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Retailer television advertising: Consumers' skepticism of informational vs. emotional ads

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RETAILER TELEVISION ADVERTISING: CONSUMERS'

SKEPTICISM OF INFORMATIONAL VS.

EMOTIONAL ADS

by

Janna Michelle Parker, B. A., M.B.A.

A Dissertation Presented in Partial Fulfillment
of the Requirements for the Degree
Doctor of Business Administration

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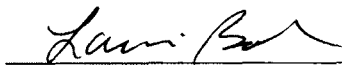
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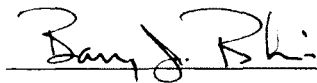
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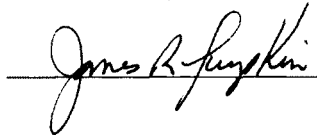
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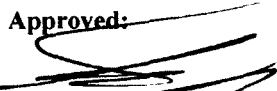
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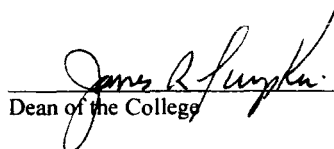
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ABSTRACT

The bombardment with ads that consumers face daily has led to increased Skepticism toward Advertising. This increased advertising costs billions of dollars, yet, the research has shown conflicting results (Stafford and Day 1995) (Obermiller and Spangenberg 1998) (Obermiller, Spangenberg and MacLachlan 2005) regarding which strategies work best for reducing the negative influence of Skepticism toward Advertising.

For over a decade, retailers have ranked #2 in television advertising spending (Advertising Age 2002-2012). Television advertising research has focused on advertising by manufacturers. These findings should not be generalized to retailers because retailers and manufacturers have different goals, use different promotional tools, and measure different outcome variables (Ailawadi, et al. 2009). Advertising research that has focused on retailers has also used print as the medium tested rather than television. This research also cannot be generalized due to the differences in the ways consumers process print and TV advertising.

The appeal type is a strategic decision that advertisers must make yet, the previous research has yielded conflicting results regarding whether an informational or emotional appeal is more favorably received by consumers. This research utilized a three-stage approach to investigate the different creative strategies used by retailers.

During the first stage, a content analysis of 179 retailer ads was conducted using the methodology suggested by (Kassarjian 1977). A modified matrix of the Informational/Transformational matrix proposed by Puto and Wells (1984) that exchanged emotional for transformational was tested.

Stage two confirmed the results of Stage one by testing four ads categorized by the judges. Participants evaluated the ads using the thinking/feeling scale by De Pelsmacker, Gueuns and Ackaert (2002).

Using an online panel of 802 participants, stage three tested the proposed model that included an interaction between the type of ad and the level of skepticism and its influence on attitudes toward the ad and advertiser as well as retail patronage intentions and perceived retailer credibility. Skepticism toward Advertising had been conceptualized as a moderator (Obermiller and Spangenberg 1998) but in this research which tested the model only the main effects were found to be significant and not the moderator.

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CHAPTER 1

INTRODUCTION AND CONTRIBUTIONS

Background

Historians and archaeologists trace the origins of advertising to the ancient civilizations of Egypt, Mesopotamia, Greece and Rome where merchants put up signs indicating product availability and prices. As civilization and commerce evolved, town criers alerted the townspeople to the goods and services available and can be considered the fore-runners of television and radio ads. During the Industrial Revolution, newspaper advertising increased as well as the use of fliers for the purposes of advertising. In the early days of advertising, informational or rational appeals were the most commonly used type of advertising. In the early 1900's, emotional appeals began to appear but were still a novelty (McDonald and Scott 2007) (Fennis and Stroebe 2010). With the advent of television and radio advertising, emotional appeals became more common.

The very first television advertisement occurred on July 1, 1941 and was shown at the beginning of a Brooklyn Dodgers-Philadelphia Phillies baseball. It featured a silhouetted map of the United States with a Bulova clock centered in the map accompanied by the words "America Runs on Bulova Time" and ran for 10 seconds. The ad was introduced by Ray Forrest, the NBC news anchor and commentator, and cost the company $9 (Bulova 2011) (The Television Academy Foundation 1997). The first television advertisement used an emotional appeal that suggested feelings of patriotism

1

and nationalism. Since then, advertisers frequently incorporate humor, fear and other emotional appeals in their messages. The Clio is the industry's top advertising award and places special emphasis on creativity.

But creativity alone does not guarantee that consumers will purchase the products that they see advertised. Market research companies use both qualitative and quantitative methods for determining consumers' feelings and opinions regarding advertising but what they discover is frequently not the desired result of the advertiser. Ace Metrix is one company that tracks consumers' responses to ads and for the 2011 Back-to-School season, they discovered that retailers did not do well with their advertising. They used a national sample and measured for relevance, persuasion, watchability, information, and attention (Zmuda 2011) and found some interesting results. JC Penny ranked #2 for the ad "Pennies from Heaven," a cause marketing ad which urged customers to round up their purchase amounts in order to donate to after-school programs. Best Buy and Walmart each had two ads on the list but Walmart had many ads for the season that did not do well. One of Wal-mart's ads focused on a price-matching guarantee but the other ad, as well as Best Buy's ads, focused on a technological product rather than the retailer. According to Peter Daboll, CEO of Ace Metrix, "Retailers go into announcement mode, and for the most part those don't resonate well. Retailers aren't developing [apparel] creative stories particularly well, and they're missing out on an opportunity" (Zmuda 2011, 1).

In the last century, advertising has changed not only in form but frequency. Estimates of the number of advertising messages that the average US consumer is exposed to per day varies from 1000 commercial messages (Fennis and Stroebe 2010) to

as many as 5000 in a day (Johnson 2009). In 2010, total television advertising expenditures in the United States was $131.1 billion (Hoffman 2011). Besides television, newspaper and radio advertising, consumers are bombarded with outdoor advertising on buses, benches, billboards and even parking stripes. Product placement in television and movies has increased with movies such as Castaway becoming essentially a 2-hour commercial. The plot of an episode of the popular television show, *Friends,* revolved around purchases at a Pottery Barn store (Russell 2002). According to a report released by PQ Media, product placement was $3.6 billion (Plambeck 2010). Some marketers have taken "thinking outside the box" to an extreme and consumers are left with almost no commercial free zones. The marketing firm, Submedia, creates ads that are viewed by passengers on trains and subways while in tunnels and underground metro systems and Wizmark places ads in urinals (Johnson 2009). All of this clutter makes it necessary for companies to try to stand out from their competitors, oftentimes attempting to do this by making outrageous claims. Being bombarded with advertising messages not only can cause consumers to ignore many of the messages but it has also been suggested that as their knowledge of advertisers' methods increase, they become less persuadable and more skeptical (Friestad and Wright 1994) (Obermiller and Spangenberg 1998) (Hardesty, Carlson and Bearden 2002), thus, advertising's main purpose, to persuade (Hunt 1976), is more difficult to accomplish Although advertising campaigns are used for many purposes such as to provide information, raise brand awareness, build brand equity, and increase sales (Shimp 2010), these are all related to its main purpose which is to persuade (Hunt 1976).

