CHAPTER – 2
LITERATURE REVIEW

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CHAPTER - 2
LITERATURE REVIEW

This chapter explains the search process undertaken in reviewing the literature. It includes examination of the theoretical and empirical studies in the field of advertising. Books, research papers, articles, reports etc. were systematically studied to develop the following review of literature. The review includes extensive use of Proquest, Google Scholar, Inflibnet and IIM- A library. The chapter is divided in two sections:

The first section of the chapter outlines the theoretical literature, which provides the base for the second section.

The second section of the chapter outlines the empirical literature, which highlights the findings and conclusions of various research studies.

2.1 Conceptual Framework of Literature Review:

A conceptual structure of literature review was developed. It underlines the sequence of steps, which were undertaken. The first step was to understand the concept of advertising. The second step focused on understanding the effects of advertising. The third step involved understanding the extent to which organisations are committing their resources to advertising. The measurement of effectiveness is more significant when the resources committed are more, thus, the final step involved study of effectiveness measures.
2.3.1. What is advertising?
This section explains the meaning of advertising.

2.3.2. What does advertising do for the brand?
This section explains the effects that advertisements has on listeners, viewers or readers.

2.3.3. How much is spent on advertising?
This section discusses the extent of money (ad spends) that is invested in advertising.

2.3.4. How is advertising effectiveness measured?
This section discusses the use of different measures to know effectivenss of advertisements.

Figure 2.1 shows the conceptual framework, which indicates the logical flow adopted for the review of literature.
2.2 Sources of Literature Review:

The following chart enlists the different information sources which were utilized for literature review.

Figure 2.2 Sources of Literature Review

Sources of Literature Review

- Theoretical Review
  - Books (for conceptual clarity)
  - Reports (for relevant facts and data)
  - Journals (for research papers, articles)
- Empirical Review
  - Thesis (for in-depth understanding and reference)
  - Internet (for online tutorial videos on methodology)
  - Books (for famous models, methodology)
Figure 2.2 graphically shows all the sources, which were employed for review of literature. The sources of the literature review comprises of all the different types of literature, which were referred for this study.

2.3 Theoretical Literature Review:

This section consists of the literature, which provides theoretical background for this study. The following review of literature provides conceptual clarity in the field of advertising research. It focuses on meaning, effects, advertisement spends and effectiveness criteria.

2.3.1 What is advertising?

Lavidge and Steiner (1961) have emphasized that advertising has three main functions namely- create awareness about the product, develop positive attitude towards brand, and result in action in form of purchase.

Moriarty, Mitchell et.al (2003) define advertising as a paid, mediated form of communication from an identifiable source, designed to persuade the receiver to take some action now or in the near future.

2.3.2 What does advertising do for the brand?

Sutherland (2008) observes that in low involvement products the effect of advertisement is difficult to introspect, as the effect of one time exposure is small. The acceptability of claims increases with repetition. And at times the consumer is indifferent between alternative brands.

Changizi (2008) talks about the non-conscious effect of advertisement. He observes that direct exposure of advertisement influences the preference of consumers, but the consumers are more affected by advertisements that they are not conscious while seeing.
Lamb, Hair & McDaniel (2009) have highlighted that advertising has an information effect, whereby the consumer gets information about various products and services. They also talk about the transformational effect of advertisements, where the consumer’s unfavourable attitude can be transformed into a favourable attitude.

Dachis (2011) discusses the manipulative effect of advertising, where the consumer is dominated by his emotions instead of logic.

Suman and Mansi (2014) in a descriptive study of 50 respondents in Delhi, analysed the cause and effect relationship of advertising and consumer perception. The aim of the study was to examine the effect of advertising in the insurance industry. They concluded that advertising is very important for any business, and it significantly results in brand recall.

Adithya (2013) in a study of 220 respondents (18-30 years) in the region of Karnataka observed that most persons preferred TV to other media of advertising. They even found the ad message as relevant, which affected their purchase decision.

