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NARRATIVE ADVERTISING FOR HEDONIC & UTILITARIAN PRODUCTS

A Comparative Study

Tran Thuy Linh

International Business Bachelor's Thesis Supervisor: Dale Fodness Date of approval: 13 April 2017

Aalto University School of Business Bachelor's Program in International Business Mikkeli Campus



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Objectives

The research aims to assess the current state of narrative advertising in the advertising landscape within the context of hedonic and utilitarian consumption, and attempts to explain this phenomenon by investigating consumer perceptions and preferences to understand the applicability of narrative advertising.

Summary

For this research, a content analysis was first conducted to analyze a sample of 80 commercials for both hedonic and utilitarian products. Built on the results of this, a quantitative study was conducted to understand consumer preferences and measure the perceived effectiveness of narrative and argumentative commercials for each product. An online survey was distributed online via social media and students' university email address. Following the findings of the research, theoretical and managerial implications are discussed.

Conclusions

The results indicate that currently, narrative advertisements are used more for hedonic products, while argumentative advertisements are used more for utilitarian products. For hedonic products, narrative ads are significantly more effective, and are preferred by survey respondents over argumentative ads. However, there was no significant difference in effectiveness between narrative and argumentative ads for utilitarian products, although narrative ads are also preferred by respondents. Additionally, based on measures of ad effectiveness and narrative transportation, the study posits that hedonic products generally benefit more from narrative advertising than utilitarian products.

Key words:

advertising, narrative, argumentative, television commercial, hedonic consumption, utilitarian consumption, content analysis, quantitative survey

Language: English

Grade:

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I. INTRODUCTION

1. Background

Stories are a powerful force that gives meaning to life events and shapes human perception (Escalas, 1998). The power of stories lies in their close integration into how the human mind functions, as "narrative thoughts are natural and pervasive in human thought" (Escalas, 1998:286). In other words, people have a predisposition to think and process information in narrative form. In fact, Schank and Abelson (1995) posit that most of the information acquired is stored in the human mind in the form of stories, which are used to make sense of the surrounding world (Polkinghorne, 1991; Escalas, 1998), organize existing experience, explain new events, gain perspective (Bruner, 1990), form judgments (Gergen & Gergen, 1988), understand emotions (Escalas, 1998) and inform actions (Olson, 1990; cited in Escalas, 1998:271). When used as a marketing persuasion tool, narratives have also been shown to have positive effects on ad responses, brand evaluation, and product experience (Escalas, 1998), which will be discussed in more detail in later sections about narrative processing and narrative persuasion.

It is this potency of stories that has generated such a large amount of interest in the power of narrative persuasion, especially in the field of business. From a marketing and consumer research standpoint, narrative and storytelling is a well-trodden path, explored by numerous researchers from a variety of perspectives, most prominently branding (e.g., Woodside, Miller & Sood, 2008), and advertising (e.g., Escalas, 1998), with the majority of studies looking into the latter. Following this stream of established research, the current paper aims to examine the advertising effectiveness of narratives within the context of hedonic and utilitarian consumption. The scope of this study will be limited to narrative advertisements in the form of television commercials, as these are deemed as one of the "most ubiquitous and influential" types of narratives (Esslin, 1979, cited in Stern, 1994:601), due to their well-developed medium, extensive use as a marketing tool, and persuasive effectiveness in prompting purchase decisions.

2. Research Problem

As consumers become increasingly knowledgeable and critical with regard to marketing and advertising practices, narrative advertisements are gaining more importance and preference over the traditional argumentative or expository ones. To varying extents, advertisers are now shifting towards narrative advertising, or at least are having to include certain narrative appeals in their advertising strategies. However, distinctions in inherent product natures and attributes, especially in terms of hedonic and utilitarian consumption, could potentially introduce nuances and complexities into the equation, which would call for more clarity and flexibility in the application narratives in advertising.

3. Research Questions

Following the aforementioned research objective, this paper aims to address three research questions, as listed below. While RQ1 and RQ2 can be addressed through an extensive review of literature, answering RQ3 and RQ4 would require more empirical research, both qualitative and quantitative.

- RQ1: What is narrative advertising and how does it work?
- **RQ2:** What are the differences between narrative advertisements and argumentative advertisements?
- **RQ3:** Which advertising form (narrative argumentative) is used more, and is more effective for which product type (hedonic utilitarian)?
- **RQ4:** For which product type (hedonic utilitarian) are narrative advertisements most suitable?

4. Research Objectives

Corresponding to the four established research questions, the following research objectives have been developed.

- 1. To understand the distinctions between narrative advertisements and argumentative advertisements, as well as the rationale behind the use of narratives in advertising.
- 2. To assess the current state of narrative advertising in terms of frequency and proportions of applications in comparison with argumentative advertising.
- 3. To determine which advertising form (narrative argumentative) is currently used more for which product type (hedonic utilitarian).
- 4. To determine which advertising form (narrative argumentative) is more effective and is preferred for which product type (hedonic utilitarian).
- 5. To gauge the specific applicability and compatibility of narratives in the advertising of hedonic versus utilitarian products.

5. Definitions

In this section, clarification of key definitions necessary for the understanding of this research will be provided. It must be noted that these definitions only cover the core concepts explored in this paper. More specific concepts and definitions will be discussed later in the literature review section of the thesis.

Advertisement (also referred in this paper as "ad"): a means of promotion for products, including goods and services. As this research focuses primarily on *television commercials* (TVC), or video-form promotional advertisements of products on television, the terms "ad", "advertisement", "television commercial", and "commercial" may be used interchangeably.

Narrative ads: ads that incorporate storytelling, or the use of stories, in their promotions of products. Stories in ads can be told by a voiced-over storyteller or narrator (sometimes called story ads), or can be enacted by characters portraying the events (sometimes called drama ads).

Argumentative ads (also known as non-narrative ads, expository ads, or *informative ads*): ads that follow the traditional approach of advertising, which is by relying on heavy product information and strong arguments and claims to persuade consumers.

Hedonic products: products characterized by the enjoyable aesthetic, experiential, and sensual pleasure aroused by their consumption experience. Examples of hedonic products may range from regular consumer goods like chocolate and flowers, to luxuries like sport cars, designer clothes, and high-end watches, to services like spa, theme parks and vacation resort, or means of entertainment: music, games, movies, and so on.

Utilitarian products: products that are valued more for their functionality and instrumentality, or their ability to accomplish a specific task. Examples of utilitarian goods may include microwaves, laundry and cleaning detergents, baby diapers, home security systems, toilet paper, toothpaste, and other personal hygiene products, while utilitarian services may include house-cleaning or moving services.

II. LITERATURE REVIEW

1. Introduction

The purpose of this literature review is to provide the basis for later empirical research by identifying the link between narrative advertising and hedonic-utilitarian consumption, for which a thorough investigation into both of these fields is needed. First, established works in the field of narrative advertising are reviewed and presented in a structure that corresponds to the two most important questions identified by Escalas (1998): *what are they?* – narrative advertisements, its definition and related concepts, and *how do they work?* – narrative persuasion, which delves into the affective and cognitive processes in consumers. Next, hedonic and utilitarian consumption is studied, and distinctions between the two product types are identified. Finally, building on the prior two sections, the relationship between narrative advertising and hedonic-utilitarian consumption is discussed along with the development of hypotheses.

2. Narrative Advertising

2.1. Narrative Advertisements

2.1.1. Definition

In its simplest sense, a narrative advertisement, also known as advertising narrative (Escalas, 1998), or commercial narrative (Chang, 2012a), is essentially, "an ad that tells a story" (Escalas, 1998:274). In the case of the Extra Gum ad (2015) that recently became viral, it is "The Story of Sarah & Juan". As the name suggests, the ad follows the love story of the two title characters, with Extra gums present in every crucial moment of their relationship, culminating in a happy ending with a marriage proposal delivered also with the help of pictures drawn on the gum wrappers. Another example is a Subaru ad (2017), which tells the story of a boy who breaks everything he touches, except for the family's Subaru, which is claimed to have been built to last. Storytelling is also employed in a Budweiser ad titled "Friends are Waiting" (2014), which uses a moving story of a man and his dog to deliver a message against drunk driving.

Nevertheless, simple as this definition may seem, in order to truly and clearly understand what narrative ads are, it is of great importance to study what a story is. Stories permeate our everyday life, which explains the profusion of scientific attention given to the study of narratives from multi-disciplinary perspectives in the past few decades (Escalas 1998, 2012). In the studies of rhetoric, Burke's Pentad (1969), cited in Escalas (1998: 270) and Escalas & Stern (2006: 159) presents five factors that make up dramas: the act (what happened?), the scene (when and where is/was the act carried out?), the agent (who did it?), the **agency** (how and by what means was the act carried out?), and the **purpose** (why did the agent act?). From a psychological standpoint, Bruner (1990) proposes four characteristics of a story: (1) it involves agent(s) undertaking actions to achieve goals, (2) it is presented in a sequential order, (3) it conforms to canonical and logical rules, (4) it is always delivered from a perspectival standpoint. In her review of narrative concepts, Escalas (1998) defines stories as a sequence of events, in which actors engage in actions to achieve goals or result in outcomes. More specifically, the storyline must progress from a beginning to an end, in which unanswered questions, unresolved conflicts, or incomplete activities may be presented for characters to face (Green & Brock, 2000). Through these definitions, it could be inferred that the two most important criteria for something to be qualified as a narrative, or a story, are *chronology* – i.e., a temporal dimension with a beginning, middle, and end - and *causality* – i.e., goal oriented action sequence with causal and inferential relationships (Polkinghorne, 1991; Escalas, 1998).

In comparison with traditional stories, narrative ads are often presented as self-contained narratives (Escalas, 1998), sharing similarities in the narrative structures commonly found in traditional stories: a message (in this case, brand message or brand meaning) is delivered through a problem to be resolved by characters who interact with the brand, mostly in the form of usage, and experience benefits derived from such usage, evident in emotional displays (Boller & Olson, 1991; Chang, 2012b). However, due to the persuasive nature of advertisements, there exist between traditional stories and narrative ads notable differences, most of which pose considerable challenges and obstacles for narrative ads:

Firstly, the inherent purpose of narrative ads as a marketing activity emphasizes ties with the overarching brand message. In other words, the ad needs to be well-integrated with the brand (Brechman & Purvis, 2015). However, overt introduction of products or presentation of brand message may risk disrupting the viewing experience and the cognitive and emotional processing of the audience, causing dissatisfaction or agitation (Stern, 1994; Chen, 2015). Thus, it is of utmost importance to balance the two functions and obligations of narrative ads: a persuasive marketing activity for the brand, and a relatively entertaining story for the viewers.

Secondly, this dual-function and dual-responsibility also account for a difference in the way viewers approach traditional stories and narrative ads. As viewers are aware that narrative ads are a persuasion effort for marketing purposes, this persuasive intent warrants much skepticism from viewers, making them approach the ads with caution, potentially hindering the effectiveness of the ads itself (Escalas, 1998, 2007; Chen, 2015).

Thirdly, Mick (1987), cited in Escalas (1998:278), and Chen (2015) also highlight the time constraint faced by narrative ads, which makes stories heavily compressed into a time frame of only 30 to 60 seconds. This limitation can impose several implications on the execution of narrative ads, including incomplete structures and underdeveloped plots as suggested by Chang (2009). In fact, both Escalas (1998) and Chang (2009) have identified that a considerable proportion of narrative ads employ incomplete narrative structures as a strategy to overcome the inhibitions of time constraint, whereby the ads do not start at the beginning of the stories, but instead jump straight into the action, leaving viewers to pick up the storyline by means of inferencing.

Lastly, another difference between traditional stories and narrative ads lies in the way they are presented: while traditional stories are rhetorical, narrative ads are pictorial (Mick 1987, cited in Escalas, 1998:278). Escalas (1998) explains this distinction, stating that narrative ads bear more resemblance to movies than novels. However, this argument is perhaps not solid, since the difference actually lies in the different

media types; just as movies are more pictorial than novels, narrative television commercials are more pictorial than narrative print ads.

2.1.2. Narrative Elements and Advertising Forms

Another distinction that needs to be clarified revolves around the elements of narrative ads and how these elements help to classify narrative ads in the spectrum of advertising forms. As Boller and Olson (1991) have highlighted, earlier information processing or advertising response research, including the Elaboration Likelihood Model (Petty & Cacioppo, 1983), was solely focused on argumentative ads, also known as lecture ads (Wells, 1988), or expository ads (Wentzel, Tomczak & Herrmann, 2010), with logical and analytical arguments to persuade and convince consumers. As a later-discovered ad form, narrative ads have often been studied in conjunction/comparison with the more traditional argumentative ads (e.g., Wells, 1988; Deighton, Romer & McQueen, 1989; Adaval & Wyer, 1998; Escalas, 1998; Chang, 2012b). Three most important elements that define and distinguish narrative ads have been identified: **plot**, **character**, and **narration** (Deighton et al., 1989; Stern, 1994), which will be discussed in detail as follows:

Plot. Among the three, plot is arguably the most crucial narrative element, as it pertains to the two structural requirements of a narrative: chronology and causality, as highlighted earlier. According to Wells (1988) and Escalas (1998), plots in narrative ads tend to revolve around the product (product class, category, functions and benefits), the product user (target group, usage occasion, experience, and consequences), and the brand (brand meaning, image, or message). Additionally, Chang (2012b) also identifies several common themes often found in narrative ads, including hope, romance, relationships, and self-esteem. Other than this, narrative ads often vary in the way plot is utilized in the storytelling process: some ad campaigns could feature the same plot repeatedly, some could feature different plots with either different or same characters, while others could employ one continuous plot revolving around the same set of characters, presenting the ads in the form of ongoing stories, almost comparable to a miniature soap opera (Escalas, 1998; Chang, 2009).

