, Vol. 90, No. 3, 368-381.

Koffka, K. (1935), "Principles of Gestalt Psychology," Harcourt, Brace and Company, NY, New York.

Lauer, D. A. (1979), "Design basics," Holt, Rinehart and Winston, NY, New York.

Lennon, S. J. (1990), "Effects of clothing attractiveness on perception," in: *Home Economics Research Journal*, Vol. 18, No. 4, 303-310.

Smith, R. W.; Faro D. and K. A. Burson (2013), "More for the many: The influence of entitativity on charitable giving," in: *Journal of Consumer Research*, Vol. 35, No. 5, 961-976.

Spencer-Rodgers, J.; Hamilton D. L. and S. J. Sherman (2007), "The central role of entitativity in stereotypes of social categories and task groups," in: *Journal of Personality and Social Psychology*, Vol. 92, No. 3, 369-388.

Veryzer Jr., R. W. (1993), "Aesthetic Response and the influence of design principles on product preferences," in: McAlister, L. and M. L. Rothschild (eds.): *NA - Advances in Consumer Research,* Vol. 20, Association for Consumer Research, Provo, UT, 224-228.

Veryzer Jr., R. W. and J. W. Hutchinson (1998), "The influence of unity and prototypicality on aesthetic responses to new product designs," in: *Journal of Consumer Research*, Vol. 24, No. 4, 374-394.

Wertheimer, M. (1923), „Untersuchungen zur Lehre von der Gestalt. II," [Studies on the theory of Gestalt. II] in: *Psychologische Forschung [Psychological Research],* Vol. 4, No. 1, 301-350.

Yzerbyt, V. Y.; Corneille O. and C. Estrada (2001), "The interplay of subjective essentialism and entitativity in the formation of stereotypes," in: *Personality and Social Psychology Review*, Vol. 5, No. 2, 141-155.

Bilingual Consumers' Response to the Use of Catalan and Spanish in Advertising in Catalonia

Andreu van Hooft, Frank van Meurs, Ilse van Mierlo

1 Introduction

Catalonia is an autonomous region of Spain with 7,538,813 inhabitants (Generalitat de Catalunya / Institut d'Estadística de Catalunya, 2018a), in which both the Catalan and Spanish language are used and are officially recognized by law. Catalonian consumers are addressed through advertisements in Catalan, Spanish, and mixes of the two languages (Atkinson and Kelly-Holmes, 2006; Franquesa and Sabaté, 2006; Monreal, 2006; Pons Griera, 2003; Torrent, 1999). The literature on language choice in advertisements suggests that bilingual consumers prefer their first language and that therefore ads written in their first language should evoke a more positive response (Koslow et al., 1994). However, in the context of Catalonia the linguistic situation is complex, since its inhabitants may have two opposite views towards language (cf. Woolard, 2013, p. 222). Some Catalonians may have a traditional view in which language is an essential characteristic of a group's identity. For other Catalans, the tie between language and group identity may be less strong or even non-existent. They can be members of more linguistic groups and/or a members of a multilingual group and, as a result, have a more diffuse or pluralistic identity. Depending on which view is more or less dominant in a given bilingual person or bilingual group, their first language may or may not determine their response to language choice in advertisements. If the traditional view, in which the relation between language and (group) identity is very strong, predominates among bilingual consumers in Catalonia, then Catalan bilingual consumers with Catalan as their first language will react positively to the use of Catalan in advertisements, and Catalan consumers with Spanish as their first language will react positively to the use of Spanish in advertisements. In contrast, if the tie between language and identity is less strong and more fluid, then the language used in the ad could have no effect at all. Therefore, the central question in this study is whether bilingual Catalan consumers with Catalan or Spanish as their first language show a preference for the use of their first language in ads, in line with the traditional perspective, or take a more inclusive approach, in which both languages are equally valued.

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_14

2 Theoretical Framework

There is a long tradition of claims that language is essential to national identity. According to Herder (1881, vol. 17, p. 58; translated in Berlin, 1976, p. 165), language is the "whole heart and soul" of a nation (see Oakes, 2001, p. 22). In line with this, De Saussure (1915 [2005], p. 220) identified the so-called *L'esprit de clocher*, a mentality in which speakers of a language think their first language is the best in the world, linked to ethnocentrism and nationalism. A recent and more moderate interpretation of Herder's idea is that "language use influences the formation of group identity, and group identity influences patterns of language attitudes and usage" (Lawson and Sachdev, 2004, p. 56). These ideas form the conceptual frame for linguistic accommodation theory (Giles et al., 1991) applied to advertisements: consumers prefer advertisers who use their own first language, because adaptation to their first language can be seen as expressing sensitivity towards the culture of the target group (Koslow et al., 1994). Even ads in which two languages are mixed could still interpreted as showing cultural sensitivity on the part of the advertiser if one of the languages is the language of the target group (Bhatia, 1992; Hashim, 2010). In line with this, Koslow et al. (1994) found that the use of Spanish in ads, either in combination with English or on its own, led to Hispanic bilingual consumers in the USA considering an advertiser to be more culturally sensitive than if the ad was fully in English. Koslow et al.'s (1994) findings can be seen as evidence supporting the accommodation theory in advertising, at least for their sample of Hispanics in the USA, where Spanish is a minority language and English the majority language. The question arises if these results can be generalized to other countries or regions of the world in which the legal linguistic situation is different to that of Spanish in the USA, such as Catalonia, where Catalan and Spanish are both official languages. In other words, would the use of consumers' first language in ads be perceived more positively than the use of consumers' second language by Catalan consumers with Catalan as their first language and by Catalan consumers with Spanish as their first language in a Catalan bilingual context?

The view in which languages and identities are strongly interdependent is challenged by an approach which sees the relationship between language and identity as less strong and evident. De Saussure (1915 [2005], p. 220) observes that, in opposition to *L'esprit de clocher*, there is the need of individuals from a given group to interact with individuals of other groups at all levels of life, which he called the *force d'intercourse*, the force of sharing words, ideas and things between individuals across cultures, nations and language groups. Since societies are much more heterogeneous and multilingual than in the past, and monolingual individuals are no longer the majority, nowadays the relationship between language and identity is more "hybrid, multiple, and fluid", as Woolard and Frekko (2013, p. 134) remark in relation to Catalan society. For instance, because many original speakers of Spanish as first language now use Catalan to communicate,

speakers of Catalan as first language no longer see the Catalan language as an exclusive marker of their own identity. Inhabitants of Catalonia for whom their first language is not strongly tied to their identity might not have a preference for either Catalan or Spanish in advertising.

Recent research provides some evidence for the view that in Catalonia attitudes to languages in an advertising context are relatively positive about both Catalan and Spanish, in line with the view that the modern language situation in Catalonia is not characterized by a strong link between language and identity. Focus group research on consumer response to the use of Catalan and Spanish in packaging (Martínez and Genovés, 2007) found that the majority of the participants did not notice the language used in packaging (Catalan/Spanish). Only for typical Catalonian products, did a minority of the participants notice that different languages were used in the labels. A majority was in favour of bilingualism and equality of the two languages. A survey on the appreciation of the use of Catalan in advertisements, conducted among 1,000 consumers in Catalonia (Aguilera, 1995), showed that 30% were sympathetic to the use of Catalan in ads, 26% were positive about the use of Catalan in ads, and 42% had neither a positive nor a negative attitude to the message when the ad was in Catalan. However, these studies did not explicitly taken into account the first language of the consumers. They do not provide experimental evidence on the effect of language choice and the role of consumers' first language in Catalonia. By means of an experiment, it will be possible to determine the moderating effect of the first language in consumers' response, in order to establish if approaching bilingual Catalan consumers in their first language would be the most appropriate marketing strategy to target them. This experiment would provide a further test of the predictive value of accommodation theory in advertising with bilingual consumers in a context which is different than the context of the Hispanic consumers studied by Koslow et al. (1994).

Attitudes to languages in advertising are likely to be manifestations of more general language attitudes. This is suggested by Luna and Peracchio's (2005a, 2005b) findings that consumer response to code-switching in advertising was influenced by manipulations of general attitude towards the importance of the first language and second language, and of general attitude towards code-switching. Recent findings by Huguet (2007, pp. 28 and 32) showed that Catalan young individuals' first language determines their general attitudes to Catalan and Spanish. Where Catalans with Catalan as first language showed a better attitude to Catalan, Catalans with Spanish as first language showed a better attitude to Spanish. However to date, it has not been directly investigated if and how such positive attitudes towards their first language and the differences in attitude found between Catalan and Spanish depending on the consumers' first language relate to Catalan consumers' response to specific language choice in ads (cf. the overview of advertising and marketing research in Spanish and Catalan journals in Baladrón-Pazos et al., 2017; Ruiz et al., 2018).

In view of the above considerations, the aim of the current study was to answer the following research questions:

RQ1: To what extent are there differences in general language attitudes to Catalan and Spanish between Catalan consumers with Catalan as first language and Catalan consumers with Spanish as first language?

RQ2: To what extent does the use of Catalan, Spanish or a mix of the two languages lead to a different response to advertising for Catalan consumers with Catalan as first language and Catalan consumers with Spanish as first language?

RQ3: To what extent is the use of Catalan, Spanish or a mix of the two languages in advertising perceived as a sign of cultural respect by Catalan consumers with Catalan as first language and Catalan consumers with Spanish as first language?

3 Method

3.1 Design and Materials

The experiment had a 3 x 2 between-subject post-test-only design with language version of the advertisements (Catalan, Spanish, Mixed Catalan-Spanish) and first language (L1) (Catalan, Spanish) as between-subject factors. The stimuli were based on real product images used in advertising in the Catalan market: a chocolate bar, a bottle of whisky, and a scooter. Three different products were used to enhance the representativeness of the experiment and therefore strengthen the external validity of the study. According to the Rossiter and Percy Grid (1991, p. 13), both the chocolate bar and the whisky can be classified as low involvement transformational products, and the scooter as a high involvement transformational product. In addition, according to the Product Color Matrix (see Weinberger et al., 1995, p. 47), both the chocolate bar and the whisky can be classified as low risk expressive toys, while the scooter can be classified as a higher risk expressive toy. Each participant evaluated ads for all three products in one language condition. In the ads, the original brand name was replaced by a fictitious multinational brand name (Cado, Swoz, NCOB), to prevent brand associations and associations with Catalan and Spanish region-of-origin products. The brand name and logo were accompanied by an English language slogan emphasising that the brand operated on a global scale (“Global taste”, “World wide leader in seducing” and “Anywhere in the world”). Brand names and all visual elements were identical in all three versions (see Figure 1 for all advertisements used in the experiment).

Figure 1: Advertisements used in the experiment

3.2 *Participants and Procedure*

The participants in this study were young bilingual Catalan consumers (68.1 % female; mean age: 21.09; *SD* = 5.60). They were all students from the Universitat Rovira i Virgili in Tarragona and the Universitat de Lleida in Catalonia. Of the 239 participants, 155 reported that Catalan was their first language and 79 that Spanish was their first language. Both groups reported high proficiency in both languages (Catalan, $M = 6.74$, $SD = 0.41$, Spanish, $M = 6.79$, $SD = 0.34$) but higher proficiency in their first language than in their second language (all $ps < .001$).

3.3 *Dependent and Control Variables*

Consumer response was measured with 15 seven-point semantic differential scales and Likert scales (Attitude towards the ad, e.g. unlikable/likable; Jung and Kellaris, 2006; Attitude toward the product, e.g. poor quality/high quality; Luna and Perrachio, 2001; Attitude toward the company, e.g. unprofessional/professional; Maes et al., 1996, p. 209; Purchase intention, e.g.

Buying this product is something: I would definitely do – I would never do; Van Hooft and Truong, 2012). Principal components analysis revealed the presence of one component with eigenvalues exceeding 1 for each product (all three alphas > .910).

Perceived accommodation on the part of the advertiser resulting from the language choice in the ads was measured with one seven-point Likert scale: "This advertisement respects my culture" (based on Koslow et al., 1994, p. 580).

Three variables were included as control factors are: 1) proficiency in both Catalan and Spanish language (four seven-point scales for proficiency in speaking, listening, reading, and writing in both Catalan and Spanish (both alphas >. 774, Luna et al., 2008); 2) Catalan and Spanish language associations (10 seven-point scales, indicating to what extent participants associated the language with 10 concepts, e.g. family, closeness (1 = not at all associated; 7 = strongly associated); Krishna and Ahluwalia, 2008; both alphas > .810); and 3) degree of identification with Catalan and Spanish (two single seven-point Likert scales: "I identify myself with the Catalan language / the Spanish language" (1 = totally disagree; 7 = totally agree).

4 Results

4.1 General Language Attitude towards Catalan and Spanish, and Identification with Catalan and Spanish language

L1 Catalan consumers showed a more positive general language attitude towards Catalan ($M = 5.30$, $SD = 0.77$) than L1 Spanish consumers ($M = 4.71$, $SD = 0.81$; $t(236) = 5.41$, $p < .001$). Conversely, L1 Spanish consumers showed a more positive attitude towards Spanish ($M = 4.66$, $SD = 0.93$) than L1 Catalan consumers ($M = 4.27$, $SD = 0.85$; $t(235) = 3.22$, $p = .001$). Within the L1 Catalan consumers group, the attitude towards Catalan ($M = 5.30$, $SD = 0.77$) was more positive than the attitude towards Spanish ($M = 4.27$, $SD = 0.85$; $t(155) = 11.25$, $p < .001$). Within the L1 Spanish group, the attitude towards Catalan ($M = 4.71$, $SD = 0.81$) and Spanish ($M = 4.66$, $SD = 0.93$) was similar ($t(79) = 0.43$, $p = .66$).

L1 Catalan consumers showed a higher degree of identification with the Catalan language ($M = 6.66$, $SD = 0.95$) than the L1 Spanish consumers ($M = 5.57$, $SD = 1.67$; $t(107{,}303) = 5.48$, $p < .001$). Conversely, L1 Spanish consumers showed a higher degree of identification with Spanish ($M = 6.65$, $SD = 1.06$) than L1 Catalan consumers ($M = 4.57$, $SD = 2.02$; $t(235{,}907) = 10.44$, $p < .001$). Within the L1 Catalan consumers group, the identification with Catalan ($M = 6.66$, $SD = 0.95$) was higher than the identification with Spanish ($M = 4.57$, $SD = 2.02$; $t(156) = 11.43$, $p < .001$). Within the L1 Spanish group, the identification with Spanish ($M = 6.65$, $SD = 1.06$) was higher than with Catalan ($M = 5.57$, $SD = 1.67$; $t(80) = 5.32$, $p < .001$).

4.2 Effects of Ad Language Version and Consumers' First Language on Consumer Response

A two-way MANCOVA showed no significant main effect of language version on consumer response (Pillais's trace, $F(6, 452) < 1$), no significant main effect of consumers' first language (Pillais's trace, $F(3, 225) < 1$), and no significant interactions (Pillais's trace, $F(6, 452) < 1$), after controlling for the covariates (difference scores between general language attitude towards Catalan and Spanish, difference scores between identification with Catalan and Spanish). Subsequent two-way ANOVAs for each product separately showed no significant main effects of language version (all ps > .699), no significant main effect of consumers' first language (all ps > .466), and no significant interactions between language version and consumers' first language (all ps > .672), after controlling for the covariates. Table 1 displays means and standard deviations for consumer response in function of language version and consumers' first language.

Table 1: Means and SDs for consumer response in function of language version of the ad (all-Catalan, all-Spanish, mixed Catalan-Spanish) and consumers' L1 (Catalan/Spanish) per product (n = 235)

	Language	*L1 Catalan*	*L1 Spanish*	*Total*
Product	*version ad*	M (SD) n	M (SD) n	M (SD) n
Chocolate	Catalan	3.59 (0.87) 54	3.61 (1.22) 24	3.59 (0.98) 78
	Spanish	3.33 (1.01) 46	3.64 (1.11) 35	3.47 (1.06) 81
	Mixed	3.47 (1.08) 55	3.52 (0.82) 21	3.48 (1.01) 76
Whisky	Catalan	3.33 (0.99) 54	3.57 (1.22) 24	3.41 (1.06) 78
	Spanish	3.49 (1.34) 46	3.62 (1.42) 35	3.54 (1.36) 81
	Mixed	3.59 (1.25) 55	3.54 (1.32) 21	3.58 (1.26) 76
Scooter	Catalan	3.66 (1.21) 54	3.88 (1.16) 24	3.73 (1.19) 78
	Spanish	3.71 (1.41) 46	3.81 (1.36) 35	3.75 (1.38) 81
	Mixed	3.60 (1.24) 55	3.49 (1.16) 21	3.57 (1.21) 76

4.3 Effects of Ad Language Version and Consumers' First Language on Perceived Cultural Respect Shown by the Ad

A two-way MANCOVA showed no significant main effect of language version on perceived cultural respect (Pillais's trace, $F(6, 450) = 1.79$, $p = .099$), no significant main effect of consumers' first language (Pillais's trace, $F(3, 224) = 2.23$ $p = .086$), and no significant interactions (Pillais's trace, $F(6, 450) = 1.00$ p

= .424), after controlling for the covariates (difference scores between general language attitude towards Catalan and Spanish, and difference scores between identification with Catalan and Spanish). However, subsequent two-way ANOVAs for each product separately showed a significant main effect of language version for only one product, but no significant main effect of consumers' first language (all ps > .069), and no significant interactions between language version and consumers' first language (all ps > .334), after controlling for the covariates. The main effect of language version was significant for the Whisky ad ($F(2, 234) = 3.75$, $p = .025$), but not for the Chocolate ($F(2, 234) < 1$) and Scooter ads ($F(2, 234) = 3.88$, $p = .022$; Levene's test $p = .023$). For the Whisky ad, a one-way Anova with language version as factor showed that the mixed Catalan-Spanish version ($M = 4.60$, $SD = 1.88$) was perceived as showing less cultural respect than the all-Catalan ($M = 5.29$, $SD = 1.59$, $p = .037$, Bonferroni correction) and all-Spanish versions ($M = 5.43$, $SD = 1.68$; $p = .008$, Bonferroni correction). Table 2 displays means and standard deviations for perceived cultural respect shown by the ad in function of language version and consumers' first language.

