CHAPTER 2

LITERATURE REVIEW
2.1 INTRODUCTION

This chapter summarizes the information which is acquired after reviewing previous studies that have dealt with similar aspects. The review of literature mainly covered previous research on similar topic in the form of research papers, thesis and dissertations. The compilation of this chapter covers the subject of Advertising, Brand Management and Consumer Behaviour. The objective of the chapter is to familiarize with research work done in the area and also to find the research gap. The review of literature let to the development of research questions.

The chapter has broadly been divided into four parts: ‘Study of Advertisement Effect’ deals with studying the different role that advertisement plays, the types of messages provided and its impact. ‘Study of Consumer Brand Perception’ aimed at providing an insight on the subject of brand perception; the determinants and factors affecting brand perception. ‘Study of Measurement of Advertisement Effectiveness’ aimed to understand the various factors which determine advertisements’ effectiveness. ‘Study of Advertisement - Brand Relationship’ purposes to find out the different ways in which advertisement affect brand perception or to study advertisement’s effect on the different elements of brand perception.
2.2 STUDY OF ADVERTISEMENT EFFECT

The aim of advertisement is to help consumers take purchase decisions by giving information about products and brands. It is important to provide effective information to the target customers. Anand & Shachar (2011) and Byzalov & Shachar (2004) have highlighted the informational and risk reduction role of advertisement.

1. Bharat N. Anand and Ron Shachar (2011) in “Advertising, the matchmaker” highlights the informational role of advertising in matching consumers with products in the condition when consumers are uncertain about both observable and unobserved program attributes. The paper focuses on the network television industry, in which the products are television shows.

The study highlights the fact that consumers rely on advertising content to directly obtain information about product attributes. This improves their match with products and this matching role of advertising is likely to be increasingly important as product offerings continue to proliferate in many markets and hence, consumers find it hard to remain informed of product attributes. The authors estimate a model which allows them to distinguish between the direct effect of advertising on utility and its effect through the information set. The result of the study indicates that the exposure to informational advertising may decrease the consumer’s tendency to purchase the promoted product in industries characterized by product proliferation.

2. Dmitri Byzalov and Ron Shachar (2004) in “The Risk Reduction Role of Advertising” attempts to theoretically explore that exposure to advertisement increase consumers’ tendency to purchase promoted products. The authors proclaim that “risk-
reduction” role of advertising happens when the informative content of advertising resolves some of the uncertainties of the “risk-averse consumers” and thus in turn reduces the risk associated with the product.

The authors claim that the risk-reduction model of advertising effectiveness depends on the risk preference parameter, precision of the advertising message, familiarity of the consumer with the product, the consumer’s sensitivity to products’ attributes and involvement level with the product, and the diversity of products offered by multiproduct firms. The study was based on television shows, where the risk-reduction effect was significant and strong and the direct effect was negligible behavior. The paper suggests that ads spending should be higher in cases such as those involving new and relatively unknown products, high-involvement products, when ads can be quite precise, and when the firm offers a diverse product-line. The paper also suggests that ads should target consumers who are more sensitive to risk, who are more involved, and those who are not familiar with the promoted product. The paper claims that this model will help ads to affect choices also through a direct effect on the utility which can be said as the standard approach to formulate the effect of advertising.

Literature review [Vakratsas & Ambler (1999), Janssens & Pelsmacker (2005), Mahapatra (2012), Cian, Krishna, & Schwarz (2015), etc] highlights the importance of rational and emotional appeals in advertisements. Rational (functional) and representational (emotional) appeals are the fundamental elements of human life.1

Marketers increasingly use rational and emotional appeals in advertisements to attract customers.\(^2\)

3. **Demetrios Vakratsas & Tim Ambler (1999)** in “*How Advertising Works: What Do We Really Know?*” tried to find out how advertising works. They deduced taxonomy of models and discussed the theoretical principles of each class of models in order to summarize their empirical findings. The author claims that the paper establishes what is and should be known about how advertising affects the consumer after a review of more than 250 journal articles and books.

In this paper, advertising effects are classified into intermediate effects, such as, on consumer beliefs and attitudes, and behavior, which are related to purchase behavior and brand choice. The authors propose that advertising effects should be studied on the basis of three dimensions, viz. *affect, cognition, and experience*. And, advertising's positioning in space should be determined by *context*, which reflects the advertising's goal diversity, product category, marketing-mix, product life cycle, target market and competition.

4. **Wim Janssens & Patrick De Pelsmacker (2005)** in “*Advertising for New and Existing Brands: The Impact of Media Context and Type of Advertisement*” evaluated the effect of advertisement and context type on the responses to advertisement for different brands. The objective of the study was to explore the impact of the type of advertisement i.e., *positive emotional* versus *non-emotional* and context type i.e., emotional versus non-emotional on consumers. Two experiments were conducted on graduate students on positive emotional advertisements and non-emotional advertisements for positive

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emotional context and a non-emotional media context. The results indicate that, emotional contexts lead to positive attitude towards the advertisement, brand and purchase intention for the well known brand than for the new brand. On the other hand, non-emotional contexts lead to more positive responses for the new brand than for the well-known brand. Hence, emotional advertisements lead to more positive affective reactions and non-emotional advertisements lead to more positive cognitive reactions. The study highlighted the importance of media context for advertising new versus existing products.

5. **Sabita Mahapatra (2012)** in “Impact of TV ad Message Using Emotional versus Rational Appeal on Indian Consumers” studied the emotional and rational aspects of advertisement on consumers. The study was limited to measuring the impact of television ads on Indian consumers. The author attempts to measure the emotional and rational appeal of TV ads preference based on select FMCG and consumer durable products.

