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# The Advertisement Value of Transformational & Informational Appeal on Company Facebook Pages

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# THE ADVERTISEMENT VALUE OF TRANSFORMATIONAL & INFORMATIONAL APPEAL ON COMPANY FACEBOOK PAGES FABIENNE T. CADET, St. John's University PRISCILLA G. AALTONEN, Old Dominion University VAHWERE KAVOTA, Hampton University

The advertisement value of Facebook is an under-developed area of social media research. Transformational and informational advertising appeal has yet to be studied as it relates to social media. This paper utilizes established classification and measurement scales from marketing literature to classify companies and their Facebook posts and measures the advertisement value of these posts. The study uses a sample of 100 companies from the 2015 Fortune 500 list. Results indicate that posts with transformational appeal are more engaging to the consumer than informational appeal; however, posts with informational appeal have greater advertisement value for the company. The results also indicate there is no relationship between type of company and type of appeal used by companies.

# INTRODUCTION

In today's marketplace, social media has evolved as a necessary tool for companies to stay connected with consumers. With its high traffic and reach, many companies have launched major advertising campaigns for their products via Facebook. Yousif (2012) found there is interest in the advertising messages by Facebook users, that the content of the advertising messages is viewed as both exciting and reliable by them, that these messages motivate them to buy, and that Facebook represents a successful medium for promoting products.

Companies rely on advertisements to appeal to the senses of their target consumers, a major component of advertising effectiveness. Appeal can fall into one of two categories – hedonic or utilitarian. Advertisements with hedonic appeal are referred to as transformational ads and those with utilitarian appeal are informational ads. Champoux, Durgee, and McGlynn (2012) found that posts on company Facebook pages are actually more successful in getting consumers to buy their products. Therefore, this study conducted a value assessment of posts on company Facebook pages. The posts were classified as transformational or informational based on type of appeal used. Engagement of these posts was then measured by noting number of "likes". Lastly, the advertisement value of these posts was measured based on three variables – entertainment, information and irritation.

### LITERATURE REVIEW

Facebook represents an important connecting point for companies to disseminate their advertising messages. Famous brands such as Lacoste, Adidas, Nike, Coca Cola and others focus on Facebook in promoting their products and allowing their users to express their opinions about the product, advertisements and levels of influence (Yousif, 2012). A company on Facebook can also establish a rapport with existing and potential clients, post sales information, promotions and new product announcements.

Facebook's low advertisement click-through rates (CTR) have shifted the attention to company Facebook pages. Champoux et al. (2012) found that Facebook posts or wall content have more appeal on Facebook than advertisements. Click-through rates for general display ads on Facebook have been criticized for being rather unimpressive, but CTR for content on brand page walls are as high as 6.49%, according to estimates from Virtue (2009) as noted by Klassen (2009).

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With over 2.7 billion likes per day, expressing the endorsements of photos, fan pages, status updates, articles, news feeds, products, services, and more, brand managers understood they had to develop a method to utilize and capitalize on this powerful tool (Mariani & Mohammed, 2014). Many managers realized that when a user clicks "like", not only does the user display approval and/or endorsement, it is seen by everyone within his/her network. This delivers a new meaning to word of mouth (WOM) marketing, one of the most positive and effective marketing tools. Commenting behavior allows consumers to share their opinions about agreement or disagreement with the content on the brand's Facebook page, created either by the brand or other visitors (Kabadayi & Price, 2014).

An area of importance in research today is what type of content is most engaging on company Facebook pages. Parsons (2013) established twenty main types of Facebook wall content. Certain types of wall content are more engaging than others such as Ad Campaigns and Photos. See Table 1 below for the different types of wall content.

TABLE 1:	
Types of Wall Content on Face	book

Ad campaigns/Product Information/Sponsorships
Company information/News/History/Fun Facts
Celebrity/Athlete information/Acknowledgements
Events
Information about changes to Facebook page or website
Photos
Video/You Tube links
Entertainment related – TV/Movies
Social Responsibility/Charity/Philanthropy/Community
Live events/Live video
Holiday greetings
Polls/Poll questions
Calls for involvement
Customer comments
Product Reviews/Tips/Uses/Recipes
Contests/Sweepstakes
Apps/Games/Downloads
Career/Business Opportunities
Links
Promotions/Coupons/Samples

Source: (Parsons, 2013)

### **Facebook Posts**

In this study, Facebook posts on company Facebook pages were treated the same as Facebook advertisements. Once a company has created a brand page, the company can begin to post content. Information on brand pages is shared in the form of posts, which can be seen on the central part of the page known as the timeline. Users who are fans of brand pages can see posts and engage with them by "liking, sharing and commenting" (Luarn, Lin, & Chiu, 2015).