Advertising Models have been developed to understand and explain what happens when the communication message reaches the target audience. Some popular models of advertising are shown in the following table:
<table>
<thead>
<tr>
<th>Model</th>
<th>Authors</th>
<th>Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIDA (1899)</td>
<td>Elmo Lewis</td>
<td>It is a behavioural model (it assumes a linear sequential decision-making process). Advertising effects are given in form of an hierarchy, with Attention at the top, followed by Interest, Desire, and Action.</td>
</tr>
<tr>
<td>DAGMAR (1961)</td>
<td>Russell and Colley</td>
<td>This model discusses the sequence starting with Unawareness, Awareness, Comprehension, Conviction, followed by Action.</td>
</tr>
<tr>
<td>Hierarch of Effects Model</td>
<td>Lavidge and Steiner</td>
<td>This model gives the sequence of effects as: Awareness - Knowledge - Liking - Preference - Conviction - Purchase.</td>
</tr>
<tr>
<td>VIPS checklist (1974)</td>
<td>David Bernstein</td>
<td>This model VIPS is an acronym for – Visibility, Identity, Promise and Single-mindedness.</td>
</tr>
<tr>
<td>FCB Grid (1980)</td>
<td>Dave Berger &amp; Richard Vaughn</td>
<td>It puts the brand and product into four categories based on their informative and affective criterion. The corner with high involvement and thinking is informative, with high involvement and high feeling is affective, with low involvement and low thinking is habitual and low involvement and low feeling is satisfaction.</td>
</tr>
<tr>
<td>ELM Model (Elaboration Likelihood Method-1980)</td>
<td>Richard Petty &amp; John Cacioppo</td>
<td>Focuses on the way consumers respond to persuasive messages, based on the amount and nature of elaboration or processing of information. Routes to attitude change: central route and peripheral route.</td>
</tr>
<tr>
<td>Ehrenburg Model (1997)</td>
<td>Andrew Ehrenburg</td>
<td>This model highlights the steps As Awareness, Trial, Reinforcement And Nudging.</td>
</tr>
</tbody>
</table>
2.3.3 How much is spent on advertising?

Suparna and Jyoti (2009) in a study have tried to study the growth and trend of sales and advertisement expenses for select 137 companies of India. They attempted to evaluate the effectiveness of advertisement expenses on sales. Their findings show that non-manufacturing companies spend less on advertising. They have opined that the extent of ad spends that companies need to incur depends on the nature and size of industry.

Indian ad spends will increase by 8.7 % year-on-year in 2014, according to WARC – a Global marketing intelligence service provider. (Economic Times, December 16, 2013).

- According to Sam Balsara (Chairman and MD, Madison World) India is the 12th largest advertising market in the world and the fourth fastest growing market on advertising grounds.

- Total advertising expenditure (AdEx) across the media sector stood at Rs 327.4 billion (US$ 5.28 billion) in 2012. (Source: IBEF)

- Ad spend data (in rupees) for 2012-13 of some famous brands:
  - HUL- 3,231Crores
  - ITC- 806Crores
  - DABUR- 502Crores
  - Colgate-Palmolive - 343Crores
Table 2.2 Big Spenders on TV (2014)

<table>
<thead>
<tr>
<th>Category</th>
<th>2014 (Contribution)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMCG_HH</td>
<td>29.5%</td>
</tr>
<tr>
<td>FMCG_Personal Care</td>
<td>16.2%</td>
</tr>
<tr>
<td>Ecomm( Including telecom, internet, DTH)</td>
<td>13.6%</td>
</tr>
<tr>
<td>Auto companies</td>
<td>7.2%</td>
</tr>
<tr>
<td>HH Durables</td>
<td>4.1%</td>
</tr>
<tr>
<td>Political Ads</td>
<td>2.3%</td>
</tr>
<tr>
<td>Travel and Tourism</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

Source: Pitch Madison Media Advertising Outlook 2014.

The above chart shows the category wise ad spending in the year 2014. From all the categories, FMCG was the biggest ad spender on TV, with total 53.6% contribution. The personal care category was the second highest ad spender on TV.

2.3.4 How is advertisement effectiveness measured?

Tellis Gerard (1988) has defined advertising effectiveness as - changes that advertising causes in the mental or physical state or activities of the recipient of an advertisement.

Doyle & Saunders (1990) explain that, effective advertisements are those advertisements that help the advertiser to reach its goals.

Fraser (1994) has tried to explain the term effectiveness as a measure of the match between stated goals and achievements.

Deighton, Henderson, Neslin (1994) have observed that, to measure the profitability of advertising one must measure advertising performance. By advertising performance they mean – communications effect and sales effect.