The study also includes a pilot study aimed at finding out those products whose advertisement consumers recalled the most. Further only those products were selected which had a mix of emotional and rational appeals in their TV ads. The results of the study indicate preference towards emotional appeal. Although, emotional and rational appeals were not equally preferred across all product categories, emotional appeals are preferred over rational appeal. Rational appeals were preferred only under specific situations. The study lays emphasis on designing and development of effective messages for the improvement of advertisements.

6. **Ciddikie, M. D., et al. (2014)** in “Impact of Advertisement on Consumer Buying Behaviour” elaborates the persuasive role of advertisement. The paper lays stress on
advertisement as an impact generating tool which provides information to the consumers and helps them take purchase decisions. The information presented may be *rational (functional)* or *representational (emotional)*. The paper examined the relationship of these two independent variables of information with consumer buying behaviour, which was a dependent variable. The study was conducted by taking 200 responses in National Capital Region of Delhi. Findings of this study show a moderate relationship between independent and dependent variables. The study shows that consumer purchase products based on their response towards representational factors.

Advertising message is of paramount importance in order to attract the customers. It creates brand association. A well designed ad message helps to gain customer attention. They are the means to keep the customers interested in the product. They position the product in consumers’ mind and differentiate the product from that of the competitors’.

7. **Michel Tuan Pham and Marc Vanhuele (1997)** in “Analyzing the Memory Impact of Advertising Fragments” narrate the effectiveness of advertising fragments. *Advertising fragments are very brief messages* that mention just a brand name or a brand name with a short headline. They are used by marketers in event sponsorship and program endorsements. They involve those brands which are well-established and for which consumers have more or less extensive knowledge structures stored in long-term memory. The advertisements are typically low-involving in nature, compounded as advertising fragments because the messages are minimal and also the processing of these fragments is secondary to the processing of the program in context.
The study introduces an approach for “controlled testing of the effects of advertising fragments”. The objective of this study seems to develop and test the methodology for a systematic investigation of the communication effects of advertising fragments. The authors present “key effect of advertising fragments to revive established brand associations even when these associations are not explicitly communicated”. The authors propose that the primary effect of exposure to advertising fragments is not to just to create new memory traces, but also to revive the existing memory traces and thereby increase the importance of previously learned associations. The results indicate that this reactivation occurs not only when these names receive focal attention, but also when they receive non-focal attention.

Advertisement is a useful tool as it disseminates information facilitating consumers to help differentiate amongst competing brands. Comparative advertisement is an important tool. “They invoke the consumer’s belief structure for the comparison brand, tends to make salient any disparities between the message claim and the consumer’s prior belief” 3 As such, some marketers resort to comparative ad messages.


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Comparative advertising is an effective means to communicate the differentiating advantages of a brand. It can also be used to lead consumers to associate the advertised brand with the competitor’s brand identified within the advertisement. Two independent group experiments were conducted on two hundred and eighty participants where they were exposed to comparative or non-comparative print ads. The results of the study showed that “comparative advertising’s effect depends on consumers’ perceived differentiation among the brands and consumers' level of involvement with the specific product category”. The study suggests that if the aim is to distinguish a particular brand among the others, high- involvement consumers who perceive low differentiation among brands should be the target group for comparative advertising. This study also suggests that not all customers perceive comparative advertising equivalently. Therefore, advertising strategy will be effective only when it considers the characteristics of the main target.


In this study, questions were asked on perception and attitude from the respondents followed by questions on their thoughts while they were looking at the advertisement. The study suggests that comparative advertising by a challenger brand which is not the category leader will result in increase brand similarity between the challenger and leader.
Scholars [Gorn (1984) Belch (1981) Soscia et al. (2010) etc] are seems to be divided on the issue of comparative advertisements. Some scholars are of the view that comparative ad messages are very useful, where as others are of the opinion that comparative ad messages may create negative reactions.

Unlike sales promotion, advertisements do not have immediate effect. There may be a considerable time gap between consumers having seen the ad and their purchase of the product. Advertisements do have dynamic impact on sales but their effects are not always immediately realized.4

10. Richard T. Hise and Robert H. Strawser (1976) in “Advertising Decisions and the Long Run Effects of Advertising” discuss the implications of the long-run or carry-over effects of advertising. Their implications are important for advertising decision making and marketers, who do not recognize this phenomenon, should be aware of these long-run effects in making advertising decisions. A carry-over effect of advertising occurs because impressions are made over a time period that ultimately leads to purchases. And also, repeat purchases result much later after the initial advertisement, which stimulated the original purchase. Lagged effects of advertising are conveniently categorized by Kotler (1971)5. Firstly, there are a delayed response effects, in which a purchase occurs at some point of time after the advertisement. Secondly, there are customer hold-over effects, i.e., customers purchase a product as a result of an initial advertisement who continues to purchase the brand involved.


The authors argue that the lagged effect is a strong evidence for considering advertising as an asset and it should be viewed as an investment, rather than an expense. But it is unfortunate that marketers do not recognize this phenomenon in making advertising decisions because the temporal aspects of advertising are largely ignored, keeping the profitability objective of advertising at the minimal and thus the decisions made are less effective.


The study addresses two important questions. “Does consumers’ responses to marketing mix variables, such as price, change over a long period of time? If yes, are these changes associated with changes in manufacturers' advertising and retailers' promotional policies?” The authors derived the results of their study using 8 1/4 years of panel data for a frequently purchased packaged good. On the basis of these results, the authors draw implications for manufacturers' pricing, advertising, and promotion policies.

The study used a two-stage approach which permitted to assess the medium-term as well as long-term advertising and promotional effects. The results of the study suggests that over a period of time consumers tend to become more price and promotion sensitive because of reduced advertising and increased promotions.