Table 2: Means and SDs for perceived cultural respect shown by the ad in function of language version of the ad (all-Catalan, all-Spanish, mixed Catalan-Spanish) and consumers' L1 (Catalan/Spanish) per product (n = 234)

Product	*Language version ad*	*L1 Catalan*	*L1 Spanish*	*Total*
		M (SD) n	M (SD) n	M (SD) n
Chocolate	Catalan	5.70 (1.41) 54	5.70 (1.74) 23	5.70 (1.51) 77
	Spanish	4.61 (1.77) 46	5.80 (1.66) 35	5.69 (1.72) 81
	Mixed	4.96 (1.92) 55	5.76 (1.61) 21	5.18 (1.87) 76
Whisky	Catalan	5.09 (1.57) 54	5.74 (1.60) 23	5.79 (1.60) 77
	Spanish	5.07 (1.82) 46	5.91 (1.36) 35	5.43 (1.68) 81
	Mixed	4.38 (1.90) 55	5.05 (1.75) 21	4.67 (1.87) 76
Scooter	Catalan	5.46 (1.55) 54	5.65 (1.64) 23	5.52 (1.57) 77
	Spanish	5.28 (1.80) 46	6.17 (1.20) 35	5.67 (1.62) 81
	Mixed	4.53 (1.73) 55	5.29 (2.03) 21	4.74 (1.84) 76

5 Conclusion and Discussion

This study aimed to investigate to what extent Catalan consumers with L1 Catalan and L1 Spanish have different attitudes towards Catalan and Spanish, both in advertising and in general. The main findings showed that there were significant differences in general language attitude to Catalan and Spanish depending on consumers' first language (RQ1). L1 Catalan consumers had more positive attitudes towards and identified more strongly with Catalan than L1 Spanish consumers, and L1 Spanish consumers had more positive attitudes towards and identified more strongly with Spanish than L1 Catalan consumers. However, in advertising, the language of the ad (all-Catalan, all-Spanish, mixed Catalan and Spanish) and the first language of Catalan young consumers (Catalan, Spanish) did not have any effects on consumer response (RQ2) and very limited effects on perceived cultural respect shown by the ad (RQ3). For one of the three ads, the mixed Catalan-Spanish version was perceived as showing less cultural respect than the all-Catalan and all-Spanish versions.

The difference found in general attitude towards Catalan and Spanish depending on the first language of the bilingual young high-educated consumers confirms earlier findings for young first language speakers of Catalan and Spanish in Catalonia (Huguet, 2007). The lack of a preference for the use of Catalan or Spanish in ads is in line with the findings of focus group and survey findings showing that Catalan consumers had similar attitudes about both languages in packaging (Martínez and Genovés, 2007) and advertising (Aguilera, 1995). The difference between a general preference for the first language and absence of such preference in relation to ads is in accordance with Woolard and Frekko's (2013, p. 134) idea that, in Catalonia, the relation between language and group identity is "hybrid, multiple, and fluid". Other evidence for such fluidity in language attitudes has been provided by several sociolinguistic studies showing that general language attitudes may differ from specific languages attitudes, depending on the situations and the speakers (Schoel et al., 2013, p. 22). For instance, studies have demonstrated that participants' attitudes to English/western loanwords in general were different from their attitudes to English/western loanwords in specific texts (Hassall et al., 2008; Kristiansen, 2010).

In the current study, no confirmation was found for the relevance of accommodation theory (cf. Giles et al., 1991) in an advertising context: consumers did not prefer ads that use their first language (contra Koslow et al., 1994). The difference between our and Koslow et al.'s findings could be explained by differences in the status of the languages in the two studies. First of all, Catalan and Spanish are both official languages in Catalonia (Estatut d'Autonomia, 2016), while Spanish is not an official language in the USA. In addition, in the USA English is the majority language (ca. 291,500,000 speakers) and Spanish is the language of a minority (ca. 37,500,000 speakers; around 13%) (Ryan, 2013; US

Census, 2011), whereas in Catalonia both Catalan and Spanish are the first languages of large numbers of people, even though less for Catalan (42.42%) than Spanish (57.58%) (Generalitat de Catalunya / Institut d'Estadística, 2018b). Thus, people in Catalonia may feel more secure and have more positive image and status about both their first language and their second language, whether it is Catalan or Spanish, and therefore have equal attitudes to use of either language in advertising. In contrast, Hispanics in the USA may feel less secure about the status of their first language, Spanish, and therefore have a more positive attitude to the use of Spanish than to the use of English in ads, perceiving the use of their first language Spanish as a sign of recognition.

The findings of our study have clear practical implications for advertisers and publicity agencies. The absence of the effect of language choice suggests that advertisements promoting products produced by multinational companies can use both Catalan and Spanish to approach young bilingual and highly educated Catalan consumers. Since the demographic and linguistic background of the sample is not representative of all Catalan consumers, more research is needed with other consumers groups in Catalonia, to determine the effect of other factors that could influence language attitudes and therefore consumer response, such as age, level of language competence in Catalan and Spanish, educational level, and geographical area of residence (urban versus rural).

The current study was conducted in 2015. In October 2017, a series of political events took place in Catalonia around independence from Spain, including an independence referendum, subsequent confrontation with the Spanish central government, and polarization of Catalan society around the independence issue. These developments may influence attitudes to Catalan and Spanish in Catalonia. To assess the impact of these developments, a replication study should be carried out to gain more insight into the role of political and identity factors as mediators of consumer response to language choice in advertisements in Catalonia.

There are many other countries or regions in the world where, similar to Catalonia, different languages are recognized by law and used by balanced and highly competent bilingual speakers. Such countries and regions can be found all over the world, from Africa (e.g., Algeria [Classic Arabic and Tamazight], Chad [Arabic and French], Kenya [English and Swahili], Morocco [Arabic and Berber] and South Africa [15 different languages]); Asia (e.g., Hong Kong [English, Cantonese and Mandarin], Malaysia [English and Malay], Pakistan [Pakistani English and Urdu], Philippines [English and Filipino], Singapore [English, Mandarin Chinese, Malay and Tamil]); Europe (e.g., the Basque Country [Basque and Spanish], Balearic Islands and Valencian Community [Catalan and Spanish], Belgium [Dutch, French and German], Republics of Russia [31 languages in addition to Russian], Switzerland [French, German, Italian and Romansh]); Hispanic America (e.g., Bolivia [Spanish and 36 other languages]), to North America (Québec in Canada [English and French]) (Wikipedia, 2018). Further research in such

countries and regions is needed to reveal whether and to what extent bilingual or multilingual consumers exhibit different attitudes to different official languages, both in advertising and more general contexts. Additionally, such research should investigate what factors could explain such attitudinal differences or lack of differences.

Acknowledgments

We would like to thank Dr Assumpció Huertas, Juan Luís Gonzalo Iglesia, Dr Miquel Àngel Pradilla and Dr Maria Rosa Tamarit (University Rovira i Virgili, Tarragona, Spain) and Dr Joan Julià-Muné, Dr Eimys Ortiz and Dr Cristina Solé Castells (University of Lleida, Lleida, Spain), for their help with the data collection.

6 References

Aguilera i Vilar, M. (1995), "Actituds dels Consumidors Catalans davant l'Ús Comercial del Català," in: *Llengua i Ús: Revista Tècnica de Política Lingüística*, Vol. 3, 55-59.

Atkinson, D. and H. Kelly-Holmes (2006), "Linguistic Normalisation and the Market. Advertising and Linguistic Choice in 'El Periódico de Catalunya'," in: *Language Problems & Language Planning*, Vol. 30, No. 3, 239-260.

Baladrón-Pazos, A. J.; Manchado-Pérez, B. and B. Correyero-Ruiz (2017), "Estudio Bibliométrico sobre la Investigación en Publicidad en España: Temáticas, Investigadores, Redes y Centros de Producción (1980-2015)," in: *Revista Española de Documentación Científica*, Vol. 40, No. 2, 170-188.

Berlin, I. V. (1976), "Vico and Herder: Two Studies in the History of Ideas," Viking, New York.

Bhatia, T. K. (1992), "Discourse Functions and Pragmatics of Mixing: Advertising across Cultures," in: *World Englishes*, Vol. 11, Nos. 2-3, 195-215.

De Saussure, F. (1915 [2005]), "Cours de Linguistique Générale", Arbre d'Or, Genève.

Estatut d'Autonomia de Catalunya (2016), Retrieved from https://www.parlament.cat/document/cataleg/48089.pdf (accessed 5 December 2018).

Franquesa, E. and J. Sabaté (2006), "Màrqueting Lingüístic i Consum," Facultat de Comunicació, Universitat Ramon Llull, Barcelona.

Generalitat de Catalunya / Institut d'Estadística de Catalunya (2018a), "Population on 1 January 2018," Retrieved from https://www.idescat.cat/indicadors/?id=anuals&n=10328&tema=xifpo&lang=en (accessed 12 December 2018).

Generalitat de Catalunya / Institut d'Estadística de Catalunya (2018b) "Survey on Language Uses of the Population. Dades enllaçades 2003-2008-2013. Usos lingüístics i àmbits d'ús," Retrieved from https://www.idescat.cat/pub/?id=eulp&n=7229&lang=en (accessed 18 December 2018).

Giles, H.; Coupland, N. and J. Coupland (1991), "Accommodation Theory: Communication, Context, and Consequence," in: Giles, H.; Coupland, N.; Coupland, J. (1991) (eds.): *Contexts of Accommodation: Developments in*

Applied Sociolinguistics, Cambridge University Press, Cambridge, UK, 1-68.

Hashim, A. (2010). "Englishes in advertising," in: Kirkpatrick, A. (2010) (ed.): *The Routledge Handbook of World Englishes*, Routledge, London, 520-534.

Hassall, T.; Murtisari, E. T.; Donnelly C. and J. Wood (2008), "Attitudes to Western Loanwords in Indonesian," in: *International Journal of the Sociology of Language*, Vol. 189, 55–84.

Herder, J. G. (1881), "Herders sämmtliche Werke," Weidmannsche Buchhandlung, Berlin.

Huguet, A. (2007), "Language Use and Language Attitudes in Catalonia," in: Lasagabaster, D.; Huguet, À. (2007) (eds.): *Multilingualism in European Bilingual Contexts: Language Use and Attitudes*, Multilingual Matters, Clevedon, 17-39.

Jung, J. M. and J. J. Kellaris, (2006), "Responsiveness to Authority Appeals among Young French and American Consumers," in: *Journal of Business Research*, Viol. 59, No. 6, 735-744.

Koslow, S.; Shamdasani, P. N. and E. E. Touchstone (1994), "Exploring Language Effects in Ethnic Advertising: A Sociolinguistic Perspective," in: *Journal of Consumer Research*, Vol. 20, No. 4, 575-585.

Krishna, A. and R. Ahluwalia (2008), "Language Choice in Advertising to Bilinguals: Asymmetric Effects for Multinationals versus Local Firms," in: *Journal of Consumer Research*, Vol. 35, No. 4, 692-705.

Kristiansen, T., (2010) "Conscious and Subconscious Attitudes towards English Influence in the Nordic Countries: Evidence for Two Levels of Language Ideology," in: *International Journal of the Sociology of Language*, Vol. 204, 59–95.

Lawson, S. and I. Sachdev (2004), "Identity, Language Use, and Attitudes: Some Sylheti-Bangladeshi Data from London, UK," in: *Journal of Language and Social Psychology*, Vol. 23, No. 1, 49-69.

Luna, D. and L. A. Peracchio (2001), "Moderators of Language Effects in Advertising to Bilinguals: A Psycholinguistic Approach," in: *Journal of Consumer Research*, Vol. 28, No. 2: 284-295.

Luna, D. and L. A. Peracchio (2005a), "Advertising to Bilingual Consumers: The Impact of Code-switching on Persuasion," in: *Journal of Consumer* Research, Vol. 31. No. 4, 760-765.

Luna, D. and L. A. Peracchio (2005b), "Sociolinguistic Effects on Code-switched Ads Targeting Bilingual Consumers," in: *Journal of Advertising*, Vol. 34, No. 2, 43-56.

Luna, D.; Ringberg, T. and L. A. Peracchio (2008), "One Individual, Two Identities: Frame Switching among Biculturals," in: *Journal of Consumer Research*, Vol. 35, No. 2, 279-293.

Maes, A.; Ummelen, N. and H. Hoeken (1996), "Instructieve Teksten. Analyse, Ontwerp en Evaluatie," Coutinho, Bussum.

Martínez, M. and I. Genovès (2007), "El Paper de la Llengua entre els Consumidors," in: *Llengua i Ús: Revista Tècnica de Política lingüística*, Vol. 39, 66-71.

Monreal, J. J. (2006), "Usos Lingüístics dels Ens Empresarials i de l'Administració en la Publicitat a la Premsa Generalista Diària a Catalunya," Plataforma per la Llengua, Barcelona.

Oakes, L. (2001), "Language and National Identity: Comparing France and Sweden," John Benjamins Publishing, Amsterdam.

Pons Griera, L. (2003), "Alternancia de Lenguas en la Publicidad en Catalán," in: Cabeza, C.; Rodríguez Yáñez, X. P.; Lorenzo Suárez, A. (2003) (eds.): *Comunidades e Individuos Bilingües*. *Actas do I Simposio Internacional sobre o Bilingüismo*, Universidade de Vigo, Vigo, 567-579.

Rossiter, J. R.; Percy, L. and R. J. Donovan (1991), "A Better Advertising Planning Grid," in: *Journal of Advertising Research*, Vol. 31, No. 5, 11-21.

Ruiz, B. C.; Pérez, B. M. and A. J. B. Pazos (2018), "Evolución Histórica de la Investigación Publicitaria en España: De los Orígenes Científicos de la Publicidad al Actual Auge Investigador," in: *adComunica*, Vol. 15, 89-113.

Ryan, C. (2013), "Language Use in the United States: 2011," Retrieved from https://www.census.gov/prod/2013pubs/acs-22.pdf (accessed 18 December 2018).

Schoel, C.; Roessel, J.; Eck, J.; Janssen, B.; Petrovic, A.; ... and D. Stahlberg (2013), "'*A*ttitudes *To*wards *L*anguages' (AToL) Scale: A Global Instrument," in: *Journal of Language and Social Psychology*, Vol. 32, No. 1, 21-45.

Torrent, A. M. (1999), "La Llengua de la Publicitat," L'Abadia de Montserrat, Barcelona.

US Census (2015), "Detailed Languages Spoken at Home and Ability to Speak English for the Population 5 Years and Over: 2009-2013," Retrieved from https://www.census.gov/data/tables/2013/demo/2009-2013-lang-tables.html, (accessed 18 December 2018).

Van Hooft, A. and T. Truong (2012), "Language Choice and Persuasiveness: The Effects of the Use of English in Product Advertisements in Hong Kong," in: Heynderickx, P.; Dieltjens, S.; Jacobs, G.; Gillaerts, P.; de Groot, E. (2012) (eds.): *The Language Factor in International Business: New Perspectives on Research, Teaching and Practice*, Peter Lang, Bern, 175-198.

Weinberger, M. G.; Spotts, H. E.; Campbell, L. and A. L. Parsons (1995), "The Use and Effect of Humor in Different Advertising Media," in: *Journal of Advertising Research*, Vol. 35, No. 3, 44-58.

Wikipedia (2018), "List of Multilingual Countries and Regions," Retrieved from https://en.wikipedia.org/wiki/List_of_multilingual_countries_and_regions#Central_Europe (accessed 13 December 2018).

Woolard, K. A. (2013), "Is the Personal Political? Chronotopes and Changing Stances toward Catalan Language and Identity," in: *International Journal of Bilingual Education and Bilingualism*, Vol. 16, No. 2, 210-224.

Woolard, K. A. and S. E. Frekko (2013), "Catalan in the Twenty-first Century: Romantic Publics and Cosmopolitan Communities," in: *International Journal of Bilingual Education and Bilingualism*, Vol. 16, No. 2, 129-137.

Deception by Endorsers. An Empirical Analysis of Deceptive Claims in Advertising

Clara Muela-Molina, Salvador Perelló-Oliver,
M.ª Victoria Campos-Zabala, Alfonso de la Quintana-García

1 Introduction

Testimonials are one of the different types of advertising execution, with other examples such as straight sell or factual message, scientific/technical evidence, demonstration, comparison, slice of life, animation, personality symbol, fantasy, dramatization or humor (Belch and Belch, 2007). Therefore, to imbue brands with "personality", that is personifying the product (Fleck et al., 2014), there are different mechanisms in advertising that may be used. Although a general categorization of endorsers would distinguish between celebrity and noncelebrity, most studies tend to follow a more detailed typology composed of four different modalities (Belch and Belch, 2013; Fleck et al., 2014; Friedman et al., 1976; Khatri, 2006; Perelló-Oliver et al., 2018): (1) celebrities; (2) typical consumers; (3) professional experts; and (4) company spokespeople. The presence of personalities in advertising has received the attention of researchers from many and diverse fields, especially to establish that its inclusion in the advertising message increases efficiency.

Literature on the subject has often focused on celebrities as endorsers, as opposed to other types of endorsers, and has generally employed the source credibility model (Ohanian, 1990) addressing one or all three of its dimensions: expertise, trustworthiness, and physical attractiveness (Amos et al., 2008; Biswas et al., 2006; Eisend and Langner, 2010; Gaied and Rached, 2010; McGinnies and Ward, 1980; Mittelstaedt et al., 2000; Priester and Petty, 2003; Siemens et al., 2008). Other studies have used the meaning transfer model (Amos et al., 2008; Doss, 2011; Silvera and Austad, 2004) based on the argument that celebrities add value through the process of meaning transfer in contrast with the anonymous models (or anonymous actors) since "celebrities deliver meanings of extra subtlety, depth, and power" (McCracken, 1989, p. 315). Celebrities are also prevalent in the majority of studies analysing the form and presence of endorsers in advertising (Belch and Belch, 2013; Black and Choi, 2013; Choi et al., 2005; Hsu and McDonald, 2002; Stout and Moon, 1990).

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_15

On the other hand, an analysis of deceptive advertising can be approached from three perspectives consistent with the advertiser, the message and the recipient (Russo et al., 1981): (1) fraud focuses on the advertiser and assumes a deliberate intent to create false beliefs about the product; (2) falsity refers to the existence of a claim fact discrepancy; and (3) misleadingness focuses on consumer beliefs and requires the exposure to the ad. Therefore, deceptive advertising emphasizes the message while misleading advertising concentrates its attention on the recipient.

Researchers in this field have frequently focused on the analysis of deceptive advertising case law derived from legal frameworks (Attas, 1999; Carson et al., 1985; Gardner, 1975; Hastak and Mazis, 2011; Jacoby, 1994; Preston, 1977; Preston, 1989; Preston, 1990; Preston, 2010; Richards and Preston, 1992). There is also abundant literature on identifying, detecting and measuring advertising that may mislead consumers applying an experimental approach. In particular, this type of research has dealt with the effects of misleading advertising from the consumer's view point (Armstrong et al., 1980; Barbour and Gardner, 1982; Burke et al., 1988; Gaeth and Heath, 1987; Grunert and Dedler, 1985; Olson and Dover, 1978; Russo et al., 1981; Searleman and Carter, 1988; Schutz and Casey, 1981; Xie et al., 2015), although it has also focused on puffery and implied superiority claims (Kamins and Marks, 1987; Rotfeld and Rotzoll, 1980; Snyder, 1989).

However, only a few studies have analyzed the presence of deceptive advertising. Relevant among them are the analyses of content information and claim level of verification in magazine advertisements (Kassarjian and Kassarjian, 1988) and of the types of deceptive claims used in television humour ads, where 73.5% of all humorous ads were found to contain deceptive claims, masked in 74.5% of cases by the humorous content (Shabbir and Thwaites, 2007). A further study analysed the presence of deceptive advertising and compliance with law to show that 38.9% of radio spots broadcast in news/talk radio stations, 81% of spots related to health products and 79.3% related to beauty and hygiene contain deceptive claims (Muela-Molina and Perelló-Oliver, 2013). Nevertheless, no study has been found on deceptive advertising made by endorsers, a practice which violates one of the basic principles of advertising, i.e. truthfulness.