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Character. The importance of characters, along with character identification and attachment in narratives have been heavily emphasized by Boller and Olson (1991), as well as Green and Brock (2000). Indeed, events depicted in ads would merely be empty shells without the characters, whose perspectives and responses are the medium through which brand meaning is conveyed and viewers become absorbed and engrossed in the story (Boller & Olson, 1991; Slater & Rouner, 2002).

Narration. Although narrative and narration originate from the same word stem, there exist fundamental differences between the two concepts. While narrative is a form of presenting information in a story-like structure, with chronology and causality, a logical flow and characters, narration simply refers to the existence of a narrator or storyteller, or whether the story is being narrated (Deighton et al., 1989; Boller & Olson, 1991). In other words, a narrative ad could either be presented by the voice of narrators (narrated) or performed by characters (unnarrated), a distinction later clarified by Escalas and Stern (2006) and Chang (2012b). On the other hand, Bruner (1990) and Stern (1994) argue against the distinction of narration altogether, positing that no television commercials can be considered unnarrated, as the point of view or perspective stance (Bruner, 1990) provided by "the electronic eye...an omnipresent narrative force shaping the staged events for the audience" (Stern, 1994:602).

Based on these elements, in an attempt to study the distinction between narrative ads and traditional argumentative ads, Deighton et al. (1989) have developed a typology of advertisements, referred to as the dramatization scale, to classify ads based on their forms, or the degree to which the ad is dramatized. Using criteria of *narration*, *character* and *plot*, four categories are established with increasing levels of dramatization: **argument** (narrated, with neither character nor plot), **demonstration** (argument with plot), **story** (demonstration with character), and **drama** (unnarrated story). Towards the left side of this spectrum, argumentative ads are presented with informative claims and logical reasoning, such as a Colgate toothpaste ad featuring bullet points of benefits: e.g., whitening effect, cavity protection, tartar prevention, and so on. Towards the right side of the spectrum, narrative ads are presented through stories, whether narrated by a

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storyteller (story ad) or portrayed by actors (drama ads) (Deighton et al., 1989; Chang, 2009).

Stern (1994), however, disagrees with the assumption that there is only one kind of television drama, i.e. classical drama, while the other, vignette drama, is overlooked. Vignette dramas comprise of a series of loosely structured and unconnected stories with little causational relationship, while classical dramas require a plot that is tighter in structure, with heavy emphasis on the causality and the logical flow of events (ibid). In response, Escalas (1998) asserts that vignettes are not to be considered stories, since they are, strictly speaking, unconnected sequences of actions and events, and thus do not qualify as narrative ads. Although there is no definitive conclusion, it could be assumed that the narrative degree of vignettes depends on how developed each story is. For example, a vignette ad featuring a montage of scenes depicting parents playing with children would be considered less narrative than a vignette ad with longer stories and tighter structures that demonstrate more causality.

2.2. Narrative Persuasion

The rationale behind the widespread use of narratives in advertising lies in the perceived effectiveness of *narrative persuasion* - the attitude and/or behavior change in consumers' mindset caused by narratives as a persuasive attempt from marketers and advertisers (Van Laer et al., 2014). The concept and effectiveness of narrative persuasion can thus be understood by looking into the cognitive and emotional responses of consumers elicited by a narrative mode of processing (ibid), as opposed to analytical processing triggered by traditional argumentative ads. Regarding this, Adaval and Wyer (1998) disagree with earlier theorists in the field of consumer judgement and decision making, arguing that instead of having a scientific, checklist style processing system to compute judgments on product attributes and analytical information (Petty & Cacioppo, 1986), consumers are more predisposed to evaluate and make decisions by envisioning themselves in possible scenarios related to product purchase, usage, and consequences. The distinction between these two lines of arguments forms the foundation for the two

extremes in the advertising form spectrum, with the scientific, check-list information approach corresponding to argumentative ads, and the experiential, scenario envisionment approach corresponding to narrative, or drama ads.

Narrative ads can trigger a narrative mode of processing either by framing new information in the form of a story, or by directly instructing consumers to imagine and envision themselves (Adaval & Wyer, 1998; Escalas, 1998). Either way, under conditions of narrative processing, or narrative thought, incoming information are linked together with causal relationship and organized into a narrative structure, as if the consumer is trying to form a story (Pennington & Hastie, 1988; Escalas, 1998; Woodside et al, 2008). The creation of meaning is fostered as the consumer makes references to the self (self-referencing) and relates incoming information to previous personal experiences as a sense-making mechanism for new events (Polkinghorne, 1991) and a means to reinforce, update, or elucidate existing ones (Schank & Abelson, 1995). Herein lies the true power of narrative processing and narratives as a persuasion tool (Burnkrant & Unnava, 1995; Escalas, 1998, 2007), for self-referencing is key to achieve the two closely related and mutually reinforcing affective and cognitive processes that enable the development of narrative persuasion: **empathy** and **narrative transportation**.

2.2.1. Empathy

Empathy is an affective process cited by Wells (1988) as one of the distinguishing elements between lectures (argumentative ads) and dramas (narrative ads), whereby lessons and experience are gained through empathizing with characters' thoughts, feelings and experience, instead of from instructions. Indeed, Boller and Olson (1991) define empathy in the context of narrative advertising as the consumer's imaginative projection of the self onto the experiences of characters in ads, through which they could learn about the self-relevance of the brand. Both of these definitions, however, lack the aspect of control emphasized by Escalas and Stern (2003), who posit that empathy involves the involuntary and uncontrolled process of losing oneself and merging with others, to observe, feel, and experience from others' perspective.

Per Boller and Olson (1991), two requirements must be met in order to facilitate the process of empathy: character identification and vicarious participation, which can together trigger consumption-related interests and aspirations. First, with character identification, consumers must be able to see themselves in the characters (Burnkrant & Unnava, 1995), which could be achieved through similarities in the core aspects of selfidentity and personality (Boller & Olson, 1991). This places great importance on the appearance of characters as a narrative element, as mentioned above, and especially strong and deep character development, which enhances identification and enables empathetic relationship-building between consumers and characters (Deighton et al., 1989; Escalas, 1998; Green & Brock, 2000; Escalas & Stern, 2003). Second, vicarious participation requires consumers to suspend themselves and their perspectives to see through the lens of characters with whom they have identified, and experience their thoughts, perceptions, emotional or physical reaction (Boller & Olson, 1991). As events portrayed in narrative ads often revolve around consumption situations (Wells, 1988; Escalas, 1998), vicarious participation could be deemed rather similar to the construction of consumption visions, a series of mental images of product-related behaviors and consequences, in which consumers vicariously experience consumption activities (Phillips, 1996). Although it has been acknowledged by Boller and Olson (1991) that the use of narration works to elaborate characters' thoughts, feelings, and experience, it is also considered unnecessary and counter-effective. By readily providing interpretations and explanations through narration, ads could risk distancing viewers from the characters, thus interfering with their processing and lowering persuasion effectiveness (ibid).

Interestingly, Escalas and Stern (2003) also draw attention to a somewhat similar but much less studied construct: *sympathy*. Contrary to *empathy*, which occurs when an individual is in a state of emotional synchronization with another, the source of *sympathy* is the emic perspective of an onlooker who is merely aware of another's feelings (ibid). Whereas participants of the former are completely engrossed in the emotional context, the latter refers to self-conscious observers who deliberately distance themselves from the stimulus (ibid). However, it must be acknowledged that the two processes are not mutually exclusive or on opposite ends of a spectrum; instead, Escalas and Stern (2003)

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suggest that sympathy is a mediator that precedes empathy, meaning the latter state could only be achieved through the former. Thus, good narratives should perhaps be able to incorporate elements that the consumers can both *sympathize with*, i.e., recognizing the emotions displayed, and *empathize with*, i.e., experiencing similar feelings (ibid).

2.2.2. Narrative Transportation

In addition to enhancing empathy, narrative processing can also induce the cognitive process of narrative transportation, also known as "being hooked" (Escalas, Moore & Britton, 2004; Chang, 2009). Transportation theory conceptualizes narrative transportation as a process of immersion into stories, which entails attentional focus, emotional reaction, mental simulation and experiential involvement, when one engages in narrative processing, or narrative thought (Green & Brock, 2000, 2002). In the case of narrative ads, narrative transportation could be understood as if the viewer is being drawn or pulled into an ad (Escalas et al., 2004).

Narrative transportation often occurs through narrative self-referencing, either by relating to prior personal experience (Burnkrant & Unnava, 1995; Escalas, 2007), or by vicarious participation through identification with characters in the narrative, as explained in the previous section about empathy (Boller & Olson, 1991; Green & Brock, 2000; Wentzel et al., 2014). However, it must be noted that empathy and narrative transportation are two closely related and mutually reinforcing constructs, but could not be considered exactly similar. Narrative transportation is perhaps a much more comprehensive and "convergent process, where all mental systems and capacities become focused on events occurring in the narrative" (Green & Brock 2000:702). In fact, Van Laer et al. (2014) considers empathy as one of the criteria for narrative transportation, the other being the experience of suspended reality and loss of real-world sense and information, resulting from the activation of one's imagination as one engages in the story plot.

The degree of narrative transportation induced is contingent on factors belong to both the story itself and the story-receivers, or viewers of the ad (Van Laer et al., 2014). Stories

that contain characters relatable to the story receivers, a plot imaginable by them, and a reasonable degree of authenticity and persuasiveness would have a significant chance of generating narrative transportation (ibid). As for story receivers, their familiarity with the story topic, attentiveness, transportability, level of education, empathy, and gender (women tend to empathize more than men) are variables that decide how deeply engaged they are in the transportation process (Green & Brock, 2000; Mazzocco, Green, Sasota & Jones, 2010; Van Laer et al., 2014).

The persuasive effectiveness of narrative transportation is built on the assumption that the story-receivers, once transported, return from the experience in an altered state of mind, whereby their feelings, attitudes, beliefs, intentions, and behaviors are bound to be changed and transformed to reflect the story (Green, 2008; Phillips and McQuarrie, 2012; Van Laer et al, 2014). As such, narrative transportation achieves its success as a persuasion tool through a variety of ways:

Firstly, as consumers engage in self-referencing and empathy towards characters featured in the story, they tend to experience *strong affective responses* and emotional attachments with these characters (Deighton et al., 1989; Green & Brock, 2000). Through this empathetic engagement and vicarious participation, consumers could get a sense of the functions and emotional benefits brought about by the consumption of the advertised products (Padgett & Allen, 1997; Woodside et al., 2008; Wentzel et al., 2010), thus creating brand meaning and fostering intense self-brand relationships (Escalas, 1989, 2004a, 2004b, 2012). Although Phillips and McQuarrie (2010) argue that narrative transportation works by *intensifying brand experience* rather than boosting brand evaluation, the latter may also be possible, as consumers form judgments through the lens of characters in the ads, whose favorable thoughts, beliefs, and experiences may have increased impacts on consumers' own.

Secondly, narrative ads have been proven to be evaluated more positively than argumentative ads (Deighton et al., 1989; Adaval & Wyer, 1998; Wentzel et al., 2010), the reason for which could be attributed to an increase in narrative thought and

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decrease in critical thought as consumers engage in narrative transportation (Green & Brock, 2000; Slater & Rouner, 2002; Escalas, 2004a; Van Laer et al., 2014). This propensity against analytical elaboration works to enhance favorable behaviors and beliefs by (1) diverting consumers' attention away from weak arguments that may otherwise hinder persuasion (Adaval & Wyer, 1998; Escalas, 2007) and (2) reducing consumers' tendency to experience disbelief or generate counterarguments (Deighton et al., 1989; Padgett & Allen, 1997; Green & Brock, 2000).

Thirdly, narrative transportation could lead to *reinforced belief in the verisimilitude* of narrative ads (Green & Brock, 2000; Van Laer et al., 2014), which possess great structural similarities with direct experience people have in their daily life (Adaval & Wyer, 1998). This resemblance is heightened and intensified when bolstered by the aforementioned empathetic involvement with story characters combined with a state of reduced analytical argument and critical examination of claims and assertions presented in the alternate story world (Van Laer et al., 2014). As such, it could be inferred that the more realistic a story a narrative ad portrays, the higher its persuasiveness becomes, in many cases as high as real-life direct experiences.

Finally, the persuasive effectiveness of narrative ads could also be attributed to the positive feelings induced in viewers through narrative transportation (Green & Brock, 2000; Green, Brock & Kaufman, 2004). This includes not only the affective responses generated through vicarious participation, but also the enjoyment that stems from the state of being transported away from the tedious routine of everyday life and into a magnificent realm created by the stories: "the process of temporarily leaving one's reality behind and emerging from the experience some-how different from the person one was before entering the milieu of the narrative" (Green et al., 2004:315). As Escalas (2004a) posits, these positive affects, in turn, are bound to help improve consumers' attitude towards the ad and the brand, and overall enhance persuasion.

After thorough examination of narrative ads – what they are and how they work, the review then turns to hedonic and utilitarian consumption and the product types distinguished

along with these two aspects of consumption, as their interaction with advertising forms, especially narrative ads, constitutes a major part of the research question. Further clarification of the relationship between advertising forms and product types will be established afterwards in section 4 of the literature review.

3. Hedonic & Utilitarian Consumption

It has been proposed by numerous research in the field of consumer choice and decision making that products could be considered either hedonic or utilitarian (related concepts: luxuries vs. necessities, affect-rich vs. affect-poor goods – Khan, Dhar & Wertenbroch, 2004), corresponding to the values provided and the underlying motivation of consumption (Ahtola, 1985; Batra & Ahtola, 1991; Kempf, 1999; Dhar & Wertenbroch, 2000; Voss, Spangenberg & Grohmann, 2003; Chitturi, Raghunathan & Mahajan, 2008).