Motivation for the Study

Over the years, researchers have found that consumers are skeptical of advertising in general. Calfee and Ringwold (1994) reviewed six decades of survey data and discovered some consistent findings. As many as 70% of consumers held many beliefs in common such as "advertising is often untruthful, it seeks to persuade people to buy things they do not want, it should be more strictly regulated, and it nonetheless provides valuable information" (1994, 236). Thus, even though Skepticism exists, consumers still find advertising to be a useful tool when making purchase and patronage decisions. The authors suggest that these findings represent an enduring quality in consumers and that if a new study was conducted that the findings would be consistent with previous results.

Factors Contributing to Persuasion Knowledge and Skepticism

Not only are consumers today exposed to more advertising than in the past, but the news media and marketing experts have at times provided information to the public regarding the methods that the "bad" advertisers use and at times they have sensationalized non-scientific exposes. On January 27, 2010, New York Attorney General Andrew Cuomo announced that his office was investigating 22 national online retailers for unethical and deceptive marketing practices (McMullen 2010). A news story on CNN informed consumers that the United Kingdom's Advertising Standards Agency banned two cosmetic ads that obviously used digital editing to make the models look younger (Benincasa 2011). The author proceeded to imply that this was a common practice of cosmetic companies and requested more government intervention and regulation. Anyone who read either of these stories could easily infer that deceptive advertising is the norm in advertising and marketing rather than the unethical practices of

a relatively few companies. Whether watching a news show, surfing the Internet or reading a magazine, consumers frequently come across sources of information that seek to expose the so-called unethical practices of marketers. Friestad and Wright (1994) stated the commentary from the media on marketing and advertising serve as one of the sources of information for persuasion knowledge.

The Impact of the Consumer Advocate on Culturally-Supplied Knowledge

Adding to consumers' accumulation of knowledge of so-called common, deceptive and unethical practices of marketers are the accusations of self-proclaimed consumer advocates such as Martin Lindstrom, a marketing consultant. The author's information on the jacket cover of his book *Brandwashed: Tricks Companies Use to Manipulate Our Minds and Persuade Us to Buy* states the following:

> "Martin Lindstrom was voted one of the World's 100 Most Influential People *of 2009 by Time magazine. Among the globe's foremost marketing gurus, now turned* consumer advocate, Lindstrom has advised top executives at companies such as McDonald's Corporation, Procter and Gamble, and Microsoft. His previous book *Buyology* was a *New York Times* and *Wall Street Journal* bestseller and a *USA Today* "Pick of the Year" and "From the bestselling author of *Buyology* comes an insider's look at the shadowy world of marketing and advertising" and "picking up where Vance Packard's bestselling classic, *The Hidden Persuaders,* left off more than a half a century ago." (Lindstrom 2011, jacket cover).

Ironically, the self-proclaimed marketing guru neglected to mention that the study by James Vicary on which Packard made his claims was later shown to be falsified and Vicary himself admitted his deceit (Rogers 1992/1993). Ironically, he sells books that feed the public's appetite for exposes, yet, an expose could be conducted that outlines the false information contained within his own book.

In fact, several "consumer advocates" have published books that contributed to the myth that marketers and advertisers yield some type of manipulative, psychological power which they use to trick unsuspecting consumers into purchasing products that they do not need. Wilson Bryan Key wrote several including *Subliminal Seduction* (1974), a book that is based on the premise that advertisers hide sexually suggestive messages in advertisements, such as the word "sex" in the ice in a glass in an advertisement for alcohol.

Recently, Diane Sawyer introduced a "news" piece describing the subliminal techniques that grocery stores use (ABC News 2011). They interviewed Liz Crawford, the author of *The Shopper Economy* and the president of MARS USA, a retail consulting group. In her book, she informs consumers of the different ways that grocery stores trick a consumer into making impulse buys. In the interview, Crawford and the reporter walk through a grocery store while she points out all of the ways grocery stores "trick consumers." Examples given included placing apples in a bag which would influence the customer to purchase more apples along with caramel dipping sauce, smelling fresh flowers at the front of the store somehow increased good moods 40%, and mist every few seconds on the vegetables will increase vegetable purchases, and by offering a large selection of cheeses, the "dwell" time is increased and consumers must look at more merchandise thus increasing the overall purchase. They then speak to a random shopper who after hearing what they have to say, admits that the "tricks" worked on her and she made an unplanned purchase of apples. What is interesting is that when interviews of this type are conducted, the authors of these books discuss all of these strategies that are used but don't typically disclose that they are still working in the industry and helping to

create more so-called strategies for brands and retailers. Both Lindstrom and Crawford have active consulting companies with websites. What both authors refer to as tricks could also be interpreted as ways to provide hedonic value to shoppers which adds enjoyment to the shopping experience (Babin, Darden and Griffin 1994).

Yet, when subliminal advertising has been empirically tested, there has been no evidence that these manipulations work since the stimuli are too weak to make any significant impact (T. E. Moore 1982). Moore (1992) provides a review of facts and fallacies of subliminal perception. He also states that the reason for the high sales of books by authors such as Key and Lindstrom (Lindstrom was not published at this time), is that the authors present the books as scientific which is essentially misleading to the consumer. He states that the scientific status of subliminal advertising is "on par with wearing copper bracelets to cure arthritis" (1992, 5). When John O'Toole, the presiding president of the American Association of Advertising agencies reviewed yet another book by Key, he wrote "Why is there a market for yet another re-run of this man's troubled paranoid nightmares?" (1989, 26). Although a recent study found some support for the effects of subliminal advertising (Verwijmeren, et al. 2011), the methods that were used for finding a specific situation where some evidence could be claimed might be called into question should someone suggest that subliminal advertising actually works. The controlled conditions and priming that occurred in the experiments suggest that the external validity of such an experiment can be questioned.

Another academic, Broyles (2006) provides a scathing review of August Bullock's book *The Secret Sales Pitch: An Overview of Subliminal Advertising*. She mocks his non-scientific approach as well as his lack of any marketing, psychology or

advertising credentials. His application of Freud's theory of psychodynamic repression is used extensively in his analysis of ads; however, he does not include the ads in his book. The reader must rely on his written descriptions of the ads. She also provides a 20 year review of the academic subliminal advertising literature that has repeatedly shown that subliminal advertising does not work. Unfortunately, the work of true academics does not seem to garner the attention of the media in the same way as these "exposes."

Moore (1992) asserts that scientists (advertising academicians) need to take responsibility for disseminating accurate information in order to refute the claims of these pseudo-scientists. Consumers should not be taught that all advertising is unethical or bad. The Holy See of the Vatican addressed ethics in advertising and published a commentary on advertising that addressed both the benefits of advertising as well as the ethical issues (Pontifical Council 1997). Although concerned about the negative aspects, the Pontifical Council acknowledged that advertising plays an important role in our society. Without it, consumers would not know about the products and services available to them.