2 Ethical Framework

Ethics is concerned with the establishment and systematic assessment of the principles and methods which should govern professional practice and, therefore, ethical codes are a guide for the industry in its decision-making process. Thus, for distinguishing right from wrong, advertising practitioners have adopted codes of conduct which must be adhered to. The Consolidated Code of Advertising and Marketing Communication Practice of the International Chamber of Commerce (ICC) is used as a baseline for many national codes around the world. Article 13

of the Code refers to the presence of testimonials in advertising in a very succinct manner: "Marketing communications should not contain or refer to any testimonial, endorsement or supportive documentation unless it is genuine, verifiable and relevant" (ICC, 2011, p. 8).

With regards to the principle of truthfulness of advertising content, Article 5 of the Code says that advertising, as a kind of marketing communication, should be truthful and not misleading, that is, should "not contain any statement, claim or audio or visual treatment which, directly or by implication, omission, ambiguity or exaggeration, is likely to mislead the consumer" (ICC, 2011, p. 7), in particular concerning the total price to be paid by the consumer, terms of guarantee and "characteristics of the product which are material, i.e. likely to influence the consumer's choice, such as: nature, composition, method and date of manufacture, range of use, efficiency and performance, quantity, commercial or geographical origin or environmental impact" (ICC, 2011, p. 7).

Hyman et al., (1994) studied the field of advertising ethics and ranked the most important thirty-three researchable topics, with the use of deception in ads as the highest-ranked topic. It is argued that deceptive advertising can be shown to be morally objectionable, on the weak assumption that it is wrong to harm others (Carson et al., 1985). In line with this, the present paper aims to analyze the behavior of advertisers regarding their compliance with one of the basic principles that governs the advertising they are responsible for. To this end, attention is given to two variables which determine the persuasion process that may condition the behavior of consumers. Firstly, endorsers and testimonials, which can have great persuasive power and increase advertising effectiveness. Therefore, endorsers, as a peripheral cue (Petty et al., 1983), are now highly regulated by the public administration. And secondly, the use of deceptive claims which not only influence the perceptions and beliefs of what a product is or can do, thereby modifying the response of consumers, but can also have an effect on competing brands and therefore lead to market distortions.

Thus, the main objective of this paper is to analyze the presence and use of deceptive advertising when made by endorsers, focusing on the following aspects: (1) presence of endorsements that can deceive consumers; (2) types of advertisers and products that use deceptive endorsers more frequently; (3) types of deceptive messages that are more prevalent. This objective is the basis for the following research question:

RQ1: What is the presence of deceptive endorsers by type of advertiser?
RQ2: What is the presence of deceptive endorsers by type of product or service category?
RQ3: Which is the most prevalent type of deceptive endorser by type of endorsement?

3 Methodology

We analysed the totality of radio spots broadcast within a sample of commercial –therefore, private– radio stations of national coverage from which we selected the 12 with highest audience ratings. Only radio spots in which the product was described by an endorser were considered for further analysis. After this selection, the corpus was reduced to 1437 radio spots, which were then coded with the following variables:

1. Advertiser type. Multinational; National; Local.
2. Product category.
3. Type of endorsers. Celebrity: Film, Music, Sport, Fashion, News and Media; Company personality; Professional expert; Typical consumer.
4. Type of endorsement.
   - Mention: in a co-presentational form using the third person and acting as a spokesperson, the endorser refers to the brand or describes the product or offer via a descriptive message without or low involvement.
   - Testimonial: in an explicit form using the first person, the description of the product is based on the experience of the endorser –with some degree of involvement– who recommends its characteristics or benefits and shares his/her positive experience or knowledge as consumer with the target audience; therefore, the level of involvement is high.
5. Deceptive claims. This paper has only taken into account explicit claims.
   - False claims associated with the characteristics of the product, its price, purchasing conditions or guarantee.
   - Omissions of material facts, i.e., omission or concealment of information; or unclear, unintelligible or ambiguous information, as well as failing to give details at the appropriate time.
   - Puffery claims: uniqueness claims, superlative and superiority.

The validity, generalizability and replicability of the sample –1437 endorsements– under study is guaranteed. In fact, its size in relation to the total universe of endorsement broadcast throughout the year 2016 presents an error of ±2,63 (p=q=50 and 2 sigma). This margin of error is relatively low considering the infinite universe we are dealing with. The previous inter-codifier reliability was tested using Cohen´s Kappa (Cohen 1960), which showed a variation between 0.875 and 1, calculated with SPSS (version 17). Specifically, the variable Advertiser type reached a value of k=1 and Product category reached k=0.976. Ks for Type of endorser and Type of endorsement had value 1 (k=1), while for the variable Deceptive claims k=0.875.

This high level of agreement in such a large sample (1437) is explained by the fact that the operationalization of variables is based on background literature and domain expertise of the coders. The variable which caused more discrepancy was

Deceptive claims, as it was difficult to decide whether to identify an omission or a false claim regarding the characteristics or benefits of the product. Therefore, to solve the few discrepancies detected (Kassarjian, 1977), a third work session took place in which the authors, after assessing the situations, decided the final codification of doubtful cases. The results shown below are based on a value k=1 for all variables. Additionally, any crossed-data of the coded variables has been submitted to relevant statistical significance tests using nonparametric χ^2 analysis.

4 Results

The general analysis of the sample under study (1437) indicates that there is some type of deception in 25% of analyzed endorsements, with exaggeration presenting the highest relative weight (65.4%).

Table 1. Type of deceptive claim and type of endorser

	Absence of deception		*Type of deceptive claim*							
			Characteristics		*Price*		*Omission*		*Puffery*	
	n	%	n	%	n	%	n	%	n	%
Film	8	0.74								
Music	7	0.65								
Sport									6	2.58
Fashion										
News & Media	19	1.77	12	22.64						
Comp. Personality	821	76.30	12	22.64	43	82.69	15	65.22	201	86.27
Profess. Experts			5	9.43	1	1.92				
Typical Consum.	221	20.54	24	45.28	8	15.38	8	34.78	26	11.16
Total (N=1437)	1076	100.00	53	100.00	52	100.00	23	100.00	233	100.00

Notes: Film & Type of deceptive claim: χ^2: 2.729, Significance: .742; Music & Type of deceptive claim: χ^2: 2.386 , Significance: .794; Sport & Type of deceptive claim: χ^2: 31.237, Significance: .001; News&Media & Type of deceptive claim: χ^2: 113.329, Significance: .001; Company Personality & Type of deceptive claim: χ^2: 100.644, Significance: .001; Professional Experts & Type of deceptive claim: χ^2: 112.373, Significance: .001; Typical Consumer & Type of deceptive claim: χ^2:37.698, Significance: .001

Table 1 shows results broken down by type of endorser and also provides significance values for crossed-data. Company personality is the most frequently used endorser, present in 1092 of analyzed endorsements –75% of the total– of which 271 –24.8%– include some type of deception, with exaggeration as the most significant type of deceptive advertising (χ^2=100.644, df=4, p=.001,

n=1092). In fact, 86.27% of this type of deception features a Company Personality. Typical consumers (287) account for 20% of the analyzed sample (1437). With regards to the variable Type of deceptive claim (χ^2=37.698, df=4, p=.001, n=287), it is worth noting that 45.28% of advertising that is deceptive regarding the characteristics of the product features this type of endorser. The relationship between the rest of endorsers (Sport, News & Media, Professional Experts, Film, Music) and deceptive advertising has two characteristics: either its relative weight in the sample is low although the relationship is statistically significant (Type of deceptive claim and Sport χ^2=31.237, df=4, p=.001, n=6; Type of deceptive claim and News & Media χ^2=113.329, df=4, p=.001, n=31; Type of deceptive claim and Professional Experts χ^2=112.373, df=4, p=.001, n=6) or it is not statistically significant (Type of deceptive claim and Film χ^2=2.729, df=4, p=.742, n=8; Type of deceptive claim and Music χ^2=2.386, df=4, p=.794, n=7).

Table 2. Type of deceptive claim and type of advertiser

	Absence		*Type of deceptive claim*							
			Character-istics		*Price*		*Omission*		*Puffery*	
	n	%	n	%	n	%	n	%	n	%
Multina-tional	223	20.7	9	17.0					99	42.5
National	498	46.3	32	60.4	14	26.9	17	73.9	56	24.0
Local	355	33.0	12	22.6	38	73.1	6	26.1	78	33.5
Total (N=1437)	1076	100.0	53	100.0	52	100.0	23	100.0	233	100.0

Note: Type of deceptive claim and type of advertiser: χ^2: 121.280, significance: .001

Table 2 answers RQ1 regarding the relationship between the presence of deceptive endorsers and the type of advertiser and establishes that it is statistically significant (χ^2=121.280, df=8, p=.001, n=1437). 43% of studied endorsements are from national advertisers, followed by local (34%) and multinational advertisers (23%) who have the lowest relative weight. Disaggregating by type of deceptive claim, it can be observed that advertising that deceives regarding the characteristics of the product or involves deception by omission is largely concentrated in endorsements promoted by local advertisers, 60.4% and 73.9% respectively. Advertising that is deceptive due to exaggeration, on the other hand, is mainly found in multinational endorsements (42.5%) while deception regarding the price is highly present in local advertisers (73.9%).

Table 3. Type of deceptive claim and type of product

	Absence		*Type of deceptive claim*							
			Character-istics		*Price*		*Omission*		*Puffery*	
	n	%	n	%	n	%	n	%	n	%
Food	5	0.46							1	0.43
Cars	190	17.66			16	30.77			60	25.75
Drinks										
Beauty & Hygiene	6	0.56	6	11.32						
Construc-tion										
Culture. Ed-ucation & Media	49	4.55					6	26.09	3	1.29
Sports and Leisure	73	6.78							13	5.28
Distribution & Restau-rants	122	11.34	3	5.66					50	21.46
Energy	3	0.28								
Office Equip. lect./IT&Re-tail.	2	0.19			5	9.62				
Finance	152	14.13							7	3.0
Home	60	5.58							58	24.89
Indust.. Work Mate-rial. Agric.		0.00								
Cleaning	2	0.19								
Personal Items	2	0.19								
Health	25	2.32	31	58.49	9	17.31	5	21.74		
Public and Private Ser-vices	277	25.74	11	20.75	22	42.31	12	52.17	34	14.59
Telecom. & Internet	49	4.55	2	3.77						
Textile and clothing	20	1.86								
Transport, Travel & Tourism	39	3.62							7	3.00
Miscellane-ous										
Total (N=1437)	1076	100.00	53	100.00	52	100.00	23	100.00	233	100.00

Note: type of deceptive claim and type of product: χ^2: 832.552, significance: .001

Table 3 shows the presence of deceptive endorsers by type of product or service category (RQ2). After the relevant significance test (χ^2=832.552, df=64, p=.001, n=1437), the results show that products linked to Public and Private Services carry the most weight in the studied sample (356, i.e. 24.77% of the total), followed by endorsers advertising cars (18.51% of the total). At the same time, these two categories present the highest number of deceptive endorsers, 79 and 76 respectively. Disaggregating by type of deception, it is worth noting that advertising that deceives regarding the characteristics of the product is mainly concentrated (58.49%) in health-related products; although the presence of this type of advertising is low in relation to the overall sample (4.87%), it is higher than desirable considering the product involvement. Deception by omission is also usual (21.74%) in health-related products using endorsers to address the audience, although in this case advertising is largely concentrated in Public and Private Services (52.17%). Exaggeration is the deception preferred by endorsers when advertising distribution and restaurants (21.46%), home (24.89%) and cars (25.75%), although in this last product category, the most common type of deception concerns the price (30.77%), especially regarding the conditions of purchase and guarantee.

Table 4. Type of deceptive claim and type of endorsement

	Absence		*Type of deceptive claim*							
			Characteristics		*Price*		*Omission*		*Puffery*	
	n	%	n	%	n	%	n	%	n	%
Absence	9	0.8							1	0.4
Mention	989	91.9	18	34.0	47	90.4	18	78.3	211	90.6
Testimonial	78	7.2	35	66.0	5	9.6	5	21.7	21	9.0
Total (N=1437)	1076	100.0	53	100.0	52	100.0	23	100.0	233	100.0

Note: Type of deceptive claim and type of endorsement: χ^2: 199.378, significance: .001

Table 4 provides results regarding the type of endorsement used to execute the deception and answers RQ3. Mentions have the highest presence in the overall sample. They appear 1283 times, accounting for 89.2% of the total. After validating this cross tabulation (χ^2=199.378, df=8, p=.001, n=1437), it is established that this type of endorsement is preferred to execute deceptions regarding the price (90.4%), based on exaggeration (90.6%) or by omission (78.3%). Testimonials have a much lower presence, although they are the type of endorsement most frequently used in deceptive advertising to distort the characteristics of the product (66.0%).

5 Discussion

The main objective of this paper is to analyze the presence and use of endorsers when the message content is deceptive. The use of deception in ads is one of the most important researchable topics in the field of advertising ethics (Hymanet al., 1994). However, this study offers a new approach by analyzing the relationship between the endorser as a vehicle for product information and the content of the message through deceptive claims. As a peripheral route for persuasion in advertising (Petty and Cacioppo, 1986), an endorser can be used to convey his/her perceived trustworthiness to the product (Kertz and Ohanian, 1992) since consumers trust the source and accept the description of the product even when it is not true to reality.

The first objective of the study was to determine the presence of endorsements that contain deceptive claims. This study has found deceptive claims in one out of four endorsements. The present paper introduces a novel and relevant approach which analyzes the choice of type of endorser as an execution strategy rather than a decision conditioned by the content of the commercial message. The narrative style of the message, or elements used to increase its efficiency, are therefore taken into account. In this regard, Company personality is the type of endorser that accumulates the highest number of deceptive claims while puffery is the most frequently used resource for deception. The fact that a company employee endorses a product he/she works with entails, in principle, a level of commitment and a guarantee which increases the trust placed in him/her and his/her credibility as a source of information (Fleck et al., 2014). In this case, the use of puffery is less identifiable since it comes from a person who deals directly with the product and consumers tend to trust his/her knowledge regarding its characteristics and production process. On the other hand, a Typical consumer is an endorser positioned at the same level as the recipient of the message so that the trust placed in him/her is similar to the trust placed in a friend or acquaintance giving good advice. Consumers tend to accept the recommendations of the endorser because they find themselves similar to him/her (Hastak and Mazis, 2011). For this reason, it is noteworthy that most deceptive claims based on the characteristics of the product use this type of endorser. This paper also shows the low presence of Celebrities, perhaps due to the chosen medium of research, radio, which cannot take full advantage of the appeal of famous personalities. Attention must also be drawn to the fact that opinion leaders and media professionals often participate in advertising against the ethical codes of the sector (Society of Professional Journalists, 2014). In many occasions journalists are untruthful regarding the characteristics of the products they are endorsing, and advertisers take advantage of their credibility and social influence. If the recipient places a high level of trust in the source of information of the product and therefore fails to analyze the message, he/she may unthinkingly accept deceptive arguments as valid and truthful (Priester and Petty, 2003).

The second objective is to establish the type of advertiser that uses deceptive claims more frequently and the product category where these have a higher presence. Multinational corporations behave more respectfully towards consumers since their use of deceptive claims in advertising is lower and usually based on puffery. On the other hand, national brands tend to practice deception based on the product characteristics or by omission. These two types of deceptive claims are also predominant in the category of health-related products, which is also the most frequent user of endorsers and which has a high level of involvement with consumers (Richards and Preston, 1992). In this case, falsity refers to material claims such as the efficiency and performance of the product (Russo et al., 1981; Preston, 1990) or omission (Xie and Boush, 2011) due to the lack of substantiation of health claims in compliance with the codes and law. These results coincide with those of previous studies which have also shown the significant presence of deceptive advertisements in health-related products (Muela-Molina and Perelló-Oliver, 2013).

The third objective focuses the analysis on the types of deceptive messages that are more prevalent. Mentions are the type of endorsement most frequently used by advertisers, where endorsers distance themselves from the product by describing it in the third person. Advertisers overuse endorsers who are considered a vehicle for informational appeals and are viewed as truthful personalities aspiring to win the audience's confidence (Stern, 1991), which is broken when deceptive claims are introduced in the endorsements. On the other hand, deceptive claims by product characteristics appear most often in testimonials, where the endorser's role is that of a consumer recommending the product based on his/her own experience. In fact, testimonials from Typical consumers are considered deceptive if the recipient of the message assumes them to be disinterested since, on the whole, advertisers only use consumers who are satisfied with the consumption and/or use of the product or service advertised (Hastak and Mazis, 2011). In this regard, advertisers take advantage of the fact that the perception of the endorser's involvement is more efficient in terms of consumer attitude than actual involvement (Keel and Nataraajan, 2012), since most testimonials, if not all, don't seem to be based on the direct knowledge of the endorser, nor on his/her experience of the product, but rather on the simple reading of the advertisement's script. In this way, if the audience considers the source of information of the product credible (Ohanian, 1990) and trusts the endorser, it is inclined to accept the description offered (Priester and Petty, 2003) even when it's based on deceptive claims.

6 Conclusions

Endorsers are one of the executional elements most frequently used by advertisers as a vehicle for deceptive messages. Incorporating the personal or professional experience of the endorser into the commercial message increases the likelihood of consumers failing to analyze the content of the endorsement, especially

if the message features a celebrity, opinion leader or socially relevant person. The results suggest that advertisers use endorsers as a means for persuasion. Despite the inherent limitations of a descriptive study as opposed to an experimental methodology, this paper suggests that endorsers can be an instrument used to disguise deceptive advertising. Within the context of responsible behavior and respect to consumers, this finding suggests the need for a higher level of compliance with the ethical codes advertisers themselves subscribe to. The results show that deceptive claims based on product characteristics are most frequently used by endorsers representing a Typical consumer and in the category of health-related products. As a result of the research, it can be concluded that each type of endorser uses different deceptive claims depending on the role he/she plays in relation to the consumer.

7 Acknowledgement

This article is the result of a research that has been developed under the project funded by the Ministry of Economy and Competitiveness of the Government of Spain, State Program R&D Oriented to Society Challenges (CSO2017-82267-R).

8 References

Amos, C.; G. Holmes and D. Strutton (2008), "Exploring the relationship between celebrity endorser effects and advertising effectiveness," In: *International Journal of Advertising* Vol. 27: 209- 234.

Armstrong, G. M.; M. N. Gurol and F.A. Russ (1980), "Defining and measuring deception in advertising: A review and evaluation," in: *Current Issues and research in Advertising* Vol. 3: 17-39.

Attas, D. (1999), "What's wrong with" deceptive" advertising?," in: *Journal of business ethics* Vol. 21: 49-59.

Barbour, F. L. and D. Gardner (1982), "Deceptive advertising: A practical approach to measurement," *Journal of Advertising* vol. 11: 21-30.

Belch, G. E. and M. A. Belch (2007), "Advertising and Promotion: An Integrated Marketing Communications Perspective," (7th ed.), McGraw-Hill/Irwin: New York.

Belch, G. E. and M. A. Belch (2013), "A content analysis study of the use of celebrity endorsers in magazine advertising," in: *International Journal of Advertising* vol. 32: 369-389.