There exist different views regarding advertising effect on prices of goods. Some authors are of the view that advertised products are tend to be costly, while others are of the opinion that the mass communication nature of advertisement which in turn leads to mass
consumption, reduces the per unit cost. The thin distribution margin of advertised brands tends to be lower than unadvertised brands.\(^6\) Hence, advertisement is beneficial to the consumers.

12. **Paul W. Farris and Mark S. Albion (1980)** in “The Impact of Advertising on the Price of Consumer Products” examined that *does advertising increase prices?* This objective of this article was evaluation of the issue and emphasizing the perspectives of three diverse groups; economists, business persons and consumers. Economists, form the basic model on the nature of competition in a market and the nature of a rational consumer's search for information. Whereas, the business persons use advertising as a part of corporate strategies in order to maintain a differential advantage in the marketplace. They not only act as a foothold for the retailers, but also communicate with the customers about their products. The customers, in turn acknowledge to the psychological satisfaction that they may derive. The article suggests that an approach “which distinguishes factory prices from consumer prices, and relative prices from absolute prices, can resolve much of the conflicting issues.

13. **Tulin Erdem et al. (2008)** in “The impact of advertising on consumer price sensitivity in experience goods markets” examined as to how TV advertising and other marketing activities affect the demand curve facing a brand.

Advertising can affect consumer demand in many different ways. The presumptive case suggests that *advertising works by raising marginal consumers’ willingness to pay* for a

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brand. This leads to the flattening of the demand curve, thereby increasing the equilibrium price elasticity of demand and lowering the equilibrium price.

The paper is an economic discussion on the effects of advertising. The authors argue that advertising is profitable not because it lowers the elasticity of demand for the advertised good, but rather, it raises the level of demand. The focus of this study was on how advertising shifts demand curves as a whole. The authors claim that a decrease in the equilibrium price is perfectly consistent with a scenario where advertising actually raises individual consumer’s willingness to pay for a brand. Thus, they argue that “in order to understand as to how advertising affects consumer price sensitivity, one need to estimate how it shifts the whole distribution of willingness to pay in the population”. The authors state that advertising should primarily focus to increase the willingness to pay of marginal consumers, with the exceptions in certain product categories where the advertising aims at differentiating the brand on certain dimensions in order to create for some customers. Hence, advertising will be profitable and will reduce the loss in market share that the brand would otherwise suffer from any given price increase.

14. Ashfaque H. Khan and Rizwana Siddiqui (1989) in “The Impact of Advertising on Aggregate Consumption Function” examined the impact of advertising on aggregate consumption. The informative role of advertising in motivating potential customers to increase consumption at the expense of savings can’t be ignored.

The paper attempts to examine the impact of advertising on aggregate consumption in Pakistan using time-series data. The paper suggests that advertising intensity is an important determinant of the propensity to consume for a developing country. The author
claims that the significant impact of advertising on the propensity to consume suggests a strong informative role that advertisement has been playing in motivating potential consumers to increase their consumption expenditure. The income variable is found to be statistically significant with the negative sign; thus, the result suggests that as income increases the average propensity to consume falls. The result also suggests that an increase in private consumption leads to an increase in advertising expenditure. Therefore, advertisement is an important factor which influences the aggregate consumption function.

2.3 STUDY OF CONSUMER BRAND PERCEPTION

Consumers’ perceptions are central to advertising research. Brand perception means how consumers perceive and evaluate brands. It is overall and intangible feeling about a brand.7

1. Kenneth D. Bahn (1986) in “How and When do Brand Perceptions and Preferences First Form? A Cognitive Developmental Investigation” described the formation of children's brand discrimination and preference. This study provides an insight into the processes that children usually employ to make brand discrimination and brand preference judgments.

Perception, in this study, is defined as "the process of attending to and knowing objects by means of the senses". According to Bahn, preference occurs, only when a specific stimulus is perceived to have positive affect. “Categorization or organization of brands is

based on attributes that have perceived value”. And thus, *preference formation is a function of perceptual and affective development*. The study used multidimensional scaling techniques to capture children's perceptions and preferences. The result of this study indicates numerous dimensions which underlie brand perceptions.

2. **Jonah Berger and et al. (2007)**, in “*The Influence of Product Variety on Brand Perception and Choice*” assert that the *variety a brand offers often serves as a quality cue* and thus influences which brand consumers choose.

The product varieties offered by a firm is a key marketing mix variable. The paper suggests that brands which offer varieties and option appear compatible and require similar skills, are tend to be perceived as competent and expert in the category. This in turn, enhances the perceived quality and purchase likelihood.

The study identifies a couple of conditions regarding the effect of product variety. Firstly, positive effects of product varieties occurs only when the consumers is well informed about the varieties being offered by the brand. And secondly, composition of product varieties, degree of compatibility and specialization, is an important element of the impact of variety on perceived quality. The study also states that unfocused varieties may sometimes negatively affect perceptions of expertise in a well-defined product category.

The results of the study indicates that product variety influences perceived brand quality both when evaluating a single brand and when choosing between brands.. The study also suggests that product variety can also enhance repeat purchase rate.

3. **Henry L. Munn (Jan., 1960)** in “*Brand Perception as Related to Age, Income, and Education*” attempts to explore and investigate that does some brands are seen
different from all other brands by the consumers and if not, then, are there others which
are seen as essentially the same?

