CHAPTER 4

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Existing literature, both foreign and Indian, is important, since it will throw light on the effectiveness of comparative ad. Hence it is proposed to highlight on the literature (both foreign and Indian) available on comparative ad. The review of literature will bring out the gaps in the study on comparative ad, which has given rise to the present study. The review of literature fulfils one of the objectives of the study.

REVIEW OF FOREIGN LITERATURE

The researches done on comparative ad. in foreign countries have been analysed under four broad sub headings. They are: Different views on Comparative ads, Trends in comparative ads, Comparative ads and Brand Equity, and Comparative ads and Ethical aspects, Benefits to consumers and Public policy issues. These aspects are discussed in detail in the following pages:

I. DIFFERENT VIEWS ON COMPARATIVE ADVERTISEMENT

Consumers, marketers, advertisers and regulators have given different views on comparative ads. The Federal Trade Commission (FTC) in USA recommended the use of such advertisements, with the view that such advertisements would provide more information for decision – making. Many people in advertising industry, however, are worried that comparative ads (a) confuse and mislead consumers: (b) provide free advertising for lesser known competitive brands (c) contribute to the advertiser’s legal problems: (d) take undue advantage of competition and (e) alter public opinion of advertising and business in general. Darrel D. Muehling, Donald E.Stern JR.
nd Peter Raven (1989) have done a descriptive study on the views of advertisers, agencies, media and policy makers on comparative ads. (different forms of comparative advertising – explicit, implicit, general). They have found out that a majority of the advertising agencies appear to be more favourably disposed towards these advertisements as compared to advertisers and media regulators. A telephone survey done by the same authors on advertisement agencies had revealed that 15% of the future advertisements would be in comparative ad format.¹

The apparent success of negative advertising in the political arena has led to a noticeable increase in its use in the marketing of goods and services. Karen J.E. James and Paul J.Hensel (1991) have cautioned advertisers from using negative advertising. They have concluded that prior to using negative advertising with confidence in the marketing of goods and services, a better understanding of the factors influencing its effectiveness must be first achieved.²

In order to ascertain the views of advertisers on comparative ads, Mayor & Siebeck (1997) conducted a survey addressing the 150 largest advertising agencies as well as the 150 biggest advertising spenders in Germany. The most important results were:

- Only 22% of the advertising agencies have already been using comparative advertising.
- Advertising agencies prefer print media for comparative advertising (58)%. Audio visual media are used very rarely (17)%). As reason for that the agencies surveyed refer to the up-to-dateness of print media.
 Asked about the success of their comparative ad campaigns, advertising agencies responded very positively: 78% rate their comparative campaigns as very successful or successful.

37% of the agencies will advise their clients to use comparative advertising in the future. 35% will discourage its usage. Those agencies, which already have used comparative advertising, will do so again in the future without any exception. Agencies, which have not used comparative advertising in the past, are much more reluctant to do so in the future. The high number of undecided agencies (28%) is a strong indicator that advertising agencies are still unsure about comparative advertising’s legal framework and its effectiveness.

The corporations surveyed take a much more conservative approach towards comparative advertising compared to their advertising agencies: only 17% have used comparative advertising so far. They primarily used print media (48%), but also employed audio visual media (30%).

Only 50% of the corporations surveyed rate their comparative campaigns as very successful or successful.

Though many corporations have not used comparative formats so far and the great majority is still very unsure about its effectiveness, corporations do hold strong opinions about potential usage scenarios of comparative advertising: 53% rate comparative advertising as very effective for product launches, 38% think it is also effective for established brands. As most valuable contributions of comparative advertising agencies and
corporations alike rate its superior awareness and its higher information value for consumers.

65% of corporations surveyed will not use comparative advertising in the future, 25% are open for it. Compared with the equivalent figure for the advertising agencies surveyed, it becomes obvious that primarily corporations cause the current reluctance against the usage of comparative formats. Both groups view the ambiguity of the legal framework as main obstacle for the usage of comparative advertising. Another reason is that "...in Germany we don’t know anything about the effects of comparative advertising...." as the head of advertising at Mobil Com AG, one of the major companies in the German Telecommunication industry, states practitioners in Germany can only guess about its effects and their opinions range from "irritates the consumer" to "increases brand attractiveness".  

Thomas E. Barry (1994) in a study on "comparative advertising – what have we learned in two decades? presented a brief history of comparative advertising. The study summarises the findings of research on effectiveness, within the framework of the hierarchy of effects and looks at the implications for the future of research in comparative advertising. The author, quoting research done in the past, concludes that there is evidence to believe that comparative ads are superior to non – comparative ads on ‘cognition’, but they are less effective on affect and conation. In the same author’s survey on top executives, a majority of the respondents, 52% were opposed, while 28% were in favour of comparative ad. format and 20% had no opinion. Thus, it is perplexing that while comparative advertising itself has been on the increase, an overwhelming majority of executives do not favour the use of the same."
II. TRENDS IN COMPARATIVE ADVERTISEMENT

Business has become much more competitive and complex and therefore marketers are increasingly using comparative format as a useful advertisement strategy to gain entry, to outwit competitors and position their brands near market leaders.