Biswas, D.; A. Biswas and N. Das (2006), "The differential effects of celebrity and expert endorsements on consumer risk perceptions. The role of consumer knowledge, perceived congruency, and product technology orientation," in: *Journal of Advertising* vol. 35: 17-31.

Black, B. and J. Choi (2013), "An Analysis of Celebrity Endorsements in Magazine Advertisements," in: *Journalism and Mass Communication* vol. 3: 615-624.

Burke, R. R.; W. S. DeSarbo; R. L. Oliver and T. S. Robertson (1988), "Deception by implication: An experimental investigation," In: *Journal of Consumer Research* vol. 14: 483-494.

Carson, T. L.; R. E. Wokutch and J. E. Jr. Cox (1985), "An ethical analysis of deception in advertising," in: *Journal of Business Ethics* vol. 4: 93-104.

Choi, S. M.; W. N. Lee, and H. J. Kim (2005), "Lessons from the rich and famous: A cross-cultural comparison of celebrity endorsement in advertising," in: *Journal of Advertising* vol. 34: 85-98.

Cohen, J. (1960), "A coefficient of agreement for nominal scales," in: *Educational and Psychological Measurement* vol. 20: 37-46.

Doss, S. (2011), "The transference of brand attitude: the effect on the celebrity endorser," in: *Journal of Management and Marketing Research* vol. 7: 58-70.

Eisend, M. and T. Langner (2010), "Immediate and delayed advertising effects of celebrity endorsers' attractiveness and expertise," in: *International Journal of Advertising* vol. 29: 527-546.

Fleck, N.; M. Géraldine and V. Zeitoun (2014), "Brand personification through the use of spokespeople: An exploratory study of ordinary employees, CEOs, and celebrities featured in advertising," in: *Psychology & Marketing* vol. 31: 84-92.

Friedman, H. H.; S. Termini and R. Washington (1976), "The effectiveness of advertisements utilizing four types of endorsers," in: *Journal of Advertising* vol. 5: 22-24.

Gaeth, G. J. and T. B. Heath (1987), "The Cognitive Processing of Misleading Adversiting in Young and Old Adults: Assessment and Training," in: *Journal of Consumer Research* vol. 14: 43-54.

Gaied, A. M. and S. B. Kaouther, S. B. Rached (2010), "The Persuasive Effectiveness of Famous and Non-Famous Endorsers in Advertising," *IBIMA Business Review* 2010: 1-14.

Gardner, D. M. (1975), "Deception in advertising: A conceptual approach," in: *The Journal of Marketing* vol. 39: 40-46.

Grunert, K. G. and K. Dedler (1985), "Misleading advertising: in search of a measurement methodology," in: *Journal of Public Policy & Marketing* vol. 4: 153-165.

Hastak, M. and M. B. Mazis (2011), "Deception by implication: A typology of truthful but misleading advertising and labeling claims," in: Journal of Public Policy & Marketing vol. 30: 157-167.

Hsu, C. K. and D. McDonald (2002), "An examination on multiple celebrity endorsers in advertising," in: *Journal of Product & Brand Management* vol. 11: 19-29.

Hyman, M. R. (1990), "Deception in advertising: A proposed complex of definitions for researchers, lawyers, and regulators," in: *International Journal of Advertising* vol. 9: 259-270.

Hyman, M. R.; R. Tansey and J. W. Clark (1994), "Research on advertising ethics: Past, present, and future," in: *Journal of Advertising* vol. 23: 5-15.

ICC (International Chamber of Commerce) (2011), "Consolidated ICC Code of Advertising and Marketing Communication Practice," available at: http://www.codescentre.com/media/2083/660%20consolidated%20icc%20code_2011_final%20with%20covers.pdf.

Jacoby, J. (1994), "Misleading research on the subject of misleading advertising: The Wilkes et al. investigation of pharmaceutical advertising in leading medical journals," in: *Food & Drug LJ* vol. 49: 21-35.
Kassarjian, H. H. (1977), "Content Analysis in Consumer Research," in: *Journal of Consumer Research* vol. 4: 8-18.
Kassarjian, H. H. and W. M. Kassarjian (1988), "The impact of regulation on advertising: A content analysis," in: *Journal of Consumer Policy* vol. 11: 269-285.
Keel, A. and R. Nataraajan (2012), "Celebrity endorsements and beyond: New avenues for celebrity branding," in: *Psychology & Marketing* vol. 29: 690-703.
Kertz, C. L. and R. Ohanian (1992), "Source credibility, legal liability, and the law of endorsements," in: *Journal of Public Policy & Marketing* vol. 11: 12-23.
Khatri, P. (2006), "Celebrity Endorsement: A strategic promotion perspective," in: *Indian Media Studies Journal* vol. 1: 25-37.
McCracken, G. (1989), "Who is the celebrity endorser? Cultural foundations of the endorsement process," in: *Journal of consumer research* vol. 16: 310-321.
McGinnies, E. and Ch. D. Ward (1980), "Better liked than right trustworthiness and expertise as factors in credibility," in: *Personality and Social Psychology Bulletin* vol. 6: 467-472.
Mittelstaedt, J. D.; P. C. Riesz and W. J. Burns (2000), "Why are endorsements effective? Sorting among theories of product and endorser effects," in: *Journal of Current Issues & Research in Advertising* vol. 22: 55-65.
Muela-Molina, C. and S. Perelló-Oliver (2013), "Misleading advertising: a study of radio spots in Spain," in: *Convergencia. Revista de Ciencias Sociales* vol. 20: 13-43.
Ohanian, R. (1990), "Construction and validation of a scale to measure celebrity endorsers' perceived expertise, trustworthiness, and attractiveness," in: *Journal of Advertising* vol. 19: 39-52.
Olson, J. C. and P. A. Dover (1978), "Cognitive effects of deceptive advertising," in: *Journal of Marketing Research*, vol. 15: 29-38.
Perelló-Oliver, S.; C. Muela-Molina and Mª. V. Campos-Zabala (2018), "Brand personification in radio advertising. Analysis of the presence and use of the figure of the spokesperson," in: *Revista Latina de Comunicación Social*, vol. 73, 1163-1178.
Petty, R. E.; J. T. Cacioppo and D. Schumann (1983), "Central and peripheral routes to advertising effectiveness: The moderating role of involvement," in: *Journal of consumer research* vol. 10: 135-146.
Petty, R. E. and J. T. Cacioppo (1986), "Communication and Persuasion. Central and Peripheral Routes to Attitude Change," Springer-Verlag: New York.
Preston, I. L. (1977), "The FTC's Handling of Puffery and Other Selling Claims Made 'By Implication'," in: *Journal of Business Research* vol. 5: 155-181.
Preston, I. L. (1989), "False and Deceptive Advertising Under the Lanham Act: Analysis of Factual Findings and Types of Evidence," in: The Trademark Reporter vol. 79: 508-553.
Preston, I. L. (1990), "Definition of Deceptiveness in Advertising and Other Commercial Speech," *The Catholic University Law Review* 39: 1035-1079.

Preston, I. L. (2010), "Interaction of law and ethics in matters of advertisers' responsibility for protecting consumers," in: *Journal of Consumer Affairs* vol. 44: 259-264.

Priester, J. R. and R. E. Petty (2003), "The influence of spokesperson trustworthiness on message elaboration, attitude strength, and advertising effectiveness," in: *Journal of Consumer Psychology* vol. 13: 408-421.

Richards, J. I. and I. L. Preston (1992), "Proving and disproving materiality of deceptive advertising claims," in: *Journal of Public Policy & Marketing* vol. 11: 45-56.

Russo, J. E.; B. L. Metcalf and D. Stephens (1981), "Identifying misleading advertising," in: *Journal of Consumer Research*, vol. 8: 119-131.

Schutz, H. G. and M. Casey (1981), "Consumer perceptions of advertising as misleading," in: *Journal of Consumer Affairs* vol. 15: 340-357.

Searleman, A. and H. Carter (1988), "The effectiveness of different types of pragmatic implications found in commercials to mislead subjects," in: *Applied Cognitive Psychology* vol. 2: 265-272.

Shabbir, H. and D. Thwaites (2007), "The use of humor to mask deceptive advertising: It's no laughing matter," in: Journal of Advertising vol. 36: 75-85.

Siemens, J. C.; S. Smith; D. Fisher and T. D. Jensen (2008), "Product expertise versus professional expertise: Congruency between an endorser's chosen profession and the endorsed product," in: *Journal of Targeting, Measurement and Analysis for Marketing* vol. 16: 159-168.

Silvera, D. H. and B. Austad (2004), "Factors predicting the effectiveness of celebrity endorsement advertisements," in: *European Journal of marketing* vol. 38: 1509-1526.

Snyder, R. (1989), "Misleading characteristics of implied-superiority claims," in: *Journal of Advertising* vol. 18: 54-61.

Stern, B. B. (1991), "Who talks advertising? Literary theory and narrative 'point of view," in: *Journal of Advertising* vol. 20: 9-22.

Stout, P. A. and Y. S. Moon (1990), "Use of endorsers in magazine advertisements," in: *Journalism & Mass Communication Quarterly* vol. 67: 536-546.

Xie, G. X.; M. David and D. M. Boush (2011), "How susceptible are consumers to deceptive advertising claims? A retrospective look at the experimental research literature," in: *The Marketing Review* vol. 11: 293-314.

Xie, G. X; R. Madrigal and D. M. Boush (2015), "Disentangling the effects of perceived deception and anticipated harm on consumer responses to deceptive advertising," in: *Journal of Business Ethics* vol. 129: 281-293.

European Destination Managers' Ambivalence Towards the Use of Shocking Advertising

Augusta Ifeanyichukwu Evans, Giuseppe Emanuele Adamo, Barbara Czarnecka

1 Introduction

This study compares destination managers reactions towards the use of shock advertising in the European tourism sectors and develops the knowledge of how shock advertising can be an effective tool in managing annoying tourists' behaviours. Impactful communication has often been found to be effective in changing behaviour. Governments and other public bodies use communication, including advertising to educate the public, create awareness and change behaviours (GCS, 2014). The tourism industry is one of the sectors where various forms of advertising are important tools of communication. For example, a good way to reach tourists is to advertise in in-flight magazines, or to offer advertising at the hotel check-in at the destination, or as in-room literature. Some destinations use incentives alongside communication to influence tourist behaviour. For instance, tourists in Venice are fined for several annoying behaviours. The campaign, #EnjoyRespectVenezia utilized social media, website, posters around the town and flyers at important locations such as train stations to warn tourists of the impact of their irresponsible behaviour on the local community and environment. Tourists could be fined for littering, damaging the trees, benches or any other property in town, or for going shirtless (Buckley, 2017). Such campaigns may become more important as the number of tourists and the importance of tourism to local economies have been rising (WTO, 2018).

Shock advertising can act as a powerful strategy to persuade individuals to change behaviours and attitudes (Mehta, 2000). Such communication can take many forms, including the use of shocking images, text, voiceover, or any combination of these to elicit attention and behavioural change (Dahl et al., 2003). The effectiveness of such advertisements has been well-researched except for the area of tourist behaviour. Tourists constitute an important segment of the global market (WTO, 2018), and are found to have important positive and negative influence on local communities. This influence, especially tourists' irresponsible and 'annoying' behaviours often has negative consequences for the local communities, the places' image and the involved service providers. Hughes et al., (2011) studied tourists' behaviours in various holiday destinations across Europe such as the Balearic Islands (Spain), Algarve (Portugal), Venice (Italy), Crete (Greece) and Cyprus, and found that the abuse of alcoholic drinks and drugs was positively related with the reported increase in violence, crime rates, risky sexual encounters

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_16

and anti-social behaviour in these destinations. Much of these anti-social behaviours are a result of binge drinking, drugs abuse, the portrayal of the holiday destinations as an environment where individuals feel that "anything goes", cheap pricing of alcohol, and unawareness of local customs. To support tourism and continue its contribution to the economy, it is important to find ways of encouraging tourists to behave in respectful ways so that they do not alienate local tourist providers, other tourists, and do not contribute to creating negative place perceptions and negative image. One way of doing that may be the use of shocking advertising which has been found effective in deterring harmful behaviours in other industries but has not been very popular in the tourism industry. One of the obstacles to using shocking adverts are those decision makers who decide what creative strategies are employed in destination promotion and tourist behaviour management. In context of tourism, destination managers (DMs) are important decision makers in this process.

DMs are part of the culture production system and they influence not only the image of the destination but may have an impact on tourist behaviour through tourist management systems and policies. Hence it is important to explore their attitudes towards the use of one possible creative strategy that may be effective in influencing behaviour of tourists, which is shocking advertising.

2 Literature Review

Dahl et al., (2003, p.269) defines shock advertisement as "a deliberate attempt to startle an audience and thereby violating norms and societal values and personal ideas to capture the attention of a target audience". Its intention is to grab the audience attention, whilst creating a buzz, and breaching those norms, traditions and customs (Skorupa, 2014). Dahl et al., (2003) further described shock advertising as having any of the components presented in Table 1.

Shock advertising has been studied in several contexts such as 'provocation in advertising' (Vézina and Paul, 1997), 'violent advertising' (Andersson *et al.,* 2004), 'taboo in advertising' (Sabri and Obermiller, 2012), 'offensive advertising' (Waller *et al.,* 2005) and 'sex in advertising' (Sengupta and Dahl, 2008). Some tourist destinations have employed shock tactics such as the 'CU "IN THE" NT' campaign of the Northern Territory, "Where the Bloody Hell are you?" campaign of Tourism Australia and Nobody knows where it is, but when you find it - it's amazing. Vilnius: The G-spot of Europe" by the Lithuania Tourism Board. However, there has been very little or no research on the role of shock advertising in tourism, hence the need for this study to explore the DMs' attitudes towards and opinions of the use of shock advertising in tourism.

Table 1: Definition of shock advertising

Offense Elicitor	*Description*
Disgusting images	References to blood, body parts or secretions, orifices, especially urinary/faecal, gases, odours, disease, parasites, bodily harm (e.g., dismemberment), death and decay
Profanity/obscenity	References to masturbation, implied sexual acts, sexually suggestive nudity or partial nudity
Vulgarity	Swear words, obscene gestures, racial epitaphs
Impropriety	Violations of social conventions for dress, manners, etc.
Moral offensiveness	Harming innocent people/animals, gratuitous violence or sex, alluding to people or objects that provoke violence (e.g., Hitler), violating standards for fair behaviour (e.g., shooting a person in the back), putting children in provocative situations (e.g., sexual, violent), victim exploitation
Religious taboos	Inappropriate use of spiritual or religious symbols and/or rituals

Source: Dahl et al., (2003)

2.1 Tourist Behaviour

Tourist behaviours are a well-researched and documented topic; many researchers have focused on pre-arrival behaviours e.g., destination selection (Karl *et al.,* 2015), or on-destination behaviours e.g., annoying behaviours (Loi and Pearce, 2012). Tourism has a major effect on the local culture, habits, beliefs, religion and values of the locals: an influx of tourists can generate feelings of distress, overcrowding, threaten their cultural heritage and social reality of the locals (Almeida García *et al.,* 2015). Often, tourists' behaviours are annoying, dangerous and harmful and destination managers should make efforts to limit or discourage such behaviours. One of the ways that it can be done is via the use of shocking advertising. Surprising very little attention has been reserved to shocking advertising, its use and its implications in tourist behaviour (Moscardo, 1996). In addition, whilst shocking advertising is used elsewhere, its use in tourism is limited. One of the stakeholders responsible for choosing advertising strategies are DMs. These are important to research and be aware of as DMs are responsible for many creative communication strategies in tourism sector.

Destination Management Organisations (DMOs) involve players from the public and commercial sectors, and they are actively involved in the development of a tourist destination, providing information of tourist spots and activities, building positive reputation, preventing negative impacts on the environments and encouraging right behaviours between tourists and hosts (Plzáková *et al.,* 2014). DMOs are also very proactive in implementing policies and projects that will enhance the tourist destinations, making it a memorable experience with creation of excellent tourism products and benefits. Effective management of the tourist destinations helps strengthen the bargaining power between the tourist destination and the wider global world hence opening doors for more marketing opportunities. Pike (2008) proposed that one of the roles of the DMOs is to actively promote the destination image. They should aim to imprint a positive image of the destination in the minds of the tourists as it affects the tourist destination selection and overall consumer satisfaction. Other participants in this destination management are destination management companies (DMCs) who are involved in specialist activities and create programs and solutions based on consumer requirements (Durašević,2015).

The way in which people perceive, describe or explain the world is a form of social action that has consequences; for example, the consequences of holding certain opinions and attitudes towards a certain creative communication strategy may be that this strategy is used despite being ineffective or effective. Surveys or interviews of advertising decision makers' perceptions of media effectiveness, creative strategies effectiveness and their suitability have periodically appeared in the research literature. Reid *et al.,* (2005) explored how local advertising decision makers perceive a series of advertising mediums. Shintaro (2005) surveyed advertising executives in multinational corporations about their perceptions of mobile advertising and the perceived barriers to adapting it.

The choice of advertising strategy is often down to DMs who guide and direct how a destination should be promoted to the various audiences that may be interested in that destination. DMs are stakeholders in the process of creating and communicating destination images and hence their perceptions of a creative communication strategy are important to understand why and how they are used or neglected.

To this end, for a tourist destination to avoid negative associations with socio-economic ills such as political unrest, anti-social behaviours, violence, murders, risky sexual behaviours it will be necessary for all these destination management bodies to work together in harmony and create a tourist product and destination that will fit perfectly with the destination image that they hope to portray. Hence, this research looks at how DMs use shocking advertising and what their attitudes towards using shock advertising in the tourism industry are. This study will answer the following two research questions:

RQ1. What contexts are shock advertisements used in and how and why has it been employed in the travel and tourism industry?

RQ2. How do DMs understand and employ shocking advertisements in their advertising campaigns targeted at tourists?

3 Research Method and Data

To answer these research questions, semi-structured interviews with six DMs in destinations in Europe were conducted. Semi-structured interviews were employed to explore DMs' understanding of shock advertising, the different factors that influence the use of such advertising techniques and whether they think using such techniques could be an effective means of passing the message to the end consumers. In undertaking a one-to-one semi structured interviews it allowed for destination managers to be open about this sensitive topic as it helped bring to the fore front those situations, words or elements that may have been difficult to express in a group setting as some of these terms may be seen as taboos, forbidden or embarrassing to say in public (Flick, 2009; Alston and Bowles, 2003; Yahia *et al*.,2016). The interview was first recorded with Skype, subsequently typed out in text format and imported into the NVIVO software. The semi-structured interviews were broken down into three phases:

1. Phase 1: the interviewees were asked questions pertaining their understanding of shock advertisements and how or if it's employed in the tourism industry;
2. Phase 2: DMs discussed the appeals, non-appeals and barriers to the use of the strategy and examples of any shocking advertisements they could remember.
3. Finally, phase 3, DMs were asked about annoying tourists' behaviours and if shock advertisements could help curtail such behaviour.

The European destinations used in the study are the three most visited destinations by British holiday makers which are Spain, Italy and Germany. These destinations are in the top five countries in the European Union visited by British tourists (Statista, 2017). The sample consisted of 6 destination managers within the European union, having adequate years of experience in their profession (See Table 2 for description). In qualitative research sample size is usually small and often chosen using purposive method so to ensure that the data collected is 'information rich' (Borbasi and Jackson 2012, p.135). Purposive sampling technique was selected as used by other researchers previously conducted same type of studies (Yahia *et al.,* 2016; Jebreen, 2012; Parry *et al.,* 2013). Also, purposive sampling is seen as superior to random sampling in the essence that it allows for equivalence whilst isolating cultural difference (Parry *et al.,* 2013).

