Chapter 1

Introduction

1.1 Background of the study

Advertisement appeals have been so far broadly classified as emotional as well as rational appeals. Emotional appeals relates to consumers’ social and/or psychological needs for purchasing a product or service. Many consumers’ motives for purchasing are emotional and their feelings for a product may be more important than their knowledge of the product’s features or attributes. Emotional appeals enhance the consumers’ emotional need and help in fulfilling their psychological status. Rational appeals tend to be informative and could help to resolve consumption choice conflict (Rossiter and Percy, 1987). Rational appeals place importance on the consumer’s functional, utilitarian or practical need for the product or service. It also stresses on features of the product or service and the benefit of owning or using a particular brand. Rational appeals underline the facts, logic of persuasion and learning (Belch and Belch, 2012). Most studies have indicated that positive emotional appeals lead to more positive advertisement and brand responses in general, although cognitive reactions to advertisements are more positively affected by non-emotional advertising appeals than by emotional ones (De Pelsmacker et al., 1998). This study focuses on understanding the effect of both types of appeals on the response of consumer towards an advertisement especially in personal care segment of FMCG sector.

In today’s time, with a huge array of media channels and an ever expanding assortment of product claims, it has become difficult to break free from the clutter and grab the consumer’s attention. Thus, the advertising and marketing practitioner must be acutely aware of factors influencing message effectiveness. One of the factors that has received considerable attention in the past literature is the advertising context which is the program (broadcast media) or editorial (print media) material within which the ad is embedded (Lord and Burnkrant 1993; Norris and Colman 1992). Several studies have suggested that ad context can influence the audience's perception of an advertisement, and hence its effectiveness (Singh and Churchill 1987; Soldow and Principe 1981). Soldow and Principe (1981) put forward an interesting
hypothesis. They said that when an absorbing article in a magazine is read, it is unlikely that ads separating parts of that article will be noticed when the reader flips through the pages to find various points of continuation of the article. On the contrary, when a magazine is casually glanced through—e.g., in a waiting room—advertising that separates editorial parts is much more likely to be attended to. Thus it could be said that in the former situation the reader is highly involved in the editorial content, and in the latter situation the reader is uninvolved in the editorial content. In the case of television advertising, the published findings on program-induced viewer involvement were contradictory as some studies suggested that highly involving programs resulted in greater advertisement effectiveness than relatively uninvolving programs (e.g., Clancy and Kweskin 1971; Krugman 1983; Leach 1981; Menneer 1987; Siebert 1978; Television Audience Assessment 1984) and other studies suggesting a negative correlation between viewer involvement and advertising effectiveness (e.g., Bryant and Comisky 1978; Kennedy 1971; Soldow and Principe 1981; Thorson, Reeves and Schleuder 1985). Television and print media differ in many ways. This study aims to study how the media context affects advertisement effectiveness of personal care FMCG brands in print media, especially newspapers.

Apart from media context and type of advertisement appeal, use of celebrity endorsement is a factor which might also influence the way consumers react towards an advertisement. Research has shown that celebrity endorsement affects consumers' feelings in general and it could affect the attitude of consumers towards the advertisement and brands too. This could result in enhancing of purchase intentions and as a result increasing of sales. Properties like credibility, physical attractiveness and likeability of celebrity endorser influences the ability of one person to impact other person (Amos et al, 2008). Source credibility is referred to identification of communicator's positive properties which influences acceptance of a message by the receiver (Ohanian, 1990). This consists of two main dimensions, that is expertise and trustworthiness. Source expertise refers to the extent to which a communicator is perceived to be a source of valid assertion (Roozen, 2008). Source trustworthiness refers to faithfulness and reliability of the spokesperson (Khatri, 2006). Source attractiveness refers to the personality, likeability and similarity of endorsers to the receiver, thus to the perceived social values of the source (Solomon, 2002). Physical attractiveness of the source includes being attractive, beautiful, elegant and charming.
to the receiver. According to the studies in this domain, expertise dimension is more significant than physical attractiveness for matching of a brand with a suitable endorser (Brian and Michael, 1998). Likeability is referred to the positive or negative feelings that consumers have towards the source of information. Likeability can be defined as the affection for the source because of its physical appearance and behaviour (Erdogan, 1999). Though some research results reveal effectiveness of celebrities as endorsers (Freiden, 1984), but other studies have suggested that celebrity endorsement may have different degrees of effectiveness depending on other factors like the "fit" between the celebrity and the advertised product (Till and Shimp, 1998). Experiments done in the past suggest that celebrity endorsement can increase recall and consumer assessment of the products in certain situations (Clark and Horstman, 2003). Most of the times, making connection with the brand message is occurred when consumers are not in a purchasing situation and therefore marketers use celebrity endorsement so that information will be kept in consumers' minds better and in the case of purchasing situation, they can easily retrieve it (Surana, 2008). A successful endorser strategy enhances the level of consumers' recall towards product information, reinforces consumers' recognition to endorsed brands, positively influences consumers' attitude to low-involved products and even enhances consumers' purchase intention and preference towards brands (Liu et al, 2007)

The types of advertisements and media contexts can make certain needs more salient and can also stimulate the motivation to pay attention to the product in the advertisement (Petty and Cacioppo, 1986; MacInnis and Jaworski, 1989). The link between type of advertisement and product type has been studied in some studies (Weinberger and Campbell, 1991; Alden and Hoyer, 1993). However, overall only a limited number of studies have focused upon the interaction effects between product types on the one hand and advertisement and context types on the other. Janssens and Pelsmacker (2005) conducted an experiment by taking emotional and non-emotional advertisements for a new and existing brand of printer and the advertisements were shown in emotional and non-emotional media contexts. In the second experiment conducted by the researchers, emotional and non-emotional advertisements for a new brand of watch and a new brand of healthy drink were shown in emotional and non emotional media contexts. Through the study it was found that context style as such and the interaction between context style and type of advertisement did not have any
significant effect on the responses to advertisements. However, a positive emotional context was found to be more supportive for advertisements for existing products, while a non-emotional context improved the responses to advertisements for new products. Thus it was concluded that a non-emotional context created the appropriate circumstances for consumers to be motivated to pay attention and to learn something about an advertisement for an unknown brand. On the contrary, a positive emotional context improved the responses to advertisements for well-known brands. The results from the study confirmed earlier findings (Yi, 1990, 1993; Perry et al., 1997; De Pelsmacker et al., 2002). However a similar effect of media context was not found for different types of new products.

1.2 Statement of the problem and Research Questions

Advertisements of FMCG brands and especially personal care segment are a regular feature in various media and a huge amount of money is spent on creating the advertisements. In today’s time, with a huge array of media channels and an ever expanding assortment of product claims, it has become difficult to break free from the clutter and grab the consumer’s attention. Thus, the advertising and marketing practitioner must be acutely aware of factors influencing message effectiveness. Past literature has shown that the response that consumer gives for an advertisement depends on many factors. Some of these important factors are the appeal used in the ad to persuade consumers, the use of celebrity to convince consumer as well as the media context which is used for placing the advertisement. It would be a boon for marketers if the response of consumers for the advertisement and also for the brand can be predicted before making huge investment in creating the advertisement.

Therefore, the present study tries to answer some basic research questions which are as follows:

- Is there a difference in the way consumer responds to an advertisement if advertisement appeal used is emotional or rational?
- Does the type of media context (emotional or rational) affect the consumer response towards advertisement in print media?
- Is the response of consumer towards an advertisement of personal care FMCG brand different depending upon the brand being existing or new?
• Is there any impact of using celebrity endorsers on the response of consumers towards advertisement of personal care FMCG brand?
• Is there any interaction effect between media context, type of advertisement appeal, newness of brand and use of celebrity endorsement on the response of consumer towards an advertisement?

1.3 Purpose of the study

This study thus, focuses on exploring the response of consumers towards such advertisements and also the influence of positive & negative media context and positive & negative advertisement appeal with respect to new and existing brands personal care FMCG brands. The study further aims to explore the factors affecting the response of consumers towards an advertisement with the use of celebrity endorsers. The specific objectives of this study can be stated as follows:

• To explore the impact of the type of advertisement appeal (emotional vs. non-emotional) on the responses of consumers to advertisements
• To explore the impact of context type (emotional vs. non-emotional) on the responses of consumers to advertisements
• To explore the impact of newness of brand (existing vs. new brand) on the responses of consumers to advertisements
• To explore the impact of use of celebrity (celeb vs. non-celeb) on the responses of consumers to advertisements
• To study the interaction effects between type of advertisement and context type on one hand and newness of the brand on the other on the response of consumers to advertisements
• To study the interaction effects between advertisement and context type on one hand and use of celebrity on the other hand on the response of consumers to advertisements
• To know the preference of consumers towards advertising media with respect to various age groups/ genders/ occupations/ educational groups and socio-economic classes
• To know the perception of consumers towards advertisements in print media with respect to various age groups/ genders/ occupations/ educational groups and socio-economic classes
To know the response of consumers towards advertisement shown with respect to various age groups/ genders/ occupations/ educational groups and socio-economic classes

To explore the factors of celebrity endorsement which influence the response of consumers towards advertisement

1.4 Brief overview of Methodology

Exploratory study was done from the secondary data to find out the variables for the research. The current study was divided in two parts: first part focused on finding the relationship between new and existing brands (having emotional and rational type of advertisements) with respect to emotional and non-emotional media context. Second part focused on finding the relationship between advertisements of existing brands containing celebrity endorsements and advertisements of existing brands not containing celebrity endorsements (of emotional and rational type) with respect to emotional and non-emotional media context.

Data was collected using structured questionnaire, which were administered to 660 respondents who belonged to metro cities of India. Socioeconomic classes A and B were considered as the sampling unit and non-probability quota sampling was used for collection of data. Data collected was analysed qualitatively and quantitatively using statistical tools in SPSS as well as Microsoft excel.

1.5 Significance of the study

The study has theoretical as well as practical significance. Therefore it is useful for marketers and advertising practitioners as well as academicians. The study explores the relationship between media context (emotional and rational) and type of advertisement appeal (emotional and rational) for new/hypothetical and existing products in the personal care FMCG segment and tries to examine the change in consumer response with changing media context, type of ad appeal, use of celebrity in the ad and demographic factors. Therefore the study can be used by marketing professionals and advertising practitioners to design advertisements which take into consideration the preference on the consumers with respect to media context, ad appeal and use of celebrity for both new/hypothetical and existing products in the market.
The study shall also prove useful for academicians as it shall add to the pool of existing literature present in the Indian context in the area of advertisement appeals, media context as well as the use of celebrities, especially in the personal care FMCG sector. The researcher thus aims to present a report that would serve as a reference for practitioners and academicians for designing as well as analysing advertisements.

1.6 Scope of the study

The scope of study is limited to all metro cities of India namely Ahmedabad, Mumbai, Delhi, Bangalore, Hyderabad, Pune and Kolkata. Moreover the researcher has taken only socioeconomic classes A and B as sampling unit. Also, the research limits itself to studying personal care segment of FMCG industry. The conceptual scope of this study has been limited to following major components: media context, type of advertisement appeal, newness of brand and use of celebrity in advertisements.

1.7 Limitations of the study

One limitation of the study is that pilot survey did not include a measure of whether the respondents were familiar with the existing brands used in the study. If this is true for some respondents then it would mean that their responses to the measures in the study would not be appropriate. Secondly, the use of brands that are supposedly new to a market might limit the results of the studies because it cannot be taken for granted that advertising works in the same way for established and new brands. Thirdly, the ads in the considered in this study are newspaper ads and therefore it might limit the extent to which the results can be generalized to ads in other media. Research comparing how advertising works in different media is rare, but most models of the way in which advertising works assume, implicitly or explicitly, that it works in the same way irrespective of media. Lastly, the study has considered only 660 consumers belonging to socioeconomic classes A and B residing in metro cities of India. Therefore, pure generalization of this study might not be possible. Also, the current study examines the consumer response towards advertisements only for print media and personal care FMCG segment.

1.8 Theoretical framework
Kotler (1997) pointed out in his study that advertising appeal is the theme of an advertisement. To make the audience receive a necessary message, advertisers have to put some driving power into the message and this driving power is appeal. Every advertising appeal represents an attraction, which arouses consumers’ desires. Kotler (2003) classified advertising appeal into rational and emotional appeals. By rational advertising appeal, the product can be emphasized by its benefits, in which the self-benefit of consumers is the key proposition, and the function or benefit requested by consumers of the product or service is articulately presented in advertising. On the other hand, emotional advertising appeal places importance on meeting consumers’ psychological, social, or symbolic requirements, where many purchase motives come from.

Most studies have focused on the impacts of advertising appeal on attitudes or purchase intentions. Few of them have compared rational appeal and emotional appeal and have determined which one creates significant effects on consumer attitude towards advertisement more effectively. Many other studies have focused on the direct relationship between advertising appeal or advertising spokespersons and purchase intentions, while few of them have tried to examine the relationship among advertising appeal, advertising spokesperson, purchase intentions, and attitude simultaneously. Moreover, few researchers combined different approaches of advertising appeal with different types of advertising spokespersons to determine which combination of appeal and spokesperson is more effective in creating an impact on advertising attitudes.

Researchers have tried to find out in what way might context material affect the recipients' memory for an advertisement. In the case of television advertising, a start has already been made at examining the effects of surrounding program material on the effectiveness of the embedded advertisements. Among the aspects of program context that have been found to influence advertisement effectiveness are: program genre (Schwerin 1958; Schwerin and Newell 1981), program-induced viewer mood (Axelrod 1963; Goldberg and Gom 1987; Kamins, Marks and Skinner 1991), program-advertisement congruity (Bello, Pitts and Etzel 1983; Hansen, Barry, Reed and McGill 1976; Horn and McEwan 1977; Johnson 1981; Kamins, Marks and Skinner 1991; Lambert 1980; Murphy, Cunningham and WUcox 1978), program-induced viewer excitement (Singh, Chrirchill and Hitchon 1987), and program-
induced viewer involvement (Bryant and Comisky 1978; Clancy and Kweskin 1971; Kennedy 1971; Krugman 1983; Leach 1981; Menneer 1987; Siebert 1978; Soldow and Principe, 1981; Television Audience Assessment 1984; Thorson, Reeves and Schleuder 1985). The findings that have been reported so far tend to suggest that the most important context variable, as far as advertisement effectiveness is concerned, is program-induced viewer involvement. As regards with magazines and other print media, the effects of context-induced reader involvement on advertising effectiveness have not previously been investigated empirically. Thus, this study tends to investigate the effect of print media context (specifically newspapers) on the effectiveness of advertisements.

According to Malthouse, Calder and Tamhane (2007), the effectiveness of advertising depends on both the quality of the product being advertised and the quality of the advertisement itself. A third factor which is equally obvious, but receives relatively less attention is the media context in which the ad appears. In advertising, the traditional major concern of media planning is with evaluating the size, reach, and frequency associated with a medium’s audience.

McCracken (1989) has defined celebrity endorser as "any individual who enjoys public cognition and who uses this cognition on behalf of a consumer by appearing with in an advertisement". Moreover, celebrities are also used as testimonial, endorsement, actor or spokesperson by the firm. Research has shown that celebrity endorsement affects consumers’ feelings in general and it could affect the attitude of consumers towards the advertisement and brands too. A review of past literature has revealed the following key predictors in the domain of celebrity endorsement (1) celebrity performance, (2) negative information, (3) celebrity credibility, (4) celebrity expertise, (5) celebrity trustworthiness, (6) celebrity attractiveness, (7) celebrity familiarity, (8) celebrity likeability, and (9) celebrity/product fit (Amos et al., 2008).

The critical part of this thesis relates to finding out the relationship between the above discussed variables i.e. types of advertisement appeal, type of media context, and use of celebrity endorsement on the response of consumer towards advertisements of new and existing personal care FMCG brands.

1.9 Contribution of the study
The study has both, theoretical as well as practical contributions. In terms of theoretical contributions, the study has revealed the preferences of consumers for advertising media and use of celebrity endorsement. The study also examines the impact of media context (emotional/rational) and type of ad appeal (emotional/rational) on response of the consumers towards advertisements of new and existing personal care FMCG segment, according to different demographic groups. Thus, this study specifically focuses on evaluating the factors affecting advertising effectiveness in personal care segment of FMCG sector.

In addition to the implications relevant to academicians the research in this thesis has specific implications of particular relevance to advertising and marketing practitioners. Perhaps the most important implication is that no single, universal measure of advertising effectiveness exists. Since the last three decades, the use of emotional advertising has substantially increased, accompanied by an increased research interest in the role emotions play in attitude formation. In contrast to current theories on ad processing, academicians and advertising practitioners have often assumed that the effectiveness of emotional advertising appeals depends on the product category they promote. The types of advertisements and media contexts can make certain needs more salient and can also stimulate the motivation to pay attention to the product in the advertisement. However, overall only a limited number of studies have focused upon the interaction effects between product types on the one hand and advertisement and context types on the other. This research focuses on finding out the interaction effect of using rational and emotional ad appeal along with rational and emotional type of ad appeal for new and existing personal care FMCG brands. Advertising and marketing practitioners can use the findings of the study for understanding the preference of type of ad appeal (emotional/rational), media context (emotional/rational), use of celebrity for new and existing personal care brands across various demographic segments like age, gender, education, occupation and socioeconomic class. This can further help in designing marketing and advertising campaigns for different demographic segments of consumers.

1.10 Organization of the thesis
This thesis is divided into seven chapters. The organization is as follows:

**Chapter 1: Introduction**
The first chapter concentrates on the background and objectives of the study. The chapter gives a brief about the research questions based on the literature review which forms the baseline of study. The theoretical framework, scope, limitations and contributions of the study are also explained.

**Chapter 2: Overview of Advertising**
The second chapters talks about advertising, its definition, objectives and types. This chapter also discusses the history and evolution of advertising in Indian context along with the current scenario of advertising in India across different media, focusing specifically on print medium. The chapter also focuses on FMCG sector in India and specifically personal care segment under the FMCG sector. The importance of advertising in personal care FMCG segment is also highlighted.

**Chapter 3: Literature review**
The third chapter aims to highlight the findings from existing literature in the areas of advertisement appeals, media context, newness of brand and use of celebrity in advertisements. The chapter also discusses the impact of above mentioned factors on the response of consumers towards advertisement and ultimately the effectiveness of advertisement. The chapter highlights the research gap existent in the field and thus the need of the research is highlighted.

**Chapter 4: Research methodology**
The fourth chapter discusses the methodology that has been adopted in the study. This chapter gives a sketch of research carried out including need for research, scope of research, variables for research, hypothesis formed for the study, sample taken for the study, questionnaire construction, pilot study etc.

**Chapter 5: Data Analysis and Interpretation**
This chapter presents and discusses results of the data collected through survey method. The data collected is analysed using statistical tools and is presented in this chapter. The detail interpretation of the same is given in the chapter.
Chapter 6: Synthesis of findings

This chapter details the findings derived from the study undertaken. The findings from data collected are explained using statistical tools. In depth analysis of demographic findings is also mentioned in the chapter.

Chapter 7: Discussion

This chapter revisits the research objective and gives insights into the suggestions which could be adopted by marketing and advertising professionals to increase the favourability of consumer response towards personal care FMCG advertisements. In-depth insight into practical and theoretical implication of the study is also mentioned. The chapter also briefs about the limitation of the research, conclusion drawn from the study and also mentions future scope of research.