Studies conducted in recent years have revealed that comparative ads. often form a significant percentage of all advertisements being run. Donald W. Jackson, Jr., Stephen W. Brown and Robert R. Harmon, in their study on 'Comparative Magazine Advertisement' had done a content analysis on 9,000 ads published in four magazines since 1960. The study showed that while comparative advertising had increased over the decade and a half since 1960, the relative amount of comparative advertising is still small. Strictly comparative ads have been increasing, while implied advertisements seemed to have declined from 1970 to 1975. In a follow – up study in the same four magazines for 1980 showed that over 32% of the full page advertisement were comparative in nature.

Wilkie and Farris (1975) found out that media company comparative ads in 'Advertising Age' in 1964 accounted for about 15% of all the media films advertisements. Brown and Jackson (1977) found out that 19% of the television spots were comparative in nature. Harmon, Robert R etc.(1983), in their study of the content of comparative ads relative to their non – comparative counterparts in four national magazines (Ladies Home Journal, Newsweek, Esquire and Reader's Digest) have found out that comparative ads. contain more information cues than non – comparative ones.

Linly Chou etc. (1987), in their study, examine the trends in the information content of comparative and non – comparative magazine advertisements over three different periods 1970, 1975 and 1985 respectively.
About 949 full-page advertisements taken from 12 different magazines published in the periods studied were content analysed and no significant change over the three periods was observed in the overall information content. However, non-comparative ads were found to contain significantly less information cues than comparative ads and direct comparative ads contain even more information cues than implied comparative ads.\(^9\)

From the studies conducted above, it can be inferred that comparative ads, direct comparative ads in particular, have been increasing. Advertisers found this advertising format suitable to provide greater information content.

III. COMPARATIVE ADVERTISING AND BRAND EQUITY

It is of interest to study what comparative advertisements do to brand equity. Brand equity is a set of brand assets and liabilities linked to a brand. According to David Aaker, the assets and liabilities on which brand equity is based will differ from context to context. However, they can be grouped into five categories – 1.Brand loyalty, 2.Brand awareness, 3. Perceived quality, 4. Brand associations, 5. Other proprietary brand assets – patents, trademarks, channel relationships.\(^{10}\)

Among the brand equity components that Aaker had listed, comparative advertising can bring about a change in the first four components. The proprietary brand assets like patents, trademarks, channel relationships, etc., can be the focus of comparison in comparative advertisements. Brand equity is built in the long run and changes (negative or positive), in brand equity can be brought about through comparative advertisements only in the long run. It is of interest to study, what researchers have had to say on each of these specific components of brand equity.
A meta analysis by Dhruv Grewal and Sukumar Kavanoor, revealed that comparative advertisements generally elicit 1) more attention 2) greater message and brand awareness 3) more information processing 4) more favorable brand attitudes 5) increased purchase intentions and increased purchase behaviours. While on the one hand the study presented such positive aspects, it also concluded that comparative advertisements evoke lower source believability and less positive attitude toward the advertisement.\textsuperscript{11} It is interesting to note that these advertisements have the potential in them to contribute both positively and negatively to the equity of a brand in the long run. The various studies done on comparative advertisement can be suitably categorized and analysed, under the various components of brand equity.

\textbf{a. Comparative Advertisement and Brand Awareness}

Researchers have studied the attention getting ability of such advertisements. The ability to get attention is the first step, which leads a viewer to successive stages like advertisement interest, conviction and purchase (AIDA model). In the learning hierarchy model, awareness, (which includes recognition, recall, comprehension and knowledge), is generated first. Only then attitudes are developed.\textsuperscript{12}

Brand awareness can be created only if the advertisement attracts the attention of the viewers. It is the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category. Brand awareness involves a continuum ranging from an uncertain feeling that the brand is recognized, to a belief that it is the only one in the product class. (David Aaker).

If attention and recall are used as the measures of effectiveness, various studies have shown that direct comparative advertisements do usually get more attention and higher recall than non-comparative advertisements.
Cornelia Pechman and David Stewart (1991) found that the effect of comparative advertisements, on other measures of effectiveness, such as persuasion, were at least partly due to the interest and attention grabbing ability. Such advertisements presumably attract attention by naming high share in comparison brands.\textsuperscript{13}

In an article in Advertising Age, it was reported that focus groups reacted more strongly to comparisons with specific competitors than to unnamed competitors.\textsuperscript{14}

Research also supports the logic that a direct comparative advertisement from a small – share market follower is least likely to lead to higher awareness for the market leader, but the vice versa holds true. Cornelia Pechmann and David Stewart (1990) have concluded that direct comparative claims attract attention and thereby enhance purchase intentions for established brands by increasing awareness of competitors and sponsor misidentifications. The study manipulated market share and type of comparative claim, used non – forced exposure, measured attention via a computerized magazine and assessed memory and purchase intentions after a 24 – hour delay. The study proved that comparative advertisements could be recommended for market followers and not for market leaders. The study also proved that when the advertised brand had low market shares, a higher proportion of subjects attended to the advertisement making direct comparative claims than to the ones making either indirect or non-comparative claim.\textsuperscript{15}

Yet another study by Dhruv Grewal (1997) and others on Comparative vs. non-comparative advertising reveals that comparative advertisements in general elicit more attention and also lead to greater message and brand awareness.\textsuperscript{16}
According to Muehling, Stoltman and Grossbart (1990), the increased information content in comparative advertisement is by itself a reason for their high attention getting ability.\textsuperscript{17}

According to Wilkie and Farris (1975), one of the compelling reasons as to why audience should attend to comparative advertisements than to traditional ones is that two brands are named in comparative advertisements.\textsuperscript{15}

Thus, there seems to be some evidence that comparative advertising: direct comparative advertisements by low share brands in particular – generate more attention.

