

Sacred Heart University DigitalCommons@SHU

WCOB Faculty Publications

Jack Welch College of Business

6-2014

Integrating Advertising and News about the Brand in the Online Environment: Are All Products the Same?

Anca C. Micu
Sacred Heart University, micua@sacredheart.edu

Iryna Pentina *University of Toledo*, iryna.pentina@utoledo.edu

Follow this and additional works at: http://digitalcommons.sacredheart.edu/wcob_fac

Part of the <u>Advertising and Promotion Management Commons</u>, and the <u>E-Commerce Commons</u>

Recommended Citation

Micu, Anca and Iryna Pentina. "Integrating Advertising and News about the Brand in the Online Environment: Are All Products the Same?" Journal of Marketing Communications 20.3 (2014):

This Article is brought to you for free and open access by the Jack Welch College of Business at DigitalCommons@SHU. It has been accepted for inclusion in WCOB Faculty Publications by an authorized administrator of DigitalCommons@SHU. For more information, please contact ferribyp@sacredheart.edu.

Integrating Advertising and News about the Brand in the Online Environment: Are all products the same?

Abstract

This research compares the effects of paid advertising (banner ad-plus-banner ad) and publicity (news article – plus - banner ad) on attitude towards the brand in the context of different product categorization approaches. The authors utilize both the Elaboration Likelihood Model (ELM) and the economics of information theory to test the mechanism through which different electronic communications modes impact consumers' attitude towards the brand for various product categories. Findings indicate the product categorization based on the level of involvement (ELM) to be superior to the one distinguishing search from experience goods (economics of information). Including news about the brand in the online brand communication mix generates higher brand attitudes for low- and moderate-involvement products while for high-involvement products, brand attitudes become more favorable with increasing credibility of the added news message.

Integrating Advertising and News about the Brand in the Online Environment: Are all products the same?

Academics and practitioners alike have long advocated for the synergistic effects of integrating marketing communications tools (Bhargava and Donthu 1999; Schultz 1993). Synergy, when multiple messages have greater effect than the sum of individual ones, enables marketers to reach target audiences at multiple touch points and reinforce the brand message. Such simultaneous use of different communications media or tactics by brand managers determines better resource allocation (Naik and Peters 2009), improved consumer brand attitudes (Micu and Thorson 2008), and consequently increased persuasion (Schultz 1996). The integration of brand message tools and formats is especially relevant in today's digitized and increasingly cluttered communications space when we are witnessing a paradigm shift towards interactive, narrowly targeted approaches and synergistic use of all company electronic communications. While a number of studies have evaluated the combined effects of traditional and electronic media (e.g. Stammerjohann et al. 2005; Chang and Thorson 2004), it is not clear whether marketing communications within electronic media should emphasize one particular venue, or should be balanced among the increasingly diverse types. Extensively researched in the public opinion/political communications literature, the combined effect of news and advertising is considered a more persuasive combination than advertising alone (Ansolabehere and Iyengar 1994, Micu and Thorson 2008). Brand managers have been using news-like promotional content in traditional print media. Previous research documented consumers having a hard time distinguishing between editorial and sponsored content in print (Cameron and Ju-Pak 2000, Salmon et al. 1985). The third party endorsement theoretical framework from the public relations literature proposes that advertising in the format of news benefits from the credibility associated

with the news content. In the online environment, the line between journalistic/news and promotional/advertising text-based content has become increasingly blurred as well (Williams 1998). Compared to paid online advertising (banner, text, and search), using third-party attributed communications sources (publicity, blogs, social networks, or other content-rich online media) increases message credibility and provides narrow targeting opportunities along with product relevance (Johnson et al. 2007). Thus, adding product-related news and blog articles to banner advertisements may benefit from synergistic effects and have consumers process the brand message more extensively. However, the news-ad combination may not be optimal for all products or all audiences due to inherent differences in product characteristics, as well as consumer levels of involvement with a product category. Traditionally, products have been categorized by the level of involvement with the product category (Krugman 1965; Petty and Cacioppo 1981). An alternative product categorization, rooted in the economics of information theory, classifies products as search versus experience goods, reflecting whether a consumer makes up her mind about a product either before or after the purchase (Nelson 1974). The authors propose and test two alternative sets of hypotheses reflecting the two product categorization-related mechanisms through which product classification affects online advertising effectiveness. In particular, this research compares the effects of paid advertising (banner ad plus banner ad) to the influence of an integrated online communications mix (news article plus banner ad) on attitude towards the brand in the context of the two different product categorization approaches. The study falls within the integrated marketing communications framework (Schultz, Tannenbaum and Lauterborn 1993). The authors utilize the economics of information theory and the Elaboration Likelihood Model (ELM) to test the mechanism through which different electronic communications modes impact consumers' attitude towards the brand.

The first (ELM) has been extensively employed in several IMC/synergy studies, while the second is a novel approach within this framework. We present the background for our theoretical pillars next, followed by method, results, and conclusion as well as implications of the findings for advertising theory and practice.

Synergy in Marketing Communications

Many scholars examined synergies in marketing communications. They tested whether the effect on consumers of combined media or tactics is greater than the sum of the individual brand efforts. Based on what previous studies looked at, the authors distinguish cross-media and cross-tactics synergies. We explain each type of synergy below and detail specific studies pointing out relevant findings that guided us to investigate the use of advertising together with brand news. A summary of all synergy-related studies we consulted and their findings is presented in Table 1.

INSERT TABLE 1 ABOUT HERE

Cross-media synergy studies are numerous and cover various media combinations: radio and print (Jagpal 1981), television and print (Confer and McGlathery 1991; Edell and Keller 1999; Naik and Raman 2003), television and radio (Edell and Keller 1989), and—more recently—the Internet and traditional media (Bucy 2003; Chang and Thorson 2004; Stammerjohann, Wood, Chang, and Thorson 2005; Naik and Peters 2009). Findings indicate that the Internet does add to the effects of advertising efforts from either television or print. Pertinent to the current study, Bucy (2003) found news to be perceived as more credible when communicated both on-air as well as online and concluded that the online-offline synergy works for news messages. Thus, synergy works when processing news--not only advertisements--from multiple sources.