Stewart (1999) has discussed that effectiveness of advertising has been researched by many scholars, and the effectiveness criteria
has been different. Thus, it is difficult to have common effectiveness criteria. The effectiveness measures used by the author in his study consist of ad recall, attitude towards brand, attitude towards ad, and purchase intention.

Methods of advertising effectiveness can be broadly classified in to two schools of thought:

**Figure 2.3 Classification of Testing of Advertisements**

Grass, Winters and Wallace (1971) have described the importance of pre-testing of advertisements. They have highlighted the problems of launching an ineffective ad campaign. In their opinion, some form of testing of ads, before their launch can save the company from wasting money on ineffective ad campaigns.

Bootwala et.al (2007) have observed that pre-testing of advertisements provides an indication about the future acceptability of ad campaign. It helps in overcoming limitations of the advertisement, thereby saving resources.
Pre-testing of ads can be further classified into:

**Concept testing:**

DU Plooy (2008) has observed that Concept testing involves testing the creative concept, developed during the initial stage of advertisement designing. The advertising idea is tested for improving its primary appeal.

**Copy testing:**

Wells et al. (2006) have noted that copy testing measures are often used to evaluate the strong and weak points in advertising. These tests are undertaken when the ad copy has been prepared for pretesting, before the launch of the ad campaign. It tries to understand whether the intended communication objectives are achieved by the ad campaign or not.

**Post testing methods of advertisements:**

Panda (2007) has observed that advertisers often test their advertisements after they are run. The main objective of doing post testing is to see whether the objectives of the advertisement are being achieved or not. Post testing involves measuring brand awareness through top of the mind awareness, change in attitude towards brand or the inquiries the product attracts.

Mohan (2008) opines that post testing measures the extent to which advertisement has achieved its objectives post its release.
Figure 2.4 Methods of Measuring Advertising Effectiveness

Methods of Measuring Advertising Effectiveness (Advertising Testing)

A. Pre Testing Methods
- Consumer jury method
  - Order of merit test
  - Paired comparison test
- Advertising concept test
- Trial area test
- Trailer test
- Eye movement camera test
- Direct mail test
- In home projection test
- Telecast test
- Theatre test
- Laboratory tests (mechanical tests)
  - Galvanometer test
  - Pupilometer test
  - Techistoscope test

B. Post testing Methods
- Recognition test
- Gallup and Robinson Recall test
- Association Test
- Sales result test
- Split run test
- Rating scale test
- Day after recall test
- Inquiry test
- Portfolio test

C. Concurrent Testing Methods
- Telephonic survey
- Interview Test
- Passers-by Count Test
- Customer Diary Test
- Mechanical Test

Source: Trehan & Trehan (2007)
These methods study both or either of the two effects:

**Sales Effect:**

Olusola (2011) has opined that the effect of advertising on sales is very important. It is seen very often that the purchase decision of a person is due to the advertisement he has seen or heard.

**Communication Effect:**

Rossister and Percy (1998, cited by Dahlen et.al) opine that through the process of communication, relatively enduring mental associations connected to the brand are established in the prospective buyers’ minds. This phenomenon is called communications-effect.

2.4 **Empirical Literature Review:**

This section highlights the empirical research done in the field of advertising. It starts with the debate of sales effect versus communication effect. This section highlights the difficulty in measuring effectiveness through sales effect. The chapter also includes extensive review of literature on the most researched and common communication effects.

Lucas and Britt (1963) have noted that communication effects of advertising may generally be divided into measurement before the advertisement is in general use in the market place (referred to as pre-testing) or measurements made in the market place during or after use of the advertisement (post-testing).

Srinivasan, Vanhuele and Pauwels (2010) state that marketing effectiveness is measured by most researchers by employing two schools of thought. One deals with quantitative research by focusing on sales effect, whereas the other deals with customer mind set metrics, which includes awareness, affect etc.
Literature review suggests that research scholars are mostly divided over the measurement of sales or communication effects of advertising. The researchers are often seen arguing about the sales versus communication effect of advertising. One side of the story believes that, the ultimate objective of advertising is to increase sales. Thus, many research scholars are of the opinion that, only sales is the right criterion for measuring effectiveness of advertising. Mayers (1965) has highlighted that for advertisement effectiveness the most important criteria is increased or repeat sales (due to exposure to advertisement). However, measuring the sales effect of advertisements is not easy as there are many technical issues to be addressed:

**Kernan & McNeal** (1964) have observed that advertising functions in uncontrollable environment, thus, no relationship between advertisement expenditure and sales can be made.