Table 2: Description of the interviewees' profile

Respondent	*Job Title*	*Destination/Country*	*Years of Experience*
R1	Development director	Venice/Italy	5-10
R2	Media manager	Madrid/Spain	3
R3	DM	Rome/Italy	4-6
R4	DM	Florence/Italy	3- 5
R5	DM	Barcelona/Spain	10 and above
R6	DM	Berlin/Germany	14

4 Summary of Findings

One of the responsibilities of DMs is to be actively involved in the development of a tourist destination, providing information of tourist spots and activities, building positive reputation, preventing negative impacts on the environments and encouraging right behaviours between tourists and hosts. However, with the increase in unruly and annoying tourist behaviour, there is the pressure on destinations to manage tourists' behaviour to limit such behaviours. This study demonstrates DMs' perceptions of the potential use of shock advertisements. This paper focuses on three area that the interviewed DMs identified as related to the use of shock advertising in the tourism industry:

1. Uses of shock advertisements,
2. The benefits and disadvantages of using shock advertising strategy,
3. Barriers faced in its application.

4.1 Uses of Shock Advertisements

Most of the interviewees were knowledgeable of some of the areas that shock advertisements could be employed in. Many remembered ads that stuck in their memory and could easily recall them. Some of the DMs employed this strategy in banning drug usage and other behaviours that may have harmful impacts on the local communities. Others have employed it in promoting their destination and stating that it was cost effective as only one campaign was necessary since it went viral and spread online quickly. With all its appeals many of the DMs wanted to implement shock advertisements however the use of shock advertisements was

perceived to be faced with so many barriers and opposition that DMs reported usually not employing it or using it very minimally.

4.2 Benefits and Disadvantages of Using Shock Advertising Strategy

DMs reported understanding the implications of using shock advertising. They were able to express the attractions in using such a strategy with words like "awareness", "going viral", "stands out", "and grabs attention". On the other hand, terms such as "negative brand image", "cause offence", "fear", "and racism" were used in describing the disadvantages of shock advertisements. The reported incongruity of shocking advertisement with the image of the destination makes it stand out from the norm, hence causing surprise as it wasn't excepted, which in turn grabs the audience's attention and enhancing elaboration, retention of the advert message and thus potentially leading to a change of behaviour. Shock ads are great for attracting attention and creating awareness of social issues, problems that may affect a community. Despite the many benefits of shock advertisements, it can also be counterproductive as if it's not relevant or not in the right context it could cause fear and offence, also alienating the audience.

4.3 Barriers Faced in its Application

Majority of the DMs reported to have used shock advertising either in the past or in a very limited degree but most where not proactively using it at the time of conducting interviews because of the fear of repercussions, the process of authorisation or the uncertain and unproven effectiveness of such campaigns. DMs reported that the limited application of shock advertising was due to the possible negative effect it has on the target audience, for instance consumers could boycott the products, complain to the regulators or ignore the ad. Another of the reported barriers is that in many of the developed countries, there are restrictions when certain advertisements can be aired and what is aired. Other factors that also influence the implementation of the strategy are grouped into external and internal factors. External factors like having the right resources, approval from external bodies and internal factors like creativity of staff, budget and authorisation from head of departments, the behaviour of tourists themselves will determine if this strategy is employed.

5 Discussion, Implications and Limitations

The objective of this research was to examine the perception of DMs about the use of shocking advertisements as a tool in managing tourists' behaviours.

Often, DMs are responsible for undertaking efforts to manage tourists' behaviours, and this study focused on understanding DMs' perceptions of the use of one of the communication strategies in managing bad tourist behaviours. The findings help to understand how and why shocking advertisements have been employed in the tourism industry and the perceived implications and benefits of its use. Our findings show that shock advertisements are incongruent with DMs' perceptions of what effective advertising is in the context of tourists' behaviour management.

This study may instrumentally impact practice as DMs could reach for shocking advertisements in aspects of destination promotion, but it would require shifting their perceptions and attitudes towards the use of such advertising. To do so, evidence of the effectiveness of shock advertising in changing tourists' annoying behaviours needs to be presented to these DMs. Managerially, one of the most important implications of this study is that shocking advertisement is not used or very rarely used in the tourism industry. This may indicate that DMs fear upsetting the audience or contribute to the tourists boycotting their destinations. However, it may be advisable to air shocking advertising to tourists already visiting the destination to raise their awareness and educate them of behaviours and attitudes that would not be tolerated. DMs should pay close attention to the type and content of the appeal. Advertisers should know how to create suitable scenes for matching the desired emotion with appropriate issue framing. Secondly, the results highlight the opposition faced by the DMs in trying to execute a shocking advertisement campaign, this could arise from governmental bodies, private and regulatory bodies and the audience. DMs could get key executives involved in the creative design and the process of approval. Lastly, all the DMs were keen to maintain a positive destination image with the tourists as it determines tourists' likelihood of visiting the destination. DMs should not just pay attention to the tourists perceived destination image after the trip but also before and during the trip.

In conclusion, this study has firstly established the perception and use of shocking advertisements by the DMs. To better understand the effect of the implementation of shocking advertisement strategy in managing tourist's behaviour it will be beneficial to study tourists' perception of such appeals. Combining both the DMs' and tourists' viewpoints will help better comprehend the role of the advertisers and the reaction of the audience. The next stage of this research will focus on tourists' attitudes towards shock advertisements and the relation between attitude to shock advertising, behavioural intentions and destination image perception.

6 References

Almeida García, F., Balbuena Vázquez, A., & Cortés Macías, R. (2015). Resident's attitudes towards the impacts of tourism. In: *Tourism Management Perspectives*, vol. 13, 33-40.

Alston, M. & Bowles, W. (2003) Research for Social Workers: An Introduction to Methods, 2nd edition, London: Routledge.

Andersson, S., Hedelin,A., Nilsson, A. & Welander, C .(2004). Violent advertising in fashion marketing. In: *Journal of Fashion Marketing and Management*, vol. 8 no. 1, 96–112.

Borbasi, S. and Jackson, D. (2012). Navigating the Maze of Research. Chatswood, Sydney: Mosby Elsevier.

Buckley, R.C. (2017). Tourism and Natural World Heritage: A Complicated Relationship. In: *Journal of Travel Research*. Vol 57, Issue 5.

Dahl, D.W., Frankenberger, K.D. & Manchanda, R. V. (2003). Does it pay to shock? Reactions to shocking and nonshocking advertising content among university students. In: *Journal of Advertising Research*, vol. 43 no. 3, 268–280.

Dahl, D.W., Sengupta, J. & Vohs, K.D. (2009). Sex in Advertising: Gender Differences and the Role of Relationship Commitment. In: *Journal of Consumer Research*, vol. 36 no. 2, 215–231.

Durašević, S. (2015). "Tourism in Montenegro: A destination management perspective". In: *Tourism*, vol. 63 no. 1, 81–96.

Fiske, S. T., & Linville, P. W. (1980). What does the schema concept buy us? In: *Personality and Social Psychology Bulletin*, vol. 6 no. 4, 543-557.

Flick, U. (2009) An Introduction to Qualitative Research, 4th edition, London: Sage Publication.

GCS. (2014). The Government Communication Service guide to communications and behaviour change. Retrieved January 15, 2018, from https://gcs.civilservice.gov.uk/wp-content/uploads/2015/09/GCSBehaviourChangeGuideJune14Web.pdf

Hughes, K., Bellis, M. A., Calafat, A., Blay, N., Kokkevi, A., Boyiadji, G., Bajcàrova, L. (2011). Substance Use, Violence, and Unintentional Injury in Young Holidaymakers Visiting Mediterranean Destinations. In: *Journal of Travel Medicine*, vol. 18 no. 2, 80-89.

Jebreen, I., 2012. Using Inductive Approach as Research Strategy in Requirements Engineering. In: International Journal of Computer and Information Technology, vol. 01 no. 02, 162–173.

Karl, M., Reintinger, C., & Schmude, J. (2015). Reject or select: Mapping destination choice. In: *Annals of Tourism Research*, vol. 54, 48-64.

Loi, K. I., & Pearce, P. L. (2012). Annoying tourist behaviors: perspectives of hosts and tourists in Macao. In: *Journal of China Tourism Research*, vol. 8 no. 4, 395-416.

Mehta, A. (2000). Advertising attitudes and advertising effectiveness. In: *Journal of Advertising Research*, vol. 40 no. 3, 67-72.

Moscardo, G. (1996). Mindful visitors: Heritage and tourism. In: *Annals of Tourism Research*, vol. 23 no. 2, 376-397.

Parry, S., Jones, R., Stern, P. & Robinson, M. (2013). 'Shockvertising': An exploratory investigation into attitudinal variations and emotional reactions to shock advertising. In: *Journal of Consumer Behaviour*, vol. 12 no. 2, 112-121.

Pike, S. (2008). Destination Marketing: An Integrated Marketing Communication Approach. Routledge.
Plzáková, L., Studnička, P. & Vlček, J. (2014). Individualization of Demand of Tourism Industry and Activities of Destination Management Organizations. In: *Czech Hospitality and Tourism Papers*, 1801-1535.
Reid, L. N., King, K. W., Martin, H. J., & Soh, H. (2005). Local advertising decision makers' perceptions of media effectiveness and substitutability. In: *Journal of Media Economics*, 18(1), 35-53.
Sabri, O. & Obermiller. (2012). "Consumer Perception of Taboo in Ads," in: *Journal of Business Research*, vol. 65 (6), 869–873.
Sengupta J.,& Dahl D. W. (2008). Gender-related reactions to gratuitous sex appeals in advertising. In: *Journal of. Consumer Psychology*. Vol. 18, 62–78
Shintaro Okazaki, (2005) "Mobile advertising adoption by multinationals: Senior executives' initial responses", in: *Internet Research*, Vol. 15 Issue: 2, 160-180,
Skorupa.P. (2014) Shocking contents in social and commercial advertising, in: *Creativity studies*, vol.,7:no. 2, 69-81
Statista. (2018) . Travel, Tourism and Hospitality. Leading countries visited by residents of the United Kingdom.
Vézina, R. & Paul, O. (1997). Provocation in advertising: A conceptualization and an empirical assessment. In: *International Journal of Research in Marketing*,vol. 14, no. 2, 177–192.
Waller, D.S.,Fam, K-S., & Erdogas,B.Z. (2005)"Advertising of controversial products: a cross-cultural study", in: *Journal of Consumer Marketing*, Vol. 22 Iss: 1, 6 – 13
WTO. (2018). Why tourism? Tourism – an economic and social phenomenon. Retrieved January 13 2018, from http://www2.unwto.org/content/why-tourism
Yahia, B.K., Touiti, S.& Touzani, M. (2016) 'Cultural congruency and shocking buzz campaigns: Contrasting the opinions of professionals and consumers', in: *Journal of Marketing and Consumer Behaviour in Emerging Markets*, vol. 1 no. 3, pp. 20–33.

TV Advertising Reach: Model for Effective Scheduling

Vladislav Bína, Daria Gunina, Tomáš Kincl

1 Introduction

All subjects on the advertising market want commercials to be effective. However, there are many definitions of advertising effectiveness and various ways of measuring it. Reach (or viewing rating, or exposure) still remains the most popular criterion for media space buying and selling, and the clearest quantitative criterion for evaluating advertising effectiveness. While advertisers (sellers and producers) emphasise the role of purchases and sales, media endeavours to maximise the reach to reason the price of aired time (Lloyd and Clancy, 1991; Murray and Jenkins, 1992; Shachar and Anand, 1998). Media space pricing is based on GRPs (Gross Rating Points), which is calculated as the multiplication of reach and frequency (Katz, 2017; Kelley et al., 2015; Schultz et al., 2018). This is why reach is an important variable in advertising planning and evaluating (Bigné, 1990; Cheong et al., 2010).

Reach poses the percentage of the population exposed to a broadcasted ad and can be measured by a special tool called a TV meter or People Meter. Reach represents the criterion for advertising effectiveness, which in contrast to other meanings such as liking, recall, sales and others depends more on media scheduling and less on advertising content, memorability and creativity. In the modern era of such phenomena as advertising clutter, skipping, zipping and zapping, where the competition between traditional TV and more progressive media types is intensifying, advertisers face the huge challenge of addressing the mass audience through TV (Danaher, 2017).

Therefore, the task of advertising scheduling is to set variables in the most effective way to maximise reach. This is a complex and complicated managerial problem as various factors may have a different impact on advertising effectiveness as well as the significance of the factors may vary in different contexts. The purpose of this study is to contribute to the theory of effective reach and advertising planning, to investigate the influences of selected variables on advertising reach and create a universal model for predicting reach. Therefore, we formulated the following research questions: *What set of selected scheduling factors influence advertising reach? What are the weights of the particular factors in the set?*

2 Theoretical Background

Tellis (2003; 2007) classifies paradigms of advertising research into the behavioural and modelling paradigm. According to Tellis, the behavioural model

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_17

deploys the experiments in a simulated environment and endeavours to investigate the behavioural effect of advertising such as liking, recall, attitude etc. Whereas the modelling paradigm involves field experiments, statistical models and real data used to study market or organisational effects such as market share, sales and revenues etc. Advertising intensity in the modelling paradigm is used as an input variable and can be measured in GRPs, expenditures or reach (exposure). This study follows the modelling paradigm as it deploys statistical models on real data to explain advertising effects by using reach although we used reach not as input but as the output variable.

2.1 Reach and Frequency Models

In the middle of 20th century, after leaving the measuring of OTS (opportunity-to-see) as a way of justifying advertising expenditures, the reach, frequency and GRPs become more informative criterion regarding advertising effectiveness (Zielske, 1959; Caffyn and Sagovsky, 1963; Claycamp and McClelland, 1968; Galpin and Gullen, 2000; Cannon et al., 2002). Since media uses GRPs for media space pricing, both reach and frequency are important criteria for advertising planning. This is why most scholars addressed them both in their studies. Still, one of them usually has prior attention (Murray and Jenkins, 1992), when studies are focused primarily on the issue of effective frequency (e.g. Ogilvy and Matherm, 1965; Krugman, 1975; Sissors, 1982; Batra and Ray, 1986; Pechmann and Stewart, 1988; McDonald, 1996; Naples, 1997; Tellis, 1997; Cannon et al., 2002; Havlena et al., 2007; Schmidt and Eisend, 2015; and others) or mostly on the effective reach (e.g. Claycamp and McClelland, 1968; Leckenby and Kishi, 1982; Frankel and Occhiogrosso, 1985; Murray and Jenkins, 1992).

The connection between reach and frequency is obvious in the concept of effective frequency planning (EFP) and the concept of frequency value planning (FVP) (Cannon et al., 2002). Little and Lodish (1969) designed the MEDIAC online-system for media planning and scheduling. The system is based on the market response model and heuristic search routine (Naert and Leeflang, 2013) and works with such input variables as media options, time periods and market segments while taking market response into account. The weakness of the model from the reach perspective is that it calculates the future reach with simple exposure probabilities for a particular medium and audience seasonality factor. It is a very simplified formula for predicting reach as it can be influenced by many more scheduling factors. In the 1960s, further models for reach estimation were created by, e.g. Agostini (1961), Caffyn and Sagovsky (1963), Claycamp and McClelland (1968) and others. Metheringham (1964) and Lee (1988), for example, deployed a sequential aggregation model, which appeared sufficiently accurate for estimating the effective reach in TV and magazine scheduling (Rice and Leckenby, 1986). After the discovery of the concave shape of the advertising response curve by Simon and Arndt (1980) and Schultz and Block (1986), the new advertising

distribution models were created and claimed to maximise reach with duplication minimisation (Jones, 1995; Ephron, 1995; Cannon, 2002). Similarly, as Little and Lodish (1969), Schultz (1994), Sissors and Bumba (1994) used heuristic approaches, Pashkevich and Kharin (2001) applied a two-stage hybrid genetic algorithm to create an optimal media planning model.

The issue of effective reach and frequency has been thoroughly discussed in the academic community for many decades. Still, Cheong et al. (2010) incited scholars to develop a more accurate model and claim the need for modern reach and frequency models. Still, Schultz et al. (2018) in their work posed the question if with all the developed models and all the research, can the occurred markers nowadays finally define the optimal media plan. Thus, the issue of effective advertising planning and scheduling remains relevant and topical. Most of the conducted studies focused on estimating reach or developing reach and the frequency curve for finding the effective (optimal) percentage of the population or the number of exposure, for exploring satiation, wear-in and wear-out effects and ultimately for optimisation of advertising expenditures. However, not much attention was focused on factors influencing advertising reach. Some studies focus on audience behaviour and its characteristics as the main variable influence on reach. Little and Lodish (1969) discussed audience seasonality factors, Katz (2017) explained audience demographics issues, Holmes et al. (2006) addressed psychographics, Pilotta and Schultz (2005) put forward the media consumption concept. Nevertheless, for traditional TV addressing the mass audience, it remains unmanageable to deploy advanced models based on media behaviour and media consumption. Thus, offline media still use reach and frequency models for evaluating advertising effectiveness, Cheong et al. (2010). Although the audience is an important subject in advertising planning, our aim is to address and emphasise the media scheduling perceptive in this study.

2.2 Media Scheduling Factors

As one of criterion emphasised by Murray and Jenkins (1992) was maximising vehicle exposure, in our media scheduling model we use reach (or exposure) as the output to maximise. As input variables, we consider the following media scheduling factors.

The influence and importance of selected media planning factors were investigated in several studies. Advertising context or media environment (e.g. TV programmes and types of) is considered as a prominent factor influencing reach, recall or other effectiveness criteria (see, e.g. Aylesworth and MacKenzie, 1998; DePelsmacker et al., 2002; Furnham et al., 1998; Schultz, 1979; Yuspeh, 1977). However, according to e.g. Katz (2017) and Galpin and Gullen (2000), the essential media scheduling factor is airing time or, in other words, the daypart of airing. If a TV commercial is broadcast in the afternoon, it has the lowest recall of the day. On the other hand, commercials broadcast in the evening usually have

the highest effect. The above-mentioned factors can substantially impact not only the advertising response but also whether the potential consumers appear in front of the TV screen and are exposed to the aired commercial.

Furthermore, Billet (1993) and Danaher (1995) emphasised other variables, such as the length of a break, position of a spot in a break, the number of spots in a break and the length of the spot. Billet's study (Billet, 1993) was focused on the number of spots in a break, the position of a spot in a break and the length of the spot. He ascertained the first ad in a commercial break to have a higher rating than ads in other positions. Naturally, media and advertising agencies offer higher prices for the first and last commercial in a break. However, the influence of the first and last spot seems to be inflated by practitioners. Contrary to Billet, the study of Galpin and Gullen (2000) discovered that the middle ads in a break have a higher reach than the first and the last ad. Moreover, the first ad has the lowest reach. They also confirmed, that ads in a longer break have a lower recall than in a shorter commercial break and that ads in a break are more effective with fewer spots in a break.