According to the encoding variability theory, variation in exposure leads to increased processing of a message by consumers, because each message generates a separate memory trace

(Stammerjohann et al. 2005; Unnava and Burnkrant 1991) thus increasing recall likelihood through the wealth of items in memory that might act as recall triggers. So, given the diverse sources and formats, adding news about the brand to advertising should generate more extensive processing of the brand message.

Cross-tactics synergy studies are fewer historically and looked at advertising combined with sales promotions (Bemmaor and Mouchoux 1991; Lemon and Nowlis 2002) or personal selling (Gopalakrishna and Chatterjee 1992). More recent and related to the current study, a synergistic effect from using both publicity--in the format of news-- and advertising has been found for Super Bowl ads (Jin 2003), tourism destinations (Loda and Carrick Coleman 2005), tennis racquets (Wang 2006), and vacuum cleaners (Stammerjohann et al. 2005).

Stammerjohan and colleagues (2005) exposed experiment participants to news stories and print

ads or news stories and radio ads for two existing brands: Amex credit cards and Oreck vacuum cleaners. The participants read both positive and negative news stories for both brands. For Oreck, which was considered less familiar to college students, the researchers recorded significantly more positive attitudes toward both the ad and the brand among the group exposed to a positive news story. The same was not found for the more familiar brand, Amex. These authors concluded that for unfamiliar brands, a synergistic condition-positive publicity followed by advertising-results in improved attitude toward the ad and brand. The current study uses unfamiliar fictitious brands and differentiates among product categories within two separate product categorizations.

As we set out to investigate online news-advertisement synergies for different product categories, we also look at previous studies examining context-ad synergies. Exposure to publicity in the format of online news and to banner ads may occur in the same sitting in which

case the news will play the role of "context," as examined for traditional media. Context-ad synergy happens when the processing of the advertisement is enhanced by the context where the ad is placed. Scholars examined whether consumers had a more positive attitude toward the brand if an advertisement has been placed in relevant context—be it in print (Yi 1990; Moorman, Neijens, and Smit 2002; De Pelsmacker, Geuens, and Anckaert 2002), on television (Goldberg and Gorn 1987; Murry, Lastovicka, and Singh 1992; Aylesworth and MacKenzie 1998; De Pelsmacker, Geuens, and Anckaert 2002) or online (Shamdasani, Stanaland, and Tan 2001). In their seminal piece on advertising processing, MacInnis and Jaworsky (1989) detail the types of processing by consumers (from simple advertisement feature analysis to information integration) depending on the level of motivation to process a brand's message in addition to a secondary task such as program viewing. In the case of the context-ad synergy, the secondary task is processing the context in which the ad is placed. When motivation to process the brand message is low, as it would be the case with unfamiliar brands, attention is allocated primarily to the secondary task (processing of context in our case) and not to the advertisement (MacInnis and Jaworsky 1989). Motivation to process depends on the ad, the individual, and the viewing context. The brand news context makes the brand message more accessible in viewers' memory. In addition, according to the encoding variability theory, viewers process more extensively the varied (source and format) brand messages than they would repetitive ad-only messages (Chang and Thorson 2004).

Context-advertising synergy studies examined the effects of positive versus negative programming on evaluating commercials within the programs (Yi 1990; Aylesworth and MacKenzie 1998), cognitively- versus affectively-involving programs (De Pelsmacker, Geuens, and Anckaert 2002) or the effects of the feeling elicited by a magazine on subsequent processing

of advertising messages placed within that context (Moorman, Neijens, and Smit 2002). The focus of most such synergy studies was on the difference made by the context rather than the ad/product category. For the Internet, Shamdasani and his colleagues (2001) looked at website (as the context, relevance and reputation) as well as product category (high-involvement versus low-involvement). They found banner advertising effectiveness to be website relevance driven for high-involvement products and website reputation driven for low-involvement products. So, the involvement-based product classification is applicable for context effects in the online environment. The alternative product classification, based on the economics of information theory, is not present in previous studies examining integrated marketing communications effects. We formulate our hypotheses below based on both product classifications.

Product Classifications and Information Processing

Hypotheses Set 1: Product Involvement-based Categorization Mechanism of Online Advertising Response

The traditional model of product classification for marketing purposes is based on the construct of consumer involvement with a product category (Krugman 1965). According to this approach, products can be divided into low- and high-involvement based on a customer's interest in the product category, perceived potential risks (financial, social, performance, etc.), and the purchase situation. Depending on their involvement level, customers will spend more or less time and effort searching for product information, will require different amount of marketing communications, and will process the available information using different routes (Beatty and Smith 1987). This classification model relies more on customer situation-dependent perceptions than on fundamental product attributes, and could be more difficult to implement in designing communications plans. Still, the involvement-based product classification has been widely

adopted in marketing research and has been empirically supported, particularly in the context of the Elaboration Likelihood Model (ELM).

ELM advocates existence of two distinct routes to attitude change (Petty and Cacioppo 1981). Under the central persuasion route, customers carefully process (elaborate on) the product information, cognitively evaluate the message arguments, and integrate the resulting beliefs into an enduring overall evaluation of the product. Under the peripheral route to attitude change, rather than diligently considering the arguments, customers favor a product due to positive or\ negative cues in the persuasion context (e.g. visual pleasantness or number of exposures to persuasion). The processing route is determined by the customer's motivation and ability to think about the arguments that a message presents. Thus, if the product is of low interest or relevance to the buyer, such peripheral cues as number of advertising exposures or bright colors will determine the attitude towards the product (Petty, Cacioppo and Goldman 1981). On the contrary, under high-relevance conditions, the strength of arguments would determine the attitude change due to the increased cognitive effort of the buyer (central route). Extending the ELM theory to online advertising context, it may be hypothesized that for high involvement products (central route to persuasion), adding a news article to a banner ad will increase the amount of information to be elaborated upon. As a result, attitude towards the brand will increase if the arguments in the news article are credible, and decrease – if they are less credible. For low-risk, low-involvement products (peripheral route), such peripheral cue as the varied sources/formats of communications exposures alone will influence consumer attitude towards the brand. As mentioned in the previous section on synergies, encoding variability theory can be used to explain stronger brand attitudes determined by exposure to varied messages about less-familiar brands as well as low-involvement products.