As far as recall is concerned, the results are somewhat ambiguous. While strong attention is necessary, it may not be a sufficient condition for creating awareness. Comprehension of the message is necessary and recall of the message is necessary as well. Several studies have established that there is a strong correlation between top-of-mind awareness and purchase of a particular brand. This observation holds good especially while purchasing low involvement products in a crowded store. Wilkie and Farris (1975) believe that aggregate recall levels should be higher for comparative advertisements, because more people attend to such advertisement than to traditional advertisements. Yet another reason for greater recall could be the comparative perspective in which information is presented. According to Muehling, Stoltman and Grossbart (1990), the additional information may cause deeper processing and better retrieval. This can result in improved memory of the advertisement message. Therefore, the authors contend that message recall should be greater for comparative than for non – comparative advertisements.

Cornelia Pechman and Stewart (1990), in their study, have found that top-of mind awareness of the high share comparison brands was slightly depressed immediately after subjects were exposed to the comparative
advertisements. The author quoting similar results obtained by Unnava, Miniard and Batla (1989), and their own research findings suggest that, by advertising heavily, new or low share brands might be able to inhibit recall of consumer’s preference brands, at least in the short run.\(^{19}\)

Alba Joseph and Amitava Chattopadhyaya, in their study, demonstrated that making one brand salient, inhibited subjects’ recall of competing brands and that this inhibition lasted for at least 24 hours.\(^{20}\)

H.R. Unnava Rao and Deepak Shrideshmuk, in their Research, tested the effects of repetition and varying advertisement executions on competitive advertisement interference.\(^{21}\) An earlier study by Burke and Srull reported a significant reduction in recall of target advertisement information when competitive information was present. Preliminary studies by the author confirmed the same. Further, recall of target advertisement information was reduced to a greater extent when the modalities of target and competing advertisements matched than when they did not. Both proactive and interference effects were reduced significantly by presenting target information in a different modality than the interfering information. The presentation of target advertisement information in two modalities resulted in more information being recalled than repetition in one modality.

Naveen Donthu found the gain in recall was highest if the comparisons being made were more intense by naming specific competitors and making comparisons on specific attributes.\(^{22}\)

Roobina O. Tashchian and Mark E. Slama (1984) in their study examined how purchase and product involvement were related to the effectiveness of advertising employing comparative vs. non-comparative advertising formats. Their research indicated no relationship between purchase or product involvement and the effectiveness of comparative or non-
comparative advertising. However, non-comparative advertising was found to produce better recall than comparative advertising and purchasing involvement was found to be positively related to recall and behavioral intention measures.\textsuperscript{23}

Ronad D. Johnson (1983), in his study, examined the impact of psychological type on recall, attitude, perceived believability and informativeness with regard to comparative advertising. The relative effectiveness of comparative vs. non-comparative advertising formats was also examined. This study provided little evidence for relationship between psychological type dimensions and reactions to comparative or non-comparative advertising. However, comparative advertisements were found to elicit greater recall and perceived adequacy of information. No significant differences were observed between the two formats in terms of attitude towards the advertisements or the product and perceived believability of advertisement claims.\textsuperscript{24}

Yet another aspect that contributes to the awareness of the brand is the extent of information processing that the advertisement invokes. Comparative advertisements are more involving, because they are personally relevant. The comparative perspective in which information is presented also creates curiosity.

According to Greenwald and Leavitt (1985) the greater involvement that advertisement viewers/readers have, makes them indulge in a more elaborate thinking process.\textsuperscript{25} A similar observation was also made by Krugman, in his study in 1965.\textsuperscript{26} In another study by Charles Scott Areni, (1992) “differential impact of comparative advertising on unfamiliar brand and the moderation role of audience elaboration”, the author concluded that at low and moderate levels of audience elaboration, the impact of comparative advertising is positive relative to non-comparative advertising. Whereas, when audience elaboration is high, the impact of comparative advertising is relatively negative.\textsuperscript{27}
Yet another study done by Das Gupta and Manchanda Ghose (1990) contended that individual differences among audiences, apart from product differences, should be the focus of comparisons. According to the Researchers, comparative advertisements should bear in mind, the target group at whom the advertisement is directed.\textsuperscript{28}

Joseph M. Kamen (1987) in her study examined how the advertisement for a brand affects consumers’ evaluations of a competitor brand shown along. A field experiment was conducted via a mail questionnaire with 2,250 subjects selected randomly from a list of national mail-panel members. Frames taken from the actual commercials for two airlines were used as stimuli. The analysis of data on a set of image-related response items indicated that both brands benefited from their competitive advertising.\textsuperscript{29}