The comprehensive investigation of various media factors was conducted by Danaher (1995) who concluded that the first ad in a break has a lower reach than other ads in a break but a high recall while the last ad has a high reach and a high recall (although not the highest). Moreover, he found that the influence of the length of the break, the number of spots in a break and the length of the spot on advertising reach is not considerable, but a too short or too long break has the lowest reach (so a recommended interval can be considered) and breaks with shorter ads have a higher reach. The programme type, according to Danaher (1995), strongly influences reach. However, Danaher (1995) points out that the media scheduling factors cannot fully explain the tendency of decreasing reach.

It follows that the influence of particular media scheduling factors on advertising effectiveness and, in particular, on advertising reach is ambiguous and requires more attention from the academic community. This research has the potential to make a theoretical contribution to this debate.

3 Methods

The study employs a quantitative approach based on a complete dataset concerning all commercials broadcast in the Czech Republic on the TV medium in 2017. The analysed dataset is provided by the media agency, a company analysing the whole of the TV advertising market in the Czech Republic. The dataset contained 5,608 million advertising spots in 2017. We used third level NACE categories as a product category to classify high and low involvement products and immediate or long-term consumption products. The selection of analysed variables was partially due to availability in the dataset and adjusted based on the literature review.

A TV meter panel was used to collect the data on advertising reach. The TV meter measures the viewing behaviour of all participating members in the household. Although we use general data for the whole population reach, each consumer segment is covered proportionally by a representative sample of respondents. To avoid a measuring error in the situation where TV is switched on but the viewer is not in front of the screen (e.g. is in another room), the TV meter uses a special mechanism. The household member has to log in and be logged in throughout the whole period of being exposed to the medium. The respondent must log out when going out or even leaving the room "for a while" (Danaher, 1995). Thus, the TV meter does not only measure periods when the TV receiver is switched on. Still, certain limitations follow from the nature of the data. Only measuring of traditional TV belongs to the dataset and does not include online TV or postponed watching. These media types should be investigated in further research since some consumer segments prefer online TV, programmatic TV or other modern TV alternatives (Fudurić et al., 2018) more than content from traditional TV.

It was necessary to transform the data before analysis and the time of advertisement broadcasting (hour-minute-second) was categorised into a daypart. Katz (2017) proposes nine dayparts for the case of the American market. Since the Czech media market differs from the American one, the dayparts in this study were defined according to the usual setting on the Czech Republic media market: Dead time (1 – 6 a.m.), Late night (11 p.m. – 1 a.m.), Primetime (7 – 11 p.m.), Evening (5 – 7 p.m.), Early fringe (12 – 5 p.m.), Daytime (9 a.m. - 12 p.m.) and Early morning (6 - 9 a.m.).

The research questions are answered using two approaches, namely the regression analysis with both quantitative and qualitative predictors and using artificial neural networks. Both approaches are capable of modelling a response (or dependent variable, or output) variable of the viewing rating (reach). In the case of regression analysis, it was necessary to start with the removal of variables causing multicollinearity that can strongly decrease the accuracy of the parameter estimates. We started by removing variables that were strongly dependent by their definition. The remaining factors were analysed using variance inflation factors (Weisberg and Fox, 2011) adjusted by the degrees of freedom in order to correctly employ the qualitative predictors.

After the removal of variables causing multicollinearity, the significance of the remaining variables was measured using p-values in the F-test of the significance of regression parameters. The amount of data in 2017 describes the TV advertising market as a whole, and this expectably leads to the significance of all predictors. Thus, the real impact of all predictors was measured by using effect size estimation (Fritz et al., 2012) for an ANOVA table. The effect size measures the proportion of variability explained by a particular variable using a partial eta squared η_p^2, defined by the sum of squares in the ANOVA table representation of

the resulting regression model. We evaluated the resulting sizes of the effect according to the scales of Sawilowsky (2009) and Cohen (1988).

The task of modelling using the artificial neural network is, in a way, similar to the task of linear regression models. This is the reason why a certain type of artificial neural networks – in our case with a single continuous output neuron – is called a regression neural network. Similarly, we aim to predict the value of reach using explanatory variables in an input layer (in the context of regression called predictors). Unlike the regression models, the artificial neural network modelling provides the possibility to include nonlinear behaviour due to the nonlinear activation functions.

The artificial neural network was implemented under R software version 3.5.1 (R Core Team, 2018) and a package H2O version 3.20.0.8 (LeDell et al., 2018) implementing (among other artificial intelligence methods) a deep learning algorithm for setting the neural network weights. The deep learning algorithm is a modern machine learning approach based on the principles of the human brain and its function. The structure of the neural network is a multi-layer perceptron and the user has to specify its structure (number of network layers and number of neurons in the layer) together with the shape of the activation function and the choice of distribution for a response node.

The structure was set with respect to the number of input nodes (as a transformation of input variables, i.e. predictors, and including dummy variables encoding the qualitative predictors). Namely, there were 284 neurons in the input layer, 100 neurons in the first hidden layer, 40 neurons in the second hidden layer, 6 neurons in the third input layer and 1 output neuron.

As an activation function, we chose the Rectified Linear Unit (ReLU – $\max(0, x)$) (Glorot et al., 2011) which comprises the simple and computationally efficient choice in the case of the continuous output of the model. As a response node, we have the reach variable, which cannot be assumed to be normally distributed. The H2O package provides the option of different choices of continuous distributions (besides normal distribution this is Poisson, Gamma, or Laplace distribution together with the Tweedie distribution family). We chose Tweedie distribution (Tweedie, 1984) since it is a special case of a distribution from an exponential family and has a point mass at zero, i.e. preceding the "classical" density of a continuous random variable. This perfectly corresponds to the modelled variable of reach, which can be zero (usually the case) or a positive real number.

The artificial neural network was trained using a deep learning variant of a backward propagation algorithm. The dataset was divided into a training frame and a validation frame in the ratio of 90% to 10%. In other words, the training process was conducted on a sample of 5,047,041 advertisements and validation was conducted on 561,039 advertisements.

The H2O package efficiently processes huge datasets (which is the case with our data) due to the parallelisation of the procedures. In our case, it was sufficient to run the software on a standard PC with 32 GB of RAM and an Intel 3.4 GHz processor with 8 cores hosting 8 parallel processes of the H2O package.

4 Results

Before employing the task of regression analysis, it was necessary to remove a pair of redundant variables concerning repeated information available in other variables that caused multicollinearity. Namely, the variable of a group of channels is an aggregation of the TV channel variable and similarly, the month of airing is obviously strongly related to the more detailed week number variant. After this reduction, the multicollinearity measured by variance inflation factors was no longer an issue (all variance inflation factors lower than 5).

All regression parameters appeared to be significant (measured by p-values in the F-test of significance). The high levels of significance observed were caused by the large amount of advertising data that exhaustively depicts the whole TV advertising market in the analysed year and hence the testing of the predictors' significance is rather useless. This implies that none of the eleven variables can be excluded from the model without significant loss of accuracy (tested using the sub model F-test). The resulting regression model thus contains eleven significant variables. Table 1 contains the F-test results together with the significance of particular predictors and their effect sizes.

The resulting effect sizes in most cases are very small, i.e. of the order of 0.01 (Sawilowsky, 2009), small with a value close to 0.2 or medium with a value of around 0.5 (Cohen, 1988). In the presented model, the effect size reached the level of medium only in case of the TV channel and the size close to small only in case of the variable programme type (before a break). The remaining effect sizes (daypart, length of spot, length of break, number of spots, and position in the break) were very small (Table 1). It is not necessary to stress that the TV channel variable strongly influences the reach of advertisements and has the biggest effect.

As already mentioned, the artificial neural network was trained using the deep learning method (and also) to predict the output variable of reach with a Tweedie distribution. Table 2 characterises the most important properties of all layer and weights of particular neurons.

Table 1: Significance and effect size of factors (from ANOVA table) in 2017

	Df	*Sum of squares*	*F-value*	*P-value*	*Effect size [in %]*
TV channel	44	2440522	131697.4	$< 2.2\times10^{-16}$	50.822
Programme type (before break)	58	271334	11107.7	$< 2.2\times10^{-16}$	10.306
Programme type (after break)	58	81418	3333.0	$< 2.2\times10^{-16}$	3.333
Length of spot	1	6744	16012.5	$< 2.2\times10^{-16}$	0.285
Length of break	1	28400	67431.0	$< 2.2\times10^{-16}$	1.188
Number of spots	1	477	1133.3	$< 2.2\times10^{-16}$	0.020
Position in break	1	21	50.0	1.6×10^{-12}	0.001
Category	21	344	38.9	$< 2.2\times10^{-16}$	0.015
Day of the week	6	1886	746.4	$< 2.2\times10^{-16}$	0.080
Week	52	14091	643.4	$< 2.2\times10^{-16}$	0.593
Daypart	6	214696	84961.2	$< 2.2\times10^{-16}$	8.334
residuals	5607198	2361559			

Table 2: Characteristics of artificial neural network layers

Layer	*Neurons*	*Type*	*Dropout*	*Mean weight*	*Weight RMS*
1	284	Input	10.00 %		
2	100	Rectifier	0.00 %	-0.0115	0.4045
3	40	Rectifier	0.00 %	-0.1793	1.5092
4	6	Rectifier	0.00 %	0.0699	1.1197
5	1	Linear		-0.0123	0.0253

Table 3 presents a comparison of error characteristics and the determination coefficient in both the multiple regression model and the artificial neural network. It is apparent that all presented error measures based on (the same) validation dataset were considerably higher in the case of the regression model and vice versa, the determination coefficient (R-squared) showed a much higher proportion of response variability explained by the model in case of the artificial neural network. The value of 0.5644 in the case of the multiple regression model suggests the rather good performance of the method used. However, the figure of more than 91% of explained variability provides a well-performing model usable for accurate predictions of reach for a given set of parameters. Still, it is necessary to bear in mind that the main advantage of neural networks is the high accuracy but the downside is the much worse interpretability of results.

Table 3: A comparison of error characteristics of the regression model and the artificial neural network

Characteristics	*Regression model*	*Neural network*
MSE	0.4184	0.0802
RMSE	0.6468	0.2833
MAE	0.2974	0.1004
Mean Res. Deviance	0.4184	0.0911
R^2	0.5644	0.9165

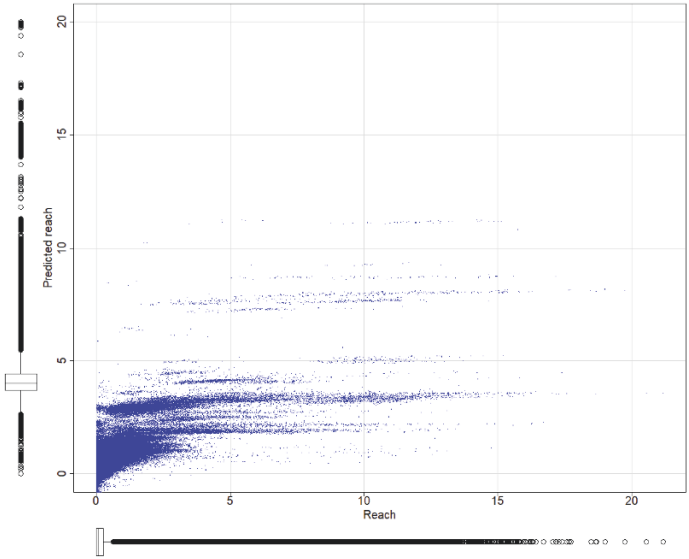


Figure 1: Scatterplot depicting the correlation of reach and predicted reach using the multiple regression model as computed on the validation part of the dataset.

A more accurate prediction in the case of the artificial neural network can also be documented graphically using a scatterplot of reach and predicted reach as depicted in Figures 1 and 2. Figure 1 presents the correlation of reach and predicted reach using a multiple regression model as computed on the validation part of the dataset. In contrast, Figure 2 shows the correlation of reach and predicted reach using an artificial neural network as computed on the validation part of the dataset.

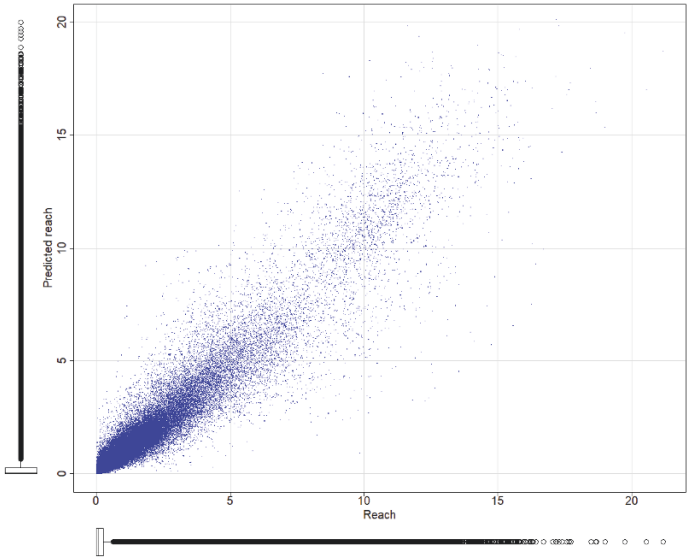


Figure 2: Scatterplot depicting the correlation of reach and predicted reach using an artificial neural network as computed on the validation part of the dataset.

5 Discussion

The general linear model introduced in the first part of the analytical chapter reveals the factors influencing the reach. Even though the results indicated all factors as statistically significant, only a few factors seem to have a real size effect on the output variable (see Table 1). The most prominent factor is the TV channel representing over 50% of the effect. The following factors – the Daypart and Programme type before and after the break – can explain from 10% to 3% of the variance. The rest of the factors included in the analysis have a negligible effect on the reach.

Such results are in line with expectations, as the TV channels with high ratings (large audience) also show higher values of reach during advertising. Furthermore, the Daypart when the advertising is being aired also has a significant impact on the size of the audience, as most people watch TV in the afternoon or the evening (prime time). The results for Programme type before and after the commercial break suggest that people do not switch over to another channel during the break. The results confirmed previous studies (i.e., Katz, 2017; Danaher, 1995), which also echoed the TV channel and type of the programme as the most prominent factors influencing reach.

Contrary to Billet (1993) and Galpin and Gullen (2000), the analysis indicates a negligible effect of the position of the spot in the break or the number of spots in a single break. However, the results should be considered with caution as the linear model only provides a limited explanatory value (R-squared = 0.5644; see Table 3) and does not include other factors (not measured or immeasurable) that could explain the variance in the data.

Moreover, the relations between the analysed variables seem to be more complex, which cannot be fully captured by the utilised linear modelling approach. The subsequent analysis employed the artificial neural network, which could explain the more than 91% of the variability (see Table 3) and represents a well-performing model usable for accurate predictions of reach for a given set of parameters. However, there is a trade-off between the accuracy of the model and its value to interpret the results. Although the artificial neural network contains the weights of (input) the neurons, its interpretability is not very useful since there are five layers of neurons with nonlinear activation functions, which does not allow to easily and fully reveal the influence of the factors. Still, the comparison in Table 3 and Figures 1 and 2 indicates the linear modelling (widely used in such types of studies) may provide only a limited analytical value and does not fully capture the complex nature of the researched phenomena.

From the practical perspective, the results indicate that some of the pricing mechanisms widely utilised in media planning might only have a limited rationale. Charging extra for a specific position of the spot within the commercial break has only limited support as the analysis revealed no significant real effect on the reach for premium (first or last) positions in the break. Similarly, there was no difference in reach for shorter commercial breaks and it does not advocate the higher fees requested by the media agencies. On the other hand, the results support premium pricing for TV channels with high ratings, specific dayparts (prime time) and commercials placed in favourite programmes with higher ratings.

The results should not lead to a simplifying conclusion that the only way to effectively reach the customers is a routine buying of advertising space on the most popular TV channels and TV shows. Usually, the reach is calculated from a general audience, which includes all consumer segments. As there are dozens of TV channels oriented to specific audiences (i.e., affluent men, retired persons, adventure and nature lovers), it might be more effective to reach the customers with a better-tailored message through a specifically focused TV channel. However, this requires more advanced media planning techniques and mechanisms from all players in the advertising market.

6 References

Agostini, J. M. (1961), “How to Estimate Unduplicated Audiences,” in: *Journal of Advertising Research*, Vol. 1 (3), 11-14.

Aylesworth, A. B. and S. B. MacKenzie (1998), “Context Is Key: The Effect of

Program-Induced Mood on Thoughts about the Ad," in: *Journal of Advertising*, Vol. 27 (2), 17-27.
Batra, R. and M. L. Ray (1986), "Situational effects of advertising repetition: The moderating influence of motivation, ability, and opportunity to respond," in: *Journal of Consumer research*, Vol. 12 (4), 432-445.
Bigné, E. (1990), "Advertising Media Planning in Spain: Models and Current Usages," in: *International Journal of Advertising*, Vol. 9 (3), 205-218.
Billett, J. (1993), "Share of Break Study," The Billett Consultancy, London.
Cannon, H. M.; Leckenby, J. D. and A. Abernethy (2002), "Beyond effective frequency: Evaluating media schedules using frequency value planning," in: *Journal of Advertising Research*, Vol. 42 (6), 33-46.
Caffyn, J. M. and M. Sagovsky (1963), "Net Audiences of British Newspapers: A Comparison of the Agostini and Sainsbury Methods," in: *Journal of Advertising Research*, Vol. 3 (1), 21-25.
Cheong, Y.; Gregorio, F. and K. Kim (2010), "The Power of Reach and Frequency in the Age of Digital Advertising," in: *Journal of Advertising Research*, Vol. 50 (4), 403-415.
Claycamp, H. J. and C. W. McClelland (1968), "Estimating Reach and the Magic of K," in: *Journal of Advertising Research*, Vol. 8 (2), 44-51.
Cohen, J. (1988), "Statistical Power Analysis for the Behavioral Sciences," Routledge.
Danaher, P. J. (1995), "What Happens to Television Ratings During Television Commercials?" in: *Journal of Advertising Research*, Vol. 35 (1), 37-47.
Danaher, P. J. (2017), "Advertising Effectiveness and Media Exposure," in: Wierenga, B. and R. van der Lans (eds.): *Handbook of Marketing Decision Models*, Springer, 463-481.
DePelsmacker, P.; Geuens, M. and P. Anckaert (2002), "Media context and advertising effectiveness: The role of context appreciation and context/ad similarity," in: *Journal of Advertising*, Vol. 31 (2), 49-61.
Ephron, E. (1995), "More Weeks, Less Weight: The Shelf-Space Model of Advertising," in: *Journal of Advertising Research*, Vol. 35 (3), 18-23.
Frankel, M. R. and M. G. Occhiogrosso (1985), "Radio Audience Accumulation over Multiple Weeks," in: *Journal of Advertising Research*, Vol. 25 (3), 23-30.
Fritz, C. O.; Morris, P. E. and J. J. Richler (2012), "Effect size estimates: current use, calculations, and interpretation," in: *Journal of Experimental Psychology*, Vol. 141 (1), 2-18.
Fudurić, M.; Malthouse, E. C. and V. Viswanathan (2018), "Keep it, shave it, cut it: A closer look into consumers' video viewing behavior," in: *Business Horizons*, Vol. 61 (1), 85-93.
Furnham, A.; Gunter, B. and D. Walsh (1998), "Effects of programme context on memory of humorous television commercials," in: *Applied Cognitive Psychology*, Vol. 12 (6), 555-567.
Galpin, J. and P. Gullen (2000), "Beyond the OTS: measuring the quality of media exposure," in: *International Journal of Market Research*, Vol. 42 (4), 473-493.
Glorot, X.; Bordes, A. and Y. Bengio (2011), "Deep sparse rectifier neural networks," in: *Proceedings of the Fourteenth International Conference on Artificial Intelligence and Statistics*, 315-323.