Hedonic products are affect-oriented and characterized by the aesthetic, experiential, and sensual pleasure aroused by their consumption experience (Hirschman & Holbrook, 1982; Holbrook & Hirschman, 1982; Dhar & Wertenbroch, 2000; Chitturi et al., 2008). They may range from regular consumer goods like chocolate and flowers, to luxuries like sport cars, designer clothes, and high-end watches, to services like spa, theme parks and vacation resort, or means of entertainment: music, games, movies, and so on (Khan et al., 2004; Babin & Harris, 2014). Correspondingly, the purchase of hedonic products is driven by their perceived hedonic values, under hedonic motivations. In other words, by purchasing, possessing, and consuming these products, consumers expect and experience strong emotional arousal (Kempf, 1999), multisensory stimulation (Khan et al., 2004), and feelings of cheerfulness, excitement and delight (Chitturi et al., 2008), thereby putting great emphasis on the self and the experience (ibid; Lu, 2015).

On the other hand, utilitarian products are more cognition-oriented, instrumental, and functional (Strahilevitz & Myers 1998; Dhar & Wertenbroch, 2000). Examples of utilitarian goods may include microwaves, laundry and cleaning detergents, baby diapers, home security systems, toilet paper, toothpaste, and other personal hygiene products, while

utilitarian services may include house-cleaning or moving services (Khan et al., 2004; Babin & Harris, 2014). Driven by utilitarian motivations, consumer often focus on the product itself, along with its features, attributes, and functions, through which judgments regarding its value and usefulness can be made based on the product's ability to help accomplish a task or a goal (ibid). Unlike hedonic products, which are purchased for the feelings and experience, utilitarian products are bought to fulfill a functional need, out of necessity, and are rarely associated with joy and pleasure (Khan et al., 2004).

However, it must be noted that very rarely could a product be considered solely hedonic or utilitarian, as both of these factors are considered and evaluated in the decision-making process of consumers (Batra & Ahtola, 1991; Dhar & Wertenbroch, 2000; Voss et al., 2003; Khan et al., 2004). In other words, products usually possess both hedonic and utilitarian values, based on inherent product attributes as well as usage and consumption situations (Dhar & Wertenbroch, 2000; Khan et al, 2004). For example, when making a purchase decision regarding a parka, a consumer is likely to evaluate both its functional attributes (e.g. thickness of the fabric) and its aesthetic attributes (e.g. trendiness of the style), and the emphasis on either one of these aspects should help determine whether the product is *primarily* hedonic or utilitarian. Several hedonic – utilitarian scales have been developed to provide assistance and clarification (Batra & Ahtola, 1991; Voss et al., 2003), which will be utilized later in this research for classification of product types.

4. Relationship: Advertising Forms & Product Types

Based on the aforementioned arguments, inferences could be drawn regarding the relationship between product types and advertising forms. Much like for narrative and argumentative ads, the distinction between hedonic and utilitarian products lies in the underlying processes and appeals – whether they are experiential or analytical. In fact, a variety of research previously conducted in the fields of narrative advertising and hedonic consumption has hinted at the possible compatibility in using narrative ads for hedonic products (e.g., Hirschman & Holbrook; 1982; Boller & Olson, 1991; Adaval & Wyer, 1998; Klein & Melnyk, 2014; Van Laer et al., 2014; Chen, 2015; Lu, 2015). Indeed, hedonic

products are often holistically evaluated according to their experiential and symbolic values (Hirschman & Holbrook, 1982; Holbrook & Hirschman, 1982; Dhar & Wertenbroch, 2000; Chitturi et al., 2008), both of which have been identified as the specialty of narrative ads (Boller & Olson, 1991; Padgett & Allen, 1997). Moreover, early research into hedonic consumption has also referred to "absorbing experiences", in which consumers become "absorbed into the reality created by the product" (Swanson, 1978, cited in Hirschman & Holbrook, 1982:93) and engage in "internal, multisensory images" or "projective fantasies", imagining themselves as characters in a movie or a play (Hirschman & Holbrook, 1982:93). It could easily be observed that the characteristics of such experiences in hedonic consumption bear remarkable resemblance to those induced by narrative transportation (Green & Brock, 2000). Therefore, it would make sense for hedonic products to be advertised primarily using narratives, which would in turn be more effective specifically for this type of product.

H1a: Hedonic products are advertised in the form of narratives more than arguments. *H2a:* For hedonic products, narrative ads are more effective than argumentative ads.

Conversely, utilitarian products, due to the heavy emphasis on their instrumentality and functionality (Dhar & Wertenbroch, 2000), would naturally require a more analytical mode of processing, triggered by strong arguments presented in argumentative/expository ads (e.g., Deighton et al., 1989; Adaval & Wyer, 1998; Van Laer et al., 2014). Even if ads for utilitarian products do feature narratives or are presented in a narrative structure, narrative transportation would most likely fail to occur, since the evaluation of utilitarian products would require consumers to process information analytically with critical elaboration (Dhar & Wertenbroch, 2000; Lu, 2015), and divert their attention away from the story and towards arguments about product attributes (Van Laer et al., 2014). Failure to trigger a narrative mode of processing would put a restraint on the benefits that accompany narrative ads (Wentzel et al., 2014).

H1b: Utilitarian products are advertised in the form of arguments more than narratives. *H2b:* For utilitarian products, argumentative ads are more effective than narrative ads.

The two pairs of hypotheses presented above also serve to fill an existing gap found in Lu's (2015) study. In measuring and comparing narrative advertising effectiveness for hedonic and utilitarian products, the study was solely focused on comparing between product types, and failed to consider advertising effectiveness in comparison with non-narrative (argumentative) ads. However, the study has merits in pointing out a link between narrative ads and hedonic products, positing that narrative ads featuring hedonic products are more effective than those featuring utilitarian products. Interestingly, this claim also belongs to the area of interest that this study aims to tackle.

H3: Narrative ads are more suitable for hedonic products than utilitarian products.

5. Conclusion & Conceptual Framework

In this literature review, attempts have been made to examine and bridge relevant concepts and constructs in the fields of narrative advertising and hedonic-utilitarian consumption. The process of narrative persuasion has been recognized as the rationale for the use of narrative ads, and distinctions between narrative and argumentative ads have been highlighted, specifically in terms of narrative elements (plot, character, narration) and processing styles. Additionally, gaps in the established pool of literature have also been identified, providing opportunities for further empirical research. More specifically, it has been recognized that narrative ads and argumentative ads share similarities with hedonic and utilitarian products, respectively, in the way consumers process related information. This discovery has led to the development of hypotheses pertaining to the usage frequency and advertising effectiveness of the two forms of ads for each product type, as described in the conceptual framework. Overall, the knowledge unearthed in this review is bound to add clarity and enhance understanding of the topic, while also providing a strong theoretical foundation for subsequent analyses in this paper.

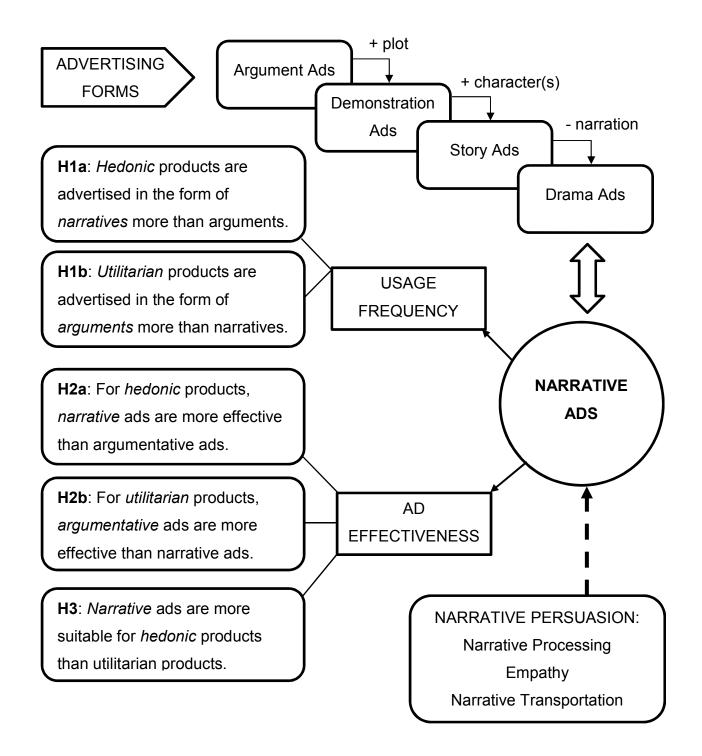


Figure 1: Conceptual Framework

III. METHODOLOGY

In this section, the specific methodologies employed to carry out this research will be reviewed. The review begins with the preliminary product selection due to its relevance to both studies conducted. Next, the design of the first study, using content analysis, will be described in terms of sample selection and coding procedures. Finally, the methodology of the second study, using an online survey, will be discussed, specifically with regard to sample selection, research instrument and design, and variables being studied.

1. Product Selection

Six products in total were initially selected from the list of examples for hedonic and utilitarian products identified in the literature review to represent their respective product types. For **hedonic products**, the three exemplar products include *chocolate, luxury cars,* and *designer clothes*. For **utilitarian products**, the representatives are *toothpaste, detergents*, and *toilet paper*. The list was eventually narrowed down to include only one product for each product type, based on criteria of adequate and distinctive utilization of narrative and argumentative approaches in their advertising (study 1) and personal familiarity and relevance to questionnaire respondents (study 2). In the end, **toothpaste** and **chocolate** were selected to represent their two product types, utilitarian and hedonic products, respectively.

2. Study 1: Content Analysis

In the first study, to test the first pair of hypotheses pertaining to the use of narrative and argumentative approaches in advertising different types of products, content analysis was employed due to the method's prevalence and recognition in comparative advertising research. However, it should be taken into consideration that limited resources did not allow for the hiring of additional trained coders, and since the content was coded by only one person, issues of subjectivity and biases may affect the results.

2.1. Sample selection & description

A total of 80 television commercials (40 for each product) were selected and obtained from Internet search engines, advertising archives (Ads of The World, Coloribus), and video-sharing platforms (Youtube, Vimeo). Due to this convenience sampling method, the exact broadcast channels and air date and time of the commercials were not determined. The validity of samples as television commercials is ensured, however, by filtering to select only samples with the keyword "TVC" (television commercial) explicitly stated in their names, tags, or descriptions.

2.2. Coding procedures

Ad samples are coded to measure the degree of dramatization or the extent of narrative appeals, following the coding procedures employed by Deighton et al. (1989) in their content analysis for the same purpose of distinguishing argumentative and narrative ads. The criteria for coding build upon the three narrative elements identified in the literature review: *narration*, *character*, and *plot*. Table 1 illustrates the original coding criteria used in Deighton et al.'s (1989) study:

Criteria Key considerations

- *Narration* Was the unit unnarrated (reverse-scale)? Narration refers to speech or writing (including pack shot) directed to the audience.
- *Character* In the unit, were one or more protagonists shown or heard acting as if they were unaware of the existence of the camera?

In the unit, did you see or hear the working out of a story? A story is a fictional or true account of how the expectations or wishes (of a person) or

Plot the inclinations or tendencies (of a person or product) are first opposed, frustrated, or are otherwise in doubt, then in some way prevail, succeed, or are redressed.

Table 1: Advertising Form Coding Criteria (adapted from Deighton et al., 1989)

The commercials were divided into units of 5 second each, amounting to 3085 seconds (51.42 minutes) of content for review. For each unit, the three criteria are evaluated and coded. More specifically, the key questions corresponding to the criteria are considered, and an affirmative answer is coded as 1, while a negative answer (indicating a lack of the narrative element) is coded as 0. These values are summed for each commercial and then divided by the total length of the commercial (in seconds) to arrive at an aggregated narrative score. The narrative scores range from 0 (purely argumentative) to 0.6 (purely narrative). For ease of analysis and understanding, these scores are multiplied by 10 to be presented on a scale of 0 to 6. However, the nature of the scores remain unchanged: the lower the score, the more argumentative the commercial, and the higher the score, the more narrative.

Finally, to calculate the percentage of each types of ads, clear distinctions between argumentative and narrative ads need to be established. For this purpose, narrative scores from the 0 to 6 scale were used to determine the distinction, with low-scoring ads (3 or below) categorized as argumentative ads, and high-scoring ads (above 3) categorized as narrative ads. The frequencies are then tallied and computed to arrive at the respective proportions in percentage.

3. Study 2: Online Survey

The second study aims to test the remaining three hypotheses: H2a and H2b pertain to the comparative advertising effectiveness of argumentative/narrative ads for utilitarian/hedonic products, while H3 focuses specifically on the suitability of narrative ads for hedonic products over utilitarian products. For this objective, a more quantitative approach was employed, which involves a questionnaire distributed online to reach a wide audience. Although the data collected were primarily quantitative through mostly rating-scale type questions, the questionnaire also includes an open-ended question to gain more insights, which will be discussed later in this section.

3.1. Research Instrument

The questionnaire used for this study was created using Qualtrics, an online research software, and was distributed on a convenience sampling basis via link-sharing on social network and group emails sent to first- and second-year students of the Aalto BScBA Program in Mikkeli, Finland.

An initial version of the questionnaire included 8 pages: 4 for questions about toothpastes, 4 for questions about chocolates, and 1 for demographic questions. In total, this version includes 81 questions and sub-questions (as some questions involve scales with multiple statements to be rated), and the estimated survey completion time was over 15 minutes. This length brought about concerns regarding the difficulty in getting full complete responses, as impatient respondents may leave their responses incomplete.