**Engel and Wales** (1967) have opined that sales effect is very complex and it is difficult to trace relationship between sales and advertisements. Thus, the relationship can be very difficult to establish and measure.

**Bush and Hunt** (1982) summarize opinions of various authors and state, that advertisement expenditure is not the only determinant of market
share. Equal amounts of advertisement expenditure can have different levels of effects.

2.4.1 Communication Effect:

Sandage and Fruburger (1975) have observed that on measuring communication effects a marketer can understand what goes in the mind of the receiver of advertised message.

Shimp (1981) has opined that advertising effectiveness has been measured using two primary constructs, attitude toward the advertisement and attitude toward the brand. These constructs have been studied in advertising research since the late 70s, focusing primarily on brand choice and behaviour prediction, and serve as direct antecedents of behavioural intent.

Rossiter and Percy (1985) have opined that the main communication effects of advertising consist of: category need, brand awareness, favourable brand attitude and intention to buy the product. They agree that communication objectives may differ from one campaign to another. However, they have identified two universal communication objectives of advertisements – brand awareness and brand attitude.

Woodside and Wilson (cited by Sagar et al, 2009) in their longitudinal survey have observed brand awareness in great detail in light of competing brands, and their purchase behaviour. Their study has found support to prior models, which have established positive relationship between top of the mind recall and purchase intention.

Frandin et al and Moriarty (as cited by Marshall and Robert 2008) have observed that effectiveness measures are often dependent on the goals of a communication campaign and they differ across campaigns. However, it is also true that marketers
often develop their communication objectives after studying in detail the effects of communication.

Vakratsas and Ambler (1999) have observed that in order to get a desirable outcome like creating purchase intention, the advertisement must inform and persuade the viewers.

Goldsmith, Lafferty, & Newell (2000) have opined that attitude towards the advertisement is followed by formation of attitude towards brand and purchase intention. Ralf & Sandra (as cited by Hansen and Christener 2003) observed that research on advertisement effectiveness mostly has purchase intention or attitude towards the brand as the dependent variable, attitude towards advertisement is not used as a dependent variable in many research studies. In their study they have taken personality and lifestyle as independent variables and attitude towards ad and purchase intention as dependent variables.

Till and Baack (2005) have studied the relationship between creativity and effectiveness of advertisements. The variables they chose for advertisement effectiveness were attitude towards advertisement, attitude towards brand and purchase intention. They concluded that creative advertisement had a greater recall, however the same was not true for purchase intention and attitude towards brand. The measurement method used by the authors to study the three effectiveness variables was seven point bipolar adjectives scale.

Sheinin, Varki & Ashley (2011) in a study examined the effect of novelty of advertisements, their novelty and usefulness of message on brand recall, ad attitude, brand attitude and brand trust. It was found that novelty of advertisement and usefulness affects brand attitude. However, novelty was not found to influence brand trust.
2.4.2 Brand Awareness

Jacoby et.al (1977) has indicated the significance of brand awareness, by stating consumers respond more strongly and decide to buy known and established brands.

Hoyer and Brown (1990) conducted a controlled experiment on the role played by brand awareness in the customer choice. They have observed that brand awareness is a dominating variable in the choice decision. They opine that in a purchase of product which has low involvement, basic brand awareness is also enough to affect the product choice. Even if the attitude towards brand is not well developed the brand awareness would be enough to influence the buyer.

Aaker (1991) has stated brand awareness creates value in at least four ways. Unless the brand name is established, the rest of the communication cannot take place. Thus, all the other associations of the brand are anchored to brand awareness. It also provides a sense of familiarity to the brand. In low involvement products, there is a possibility that even in absence of evaluation, awareness alone would result in brand choice. Name awareness can be a measure of presence and commitment. Brand awareness helps brand enter into the consideration set.