It is worth noting that Facebook has faced some negative consumer responses in recent years. In a study conducted by Insight Strategy Group in 2012, it was found that consumers have mixed feelings about companies marketing to them on social media websites. In this study, 58 percent of respondents describe social media marketing as "invasive;" 60 percent characterize social media brand communication as "annoying;" and 64 percent of respondents "hate" receiving targeted messages on their social media profile (Beauchamp, 2013). On the other hand, 53 percent of respondents in this study believe that a brand must have a Facebook page to remain relevant; 54 percent appreciate when a brand has a Facebook page or other social media presence; and 58 percent followed brands on Facebook to receive special promotions and deals (Beauchamp, 2013). Hence, consumers tend to have negative perceptions of being targeted on social media websites, but they understand the importance of social media brand communications and enjoy the benefits of special offers (Beauchamp, 2013).

Unlike wall posts, which are free, companies must set aside a budget for creating Facebook advertisements. Another distinction is location. Unlike Facebook wall posts, which can only be on the company brand seen page, advertisements can be seen on an individual's desktop news feed, mobile news feed or righthand column of the news feed. News feed includes status updates, photos, videos, links, app activity and "likes" from people, pages and groups that are followed on Facebook (Facebook, 2016). Lastly, is the distinction between the "push" marketing approach of Facebook advertisements and the "pull" marketing approach of Facebook wall posts.

Social media users receive many recommendations without explicitly asking for them through unsolicited direct or broadcast "push" messages. Facebook advertisements would fall in this category as they are unsolicited messages that appear on users' newsfeed (Schulze, Scholer, & Skiera, 2015). Other social sharing mechanisms rely on "pull" messages that consumers seek out, such as wall posts.

The main similarity between posts on company Facebook pages and advertisements is that they both have appeal. For example, if you establish a Facebook page it must have intriguing content, be current, and responsive to customer queries (Parsons, 2013). When a consumer "likes" a post on a company's Facebook page, it serves as an advertising vehicle. Companies benefit when users like their content because it encourages customer-customer and firmcustomer interaction, gauges the popularity of their posts, and allows users to provide their personal endorsements (Swani, Milne, & Brown, 2013).

## Advertisement Appeal

The central element of the whole process of advertising influence the on recipient advertising appeal (Shayekina is & Tleuberdinov, 2012). Advertising appeal can be considered as the main vehicle or the main instrument for achieving the objectives of advertising (Shayekina & Tleuberdinov, 2012). For the purposes of this study, appeal was categorized as either being hedonic (emotional) or utilitarian (rational). The hedonic/utilitarian framework has been studied extensively in the marketing and advertising literature, possibly stemming from Copeland's (1924) original proposition that individuals buy products for either rational or emotional reasons (Albers-Miller & Stafford, 1999). Rational advertising from the traditional information stems processing models of decision making where the consumer is believed to make logical and rational decisions. Rational advertising would include messages showing a product's quality, economy, value or performance. In contrast, emotional appeals are grounded in the emotional, experiential side of consumption (Albers-Miller & Stafford, 1999). They seek to make the consumer feel good about the product,

by creating a likeable or friendly brand; they rely on feelings for effectiveness (Albers-Miller & Stafford, 1999).

Broadly speaking. products used for consumption purposes can be categorized as hedonic or utilitarian (Lim & Ang, 2008). Hedonic products are primarily consumed for sensory gratification and affective purposes or for fun and enjoyment (Lim & Ang, 2008). Thus, hedonic products generate emotional arousal with benefits that are evaluated primarily on aesthetics, taste, symbolic meaning and sensory experience (Lim & Ang, 2008). In contrast, utilitarian products possess a rational appeal and are less arousing as they generally provide cognitively oriented benefits (Lim & Ang, 2008). Examples of highly hedonic products identified in previous research studies include designer clothes, sports cars, luxury watches, candy bars and games. Examples of highly utilitarian products identified in previous research studies include microwaves, minivans, personal computers, hair dryers and washers/dryers.

Chang (2004) found that a match between product characteristics and advertisement appeal has been shown to generate more favorable responses. A product's inherent characteristics determine if it is effective to employ either a hedonic or utilitarian appeal (Chang, 2004). Consumers tend to prefer rational ads for utilitarian products and emotional ads for hedonic products (Drolet, Williams, & Lau-Gesk, 2007). The findings in Saxena and Khanna (2013) suggest that when advertisements displayed on social networking sites provide entertainment and information content, it increases the worth of the advertisement. This study sought to confirm which of the two is more valuable entertainment, which would be hedonic in nature and informational, which would be utilitarian in nature.