Havlena, W.; Cardarelli, R. and M. De Montigny (2007), "Quantifying the isolated and synergistic effects of exposure frequency for TV, print, and internet advertising," in: *Journal of Advertising Research*, Vol. 47 (3), 215-221.

Holmes, R.; Walker, R. J. and G. C. Murphy (2006), "Approximate structural context matching: An approach to recommend relevant examples," in: *IEEE Transactions on Software Engineering*, Vol. 32 (12), 952-970.

Jones, J. P. (1995), "Single-Source Research Begins to Fulfill Its Promise," in: *Journal of Advertising Research*, Vol. 35 (3), 9-16.

Katz, H. (2017), "The media handbook: A complete guide to advertising media selection, planning, research, and buying," 6th ed., Taylor & Francis, New York.

Kelley, L.; Jugenheimer, D. W. and K. B. Sheehan (2015), "Advertising media planning: a brand management approach," 4th ed. Routledge.

Krugman, H. (1975), "What Makes Advertising Effective?," in: *Harvard Business Review*, Vol. 23 (2), 96-103.

Leckenby, J. D. and S. Kishi (1982), "How Media Directors View Reach Frequency Estimation," in: *Journal of Advertising Research*, Vol. 22 (3), 64-69.

LeDell, E.; Gill, N.; Aiello, S.; Fu, A.; Candel, A.; Click, C.; Kraljevic, T.; Nykodym, T.; Aboyoun, P.; Kurka, M. and M. Malohlava (2018), "h2o: R Interface for 'H2O'. R package version 3.20.0.8." available at: https://CRAN.R-project.org/package=h2o.

Lee, H. K. (1988), "Sequential Aggregation Advertising Media Models," Ph.D. Dissertation, The University of Texas at Austin, Austin, Texas.

Little, J. D. and L. M. Lodish (1969), "A media planning calculus," in: *Operations Research*, Vol. 17 (1), 1-35.

Lloyd, D. W. and K. J. Clancy (1991), "CPMs Versus CPMIs: Implications for Media planning," in: *Journal of Advertising Research*, Vol. 31 (4), 34-44.

McDonald, C. (1996), "Advertising reach and frequency: maximizing advertising results through effective frequency," Contemporary Books.

Metheringham, R. A. (1964), "Measuring the Net Cumulative Coverage of a Print Campaign," in: *Journal of Advertising Research*, Vol. 4, 23-28.

Murray, G. B. and J. R. Jenkins (1992), "The concept of effective reach in advertising," in: *Journal of Advertising Research*, Vol. 32 (3), 34-42.

Naert, P. A. and P. S. Leeflang (2013), "Building implementable marketing models," Springer Science & Business Media.

Naples, M. J. (1997), "Effective frequency: Then and now," in: *Journal of Advertising Research*, Vol. 37 (4), 7-13.

Ogilvy, B. and Mather, Inc. (1965), "An Experimental Study of the Relative Effectiveness of Three Television Day-Parts," Ogilvy, Benson and Mather Inc., New York.

Pashkevich, M. A. and Y. S. Kharin (2001), "Statistical forecasting and optimization of television advertising efficiency," in: *3e Conférence Francophone de MOdélisation et SIMulation*, 25-27.

Pechmann, C. and D. W. Stewart (1988), "Advertising repetition: A critical review of wearin and wearout," in: *Current Issues and Research in Advertising*, Vol. 11(1-2), 285-329.

Pilotta, J. and D. Schultz (2005), "Simultaneous Media Experience and Synesthesia," in: *Journal of Advertising Research*, Vol. 45 (1), 19-26.

R Core Team (2018), "R: A language and environment for statistical computing.

R Foundation for Statistical Computing," available at: https://www.R-project.org/.
Rice, M. D. and J. D. Leckenby (1986), "An Empirical Test of a Proprietary Television Media Model," in: *Journal of Advertising Research*, Vol. 26 (4), 17-21.
Sawilowsky, S. (2009), "New effect size rules of thumb," in: *Journal of Modern Applied Statistical Methods*, Vol. 8 (2), 467-474.
Schmidt, S. and M. Eisend (2015), "Advertising repetition: A meta-analysis on effective frequency in advertising," in: *Journal of Advertising*, Vol. 44 (4), 415-428.
Schultz, D. E. (1979), "Media research users want," in: *Journal of Advertising Research*, Vol. 19 (6), 13-17.
Schultz, D. E. (1994), "Strategic Advertising Campaign," NTC Business Books. Lincolnwood.
Schultz, D. E. and M. P. Block (1986), "Empirical Estimation of Advertising Response Functions," in: *Journal of Media Planning*, Vol. 1 (1), 17-24.
Schultz, D. E.; Block, M. P. and V. Viswanathan (2018), "Consumer-driven media planning and buying," in: *Journal of Marketing Communications*, Vol. 24 (8), 761-778.
Shachar, R. and B. N. Anand (1998), "The effectiveness and targeting of television advertising," in: *Journal of Economics & Management Strategy*, Vol. 7 (3), 363-396.
Simon, J. L. and J. Arndt (1980), "The Shape of the Advertising Response Function," in: *Journal of Advertising Research*, Vol. 20 (4), 11-28.
Sissors, J. Z. (1982), "Confusions about effective frequency," in: *Journal of Advertising Research*, Vol. 22 (6), 33-37.
Sissors, J. Z. and B. Lincoln (1994), "Advertising Media Planning," NTC Business Books. Lincolnwood.
Tellis, G. J. (1997), "Effective frequency: one exposure or three factors?," in: *Journal of Advertising Research*, Vol. 37 (4), 75-81.
Tellis, G. J. (2003), "Effective advertising: Understanding when, how, and why advertising works," Sage.
Tellis, G. J. (2007), "Advertising Effectiveness in Contemporary Markets," in: Tellis, G. J. and T. Ambler (eds.): *The SAGE Handbook of Advertising*, Sage.
Tweedie, M. C. K. (1984), "An index which distinguishes between some important exponential families," in: Ghosh, J. K. and J. Roy (eds.): *Statistics: Applications and New Directions. Proceedings of the Indian Statistical Institute Golden Jubilee International Conference*, Indian Statistical Institute, Calcutta, 579-604.
Weisberg, S. and J. Fox. (2011), "An R Companion to Applied Regression," 2nd ed., Sage, Thousand Oaks.
Yuspeh, S. (1977), "On-air: Are we testing the message or the medium," in: *J. Walter Thompson Research Conference*, New York.
Zielske, H. (1959), "The Remembering and Forgetting of Advertising," in: *Journal of Marketing*, Vol. 23 (3), 230-43.

Behind the Rhetorical Scenes of Offence: A Rhetorical Analysis of Complained-About Offensive Advertising

Kristina Auxtova

1 Introduction

Studies of rhetorical strategies, and particularly rhetorical figures, in advertising have largely focused on positive contexts and generating positive responses, such as increasing the likeability of ads (e.g. Delbaere et al., 2011; McQuarrie and Phillips, 2005). However, Theodorakis et al. (2015) argue that applying rhetoric in controversial ads may not weaken possible negative responses and could even worsen them. Controversial advertising encompasses a range of predominantly negative responses from distaste and disgust, through offence, outrage and embarrassment, to shock and surprise, from a part of the population (Huhmann and Mott-Stenerson, 2008; Waller, 2005). Offence is one such negative response triggered by violation of social norms (Dahl et al., 2003), often surrounding hotly debated socio-political issues such as gender representations, racism, or advertising to children. More specifically, while the source of controversy and offence in advertising is primarily associated with visual imagery (e.g. violence, sex), these responses can also be generated by verbal (e.g. profane and obscene language) and visual-verbal elements of the executional tactic (see Dahl et al., 2003), as well as by advertising an inherently controversial product (e.g. contraception) (Barnes and Dotson, 1990; Waller, 2005). However, existing research on offensive advertising largely focuses on potential consumer responses, leaving us with a rather limited understanding of the nature and intensity of the actual offence caused (Beard, 2008).

This study aims to examine rhetorical strategies, including classical rhetorical appeals chosen and rhetorical figures applied, used in advertisements that have generated actual offence in the form of official complaints to an advertising regulator. It builds on a larger project exploring the current state of shocking, offensive, and controversial advertising research (Author, under review) and which takes a critical perspective on the regulatory processes of such advertising (Author, working paper). As such, it contributes to the conversation on offensive advertising by addressing Beard's (2008) call to specifically analyse complained-about advertisements to better understand actual, rather than potential, offence. This study further contributes to our current knowledge by offering a wealth of empirical material in the form of a rich archive of advertisements that the Advertising Standards Authority (ASA) UK received complaints about on the basis of

E. Bigne und S. Rosengren (Hrsg.), *Advances in Advertising Research X*,
European Advertising Academy, https://doi.org/10.1007/978-3-658-24878-9_18

offensiveness. By examining this broader range of ads that use a variety of rhetorical appeals and rhetorical figures, in their visual and verbal form, this study expands on Theodorakis and colleagues' (2015) specific focus on resonance and visual depictions of violence and eroticism, thus providing a broader understanding of the rhetorical elements that may be triggering responses of offence. Finally, it proposes an innovative method of rhetorical analysis as an approach to better understand the strategies of persuasion applied in offensive advertising.

For the purposes of this chapter, an in-depth analysis of one carefully selected ad is presented as an illustrative example of both the dataset and the method.

2 Literature Review

2.1 Advertising Rhetoric

According to Aristotle, rhetoric is an art of persuasion, otherwise defined as 'an ability, in each [particular] case, to see the available means of persuasion' (Aristotle, 2007, 37). As such, it is a method or manner of persuasion not related to any particular subject. With advertising being possibly the most common form of persuasive discourse, it is important to understand its persuasive power. While descriptive studies of advertising content are common, historically, less attention has been given to ad style (Scott, 1994), or the manner by which that content is communicated (Phillips and McQuarrie, 2002). In fact, it has been noted that rhetoric is a rare choice of framework in marketing scholarship (Tonks, 2002) and a forthcoming *Journal of Marketing Management* special issue on 'Marketing (as) Rhetoric' (Miles and Nilsson, forthcoming) aims to rectify this by increasing engagement with rhetorical themes across marketing theory and practice. Accordingly, reasons to study rhetoric specifically in the context of advertising include: (1) advertising's influence on public opinions, behaviours, and consumption practices, (2) advertising's impact on the public's view of the society (e.g. what is acceptable, or desired), and (3) advertising forming part of organisational rhetoric and representing the company.

Tonks (2002, 807) defines two main streams of rhetoric: (1) the classical 'old' rhetoric, represented by the first rhetoricians such as Corax and Tisias, followed by the Sophists, Plato and Aristotle, through to the Romans and notably Cicero, including Aristotelian rhetorical appeal to *logos, ethos* and *pathos*, and type of argument, and (2) the 'new' rhetoric (e.g. Burke, 1969), which in advertising predominantly focuses on rhetorical figures or persuasive devices (McQuarrie and Mick, 1996).

Firstly, within the classical stream, one theory in particular stands out within our current understanding of the advertising world and that is Aristotle's proposition that rhetoric consists of three components or *pisteis* – *logos*, *ethos*, and *pathos* – that persuade in different ways. Aristotle maintains that *logos* is an appeal

to reason or logic and in advertising is represented by product/service information, claims, or evidence. *Ethos* is an appeal grounded in the speaker's credibility and moral competence manifested by promoting the advertising organisation's good moral character, good sense, and goodwill. *Pathos* is an appeal to the audience's emotions, which in the case of offensive advertising may appear to be mostly negative, including fear, shame, pity, anger, or unfriendliness. While the relevance of this rhetorical theory remains evident in current advertising debates specifically about the persuasive effectiveness of rational and emotional appeals, its roots are seldom acknowledged. Moreover, such debates rarely include a consideration of the ethical appeal, despite the rise of 'the ethical consumer' and arguably growing trends of ethically-oriented organisations. Nevertheless, with advertising increasingly attempting to create an emotional brand connection in the commercial context and entice emotional connections to social issues and charitable causes in the not-for-profit (NFP) context, it could be argued that *pathos* in particular should be of great interest to advertising researchers and practitioners.

Delving deeper into what Aristotle teaches us about mobilising *pathos,* his theatrical perspective in the works of *Poetics* (2013) and his rhetorical perspective in the works of *On Rhetoric* (2007) are explored. In *Poetics*, Aristotle alludes to a theory of *catharsis*, which, while highly debated amongst academics (e.g. Berczeller, 1967), suggests that fiction or theatre (and in our case advertising) is able to produce real effects on the audience because the audience identifies and empathises with the characters portrayed and experiences the situation through them. Through this cathartic effect, advertisers can thus generate real emotions in their audience tin order to get them respond in a desired way. In *On Rhetoric*, Aristotle teaches how to give a speech in the political context, where many social issues are discussed. He proposes that to arouse an emotion in the audience, the speaker, or advertiser in our case, must know: 1) the nature of the emotion, or the state of mind of one feeling the emotion, e.g. fear is accompanied by an expectation of experiencing some destructive misfortune; 2) the object of the emotion, or those towards whom we can feel the sought emotion, e.g. to create pity, one needs to portray someone evidently and undeservedly suffering and; 3) the causes or reasons for the emotion, e.g. belittling through contempt or insult causes anger. Having this knowledge can thus help the advertiser to create the desired emotional appeal.

Secondly, rhetorical arguments or appeals are frequently applied in advertising through the use of rhetorical figures, defined as artful deviations from audience expectations (McQuarrie and Mick, 1996) or artful arrangements of words and pictures designed to create a specific effect on their audience (McQuarrie and Mick, 1993). An implicit theory of figuration was first introduced by Aristotle in his discussions of style of a speech and more specifically ornamentation of speech. However, Aristotle did not provide us with any working framework or typology and instead focused on the effects of the use of rhetorical figures on

memory. More recently, various taxonomies of rhetorical figures have been introduced in rhetorical studies (e.g. Burke, 1941; Corbett and Connors, 1999), while others have been adapted for the advertising context (Gkiouzepas and Hogg, 2011; McQuarrie and Mick, 1996; Phillips and McQuarrie, 2004). In advertising, rhetorical figures appear verbally or visually (McQuarrie & Mick, 1996, 1999, 2003; Phillips & McQuarrie, 2004; Scott, 1994), or as an interaction of the verbal and the visual (Stathakopoulos et al., 2008). Rhetorical figures have received sustained attention and have been shown to have positive effect on attitudinal (Delbaere et al., 2011; McQuarrie and Mick, 1999; McQuarrie and Mick, 2003; Stathakopoulos et al., 2008) and cognitive (McQuarrie and Mick, 1999; Mothersbaugh et al., 2002; Stathakopoulos et al., 2008) outcomes. Despite this growing interest in consumer responses to rhetorical figures, rhetoric remains very underutilised in advertising analyses (some exceptions: Leigh, 1994; McQuarrie and Mick, 1992, 1993; Phillips and McQuarrie, 2002).

2.2 Offensive Advertising

Rhetorical strategies have primarily been researched in positive or neutral advertising contexts (e.g. McQuarrie and Phillips, 2005), with some exceptions including Dean's (2005) study of fear appeals and negative political campaigning and Theodorakis and colleagues' (2015) study of controversial contexts. However, advertisers increasingly use tactics that shock, disgust, provoke, or offend audiences (Dahl et al., 2003; Dens et al., 2008; Pope et al., 2004) to stand out from the media clutter and facilitate behavioural change (Dahl et al., 2003). Research has shown that while attitudinal responses to controversial and offensive advertising are very mixed (Author, under review), the surprise factor, and incongruity with the audiences' expectations, is what leads to increased elaborative processing and comprehension (Huhmann and Mott-Stenerson, 2008). Conversely, these tactics can also lead to various negative behavioural responses: ignoring the message, product/brand boycotting, negative word-of-mouth, engaging in online activities and boycotts, or official complaints to the advertiser and/or the regulator (Kerr et al., 2012; Waller, 2005). These behaviours are a response to one or more of the three dimensions of offensive advertising: (1) 'matter' – the product advertised is inherently controversial or offensive; (2) 'manner' – offensive themes are applied in the execution of the ad (Barnes and Dotson, 1990) and; (3) 'media' – the choice of media channel is seen as inappropriate for the ad (Phau and Prendergast, 2001).

Existing research into offensive advertising largely focuses on measuring effectiveness of various advertising tactics and appeals and identifying what products or portrayed themes may be found offensive by audiences (Barnes and Dotson, 1990; Dahl et al., 2003; Fam and Waller, 2003; Waller et al., 2005). However, little research attempts to better our understanding of the specific verbal and visual elements, and rhetorical strategies, used that may have an impact on

generating offence as a response. This reflects the prevalent focus on consumer response and limited research into the creative processes involved in the production of potentially controversial and norm-violating advertising. Moreover, the current focus lies on potential offence, rather than studies of actual offence caused by actual ads (Beard, 2008).

3 Methodology

This study presents a rhetorical analysis of a set of ads deemed offensive by complainants to the ASA and consequently investigated under the Committee of Advertising Practice (CAP) advertising codes. Rhetorical analysis was deemed an appropriate approach to better understand the role of persuasive strategies applied, both verbally and visually, in offensive advertising, as rhetoric is centred around persuasion (Aristotle, 2007; Corbett and Connors, 1999), rather than description or (mis)representation (e.g. Williamson, 1978). Offensive advertising itself being grounded on incongruity, or deviation from social norms (Dahl et al., 2003; Huhmann and Mott-Stenerson, 2008), renders the study of artful deviations from audience expectations, an interesting and fruitful endeavour. Additionally, in comparison to discourse analysis that examines a corpus of text and how it functions in the broader cultural context, rhetorical analysis allows for individual explorations of texts and their arguments.

3.1 Rhetorical Frameworks

This study explores rhetorical strategies deployed in offensive advertising through the identification of the rhetorical appeal used to persuade the audience (Aristotle, 2007), and the rhetorical figures used as persuasive devices (McQuarrie and Mick, 1996). Following Aristotle's (2007) framework defining three types of appeals – *logos, ethos, pathos*, each ad is classified into a category of its main persuasive appeal, and its sub-categories. *Logos* is subdivided into artistic (e.g. logical argument, definitions, examples) and non-artistic proofs (e.g. evidence, claims). *Ethos* consists of demonstrating good sense *(phronesis)* or practical wisdom, good moral character *(arete)* or virtue, and good will towards the audience *(eunoia).* The subcategories of *pathos* are defined by different emotions, as listed by Aristotle in Book II of *On Rhetoric*: anger and calmness, friendliness and enmity, fear and confidence, shame and shamelessness, kindliness and unkindliness, pity and indignation, envy and emulation (Aristotle, 2007). Where appropriate or necessary, this list is further complemented by an adapted Batra and Holbrook's (1990) typology of emotional responses to advertising.