Keller (1991) in a laboratory experiment has studied how the competitive advertising and its recall affects the brand evaluations. It was seen that the advertisement recall leads to improved evaluation, even in absence of competing advertisements. He has also noted that brand awareness comprises of brand recognition, which confirms prior exposure and recall, which in turn confirms whether brand name can be retrieved from the memory when given the product category cue. Brand awareness affects consumer decision making by influencing the formation of brand image. The brand name is like a file which is made in the minds of the
customer. All the facts, feelings related to the brand are stored in the file. When such file is not readily accessible, the facts and feelings of the brand are misfiled. Thus, he emphasizes the importance of brand awareness, as all other information and feelings would be linked to that specific file created.

Kelly (1991) has observed that most models of advertising effects has brand awareness at the core and most marketing managers agree that brand awareness is a very important communication objective of their ad campaign.

Murphy and Amundsen (1981) note that recall of name or the claim of the brand have been used by many researchers as a proxy measure of attention.

Chattopadhyay and Nedungadi (1990) notes that increase in brand awareness ensures that the brand receives serious consideration for purchase.

Bovee and Thill (1992) states that brand awareness is a measure of the percentage of the target market that is aware of a brand name. Rossiter and Ang (1993) have observed that brands with high equity products have three properties – brand awareness, brand attitude and brand imagery. They have stated that for high equity brand, the level of brand awareness should be high and the brand attitude should be favourable. Vakratsas and Ambler (1999) observe that the first step is the awareness. Rao (2000) in his study observes that the urban and rural markets are similar as far as brand awareness is concerned.

Keller (2001) opines that brand awareness is the first step and the foundation building block in achieving all other brand objectives and building brand equity. Ross and Harradine (2004) state that brand awareness is the crucial first stage in buyer readiness to develop a brand preference, and move towards
purchase. They are also of the opinion that if marketers establish brand recognition and awareness in a child, the brand association will be strong when he becomes an adult.

Ragavendran, Devkumar & Upadhyay (2009) in a study to estimate brand awareness, they state that brand awareness plays a very significant role in the sales turnover of the organisation. Dolak states that recall relates to the ability of consumers to retrieve the brand when given the product category, the need fulfilled by the category, or some other type of probe or a cue. Ovidiu (2009) states that brand awareness is one of the core dimension of brand equity. Brand awareness is considered to be a pre requisite of purchase decision process. He further opines that awareness of the brand affects perceived risk assessment of the customer.

Ing Wu and Lien Lo (2009) have observed that brand awareness has a significant influence on core brand image, it also indirectly affects core brand attitude, thereby affecting purchase intention.

Huang and Sarigolla (2012) conducted a study, which indicates that there is a positive association between brand awareness and brand equity. Mohd. Ehsan, Mohd. Mudasar & Iqbal (2013) conducted a study in Pakistan on 350 respondents, aimed at observing the effects on brand awareness and brand loyalty on purchase intention. Their study concluded that brand awareness and loyalty significantly affect purchase intention.

Wu and Ho (2014) have observed that brand awareness has a significant and positive impact on the perceived quality. Jing, Pitsaphol and Shabbir (2014) state that any manufacturer who wants high loyalty from consumers, must invest in creating brand awareness first.
Ding and Tseng (2015) state that brand awareness is one of the factors that mediates the relationship between brand experience and brand loyalty.

Dutta (2015) in a study in Siliguri and adjoining areas on product awareness of Amul ice creams observed that brand awareness plays a crucial role in influencing buying decision.

2.4.3 Advertisement Awareness:

Colman & Brown (1983) are of the view that commercials should be noticed and they should communicate in a relevant and persuasive way. It is noted that most of the cost and work involved in advertising tracking studies is devoted to assessing communication and emotional values. However, after an analysis of the confectionery market, the authors were convinced that there is a relationship between advertising awareness and sales effectiveness for individual brands.

Alperstein and Peyrot (1993) conducted a study on how consumer attitudes are influenced by exposure to prescription drug advertising, as measured by awareness of that advertising. For one product that has been nationally advertised on TV, almost 60% indicated they were aware of the prescription drug. However, this was the only prescription drug which majority of consumers were aware of, by brand name.