Voss, Spangenberg and Grohmann (2003) developed a hedonic/utilitarian (HED/UT) scale to measure dimensions of overall brand/product attributes. Their scale consisted of adjectives representing utilitarian and hedonic dimensions to assess a product's magnitude of utilitarian versus hedonic value (Yoo & MacInnis, 2005). The HED/UT scale includes ten semantic differential response items, five of which refer to the hedonic dimension ("fun," "exciting," "delightful," "thrilling," "enjoyable") and five of which refer to the utilitarian dimension "helpful," ("effective." "functional." "necessary," "practical") of consumer attitudes. The authors conducted six studies to establish the uni-dimensionality, reliability, and validity of the two HED/UT subscales (Voss, Spangenberg, & Grohmann, 2003). Results of the study suggested that the hedonic and utilitarian constructs are two distinct dimensions of brand attitude and are reliably and validly measured by the HED/UT scale. This scale was utilized in this study.

## Transformational & Informational Advertisements

Johar and Sirgy (1991) coined the terms value expressive (image) appeal and utilitarian appeal. They stated that the two most common approaches used in advertising to influence consumer behavior might be described as value -expressive (image) or symbolic (hedonic) appeal and utilitarian (functional) appeal (Johar & Sirgy, 1991). The image strategy is part of what Rossiter and Percy (1987) refer to as "transformational advertising" (Johar & Sirgy, 1991). On the other hand, the utilitarian appeal involves informing consumers of one or more key benefits that are perceived to be highly functional or important to target consumers (Johar & Sirgy, 1991). Rossiter and Percy (1987) referred to this as "informational advertising" (Johar & Sirgy, 1991).

Emotional (hedonic) and informational (utilitarian) ad formats have been found to lead through different paths consumers of persuasion. Yoo and MacInnis (2005) found that although both ad formats create very different routes to persuasion, each route depends critically on the evocation of a set of common responses or constructs. These constructs are credibility, feelings (positive and negative), beliefs and ad attitudes (Aad). See Figure 1 below for a mapping of the two different routes. As can be seen, the main difference between the emotional and informational ad format routes is the starting point. The emotional ad format is driven by positive and negative feelings, which results in a level of credibility. Informational ad format is

driven by the level of credibility first, followed by positive and negative feelings.

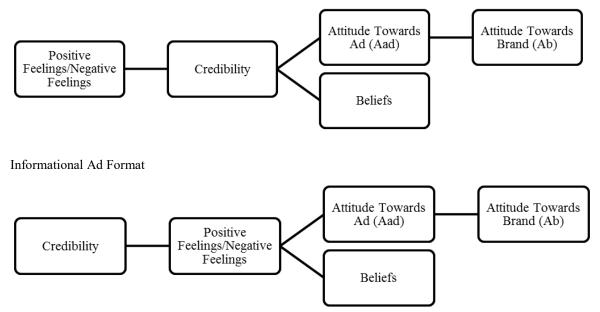
According to Puto and Wells (1984), for an advertisement to be judged transformational, it must contain the following characteristics: (1) It must make the experience of using the product richer, warmer, more exciting, and/or more enjoyable, than that obtained solely from an objective description of the advertised brand and (2) It must connect the experience of the advertisement so tightly with the experience of using the brand that consumers cannot remember the brand without recalling the experience generated by the advertisement. For an advertisement to be judged informational in accordance with the preceding definition, it must reflect the following characteristics: (1) present factual, relevant information about the brand, (2) present information which is immediately and obviously important to the potential consumer, and (3) present data which the consumer accepts as being verifiable.

It is worth noting that information and transformation are not mutually exclusive categories of advertisements (Puto & Wells, 1984). They are, however, exhaustive. Thus,

any given advertisement can be classified as belonging to one of four basic categories: (1) High Transformation/ Low Information, (2) Low Transformation/High Information, (3) High Transformation/High Information, and (4) Low Transformation/Low Information (Puto & Wells, 1984). Moriaty (1987) categorized ads into a single "primary" process classification. following process typology The was (Informational): established: Literal Identification-ad identified the brand, but additional objective contained little information. Description-ad described what the product looked like and its attributes and/or parts, Comparison-ad portrayed and/or named the competition in the visual, Before/after-ad showed the situation before and after the product's use, and Demonstration-ad showed how to do something or how to use, apply, or make the product and Symbolic (Transformational): Association-ad used a person or setting which identified a lifestyle. typical user, or typical situation, Metaphor-ad used an allegory or some unexpected substitution based on similar features, Storytelling-ad used a narrative, drama, or playlet, and Aesthetics-ad showed detailed artwork, patterns, or an abstraction. The first