This initial questionnaire was then modified and split into two shorter and separate questionnaires, each relating to only one of the two products (either toothpaste or chocolate), but with identical sets of questions. The same link was distributed for both sets of questions, and the survey tool was set to randomly but evenly assign each response to either one of the two products. With this, the estimated response time was cut down to 8 minutes and deemed reasonable to gather complete responses.

3.2. Sample Description

At the end of the data collection period, a total of 80 responses were recorded as valid for further analysis, with 40 responses for each of the two products. Over half of the respondents identify as female (58.75%), 38.25% as male, and only 5% as other. The average age of the respondents is 22.375, and while they range from 17 to 47 years old, the majority are reported to be 20 years of age. In terms of nationalities, respondents are reported to be nationals of 8 countries, with Vietnamese (62.5%) as the majority, followed by Finnish (23.75%). In addition, one respondent (1.25%) was recorded as having dualnationality. More details on the demographics of respondents are provided in Appendix B. One important point to note, however, is that the demographic information might not be accurately represented, as respondents were fully disclosed about the two product versions of the questionnaire, and were encouraged to participate in both if possible. Thus, any respondents taking part in both product versions of the questionnaire are bound to have their demographic information recorded twice in the database, thus potentially distorting the demographic representation.

3.3. Research Design

As discussed in the research instrument section, the questionnaire includes two product versions, each having an identical set of questions pertaining to only one of the two products. The structure of the questionnaire begins with rating questions about utilitarianhedonic dimensions of the designated product. This is followed by scales measuring the ad effectiveness of one argumentative and one narrative ad for the product, for which respondents would have to watch the respective ads before providing answers. Due to limitations of the Qualtrics free account, it was impossible to display the ads directly in the questionnaire. Instead, URLs linking to the ads were provided, and respondents were explicitly instructed to open them in a different tab, so as not to disrupt the questionnaire completion process. For the narrative ads of both products, a scale measuring narrative transportation level was also included. After viewing and rating both ads separately, respondents were presented with ad preference questions that would require them to consider the ads in juxtaposition. Finally, the questionnaire concludes with demographic questions (age, gender, and nationality).

The following sections will discuss in more detail the variables being studied in the research. An exact copy of the questionnaire, however, will be included in Appendix F.

3.3.1. Independent Variables:

3.3.1.1. Product Type:

As previously explained, toothpaste and chocolate have been selected to represent utilitarian and hedonic products, respectively, for both studies. However, to ensure respondents' perception of the products' utilitarian and hedonic dimensions align with the researcher's own assumptions based on established literature, the questionnaire also includes the 10-item hedonic-utilitarian scale developed by Voss et al. (2003). Five items in the scale measured the utilitarian dimension of the products (Effective/ ineffective, Helpful/unhelpful, Functional/not functional, Necessary/unnecessary, Practical/impractical), while the remaining five items measured the hedonic dimension of the products (Not fun/fun, Dull/exciting, Not delightful/delightful, Not thrilling/thrilling, Enjoyable/unenjoyable).

For more clarity, instead of presenting these in a semantic differential scale, the research used a Likert rating scale to measure respondents' perception of the accuracy with which the attributes describe the products in general. The scale ranges from 1 (very inaccurate) to 5 (very accurate). Instead of reverse-coding either the utilitarian or hedonic dimensions and presenting them on a continuous spectrum, the scores are measured separately for each dimension to more accurately reflect their dynamic duality in all products, as highlighted in the literature review. Higher ratings for utilitarian attributes indicate higher utilitarian dimensions, and higher ratings for hedonic attributes indicate higher hedonic dimensions. A product would be considered primarily utilitarian if its utilitarian score is significantly higher than its hedonic score, and vice versa.

3.3.1.2. Advertising Forms

The selection of ads to be used as stimuli in the questionnaire was to be based on the results of the content analysis in study 1. For each product, two ads were selected: the argumentative ad is the one with the lowest narrative score in the sample, and the narrative ad is the one with the highest narrative score. Brief descriptions as well as specific coding explanations for these four ads are provided in Appendix A, and the ads can also be viewed directly using URLs included in the questionnaire in Appendix F.

To ensure reliability, all four of the ads were pretested with 5 participants (3 females and 2 males), who were provided with basic definitions of argumentative and narrative ads

and then asked to categorize the ads accordingly. The results concur with the researcher's assumptions: all five participants classified the selected argumentative and narrative ads as argumentative and narrative, respectively.

3.3.2. Dependent Variables:

3.3.2.1. Ad Effectiveness

Ad effectiveness was measured for each of the four ads separately, using the same scale. The employed scale was mainly adapted from the advertising effectiveness scale proposed by Qualtrics (n.d.), the same online research software utilized for survey development and data collection. The original scale includes seven items: *realism, entertaining, relevance, ad reinforcement, information, purchase intention,* and *attention.* This scale was then revised to better suit the research objective by incorporating another item about *persuasiveness,* adapted from the ad evaluation measurement in Lu's (2015) study. The final ad effectiveness scale includes eight items, which are measured in terms of respondents' agreement to eight corresponding statements. Respondents rate the statements from 1 (strongly disagree) to 5 (strongly agree), and higher ratings indicate higher effectiveness.

3.3.2.2. Ad Preference

In both product versions, after evaluating the effectiveness of the argumentative and narrative ads separately, respondents are then asked to express their preference by selecting one of the two ads as the one they like better. An optional open question was also included, where respondents can provide reasons for their ad preference.

3.3.2.3. Narrative Transportation

Questions about narrative transportation was included in the evaluation of the narrative ads only, and serve specifically to address the final hypotheses about the suitability of narrative ads for the two product types. The study follows the 11-item narrative transportation scale developed by Green and Brock (2000). Once again, 11 corresponding statements were used to measure respondents' agreement. Respondents rate the statements from 1 (strongly disagree) to 5 (strongly agree), and higher ratings indicate more narrative transportation.

IV. FINDINGS

1. Study 1: Content Analysis

1.1. Overview

A total of 80 commercials (40 for each product) were selected to be included in the content analysis. The selected commercials range from 15 to 120 seconds in length. The average length is 38.56 seconds, slightly longer than the most common length of 30 seconds, which is the standard for a television commercial spot. While the toothpaste commercials range from 15 to 60 seconds in length ($\overline{x} = 30.75$, s = 10.95), the chocolate commercials have a wider range, from 15 to 120 seconds ($\overline{x} = 46.375$, s = 26.84).

1.2. Descriptive Statistics

In table 2 below, descriptive statistics of the narrative scores of the sample are provided, including ranges (minimum – maximum), means, and standard deviations.

Product	N	Minimum	Maximum	Mean	SD
Toothpaste	40	0.33	5.11	2.116	1.251
Chocolate	40	2.00	5.89	4.539	1.151
Both	80	0.33	5.89	3.328	1.707

Table 2: Descriptive Statistics of Coded Narrative Scores

The distribution of the narrative scores of toothpaste ads and chocolate ads are drastically different. While narrative scores of toothpaste ads range from 0.33 to 5.11 on the scale of 0 to 6, narrative scores of chocolate ads range from 2.00 to 5.89. As portrayed in figures 1 and 2, when organized into 6 bins based on their narrative scores (the first bin includes ads scoring from 0 to 1, the second includes those scoring from above 1 to 2, and so on), the majority of the toothpaste commercials fall into the second bin, which is moderately argumentative, while the majority of chocolate commercials fall into the sixth bin, which is highly narrative. None of the ads are purely argumentative or purely narrative, however.

This is to be expected, considering the need for narrative elements in demonstrating the effectiveness of the products, whereas argumentative elements are often included in the form of brand logo and slogan at the end of ads.

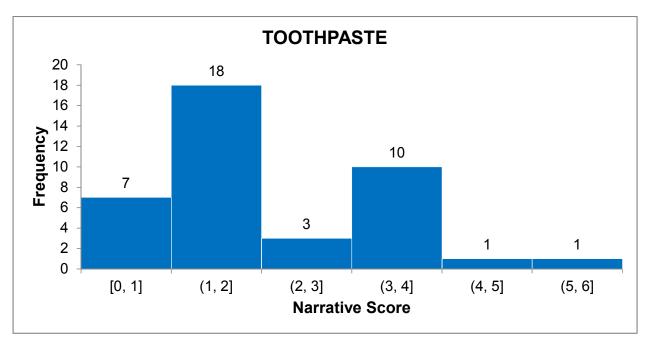


Figure 2: Narrative Score Distribution for Toothpaste Ads

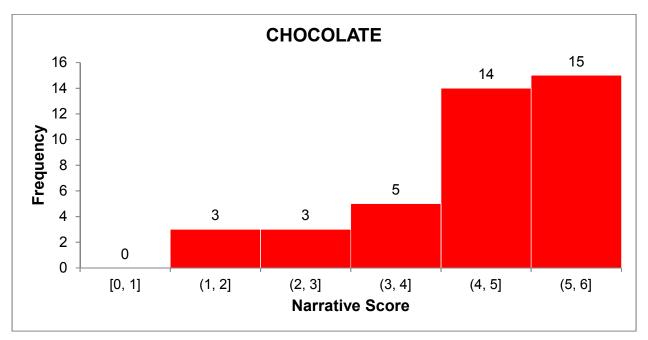


Figure 3: Narrative Score Distribution for Chocolate Ads

1.3. Content Analysis Results

An Independent Samples T-Test further confirms a significant difference between the average narrative score of toothpaste ads and chocolate ads. The results (t(78) = -9.017, p < 0.001) indicate that the average narrative score of chocolate ads ($\bar{x} = 4.539$, s = 1.1508) are significantly higher than that of toothpaste ads ($\bar{x} = 2.116$, s = 1.2508), suggesting that chocolate ads in general tend to be more narrative, while toothpaste ads in general tend to be more narrative, while toothpaste ads in general tend to be more narrative.

As explained in the methodology section, for clearer distinctions, the ads are categorized into two definitive categories (argumentative-narrative) based on their narrative scores. More specifically, ads with scores of 3 and below are considered predominantly argumentative, while those scoring higher than 3 are considered predominantly narrative.

		Ad F	orm	TOTAL
		Argumentative	Narrative	
	Toothpaste	28	12	40
Product Type	Toothpaste	(35%)	(15%)	(50%)
i ioddol i ypc	Chanalata	5	35	40
	Chocolate	(6.25%)	(43.75%)	(50%)
TOTAL		33	47	80
		(41.25%)	(58.75%)	(100%)

Table 3: Crosstabulation of Product Types and Advertising Forms

A Chi-Square Test of Independence yields results indicating a highly significant association between product type and advertising form used ($\chi^2 = 27.286$, p < 0.001) with a very strong correlation ($r_{\phi} = 0.584$, p < 0.001). In other words, while toothpaste is advertised more using argumentative ads, the reverse applies to chocolate, which is advertised more using narrative ads.

2. Study 2:

2.1. Overview

A total of 138 responses were collected, including both complete and partial (incomplete) responses. With the exception of the optional open-ended question, responses with at least 1 item left blank was recorded as incomplete, and incomplete responses account for 34.06% (n = 47) of the total number of responses. In addition, 11 complete responses (7.97%) were also dropped from the sample due to nonconformity with the reasonable response completion time, which is set as ranging from 2 minutes (the minimum amount of time to watch the presented commercials and answer all required questions) to 1 hour (the reasonable amount of time to ensure focus on questionnaire completion and reliable recall of the questionnaire objectives). Out of this, 7 responses were dropped for not meeting the minimum completion time, while 4 responses were dropped for exceeding the maximum completion time. The remaining 80 responses range from 2.28 to 57.90 minutes in completion time ($\bar{x} = 30.75$, s = 10.95). No significant relationships between demographics data and test variables were found.

2.2. Scale Reliability Tests

Reliability of all the scales used in the questionnaire were assessed for both product versions, including hedonic – utilitarian dimensions, ad effectiveness of each of the ads used, and narrative transportation. Results indicate adequate reliability.

	Scale		Cronbach's alpha
Toothpaste			
	Utilitarian Dimensions		0.81
	Hedonic Dimensions		0.74
	Advertising Effectiveness of	Argumentative Ad	0.67
		Narrative Ad	0.76
	Narrative Transportation		0.84
Chocolate			
	Utilitarian Dimensions		0.76
	Hedonic Dimensions		0.84
	Advertising Effectiveness of	Argumentative Ad	0.78
		Narrative Ad	0.88
	Narrative Transportation		0.90

Table 4: Scale Reliability Results

2.3. Descriptive Statistics

This section reviews relevant descriptive statistics of the following variables: hedonic – utilitarian values, ad effectiveness, and narrative transportation level.

		Ν	Minimum	Maximum	Mean	SD
Toothpaste						
	Utilitarian Value	40	2.60	5.00	4.325	0.674
	Hedonic Value	40	1.20	3.80	2.345	0.645
Chocolate						
	Utilitarian Value	40	1.00	4.20	2.585	0.826
	Hedonic Value	40	1.40	5.00	4.030	0.843

Table 5: Descriptive Statistics of Hedonic – Utilitarian Values

	Ν	Minimum	Maximum	Mean	SD
Argumentative Toothpaste Ad	40	1.88	4.38	3.091	0.602
Narrative Toothpaste Ad	40	1.00	4.63	3.066	0.693
All Toothpaste Ads	80	1.00	4.63	3.078	0.645
Argumentative Chocolate Ad	40	1.50	4.50	3.141	0.726
Narrative Chocolate Ad	40	2.00	5.00	3.744	0.818
All Chocolate Ads	80	1.50	5.00	3.442	0.826
All Argumentative Ads	80	1.50	4.50	3.116	0.663
All Narrative Ads	80	1.00	5.00	3.405	0.827

Table 6: Descriptive Statistics of Ad Effectiveness Ratings

	N	Minimum	Maximum	Mean	SD
Narrative Toothpaste Ad	40	1.18	4.27	3.127	0.721
Narrative Chocolate Ad	40	1.64	4.91	3.550	0.877
All Narrative Ads	80	1.18	4.91	3.339	0.825

Table 7: Descriptive Statistics of Narrative Transportation Level

2.4. Test of Product Types

To test the assignment of utilitarian – hedonic product types, a Paired Samples T-Test was conducted for both products, with each product pair containing the average utilitarian and hedonic values for the corresponding product.