Retailer Advertising Problematic Practices

But all blame for this Skepticism should not be placed on those who seek to "expose" advertisers. Marketers have engaged in practices that have added to this Skepticism. For many years, sales were events that typically were advertised as annual, semi-annual, holiday related, or marked the end of the season. But over time, these sales became more frequent. The never ending "going out of business sale" is a standard marketing strategy for some discounters, especially in the furniture business. Kohl's department store has weekly two or three day only sales with the use of "lowest sales of the season" and "power hours" being a frequent phrase in their advertising. While not

tested on frequency of sales, Kirmani (1997) found that the advertising repetition/signal of quality relationship had an inverted U-Shape. With too much advertising, consumers began to doubt the quality of the merchandise. Possibly, this relationship could be found with retailers who over-use a "sales advertising" strategy. It should be considered that consumers may begin to think that the regular price is purposely set too high in order to promote sales. Kaul and Wittink (1995) found that a focus on price in advertising made consumers more price-sensitive. The over-use of "sales" may contribute to consumers' Skepticism. Retailers frequently use terms such as "biggest sale of the season," "lowest prices of the season," or some other reference to limited time availability when advertising for sales promotions. With the constant bombardment of "sales" it is important to know if these phrases have become worn out for consumers and if consumers begin to doubt the veracity of the advertising claims (Stayman, Aaker and Bruzzone 1989).

The over-use of sales has become so prevalent that JCPenney recently changed their business strategy. With funny commercials and mailers, the company has announced that shoppers no longer need to try to keep up with these sales but will find the company has changed their pricing structure and reduced prices overall by 40% in order to make the items available at a "fair and square" price every day with limited sales (Wahba and Skariachan 2012). But within one year, the company announced that it would be returning to its previous strategy. Through TV commercials, they apologized to their customers, stated that they had listened to the complaints regarding the strategy and would return to the old way of doing things because that is what their customers said they wanted. They then pleaded with their customers to return (Nesto 2013). These strategy

changes suggest that it is difficult for retailers to determine which advertising types are best received by their customers. JCPenney has also been accused of using deceptive sales prices by having perpetual sales on their fine jewelry and had a ruling against them in 2000 (Federal Trade Commission). The most recent advertising complaint and lawsuit was filed in 2012 and relates to the quality of the items that were advertised and sold (Holter 2012). Lawsuits and claims of deception as well as changing strategies contribute to Skepticism in consumers.

All of these stories contribute to what Friestad and Wright (1994) refer to as the culturally supplied knowledge that consumers learn as they grow older. This knowledge may or may not be true but it is what the consumer believes to be true. This culturally supplied knowledge aids the individual in developing a persuasion knowledge structure which is then used by the individual to evaluate the advertising messages that are presented. Skepticism toward Advertising is also influenced by this culturally supplied knowledge (Obermiller and Spangenberg 1998). Thus, it benefits advertisers to know what types of advertising will be looked at with less Skepticism or disbelief.

Theoretical Framework

The Persuasion Knowledge Model (PKM) addresses the issue of persuasibility of consumers. When it was developed by Friestad and Wright (1994), researchers were just beginning to focus on how consumers react and cope with the persuasion tactics that marketers had been using for years. They suggested that the three knowledge structures of topic knowledge, agent knowledge and persuasion knowledge are used by the target (consumer). Persuasion coping behavior (use of the knowledge structures) occurs during a persuasion episode which occurs when the target is presented with a persuasion attempt

(advertisement, sales encounter, etc.) by the agent (retailer). The Persuasion Knowledge Model was used as the theoretical framework for developing the Skepticism toward Advertising scale (Obermiller and Spangenberg 1998) and will serve as the framework for this research

Retailer vs. Manufacturer Advertising

Many of the empirical articles that can be found regarding advertising have focused on specific brands and products in print advertising. The Skepticism toward Advertising literature has focused at this level (Obermiller and Spangenberg 1998) (Obermiller, Spangenberg and MacLachlan 2005) (Hardesty, Bearden and Carlson 2007). Yet, the annual report produced by *Advertising Age* on the top 100 Advertisers in the United States reveals that several major retailers are in the top 25 and together, they spend billions of dollars on television advertising. Wal-Mart was number seven and spent $4,055,300,000 in 2010 and of that; $524,300,000 was spent on television advertising (Advertising Age 2002-2012). For years the automotive industry held the number one spot for total advertising dollars spent (Table 1.1). But in 2007, retail as an industry took the top spot and has stayed there. Additionally, it should be noted that whereas the top two spots are very close in total spending, the third largest spending category is significantly less.

Table 1.1

Total Advertising Spending for Top Three Industry Categories*

Year	Top Category	Top Category Total Spending	#2 Category for Total Spending	$ Spent by #2 Category	#3 Category for Total Spending	$ Spent by #3 Category
2011	Retail	15,849.5	Automotive	15,175.1	Telecommunications, Internet Services, ISP	10,313,7
2010	Retail	15,632.3	Automotive	14,281.9	Telecommunications, Internet Services, ISP	10,521.5
2009	Retail	15,192.8	Automotive	12,048.0	Telecommunications, Internet Services, ISP	10,236.5
2008	Retail	17,160.4	Automotive	15,608.6	Telecommunications, Internet Services, ISP	10,100.9
2007	Retail	18,702	Automotive	18,540.1	Telecommunications, Internet Services, ISP	10,909.1
2006	Automotive	19,799.0	Retail	19,114	Telecommunications, Internet Services, ISP	10,950,2
2005	Automotive	20,958.6	Retail	18,629.9	Telecommunications, Internet Services, ISP	9,895.8
2004	Automotive	20,518.2	Retail	17,285.1	Telecom, Internet, ISP	9,059.1
2003	Automotive	18,393.3	Retail	16,204.9	Movies, media, advertising	8,319.4
2002	Automotive	16,363.8	Retail	13,527.8	Movies, Media and Advertising	6,023.8
2001	Automotive	14,490.7	Retail	12,938.3	Movies, Media and Advertising	5,828.1

*Spending in Millions of Dollars. All data provided by Ad Age Data Center (www.adage.com)

For 2011, the Top 10 Categories were: 1) Retail, 2) Automotive, 3) Telecommunications, internet services, and ISP, 4) Medicine and remedies, 5) Financial Services, 6) Food, beverage and candy, 7) General Services, 8) Personal Care, 9) Restaurants, 10) Movies, recorded video and music. For TV advertising, retail has consistently remained in 2nd place (Table 1.2) for total television advertising spending across network, cable, spot, Spanish language and syndication (Advertising Age 2002-2012).