H1a: For high-involvement products, consumers exposed to both banner ad and news story will have a more (less) favorable attitude towards the brand than those exposed to repetitive banner ads alone if the arguments in the news story are more (less) credible;

H2a: For low-involvement products, consumers exposed to both banner ad and news story will have a more favorable attitude towards the brand than those exposed to repetitive banner ads only.

What if consumers are neither highly interested nor uninterested in a product? A number of studies on source effects have shown that when the level of personal relevance is either moderate, or less clear, an interaction effect of central and peripheral processing routes can occur (Lien 2001). On one hand, such peripheral cues as message framing or the number of advertising exposures may affect the amount of thinking devoted to the message, thus activating central processing (Petty and Cacioppo 1981; Puckett et al. 1983). On the other hand, an argument from a non-expert source may decrease message processing effort, since the information would be perceived as not credible and therefore not worth thinking about (Heesasker, Petty and Cacioppo 1983). In the current study, the news stories have the look-and-feel of real news, hence credibility is high. In addition, the wording of brand messages (a peripheral cue) that matches customer self-schemas and need for cognition have been found to increase message elaboration (central route), strengthening the effect of strong arguments and decreasing the strength of weak arguments (Wheeler et al. 2005). Thus, message argument strength and credibility influence consumer attitude toward the brand. Chaiken and Maheswaran (1994) suggest that independent, non-interactive effects of peripheral and central processing can be present in a moderate involvement persuasion situation. We propose that under moderate involvement conditions in the online communications context, the mode of communication may affect attitude towards the

brand. Specifically, we hypothesize that exposing consumers to both a banner ad and a news story will determine more favorable attitudes towards the brand. This effect may be attributed to either an increase in cognition, so that stronger arguments will lead to higher attitude towards the brand (interaction effects), or to encoding variability theory where the number of exposures plays the role of a separate peripheral cue and exerts a direct positive effect on attitude towards the brand.

H3a: Under moderate involvement conditions, consumers exposed to both banner ad and news story will have a more favorable attitude towards the brand than those exposed to repetitive banner ads alone if the news story arguments are strong.

H3b: Under moderate involvement conditions, consumers exposed to both banner ad and news story will have a more favorable attitude towards the brand than those exposed to repetitive banner ads only.

Hypotheses Set 2: Economics of Information-based Categorization Mechanism of Online Advertising Response

Alternatively, for advertising purposes, products can be classified as search and experience goods (Nelson 1974). Borrowed from economics, this classification separates products about which the consumer can make up his mind before purchasing as opposed to after the purchase. Search goods are those about which consumers seek out information and make a judgment before purchasing. Experience goods, as the name implies, have to be experienced first and then a judgment can be made. Unlike Krugman's (1965) low-involvement/high-involvement categorization, Nelson's scheme relies primarily on the product's fundamental attributes rather than on consumers' perceptions of it (Klein 1998). It is valuable to examine this product categorization not only to see how it works in the online environment but also because there has

been intense academic debate on whether all goods online are search goods (for a complete review of literature refer to Nakayama et al. 2010). A first paper by Klein (1998) proposed that the online environment has experience goods shift to the search goods category. Klein presents three routes through which marketers of experience goods (i.e., wine) can enhance search attributes of the products in the online environment. The same three routes can be used, Klein argues, to extend online information search time for search goods (i.e., software). The three routes are: (1) making information search much easier and less costly, (2) making consumers weigh different attributes in their choice than the ones evaluated offline, and (3) enabling some "virtual experience" of the product that can substitute the actual experience. Shim et al. (2001) examine empirically the first option proposed by Klein, making information less costly and more easily accessible. However, they include only search products in the study (software, books, and videos – found via pretest) and find that information search is extended online for search goods. The study also finds that the extra time spent online searching for product information leads to online as opposed to offline purchasing of the researched product. Shim and his colleagues pretest and deem apparel and clothing accessories to be experience goods and do not include them in the study. Nakayama et al. (2010) specifically set out to answer whether Klein's assertion stands about experience goods shifting to the search goods category online. The authors found that possible counter-forces may obscure any experience-to-search good shifts. Among these counter-forces are commercial advertising claims, shifts in product quality, collaborative filtering at online retailers and more online shopping in which consumers cannot directly inspect products in the same way they do at retail stores. In addition to conducting an empirical study with 3 experience (i.e., car, cell-phone, auto-insurance) and 2 search goods (i.e., PC, best-selling book), Nakayama and his colleagues sift through several past studies and do not find clear

support for such shifts. While some experience goods such as automobiles have more search attributes than before, the reverse is also present with products like eyewear and furniture. According to Nakayama et al. (2010), jewelry, electronics, musical instruments, and most services remain experience goods in the online environment.

So, online, consumers examine both search and experience goods however, they may weigh different attributes of the products than they would if searching for information in the offline environment.

Offline, when specifically assessing the effectiveness and appropriateness of advertising content (print ads), Franke and his colleagues found that advertisements for search goods have the highest information content (Franke et al. 2004). This makes sense within the economics of information theory (Stigler 1961), which postulates that consumers will search for information until the cost of doing so exceeds the benefits. In this instance, cost is time and effort, while benefits are lower price and higher product quality. For search goods, there is a limit to the amount of information that can be researched before purchase. Consumers will search for information to test advertising claims and this information exploration has an end in sight. For experience goods, no matter how much information is attended to, the ultimate judgment can only be made after the purchase.

Hence, there is lower perceived utility gained from processing additional product information.

More so, the more product information is advertised about experience goods the less attention will be paid to it by consumers.