This study was concerned with two problems. Firstly, is the perception of a brand within
a product class dependent on consumer demographics such as income, education, or age?
And secondly, is consumer perception of differences between brands within a product
class dependent on the aforesaid consumer demographics? According to the study, 
consumer's perception of a specific brand depends upon its “physical qualities, container, packaging, price, advertising, promotion, and merchandising”. And thus,
perception differs from market to market and from consumer to consumer. The
consumer's perception of brand was divided into two areas for the study: firstly,
perception of a brand's quality within a product class was taken. And secondly,
perception of the price of the brand within the product class relative to other brands in the
same product class was taken. Munn provided with characteristics on the basis of which
the product classes were chosen: brands which are readily available, extensively
advertised with high level of consumer knowledge, many price variations and substantial
variations in the frequency of purchase by most consumers. Chi-square test of association
was applied to determine the relationship of brand perception with the concerned
demographics. The results of the study indicate that brand perception is largely
independent of consumer socio-economic classification, and there appears to be similar
brand rating regardless of income, education, or age of the consumer.

Depending upon the type of product, brand perception may be affected by demographic
variables such as income, education and age. According to Munn (1960) brand
perception is influenced by quality, packaging, price and advertisement. Information
available to consumers is also an important determining factor of brand perception. Berger et al (2007) laid emphasis on product variety as an important factor in the determination of brand perception.

Brand Perception gives brand its equity. Brand equity is the value a brand derives from consumers’ perception of its brand name or other marketing efforts. Aaker (1996, 2009) and Keller (1993, 2007) have provided with comprehensive details on the topic of brand equity and the various factors which determine consumer’s brand reactions.

4. **Kevin Lane Keller** (1993) in “*Conceptualizing, Measuring, and Managing Customer-Based Brand Equity*” extant a conceptual model of brand equity from the perspective of the consumers.

The paper discusses issues of building, measuring, and managing customer based brand equity. Brand equity is the marketing effects which are uniquely attributed to the brand. Customer based brand equity is the differential effect of brand knowledge on consumer response to the marketing of a brand. A brand has positive customer based brand equity when its customers react more favorably to the elements of the marketing mix for the brand as against that they do so for a fictitiously named or unnamed version of the product or service. The most valuable asset for improving marketing productivity of a firm is the knowledge that has been created about the brand in the consumers' minds (*brand familiarity*). The author states that the relevant dimensions that distinguish brand knowledge and affect consumer response are the *awareness* of the brand, in terms of brand recall and recognition, the favorability, strength, and uniqueness of the brand associations in consumer memory.
Brand perception is very much dependent upon the amount of information available to the consumer.

5. **Vithala R. Rao (1972)** in “Changes in Explicit Information and Brand Perceptions” attempted to bridge the gap between how stimuli ought to be presented i.e., what information should be given to the subjects and what particular difference should be caused by varied information. Consumers' perceptions of alternative brands in the marketplace depend upon the amount of available information. The objectives of the study were to examine the relationship between the amount of *explicit information and brand perceptions* and to determine the effect of *brand image on perceptions*.

In this paper the author considered two kinds of explicit information, semantic descriptions and attribute profiles of brands. This information was presented both in place of brand names and also in addition to brand names. Two studies were conducted, where variations were tried. The results suggest that significant differences occurred in perceptions of the stimuli because of changes in explicit information provided to the subjects even after the effects of prior dispositions had been eliminated. The results provide support for fact that the differences in the configurations are caused by differences in the kind of explicit stimulus information presented.

6. **Mahabubur Rahman (2014)** in “Differentiated Brand Experience in Brand Parity through Branded Branding Strategy” imparts a theoretical explanation as to what causes brand parity or brand similarity to occur in a product category.

Brand parity is understood to be as the perception held by the consumers of a specific product category that the overall differences among the major brands are small.
With the existence of brand parity, it has become difficult for brand owners of certain product categories to provide unique brand experience to the customers. Therefore, companies are depended on brands from other companies in an effort to enhance their customers’ brand experience and increase their own brand’s equity. The author state that, as a product category starts to mature and the number of competing brands increases, the different types of pressures tend to increase and this leads to brand parity. Hence, the study exerts that under such situations, customers should be provided with unique and distinguishable brand experiences in order to differentiate the focal brand from the other competing brands.

2.4 STUDY OF MEASUREMENT OF ADVERTISEMENT EFFECTIVENESS

The aim of advertisement is to help consumers take purchase decisions by giving information about products and brands. The effectiveness of advertisement thus should be measured on its ability to impact attitudes and purchase intentions toward the brands.

1. Jagdish N. Sheth (1974) in “Measurement of Advertising Effectiveness: Some Theoretical Considerations” examines three different aspects of advertising communication effectiveness. This paper is a theoretical search to measure advertising effectiveness. The paper is based on the consideration and discussion of four distinct but sequential mechanisms by which advertising can influence consumer behavior, they are, persuasion, reinforcement, reminder and precipitation.

Firstly, the paper attempts to explore the reasons of advertising communication distortion in the consumer's mind. The various dimensions of distortion and factors which produce
the cognitive distortion are also studied. Secondly, the paper attempts to search the reasons as to how does advertising influence the consumer choice process? The paper discussed two mechanisms called persuasion and reinforcement and the underlying processes of influence and tactics are also explored. Thirdly, the paper examines the advertising influence on consumption behavior. Here, mechanism called reminder precipitation is discussed and the underlying processes and tactics are explored.

The most important part in the paper was the identification of specific variables which was included as causal variables for each of the three factors. Based on past empirical research, the author has broadly categories the variables. The advertising-related factors includes “the mechanical variables (color, size, illustration), the message variables (product benefits, rational and emotional motivational appeals), the channel variables (efficiency for symbolic representation, channel reach, and channel image), and the source variables (credibility, popularity and expertise of the communicator)”.