Table 1.2

*TV Advertising Spending for Top Three Categories**

Year	Top TV Category	$Spent by Top	Retailer TV Spending	Retailer Rank TV	#3 Category	$ Spent by #3 Category
2011	Automotive	8,957.6	6,751.7	2	Telecommunications, Internet Services, ISP	6003.0
2010	Automotive	8174.0	6,367.3	2	Telecommunications, Internet Services, ISP	6,290.2
2009	Automotive	6,341.6	5,899.7	2	Telecommunications, Internet Services, ISP	5,684.3
2008	Automotive	8,278.9	6,144.7	2	Medicine and General Remedies	5524.0
2007	Automotive	8,278.9	6,350.4	2	Medicine and Remedies	5,589.7
2006	Automotive	9,205.2	6,459.70	2	Medicines and Remedies	5,420.7
2005	Automotive	9,985	6,283.2	2	Medicine and Remedies	5,220.0
2004	Automotive	9,870.5	6,339.9	2	Medicine and Remedies	5,328.6
2003	Automotive	8746,7	5,999.6	2	Food, Beverages, and confectionary	4,523.1
2002	Automotive	8,459.1	4,341.1	2	Food, Beverages, and confectionary	4,310
2001	Automotive	$7,439.9	5,050.4	2	Food, Beverages and confectionary	4,228.6

*Spending in Millions of Dollars. All data provided by Ad Age Data Center (www.adage.com)

The methods used by retailer advertising needs to be addressed as a type of advertising rather than just applying what has been learned regarding product/brand advertising. When justifying the study of cultural context in informational advertising, Taylor, Miracle and Wilson (Taylor, Miracle and Wilson 1997, 2) stated that their research was needed because "what is practiced is what is effective" is not an effective advertising approach. This is applicable to this study as well.

Whether teaching future practitioners in undergraduate marketing classes, or conducting academic research, academicians have found it useful to categorize advertising by creative execution and appeal type. A commonly used typology is the informational/transformational. In retail advertising, informational advertising often focuses on brands, prices and promotions. Retailer advertising that uses an emotional appeal often seeks to use entertainment, such as famous singers or actors, as a means of appealing to the consumer while implying a certain image associated with the store. Lenny Kravitz and Avril Lavigne have both appeared in Kohl's ads. GAP Inc. is well known for their entertaining ads of models or actors singing, dancing or both. Humor, excitement and joy are also frequently used, especially for holiday shopping. McQuarrie and Phillips found that the use of metaphors in print ads is beneficial to advertisers due to consumers' "receptivity to multiple, distinct positive inferences about the advertised brand while still conveying the main message" (2005, 17). The visual images presented in pure entertainment ads that feature the products without directly referring to the products may also have a positive influence. Retailers need to understand consumer's responses to these types of advertisements and how this affects retailer outcomes.

To date, the literature has focused on specific brands and product attributes and most research on retailers has used print ads. Previous research has yielded conflicting results. Stafford and Day (1995) found that consumers had a better response to informational advertising for services whereas others found the opposite result for product/brands (Obermiller and Spangenberg 2000) (Obermiller, Spangenberg and MacLachlan 2005). Much of the research on informational advertising consisted of listing the attributes of a specific brand. But this should not be generalized to retailers. In retail

advertising, informational advertising may consist of claims of brand assortments and prices rather than product attributes. These claims can be more difficult to substantiate than product attributes especially since there is fluctuation in inventory levels and no control over competitors inventory assortment and pricing strategies. A claim may be valid and then due to a sudden change with the competition's policies, a store may no longer have the lowest price on an item.

Zinkhan, Johnson, and Zinkhan (1992) conducted a content analysis of television advertisements. They looked at the differences in TV advertisements for products, services and retailers. They found that there was a significant difference in the objectives and methods used by retailers. They did not conduct any analyses that included consumer perceptions of the ads. But this supports the premise of this study that retailers do not use the same strategies as those used to advertise individual products and brands. While reviewing retailer research, Ailawadi, Beahchamp, Donthu, Gauri and Shankar (2009) found that very little had been studied regarding retailer advertising and specifically television advertising. They suggested that generalizing results from research regarding manufacturers should not be done since retailers and manufacturers have different goals, use different promotional tools and measure different outcome variables. Thus, a separate investigation of consumers' Skepticism toward Advertising influence on consumer responses of retailer advertising is warranted.

Retailers may carry a wide assortment of products or focus on specific categories. Some carry a variety of national brands as well as private labels or they may be limited to the specialty brand such as GAP Inc. Department stores and discount stores carry numerous national brands as well as their own private label brands. Sometimes a national

brand may make a special version of their brand that is carried in a specific store and becomes a part of the advertising campaign. Simply Vera by Vera Wang (a haute-couture designer) is only available at Kohl's. Martha Stewart raises some very interesting marketing questions. She developed a line solely for Kmart, which after many years was discontinued. Now, she not only has a special line for Macy's, but is frequently featured in Macy's advertising. Does advertising that focuses on a specific brand influence retailer image and vice versa? Understanding the relationship between brands and retailers and the combined use in advertising is important for both the managers of the brand and the retail organization.

Retailer advertising has received little attention in the advertising literature. Due to differences in the strategies used by retailers and those used in services or product advertising (Zinkhan, Johnson, & Zinkhan, 1992), and the differences in the goals, tools and outcome measures used by retailers and manufacturers, (Ailawadi et al, 2009) this research is needed to fill the gap.

Contributions of the Research

Theoretical Contributions

The overall objective of this research is to determine what are the best advertising strategies for retailers to use in order to reduce the negative influence that consumers' Skepticism toward Advertising has on consumer attitudes, opinions and patronage intentions? Additionally, this research will contribute to the creative and executional style of advertising literature by helping to identify which types are actually used rather than just theorized and which types are best for retailer outcomes. The theoretical contributions include evaluating the Informational/Transformational matrix and

determining whether four quadrants exist or if it is truly a dichotomy. It also extends the Skepticism toward Advertising construct to retailer advertising and additional testing of television ads which is desirable since there has been minimal testing to date.

Ahluwalia and Burnkrant (2004) found an interaction between agent knowledge and persuasion knowledge. Much of the research on the PKM has focused on the persuasion knowledge structure. The integration of topic knowledge, agent knowledge and persuasion knowledge when in a persuasion episode has not received much attention. This research makes an important theoretical contribution by incorporating all three knowledge structures in one analysis.

Managerial Contributions

The Skepticism literature has focused on consumers' attitudes toward advertising of brands for specific product categories and has for the most part neglected retailer advertising. Previous research has yielded conflicting results regarding whether consumers tend to view emotional advertising more favorably than informational advertising. The purpose of this research is to determine which advertising approaches reduce the influence of consumers' Skepticism toward Advertising. Post hoc analysis looks at different consumer segments and the differences in their responses. Understanding these responses will assist managers in determining the best creative method and message strategy for their respective target markets. Additionally, most of the research has used print advertising. Since television is a low involvement media, consumers' responses are different for TV ads vs. print ads (Heath 2011) and the moderating influence of Skepticism may be different.

Dissertation Organization

This first chapter gives an overview of the background information and motivation for this study. Chapter 2 provides the parameters for retail institutions to be used, a review of the relevant advertising literature and the theoretical foundations of this research. It also provides an overview of existing advertising typologies. The theoretical framework of the Persuasion Knowledge Model and a review of the literature based on this model will be discussed as well as an explanation of how the Skepticism toward Advertising construct is related the PKM. Research Questions related to the studies are then presented. Chapter 3 describes the three studies which will be conducted for the purpose of answering the research questions set forth in Chapter 2. In Chapter 4, the results of the three studies will be analyzed. Finally, Chapter 5 provides a discussion of the results and contributions as well as makes suggestions for further research.