Swinyard, in his Research (1981) pointed out that advertisements, which make point – by – point contrasts between the comparison brand and sponsored brand should induce greater mental activity.\textsuperscript{30}

Cornelia Droege (1989), in her study, pointed out that comparative advertisements induce greater mental activity and that the information processing in the case of such advertisements was through the central route.\textsuperscript{31}

Pechman and Esteban (1994) argue that comparative advertisement formats foster more elaborate processing because they are more stimulating.\textsuperscript{32}

Thus, it can be concluded that the overwhelming reason to use comparative advertisement is because of the higher attention, recall and information processing of such advertisements. Early comparative advertising proponents contended that the novelty factor of comparative advertisement format led to increased attention by the audience. Further, the high information content in them, may also lead to focused attention by prospective buyers. In
general, the empirical findings on comparative advertising indicate that this format is likely to be more effective than non-comparative advertising in generating awareness. Every conceptual model of advertising posits that consumers must attend to the advertisement as a necessary first step and that they must devote more time to it for the purpose of information processing. Comparative advertisements seem to score over non-comparative advertisements on these aspects. Thomas E. Barry (1993) however, argues that in the future, when the novelty value of such advertisements wears out, the effectives of these on awareness aspect would be suspect.

According to Thomas E. Barry (1990), seven different studies support the contention that higher recall scores may occur through this format. In a retaliatory environment, consumers are combated with a lot of similar information and thus advertisement interference is yet another factor that influences recall. The results of recall studies appear to be mixed though the emerging view is that comparative advertisements generate better recall when the sponsor brand is a follower or a new entrant.

A Meta Analysis on comparative and non-comparative advertisements, by Dhruv Grewal and others (1994), list out past research findings and conclude that message awareness (number of message points recalled) and brand awareness (brand name recall) are greater for comparative than for non-comparative ads by 12% to 16% respectively.

b. **Comparative Advertisement and Perceived Quality**

Perceived quality can be defined as the consumer's perception of the overall quality or superiority of a product or service with respect to its intended purpose, relative to alternatives, - David Aaker.
Perceived quality is defined relative to an intended purpose and a set of alternatives. It is an overall feeling about a brand. A consumer’s perceived quality of a brand can relate to product-service, product benefits or performance of the product. It is of interest to researchers to discover, whether or not this type of advertisement format leads to better quality ratings by the target audience to the sponsor’s brand. A study of the literature in this area makes it clear that the status of sponsor brand (follower/new entrant or market leader) and the nature of comparisons play an important role in bringing about a change in the quality ratings. The credibility of the source, the message, the effectiveness of comparative advertisements of persuading consumers, the extent of information’s processing etc., are related factors that may lead to change in attitudes or perception of the consumers.

Suchetha Ahlawat (1991), in her Research, concluded that comparative messages are superior to non-comparative messages in terms of their impact on evaluation processes.34

Comparative advertisements in general provide a lot of comparative information relating to attributes, product features and the performance of the product. Research done by Kelley, Melody Schwenk (1998) has proved that the processing of brand information depends on the type of advertisement and the attributes featured in the advertisement. The study examined the level of processing and the impact on evaluations of both the advertised and comparison brand, using the MacInnis – Jaworski model. The author categorizing attributes as category attributes (shared by all brands of the category) and equity attributes (uniquely associated with the particular brand), concluded that comparative advertisements using equity attributes are more likely to bring about positive changes in the perception of the consumer.35

Stuart Van Auken and Arthur J. Adams, in their study, confirmed the hypothesis that across class claims have the potential to create reference points
for evaluation and may be used to upgrade attributes, thus providing better tradeoffs for consumers.\textsuperscript{36}

There is also some evidence that comparative advertisements comparing “objective” brand attributes can generate more positive attitudes than comparative advertisements focusing on “subjective” brand attributes. In his Research Easwar.S.Iyer, (1988) has proved that message content that is factual and objective can reduce counter argumentation and thus bring about positive changes in perception.\textsuperscript{37}

Ravi Dhar and Itamar Simonson, in their study, have found that, when the focus of the advertisement is an option, the attractiveness and the preference ratings of the consumers is in favour of the focal option. Thus the findings suggest that marketers can affect consumer preferences by influencing the manner in which the product they promote is compared with competing alternatives. Consumers may feel more confident if brand evaluations are based on comparisons with other alternatives than if the brand is evaluated in isolation.\textsuperscript{38}

The role played by quoting the ratings of neutral accreditation agencies can also enhance perceptions on product quality. Jerry B.Gotlieb and Dan Sarel (1991) argue that it helps to include a credible source and to get the target audience involved in the advertisement, so that they are motivated to actually make the invited comparison, rather than dismissing it out of hand.\textsuperscript{39} Richard Seaton (1974), in his article, quotes a number of other previous studies, puts forth a number of valid points to argue that ratings are better than comparisons. He contends that rating methods provide more information about preference intervals between alternative products and are more credible.\textsuperscript{40}

While in earlier studies (Wilkie and Farris–1975) comparative advertisements were rated favourably from credibility point of view, the recent
research in this area has been more skeptical. Recent research has shown that comparison brand consumers, attribute low credibility to both the message and the source of the message (Swinyard – 1981). According to the Researcher, comparison brand consumers may attribute desperation and hostility to sponsors making comparative claims, because these claims challenge prior beliefs. Belch found that consumers derogate the source of comparative claims but not the source of non – comparative claims.41

In the meta analysis on comparative and non–comparative advertisement, Dhruv Grewal and others, have found that comparative advertising generates 13% less favourable attitudes toward the advertisements than their non – comparative counterparts.