In order to identify and explore the rhetorical devices, this analysis primarily relies on McQuarrie and Mick's (1996) typology of rhetorical figures differentiating between schemes, operationalised through repetition or reversal, and tropes, operationalised through substitution or destabilisation. Where appropriate, for

visual rhetorical figures, Phillips and McQuarrie's (2004) typology of visual rhetoric that is based on an intersection of the visual structure (juxtaposition, fusion, and replacement) and meaning operation (connection, comparison for similarity, and comparison for opposition) is also adopted. Further elements of this analysis of rhetorical figures include layering, i.e. use of multiple rhetorical figures within one ad, and verbal anchoring, i.e. a non-rhetorical verbal explanation accompanying the rhetorical figure (Phillips and McQuarrie, 2002).

3.2 Context

In response to Beard's (2008) call for studies of actual, rather than potential offense, this study focuses on a set of ads that have generated offence to the extent that they were complained about to the UK's official advertising regulatory body, the Advertising Standards Authority. More specifically, this study has chosen to focus on ads generated by the NFP sector for the following reasons: (1) NFP organisations (charities, governmental bodies, civil society organisations) increasingly use shocking and offensive tactics (Dahl et al., 2003; Parry et al., 2013); (2) these tactics appear to be more tolerated in the NFP sector as the objectives of NFP organisations contribute to the greater good (Parry et al., 2013); and; (3) the ethicality of using such themes in NFP marketing remains a hotly debated subject (Hastings et al., 2004; Jones and van Putten, 2008).

3.3 Data Collection

The set of advertisements used in this study is drawn from a larger archive of ASA adjudication reports covering the 6-year period from 2009-2015, specifically regarding investigations and rulings on advertising that is considered offensive and/or harmful by the complainants and categorised as not-for-profit by the ASA. This archive consists of 309 reports, which include descriptions of the complained-about ads. From the 309 searched-for ads, 213 (69%) have been identified based on these descriptions and retrieved through a search of the organisations' websites, creative agency websites, websites of ad catalogues (e.g. coloribus.com, adforum.com, adsoftheworld.com, adage.com), the records of the Institute of Practitioners in Advertising, as well as Google and YouTube. The remaining 96 cases (31%) might have never been digitalised or have been removed from the internet, and thus were deemed irretrievable.

4 Findings

The full dataset is comprised of ads largely produced by charities (46%; n=98) and governmental bodies (28%; n=60) followed by pressure groups, trade associations, churches and other non-commercial organisations (26%; n=55). The issues for the complainants revolve around harm or offence to children (46%; n=98),

inappropriate scheduling (29%; n=61), depiction of children (22%; n=46), and graphical imagery (19%; n=41). Twenty-two percent (n=46) six of the cases have undergone a formal investigation, with the rest being informally resolved. Few have been upheld (8%; n=18) or upheld in part (4%; n=8) by the ASA. At least 14% of the campaigns (n=29) have won at least one advertising award.

For the purposes of this paper, an illustrative in-depth rhetorical analysis of one carefully selected ad is presented. This ad is judged representative of the sample as it is produced by a charity and was complained about for offensive depiction of children, and offensive depictions of men and violence. Following a formal investigation by the regulator, the complaint was not upheld, and interestingly, the ad itself was highly commended at the Scottish Creative Awards 2015. Further, it has both verbal and visual components and uses a rhetorical figure.

'Barrier', the 2015 ad from Children's Hearings Scotland (CHS), was selected. CHS is a public body that supports the national Children's Panel by recruiting, selecting, and training panel members, and ultimately aims to improve the outcomes and experiences for vulnerable children and young people in Scotland (Children's Hearings Scotland, 2018). Created by The Union, UK, the ad portrays a father figure leaning over a kitchen table with one arm raised about to deliver a hit. On the other side of the table sits a boy around the age of seven with his hands raised up in the air and a distressed look in his face. The image is divided in half with a light-coloured insert and a text stating: 'You could be all that's between Jaime and another beating.' This is followed by further information about the benefits of volunteering for the Children's Panel, guidance on how to join, and the CHS logo. The full text within the ad states:

"YOU COULD BE ALL THAT'S BETWEEN JAIME AND ANOTHER BEATING.

This is your chance to make a real difference to a vulnerable child's life by volunteering to sit on the Children's Panel. You don't need any qualifications to apply, you just need to care.

To find out more visit childrenspanelscotland.org"

(The Union, 2015)

The primary and stated purpose of the ad is to recruit volunteers for the Children's Panel. The intention of the speaker is thus to mobilise the audience into action that would start by applying to become a volunteer. Additionally, it could be argued that the ad also aims to raise awareness of domestic abuse and of the ways CHS is helping to address the issue. To better understand how this ad hopes to achieve its goal(s), the persuasive strategies in place will now be analysed, specifically through a process of identification of classical Aristotelian rhetorical appeals as well as any rhetorical devices the ad uses.

Firstly, it is noted that there is no appeal to *logos* in this ad and that the main persuasive appeal used is the appeal to emotion – *pathos*. In other words, emotion is what gives this message the power to move its readers into action. However, this ad is complex and appeals to multiple emotions simultaneously – these may, or may not, all be identified and equally interpreted by all members of the audience. Following Aristotle's (2007) definitions of emotions, by portraying the characters in the manner they are portrayed, the ad appeals to: (1) *pity*: 'a certain pain at an apparently destructive or painful event happening to one who does not deserve it' (139), i.e. the ad portrays the boy undeservedly suffering which aims to stimulate pity amongst the audience; (2) the audience's *kindliness* defined as a service to those in need for nothing in return and; (3) *fear* of some painful evil, in this case about to happen to the boy, as well as fear of those who attack the weaker (the father figure). While these emotions are felt towards the boy, there are also emotions felt towards the father figure: (4) *anger* against the father figure because he is about to cause unjustified pain to a child whom he should be protecting, and even (5) *hate* as one can hate the type of person that beats up children.

While Aristotle discusses these emotions in the sense of the evil being targeted at oneself or those near one, the ad manages to pass on these emotions to the readers even though they are not the boy or even know him personally. This can be explained by the theory of *catharsis* that suggests that audiences identify and empathise with the fictional characters represented. The ad further strengthens this cathartic effect by giving the boy a name, Jaime, thus creating a certain intimacy and bringing us closer to Jaime in order to empathise with his situation. Moreover, the representation of the good and innocent in the character of the boy and the evil in the father figure helps the ad to mobilise the aforementioned emotions in the audience by tapping into our natural human concerns and protective inclinations for others who are in need, particularly if these others are vulnerable or not able to help themselves, such as children or animals.

In terms of persuasive devices, this ad relies on a trope of destabilisation through similarity, specifically *resonance*, a 'wordplay in the presence of a relevant pictorial' (McQuarrie and Mick, 1992, 180). The headline, 'You could be all that's between Jaime and another beating,' is artfully placed on a division of the photo resembling a barrier or a wall between the two characters. Thus, the ad implies that the readers could be that wall protecting Jaime if they choose to take action. However, the ad places not only the audience but also the advertising organisation onto the wall that blocks the abuse from happening. As such, it is able to make the audience believe in the credibility of the organisation as well as their moral values stemming from their position of helping those in need.

In order to fully assess the *ethos* demonstrated in this ad, the speaker needs to be identified first. It is not the 'actors', i.e. Jaime or the father figure speaking to us, rather it is a first-person narrator that represents the organisation and speaks to 'you', the audience. First-person narrators have long served as vehicles for

emotional messages as they are able to inspire audiences to feel the same way as the speaker (Stern, 1991). The use of first-person narrator also humanises the organisation by endowing it with an authentic voice (Stern, 1991). The organisation being the speaker here, it could be argued that *ethos* is implicitly present as all NFP organisations are implicitly and inherently good by working towards social betterment. While there is an absence of 'I' or 'we' or any explicit demonstration of who CHS are, or what they do, the ad indicates what work they do – running the Children's Panel and thus helping vulnerable children. The nature of the work thus demonstrates the organisation's good moral character, which is further strengthened visually by placing the CHS logo on the wall blocking the abuse from happening. The ad successfully demonstrates practical wisdom in the knowledge and experience the organisation has in providing help; it demonstrates virtue or the ability to do good by being portrayed as the leader in partaking in virtuous acts; and it demonstrates good will in wanting what is good for the sake of another, i.e. wanting to help vulnerable children.

In summary, the complex emotional appeal, coupled with it placing the reader as the saviour of a child suffering from domestic abuse, builds a powerful message to mobilise the audience into action. By appealing both to the kindliness and goodwill of the audience but also to their anger or hate towards the violator and pity towards, or fear for, the victim, the ad effectively manages to appeal to various motivations the broader audience might have. The emotional appeal is complemented by a demonstration of a good moral character of the organisation giving the message credibility and reinforcing the importance of partaking in such virtuous acts as helping vulnerable children.

5 Discussion and Conclusion

The analysed ad presents an example of how rhetorical analysis focused on classical Aristotelian rhetorical appeals and the use of rhetorical figures can help advertising scholars understand the persuasive power of complained-about offensive ads. This complements the existing studies focusing on attitudinal and potential behavioural responses as it sheds light on the manner in which offensive ads are creatively constructed using various persuasive strategies. Approaching the debate of rational and emotional appeals through its roots in Aristotelian classical rhetorical appeals allows for more nuanced exploration of how offence may be linked to rhetorical strategies chosen, and applied, by advertising creatives.

Whilst the analysis of the full archive is a current work in progress, our emerging findings along with the illustrative example of the 'Barrier' ad highlight the importance of appeals to *pathos* and *ethos* in NFP advertising that caused actual offence and triggered official complaints. The focus on the NFP sector reveals a strong presence of appeal grounded in *ethos* as most NFP organisations present themselves as ones working towards social betterment. This may often be implicit

rather than explicit as not all organisations directly talk about themselves and instead focus on the problem, whether a social issue or a charitable cause, they are helping or supporting. The 'Barrier' ad further demonstrates a NFP-sector-characteristic appeal to *pathos*, relying on the combination of emotional imagery, in this case depicting a vulnerable victim in a situation of violence, and a verbal call to action towards the audience that could contribute to solving the issue. The appeal to multiple quite contrasting emotions within one ad, created by portraying two opposing characters, a victim and a violator, highlights the complexity of emotional appeals in advertising. While current research tends to discuss fear, threat, guilt, humour, sexual, and other appeals, our findings point to a much more complex situation that appears to take place in advertising design and production and that will affect different audiences in different ways.

In conclusion, the contributions of this study are threefold. Theoretically, it contributes to our current understanding of offensive advertising that goes beyond potential responses (Beard, 2008) and measures of effectiveness, and it provides insight into the persuasive strategies deployed in advertising that caused actual offence and triggered official complaints. Methodologically, by exploring strategies of persuasion, it introduces an innovative approach for the analysis of offensive ads. Empirically, with the rich dataset available, this study expands on Theodorakis and colleagues' (2015) focus on visual controversy, and considers verbal, visual, and verbal-visual rhetorical strategies, as well as sources of controversy or offence beyond violence and eroticism.

6 References

Aristotle (2007), "On Rhetoric: A Theory of Civic Discourse," Trans. and ed. George A. Kennedy. 2nd ed., Oxford University Press, Oxford.

Aristotle (2013), "Poetics," Trans. Anthony Kenny, Oxford University Press Oxford.

Barnes, J.H. and Dotson, M.J. (1990), "An Exploratory Investigation into the Nature of Offensive Television Advertising," in: *Journal of Advertising,* 19(3), 61–69.

Batra, R. and Holbrook, M.B. (1990), "Developing a Typology of Affective Responses to Advertising," in: *Psychology & Marketing*, 7(1), 11–25.

Beard, F.K. (2008), "How Products and Advertising Offend Consumers," in: *Journal of Advertising, Research,* 48(1), 13-21.

Berczeller, E. (1967), "The 'Aesthetic Feeling' and Aristotle's Catharsis Theory," in *The Journal of Psychology*, 65, 261–271.

Burke, K. (1941), "Four Master Tropes," in: *The Kenyon Review,* 3(4), 421–438.

Burke, K. (1969), "A Rhetoric of Motives," University of California Press, Berkeley and Los Angeles.

Children's Hearings Scotland (2018), "About Children's Hearings Scotland," Children's Hearings Scotland website. Available at: http://www.chscotland.gov.uk/about-chs/. Accessed 1 July 2018.

Corbett, E.P.J. and Connors, R.J. (1999), "Classical Rhetoric for the Modern Student," 4th ed., Oxford University Press, Oxford.

Dahl, D.W., Frankenberger, K.D. and Manchanda, R.V. (2003), "Does it Pay to Shock? Reactions to Shocking and Nonshocking Advertising Content among University Students," in: *Journal of Advertising Research,* 43(3), 268–280.
Dean, D. (2005), "Fear, Negative Campaigning and Loathing: The Case of the UK Election Campaign," in: *Journal of Marketing Management,* 21(9–10), 1067–1078.
Delbaere, M., McQuarrie, E.F. and Phillips, B.J. (2011), "Personification in Advertising," in: *Journal of Advertising*, 40(1), 121–130.
Dens, N., De Pelsmacker, P. and Janssens, W. (2008), "Exploring Consumer Reactions to Incongruent Mild Disgust Appeals," in: *Journal of Marketing Communications,* 14(4), 249–269.
Fam, K.S. and Waller, D.S. (2003), "Advertising Controversial Products in the Asia Pacific: What Makes Them Offensive?" in: *Journal of Business Ethics,* 48(3), 237–250.
Gkiouzepas, L. and Hogg, M.K. (2011), "Articulating a New Framework for Visual Metaphors in Advertising," in: *Journal of Advertising,* 40(1), 103–120.
Hastings, G., Stead, M. and Webb, J. (2004). Fear Appeals in Social Marketing: Strategic and Ethical Reasons for Concern," in: *Psychology and Marketing,* 21(11), 961–986.
Huhmann, B.A. and Mott-Stenerson, B. (2008), "Controversial Advertisement Executions and Involvement on Elaborative Processing and Comprehension," in: *Journal of Marketing Communications,* 14(4), 293–313.
Jones, S.C. and van Putten. K. (2008), "An Analysis of Consumer Complaints about Social Marketing Advertisements in Australia and New Zealand," in: *Journal of Nonprofit & Public Sector Marketing*, 20(1), 97–117.
Kerr, G., Mortimera, K., Dickinson, S. and Waller, D.S. (2012), "Buy, Boycott or Blog: Exploring Online Consumer Power to Share, Discuss and Distribute Controversial Advertising Messages," in: *European Journal of Marketing,* 46(3/4), 387–405.
Leigh, J.H. (1994), "The Use of Figures of Speech in Print Ad Headlines," in: *Journal of Advertising,* 23(2), 17–33.
McQuarrie, E.F. and Mick, D.G. (1992), "On Resonance: A Critical Pluralistic Inquiry into Advertising Rhetoric," in: *Journal of Consumer Research*, 19(2), 180–197.
McQuarrie, E.F. and Mick, D.G. (1993), "Reflections on Classical Rhetoric and the Incidence of Figures of Speech in Contemporary Magazine Advertisements," in: *Advances in Consumer Research,* 20, 309–313.
McQuarrie, E.F. and Mick, D.G. (1996), "Figures of Rhetoric in Advertising Language," in: *Journal of Consumer Research*, 22(4), 424–438.
McQuarrie, E.F. and Mick, D.G. (1999), "Visual Rhetoric in Advertising: Text-Interpretive, Experimental, and Reader-Response Analyses," in: *Journal of Consumer Research,* 26(June), 37–54.
McQuarrie, E.F. and Mick, D.G. (2003), "Visual and Verbal Rhetorical Figures under Directed Processing versus Incidental Exposure to Advertising," in: *Journal of Consumer Research,* 29(4), 579–587.
McQuarrie, E.F. and Phillips, B.J. (2005), "Indirect Persuasion in Advertising: How Consumers Process Metaphors Presented in Pictures and Words," in: *Journal of Advertising,* 34(2), 7–20.

Miles, C. and Nilsson, T. (Forthcoming). "Special Issue: Marketing (as) Rhetoric," in *Journal of Marketing Management*.
Mothersbaugh, D.L., Huhmann, B.A. and Franke, G.R. (2002), "Combinatory and Separative Effects of Rhetorical Figures on Consumers' Effort and Focus in Ad Processing," in: *Journal of Consumer Research,* 28(4), 589–602.
Parry, S., Jones, R., Stern, P. and Robinson, M. (2013), "'Shockvertising': An Exploratory Investigation into Attitudinal Variations and Emotional Reactions to Shock Advertising," in: *Journal of Consumer Behaviour,* 12(2), 112–121.
Phau, I. and Prendergast, G. (2001), "Offensive Advertising: A View from Singapore," in: *Journal of Promotion Management*, 7(1/2), 71–90.
Phillips, B.J. and McQuarrie, E.F. (2002), "The Development, Change, and Transformation of Rhetorical Style in Magazine Advertisements 1954–1999," in: *Journal of Advertising,* 31(4), 1–13.
Phillips, B.J. and McQuarrie, E.F. (2004), "Beyond Visual Metaphor: A New Typology of Visual Rhetoric in Advertising. *Marketing Theory,* 4(1–2), 113–136.
Pope, N.K.L., Voges, K.E. and Brown, M.R. (2004), "The Effect of Provocation in the Form of Mild Erotica on Attitude to the Ad and Corporate Image: Differences Between Cause-Related and Product-Based Advertising," in: *Journal of Advertising,* 33(1), 69–82.
Scott, L.M. (1994), "Images in Advertising: The Need for a Theory of Visual Rhetoric," in: *Journal of Consumer Research*, 21(2), 252-273.
Stathakopoulos, V., Theodorakis, I.G. and Mastoridou, E. (2008), "Visual and Verbal Rhetoric in Advertising: The Case of 'Resonance'," in: *International Journal of Advertising,* 27(4), 629–658.
Stern, B.B. (1991), "Who Talks Advertising? Literary Theory and Narrative 'Point of View'," in: *Journal of Advertising*, 20(3), 9–22.
The Union (2015), "Children's Hearings Scotland: Jaime," *Ads of the World* [online], available at: https://www.adsoftheworld.com/media/print/childrens_hearings_scotland_jamie [Accessed 14/12/2018]
Theodorakis, I.G., Koritos, C. and Stathakopoulos, V. (2015), "Rhetorical Maneuvers in a Controversial Tide: Assessing the Boundaries of Advertising Rhetoric," in: *Journal of Advertising,* 44(1), 14–24.
Tonks, D.G. (2002), "Marketing as Cooking: The Return of the Sophists," *Journal of Marketing Management*, 18(7–8), 803–822.
Waller, D.S. (2005), "A Proposed Response Model for Controversial Advertising," in: *Journal of Promotion Management,* 11(2/3), 3–15.
Waller, D.S., Fam, K.-S. and Erdogan, B.Z. (2005), "Advertising of Controversial Products: A Cross-cultural Study," in: *Journal of Consumer Marketing,* 22(1), 6–13.
Williamson, J.E. (1978), "Decoding Advertisements: Ideology and Meaning in Advertising," Marion Boyars, London.