CHAPTER 2

DEFINITIONS, LITERATURE REVIEW, AND

THEORETICAL FRAMEWORK

Defining Advertising

Hunt defined the term persuasion "as the manipulation of symbols by one party in an attempt to induce certain changes in another party" (1976, 6). He posited that company advertising, political advertising, public service advertising and even university recruitment advertising all attempted to persuade people to make a choice, change an existing attitude/behavior or increase awareness levels of a product, organization or individual. Regardless of the amount of information provided, he stated that "the inescapable conclusion is that the purpose of all advertising is to persuade (1976, 6). Hunt did not provide a definition for advertising. Over the years, many definitions for advertising have been provided by academics, dictionaries and the American Marketing Association.

In an attempt to provide a single definition, Richards and Curran (2002) used a modified Delphi Method. They recruited expert panelists from academic institutions, government institutions and advertising agencies to participate in the development of a definition.

A private website was used to exchange information. After following a three stage process for refining the definitions suggested by the panelists, they proposed the following definition:

> "Advertising is a paid, mediated form of communication from an identifiable source, designed to persuade the receiver to take some action, now or in the future." (Richards and Curran 2002, 74)

While some textbook authors and other academics may not accept this definition, it has received some support. In Shimp's textbook, *Advertising, Promotion, and other aspects of Integrated Marketing Communications* (2010), he used their definition for advertising. The definition provided by Richards and Curran will be the basis for this research.

Advertising's Functions and Ethical Implications

Informational vs. Persuasive

For a few years, the informational/persuasive dichotomy emerged which suggested that persuasive advertising was bad and that only informational advertising was beneficial to the consumer. The main supporters of this dichotomy were economists and marketers who were focused on the "waste" of advertising. The informational/persuasive dichotomy has been used by critics of advertising who complain that many advertisements provide little practical information to the consumer, and that persuasive advertising is a waste of resources and ultimately increases prices. The general belief of this group was that advertising increased costs for the consumer and the only truly justified advertising expenses were for informational ads that assisted the consumer in making the best choice. Kotler, Allvine, and Bloom (1972/73) discussed the possibility of more government regulation but suggested that should this be necessary, it should not be at the same level across all industries. They proposed a rating technique

that could assess whether certain industries were problematic regarding the use of wasteful advertising and that those industries should be targeted for more regulation. But this was never adopted by regulatory agencies, possibly, because it does not fit within the parameters of a free-market economy.

Hunt (1976) provided a short review of the informational/persuasive literature that suggested that all persuasive advertising was bad and that only informational advertising provided a benefit to the consumer. But as a dichotomy, Hunt (1976) argued that all advertising is persuasive and that the informational/persuasive dichotomy is false and illogical. The very act of providing information creates a persuasive argument. Hunt continues by proposing a high information/low information framework; however, he also points out that this would be difficult to operationalize since not all information holds the same level of importance for all individuals. He ends by stating that advertising that critics perceive to be high in information is liked or "okay" with the critics whereas that which is low in information or not liked by critics is "not okay" (Hunt 1976, 8).

The informative and persuasive functions of advertising have also been appraised from a moral perspective. Santilli (1983) referred to these functions not as a dichotomy but rather as two separate functions that could be used together as well as other functions such as reinforcing institutions and entertaining. His concern was with the morals of advertising. He refers to Leister's work which suggested that if a product or service was essential or needed, then regardless of whether informative or persuasive advertising appeals were used, the advertising was moral. And if the product or service was harmful or not needed, then the advertising was immoral. Santilli argued that all persuasive advertising was immoral regardless of product type and that all informative advertising

was moral regardless of product type. According to Santilli, only straight-forward, informative advertising was rational and therefore moral.

Emamalizadeh (1985) also called the persuasive/informational dichotomy false and supported Hunt's suggestion that all advertising is persuasive. He made a distinction between rational and irrational persuasive messages as well as moral and immoral messages. He disagreed with Santilli and suggested that critics of all persuasive advertising essentially condemn all advertising since the purpose of all advertising is to persuade. He agreed with Hunt's position that all advertising is persuasive and called the persuasive/informative dichotomy an empty concept. He posited that nonrational persuasive messages that affect individual autonomy and undermine the individual's rational decision-making process are immoral whereas rational persuasion is moral. Sher (2011) suggested that the manipulation intent of a marketer determined whether the tactics were immorally manipulative. His framework also brings into consideration whether the marketer's manipulative actions have a redemptive moral value. If the tactic is manipulative or deceptive and has no redemptive moral considerations then it is immorally manipulative. If the tactic is manipulative but not deceptive and has redemptive moral value, then it is not immorally manipulative. The morality of the marketing tactic is not dependent on the use of rational/irrational or persuasive/informative appeals but rather on the manipulative intent of the marketer.

The debate regarding persuasive and informative appeals did not provide empirical evidence regarding the impact of the messages on consumer decision making. How advertising works and its effectiveness was left to other researchers. Ambler and Hollier (2004) found that consumers had more favorable opinions of brands with

perceived high advertising expenses. Signaling theory suggests that consumers believe the firms that had higher advertising expenses were of a higher quality. According to their findings, the part that economists consider "waste" which hurts the consumer by driving up prices is the part of advertising that works.

For the purpose of this research, the underlying premise is that all advertising is persuasive since all advertisers are trying to persuade the consumer that their offering is the best choice for the consumer. Regardless of appeal type or creative strategy, the purpose of advertising for established retailers is to persuade. The ethical implications are not a concern of this research. Later in this review, the culturally supplied knowledge used by consumers as a part of their persuasion knowledge will be addressed. For this research, truth in advertising and deceptive practices will not be addressed since the purpose is not to evaluate the validity of claims. Rather the perceived retailer credibility due to the claims made by the advertiser will be addressed. Consumers' previous knowledge of and experiences with the retailers in the study will be in the empirical study as control variables since any perceived unethical practices by the retailers will likely influence their attitudes and intentions.

<div align="center">How Advertising Works</div>

Researchers have tried to discover how advertising affects consumers' attitudes and purchase decisions. Over the years, numerous studies have been conducted and have produced at times conflicting results. Reviews of advertising studies can be quite helpful in assessing what is known. Vakratsas and Ambler (1999) reviewed 250 articles and then divided the studies into seven types:

1. Market response models which relate advertising directly to purchase behaviors.

2. Cognitive information processing models which posit that advertising does not have an impact on customer behavior but does assist consumers by reducing search costs.

3. Pure affect models which focus on feelings and emotions evoked by the ads.

4. Persuasive hierarchy models all build on some variation of cognition → affect → behavior. Many studies on Attitude toward the Ad are based on this sequence (MacKenzie and Lutz 1989) (MacKenzie, Lutz and Belch 1986). The Elaboration Likelihood Model (ELM) suggests to routes to persuasion: 1) central and 2) peripheral (Petty and Cacioppo 1981) (Petty, Cacioppo and Schumann 1983).