Too much of negative comparisons may also boomerang. Therefore, as far as possible, the comparisons should be made in a positive perspective. Shailendra.P.Jain (1993), has proved that change in perceptions can be brought out (in an acceptable fashion) by claiming superiority without denigrating the comparison brand.42

Research work done by Lee Donghoon (1990), on the differential impact of comparative advertisement on expert and novice consumers concluded that comparative advertisements were found to be more significant and effective on expert consumers, who had high level of familiarity with the product class, as compared to that of novice consumers. The Research also concluded that they are more appropriate for innovative type of products.43

Muehling (1987) in an experimental investigation on the impact of advertisement on brand attitudes and attitudes toward purchasing the brand has shown that affect transfer from advertisements to brands occurs almost exclusively for the sponsoring brand, not for the competitor. Thus, Muehling’s study shows results contrary to the widely held fears that comparative
advertisement is risky because it generates more attention to the comparison brand.44

In another study by Muehling and associates (1986), the impact of comparative vs. non – comparative formats with verbal and / or visual references was assessed on recall, perceived clarity, acceptance of claims, attitude toward the sponsor, and intention to buy. Print advertisements were used as stimuli in an experiment with college students. Findings suggested that some trade – offs are necessary between advantages and disadvantages of different formats depending on an advertiser’s objectives.45

Demirdjian (1983), in his study, investigated the impact of comparative advertising on purchase behavior measured by the rate of coupon redemption. Actual advertisements for two brands of ballpoint pens and fillers were shown in a classroom setting to a sample of 273 undergraduate students who were then given a coupon for either brand, redeemable at the university bookstore. Results showed that comparative advertising was more effective than its non – comparative counterpart in terms of sales.46

Cornelia Pechmann and Stewart (1994), have found that in the case of low – involvement products, the results suggested that the the subjects were distracted and lacked goals. So, even when provided with comparative information about the market leader, they were not motivated to attend to the message arguments. Argument strength did not impact purchase intent and persuasion therefore occurred only through the peripheral route. In the cast of high involvement products, on the other hand, argument strength affected brand attitude and purchase intention, indicating that both comparative and non – comparative type advertisements affected only through the central route persuasion. In the case of moderate products, however, comparative advertisement formats, affected and persuaded through central route and non – comparative advertisement persuaded through the peripheral route.47
In their research Gerald J. Gorn and Charles B. Weinberg (1984) found that comparative advertising was successful in reducing the perceived difference between the challenger and the brand leader across the product categories. New brands of products were seen as more similar following exposure to comparative than non—comparative advertisements. This study focused on perception and confirmed positive results in this regard and provided support for continued use of comparative advertising.48

In another study (Randall Rose—1993) tested for persuasion effects in terms of relative post communication impressions, the results indicated that differentiative comparative advertisements were very successful in creating more favorable beliefs and attitudes toward the advertised brand relative to the comparison brand.49

In their Research, Michael Etgar and Stephen A. Goodwin (1982) concluded that two—sided comparative appeal yielded significantly higher attitudes toward a new brand introduction, than the more traditional, one—sided comparison appeal. Neither the amount of information, nor the type of product class differentially affected subjects’ attitudes toward the sponsor’s new brand. However, the Researcher cautions that, though two—sided comparatives may give immunization treatment and generate superior initial attitudes towards the sponsor’s new brand, the same may not hold for the future.50

However, Cornelia Pechman, in her Research, has shown that not all two sided advertisements best one—sided advertisements in credibility. They tend to be advantageous when the attribute on which weakness is admitted is trivial and one that the purchaser may not have known prior to purchase, so that the advertiser is perceived to be honest. According to the author, they are also advantageous when the attribute in question is perceived to be negatively correlated, with the attribute on which superiority is claimed.51
Thus, on the positive side, comparative advertisements can score by focusing on equity attributes, objective attributes and benefits, quoting credible accreditation sources and by putting comparisons in positive perspective. They can also create positive perceptions by comparing an underdog with a market leader and through differentiative comparative advertisements. Advertisers can also seek to bring about a change in perception by using two sided comparisons and by projecting the negative comparisons in a certain perspective, so that they are perceived as honest.