FIGURE 1: Emotional Ad Format vs. Informational Ad Format (Yoo & MacInnis, 2005)

Emotional Ad Format



five subcategories are then combined into a "literal" category, while the last four subgroups are combined into a "symbolic" category. The literal category might also be described as "informational" advertising, while the symbolic category is akin to "transformational" advertising (Cutler, Thomas, & Rao, 2000). All of the above nine categories described by Moriarty (1987) appear to be applicable to various media (Cutler, Thomas, & Rao, 2000). This scale was also utilized in this study.

# Measuring Advertising Effectiveness on Facebook

An area that has emerged in marketing literature on the topic of the advertising effectiveness of Facebook is the "Likes" plugin on the site. This option allows users to easily express their preferences in relation to news, music, sports, film, photos, or any commercial product. Likes have led to increases in clicks of websites by 500% (Parra, Gordo, & D'Antonio, 2014). The Facebook Likes plugin is the most adopted one-click social plugin in the social media space (Swani, Milne, & Brown, 2013). WOM referrals have a strong impact on new customer acquisition, 20 times stronger than marketing events and 30 times stronger than traditional media appearances (Trusov, Bucklin, & Pauwels, 2009). Furthermore, liking a brand message creates customer brand engagement where individuals are more likely to make brand purchases and talk about their experiences, emotional attachment, commitment and loyalty with the brand (Swani, Milne, & Brown, 2013). The value of each consumer that Likes a brand on Facebook has increased an average of 28 percent over the past couple of years (Kabadayi & Price, 2014). Levi Strauss & Company experienced a 40 percent increase in traffic to its web site after adding the Facebook Like button to its web site, and American Eagle Outfitters found that Facebook -referred visitors spent an average of 57 percent more than those not referred by Facebook after including a Like button next to every product (Swani, Milne, & Brown, 2013). It seems that audience engagement has become the major criterion for judging the effectiveness of advertising campaigns in digital media (Yu, 2012).

## Advertisement Value

Advertising value is defined as a subjective evaluation of the relative worth or utility of advertising to consumers (Ducoffe, 1995). Ducoffe (1996), in his study on the World Wide Web-proved the significant impact (either positive or negative) of entertainment, information and irritation on advertisement value (Saxena & Khanna, 2013). Through a series of studies, Ducoffe (1995, 1996) developed a model based on these three perceived antecedents of value: informativeness, entertainment and irritation (Logan, Bright, & Gangadharbatla, 2012).

Consumers report that advertisers' ability to supply information is the primary reason for approving of it (Ducoffe, 1996). Uses and gratifications research has demonstrated that the value of entertainment lies in its ability to fulfill audience needs for escapism, diversion, aesthetic enjoyment, or emotional release (Ducoffe, 1996). In their major survey of the American consumer, Bauer and Greyser (1968) found the main reasons people criticize advertising relate to the annoyance or irritation it causes, an outcome thought to lead to a general reduction in advertising effectiveness (Ducoffe, 1996). Brackett and Carr (2001), in their study on cyberspace advertising report that information, entertainment, irritation and credibility significantly affect advertisement value which in turn affects attitude towards advertisements (Saxena & Khanna, 2013). Ducoffe's model was utilized in this study.

# **RESEARCH QUESTIONS AND HYPOTHESIS DEVELOPMENT**

This study consists of a content analysis. Content analysis has been widely used by researchers to examine communication content and channels such as advertising, media stories and web sites (Luarn, Lin, & Chiu, 2015). This study examined and analyzed communication content in the form of wall posts on the social media networking website, Facebook.

In a study conducted by Parsons (2013), a content analysis of official Facebook pages was performed using companies from Interbrand's Best Global Brands by looking at three

components - content of tabs, number of likes and wall content. Similar to the Parson's study, in this study, companies from the 2015 Fortune 500 list were selected and two components were analyzed – number of likes and wall content. Parsons noted the total number of likes of each company page. This study also noted the total number of likes of particular wall posts made on company pages. In addition to noting the number of likes of postings on the company Facebook pages, the advertisement value of these posts were also measured in this study by using an established advertisement value scale. Saxena and Khanna (2013) performed an empirical study to understand the implications of different variables in advertisements on the delivery of advertising value to respondents. Utilizing the scale for measuring advertisement value created by Ducoffe (1995), their results confirmed the roles of information, entertainment and irritation in assessing the value of advertisements displayed on social sites. networking Using this same advertisement value measurement scale, this study measured the advertisement value of Facebook wall posts.