5. Low-involvement hierarchy models follow the path of cognition → experience → affect which suggests that after initial awareness, a consumer must "try" a product in order to develop a preference. This model is typically applicable to low involvement products.

6. Integrative models suggest that there are no fixed models and that the product and level of involvement determine which hierarchy is applicable. Vaughn's (1983) FCB Matrix uses this approach.

7. Hierarchy-Free Models is a category that serves as a "catch-all" for the articles that do not fit into any of the above categories and that do not depend on a hierarchy.

Vakratas and Ambler (1999) offer five generalizations for advertising studies but the generalization they claim is key to all studies on advertising effectiveness and is important for this research is that "experience, affect, and cognition are the three key

intermediate advertising effects, and the omission of any one can lead to overestimation of the effect of the others" (1999, 35).

Nan and Faber (2004) identified four important elements that should be included when studying advertising. They suggested that Skepticism, repetition, message coordination and clutter had not received enough attention in the research. They reviewed all the advertising articles from 1993-2002 in *Journal of Advertising, Journal of Advertising Research, Journal of Current Issues and Research in Advertising, Journal of Consumer Research, Journal of Marketing Research* and *Journal of Marketing.* They found that only four out of 184 articles in two of the journals included Skepticism as an independent variable in an empirical study (23). They stated that possibly studies in advertising had drawn too much on other disciplines and had not focused enough on the elements that make advertising unique.

The Persuasion Knowledge Model (PKM) (Friestad and Wright 1994) was not developed in order to measure advertising effectiveness; however, it is useful when researching consumers' responses to advertising. It was relatively new when Vakratsas and Ambler (1999) reviewed the advertising literature and was not included in their study since it does not relate solely to advertising; however, it is useful for advertising research and might be considered a hierarchy-free model since it does incorporate experience, affect and cognition in its framework. Many of the models focus on only one of these elements or a simplistic approach, whereas, the PKM not only integrates all three elements, it does it in a hierarchy-free approach which is nearer to the complex information processing that actually occurs when consumers are presented with a message. Thus, the PKM serves as the basis for this research.

In order to understand advertising better, typologies that outline the differences in advertising strategies can be helpful. The next section provides a review of the different typologies that have been developed.

Review of Advertising Typologies

Several typologies for advertising have been presented over the years. Ideally, a typology, which is essentially a classification system, will meet all the conditions of a classification system. When developing a classification system, a researcher should ask the following questions:

"(1) Does the schema adequately specify the phenomenon to be classified?

(2) Does the schema adequately specify the properties or characteristics?

(3) Does the schema have categories that are mutually exclusive?

(4) Does the schema have categories that are collectively exhaustive?

(5) Is the schema useful?" (Hunt 2002, 230)

But frequently, it is difficult to meet all of these conditions, thus, "is it useful" becomes the ultimate factor in whether the classification system is accepted within the literature. Over the years, several classification systems have been suggested in advertising research. These typologies will be addressed individually in the following section.

Creative strategy "deals with what is said in an advertisement as well as how it is said" (Laskey, Day and Crask 1989, 37) thereby combining execution style with the message type. Typologies that focus on creative strategy are more comprehensive than those that focus merely on creative execution (Shimp 1976) or message type (Resnik and Stern 1977) (Aaker and Norris 1982). The typologies presented in the following pages vary in their focus. When proposing a new typology, various researchers have suggested

that a previous typology should not be included in their review because it covered message as well as strategy or that it wasn't a typology at all (Laskey, Day and Crask 1989) (Aitken, Lawson and Gray 2003). It was not the intent of this research to judge the quality of a typology but rather to present those that have been accepted within the literature and then determine which typology is most appropriate for retailers.

Although not usually presented as a typology or referred to in the textbooks, one of the earliest attempts in classifying advertising was done by Marshall (1919). As an economist, his focus was on the market rather than the consumer. He differentiated constructive advertising which draws more people into the market and the exchange process from combative advertising which merely attempted to convince customers that were already in the market that they should buy the products of the advertising firm. Advertising also has been addressed by several economists over the years, including Chamberlin (1933) who considered advertising an important element for firms to use when developing a differentiated strategy. Bagwell (2005) provided an excellent review of advertising in the economics literature. He refers to the following three views of advertising: 1) persuasive, 2) informative, and 3) complementary. In the tradition of most economists, Bagwell's purpose was to discuss the economic impact of advertising and not the consumer's perceptions of advertising. Although technically a marketing article, Chen, Joshi, Raju, and Zhang (2009) based their work on the economic theories of Marshall and Bagwell. They found that combative advertising leads to price wars among competing firms (in specific product categories) but not necessarily to consumer preferences for a specific brand. They did ignore the argument within the marketing

literature that has been resolved and the dominant opinion that all advertising is persuasive which was presented earlier in this review.

One of the first message based typologies was developed by Shimp (1976) due to his concern that research had focused on the receiver component of the communication process rather the nature of message structure. Since the message structure will affect the receiver's information processing, advertisers need to understand the impact of the message structure.

The research method used by Shimp was based on analyzing the scripts and storyboards of 293 commercials submitted to the FTC. Fifty commercials were used for developing the typology and the remaining 243 were used for statistical testing of the typology. The typology is presented in Table 2.1 (Shimp 1976).

Table 2.1

Typology of Commercial Message Structure (Executional Style)

Individual-Oriented
1. Celebrity Endorser(s)
2. Typical Person Endorser(s)
3. Spokesman(en)
4. Personality(ies)
Story-Oriented
5. Video Drama (Off-Camera Sales Message)
6. Video Drama (Sales Message by Performers)
7. Narration
Product-Oriented
8. Demonstration
9. Product Display and/or Performance
Technique-Oriented
10. Fantasy
11. Analogy

This typology, although a bit complicated, is considered to be very useful and a version of it can be found in many advertising textbooks although some argue that it focuses more on execution than overall creative strategy. Laskey, Fox and Crask (1994) used his typology when investigating the impact of executional style of television commercials. They used a database of over 1000 commercials which had been tested by ARS, a respected copy testing firm, using their *ARS Persuasion* measure for testing persuasion effectiveness. They used trained coders to classify the ads according to Shimp's typology. They did limit the scope to product categories so no retailers or other type of institutional advertising was examined. They found that executional style did not affect the persuasion effectiveness. The study did not investigate emotional appeal type.

Another of the early typologies was developed by Resnik and Stern (1977). They conducted an information content analysis of television advertising and separated advertisements into two categories: informative and non-informative. Their focus on informational content was due to the calls for more governmental regulation of advertising messages. After Vicary's claim of successfully using subliminal advertising, advertising began to receive more scrutiny from those who were concerned about the welfare of consumers. Suggestions were made that only informational advertising was fair to the consumer. Resnik and Stern (1977) developed a list of criteria for evaluating informational content of ads. Due to the involvement of value judgments in defining what comprises an informative advertisement they suggested as an *operational* definition that "in order for a commercial to be considered informative, it must permit a typical viewer to make a more intelligent buying decision after seeing the commercial than before seeing it. In other words, it must provide *cues* that enable viewers to better achieve their

own personal sets of purchase objectives" (Resnik and Stern 1977, 50-51). They presented 14 evaluative criteria for this dichotomy: (1) Price or Value, (2) Quality, (3) Performance, (4) Components or Contents, (5) Availability, (6) Special Offers, (7) Taste, (8) Packaging or Shape, (9) Guarantees or Warranties, (10) Safety, (11) Nutrition, (12) Independent Research, (13) Company-Sponsored Research, (14) New Ideas. This list with the definitions can be found in Appendix A.