Based on this classification and according to the economics of information theory, consumers will spend less time on information search for experience goods because complete information is unattainable, and they are likely to base their judgment on display (banner) advertising, word-of-

mouth and sampling. Conversely, because complete information can be obtained for search goods prior to purchase, consumers will spend more time looking for the information and will rely more on detailed news and publicity communications. If these suppositions are correct, we can hypothesize that banner ads alone will be sufficient to affect consumer attitude towards an experience product (e.g. candy) and adding a news article to the banner ad will not increase perceived benefit and may not even be processed by consumers who are trying to reduce their search cost. On the other hand, reading a news article before seeing a banner ad for a search good (e.g. a technical product) should significantly increase consumers' attitude towards the advertised brand, since they will receive more relevant information that can help them make a choice, thus increasing their perceived benefits.

H1b: For search products, consumers exposed to both banner ad and news story will have a more favorable attitude towards the brand than those exposed to repetitive banner ads only; H2b: For experience products, there will be no difference in attitude towards the brand between consumers exposed to both banner ad and news story and those exposed to repetitive banner ads only.

Method

A 2 (experimental condition, between-subjects) × 4 (product category, within-subjects) mixed design experiment was designed to assess the differences among two exposure conditions to a new brand on the Internet, using either banner advertising alone or in combination with publicity as objective news. Specifically, to examine the synergistic effects that result from combining advertising with publicity, as opposed to advertising only, the following exposure conditions were employed: "banner ad plus banner ad" repetitive condition and "news article plus banner ad" combination condition, so that each condition included the same number of exposures to the

brand message. Four product categories were selected for this experiment: candy (low involvement, experience good), sports shoes (moderate involvement, experience good) as well as an MP3 player and a DVD player (high involvement, search goods). These products were selected out of 20 products rated by another cohort of marketing students in a pre-test, based on their interest, relevance, degree of usefulness (Zaichkowsky 1985) and search vs. experience qualities. When designing the stimuli, fictitious brand names were developed for each product to control for any preexisting attitudes that might confound the results in case known brands were used. Ads and news articles were created for each of the four fictitious brands.

Stimulus materials

The banner ads featured simple visuals and minimal copy that mentioned the product category and the brand name. The articles for the publicity treatment were similar in length and adopted an objective news tone. The articles had the look and feel of real news articles that would result from a brand's public relations efforts. They started with the date, a headline, and a fictional reporter name and mentioned the product category and brand name in the main text.

Manipulation checks in a pretest with 36 participants who viewed the stimulus items from a list of ads and stories verify that all stimulus materials represent typical banner ads (t (35) = .61, p = .572) or news stories (t (35) = .78, p = .442). Filler ads and articles with other fictitious brands appeared on the same pages with the target ads and articles. In addition, cartoons served as fillers between the Web pages that contained ads or articles.

Experimental design

A professional computer programmer created the experimental Web sites, which underwent usability testing before being made accessible online. The participants accessed the experimental site from a computer terminal of their choice (i.e., where they would normally browse the

Internet) and saw one of two versions (corresponding to the two exposure conditions), determined by random order. To ensure sufficient participants per condition, forced random assignment was used, such that each of the two groups included at least 32 participants, after which additional participants were randomly assigned to the two groups without restrictions. For counterbalancing purposes, the four ads and four articles within the treatments were programmed to appear in random order as participants accessed the site. To ensure active participation, subjects were asked to vote for specific articles or ads according to predefined criteria (i.e., newsworthiness of the articles and design-brand name match for the ads). To detect participants who might skip reading the articles, the Web site and its corresponding database recorded the time each respondent spent on each page. After viewing the ads and reading the articles, participants reached a page with a questionnaire that asked about their attitudes toward brands they saw, their intention to purchase those brands, and demographic information. Participants in the advertising only condition answered a version of the questionnaire without questions about the articles.

Sample and data collection

Subjects were 478 students from a large Midwestern U.S. university. This convenience sample comes from a homogenous population of students interested both in the online environment and the product categories chosen for the experiment. Participants were recruited via e-mail from three large classes. According to a power analysis table, which indicates sample size as a function of power, effect size, and significance level, the minimum sample size needed for a power level of .90, an effect size of .06, and a significance level of .05 is 57 participants. More than 140 participants appear in each treatment group that corresponds to the two exposure conditions. Participants were told they have to browse a few pages online and answer questions

about them at the end. To ensure active browsing, they were asked to assess the design-brand name match for the ads and the newsworthiness of the articles.

Measured variables

The dependent variable used to measure brand communication effectiveness was attitude toward the brand (Lord, Lee and Sauer 1995). The three-item semantic differential scale contained bad/good, unfavorable/favorable, and unpleasant/pleasant choices. (Cronbach's alphas for each product's "attitude toward the brand" is higher than .85). Respondents were also asked how credible they found each news story on a seven-point Likert scale, and the median split of this variable was used for testing the moderation effect hypothesized in the first hypotheses set.

Results

Our findings support the involvement-based product classification for designing online communications modalities over the economics of information-based classification. In support of H1a, in the case of high-involvement products (mp3 and DVD players) attitude towards the brand for consumers exposed to both banner ad and news story was significantly higher (average mean=3.2) than for consumers exposed to a banner ad alone (average mean=2.5) only when the story credibility was high (F=66.42, p=0.000) and did not significantly differ when the story credibility was low (F=1.3, p=0.26).