For toothpaste, results show a significant difference between these two values (\overline{x}

UTILITARIAN = 4.325, S UTILITARIAN = 0.674, \overline{x} Hedonic = 2.345, S Hedonic = 0.645, t(39) = 11.133,

p < 0.001), indicating that the utilitarian value of toothpaste is significantly higher than its hedonic value.

For chocolate, results also show a significant difference between these two values (\overline{x} UTILITARIAN = 2.585, S UTILITARIAN = 0.826, \overline{x} HEDONIC = 4.030, S HEDONIC = 0.843, t(39) = -7.492, p < 0.001), indicating that the hedonic value of toothpaste is significantly higher than its hedonic value.

The test results presented above confirm the assumptions that toothpaste is a primarily utilitarian product, and chocolate is a primarily hedonic product.

2.5. Test of Dependent Variables

2.5.1. Ad Effectiveness

- 2.5.1.1. Between ad forms for the same product
 - Toothpaste

A Paired Samples T-Test indicates that there is no significant difference in effectiveness between the two toothpaste ads (\bar{x} ARGUMENTATIVE = 3.091, S ARGUMENTATIVE = 0.602, \bar{x} NARRATIVE = 3.066, S NARRATIVE = 0.693, t(39) = 0.163, p = 0.872). Although it could be observed that the argumentative ad is rated as slightly more effective than the narrative ad, this discrepancy is too insignificant to be recorded.

Another Paired Samples T-Test was run for all eight items in the ad effectiveness scale with regard to the two toothpaste ads. Results indicate that the argumentative toothpaste ad scores significantly higher in 4 dimensions: *realism*, *relevance*, *purchase intention*, and *persuasiveness*. On the other hand, the narrative toothpaste ad scores significantly higher in 2 dimensions: *entertainment* and *attention*. For the remaining 2 dimensions (*ad reinforcement* and *information*), there was no significant difference. A summary of the test statistics is provided in the table below.

	Argume	Argumentative Ad		Narrative Ad		n
	Mean	SD	Mean	SD	t(39)	р
Realism	2.88	1.090	2.05	1.011	3.518	0.001
Entertaining	2.23	1.121	4.20	1.224	-8.178	0.000
Relevance	4.00	0.961	2.08	1.095	7.810	0.000
Reinforcement	3.43	0.984	3.65	1.122	-0.942	0.352
Information	2.73	1.320	3.1	1.355	-1.212	0.233
Purchase	3.45	0.876	2.73	0.960	3.580	0.001
Attention	2.75	1.316	4.05	1.239	-4.273	0.000
Persuasiveness	3.28	1.012	2.68	0.997	2.926	0.006

Table 8: Test Statistics of Ad Effectiveness Dimensions for Toothpaste Ads

Chocolate

A Paired Samples T-Test indicates that there is a significant difference in effectiveness between the two chocolate ads ((\bar{x} ARGUMENTATIVE = 3.141, S ARGUMENTATIVE = 0.726, \bar{x} NARRATIVE = 3.744, S NARRATIVE = 0.818, t(39) = -3.090, p = 0.004). More specifically, the narrative chocolate ad is rated as significantly more effective than the argumentative chocolate ad.

Another Paired Samples T-Test was run for all eight items in the ad effectiveness scale with regard to the two chocolate ads. Results indicate that the argumentative chocolate ad scores significantly higher in only 1 dimension – *relevance*. On the other hand, the narrative chocolate ad scores significantly higher in 5 dimensions: *entertainment, ad reinforcement, information, purchase intention,* and *attention*. For the remaining 2 dimensions (*realism* and *persuasiveness*), there was no significant difference. A summary of the test statistics is provided in the table below.

	Argume	Argumentative Ad		ative Ad	t(39)	Р
	Mean	SD	Mean	SD	((39)	
Realism	3.25	0.954	2.95	1.358	1.233	0.225
Entertaining	2.65	1.369	4.43	1.035	-6.322	0.000
Relevance	3.75	0.779	2.70	1.091	5.188	0.000
Reinforcement	3.60	1.215	4.43	0.903	-3.230	0.003
Information	2.58	1.338	3.88	1.042	-4.215	0.000
Purchase	3.10	1.150	3.95	1.011	-3.129	0.003
Attention	2.75	1.373	4.35	1.122	-5.594	0.000
Persuasiveness	3.45	0.932	3.28	1.198	0.738	0.465

Table 9: Test Statistics of Ad Effectiveness Dimensions for Chocolate Ads

2.5.1.2. Between products with the same ad form

Argumentative Ads

An Independent Samples T-Test indicates that there is no significant difference in effectiveness of the argumentative ads, regardless of whether the ad is for toothpaste or chocolate (\bar{x} TOOTHPASTE = 3.091, S TOOTHPASTE = 0.602, \bar{x} CHOCOLATE = 3.141, S CHOCOLATE = 0.726, t(78) = -0.335, p = 0.738). Although it could be observed that the argumentative chocolate ad is rated as slightly more effective than the argumentative toothpaste ad, this discrepancy is too insignificant to be recorded.

Another Independent Samples T-Test was run for all eight items in the ad effectiveness scale with regard to the two argumentative ads. Results indicate no significant differences between the argumentative toothpaste ad and the argumentative chocolate ad on all eight dimensions of the ad effectiveness scale. A summary of the test statistics is provided in the table below.

	Tooth	paste Ad	Chocolate Ad		+/79)	Р
	Mean	SD	Mean	SD	t(78)	
Realism	2.88	1.090	3.25	0.954	-1.637	0.106
Entertaining	2.23	1.121	2.65	1.369	-1.519	0.133
Relevance	4.00	0.961	3.75	0.779	1.280	0.204
Reinforcement	3.43	0.984	3.60	1.215	-0.708	0.481
Information	2.73	1.320	2.58	1.338	0.505	0.615
Purchase	3.45	0.876	3.10	1.150	1.531	0.130
Attention	2.75	1.316	2.75	1.373	0.000	1.000
Persuasiveness	3.28	1.012	3.45	0.932	-0.804	0.424

Table 10: Test Statistics of Ad Effectiveness Dimensions for Argumentative Ads

Narrative Ads

An Independent Samples T-Test indicates that there is a significant difference in effectiveness between the two narrative ads (\bar{x} TOOTHPASTE = 3.066, S TOOTHPASTE = 0.693, \bar{x} CHOCOLATE = 3.744, S CHOCOLATE = 0.818, t(78) = -3.998, p < 0.001). More specifically, the narrative chocolate ad is rated significantly more effective than the narrative toothpaste ad.

Another Independent Samples T-Test was run for all eight items in the ad effectiveness scale with regard to the two narrative ads. Results indicate that the narrative toothpaste ad does not score higher on any dimension, while the narrative chocolate ad scores significantly higher in 6 dimensions: *realism*, *relevance*, *ad reinforcement*, *information*, *purchase intention*, and *persuasiveness*. The remaining 2 dimensions (*entertainment* and *attention*) were relatively equally high (above 4 out of 5) for both narrative ads, with no significant difference. A summary of the test statistics is provided in the table below.

	Tooth	paste Ad	Choc	olate Ad	t(78)	Р
	Mean	SD	Mean	SD	(70)	
Realism	2.05	1.011	2.95	1.358	-3.362	0.001
Entertaining	4.20	1.224	4.43	1.035	-0.888	0.377
Relevance	2.08	1.095	2.70	1.091	-2.557	0.012
Reinforcement	3.65	1.122	4.43	0.903	-3.404	0.001
Information	3.1	1.355	3.88	1.042	-2.867	0.005
Purchase	2.73	0.960	3.95	1.011	-5.555	0.000
Attention	4.05	1.239	4.35	1.122	-1.135	0.260
Persuasiveness	2.68	0.997	3.28	1.198	-2.435	0.017

Table 11: Test Statistics of Ad Effectiveness Dimensions for Narrative Ads

2.5.2. Ad Preference

The tables below present a crosstabulation of ad preference selections, with both counts and percentages.

		Ad Pref	TOTAL	
		Argumentative	Narrative	IUIAL
	Toothpooto	16	24	40
Product Type	Toothpaste	(20%)	(30%)	(50%)
i ioddol i ypc	Ohaaslata	14	26	40
	Chocolate	(17.5%)	(32.5%)	(50%)
TOTAL		30	50	80
		(37.5%)	(62.5%)	(100%)

Table 12: Crosstabulation of Product Types and Ad Preferences

A Chi-Square Test of Independence yields results indicating insignificant association between product type and ad form preferences ($\chi^2 = 0.213$, p = 0.644) with a weak

correlation (r_{ϕ} = 0.052, p = 0.644). This suggests that respondents' preferences of argumentative or narrative ad do not depend on the product being advertised.

Additionally, the relationship between actual selected ad preferences and ad effectiveness ratings as a potential indicator of ad preference is also explored for both products. First, ad effectiveness ratings of argumentative ads and narrative ads for each product are compared to compute a new variable, labeled *Predicted Preference*. If a respondent rates the argumentative ad as more effective, the *Predicted Preference* for this respondent considered to be argumentative, and vice versa. A Chi-Square Test of Independence was conducted with two variables: Actual Preference (as selected in the questionnaire), *and Predicted Preference* (as assigned based on ad effectiveness). The results indicate a highly significant association ($\chi^2 = 12.121$, p < 0.001) with a strong correlation ($r_{\phi} = 0.389$, p < 0.001) between the variables.

2.5.3. Narrative Transportation

An Independent Samples T-Test indicates that there is a significant difference in effectiveness between the two narrative ads (\overline{x} TOOTHPASTE = 3.127, S TOOTHPASTE = 0.721,

 \bar{x} CHOCOLATE = 3.550, S CHOCOLATE = 0.877, t(78) = -2.355, p = 0.021). More specifically,

between the two narrative ads, the chocolate ad is reported to induce a significantly higher level of narrative transportation than the toothpaste ad.

2.5.4. Summary of Free Responses

In this section, a summary of responses to the open question on reasons for selection of ad preference is provided. The responses are analyzed to identify several common and prominent themes cited as reasons. The graphs below summarize these prominent themes, both positive and negative, as well as the frequency of their mentions. The verbatim responses will be reproduced in full in the appendix.

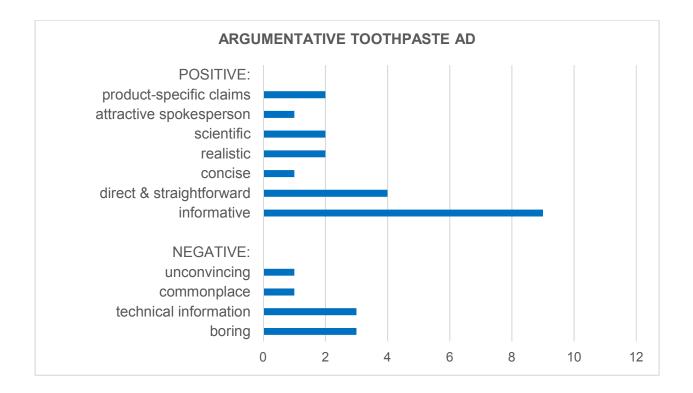


Figure 3: Frequency of Prominent Comments on Argumentative Toothpaste Ad

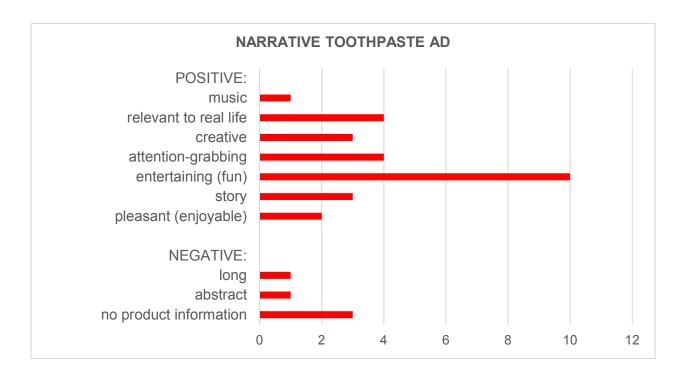


Figure 4: Frequency of Prominent Comments on Narrative Toothpaste Ad

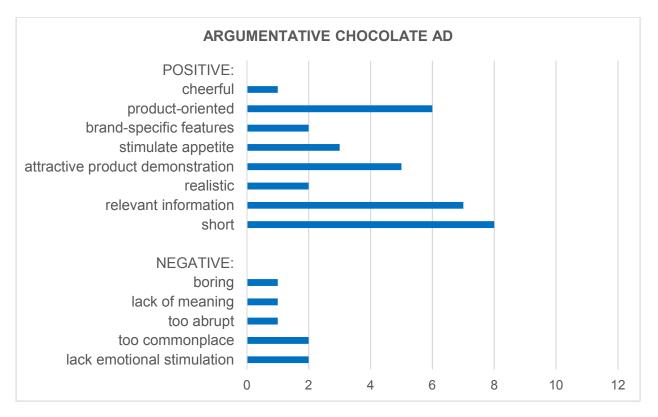


Figure 5: Frequency of Prominent Comments on Argumentative Chocolate Ad

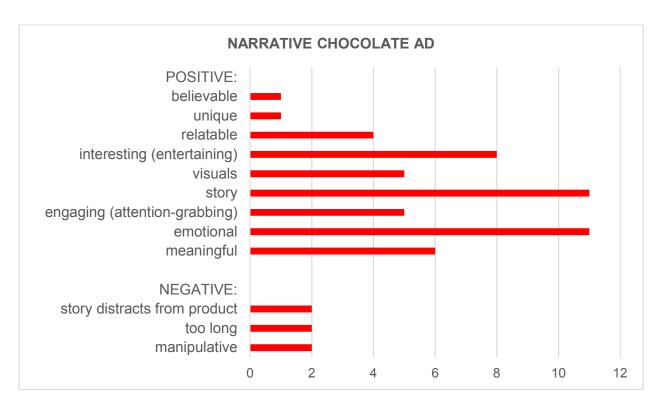


Figure 6: Frequency of Prominent Comments on Narrative Chocolate Ad

V. DISCUSSION AND ANALYSIS

1. Test of Hypotheses

1.1. Presence, Frequency and Proportions of Advertising Forms

With regard to the current situation of the advertising scene, the findings strongly confirm hypotheses H1a and H1b. As speculated, for the utilitarian product being tested, the majority of ads currently being used are argumentative (70%), while narrative ads are only given a 30% share. The opposite applies to the hedonic product in this study, with narrative ads being more prevalent and having a more dominant position. In fact, the discrepancy is much more remarkable for the hedonic product, with a 87.5% : 12.5% ratio, favoring narrative ads over argumentative ones. Overall, on average, ads for the hedonic product is more narrative than ads for the utilitarian product, and vice versa.