Resnik and Stern (1977) did not address creative strategy since they were not concerned with message execution. They did not suggest that their criteria was a classification scheme, rather its purpose was to aid in evaluating the informational content of ads. For this reason, some authors have omitted their work when reviewing typologies (Laskey, Day and Crask 1989) (Aitken, Lawson and Gray 2003) even though Puto and Wells (1984) stated that they used Resnik and Stern's criteria for their study. Resnik and Stern's informational cue criteria serve as the basis for the content analysis of this research.

Resnik and Stern's study was replicated many times with an emphasis on cross-cultural and international replications (Dowling 1980) (Hoy and Shaw 1982-1983) (Pollay, Zaichkowsky and Fryer 1980) (Senstrup 1985) (Weinberger and Spotts 1989). They also extended their own work to print advertisements (Stern, Krugman and Resnik 1981) and cable television (Stern and Resnik 1991). A meta-analysis by Abernethy and Franke (1996) revealed that the Stern and Resnik information content analysis criteria had been extended to radio, newspaper and outdoor advertising in over 60 papers which they used in their analysis. Table 2.2 provides a brief review of some of the TV advertising replications research based on the Resnik and Stern criteria.

Table 2.2

Replications and Extensions of Resnik and Stern

Author(s)	Year	Sample	Findings
Dowling	1980	163 Regional ads in Australia	Reported that 74% of Australian TV ads were informative.
Pollay, Zaichowsky and Fryer	1980	Used Canadian and U. S. ads from early and late 1970's	Variation of Resnik and Stern typology, Only 16% were non-informative. They found differences between U.S. and Canadian ads.
Hoy and Shaw	1982-3	320 Prime-time U.S. network	Analyzed 30 second TV ads and found that only 20% of total ad time was spent on informational content.
Weinberger and Spotts	1989	566 Us and 301 British network TV ads.	1st applied Resnik and Stern criteria and placed ads in FCB matrix. Reported that 65% of U.S. ads and 53% of British ads were informative.
Taylor, Miracle, and Wilson	1997	20 U.S. and 20 Korean ads	Based on Hofstede's dimensions of culture, found support for the hypothesis that in the U.S., high information ads generated higher attitudes toward the ad and brand and the opposite in Korea. Added to the criteria list bringing the total to 30.
Mortimer	2000	Radio, TV and Print ads in the UK	Product ads contain more information that service ads. Included all criteria which may have biased results regarding information content since some of the criteria are not applicable to services.

Aaker and Norris (1982) also studied the information content of advertising but from the consumer perspective. They used 524 prime time U.S. network television ads. Each ad was evaluated for information content by approximately 500 respondents, so that overall, they had over 250,000 replies for their analysis. The respondents were provided

with six photos from the commercial and the script. They then looked at a list of 20 alphabetically listed adjectives and checked those which best described the commercial. On average, only 18% of respondents, described the ad he/she had watched as informative but this did vary across product categories. Another interesting finding was that comparative advertisements were "not perceived to be substantially more informative than noncomparative advertisements" (Aaker and Norris 1982, 70). They suggested that in order to better understand the image/emotional/feeling versus the informational/rational/cognitive dichotomy, a better understanding of consumer's perception of what is informative in advertising is necessary. The purpose of their research was not to develop a typology but rather to determine how informative consumers found prime time television commercials to be.

Over the years, several researchers have presented various dichotomies or typologies based on emotional and informational appeals. The transformational/informational dichotomy was first presented by Wells (1980). Resnik and Stern referred to informative and non-informative advertising (1977) and Aaker and Norris (1982) referred to the two types of advertising as information/rational/cognitive and image/emotional/feeling. Vaughn (1983) developed another typology, a matrix composed of four cells with thinking/feeling on one axis and high involvement/low involvement on the other (Vaughn 1983). Laskey, Day and Crask (1989) suggested that Vaughn's typology is especially problematic due to the axis representing more of a continuum than distinct categories. Vaughn's typology can still be found in advertising textbooks and is referred to as the FCB matrix that is used primarily as a planning tool for advertisers (Belch and Belch 2012). Batra and Holbrook (1990) developed a typology for

measuring the affective responses of consumers to specific advertising messages and strategies but it does not apply for categorizing ads based on advertising strategy or execution style. Overall, researchers have used some type of label to divide advertising types into one of two forms:

1) informational/rational/thinking/cognitive/literal

2) image/emotional/feeling/transformational/symbolic.

There remains a great deal of confusion due to the different labeling for similar ideas.

One of the dominant typologies that has emerged is the transformational/informational typology suggested by Puto and Wells (1984). They provided formal definitions for the terms transformational advertising and informational advertising. They also developed a scale for measuring the transformational/ informational dichotomy. Informational advertising "provides consumers with factual (i.e., presumably verifiable), relevant brand data in a clear and logical manner such that they have greater confidence in their ability to assess the merits of buying the brand after having seen the advertisement" (Puto and Wells 1984, 639). Transformational advertising "associates the experience of using (consuming) the advertised brand with a unique set of psychological characteristics which would not typically be associated with the brand experience to the same degree without exposure to the advertisement" (Puto and Wells 1984, 639). They acknowledge that all advertising does provide some information, such as the brand name, but that the point of the ad is to "'transform' the experience of using the brand by endowing this use with a particular experience that is different from that of using any similar brand" (Puto and Wells 1984, 639). The "transformation" would not occur without exposure to the advertisement. They also acknowledge that this is not a

true dichotomy due to the categories lacking the characteristic of being mutually exclusive, but the typology is collectively exhaustive and has repeatedly been shown to be useful.

Instead of a true dichotomy, they suggested four categories: (1) High Transformation/ Low Information, (2) Low Transformation/High Information, (3) High Transformation/ High Information, (4) Low Transformation/Low Transformation; however, when they validated the scale, they only used "primarily transformational" or "primarily informational." Their sample did not include any goods-based retailers but it did include an airline (service retailer). Their work served as a basis for the typology developed by Laskey, Day and Crask (1989). It can also be considered an extension of the work of Resnik and Stern (1977).

Typically, when a new classification system or typology is developed, the researcher will review the existing typologies and point out the strengths and weaknesses thereby justifying the development of the new typology. Laskey, Day, and Crask (1989) presented a short review of the existing typologies and incorporated some of the ideas within their own classification system. They did not mention the Stern and Resnik study and stated that Shimp's typology was based on creative strategy and would not be reviewed. They credited Aaker and Norris (1982) with developing an image/emotional/feeling versus informational/rational/cognitive dichotomy but point out that the categories are not mutually exclusive. Aaker and Norris did not present their research as developing a typology and merely mention these two groupings in the introduction to the work (1982).