On the negative side there is overwhelming evidence that comparative advertisements are only as effective as non-comparative advertisements in bringing about a change in attitude in favour of the sponsor brand. Thomas E.Barry (1993), in his article, has documented at least nine studies that contended that advertising in a comparative format is unlikely to be more effective than traditional formats. According to Kathy.L.Petit and associates (1992), the effectiveness of comparative advertisements sometimes lie not so much in raising the preference ratings of the advertised brand, but in lowering the preference ratings of comparison brands without affecting any preference measures at all.\(^52\)

Another study by James, Karen Elaine also reiterate the same findings. Their study investigated whether negative good/service advertising affects attitudes and brand evaluations in manner similar to the way negative political advertising affects voter’s perceptions of political candidates. The results of the study indicate that while negative advertising is effective in achieving its primary objective of damaging brand evaluations and behavioural intentions towards the competitor’s brand targeted, it is ineffective in terms of enhancing the brand attitudes and behavioral intentions towards the sponsoring brand. Non – Comparative advertisements seem to be more effective in this regard.\(^53\)
In his Research, George E. Belch has shown that comparative advertisements often evoke such an unfavourable attitudinal reaction because they stimulate more counter arguing by consumers, often because they are perceived as less truthful. 

Naveen Donthu, in his Research, has pointed that while comparative format gets noticed and the liking for such advertisements also increases with the increase in the intensity of comparison, however, such a liking exists only up to a point. Beyond a certain point, according to the author, consumers tend to develop an intense dislike for them.

Thus, there is overwhelming evidence in research that comparative advertisements are at best, only as effective as non-comparative advertisements in bringing about a change in the attitude toward the sponsored brand. There is a possibility that denigrating competitor's brands only leads to counter arguing and beyond a point can lead to aversion for the sponsored brand. In short, there is little evidence to suggest that the format is superior to the non-comparative advertisement format in bringing about a change in the perceived quality of the sponsored brand. There is some evidence, which suggests that if the advertisement is perceived to be credible, a change in perception toward the quality and other attributes can also be brought about. David Aaker has categorized perceived quality as one of the key components of brand equity. Can comparative advertisements generate better quality ratings by consumers as compared to non-comparative advertisements? In the Meta analysis on comparative and non-comparative advertisements, Dhruv Grewal and others have concluded that comparative advertising is responsible for 28% more favorable attitudes towards new sponsored brands than non-comparative advertisement. This advantage is 5% for established sponsored brands and almost nil for market leaders. To conclude it may be said that the research findings on the effectiveness of comparative advertisements with respect to
enhancing the perceived quality of the sponsored brand is equivocal. Advertisers have to ensure that the negative effects are minimized so that no harm may be done to the brand equity of the brand in the long run.

c. **Comparative Advertisement and Brand Association**

Brand association is anything “linked” in memory to a brand. – David Aaker.

The association not only exists, but also has a level of strength. What a brand means to it’s consumers is very important. According to David Aaker, associations create value to the firm and its customers, by helping to process/retrieve information, differentiation of the brand, generating a reason to buy, creating positive attitudes/feelings.

There is a lot of evidence that comparative advertisements are a useful positioning tool. They enable marketers to bridge the gap between the market leader and the follower. In other words, comparative format enables a marketer to position his brand near that of the market leader’s in terms of certain specific features, attributes and benefits (Gerald J. Gorn, et al – 1984).

Michael D. Johnson and David A. Horne (1986), in their study, (using print advertisements of story board type for a hypothetical cola brand) demonstrated the potential of comparative advertising in achieving product – positioning goals.56

A study by Beth A. Walker and associates (1985), examined the impact of comparative advertising on perceived similarity and dissimilarity between the new entry brand and prototype brands in a laboratory experiment. The study involved 40 students subjects and used as stimuli professionally produced 30-second introductory television commercials for a premium beer. Findings
provided evidence for the associative and differentiating properties of comparative advertising.\textsuperscript{57}

Advertisers may intend to differentiate their brands (through comparative advertisements) as against that of competitors’ by projecting their brands as standing for a set of attributes, which the comparison brands do not possess. Whether or not they succeed in this depends on the credibility of the source, the extent to which the comparison brand (market leader) is associated with the same attribute and the importance of the attribute.

Cornelia Droge and Rene Y.Darmon (1987), in their research examined the relative effectiveness of comparative/non – comparative and product – based/non – product – based advertising as a product – positioning tool. Both overall positioning at the brand level and positioning at the attribute level were considered with the former measured via a probabilistic multidimensional scaling technique incorporating positioning accuracy and clarity and the latter within an attitude model using attribute belief and confidence in the beliefs. The result of the study indicated that direct comparative advertisements were superior in achieving overall brand positioning goals, whereas only product – based direct comparative advertisements were superior for brand positioning at the attribute level.\textsuperscript{58}

William Thomas Neese, in his study, concluded that comparative format improved the ability of the sponsor to differentiate itself favourably from the group of competitors mentioned.\textsuperscript{59}

Based on the Research findings of the past, it is also reasonable to conclude that underdogs may succeed in differentiating their products and in generating unique associations with the advertised brand, through the comparative format. (Gerald.J.Gorn – 1984). Comparative advertising is useful for product positioning, for target market selection and for brand positioning
strategies that stress the differential advantage of the "underdog" product over leading brands.

