CHAPTER-1
INTRODUCTION
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Advertisers are frequently drawn to the idea of comparing their brand with the competitors to promote it. Brand comparisons demonstrate the superiority of one brand over another. Comparison of brands exhibit why sponsored brand is better than the other on the market. Indeed, the practice of comparing two or more brands has been used in the print media as early as the eighteenth century. However, such an advertising practice has continued to be controversial over the years. There exist two camps of recommendations for, as well as against brand comparisons in advertisements. In the 1950's and 1960's in America, advertisers used covert comparisons by identifying competing brands as "brands x" or the leading brand."

However, the practice of explicitly naming the competing brands was formally endorsed by the Federal Trade Commission in 1972 in U.S.A. Several reasons were given at that time. It was advocated that comparisons of brands would provide the consumers with information that was not available previously. Consumers may be assisted in evaluation and choice of brands by more and better information furnished by the comparison of brands. Further, it was believed that manufacturers would be forced to improve their brands.
By definition a comparative advertisement is one that "compares two or more specifically named or recognizably presented brands of the same generic product class and makes a comparison in terms of one or more specific product attributes." The major rationale behind the promotion of comparative advertising is that naming the competitor's brand provides the consumer with more factual information which in turn helps him in making rational brand choices (Wilkie and Farris 1975).

This advertising practice was not supported by everyone. Critics raised the possibility of consumers being overloaded with information. As a result, consumers may be adversely influenced through misidentification of brands named in the advertisements. In addition, users of the competitive brand may counterargue for their brand. That is, the comparative advertising may inadvertently benefit the competitive brand rather than the sponsored brand. The final charge against comparative advertising is that unscrupulous advertisers may mislead consumers by not presenting truthful information in the comparisons of brands. A serious consequence may be that the credibility of the advertising profession may be tarnished due to possible deceptions in advertising.

The controversy surrounding comparative advertising has generated many studies over the last 15 years in U.S.A. Researchers have used several
forms of comparative messages to examine the effectiveness of comparative advertising in conjunction with many independent and dependent variables. The researchers in U.S.A. have, among other independent variables, varied the type of products, the competitive position of the products, to measure numerous dependent variables such as, the attitude toward the advertisement, the believability of the claims.

**THE PROBLEM**

Several researchers in U.S.A. have investigated whether or not comparative advertising is indeed superior to noncomparative advertising (Levine 1976; Prasad 1976; Golden 1979; Goodwin and Etgar 1980). Several of these researchers (e.g. Golden 1979; Goodwin and Etgar 1980; Belch 1981) found no difference between the effectiveness of comparative and noncomparative advertising. On the other hand, Swinyard (1981) suggested that the advantages of comparative advertising may be realised if the advertisements present the strengths as well as minor weaknesses of the sponsored brand.

The results of some of the investigations appear to encourage the practice of comparative advertising whereas those of the others discourage it. The form of comparative advertising, due to its inherent nature, attempts to show the superiority of one brand over another. The investigations in
comparative advertising have incorporated direct explicit comparison between the identified brands. However, an implicit comparison may be sufficient between some brands to the consumers. For instance, an implicit comparative advertisement is sufficient without specifically identifying the competing brand. If the consumers have extensive prior experience in the product category, in that case their knowledge may be well organized. With the well-developed category knowledge, the experienced consumers may engage in comparisons regardless of the comparisons in the advertisement. Conceivably, such consumers may provide different responses to comparative advertising than those who have little experience with the product category.

**RESEARCH OBJECTIVES**

To investigate the effectiveness of comparative advertising is the focus of this dissertation. This research proceeds under several factors influencing the processing of persuasive messages. Consumers prior knowledge and familiarity with brand and product involvement is known to influence information processing by determining the type of evaluation process mediating final judgements (Alba and Hutchinson 1987; Brucks 1985; Sujan 1985; Sujan and Dekleva 1987). When exposed to a persuasive
message, consumers may attempt to match the stimulus information with 
information stored in their memories. Match or mismatch of information 
can have a different impact on the consumers reactions.

Gaining an understanding from Researchers in the west and U.S.A., 
attempt has been made to find out how individuals with differing levels of 
product involvement and product related knowledge respond to explicit (or 
implicit) comparisons in a quite different market (i.e. India) from America, 
is the global objective of this research. This research delineates the effects 
of consumers involvement and knowledge of products on persuasion 
resulting from exposure to comparative advertisements.

Another objective was to measure the consumer reaction to 
non-comparative advertising and comparative advertising with respect to 
following measures i.e. price and value, distribution and advertising, design 
and style and consumers’ profile.

SIGNIFICANCE OF THE STUDY

This study contributes to marketing knowledge as it identifies 
several important issues in comparative advertising.

This present study will include individual differences in 
involvement and familiarity in the context of comparative advertising. The
major distinguishing feature of this study is the linking of two areas of research (individual differences and comparative advertising) and attempting to resolve the issue of the effectiveness of comparative advertising.

Product involvement may lead to initial attention. The message may capture the interest of the viewer and lead to closer review. Involvement is an aroused inner state which involves both thinking and doing. The level of involvement in an individual to the product at hand is triggered by how important the individual perceives the product to be at that specific point in time. The same product can generate different levels of involvement in different people. A high level of product involvement motivates the consumer to focus his attention towards the advertisement and draw upon the salient production formation for evaluative purposes. He will devote more attention towards the advertisement, exerting greater cognitive effort for comprehension of product related information (Celsi and Olson 1988). The comparative information provided will encourage issue relevant thinking and issue elaboration (Droge 1989). When conclusions are omitted from the advertisement, high involvement consumers have been shown to generate spontaneous conclusions and brand attitude formed on these conclusions are favourable (Kardes 1988).
This study also investigate the effects of consumers prior knowledge on their reactions to comparative advertising, this study makes a case for using consumers familiarity with a product.

Message believability and credibility may be the result of familiarity with the advertised product. The activation of preexisting knowledge structures (comparative advertisements attempt such activation) and the assimilation of new information to it may motivate issue elaboration and thinking, improve comprehension and recall. Familiarity with a product may be conceptualized in terms of prior knowledge of the product stored in memory. Consumers with high product familiarity are efficient seekers of information. The information search is determined by the extent to which the consumer perceives the value of the information gained to be in relation to the cost of obtaining it and using it (Engel, Blackwell and Kollat 1978). Highly familiar consumers use their discriminating ability and use only information they are confident is diagnostic about product quality. They are experts at critically evaluating message contents before using them for evaluative purposes.

This study will closely examine the effect of these individual differences variables, involvement and familiarity on the effectiveness of comparative advertising. Given these differences, we will make some
propositions. For example, we propose that given an audience exhibiting high level of product involvement, comparative advertisement will help develop a more favourable attitude towards the advertisement, and generate greater change in purchase intentions if the message is counter to existing believes than if the message is congruent with existing beliefs. We further propose that given an comparative advertisement, the purchase intentions of an audience exhibiting high level of product involvement will be more affected than the purchase intentions of an audience exhibiting low levels of product involvement.

OVERVIEW OF THE REMAINING CHAPTERS

The next chapter provides the literature base upon which this dissertation is built, it begins with a discussion of the relevant comparative advertising literature. After critically reviewing past investigations that have implications for this study, some important issues are delineated. The following chapter describes a research design that helps test these hypotheses. The details of the research design and the procedures for implementing the design are presented. The final chapter provides a brief overview of the study and discusses the conclusions that can be drawn from the study.