It could be inferred that this current distribution reflects marketers' and advertisers' awareness of the strengths, weaknesses, and suitability of each type of ad in correspondence with different types of products in practice. However, it must also be noted that this first study is merely a direct observation of the status quo in the advertising landscape. Attempts at explaining this phenomenon with concrete supporting evidence are presented below by analyzing the results of the second study.

1.2. Ad Effectiveness and Preferences

1.2.1. Hedonic Product

In terms of ad effectiveness ratings, ads for the hedonic product performed exactly as speculated. Indeed, the narrative ad is viewed more favorably, with significantly higher ratings for ad effectiveness. More specifically, it has been identified that the strength of the narrative ad lies specifically in the degrees of entertainment, ad reinforcement, information, purchase intention, and attention. It could be argued that entertainment is the core attribute infused into an ad as narrative appeals are included. Once an ad is considered to be entertaining, it would be able to capture the attention of viewers and work to reinforce positive associations for the ad, the product, and the brand. Once viewers become emotionally attached, they would be more inclined to want to learn more

and actively seek out product information not presented in the ad, ultimately leading to increased purchase intention. However, it is also the lack of product information in favor of developing a more engaging storyline that could potentially work to lower the degree of product relevance, which is also the only ad effectiveness dimension in which the narrative ad loses to the argumentative ad.

Respondents' elaboration on their personal preferences in the open-ended question also offers more insights into the strengths of narrative ads. The two most cited reasons for respondents' preference of the narrative ad relate directly to the use of the story and the degree of emotional stimulation, best expressed to statements such as *"I felt sympathetic towards the little boy"*, and *"I feel emotionally attached to the characters and could empathize with both the little boy and the strong man"*. This is in line with the affective responses and emotional attachments cited by Deighton et al. (1989) and Green and Brock (2000) as one of the most crucial paths for narratives and narrative transportation to achieve persuasion, as highlighted in the literature review. This ability to evoke strong emotional responses, in turn is also considered the biggest flaw of the argumentative ad. On the other hand, the duration of the ads was the most frequent compliment for the argumentative ad (short), but also the biggest drawback for the narrative one (long).

1.2.2. Utilitarian Product

The results were quite different for the utilitarian product. There was only a minor difference in effectiveness ratings between the two ads, with the argumentative ad scoring slightly higher than the narrative, but not enough to be considered significant. In this case, the narrative ad was only considered better in terms of entertainment and attention, which are the same dimensions considered to be the core strengths of the narrative ad for the hedonic product, as discussed above. The ratings are also consistent with respondents' open comments, as "entertaining" was mentioned more than twice as much as other attributes. Similar to observations discuss in the previous section, the degree of entertainment, or lack thereof, is also the most frequent complaint about the argumentative ad.

Conversely, the argumentative ad was rated significantly higher in terms of realistic product demonstration, relevant product information, purchase intention, and persuasiveness. Correspondingly, "informative" was also one specific reason that was cited by the overwhelming majority of respondents as a favorable attribute. However, opinions may be rather polarized on this issue, with several other respondents pointing out that the ad contained too much technical information, while some explicitly praise the mention of scientific terms such as "hydrogen peroxide" as being more persuasive. Again, for the narrative ad, the relevant product information, or lack thereof, was also its biggest flaw, according to respondents.

This lack of information may be responsible for the slightly lower ad effectiveness ratings of the narrative ad. More specifically, respondents would expect to be presented with factual evidence and information to prove the functions of a utilitarian product (Adaval & Wyer, 1998, Dhar & Wertenbroch, 2000; Lu, 2015), whose values lie in its ability to be functional and reliable in accomplishing a task (Strahilevitz & Myers 1998; Dhar & Wertenbroch, 2000), unlike for hedonic products, whose values lie in the experience and feelings associated (Hirschman & Holbrook, 1982; Holbrook & Hirschman, 1982; Dhar & Wertenbroch, 2000; Chitturi et al., 2008). However, in this particular context, it could be seen that the narrative ad's ability to provide the unexpected, as well as entertainment, also helps boost respondents' perceptions of the ad in these aspects, shrinking the discrepancy in ad effectiveness between the two ads to become insignificant.

1.2.3. Ad Preferences

Results of ad preferences were expected to correspond with ad effectiveness ratings, since there has been proven to be a significant association between Predicted Preference (as indicated by ad effectiveness ratings) and Actual Preference (as selected by the respondents). Nevertheless, despite these findings in terms of ad effectiveness ratings, which highly favor narrative ads for hedonic products and somewhat, but inconclusively, favor argumentative ads for utilitarian products, the measure of ad preferences by respondents' selections gave conflicting results. For the hedonic product, the majority of

respondents (65%) prefer the narrative ad over the argumentative one, as hypothesized. However, it was surprising to find that for the utilitarian product, the narrative ad was also preferred, even though the argumentative ad was rated slightly higher. Moreover, the preference rate of this was 60%, almost as high as the narrative ad for the hedonic product. In fact, tests showed that there was no significant association between product type and ad preferences. In other words, narrative ads were selected as preferred over argumentative ads, regardless of product types.

This discrepancy raises serious questions about the validity of the ad effectiveness scale used. At this point, it could only be speculated that there are other aspects not measured by the scale, which may account for the differences in ad effectiveness ratings and preference orientation. It is also possible that simply by using a check-list style scale to measure ad effectiveness, the questionnaire would already be triggering more analytical elaboration from respondents, as suggested by Adaval and Wyer (1998), whereas a free-response answer for ad preference would prompt respondents to be more intuitive and holistic in their judgement, leading to a more favorable view of the narrative ad.

The measures of ad effectiveness and ad preference work to assess hypotheses H2a and H2b. The results are positive for the hedonic product, consistently favoring the narrative ad with regard to both ad effectiveness and ad preference. With this, H2a is confirmed. However, the results are inconsistent for the utilitarian product, slightly favoring the argumentative ad but with insignificant differences in terms of ad effectiveness, while leaning towards narrative ads in terms of ad preference. Thus, H2b remains inconclusive.

1.3. Suitability of Narrative Ads

While the effectiveness score of argumentative ads are relatively similar with no significant difference regardless of product types, the same does not apply to narrative ads. As hypothesized, narrative ads are more effective when used for a hedonic product, as opposed to being used for a utilitarian product, consistent with Lu's (2015) conclusions.

More specifically, the narrative ad for the hedonic product was perceived as significantly better in realistically portraying the product, providing relevant information, reinforcing positive feelings, boosting purchase intention, and overall more persuasive. As for the other two dimensions of the ad effectiveness scale – entertainment and attention – the ads were rated relatively equally high. This may suggest that the abilities to be entertaining and capture attention could be considered inherent attributes that accompany the use of narratives.

In addition, the narrative ad for the hedonic product was also reported to induce a higher level of narrative transportation than for the utilitarian product. This can be explained with assertions made by Chitturi et al. (2008) and Van Laer et al. (2014), positing that the propensity to look for factual information in examining utilitarian products would distract respondents from the story and narrative elements, as they would instead focus more on product attributes, leading to lower transportation.

The consistency of ad effectiveness ratings and narrative transportation level further confirms suggestions made by Green and Brock (2000) and Lu (2015) that narrative transportation boosts ad reception. With higher ad effectiveness and higher transportation, it can be confirmed that narrative ads work better with hedonic products than utilitarian products, consistent with hypothesis H3.

However, this assertion should be approached tentatively, as there could be other factors that may have altered the results. The inherent difference in the two ads' narrative scores (as calculated in the content analysis in the first study) is perhaps the most considerable issue. These ads were selected because they had the highest scores in their corresponding product categories. For this reason, despite being the most narrative ad in its product category, the utilitarian ad still had a lower narrative score than the hedonic ad. Additionally, the former is also a shorter vignette ad, while the latter is a longer, fully developed drama ad. These factors could create an inherent discrepancy by themselves, and thus, the possibility of them distorting the results should not be neglected.

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2. Limitations

As previously mentioned, it is acknowledged that the methodology in this research contain several limitations that could affect the reliability and validity of the results. In this section, the limitations are addressed and discussed in more detail.

Firstly, there may be limitations with the selection of products as representatives for their product types. The product selection was based on a list of examples presented in previous research and literature in the field, with no scientific measures or concrete statistics confirming their suitability and validity as representatives. Moreover, since perceptions of utilitarian and hedonic values could be rather abstract, the distinction may be unclear for many and may vary across people. In other words, what is perceived as utilitarian by one can be more hedonic to another. In an attempt to remedy this, the hedonic – utilitarian dimensions scale was included in the questionnaire, the results for which confirm that the representative products selected were perceived as primarily utilitarian or primarily hedonic, as intended. However, this only shows overall perceptions on a macro level. More in-depth analysis of how the differences in these perceptions can influence ratings in subsequent measures on an individual level was not included.

For the content analysis, there may be problems with both the coder and the sample of content used for coding. As previously pointed out, limited resources do not allow for other professionally trained coders to be hired, and the content was coded by only one inexperienced coder. Aside from apparent issues with the lack of experience, there could also be certain subconscious biases involved along with the subjectivity of the entire coding procedure. As for the sample of content being analyzed, the convenience sampling method, which involves retrieving content from Internet search engines, video-sharing platforms, and advertising archives, does not allow control and clarity in terms of information on broadcaster, channel, geographical locations and time period. Particularly, a wide variety locations and time periods may dilute the sample and distort the results.

A number of issues also arise from the sampling method and research design in the second study. Strictly speaking, 80 responses in total for both product versions is far

below the threshold of being statistically representative and generalizable. In addition, the convenience sampling method also fails to yield a diverse sample of participants, with most of them being either Vietnamese or Finnish, and mainly belong to a certain age group. For these reasons, the results and findings of this study are valid only for the sample of the 80 respondents to the survey, and cannot be generalized to consumers in general. With regard to the research design, discussions in earlier sections have already identified and discussed in detail two major limitations: the validity of the measures of ad effectiveness used in the questionnaire, and the inherent differences in narrative degree between the two narrative ads used for comparison.

Last but not least, a substantial problem comes from the inclusion of brand-specific elements in the ads used as stimuli, as existing brand preconceptions or particular product needs may heavily influence respondents' judgment. For example, two respondents mention the product-specific claim of "whiter teeth" as the reason for their preference regarding toothpaste ads. For chocolate ads, several other respondents point to brand-specific elements to explain their preferences, such as Milka's popularity and the "Deluxe" branding strategy of Hershey's Kisses Deluxe. These brand-specific elements were originally intended to be concealed by digital manipulation, however, this was not possible to be carried out due to the complex integration of these brand elements in the ads, and also the lack of time and resources for such undertakings.

VI. CONCLUSION

1. Main Findings

The research assesses the current state of narrative advertising in the advertising landscape within the context of hedonic and utilitarian consumption, and attempts to explain this phenomenon by investigating consumer perceptions and preferences to understand the applicability of narrative advertising. Indeed, there are distinctions regarding the use of narratives in advertising. While narrative ads are overwhelmingly prevalent in the advertising of hedonic products, argumentative ads still dominate the advertising of utilitarian products, although to a lesser degree. This may be due to inherent similarities between the types of ads (narrative – argumentative) and the types of products (hedonic – utilitarian): narrative ads convey highly symbolic, experiential, and emotional meanings, which align with the core characteristics of hedonic consumption, while argumentative ads focus more on product features and functions, which are generally more important for utilitarian products.

Correspondingly, this research found that for hedonic products, narrative ads are significantly more effective, and are preferred by survey respondents over argumentative ads. However, there was no significant difference in effectiveness between narrative and argumentative ads for utilitarian products, although narrative ads are also preferred by respondents. Finally, the study assessed the suitability of narrative ads for the two types of products. Based on measures of ad effectiveness and narrative transportation, it is concluded that narrative ads work better with, and thus are more suitable for hedonic products than utilitarian products. However, due to the limited sample and the non-scientific sampling method, it should be noted that the results and findings of this study are strictly valid only for the sample of survey respondents, and therefore should not and cannot be generalized to consumers in general.