2. Mason Haire (1950) in “Projective Techniques in Marketing Research” relates consumers’ characteristics and the relevant dimensions to choose appropriate media and appeals. The author asserts that what the companies are emphasizing is sizzle rather than the steak. The sizzles are the subjective reaction of the consumer, where as the steaks are the objective characteristics of the product. The study shows that motives exist behind the purchase of products by the consumer. The author further states that these motives are closely related to the decision to purchase or not to purchase, and it is possible to identify and assess such motives by approaching the consumers indirectly. “The consumer sees the product related to things or people or values in his life, or as having a certain role in the scheme of things, and yet he may be quite unable to respond to a direct question to
describe these sizzling aspects of the object”. Hence, a projective test should be conducted in order to involve the subjects and present them with an ambiguous stimulus question or puzzle that does not quite make sense in itself and asking them to make sense of it. The logic behind is that in order to make sense, the consumer have to do something and in doing so he projects a part of himself into it. And since, the original stimulus was known before hand, it is easy to identify the parts that were added and in this way information about the person can be obtained.

3. Alan Resnik and Bruce L. Stern (1977) in “An Analysis of Information Content in Television Advertising” empirically investigate to determine the informational value of TV advertising. TV has become an important part of our daily lives. Its potential to shape viewers' behavior makes its content a critical area for public-policy decisions. In order that a commercial be considered informative, it must facilitate intelligent buying decision. It must provide cues which will enable viewers to better achieve their own personal sets of purchase objectives. To test the information content of the commercials, the study used an operational definition, applying evaluative criteria that can be transmitted through audio and visual stimuli. An important part of the paper was the identification of information cues which could potentially be used in intelligent decision-making. They are “Price or Value, Quality, Performance, Components or Contents, Availability, Special Offers, Taste, Packaging or Shape, Guarantees or Warrantees, Safety, Nutrition, Independent Research, Company-Sponsored Research and New Ideas”, which should be included in advertisement communication. An important implication stemming from this study's results is that non-informative advertising provides indirect
claim about the product and fails to fulfill any unique or relevant needs of the customer, be it taste or value.

4. S. Adam Brasel & James Gips (2014) in “Enhancing Television Advertising: Same-Language Subtitles Can Improve Brand Recall, Verbal Memory, And Behavioral Intent” explores as to how advertising effectiveness for television commercials is enhanced when same language subtitles on-screen text matches with the spoken Language. The study was conducted in the contexts of normal viewing audiences outside of foreign-language or deaf-viewer. A pilot study was conducted to explore the visual attention in subtitled commercials and four studies were applied to provide answers to research questions. Eye-tracker was used to analyze customized television programs The results of the study indicate that same language commercial subtitles increases brand recall and memory of other verbal ad information. Further studies were conducted to reinforce the ads positive effects of subtitles. It showed how the effectiveness of same-language subtitle varies with changes in visual as well as verbal ads. Besides, showing how subtitles can increase behavioral intent, the results also highlight how varying subtitle content affects memory gains. It illustrates how subtitles lead to negative effects in uncommon situations when brand information is missing from the audio. The study suggests that as the efficacy of television advertising is increasing, same language subtitling is a simple way to increase the effectiveness of advertisements. Same language subtitles present a low-cost method to increase the effectiveness of advertisements.
2.5 STUDY ADVERTISEMENT - BRAND RELATIONSHIP

Advertising is a dynamic but a complex subject. It establishes some sort of perception about brands in the mind of customers. But perception differs from person to person and as such consumers also respond differently towards advertisement.

1. Muhammad Sajid Rasool et al. (2012) in “Impact of Advertisement on Consumer Behavior of FMCG in Lahore City” examines the effect of advertisement on consumer behavior in Lahore city of Pakistan. Questionnaire method was used to measure advertisement effects. 150 persons were contacted to get the perception and awareness of the people about the FMCG products. Five brands of toothpaste were selected as FMCG product for the study. Chi-Square, Z- test were used to analyze the data. The study suggests that consumers tend to change the brand that they use in order to try the new brand of toothpaste. The results of the study highlight the importance of income as a determinant of consumer behavior. The authors claim that consumer behavior tends to change with the change in income. Further, gender plays a crucial role and male gets more influenced by the toothpaste advertisements than their counterpart. The study also suggests that the behavior of the consumer is influenced by advertisement. In the FMCG category such as toothpaste, the role of expensive products and repetitive advertisement is minimal.

There are various factors within advertisements which help to provide information to the customers and thus play an important role in building brand perception. Image building is one such important role of advertisement. Advertising attempts to give direction to the perception of consumers by associating brands with certain images.
2. **Leonard N. Reid and Lauranne Buchanan (1979)** in “A Shopping List Experiment of the Impact of Advertising on Brand Images”, examines the impact of advertising on brand images. Advertising is often used to guide consumers' perceptions and actions toward products. It seeks to affect a product's *brand image* by creating a *personality* for the product. Through the creation of subcategories of meanings, the consumer associates these with the advertised brand. To the extent that the consumer perceives such associative meanings, the brand takes on the want satisfying subjective dimensions in relation to other similar brands.

The authors state that three affective dimensions are frequently used in evaluating the female shopper; *quality oriented; economically minded; and smart shopper*. One hundred and twenty female cat owners were divided into three equal treatment groups and each group was given a specified shopping list and asked to describe the personality of the female shopper. Two leading brands of canned cat food were served as the test items. The brands were at relative competitive parity, except in terms of advertising achieved image association. The authors states that analysis of this data suggested image distinctions and are influenced by image-oriented advertising. The results states that a major function of advertising is in the area of the consumer's perception of particular brands.