Mehta and Purvis (1995) in a study, asked respondents about ads, using a cue. Respondents, who claimed to recall any of these ads, were asked open ended questions. These responses were used as evidence to prove that the particular ad being tested was actually recalled. Proved recall is believed to be a more stringent measure of getting power and memorability of an ad than claimed recall.
McDonald (2000) has noted that advertising awareness is one of the most important variable, which is used in advertising tracking instruments. Prompted advertisement awareness is the proportion of people who remember having seen the brand’s advertising after having been reminded of the brand name.

Romaniuk, Sharp et.al (2004) in a study involving tracking data (3 years), observed that awareness measures are used by most researchers to understand brand performance. The two highly used awareness measures are brand awareness and ad awareness. They concluded that awareness measures were related systematically and the brand awareness measures and ad awareness measures show similar relationships.

Heath & Nairn (2005) have observed that advertisement awareness is mostly measured by asking if the respondent remembers seeing the select advertisement or not. The underlying belief is that if the respondent remembers, the advertisement has had a long term effect on the respondent’s memory. When the respondents remembers the ad, its influence on purchase behaviour increases.

Alhaddad (2015) in his study states that advertising awareness significantly affects brand image, brand equity and brand awareness. He further observes that awareness of advertisement may enhance brand awareness and brand image.

2.4.4 Attitude towards Brand:

Gabriel, Curlo, Eleonora (1992) has shown that attitude towards brand directly affects brand choice.

Martin and Bush (2000) have observed that the relationship between attitude towards brand and purchase intention, holds true in case of adult as well as young respondents.
Odin, Odin & Vallette-Florence (2001) has noted that attitude towards brand is a determinant of long term as well as short term brand choice.

Priester (2004) has proved that attitude towards the brand determines the interests customers have in the brands. Thus, attitude towards the brand is known to influence the brand choice, purchase behaviour and intention.

Spears and Singh (2004) have observed that attitude towards brand and purchase intentions are the two pivotal and most popular constructs which are used most commonly by researchers in the field of advertising.

Salvador Del BG & Teodoro (2003) suggest that there exists a positive relationship between attitude towards brand and purchase intention.

Abdul Adis and Jun (2013), in study on advergames, have observed that brand attitude is positively affecting and influencing purchase intention. They have further stated that brand recall positively affects brand attitude.

2.4.5 Attitude toward the Advertisement:

According to Baker and Lutz (2000) attitude towards advertisement has mainly two components, affective (creating feelings) and evaluative (informativeness).

Clark, Brock et. al (1994) have compiled various researches, which are done in the field of attitude towards advertisement. Some of them are as follows:

<table>
<thead>
<tr>
<th>Authors</th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Batra and Ray (1986)</td>
<td>Aad→Ab, Ab→Ip</td>
</tr>
<tr>
<td>Burke and Edell (1989)</td>
<td>Aad→Ab</td>
</tr>
<tr>
<td>Gardner (1985)</td>
<td>Aad→Ab</td>
</tr>
</tbody>
</table>
Phelps and Esther (1991) defines attitude towards advertisement as the level of liking of an advertisement. They have observed that relation between attitude towards brand and attitude towards ad is significant, irrespective of product involvement level. Muehling and Laczniak (1988) have observed that attitude towards advertisement has been found to be related to attitude toward the brand.

Homer (1990) observes that when people like a commercial they are more likely to be convinced about the superiority of the brand.

Mackenzie, Belch & Lutz (1983) found that attitude toward the advertisement was very significant as it is related to many other variables.

- **Attitude towards advertisement and Awareness:**

  Zinkhan and Fornell (1989) have found that Attitude towards advertisement is related to ad recall.

- **Attitude towards advertisement and attitude towards brand:**

  Gabriel, Debra, et.al (1992) investigated the applicability of two contrasting perspectives—an independent or direct effects model and a mediated or indirect effects model. In a lab setting they manipulated the brand’s ad picture and also measured respondents’ attitude towards advertisement ratings (before/after choice). Attitude towards advertisement was found to have a direct effect on choice over attitude towards brand and also an indirect effect through attitude towards brand.
• **Attitude towards advertisement and Purchase:**

  Moore and Hutchinson (1983) found attitude towards advertisement to be related to brand consideration and purchase intention. Mitchell (1986) has observed that attitude towards advertisement also affects attitude towards the act of buying the brand. Gorn suggests that when the subjects have to make a brand choice, attitude towards advertisement is used to tip the balance between the two choice outcomes. According to Larry and Shimp (1985) attitude towards advertisement has a direct influence on intentions and an indirect effect through attitude towards brand.