The following research questions guided this study:

- 1. Does the type of appeal used in posts on company Facebook pages have an impact on viewer engagement?
- 2. Are certain types of companies more prone to use a certain type of appeal?
- 3. Is the advertisement value of Facebook posts impacted by the type of appeal used?

The content analysis allowed the following hypotheses to be tested:

- $\dot{H}_a$ 1: There is a significant difference in the level of engagement between posts with transformational appeal and those with informational appeal.
- H<sub>a</sub>2: There is a relationship between the type of company hedonic or utilitarian and the type of post appeal either transformational or informational.
- H<sub>a</sub>3: There is a significant difference in the advertising value of posts with transformational appeal and those with informational appeal.

### METHODOLOGY

For this study, one-hundred companies ranked by highest total revenues for the 2015 fiscal year were selected from the 2015 Fortune 500 list (Fortune, 2015). Only companies that fit the following criteria were used: 1. The company serves the consumer product market, 2. The company has an official Facebook page. There may have been other pages such as fan pages or community pages dedicated to these brands on Facebook but the focus for this study for comparability purposes was on the main official page sponsored by the brand/company (Parsons, 2013), and 3. The company has static posts (non-animated) on a Facebook page(s) in the months of February, May, August and November of 2015. Please see Appendix A for the list of companies.

Three different samples were used in this study to code the companies as hedonic or utilitarian, to code the posts as transformational or informational and to measure the advertisement value of each post. The sample sizes were determined by ensuring that each company and post had been coded at least three times to determine a final classification on appeal, as well as evaluated at least three times to determine advertisement value. Respondents were acquired through the website Amazon Mechanical Turk, also known as MTurk. This is a crowdsourcing Internet marketplace set up for the coordination of human intelligence tasks (HITs) and is a commonly used tool in social science experiments to recruit subjects. Respondents are primarily located in the United States with demographics similar to the overall Internet population. MTurk allows U.S. researchers to recruit a randomly diverse sample, which helps in obtaining a good representation of the overall population.

In order to conduct the study, each company and post had to be classified as hedonic or transformational and as utilitarian or informational. For classifying the companies, a survey questionnaire was created on Qualtrics and placed on MTurk. The questionnaire allowed collection of respondents' attitudes towards each company based on the products they offer. The respondents were referred to as coders. The hedonic or utilitarian (HED/UT) scale developed by Voss, Spangenberg and Grohmann (2003) was used. The HED/UT scale was developed through a rigorous testing. It has been found to be reliable, valid, and a generalizable scale to measure the hedonic and utilitarian dimensions of consumer attitudes (Gursoy, Spangenberg, & Rutherford, 2006). To ensure coder reliability, each company was coded three times by three separate respondents. The process used by Yoo et al. (2014) was used in this study. In this process, coders used two three point scales (1=not at all, 2=somewhat, 3=very), one to identify utilitarian and the second to identify the hedonic dimensions of products (Yoo, Yi-Cheon Yim, Sauer, 2014). Company descriptions provided by Hoover's and Reuter's Company were provided for each company in case coders were unfamiliar with the company's offerings.

Four static posts were collected from the Facebook pages of each of the one hundred companies (four hundred posts in total) on the earliest dates in February, May, August and November. These posts needed to be classified as transformational or informational. For classifying the posts, a survey questionnaire was created on Qualtrics and placed on MTurk. The questionnaire evaluated respondents' attitudes towards each post by asking them to select one category that best describes the post. Moriarty's classification system (Moriarity 1987) was used for this study. Moriarty's system uses what might best be described as the "process" of appeal, with the subcategories of "identification," "demonstration," "description," "comparison," "association," "metaphor." "storytelling," and "aesthetic" (Moriarty, 1987). The first four subcategories are then combined into a "literal" category, while the last four subgroups are combined into a "symbolic" category. The literal category might also be "informational" advertising, described as while the symbolic category 18 "transformational" advertising (Cutler, Thomas, & Rao, 2000). To ensure coder reliability, each post was coded three times by three separate respondents.

After the companies and posts were classified, a questionnaire was then administered to measure the advertisement value of the posts based on the three established variables – information, entertainment and irritation. The questionnaire was created on Qualtrics and placed on MTurk.