INSERT TABLE 2 ABOUT HERE

H2a was also supported: respondents exposed to both the banner ad and the news story for the low-involvement product (candy) indicated higher attitude towards the brand (mean=3.04) than those exposed to the banner ad alone (mean=2.87, F=4.82, p=0.029). For the moderate involvement product (running shoes), both peripheral and central routes to persuasion seem to be operating simultaneously (both H3a and H3b supported). Attitude towards the brand increased

for those exposed to both communication types (mean=2.96) compared to those who only saw a banner ad (mean=2.7; F=10.19, p=0.002). It was also higher for those in the first group who perceived the news story to be more credible (mean=3.55) than for those who considered it less credible (mean=2.83; F=129.01, p=0.000). The alternative set of hypotheses that proposed classifying products for online communications based on the economics of information theory was not supported. Means for search products (mp3 and DVD players) did not significantly differ (F=2.7, p=0.1) for respondents exposed to different experimental treatment conditions (H1b not supported). For experience products (sports shoes and candy), on the contrary, there was a significant difference in attitude towards the brand between those exposed to the banner ad only and those exposed to the banner ad and the news story (H2b not supported). In both instances, attitude towards the brand was higher for the group exposed to both types of marketing communications (F=10.19, p=0.002 for sports shoes and F=4.82, p=0.029 for candy).

Summary of the findings:

H1a: For high-involvement products, consumers exposed to both banner ad and news story will have a more(less) favorable attitude towards the brand than those exposed to banner ads alone if the arguments in the news story are more (less) credible - **Supported**

H2a: For low-involvement products, consumers exposed to both banner ad and news story will have a more favorable attitude towards the brand than those exposed to banner ads only -

Supported

H3a: Under moderate involvement conditions, consumers exposed to both banner ad and news story will have a more favorable attitude towards the brand than those exposed to banner ads alone if the arguments in the news story are more credible - **Supported**

H3b: Under moderate involvement conditions, consumers exposed to both banner ad and news story will have a more favorable attitude towards the brand than those exposed to banner ads only - Supported

H1b: For search products, consumers exposed to both banner ad and news story will have a more favorable attitude towards the brand than those exposed to banner ads only - **Not**

Supported

H2b: For experience products, there will be no difference in attitude towards the brand between consumers exposed to both banner ad and news story and those exposed to banner ads only -

Not Supported

Discussion and Implications

In this study, the authors look at combined exposure to advertising and news-like content about a brand in the online environment while at the same time comparing product categorizations within the context of online marketing communications. In the Internet space, consumers rely on verbal messages that confirm or deny advertising claims. Sources of such messages are varied, from the company's web site where product are described to third-party product review sites, to news about brands and personal opinion expressed on blogs and forums. All product learning conveyed via these channels seamlessly blends with the brand information contained in advertising messages, also present online. This study is a first step in addressing two important issues in designing and employing online marketing communications:

- 1) Which of the existing product categorizations/typologies works better for the purpose of designing online communications?
- 2) How do different product categories affect selection of optimal online communications mixes?

Our findings support the ELM-driven product classification by the level of consumer involvement as a basis for developing online marketing communications mixes. The two hypotheses advocating the ELM mechanism and the division of products into categories online using involvement were supported (H1a and H2a). In particular, under high involvement conditions, argument credibility interacted with the amount of marketing communications messages in affecting attitude towards the brand. Consumers exposed to both banner ad and news article expressed stronger positive attitude towards the brand compared to those exposed to banner ads only if the news story arguments were perceived to be strong (credible). This confirms the existence of a central processing route online (similar to the one accepted for a long time in social psychology and marketing literature) whereby the persuasion arguments facilitate elaboration and play the most important role in consumer attitude change (Petty and Cacioppo 1981). Under low involvement conditions (e.g. routine re-purchase, low price, or lack of interest), the mere varying of marketing communications tactics/formats may directly affect purchase intentions (serving as a peripheral cue). "Low-involvement theory challenges the rule of reason," writes Krugman (2000) referring to the lack of argument examination when exposed to low-involvement product messages. For product categories that do not present risk or high relevance to consumers, and do not activate high elaboration activity, peripheral cues (e.g. varied message sources) that are the result of integrating marketing communications appear to be sufficient for attitude change. These findings support the earlier view that different types of involvement have a differential influence on product information search, such that consumers will spend less time and will avoid processing neutral sources of information that are considered more time-consuming (Beatty and Smith 1987).

Under moderate involvement conditions, both central and peripheral routes appear to operate simultaneously (supporting alternative hypotheses H3a and H3b). This finding echoes the Combined Influence Hypothesis (Lord, Lee and Sauer 1995) that posits simultaneous consumer response to both message arguments and peripheral cues that has been widely supported in the advertising context (Mick 1992; Miniard et al. 1991). It is possible that exposure to varied marketing messages provides greater opportunity to process the brand message (activates the central route), or that certain internal personality characteristics (e.g. need for cognition) determine the choice of central vs. peripheral route of message processing (Pentina and Taylor 2010).

The alternative categorization, rooted in the economics of information theory, classifies goods as search and experience ones, depending on the extent of information search consumers go to when examining those goods. In this study, the division of products using the search/experience classification did not turn out to be a useful tool for creating online communications (both H1b and H2b were not supported). Participants processed the articles on experience goods more attentively, with the synergistic news-ad exposure condition yielding more positive brand attitudes. The same was not true for search goods, whereas exposure to banner ads only produced similar attitudes towards the brand compared to the exposure to both banner ads and news articles. The findings using this product classification are similar to those of Senecal and Nantel (2004), who investigate the role of online recommendations in consumers' assessment of both search (i.e., calculators) and experience goods (i.e., wine). Senecal and his colleague find consumers to be more influenced by recommendations for experience products than for search products. Recommendations for wine were more influential in this study than recommendations for calculators.

The fact that the new Internet environment allows for extended information search may have motivated consumers to read information that is not (easily) available offline. Klein's proposed routes of extending information search worked in the current study and the hypotheses formulated with offline-environment reasoning are not supported. One or all of Klein's (1998) three routes (low-cost low-effort search, weighing of different attributes and virtual experience) may be the possible explanation(s) why the article-ad exposure condition turned out to be more effective for products traditionally considered experience goods. The authors consider this an important and interesting finding that can be examined in future research.