Research by Cornelia Pechmann and S.Ratneshwar suggests that direct comparative advertisements increase the similarity of the advertised and comparison brand on attributes not featured in the advertisements. However, they simultaneously differentiate the brands by lowering consumer perceptions of the comparison brands on the specific attributes used in the comparison.\textsuperscript{641}

Thus, studies have documented the usefulness of comparative advertising as a positioning tool. However, there is no conclusive evidence as to whether or not comparative advertisements enable brands to develop certain associations, which can be crucial in building brand loyalty and influencing purchase decisions. As pointed out earlier, through associations, consumers may develop positive attitudes, feelings towards a brand. They may also serve as a reference, thus enabling consumers to retrieve and process information whenever required. It appears that there is scope for research in this area.

d. **Comparative Advertisement and Brand Loyalty**

"Brand loyalty, is a measure of the attachment that a customer has to a brand. As brand loyalty increases, the vulnerability of the consumer base to competitive action is reduced. It is one indicator of brand equity, which is demonstrably linked to future profits, since brand loyalty directly translates into future sales" – David Aaker.

Any perceivable change in brand loyalty can be noticed only in the long run. There is reason to believe that use of comparative advertising by one company may result in retaliatory measures and that continuous use of comparative advertising in a particular industry may lead to decline in brand loyalty towards all brands.
Research by Turgeon and Norman Denis, concludes that for market leaders comparative advertising was more favorable when used in a retaliative market environment. The non-comparative format was perceived favourably on either market environment.\textsuperscript{61} This observation suggests that the market environment has some bearing on the attitudes of the consumers. Consumers may be vulnerable in a retaliatory environment when claims and counterclaims are made and consumers may become more confused and suspect the claims made by all brands. All these may have a bearing on the brand loyalty of the consumers.

Any individual intending to buy a product has a certain set of brands that he considers before he makes up his mind to purchase a product. While a highly brand loyal person may have just one brand, the brand switchers may have a few brands in their consideration set. It is extremely difficult for a new entrant to penetrate into the consideration set of the buyers and comparative advertisement format appears to provide an easy route to achieve this.

As far as Comparative Advertisements are concerned, the comparative information content creates curiosity. In her study, Lisa Ann, investigated the effects of advertising format (non-comparative vs. direct comparative) and market share of the advertised brand (low vs. high) on the size and nature of consumers’ consideration set as well as their intentions to purchase the advertised brand. According to her, the market share of the advertised brand typically did affect the content of consumers’ consideration sets as well as their intentions to purchase a brand. High share brands were more likely to be purchased. While advertisement format did not affect the size of the consideration set, both advertisement format and market share did enhance the likelihood of the comparison brand being included in the consumers’ consideration set.\textsuperscript{62}
Smaller share market follower brands while resorting to comparative advertisements have the advantage of being included in the same consideration set along with the compared brand. Gerald Gorn and Charles Weinberg (1984) point out that a leading brand might therefore not want to engage in comparative advertising, whereas, a challenger brand might gain from associating with the market leader.

From the research findings, it appears that comparative advertising by a new entrant/follower would help break the brand loyalty of the comparison brand. However, there are no answers as to whether comparative advertising contributes negatively or positively to the brand loyalty of the given brand. The low source and message credibility of comparative advertisements may have a negative impact on brand loyalty, while providing publicity to competitor’s negative points an advertiser invites similar remarks from competitors towards his own brand. The advertisement format appears to be counter productive towards adding value to the brand loyalty component of brand equity.

Comparative advertisements were consolidated and the analysis of results were organized and presented on the basis of Lavidge and Stenier’s hierarchy of effects model. In the given study, an attempt has been made to present the available literature from the point of view of the various components of brand equity, as defined by David Asaker. Brand awareness can be compared to the cognitive component, while perceived quality and brand association can be compared to the affective component and brand loyalty to a certain extent can be compared to the conative component. Advertisers should be concerned with what their advertisements do to the brand equity in the long run. Comparative advertisements seem to have scored over non – comparative advertisements on attention getting ability, information processing and recall, which together generate brand awareness. On perceived quality, comparative advertisement format appears to be more suitable for new entrants and
ollowers as compared to market leaders. From prior research findings on aspects of effectiveness that lead to brand loyalty, it appears that non-comparative advertisements must be superior to comparative advertisements in creating brand loyalty. Consumers may become skeptical about all the brands and they may become more vulnerable to price changes and claims and counter claims made by competitors.

IV. COMPARATIVE ADVERTISEMENT: ETHICAL ASPECTS, BENEFITS TO CONSUMERS AND PUBLIC POLICY ISSUES

While the effectiveness of comparative advertising was discussed by listing and detailing the Research findings of the past, the advantages and the disadvantages and the impact of the same on consumers is of far greater importance. Do consumers stand to benefit from this advertisement format? The assertion of the Federal Trade Commission of USA that comparative advertisement provides relevant information for consumers to take better decisions assumes significance in this context.

Cornelia Pechman, in her study, on price claims concluded that comparative price advertisements in general are misleading. One-sided information detailing price benefits but not disclosing other benefits not provided can be extremely misleading. The author goes on to address the public policy issues related to the same.63

Terrence. A. shimp, in his study, on incomplete comparisons provided empirical evidence that incomplete comparative statement elicited multiple plausible interpretations,64 which were potentially misleading. The receivers drew inferences beyond the manifest content of an incomplete statement.