For measuring the value of the posts, a 20-item scale developed by Ducoffe (1995) to measure advertisement value was used. Participants were asked to respond to a five-item Likert scale, from strongly disagree to strongly agree by selecting the option that best represents how they felt about the posts included in the questionnaire. To ensure coder reliability, each post was evaluated three times by three separate respondents.

For the company classification questionnaire, a total of 44 questionnaires was collected and analyzed. Each respondent answered questions on ten randomly selected companies out of the one-hundred. For the post classification questionnaire, a total of 183 participants completed the questionnaire. Each respondent answered questions on twelve randomly selected posts out of the four-hundred. For the advertisement value questionnaire, a total of 212 questionnaires was collected and analyzed. Each respondent answered questionnaires on twelve randomly selected posts out of the four-hundred. For the advertisement value questionnaire, a total of 212 questionnaires was collected and analyzed. Each respondent answered questions on eight randomly selected posts out of the four-hundred.

### Scale Reliability

Scales were utilized on the company classification and advertisement value questionnaires. To test the reliability of the assessment instrument, a split-half reliability test was performed and Cronbach's alpha coefficient values were calculated. The test assessed the internal consistency of the items used through correlation of items as a measure of consistency. Using SPSS, a reliability analysis was run for each scale used on the auestionnaires company classification Utilitarian and Hedonic, as well as the questionnaire advertisement value Informativeness, Entertainment, Irritation, and Cronbach's Advertising Value. alpha coefficient values of greater than .70 indicate high internal consistency. All of the scales were found to have high internal consistency, as can be seen in Table 2 below:

To test for reliability of the post classification responses, the percentage agreement method was utilized. The general rule of thumb for percent agreement is presented in Neuendorf (2002). Coefficients of .90 or greater are nearly always acceptable, .80 or greater is acceptable

Cronbach s April rest for Scale Renability				
Company Classification				
Utilitarian Scale (5 items) Hedonic Scale (5 items)			Scale (5 items)	
0.866		0.947		
Advertisement Value				
Informativeness (7 items)	Entertainment (5 items)	Irritation (5 items)	Advertising Value (3 items)	
0.948	0.937	0.901	0.924	

 TABLE 2:

 Cronbach's Alpha Test for Scale Reliability

in most situations, and .70 may be appropriate in some exploratory studies (Neuendorf, 2002). In this study, three posts out of four-hundred posts were eliminated because they could not be categorized as informational -1 or transformational - 2. Out of the 397 posts, 183 were classified as informational and 166 were classified as transformational posts. A final category of 1.33 indicates that two out of the three coders chose informational categories for the post and a category of 1.67 indicates that two out of the three coders chose transformational categories for the post. A total of 29 posts were classified as 1.33 and a total of 19 were classified as 1.67. The percentage agreement calculations are shown in Table 3 below. The responses had over 95% total agreement.

### RESULTS

Table 4 below provides the descriptive statistics of the company classification and post classification questionnaires.

A paired samples *t*-test of the difference in means of the likes of posts with transformational  $M_{\text{Transformational}} = 0.904$ , SD = 5.21 and those with informational  $M_{\text{Informational}} = 0.281$ , SD = 0.64 appeal revealed that transformational posts were significantly (*t* (397) = 5.544, *p* = 0.000) liked more. In agreement with the results, the posts that were categorized by two out of the three coders as transformational  $M_{2/3\text{Transformational}} = 0.235$ , SD = 0.40 also received more likes than those that were categorized by two of the three coders as informational  $M_{2/3\text{Informational}} = 0.121$ , SD = 0.20.  $H_01$  is rejected in favor of the alternate; there is

a significant difference in the level of engagement between posts with transformational appeal and those with informational appeal.

A chi square test for association revealed that there was no relationship between type of company and type of post appeal, X2 (3, N=397) = 2.030, p = 0.566. The study failed to reject H<sub>o</sub>2; there is no significant relationship between type of company - hedonic or utilitarian and the type of post appeal.

For the advertisement value questionnaire, respondents were asked to identify their gender, age and location. 1=under21, 2=21-35, 3=36-50, 4=51 and up; Location: 1=Northeast, 2=Southeast, 3=Midwest, 4=West, 5=Southwest. Please see Table 5 below for a breakdown of the demographics of the sample.

Specific reactions to the Facebook posts from the advertisement value questionnaire are presented in Table 6 below:

The following are highlights of these results:

- 1. Respondents rated the posts as somewhat neutral at roughly 60% with mean ratings on the three items used to measure advertising value ranging between 3.20 and 3.35 on the 5increment scale where 1 = strongly disagree; 5 = strongly agree.
- 2. Respondents rated the posts as more valuable than informative with mean ratings of 3.28 for the three items measuring advertising value and 3.15 for the seven items measuring informativeness.