Finally, if the involvement-based product categorization is adopted, the online marketing communications mix should be modified depending on the type of product being promoted: for high involvement products, adding a news article or other third-party attributed communications to paid advertising appears to be beneficial for increasing positive attitude towards the brand only if the third-party message contains strong and credible arguments. For low involvement products, for which information search effort is minimal, adding a third-party or any other type of marketing communication may serve as a peripheral cue and symbolically reinforce paid advertisement for better attitude towards the brand results. For moderate-involvement products, or products with unclear involvement status, existence of a third-party communication acting as a peripheral cue may activate central processing and increase brand attitude, supporting the Combined Influence Hypothesis and encoding variability theory.

Conclusion and Future Research Suggestions

This study provides initial insights into the applicability of existing product classifications to online communications strategies. In particular, our data supports the role of degree of product involvement in predicting the amount and quality of information consumers would require in

order to form an attitude towards the advertised brand. Based on this categorization, we propose brand managers design different online marketing communications mixes to achieve more effective brand attitude results. Argument strength and credibility are the main factors to keep in mind when adding a third-party communication source to paid online advertising for high involvement products. Mere varying of online marketing communications message formats/sources appears to suffice for influencing attitude towards the brand for low-involvement products. As far as moderate-involvement products, more research should be done to test whether the combined influence of central and peripheral processing routes is caused by the higher amount of peripheral cues activating central processing or by certain personality characteristics of consumers. Using different product typologies for designing other types of online marketing communications in future research may support or disprove the results of this study.

Nevertheless, this paper makes an important first step in bringing the question of applicability of traditional product typologies in online marketing communications to the attention of the marketing community.

References

- Ansolabehere, Stephen D. and Shanto Iyengar (1994), "Riding the Wave and Issue Ownership: The Importance of Issues in Political Advertising and News," *Public Opinion Quarterly*, 58, 335-357.
- Aylesworth, Andrew B., and Scott B. MacKenzie (1998), "Context Is Key: The Effect of Program-Induced Mood on Thoughts about the Ad," *Journal of Advertising*, 27 (2), 17-27.
- Beatty, Sharon E. and Scott M. Smith (1987), "External Search Effort: An Investigation Across Several Product Categories," *Journal of Consumer Research*, 14, 83-95.
- Bemmaor Albert C. and Dominique Mouchoux (1991), "Measuring the Short-term Effect of Instore Promotion and Retail Advertising and Brand Sales: A Factorial Experiment," *Journal of Marketing Research* 28(2), 202-214.
- Bhargava, Mukesh and Naveen Donthu (1999), "Sales Response to Outdoor Advertising," *Journal of Advertising Research*, 39 (4), 7-18.

- Bucy, Eric P. (2003), "Media Credibility Reconsidered: Synergy Effects Between On-air and Online News," *Journalism and Mass Communications Quarterly*, 80 (2), 247-264.
- Cameron Glen T.and Kuen-Hee Ju-Pak (2000), "Information Pollution? Labeling and Format of Advertorials in National Newspapers," *Newspaper Research Journal*, 27 (1), 65-77.
- Chaiken, Shelly and Durairaj Maheswaran (1994), "Heuristic Processing can Bias Systematic Processing: Effects of Source Credibility, Argument Ambiguity, and Task Importance on Attitude Judgment." *Journal of Personality and Social Psychology*, 66 (3), 460-473.
- Chang, Yuhmiin and Esther Thorson (2004), "Television and Web Advertising Synergies," *Journal of Advertising*, 33 (2), 75-84.
- Confer, Marian G. and Donald McGlathery (1991), "The Research Study: The Advertising Impact of Magazines in Conjunction with Television," *Journal of Advertising Research*, 31 (1), RC2-RC5.
- De Pelsmacker, Patrick, Maggie Geuens, and Pascal Anckaert (2002), "Media Context and Advertising Effectiveness: The Role of Context Appreciation and Context/Ad Similarity," *Journal of Advertising*, 31 (2), 49-61.
- Edell, Julie A. and Kevin L. Keller (1989), "The Information Processing of Coordinated Media Campaigns," *Journal of Marketing Research*, 26 (May), 149-163.
- --- and --- (1999), "Analyzing Media Interactions: The Effects of Coordinated TV-Print Advertising Campaigns," Working Paper No. 99-120, Marketing Science Institute, Cambridge, MA.
- Franke George R., Huhmann Bruce A. and David L. Mothersbaugh (2004), "Information content and consumer readership of print ads: A comparison of search and experience products," *Journal of the Academy of Marketing Science*, 32 (1), 20-31.
- Goldberg, Marvin E., and Gerald J. Gorn (1987), "Happy and Sad TV Programs: How They Affect Reactions to Commercials," *Journal of Consumer Research*, 14 (December), 387-403.
- Gopalakrishna, Srinath and Rabikar Chatterjee (1992), "A Communications Response Model for a Mature Industrial Product: Application and Implications," *Journal of Marketing Research*, 29 (May), 189-200.
- Heesacker, Martin, Richard E. Petty and John T. Cacioppo (1984), "Field dependence and attitude change: Source Credibility can Alter Persuasion by Affecting Message-Relevant Thinking," *Journal of Personality*, 51, 653-666.
- Jagpal, Harsharanjeet (1981), "Measuring Joint Advertising Effects in Multiproduct Firms," *Journal of Advertising Research*, 21 (1), 65-69.
- Jin, Hyun Seung (2003), "Compounding Consumer Interest: Effects of Advertising Campaign Publicity on the Ability to Recall Subsequent Advertisements," *Journal of Advertising*, 32 (4), 29-41.
- Johnson, Thomas J., Kaye, Barbara K., Bichard, Shannon L. and Joann W. Wong (2007), "Every blog has its day: Politically interested Internet users' perceptions of blog credibility,"