3. **Robert J, Kent & Chris T. Allen (1994)** in “Competitive Interference Effects in Consumer Memory for Advertising: The Role of Brand Familiarity” experimented with varying brand familiarity. Brand familiarity reflects a consumer's level of direct and indirect experiences with a brand. Consumers often encounter ads for familiar brands. The objective of this paper seems to examine differences in competitive interference for
high- versus low-familiarity brands. The authors focused on brand familiarity's role in increasing ad memorability and moderating competitive interference. The findings of the experiment suggest that “differences in ad executions, prior exposure, processing objectives, and exposure time experimentally controlled, subjects display substantially better recall of new product information for familiar brands”. Their findings also suggest that “established brands have important advantages in advertising”. The paper claims that “consumers should be more likely to recall ad information, and their memory should be less affected by exposure to competitors’ ads”. The paper further claims that exposure to competitive advertising appears to have little effect on claim recall from ads for well-known brands and the main effect of familiarity suggests that well known brands have important advantages in marketplace advertising.

Familiarity is a higher standard of awareness. “Brand familiarity exerts important effects on brand choice”. As such, “familiar brands appear to better withstand competition”.

Perceived Quality, on the other hand, refers to consumer’s perceived judgment related to product’s superiority or excellence. Perceived quality is build over a period of time through information and knowledge gained through experience or advertisement or through some other source. High perceived quality means that the consumers recognize

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the differentiation and superiority of the brand,\textsuperscript{11} which in turn facilitates brand choice decisions.

4. **Sridhar Moorthy and Hao Zhao (2000)** in “Advertising Spending and Perceived Quality” attempts to relate relationship between advertising spending and perceived products’ quality. The paper suggests that product's advertising spending influences consumers' perception of product quality. According to Kotler & Keller (2007),\textsuperscript{12} “perception depends not only on the physical stimuli but also on the stimuli's relation to the surrounding field and on conditions within the individual”. The authors proved their point by taking real brands and real advertising expenditures. According to them price, objective quality, and market share, play an important role in quality perceptions. Several product categories; durable and nondurable goods were examined in the process. The results of the study indicate that advertising expenditure is generally positively correlated with perceived quality. The objective quality, was however, significantly correlated with perceived quality only for durable goods, after advertising spending, price and market share are accounted for. Also, previous purchase experiences reduce the effect of advertising spending on perceived quality.

5. **Kevin Lane Keller (Dec., 1987)** in “Memory Factors in Advertising: The Effect of Advertising Retrieval Cues on Brand Evaluations”, presents the findings of a laboratory experiment conducted to show that advertising retrieval cues affect brand


evaluation. There exist a lag between consumers' exposure to advertising and their opportunity to purchase the advertised brand. Consumer memory for advertising is important as they may not make brand decisions during ad exposure as many obstacles may limit advertising's influence on brand decisions. The cues available for brand decisions, such as the brand name, may not be able to perfectly retrieve the information, feelings or thoughts stored in the memory from prior ad exposure.

The author suggests that advertising retrieval cues, such as, *verbal or visual information* from the ad facilitates the access of elements from the ad memory trace and affect brand evaluation. Two other factors also affect consumer ad memory and brand evaluations, they are, “*competitive ad interference*, i.e., the number of competing brands advertising within a product category and *consumers' processing goals* during ad exposure.”

6. **Fei Xue (2014)** in “It Looks Green: Effects of Green Visuals in Advertising on Chinese Consumers’ Brand Perception” studied the effect of green visuals in advertising on Chinese consumers’ green brand associations and advertising responses. The study examines the effects of environmental advertising claims and the effects of green visuals in advertising on Chinese consumers. The study also examines brand perception and the role of product involvement. The results indicate that the use of green *visuals* led to more positive advertising responses and favorable perception of the brand’s environmental effort. However, in the absence of any green visual, the use of *verbal* environmental claims can also generate positive green brand associations. Further, in terms of green brand associations, the impact of green visuals was stronger for low-involvement products as compared to high-involvement products.
7. Robert E. Smith et al. Jiemiao Chen & Xiaojing Yang (2008) in “The Impact of Advertising Creativity on the Hierarchy of Effects”, examine as to how the advertising creativity affects consumer processing and response. The traditional Hierarchy of Effects (HOE) model in advertising say that the consumer moves through a series of cognitive, affective, and conative stages, which ultimately leads him towards purchase. In this paper, these traditional HOE models are reviewed and augmented to cater to the changes which have taken place in advertising and persuasion research. The research has identified five major stages: “brand awareness, brand learning, accepting/rejecting ad claims, brand liking, and brand intentions”. These five stages in turn leads to thirteen key dependent variables which are expected to play a significant role in consumer response towards advertising creativity. The authors performed an experiment in order to reveal how and where ad creativity exerts its influence on consumer processing and response. The two major determinants of ad creativity: divergence and relevance were also manipulated. Further, the authors conducted a test to find whether all the effects of ad creativity are mediated through each successive HOE stage. The paper claims that the HOE’s assumptions hold up reasonably well, although divergence is powerful enough to exert direct and unmediated effects on brand awareness and brand liking.

8. Terry L. Childers and Jeffrey Jass (2002) in “All Dressed up with Something to Say: Effects of Typeface Semantic Associations on Brand Perceptions and Consumer Memory” developed a conceptual frame work which addresses the impact of typefaces semantic cues within a marketing context. Typefaces is a term used to denote “anything alternate to voice which are used in marketing communications such as print advertising, in-store displays, product packaging, couponing, and brand logos”. In situations when the
spoken word is simply not feasible to "speak" to consumers, visual images are commonly combined with a written verbal message. Typefaces used in such marketing communications may be the costume or physical appearance of the written words.