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Final Category	Frequency	Calculation	Percentage Agreement
1	183	183  x (.25  x 1) =	45.75
1.33	29	29 x (.25 x .67) =	4.8575
1.67	19	19  x (.25  x .67) =	3.1825
2	166	166  x (.25  x 1) =	41.5
Total	397 posts	95.29%	

 TABLE 3:

 Response Agreement for Post Classification

	ТА	BLE	4:
Company	and	Post	Classification

Company Classification				
Utilitarian Hedonic			Iedonic	
52 (52%)		48 (48%)		
	Post Classification			
Informational	2/3 Informational	Transformational	2/3 Transformational	
183 (46.1%)	29 (7.3%)	19 (4.8%)	166 (41.8%)	

# TABLE 5:Sample Demographics

Gender					
Ν	Male		Female		
-	116		96		
Age					
Under 21	21-35	36-50 51 & up			
5	121	63		23	
Geographic Location					
Northeast	Southeast	Midwest	West	Southwest	
42	56	54	42	18	

	Means	Scale reliability
Informativeness scale This post is a good source of product information	<b>3.15</b> 3.20	0.95
This post supplies relevant product information	3.25	-
This post provides timely information	3.38	-
This post is a good source of up-to-date product information	3.15	-
This post makes product information immediately accessible	3.19	-
This post is a convenient source of product information	3.17	-
This post supplies complete product information	2.73	-
Entertainment scale This post is entertaining	<b>3.21</b> 3.21	0.94
This post is enjoyable	3.38	-
This post is pleasing	3.46	-
This post is fun to use	3.04	-
This post is exciting	2.98	-
Irritation Scale This post insults a person's intelligence	<b>1.94</b> 1.81	0.90
This post is annoying	2.04	-
This post is irritating	1.97	-
This post is deceptive	1.86	
This post is confusing	2.00	]
Advertising Value Scale This post is useful	<b>3.28</b> 3.35	0.92
This post is valuable	3.29	]
This post is important	3.20	1

 TABLE 6:

 Mean Responses to Selected Items, n=397 (1= strongly disagree, 5=strongly agree)

- 3. Respondents rated the posts as more valuable than entertaining with mean ratings of 3.28 for the three items measuring advertising value and 3.21 for the five items measuring entertainment.
- 4. Respondents did not consider the posts to be particularly irritating with mean ratings on the three items used to measure irritation ranging between 1.81 and 2.04 on the 5-increment scale

# where 1 = strongly disagree; 5 = strongly agree or roughly 36%.

A paired samples *t*-test of the difference in means in the advertising value of posts with informational ( $M_{Informational} = 3.373$ , SD = 0.66) and those with transformational ( $M_{Transformational} = 3.216$ , SD = 0.75) appeal revealed that informational posts (t(397)=-40.332, p =.000) had greater advertising value. In agreement with these results, the posts that were

categorized by two out of the three coders as informational ( $M_{2/3Informational} = 3.180$ , SD = 0.81) also were deemed as having more advertising value than those that were categorized by two of the three respondents as transformational ( $M_{2/3Transformational} = 3.088$ , SD = 0.58). H<sub>o</sub>3 is rejected in favor of the alternate; there is a significant difference in advertising value of posts with transformational appeal and informational appeal.

As expected and in agreement with the Ducoffe study (1996), the correlations were sizable, significant, and in the expected directions as follows: informativeness, r(397) = .698, p = .000; entertainment, r(397) = .403, p = .000; and irritation, r(397) = .382, p = .000.

#### DISCUSSION

This study made two key findings: (1) There is a statistically significant difference in the level of user engagement between posts with informational appeal and posts with transformational appeal and (2) There is a statistically significant difference in advertising value of posts with transformational appeal and informational appeal.

The accomplished studv the primary motivation, which was to determine which form of advertisement appeal, informational or transformational, holds more value on Facebook. A paired samples *t*-test of the difference in means of the likes of posts with transformational and those with informational appeal revealed that there was a statistical significant difference between the two and that transformational posts were significantly liked more. However, when looking at the actual advertisement value of the posts, a paired samples *t*-test of the difference in means in the advertising value of posts with informational and those with transformational appeal revealed that there was a statistical significant difference between the two and that informational posts were significantly rated as having greater advertising value.