- Journal of Computer-Mediated Communication, 13(1), article 6. http://jcmc.indiana.edu/vol13/issue1/johnson.html
- Klein, Lisa (1998), "Evaluating the potential of interactive media through a new lens: Search versus experience goods," *Journal of Business Research*, 41, 195-203.
- Krugman, Herbert E. (1965), "The Impact of TV Advertising: Learning without Involvement," *Public Opinion Quarterly*, 29 (October/November), 349-356.
- Krugman, Herbert E. (2000), "Memory Without Recall, Exposure Without Perception," *Journal of Advertising Research*, 40, 49-54.
- Lemon, Katherine N. and Stephen M. Nowlis (2002), "Developing Synergies Between Promotions and Brands in Different Price-Quality Tiers," *Journal of Marketing Research*, 39 (May), 171-185.
- Lien, Nai-Hwa (2001), "Elaboration Likelihood Model in Consumer Research: a Review", *Proceedings of National Science Council ROC(C)*, 11 (4), 301-310.
- Loda, Marsha D. and Barbara Carrick Coleman (2005), "Sequence Matters: A More Effective Way to Use Advertising and Publicity," *Journal of Advertising Research*, 45 (4), 362-372.
- Lord, Kenneh R., Lee, Myung-Soo and Paul L. Sauer (1995), "The Combined Influence Hypothesis: Central and Peripheral Antecedents of Attitude toward the Ad," *Journal of Advertising*, 24 (1), 73-85.
- MacInnis, Deborah J. and Bernard J. Jaworski (1989), "Information processing from advertisements: Toward an Integrative Framework," *Journal of Marketing*, 53 (4), 1-23.
- Mick, David Glen (1992), "Levels of Subjective Comprehension in Advertising Processing and their Relations to Ad Perceptions, Attitudes, and Memory," *Journal of Consumer Research*, 18 (4), 411-424.
- Micu, Anca C. and Esther Thorson (2008), "Leveraging News and Advertising to Introduce New Brands on the Web," *Journal of Interactive Advertising*, 9 (1).
- Miniard, Paul W., Bhatla, Sunil, Lord, Kenneth R., Dikson, Peter R. and Rao H. Unnava (1991), "Picture-based Persuasion Processes and the Moderating Role of Involvement," *Journal of Consumer Research*, 18 (1), 92-107.
- Moorman, Marjolein, Peter C. Neijens, and Edith G. Smith (2002), "The Effects of Magazine-Induced Psychological Responses and Thematic Congruence on Memory and Attitude Toward the Ad in a Real-Life Setting," *Journal of Advertising*, 31 (4), 27-40.
- Murry Jr., John P., John L. Lastovicka, and Surendra N. Singh (1992), "Feeling and Liking Responses to Television Programs: An Examination of Two Explanations for Media Context Effects," *Journal of Consumer Research*, 18 (4), 441-451.
- Nakayama, Makoto, Norma Sutcliffe and Yun Wan (2010), "Has the web transformed experience goods into search goods?" *Electron Markets*, 20:251-262.
- Naik, Prasad A. and Kalyan Raman (2003), "Understanding the Impact of Synergy in Multimedia Communications," *Journal of Marketing Research*, 40 (November), 375-388.

- Naik, Prasad A. and Kay Peters (2009), "A Hierarchical Marketing Communications Model of Online and Offline Media Synergies," *Journal of Interactive Marketing*, 23, 288-299.
- Nelson, Philip (1974), "Advertising as information," *The Journal of Political Economy*, 82 (4), 729-754.
- Pentina, Iryna and David G. Taylor (2010), "Exploring Source Effects for Online sales Outcomes: The Role of Avatar-Buyer Similarity," *Journal of Customer Behaviour*, 9 (2), 135-150.
- Petty, Richard and John T. Cacioppo (1981), *Attitudes and Persuasion: Classic and Contemporary Approaches*. Dubuque, Iowa: Wm. C. Brown.
- Petty, Richard, Cacioppo, John T. and Rachel Goldman (1981), "Personal Involvement as a Determinant of Argument-Based Persuasion," *Journal of Personality and Social Psychology*, 41 (5), 847-55.
- Puckett, J., Petty, Richard E., Cacioppo, John T. and Fisher, D. (1983), "The Relative Impact of Age and Attractiveness Stereotypes on Persuasion", *Journal of Gerontology*, 38, 340-43.
- Salmon, Charles T., Lenn N. Reid, J. Pokrywcznski, and R. W. Willett (1985), "The Effectiveness of Advocacy Advertising Relative to News Coverage," *Communication Research*, 12, 546-567.
- Schultz, Don E. (1993), "The Inevitability of Integrated Communications," *Journal of Business Research*, 37, 139-146.
- Schultz, Don E. (1996), "We Simply Can"t Afford to Go Back to Mass Marketing," *Marketing News*, 27 (4), 20.
- Schultz, Don E., Stanley I. Tannenbaum, and Robert F. Lauterborn (1993), *Integrated Marketing Communications*, Lincolnwood, IL: NTC Publishing.
- Senecal, Sylvain and Jacques Nantel (2004), "The influence of online product recommendations on consumers' online choices," *Journal of Retailing*, 80:159-169.
- Shamdasani, Prem N., Andrea J.S. Stanalad, and Juliana Tan (2001), "Location, Location, Location: Insights for Advertising Placement on the Web," *Journal of Advertising Research*, 4 (4), 7-21.
- Shim, Soyeon, Eastlick, Mary Ann, Lotz, Sherry L. and Patricia Warrington (2001), "An online prepurchase intentions model: the role of intention to search," *Journal of Retailing*, 77(3), 397-416.
- Stammerjohan, Claire, Charles M. Wood, Yuhmiin Chang, and Esther Thorson (2005), "An Empirical Investigation of the Interaction Between Publicity, Advertising, and Previous Brand Attitudes and Knowledge," *Journal of Advertising*, 34 (4), 55-67.
- Stigler, George J. (1961). "The Economics of Information," *Journal of Political Economy*, 69(3), 213-225.
- Unnava, Rao H. and Robert E. Burnkrant (1991), "Effects of Varied Ad Executions on Brand Name Memory," *Journal of Marketing Research*, 28 (November), 406-416.