The authors argue that typefaces are used as visual properties to conceptualize as communicating unique semantic associations to individuals which is distinct from the content of the written words they clothe. Four elements of design, i.e., line, weight, orientation, and size were taken into consideration for the study. The paper investigates typeface associations’ effect upon brand perceptions across varying levels of involvement. The authors claim that these associations also influence the memorability of advertised benefit claims. As the degree of consistency among “type face semantic cues, advertisement visual cues, and advertisement copy claims” increased, memorability was also enhanced. The paper suggests that these associations influence consumers’ brand perception and what they remember about brands.

9. Ronald Jay Cohen (January 2014) in “Brand Personification: Introduction and Overview” intends to provide background knowledge on the psychological aspect of brand. Brand personification is a character who personifies the brand and/ or a character that is a spokesperson for the brand. The paper discusses in great detail ‘why and how’ brand personification occurs. The paper presents an understanding with regard to the constellation of key psychological dimensions that influence consumer perceptions of products and advertising. Referred to as, “dimensional qualitative research (DQR)”, an innovative approach to qualitative inquiry presents a systematic and psychologically experienced evaluation of the subject under investigation. “BASIC IDS”, an acronym that refers to the eight dimensions of Behavior, Affect, Sensation, Imagery, Cognition,
Interpersonal Relations, Drugs, and Socio-cultural factors provides important insights into problems concerning the ways consumer identify or fail to identify with personification.

10. Sandeep Krishnamurthy (2000) in “Enlarging the Pie vs. Increasing One’s Slice: an Analysis of the Relationship between Generic and Brand Advertising” models a relationship between brand and generic advertising where the campaigns are either organized by independent contributions such as an industry member or through government legislation. Generic advertising promotes the general qualities of a product category which usually benefits all firms irrespective of who has contributed to the campaign. The paper studies the independent-contribution cases, where a free-riding or cheap-riding generic advertising equilibrium is predicted. In the free-riding equilibrium, the author suggests that dominant firms in industries should be indifferent to free riding by lesser firms. And should incur the entire industry advertising expense and be better for it. Whereas, in the cheap-riding equilibrium, the author suggests a group of equally dominant firms foot the bill. In the case of government-sponsor, the author argues that although industry spending on generic advertising is large, but even then there is an increase in total spending on brand advertising as well.

Media plays an important role in the dissemination of information. Due to its inherent ability to reach out to a large number of people, it is of immense importance to the marketers. The selection of the right media depends on the target market and the desired response. Further, the composition of media plan may also depend on various factors, such as media characteristics, media environment, creativity of message, match of media
type to target market, relative effectiveness of various media, the match of media typed to stated objectives, etc.\(^\text{13}\)

11. **Nandita Nishra, Vijendra Dhyani, S.S. Sarangdevot (2015)** in “Influence of Various Media Options on Consumer Buying Behaviour in Delhi NCR” highlights the emerging significance of multiple media options. The paper attempts to understand the influence of media on the buying behavior of the consumers. Media has influenced the different aspects of the consumers’ life, be it religious or regional, traditional or latest, cultural or social or any other aspect of life. In order to develop an effective promotional strategy, it is important for the marketers to understand the role of media as an influence on the consumption pattern of the consumers. The objective of the paper was to find out the importance of media as a buying guide, the factors influencing media vehicles choice and preferences and consumer perception towards different media options. The paper focuses to find out the role of media as a buying guide and the perception that people hold towards various media options. The paper suggests marketers to focus attention on the diverse media vehicles in general & e-media, in particular. The paper also provides an insight into the formulation of media strategies.

12. **Tulin Erdem and Michael P. Keane (1996)** in “Decision-Making under Uncertainty: Capturing Dynamic Brand Choice Processes in Turbulent Consumer Goods Markets” developed models in order to study the behavior of consumers in an environment where there is uncertainty about brand attributes. Referred to as ‘structural’, the models are based on the relationship among “current choice probabilities, past

purchases and marketing mix variables”. The models were developed using experience and advertising exposure which according to the authors give noisy signals about brand attributes to the consumers and then these signals are used to update their expectations of brand attributes. Using these two models the authors performed various scenario evaluations to find how changes in marketing strategy may affect brand choice both in the short and in the long run. Findings of the study indicate that advertising intensity has weak short run effects, but a strong cumulative effect in the long run.

Consumer attitude towards the ad means consumers’ tendency to respond towards particular advertisement in a favourable or unfavourable manner. Positive attitude leads to competitive advantage.

13. Scott B. MacKenzie and Richard J. Lutz (1989) in “An Empirical Examination of the Structural Antecedents of Attitude toward the Ad in an Advertising Pretesting Context” present the formation of the theory of attitude towards the ad. Attitude toward the ad is an important construct mediating the effects of advertising on brand attitude and purchase intention. And it is defined as “a pre-disposition to respond in a favorable or in an unfavorable manner to particular advertising stimulus during particular exposure occasion”. A model is presented which is based on a set of assumptions applied to the processing of ad execution factors. The results are reported as an empirical test of a portion of the theory, and also further refinements to the theory based on the observed results were offered. The study lays importance on the understanding of how attitude towards the ad itself is formed by considering determinants in addition to perceptions towards the ad.
14. **Steven P. Brown and Douglas M. Stayman (1992)** in “Antecedents and Consequences of Attitude toward the Ad: a Meta-Analysis” orchestrate on pair-wise relationship involving attitude towards advertisement. The relative impact of brand cognitions and ad attitudes on brand attitudes can’t be ignored and assessing these effects across all available studies seems to be the objective of this research. The important objective of this paper was to provide a general assessment of the strength of pair-wise relationships between ad attitudes and antecedent and outcome constructs and also to assess the variability of this pair-wise relationship. The results of this study suggest that ad attitudes have indirect influence on brand attitudes via brand cognitions.