### **Managerial Implications**

Marketing managers can utilize this information to better assist them in deciding which form of appeal to use for their Facebook company posts. This study found that posts with informational appeal were deemed as having greater advertising value than those with transformational appeal. Organizational leaders can use this information to determine what kinds of informational appeals are essential in guiding consumers' evaluations of the company's products and brands compared to competing brands products. other and Corporations could integrate efficient advertising strategy via the Facebook platform and connect with a variety of consumers. Moreover, through their online presence, corporation leaders could improve their skills to effectively communicate, and try to convince skeptical and prospective consumers about the benefits of buying the company's products, and eventually convert them into loyal customers. Organizational leaders could also look to consumers' reaction to posts to gauge whether their positioning strategy is effective.

# Research Limitations/Recommendations for Future Research

While this study established that appeal has an impact on the engagement as well as advertisement value of company Facebook posts, future research is needed to further investigate the use of appeal by all social media outlets. Twitter, Pinterest and Instagram, other highly utilized social media marketing tools, would be interesting to study by applying the same appeal framework and advertisement value measurement scale used in this study to determine if it can be concluded that a certain type of appeal is most engaging across these social media outlets. As well, there could be demographic implications that might be isolated to determine whether gender, income levels, age and/or zip codes have specific effects on consumer appeal.

Another approach could be to create a specific set of metrics to measure not only the level of appeal of an advertisement but to measure, more specifically, the intent of the consumer to purchase a specific product. This would help to determine whether that product was, in fact, purchased and how it related to the level of advertisement appeal.

This study was limited to companies in various consumer product industries. It would also be

interesting to see if there are distinctive variations in appeal among different industries. Along these same lines, looking at small businesses or start-up firms would shed light on what types of appeal work to attract and captivate new customers. This study only looked at well-established Fortune 500 firms. Adding foreign companies to the study would shed light on the cultural differences that exist in the perceptions of appeal and advertisement value.

### CONCLUSION

This study found a statistically significant difference in advertising value of posts with transformational appeal and informational appeal. The study accomplished the primary motivation, which was to determine which form of advertisement appeal, informational or transformational, holds more value on Facebook. A paired samples *t*-test of the difference in means of the likes of posts with transformational and those with informational appeal revealed that there was a statistical significant difference between the two and that transformational posts were significantly liked more by consumers.

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1.General Motors	2.CVS Health	3.Valero Energy	4.JP Morgan Chase
5.IBM	6.Citigroup	7.Home Depot	8.Johnson & Johnson
9.MetLife	10.PepsiCo	11.Intel	12.Pfizer
13.Walt Disney	14.Humana	15.FedEx	16.American Airlines
17.Merck	18. Tyson Foods	19.Allstate	20. Cigna
21. 3M	22.Macy's	23.Travelers Cos.	24.Duke Energy
25.Rite Aid	26.Capital One	27.Aflac	28.U.S. Bancorp
29.Kimberly-Clark	30.Hess	31.Xerox	32.Whirlpool
33.Progressive	34.Dollar General	35.Hartford Financial	36.Southern
37.eBay	38.ConAgra Foods	39.Penke Automotive Group	40.American Electric Power
41.Starbucks	42.Gap	43.PNC Financial Services Group	44.Western Digital
45.Kellogg	46.Marriott International	47.Nordstrom	48.Yum Brands
49.Texas Instruments	50.DTE Energy	51.J.C. Penney	52.PPL
53.Bed Bath & Beyond	54.Sherwin-Williams	55.Voya Financial	56.Ross Stores
57.Estee Lauder	58.Unum Group	59.Hilton Worldwide	60.Principal Financial
61.BB&T Corp.	62.Advance Auto Parts	63.Genworth Financial	64.AutoZone
65.CenterPoint Energy	66.Sonic Automotive	67.Avon Products	68.SunTrust Banks
69.Dollar Tree	70.Avis Budget Group	71.Priceline Group	72.Campbell Soup
73.Lennar	74.Hershey	75.O'Reilly Automotive	76.Casey's General Stores
77.Dick's Sporting Goods	78.Dillard's	79.Level 3 Communications	80.Symantec
81.SanDisk	82.Fifth Third Bancorp	83.NiSource	84.Discovery Commu- nications
85.Harley-Davidson	86.Charles Schwab	87.Dr Pepper Snapple Group	88.Ameren
89.Mattel	90.Starwood Hotels & Resorts	91.Spectra Energy	92.Asbury Automotive Group
93.Newell Rubbermaid	94.Expedia	95.Navient	96.J.M. Smucker
97.Clorox	98.Regions Financial	99.Lithia Motors	100.Alaska Air Group
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# APPENDIX A