- Wang, Alex (2006), "When Synergy in Marketing Communication Online Enhances Audience Response: The Effects of Varying Advertising and Product Publicity Messages," *Journal of Advertising Research*, 46 (2), 160-170.
- Wheeler, S. Christian, Richard E. Petty and George Y. Bizer (2005), "Self-Schema Matching and Attitude Change: Situational and Dispositional Determinants of Message Elaboration," *Journal of Consumer Research*, 31 (4), 787-797.
- Williams, Wendy (1998), "The blurring of the line between advertising and journalism in the online environment," in D. Borden and K. Harvey (eds), *The Electronic Grapevine: Rumor, Reputation, and Reporting in the New On-line Environment*. Mahwah, NJ: Erlbaum.
- Yi, Youjae (1990), "The Effects of Contextual Priming in Print Advertisements," *Journal of Consumer Research*, 17 (2), 215-222.
- Zaichkowsky, Judith L. (1985), "Measuring the Involvement Construct," *Journal of Consumer Research*, 12 (3), 341-52.

Table 1 Synergies in Marketing Communications

Type of synergy Study		Findings					
Cross-Media Synergies							
Radio and print	Jagpal 1981	radio and print advertising synergy confirmed for a commercial bank					
Radio and television	Edell and Keller 1989	better recall of television than radio ads embedded in news broadcasts; no difference in brand judgments					
Television and print	Confer and McGlathery 1991	better recall and brand selection for Kraft Miracle Whip when print and television were used in combination; not the same for Reynolds Crystal Color Plastic Wrap					
	Edell and Keller 1999	coordinated television and print media strategy leads to greater processing and improved memory performance					
	Naik and Raman 2003*	modeled Dockers brand budget required for managing multimedia activities and found overspend to be smaller in the presence of synergy					
Television and the Internet	Bucy 2003*	confirmed synergy of online and offline news					
	Chang and Thorson 2004*	for six products television-Internet synergy lead to significantly higher attention, higher perceived message credibility, and a greater number of total and positive thoughts than did repetition					
Internet and traditional media	Naik and Peters 2009*	banner advertising significantly increases car dealer visits only in the presence of offline advertising					
Cross-Tactics Synergies							
Different in-store promotions	Bemmaor and Mouchoux 1991	for six product categories, price-deal promotion enhanced by adding retail advertising					
	Lemon and Nowlis 2002*	the combined effects of displays and price promotions, or feature advertising and price promotions, are greater on low-tier brands than on high-tier brands					
Personal Selling and Advertising	Gopalakrishna and Chatterjee 1992	an approach is proposed to assess the joint impact of advertising and personal selling effort on sales of electrical cable					
Publicity and Advertising	Jin 2003*	those who both read the news storyabout upcoming Super Bowl ads and then watched the ads had the best brand ad recall					
	Loda and Carrick Coleman 2005	publicity-then-advertising condition superior to advertising-then- publicity and advertising only for travel destinations					
Stammerjohann, Wood, Chang and Thorson 2005*		for unfamiliar brands (Oreck) as opposed to familiar ones (Amex), positive print publicity followed by radio advertising results in improved attitude toward the ad and brand					

	Wang 2006*; Wang and Nelson 2006*	attitude toward the ad and message believability higher in the combination condition for tennis racquets					
	Micu and Thorson 2008*	for four products, attitude toward the brand higher in the combination condition online					
Context and Advertisement Synergies							
Context and print advertisements	MacInnis and Jaworski 1989	cognitive and emotional responses to context					
	Yi 1990	positively primed subjects have higher brand attitudes and are more likely to purchase computers advertised in print					
	Moorman, Neijens, and Smit 2002	positive responses induced by the magazine spill over to the ads included in that magazine (thematic congruence)					
	De Pelsmacker, Geuens, and Anckaert 2002	for low-involvement products only, a congruent media context could serve as a peripheral cue and lead to better brand recall					
TV programming content and commercials	Goldberg and Gorn 1987	watching a happy program results in more positive responses and better recall of the commercials					
	Murry, Lastovicka, and Singh 1992	program liking affects consumer attitudes toward the ad but has no direct effect on attitude toward the brand after controlling for attitude toward the ad					
	Aylesworth and MacKenzie 1998	ads placed in programs that induce negative moods are processed less systematically than ones placed in programs that put viewers in positive moods					
Web page content and online ad	Shamdasani, Stanaland, and Tan 2001	banner advertising effectiveness is website relevance driven for high- involvement products and website reputation driven for low- involvement products					

^{*} Studies specifically found and labeled a synergistic effect.

Table 2 Summary of results

						Std.				
		Products	Exposure condition	N	Mean	Dev	Min	Max	F	p
H1a	Supported	high-involvement	banner ad + banner ad	216	2.55	0.57	0.86	4.02	66.42	0.00
		credible arguments	banner ad + news story	74	3.18	0.58	0.86	4.32		
H2a	Supported	low-involvement	banner ad + banner ad	140	2.87	0.81	0.89	4.45	4.82	0.03
			banner ad + news story	290	3.04	0.74	0.89	4.45		
НЗа	Supported	moderate-involvement	banner ad + banner ad	100	2.83	0.67	0.89	4.44	129.01	0.00
		credible arguments	banner ad + news story	50	3.55	0.69	1.77	4.44		
H3b	Supported	moderate-involvement	banner ad + banner ad	141	2.70	0.78	0.89	4.44	10.19	0.00
			banner ad + news story	290	2.96	0.78	0.89	4.44		
H1b	Not supported	search (DVD player)	banner ad + banner ad	142	2.60	0.77	0.86	4.32	2.70	0.10
			banner ad + news story	290	2.71	0.64	0.86	4.32		
		search (MP3 player)	banner ad + banner ad	142	2.74	0.75	0.87	4.34	2.73	0.10
			banner ad + news story	291	2.85	0.54	0.87	4.34		
H2b	Not supported	experience (sports shoes)	banner ad + banner ad	141	2.70	0.78	0.89	4.44	10.19	0.00
			banner ad + news story	290	2.96	0.78	0.89	4.44		
		experience (candy)	banner ad + banner ad	140	2.87	0.81	0.89	4.45	4.82	0.03
			banner ad + news story	290	3.04	0.74	0.89	4.45		