2. Implications for International Business

This research holds implications for both marketing researchers and managers alike, specifically for the field of advertising. For researchers, this research calls for a more

accurate measurement system of ad effectiveness to fully capture the nuances of narrative ads, especially in laboratory experiment conditions. The findings of the study provide substantive evidence for the use of narratives in the current advertising landscape, supporting to an extent the status quo of matching ad appeals with product types in advertising. However, insights into consumer preferences have suggested that much more emphasis needs to be put on narrative advertising, which has the prominent benefits of being able to entertain and capture viewers' attention, thus generating more interest. With this, this research can also serve as a reference material for marketers working for advertising agencies as well as client firms in devising marketing plans or ad campaigns for specific products. Following the current matching approach is likely to be less risky, but venturing into the realm of narrative advertising, even for utilitarian products, has its own potentials and promising benefits of differentiation, memorability, and likability.

3. Suggestions for Further Research

For further research, other studies could reassess the results of this study by replicating the conditions in different contexts, or by improving on the limitations and drawbacks previously identified. It would be interesting to look into potential differences between perceptions of narrative ads across age groups and generations, as well as in cross-cultural comparisons. The same quantitative approach could be adopted, although a probability sampling method would be preferred, and a larger sample of respondents would be needed to ensure generalizability and perhaps generate more conclusive and reliable results. However, a more in-depth qualitative study would probably be more meaningful in attempting to explain observations made in this research. Qualitative discussions and answers may be more accurate in measuring individual preferences and perceptions of ad effectiveness, as a free response approach may reduce the inclination to process information in an analytical mode and ensure more intuitive and fruitful insights. In addition, more scientific approaches to stimuli selection and presentation (both products and ads) are bound to yield more accurate and conclusive results.

With regard to narrative ads in particular, it is intriguing to observe that branded content, specifically in the form of short films, bears remarkable structural similarities with some of the highly narrative ads studied in this research. These highly praised brand films are putting the boundaries of narratives in advertising even further to almost entirely exclude brand elements and information (Kanski, 2016). Future research into narrative advertising, therefore, would perhaps be interested in studying this new hybrid form of narrative advertainment. It is quite possible that research into this peculiar use of narratives in advertising could offer new findings and even modifications or additions to the original Dramatization Scale by Deighton et al. (1989), with branded films as the highest level of dramatization in the scale.

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Colgate Toothpaste:

Brief Description: A popular singer works as the spokesperson for the product, presenting information on product features and arguments on product benefits. Visual illustrations of how chemicals clean teeth were included.

Coding: The ad scored 0 for narration (reverse-scaled, continuous narration), 0 for character, and 1 for plot (referring to the visualization of the interaction between chemicals in the product and the teeth surface, which lasted for one sixth of the total duration of the ad). Overall, the mean aggregated narrative score of this ad is 0.33 on the scale from 0 to 6, making it the most argumentative in the toothpaste ad sample.

Oral-B Toothpaste:

Brief Description: Characters appear in different daily-life situations (episodes) in which they become frustrated or agitated for different reasons. The ad ends with the Oral-B logo and a line that says "At least you don't have to worry about your smile".

Coding: The ad scored 5.33 for narration, as it was mostly unnarrated, except for the closing frame with the brand logo and tagline, which occupied one ninth of the total duration of the ad. A score of 4.67 was given for plot and 5.33 for character, since there was one episode in which the plot was not developed but characters were still present. Overall, the mean aggregated narrative score of this ad is 5.33 on the scale from 0 to 6, making it the most narrative ad in the toothpaste ad sample.

Hershey's Kisses Deluxe Chocolate:

Brief Description: The ad begins with a scene featuring a box of chocolate being gifted to a woman by her friend at a party, with a voiced-over narrator that also begins talking about the chocolate. The ad proceeds with a pack shot of both the inside and outside the chocolate, with more information about product features such as ingredients and size.

Coding: The ad scored 2 for both plot and character, as the beginning scene occupied one third of the ad. A score of 0 was given for narration, since there was a voice-over introducing product features throughout the ad, including the first scene. Overall, the mean aggregated narrative score of this ad is 2 on the scale from 0 to 6, making it the most argumentative in the chocolate ad sample.

Milka Chocolate:

Brief Description: At a village festival, a small boy tries to watch the performance of "The Strong Man", but could not move through the crowd gathering around the stage because he is too scrawny. He is also too weak to handle the hammer strength test at the festival. Noticing how sad the boy is, the Strong Man pretends to be too weak to break his chocolate bar, and asks the boy for help. The boy could easily break it, and immediately gains the confidence and strength to try the hammer strength test again.

Coding: The ad was given a full 6 for both plot and character, as the plot was welldeveloped and characters were present throughout the ad. For narration, the ad scored 5.67, as it was almost entirely unnarrated, except for an overlay of the brand logo and slogan in the last scene. Overall, the mean aggregated narrative score of this ad is 5.89 on the scale from 0 to 6, making it the most narrative in the chocolate ad sample.

Appendix B

Demographics of Survey Respondents

Gender	Count	Percentage
Female	47	58.75%
Male	29	36.25%
Other	4	5.00%

Appendix B: Gender Count and Percentage of Survey Respondents

Age Group	Count	Percentage
16 years old or less	0	0.00%
From 17 to 20 years old	44	55.00%
From 21 to 25 years old	27	33.75%
From 26 to 30 years old	1	1.25%
From 31 to 40 years old	5	6.25%
From 40 to 47 years old	3	3.75%
48 years old or more	0	0.00%

Appendix B: Age Group Count and Percentage of Survey Respondents

Nationality	Count	Percentage
American	1	1.25%
Austrian	4	5.00%
Cambodian	2	2.50%
Chinese	1	1.25%
Finnish	19	23.75%
Malaysian	1	1.25%
New Zealander	1	1.25%
Vietnamese	50	62.50%
Vietnamese American	1	1.25%

Appendix B: Nationality Count and Percentage of Survey Respondents

Appendix C

Measurement Scales used in Questionnaire

AD EFFECTIVENESS:

- 1. **Realism**: This ad shows a realistic view of the product.
- 2. Entertaining: This ad is entertaining to watch.
- 3. **Relevance**: This ad provides relevant information about the products.
- 4. Ad Reinforcement: This ad reinforces positive feelings about this product.
- 5. Information: This ad makes me want to learn more about this product.
- 6. **Purchase**: This ad makes me more likely to purchase this product.
- 7. Attention: This ad really holds my attention.
- 8. **Persuasiveness**: This ad makes me believe in its claims about the product.

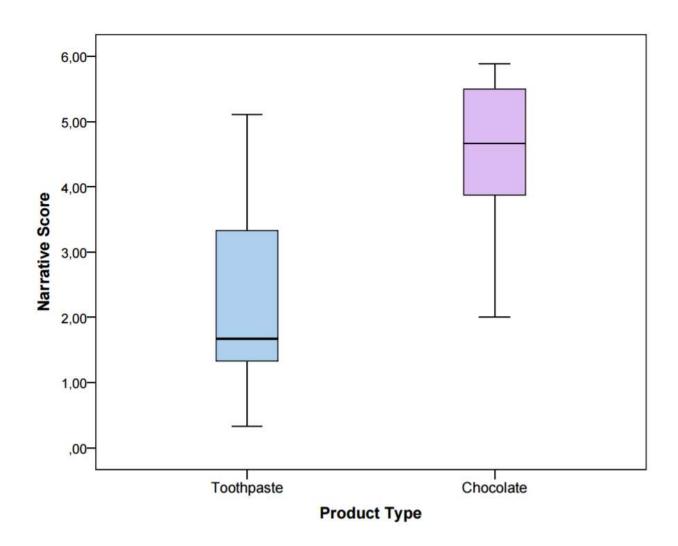
NARRATIVE TRANSPORTATION:

- 1. While I was watching the ad, I could easily picture the events in it taking place.
- 2. While I was watching the ad, activity going on in the room around me was on my mind. (R)
- 3. I could picture myself in the scene of the events described in the ad.
- 4. I was mentally involved in the ad while watching it.
- 5. After finishing the ad, I found it easy to put it out of my mind. (R)
- 6. I wanted to learn how the ad ended.
- 7. The ad affected me emotionally.
- 8. I found myself thinking of ways the ad could have turned out differently.
- 9. I found my mind wandering while watching the ad. (R)
- 10. The events in the ad are relevant to my everyday life.
- 11. The events in the ad have changed my life.

Appendix D

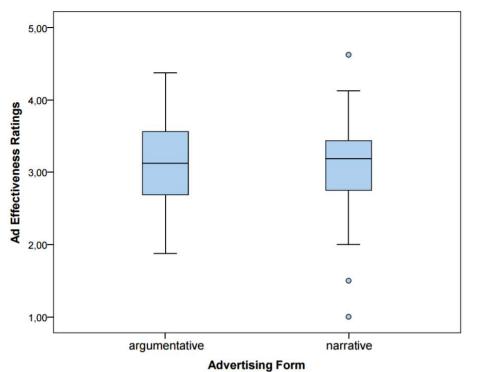
Box Plots of Narrative Scores, Ad Effectiveness Ratings, and Narrative Transportation

Narrative Scores:

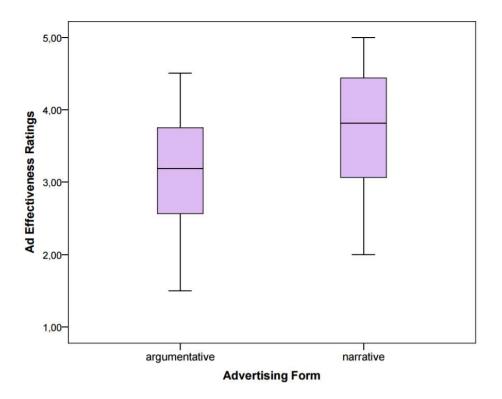


Appendix D: Ad Narrative Scores of Both Products

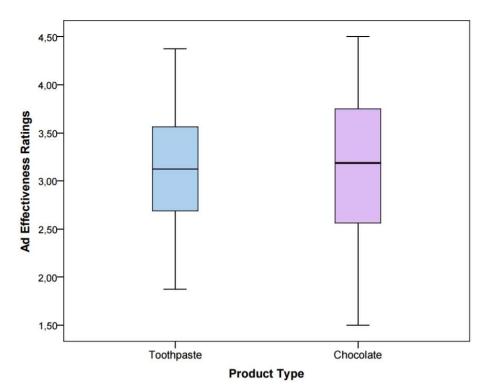
Ad Effectiveness:



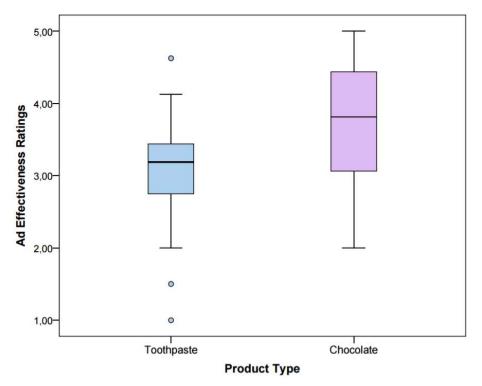
Appendix D: Ad Effectiveness Ratings of Toothpaste Ads



Appendix D: Ad Effectiveness Ratings of Chocolate Ads

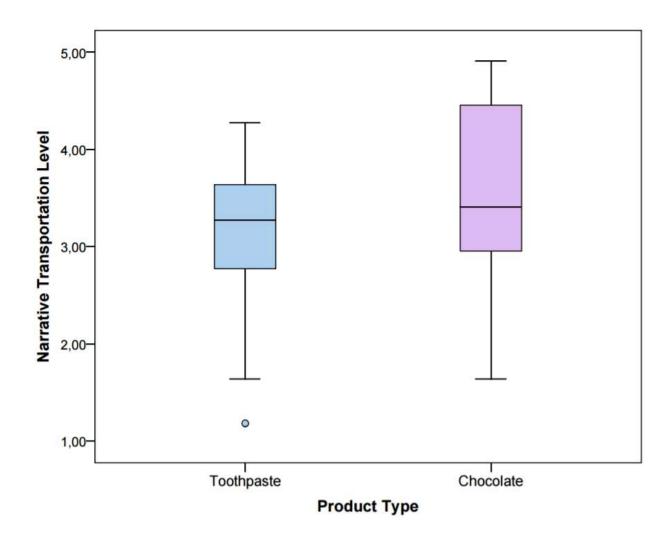


Appendix D: Ad Effectiveness Ratings of Argumentative Ads



Appendix D: Ad Effectiveness Ratings of Narrative Ads

Narrative Transportation:



Appendix D: Narrative Transportation Levels of Narrative Ads

Appendix E

Free Responses for Ad Preferences

TOOTHPASTE:

Comments from Respondents Preferring Argumentative Toothpaste Ad:

- no fuss, straight to the point
- more informative
- it is more direct and time-saving perhaps. I value it for being concise, straight to the point and mentioning the features of products. For a toothpaste advertisement, I believe the Colgate one serves better purpose.
- More informative. Relevant. Makes me want to at least find out more about the product.
- more specific, the latter seems too abstract
- Ad. 1 because its more realistic
- It was more direct and to the point, although it was less entertaining. It gave relevant information about the product that met my desire for white teeth.
- more details about the product
- It makes me feel more eager to try to buy the toothpaste to achieve the whitening result declared by the advertiser
- The first one gives me information about the product though it's not interesting at all. Meanwhile, the second one doesn't give me the info and not fun either
- It offers a more realistic view of the product, as well as its effects and characteristics. Although ad 2 is entertaining to watch, I don't get much information about the product itself in the advertisement.
- More relatable, seems scientific, because contains hydrogen peroxide
- the woman is very persuasive
- The first video is straight to the point and offers information about the product (Hydro peroxide) which convinces me regarding its effectiveness. The second ad instead starts out like a story but it just drags me through scenes which is very annoying, and does not convince me in the product's functionality or specialty.