15. **Andrew A. Mitchell and Jerry C. Olson (2000)** in “Are Product Attribute Beliefs the Only Mediator of Advertising Effects on Brand Attitude?” examines the validity of the proposition that consumer’s believe about product attributes and brand attitudes are the only mediators of attitude formation and change in the context of an advertising effects study.

Attitude acts as predictors of consumers' behavior toward a product or service. Attitudes are “individual’s internal evaluation of an object such as a branded product and are often considered as relatively stable and enduring predispositions to behave”. The conceptual model of attitude describes “only the predicted relationship between measures of the theoretical constructs”. The authors manipulated product attribute beliefs and created a setting in which other mediation processes occurred as subjects were exposed to advertisements that contained simple verbal claims or visual information. The results highlight that product attribute beliefs mediated attitude formation process. It also shows that attitude toward advertisement also mediated brand attitudes and purchase intentions.
The product attribute belief was not the sole mediator of attitude formation. It also acts as a measure of attitude toward the advertisement, and partially mediated advertising effects on brand attitudes. The results also indicate that individuals can develop different perceptions of brands based on visual information that provides no explicit brand information.

16. Harper W. Boyd, Jr., Michael L. Ray and Edward C. Strong (1972) in “An Attitudinal Framework for Advertising Strategy” proposes a five-alternative framework for advertising strategy based on attitude research which relates product and brand perceptions to consumer preferences. The authors argue that the techniques for defining and measuring attitude and attitudinal change are used to understand the communications process, rather than using in a comprehensive form to structure advertising strategies and tactics. Hence, this article focuses on the nature of advertising objectives from an attitudinal perspective. A framework is proposed to facilitate the formulation of a strategy for consumer attitudinal change. The paper suggests five advertising strategy alternatives to the decision makers. It also discusses the nature of each of these strategy alternatives. The proposed framework promises to meet other marketing problems, such as market segmentation new products development and the development of product features.

This article has taken a perspective of consumer brand choice for the determination of appropriateness of advertising effectiveness measures. The proposed framework intends to serve the decision makers as a useful tool for developing advertising strategies for attitudinal change.

Advertising context is defined as “involving elements of the programming environment in which marketers present and consumer process advertisements”

The paper elaborates as to how advertising tactics are employed by brands in a product category. The study demonstrates that if advertising tactic that are perceived by consumers as typical in a category are employed, will undermine its influence on brand attitudes. The study also shows that this persuasion penalty is circumvented by innovative brands through a phenomenon referred to as ‘advertising flexibility’ which enable innovative brands to employ advertising tactics under a wider range of conditions than non-innovative brands. The study provides a process evidence for this effect by showing that “brand attitudes are determined by advertising content for innovative brands and by considerations of the competitive advertising context for non-innovative brands”.

The paper attempts to show whether and how an ad’s ability to promote favorable brand attitudes is shaped by the competitive advertising context. And, if so, whether such competitive advertising context exerts an influence and impacts consumer beliefs about tactic’s typicality. Hence, the paper suggests the consideration of competitive advertising context in developing advertising strategies.

18. Russell K.H. Ching et al. (2013) in “Narrative online advertising: identification and its effects on attitude toward a product” examines the online narrative advertising and investigated the effects of four pertinent advertising design elements, viz.
“interactivity, entertainment, vividness, and self-referencing”, on consumer products. The study also examines the moderating effect of advertisement involvement on the relationships of these elements. The paper draws heavily from extensive literature on narrative persuasion, online advertising, and transportation theory. Online questionnaire was used to collect data which contained measures adapted from prior studies where the participants first selected a product that they would consider for purchase and then answered a set of questions prior to viewing a narrative online advertisement, was then followed by a different set of questions. A model was proposed and SEM was used to empirically test it. The paper suggests “a greater level of interactivity, entertainment, vividness, and self-referencing in narrative online advertisements may lead to more favorable attitudes toward a product”. In forming product attitudes, self-referencing had a substantial effect on transportation. On attitude formation towards a product, advertisement involvement moderates the effect of self-referencing. The paper suggests that a properly designed narrative online advertisement can fully utilize internet-enabled features and also leads to favorable consumer attitude toward a featured product.

19. Ida E. Berger and Andrew A. Mitchell (1989) in “The Effect of Advertising on Attitude Accessibility, Attitude Confidence, and the Attitude-Behavior Relationship” examine the influence of advertising repetition on several non-evaluative dimensions of attitudes. The paper also examines the relationship between attitudes and behavior.

Attitude is understood to be the evaluation of an object associated in memory with the representation of that object. Attitude accessibility, on the other hand is defined as the strength of this association.
The paper aims to study the possibility that does advertising repetition affects the two non-evaluative dimensions of attitudes (i.e., attitude accessibility and attitude confidence)? Whether such an effect can influence the strength of attitude-behavior relationship? Also, whether advertising can influence brand choice behavior without affecting brand evaluations?

The results of the study suggest that attitudes formed on the basis of repeated ad exposure are somewhat similar to those attitudes which are formed on the basis of direct experience. Attitudes formed on the basis of repeated ad exposure are more accessible from memory, held with more confidence, and are more predictive of subsequent behavior than attitudes based on a single ad exposure. The paper claims that the results of the study are consistent with the proposition that “attitude accessibility and attitude confidence moderate the attitude-behavior relationship”.

The above review focused on the effects of advertisement and elements which define brand perception. Brand perception is one such area where not much work has been done in India. As such, the review of literature also included related topics in the area of advertisement and brand perception in order to build a base for the study.
REFERENCES