• **Attitude towards advertisement and advertisement effectiveness:**

  Phelps & Esther (1991) suggests that attitude towards advertisement affects advertising effectiveness it is an important antecedent of attitude towards the brand.

  Fishbein and Ajzen (cited by Gunter, et.al 2005) suggests that attitudes helps people in understanding the social world and define their perceptions and behaviour. They have observed that when the attitude towards the brand is favourable, the chances of buying the product significantly increases. Their models has been used extensively in studies of attitudes towards advertising authors like Muehling. Their view explains the relation of attitude towards advertisements, intent and behaviour. Vakratsas and Ambler (1999) have given a model which forms the basis of most persuasive hierarchy models.

  Buil, Chernatony and Martinez (2013) in a study found that the attitude towards the advertisement plays a significant role in influencing brand equity dimensions.
Malik and Dubey (2013) in a study comprising of 177 respondents, concluded that value of advertising is a partial mediator between the relationship of perceived irritation, entertainment and attitude towards online advertisement.

Felix and Borges (2014) have noted that attitude towards advertisement mediates the relationship between attitude towards brand and endorser attractiveness. Jung and Rhee (2014) have observed that attitude towards advertisement is an essential predictor of behavioural intentions.

2.4.6 Purchase Intention:

Stewart (1986) advertising's ultimate objective as a medium, is to influence or alter purchase behaviour. Vakratsas and Ambler (1999) and Berry and Howard (1990) have observed that advertising brings hierarchical effects eventually leading towards brand purchase.

Fitzsimons & Morvitz (1996) have observed that purchase intention can predict the product selection as well as actual purchase behaviours. Urban and Hauser (1993) explain the importance of measuring purchase intention, as it is used for concept testing and it can help to take decision regarding which geographical area should be selected for product launch. Bird and Ehrenberg (1966) have noted that purchase intentions are effective measure for pretesting and evaluate promotions of both, new as well as existing products.

Bonfield (1974) in his field study comprising of 300 respondents concludes that behavioural intention is determined by social influence and attitude.

Juster (1966) and Morrison (1979) have observed that purchase intention is a good indicator of future demand of existing products.
Fishbein and Ajzen (1975) have noted that behavioural intention should be measured as it is a key variable, which is used for predicting future behaviour. Sheppard, Hartwick & Warshaw (1988) conducted a meta-analysis and found that purchase intent performs well in prediction of actual behaviour. Thus, it acts as a valid proxy measure for actual purchase behaviour. Schlosser (2003) opines that purchase intention is increasingly used by researchers as a proxy measure for purchase behaviour.

Hartwick & Warshaw (1988) notes that most models show intent as an intervening variable between attitude and choice behaviour. Thus, it was concluded that intentions outperforms beliefs or other cognitive measures as behavioural correlates.

Chang and Wildt (1994) and Mittal and Kamakura (2001) and many other researchers have used purchase intent as a dependent variable in advertising research.

2.5 Research Gaps:

The extensive literature review on the subject of TV advertisement effectiveness revealed some gaps, which provided a good opportunity to conduct this type of research. Firstly, from the literature review a strong need to study TV advertisement effectiveness of products of a chosen category in the Indian context was found. It was also observed that most studies were based on popular brands. The problem of such research is that when popular and old products are selected for study, it may downplay the effect of advertising. In such cases people may be using products since childhood and their purchase behaviour would be attributed to their liking of TV advertisement. Thus, to overcome this gap this study chose to include recently launched products.

There is a dearth of research which talks about an entire product category as a whole. The study addresses this gap by focusing on, the most advertised product category on TV. The other gap seen in most of the
studies was that, their selection of brands ignored the level of advertisement spends. Mostly effectiveness studies gain importance when advertisement spends are higher, thereby increasing the stake of the brand. This study tries to bridge this gap by taking into consideration not just advertisement spends, but also including the three highest advertisement spenders on TV. The empirical research on this topic in Indian context was not much, therefore a need was felt for this type of research in Indian context. Thus, this study aims to overcome the above mentioned gaps found during the review of literature.
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Example of iPhone. *International Journal of Innovation and Technology Management.*