Comments from Respondents Preferring Narrative Toothpaste Ad:

- I prefer ad 2 because it's more entertaining to watch. It was able to get my attention much better.
- it's more pleasant to watch
- hilarious
- more attractive
- Funny
- fun
- Very entertaining to watch, and unexpected ad for toothpaste
- it is more about storytelling and not giving hard facts
- I like the second ad more because it was funny and told a nice story.
- fun
- more relatable story, doesn't feel like trying to shove information in my face
- Ad 2 because it's amusing and attractive
- The first one is indeed too common and boring, even though it gives practical information about the products. Since nowadays, people are more acknowledged to consider about what they are buying, they just don't believe anymore in what presented in the ads, rather they would choose to see more. Therefore, an advertisement which engages audiences in its content and provokes them to search more will be more likely to work. That's my opinion, good luck on your thesis :)!
- The people are not given a name. They are more regular and the setting is also more casual.
- All toothpastes are pretty much the same so I prefer to watch the more creative ad
- More enjoyable
- It's more entertaining and more relevant to our daily life
- It's more entertaining.
- story + background music + less technical information
- Toothpaste advertisement 2 because it is creative and it has a close connection with our daily life

CHOCOLATE

Comments from Respondents Preferring Argumentative Chocolate Ad:

- Short, shows more information of the product, more of a situation I would be with this chocolate (I'm a student, hanging out with friends common and we eat sweets and stuff)
- I don't like advertisements which try and make me a feel a certain way which is unrelated to the product in order to get me to buy it, I prefer to be factually informed, or not advertised to at all.
- Shorter attention span
- The second is too long and not concisely. It takes time to truly understand the content. Think of chocolate I think of something delicious and sexy. Therefore, the first advertisement focusing on chocolate itself makes me hungry
- Short, more information, realistic
- It is short and provides enough relevant information that I need to know about the product (enough to consider buying the chocolate)
- Filming the product closely seems to be more attractive, also it is short, straightforward, provides just enough information and increases my appetite. But it's undoubtedly that an ad with a story plot attracts more attention (to the story but not the product).
- The taste of the second product is widely popular since it has already made a debut in the customer's heart, while the first one introduced a new product. To compare is to say which one is doing better in their own purpose and Kiss chocolate really shows the complex flavor of the product by stimulate the sweet tooth in ad-viewer. The second one is just some rubbish sob story aim to people with sensitive for them to have an awe moment.
- The first one focuses more on the product like how it made, the ingredients and the packaging. It somehow provides a clear product's information to me and makes me want to purchase this chocolate. The second one gets more my attention on the script than the product, so some moment, I feel like I'm watching a short movie than an advertisement.

- Show me the insides of the chocolate. Differentiate. Create exclusivity by "deluxe" instead of being generic. Still, could have emphasize the emotional size more.
- somehow more interesting, beautiful picture, makes me curious
- This advertisement is fast-paced and it bring a more cheerful atmosphere
- Shorter
- Though the ad 1 is not as emotionally influential as ad 2, it better portrays the product that is being advertised

Comments from Respondents Preferring Narrative Chocolate Ad:

- more meaningful, the story is sweet, like a piece of chocolate
- I like everything about it. The other one is okay but nothing special
- emotional
- I prefer the second Ad because it is more interesting and makes viewers want to watch until the end. It is also nice as it involves kids and shows a hidden message of how adults would help kids to deal with their failures
- Because it affects me emotionally. For the first one, yes, the chocolate sounds tasty but there are tons of other tasty chocolate too. The flavor and look simply don't do all the tricks. But the second one is so much more interesting to watch. In the first half, I kept curious about what was going to happen next. And the ad makes me think that this brand may really care about people and social responsibility. In the second ad, the company represents chocolate as a way to connect and help people, the first one is just good chocolate.
- The story-line is clear and emotionally-evocative, hence better retention after watching.
- Better visuals. More interesting content. Able to create a degree of emotional involvement
- emotional
- I liked the backstory better
- It feels warmer and more human, with a meaningful and relatable storyline. Almost like telling a story instead of trying to sell to me something, so it's very pleasant to watch. The picturesque scenery is also very beautiful and eye-catching. I feel

emotionally attached to the characters and could empathize with both the little boy and the strong man. Overall, I love it because it looks and feels like a fairy tale, and intrigues and makes me want to learn more about the product. Even though there are not many product claims provided in the ad, the ad itself kind of resembles and gives an idea of how their chocolate might feel: sweet, delightful, and pleasant.

- lovely story, entertaining
- it was more emotional, more interesting and intriguing, it seemed to be more relevant and easily accessible
- Beautiful cinematography and a very engaging story
- Ad 2 is more engaging with a message delivered via a storyline instead of voiceover. The color scheme also makes ad 2 more appealing.
- The well-crafted story incites positive emotional response due to its relatable context, thus creating a stronger connection between the products and the viewers
- It's more entertaining and heart-warming
- The other one was boring. This one had a meaningful and unique story
- Advertisement #2 created a more positive image of the product and it was more visually appealing. Also, I felt sympathetic towards the little boy. However, I thought that the advertisement was a bit too long.
- I like the scenic photography of the second ad. The second ad also offers a relatable story which kept me entertained and made me want to keep watching till the end, whereas the first one was abrupt and did not really pique my interest.
- It tells a nice story and makes the ad more believable
- it looks more interesting
- Great story. Meaningful

Appendix F

Questionnaire Design

Dear Participant,

I am a final-year undergraduate student from Aalto University School of Business, Finland, currently working on my Bachelor's Thesis. For my thesis, I am conducting research on consumer preferences and perceptions of the effectiveness of advertisements, which is why I would be glad if you could take a few minutes to take part in this survey.

You have been selected randomly to participate in this survey. Please be assured that you will remain anonymous, the information filled in this survey will be strictly confidential and solely used for the purpose of my research, and the results of the survey will be reported in aggregates only.

Thank you!

PRODUCT VERSION: TOOTHPASTE

All questions in the survey will be related to toothpastes and/or toothpaste advertisements.

How accurately do you think these attributes describe toothpastes in general? Choose the option that best reflect your opinion on the accuracy of each attribute.

	Very inaccurate	Somewhat inaccurate	Neutral	Somewhat accurate	Very accurate
Effective	О	О	О	О	О
Helpful	Ο	Ο	Ο	Ο	Ο
Functional	Ο	Ο	Ο	Ο	Ο
Necessary	Ο	О	Ο	О	Ο
Practical	Ο	О	Ο	О	Ο
Fun	Ο	Ο	Ο	Ο	Ο
Exciting	Ο	Ο	Ο	Ο	Ο
Delightful	Ο	О	Ο	О	Ο
Thrilling	Ο	О	О	О	Ο
Enjoyable	0	0	О	О	О

The following set of questions is related to the effectiveness of a toothpaste advertisement. Please right-click on the following link to open it in a new tab and watch the advertisement before answering the questions below: <u>https://goo.gl/b1YdDg</u>.

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
This ad shows a realistic view of the product.	0	О	О	О	O
This ad is entertaining to watch.	О	О	О	О	O
This ad provides relevant information about the products.	O	О	О	O	O
This ad reinforces positive feelings about this product.	O	O	О	O	O
This ad makes me want to learn more about this product.	O	O	О	O	O
This ad makes me more likely to purchase this product.	O	O	О	O	O
This ad really holds my attention.	О	О	О	О	O
This ad makes me believe in its claims about the product.	0	0	0	0	О

The following set of questions is related to the effectiveness of another toothpaste advertisement. Please right-click on the following link to open it in a new tab and watch the advertisement before answering the questions below: <u>https://goo.gl/1fShLm</u>.

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
This ad shows a realistic view of the product.	О	О	О	0	O
This ad is entertaining to watch.	О	О	О	О	O
This ad provides relevant information about the products.	O	O	O	O	o
This ad reinforces positive feelings about this product.	O	O	О	O	o
This ad makes me want to learn more about this product.	O	O	O	O	o
This ad makes me more likely to purchase this product.	О	0	О	O	о
This ad really holds my attention.	О	О	О	О	O
This ad makes me believe in its claims about the product.	0	0	0	0	О

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
While I was watching the ad, I could easily picture the events in it taking place.	0	0	0	O	О
While I was watching the ad, activity going on in the room around me was on my mind.	O	0	0	O	О
I could picture myself in the scene of the events described in the ad.	O	O	O	O	O
I was mentally involved in the ad while watching it.	0	О	О	О	О
After finishing the ad, I found it easy to put it out of my mind.	O	О	О	0	Ο
I wanted to learn how the ad ended.	О	О	О	О	О
The ad affected me emotionally.	0	О	0	О	О
I found myself thinking of ways the ad could have turned out differently.	O	O	O	O	O
I found my mind wandering while watching the ad.	О	О	О	О	О
The events in the ad are relevant to my everyday life.	O	O	O	O	O
The events in the ad have changed my life.	О	О	0	0	О

The questions below will ask you to compare the previous toothpaste advertisements that you have watched. If needed, please refer back to the advertisements by right-clicking on the following links to view them in a separate tab: Toothpaste advertisement 1: <u>https://goo.gl/b1YdDg</u> Toothpaste advertisement 2: <u>https://goo.gl/1fShLm</u>

Which of the two toothpaste advertisements do you prefer?

- **O** Toothpaste advertisement 1
- **O** Toothpaste advertisement 2

Why do you prefer this advertisement? Please specify the reason in the field below:

PRODUCT VERSION: CHOCOLATE

All questions in the survey will be related to chocolates and/or chocolate advertisements.

How accurately do you think these attributes describe chocolates in general? Choose the option that best reflect your opinion on the accuracy of each attribute.

	Very inaccurately	Somewhat inaccurately	Neutral	Somewhat accurately	Very accurately
Effective	О	О	О	О	О
Helpful	Ο	Ο	Ο	Ο	Ο
Functional	Ο	Ο	Ο	Ο	Ο
Necessary	Ο	Ο	Ο	Ο	Ο
Practical	Ο	Ο	Ο	Ο	Ο
Fun	Ο	Ο	Ο	Ο	Ο
Exciting	Ο	Ο	Ο	Ο	Ο
Delightful	Ο	Ο	Ο	Ο	Ο
Thrilling	О	О	О	О	Ο
Enjoyable	О	О	О	О	О

The following set of questions is related to the effectiveness of a chocolate advertisement. Please right-click on the following link to open it in a new tab and watch the advertisement before answering the questions below: <u>https://goo.gl/YKle82</u>.

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
This ad shows a realistic view of the product.	О	О	О	О	O
This ad is entertaining to watch.	0	О	О	О	О
This ad provides relevant information about the products.	O	O	О	O	O
This ad reinforces positive feelings about this product.	О	О	О	О	О
This ad makes me want to learn more about this product.	O	O	О	O	O
This ad makes me more likely to purchase this product.	O	O	О	O	O
This ad really holds my attention.	О	О	О	О	О
This ad makes me believe in its claims about the product.	0	0	0	0	O

The following set of questions is related to the effectiveness of another chocolate advertisement. Please right-click on the following link to open it in a new tab and watch the advertisement before answering the questions below: <u>https://goo.gl/28HhoR</u>.

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
This ad shows a realistic view of the product.	О	О	О	О	O
This ad is entertaining to watch.	O	О	О	0	O
This ad provides relevant information about the products.	O	O	О	O	O
This ad reinforces positive feelings about this product.	О	О	О	О	О
This ad makes me want to learn more about this product.	O	O	О	O	O
This ad makes me more likely to purchase this product.	0	О	О	O	O
This ad really holds my attention.	О	О	О	О	О
This ad makes me believe in its claims about the product.	0	0	0	0	О

	Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree
While I was watching the ad, I could easily picture the events in it taking place.	0	0	0	0	О
While I was watching the ad, activity going on in the room around me was on my mind.	O	O	0	O	О
I could picture myself in the scene of the events described in the ad.	О	O	О	O	O
I was mentally involved in the ad while watching it.	ο	О	О	О	О
After finishing the ad, I found it easy to put it out of my mind.	О	О	О	0	Ο
I wanted to learn how the ad ended.	О	О	О	О	О
The ad affected me emotionally.	О	О	О	О	O
I found myself thinking of ways the ad could have turned out differently.	0	O	О	O	O
I found my mind wandering while watching the ad.	0	О	О	О	О
The events in the ad are relevant to my everyday life.	О	O	О	O	O
The events in the ad have changed my life.	О	0	О	0	О

The questions below will ask you to compare the previous toothpaste advertisements that you have watched. If needed, please refer back to the advertisements by right-clicking on the following links to view them in a separate tab: Chocolate advertisement 1: <u>https://goo.gl/YKle82</u> Chocolate advertisement 2: <u>https://goo.gl/28HhoR</u>

Which of the two chocolate advertisements do you prefer?

- Chocolate advertisement 1
- Chocolate advertisement 2

Why do you prefer this advertisement? Please specify the reason in the field below:

Finally, I would like to ask a few questions about yourself for the purpose of demographic analysis.

What is your gender?

- O Male
- O Female
- O Other

How old are you? Please specify in the field below:

What is your nationality? Please specify in the field below: