CHAPTER-1

Introduction
1. Introduction

1.1. Statement of the problem
As the new media of advertising evolve along with technology, there are more opportunities for marketers to exploit different means of communication to communicate with the target audience. Evolving technology increases the concerns of consumers regarding the intrusion of advertisements in to their private space. While using the internet people tend to avoid the advertisements as ads are considered to be impeding the original task, sometimes the internet users fear of slowing of the internet speed because of the advertisements (Cho & Cheon, 2004; Singh & Potdar, 2009). This leads to the internet users developing negative attitude towards the advertising and this even encourages the users to use web browser plugins, firewalls and other software to block internet ads of various kinds (Singh & Potdar, 2009). Worsening the condition a number of ads deliver exaggerated claims and deceiving techniques and the product or the service finally fail to keep the promises made in the advertisements (Cho & Cheon, 2004; Schlosser & Shavitt, 1999). Deceptiveness in advertisements is considered to decrease the consumer perceived value delivered by advertising (Ducotte, 1995). Thus trust in the advertising becomes an important issue. Trust in advertising is known to positively affect the attitude of consumer towards the advertising and the brand (Okazaki, Katsukura, & Nishiyama, 2007).

Creativity in advertising on the other hand helps to overcome the perceptual barrier of the consumers and gain their attention (Ang & Low, 2000). Creative advertisements are those which are novel, meaningful and generate positive feelings (Ang & Low, 2000). Creativity in advertisement is one of the key determinants of the its effectiveness(Robert & Xiaojing, 2004). Copy execution is considered as one of the controllable factors which may make an ad irritating, thus improving the execution of
an advertising concept may lead to acceptance of an ad (Aaker & Bruzzone, 1985). Entertaining ads are proved to influence the consumers’ attitude towards the ad positively (Haghirian, Madlberger, & Inoue, 2008). Practitioners have recognized the importance of creativity in advertising but in academic research it is scarcely researched (El-Murad & West, 2004; Koslow, Sasser, & Riordan, 2003; Zinkhan, 1993).

In internet advertisements, trust plays a stronger role in formation of the attitude towards the advertising compared to other advertising media (Okazaki et al., 2007). The question arises that can creativity in this case, where levels of distrust are high, make the advertisement acceptable to audiences.

1.2. Rationale of the study
Consumer while consuming the marketing information seeks novelty and depending on the motivation the information acquired through this message is further transfered to other consumers (Hirschman & Wallendorf, 1982). Bettman and Kakkar (1977) in their study elaborate on the fact that the information provided to the consumer in any marketing communication must be processable. The processability of the information depends on the format it is presented and this format must be congruent with the processing ease for the consumer (Bettman & Kakkar, 1977).

The advertising messages should be attractive, relevant and interesting for the consumer. Consumers seek for advertisements capable of informing them about the possible product alternatives (Ducoffe, 1996). Entertainment, irritation, informativeness and credibility of the content affect the attitude of the consumer towards the mobile advertising (Ducoffe, 1996; Tsang, Shu-Chun, & Ting-Peng, 2004). Users notice only those advertisements which interest them and benefit them (Radder, Pietersen, Hui, & Xiliang, 2010). If the consumer perceives an ad to be
useful, the probability of the advertisement getting accepted increases (Merisavo et al., 2007). Bauer et al. (2005) depict consumer to exhibit highly information seeking behavior and their findings suggest information value and entertainment to be the central parameter leading to the acceptance of mobile advertising. Okazaki and Taylor (2008) report that the advertising approaches which are entertaining and interactive create excitement among the consumers and has an indirect positive effect on the brand (Okazaki & Taylor, 2008). Thus creativity in advertisements becomes an important component for the advertising to get accepted.

Both the concepts creativity and trust are explored in social psychology. Creativity is considered to be a construct very difficult to define and measure whereas trust finds a well explored reference in the interpersonal context. When it comes to advertising and marketing, both these constructs find a limited focus in the existing literature. Creativity is either researched as a construct associated with advertising personnel and the literature addressing it often explores issues to enhance it and measure it from the advertisers’ view point. In this study creativity is conceptualized as the consumers judge it. On the other hand, trust in advertising is a term often considered similar to credibility or the attitude towards the advertising. In this study trust has been used as an independent construct different from credibility as suggested by Soh, Reid and King (2009). A number of studies have explored the influence of creativity on the advertising effects but none of the studies compare the influences of trust and creativity, although both of them are critical in the advertising context. Differential effect of the dimensions of creativity and trust along with their mutual interaction is a topic not addressed in the existing literature. Here the conceptualization of creativity is done considering divergence and relevance as the determinants of it; which takes care of all aspects or dimensions related with creativity in advertising. This study
attempts to utilize the concepts proposed in the elaboration likelihood model (ELM) (Petty & Cacioppo, 1986) and the ad processing model (APM) (MacInnis & Jaworski, 1989) to explain the information processing in the proposed advertising model. The use of these two theories is in accordance with the recommendations given by Robert and Xiaojing (2004) where the authors suggest propositions regarding creativity in advertising based on the theory. The model developed supported by the existing literature explores the mediation of attitude towards advertising (\(A_{ad}\)) in the context of the digital advertising media. \(A_{ad}\) is a well-established mediator of the advertising effects i.e. it mediates the brand attitude and purchase intentions. The mediation role of \(A_{ad}\) is studied by many authors in different literature. Here inspiration is drawn from Dual Mediation Hypothesis (DMH) configuration proposed by MacKenzie, Lutz, and Belch (1986) and tested in many different conditions. The framework proposed attempts to test the influence of trust and creativity on brand attitudes and purchase intentions with mediation of attitude towards the advertising.

Motivation to study internet advertising medium in this research is mainly due to the rapid growth of internet users and scarcity of literature available on creativity in internet advertising, thus the scope and focus of this study is limited to marketing domain only. Consumers nowadays are migrating to mobile devices to get more interactive and ubiquitous internet access (Laszlo, 2009) ending the exclusivity of internet on computers.

1.3. Research Objectives
This study aims to examine how the perception of consumers’ regarding creativity of a particular advertisement message influences their attitude formation about the advertisement and the advertised brand. Trust in a particular advertising medium is also evaluated to understand how the levels of trust in advertising medium and
perception about the creativity of an ad advertised in the same medium interact. Creativity is defined through two determinant dimensions; Divergence and Relevance. In an experimental set up these dimensions of creativity are differentially manipulated for the stimulus and consumers attitudes towards the advertisement, the brand and his/her purchase intentions are captured along with consumer perceived creativity of the ad and the trust in the medium in general. Also processing of the ad information for attitude formation is examined using the Elaboration likelihood model (ELM) and the Ad processing model.

Thus the main objectives of this study can be summarized as under:

1) To understand how the perception of creativity influences the consumers’ attitude towards advertising, attitude towards the brand and purchase intentions.

2) To examine how trust and perception of creativity act together in attitude formation regarding an ad and the advertised brand.

3) To test which dimension of creativity triggers what kind of information processing in consumers’ mind and with varying levels of trust how these dimensions shape attitude.

1.4. Potential Contributions
Attitude towards advertising is a field in marketing which has received a lot of attentions of researchers. This study intends to contribute to the existing literature on consumer attitudes towards advertising using creativity and trust as the antecedent of it. Creativity in advertising is a field scarcely researched and this study will become one of the few studies exploring creativity from the consumers’ perspective. Findings related to comparison of creativity and trust from consumers’ perspective in a particular advertising medium will throw light on an unexplored area in advertising.
effectiveness literature. Further using the ELM and ad processing models will explain the processing of perceived creative and non-creative ad information in response to modern advertising tools. Also the findings will compare these two information processing models and contrast, in the context of video ads on internet. The differential effect of divergence and relevance and their individual comparison with trust will reveal new similarities and differences, in the sense that which dimension of creativity helps in overcoming consumers’ distrust. Having the focus of the study on the medium of future i.e. internet it is attempted to contribute to research on contemporary advertising in new media. The findings of this research will help practitioners decide the relative significance of trust and/or creativity while advertising using the internet. The proposed framework can be further tested and extended for possible implications on new brands and emerging mediums.

1.5. Organization of the study
This study is divided into five chapters; chapter-2 which follows this introduction is the literature review. Chapter-2 reviews the literature on advertising creativity, trust and attitudes towards advertising and brands. Also this chapter addresses the ELM and the ad processing models as the theoretical foundations of the study. Based on the concepts available in the background literature hypotheses are presented in this chapter. Chapter-3 presents the methodology for operationalizing the variables and conducting the experiment for study. Development of stimulus, manipulations and design of study-1 for this purpose is explained in this section. The penultimate chapter describes the statistical procedures adopted for testing the proposed hypotheses and gives the statistical interpretation of results. The concluding chapter of the thesis discusses the results with their theoretical contributions. The limitations, future scope and the managerial implications are also a part of this chapter.