A study by Michael J.Barone and Paul W Miniard, examined the possibility of how advertising claims that are factual could mislead consumers,
especially when a combination of comparative and non-comparative information was presented to the consumers. In particular, the study explored how and when processing of the former type of advertising information could cause deceptive beliefs about the latter type of advertisement information, an outcome referred to as copy X copy interactions. The evidence given on the seriousness and the significance of the copy X copy interaction effect provide valuable implications for public policy makers.\textsuperscript{65}

An article by Ann Arbor, Dhruv Grewal and Larry D. Campeau, aimed at providing an integrative review using meta analysis of comparative price advertising research to a) synthesise current substantive findings b) probe for an inconsistencies across the studies c) provide a benchmark, a single source of summary information on comparative price advertising for public policy makers, managers and researchers and d) public policy implications. The findings from the Meta analysis suggested that comparative price advertising could be an effective tool for managers. The authors conclude that comparative price advertisements raise serious public policy issues in the context that the use of comparative price advertisements conveyed to consumers a higher value for a product that currently is selling at a lower price.\textsuperscript{66}

Comparative advertisements often quote the ratings or the results of the product tests conducted by neutral accreditation agencies. The ratings or the results of the tests conducted, depend to a very large extent on the methodology used for the product test. Most product tests may not be based on sound research methods. When they are further quoted in comparative advertisements, to denigrate market leader's brands, irreparable damage could be done to the latter's brand equity. Bruce Buchanan, in his article in Harvard Business Review, while sympathizing with the victims has also given valuable suggestions to them to counter such unethical practices of competitors.\textsuperscript{67}
REVIEW OF INDIAN LITERATURE

As the concept of comparative ads is slowly picking up in the Indian market, only a couple of researches have been done so far on this area. They are summarised as given below:

K. Jagath Jothi, has done her research on “Effects on Comparative Advertising on attention, memory and purchase intentions”. The study was aimed (a) to examine the effect of direct comparative, indirect comparative and non – comparative advertising on attention, memory and purchase intentions on selected viewers: (b) to analyse ratings of selected advertisements and (c) to find out effectiveness of the selected advertisements based on the brand choice behaviour of consumers. The analysis of findings of the study has revealed the followings results:

- Indirect comparative advertising is more effective for promoting moderate share brands,
- Direct comparative advertising is more effective for promoting moderate share brands,
- Non-comparative advertising is more effective for promoting high share brands.\(^{68}\)

Sukaya Ashok Kumar, has done her doctoral research on “Effectiveness of Comparative Advertisement”. The objectives of the study were: (a) to conduct a descriptive study of the comparative ads in the print media and to obtain a thorough understanding of such advertisement and gain rich insights in the Indian context, (b) to present comparative ads. (in the print meida) in a true perspective, the way they appear in the changed liberalized, globalised, marketing environment; (c) to study the perception of the consumers on the advertisement appearing in the print media and to trace the underlying factors
that are significant in the data obtained from the consumer survey and (d) to
develop an understanding of the attitudes that consumers may have developed
towards such advertisements.

The analysis of findings of the study has revealed the following:

- Comparative ads. are high on information content and significance of information provided as well. Advertisers had used comparative graphs/pictures/schedules and all this had made these ads. rich on information content.

- Advertisers, to a large extent, had used comparison to gain attention, enhance image and persuade consumers. With respect to the attribute “Level of persuasion”, variance was observed across the product categories. This was because media companies had used persuasion of very high order (as compared to other product categories) to convince advertisers.

- Variance was also observed between product categories on the attributes “level of denigration and intelligibility of language”, Media companies had only quoted subscription rates, reach of the target groups and certain other aspects that were easy to comprehend. The communication was direct and therefore most media companies were categorized high in terms of intelligibility and had thus obtained very positive ratings in this regard, as compared to other product categories. Consumer durables and automobiles had based their comparison on attributes, features that were not intelligible to the common man.\footnote{69}

The researches done on comparative ads. in foreign countries and in India have revealed that comparative ads. provide more comparative
nformation that leads to information processing by consumers. There is some evidence that the information given in comparative ads could be misleading. Comparative ad format had both positive and negative aspects in it for consumers. Whether or not it would be beneficial to consumers and to the industry in general depends on the code of ethics adhered to by advertisers and advertising agencies. The unethical advertisements that have been appearing in the media have led to a lot of criticism and have also put a question mark on the USA Federal Trade Commission's contention that such advertisements would be beneficial to the consumers for taking better decisions.

Although many researches were done on comparative ads. in different parts of the world, no research has been done so far specifically on comparative ad for consumer durables. The present study is an attempt towards that end. The present study is basically aimed to find out whether or not comparative ad for consumer durables impact the purchase of selected consumer durables i.e Television, Washing machine, Refrigerator, in the city of Chennai.
FOOT NOTES


3. **Mayor & Siebeck**, (1997). “Article on comparative advertising in West Germany”,.


10. **David Aaker**: Managing Brand Equity, pg No.61.


51. **Cornelia Pechmann, (1992).** “Predicting when Two – sided ads will be more effective than one – sided ads: The Role of Correlational and Correspondent inferences, “Journal of Marketing Research, 29 (Nov). 441- 453