Frazer (1982) presented a typology of creative strategies that was based on the work of previous researchers and used the categories of Generic, Preemptive, Unique-Selling Proposition, Brand Image, Positioning, Resonance, and Affective. But when Laskey attempted to use Frazer's typology for his dissertation, the judges had difficulty because many advertisements fell into more than one category (Laskey, Day and Crask 1989) thus not meeting the mutually exclusive requirement. They did use some elements of his framework in developing their own typology.

The typology (Table 2.3) developed by Laskey, Day, and Crask (1989) used a two-stage approach that merged the work of Puto and Wells (1984) with that of Frazer (1982) (Table 2.3). They did replace or re-define some of Frazer's categories.

Table 2.3

Typology of Main Message Strategies by Laskey, Day and Crask

Informational Advertising
    Comparative (competition explicitly mentioned)
    Unique Selling Proposition (explicit claim of uniqueness)
    Preemptive (testable claim of superiority based on an attribute or benefit)
    Generic (focus on product class)
Transformational Advertising
    User Image (focus on user)
    Brand Image (focus on brand personality)
    Use Occasion (focus on usage occasions)
    Generic (focus on product class)

They did not mention the typology developed by Laskey, Day and Fox (1989) in this work. This typology has not received much use in the advertising literature and even

the authors admitted that more work was needed. The importance of this typology lies in the fact that it combined executional style with appeal type.

Moriarity (1987) developed a classification scheme for magazine print advertisements based on a content analysis. Her system focused on the creative strategy which she divided into two categories: 1) literal and 2) symbolic. She then described eight sub-categories. Cutler, Thomas and Rao (2000) extended her work to other media types (TV, radio, and newspaper print) and found that although it could be done, it was difficult with broadcast media and that for all media types, some categories had empty cells. They proposed that the "literal" label could be considered informational and the "symbolic" label could be considered transformational. They also sub-segmented the "before/after" sub-category. In their cross-cultural analysis, they found that in the US and Japan, informational appeals were more frequently used and in India and Korea transformational appeals were used. The Moriarity typology as amended by Cutler, Thomas and Rao (2000) can be found in Table 2.4.

Table 2.4

Moriarity Typology Amended by Cutler, Thomas and Rao

Literal/Informational
 Identification- brand identification only
 Description- simple description of product
 Comparison- included the competition in the ad
 Before/After- portrayed situation before and after use of the product
 Demonstration- ad showed how to use, apply or make the product
Symbolic/Transformational
 Association- identified product with a lifestyle, typical user, or typical situation
 Metaphor- used an allegory or some unexpected substitution
 Storytelling- used a narrative, drama, or playlet
 Aesthetic- showed details becoming artwork, a pattern, or abstraction

When Cutler et al (2000) attempted to extend her classification system to other media forms including TV ads, they reported acceptable rater reliability. The last typology to be reviewed is the Six-Segment Message Strategy Wheel developed by Taylor (1999). He reviewed several of the existing typologies and found that none were comprehensive. He provided the new dichotomy of transmission/ritual which is really the informational/transformational but with a new name. The transmission view conveys news which is information whereas the ritual view conveys news that is drama. He posited that many of the existing typologies "fit" onto his wheel. Each view was further subdivided into three categories. Unfortunately, he presented several versions of the wheel, but none included a final, comprehensive version. The wheel was specifically developed for products and the purchase decision process. Surveys were given to respondents who were presented with one of the message strategies and asked for a product that had been purchased by the respondent that fit the message strategy. This typology needs further testing but also is not applicable to retailers.

The meta-analysis by Aitken, Lawson and Gray (2003) attempted to evaluate the existing typologies and found all to be deficient in some way. It was their opinion that the typology by Laskey, Day and Crask best fits the criteria of a classification system, but they note that 90% of the ads fell into the informational category. One reason for this is the limited number of product categories. But their meta-analysis could be considered deficient as well since it omitted the typologies by Moriarity (1987), Taylor (1999), Cutler, Thomas and Rao (2000) and the important contribution of Resnik and Stern (1977). But despite these important omissions, they did raise some valid points. They

ended by stating what they perceive to be the four major problems with the existing typologies:

1. "They suffer from an imprecise use of crucial terms".... "that result in a conflation"..."that makes sophisticated analysis of complex advertisements difficult." (118)

2. The typologies are either too detailed or too limited due to being developed for a specific study.

3. It is difficult to be exhaustive and exclusive. Many ads have elements of different categories.

4. Researchers pre-determine the categories and then measure and test to confirm the validity.

They suggested that a new typology should be developed based on reader-response theory. To date, this new typology has not been published. While there is some merit to their analysis, the authors do seem to overlook one of the essential criteria set forth by Hunt (2002): is it useful? While all of the typologies have some weaknesses, there is also merit to each.

Based on this last criterion, the typology that will be the basis for this research is the transformational/informational framework by Puto and Wells (1984). This is consistent with the typology used by Obermiller and Spangenberg (1998)in the development and testing of their Skepticism toward Advertising Scale. Since previous research has focused mostly on product categories and essentially ignored retailers, this research is necessary.

Transformational/Informational Advertising Research

After Puto and Wells defined transformational and informational advertising, some confusion arose regarding transformational advertising. Deighton (1988) stated that it was necessary to address a problem that had arisen regarding research based on transformational advertising. The term had been used "to refer to a method of argumentation, and at other times to a consequence of argumentation" (262). Aaker and Stayman (1992) agreed with Deighton's assessment. They provided four reasons that transformational advertising is difficult to test: 1) repetition is necessary for transformational effects to occur and the needed timeframe could even possibly be years, 2) due to the hypothesized interaction of use experience and exposure, use experiences need to occur between exposures, 3) measurement is difficult for use experiences, and 4) in addition to the difficulty of measuring transformational outcomes, there is a difficulty in measuring transformational effects.

Mehta, Chen and Narasimhan (2008) posited that there are three effects of advertising: informative, transformative and persuasive. But Hunt's (1976) argument that all advertising is persuasive has been accepted by most in the academic community and no evidence has been presented that successfully counters this argument. Ads should not be categorized as informational/transformational simply based on the presence or absence of emotion or information. Ads should be termed transformational "if one of its primary thrusts is to generate a transformational effect regardless of whether the ad is informational, emotional or both" (Aaker and Stayman 1992, 241). Other issues have arisen in defining and measuring transformational advertising. Wells (1980) stated that it would be necessary for several repetitions of the ad to occur before it would be possible

to determine the transformational effects. In addition to agreeing to the issue of repetition, Deighton (1988) also referred to problems in testing advertising. A common test for comprehension requires the participant to state "the main point" of an ad but for transformational advertising there is no "main point." They suggested that the use of a projective technique might overcome some of these problems and conducted a preliminary study that yielded mixed results. They did not show participants the ads but rather in a pretest questioned the participants regarding television viewing and beer advertising viewing. Later, the respondents were given projective scenarios and answered questions regarding beer brands. Thus, the focus of this study appears to be more focused on transformational effects and not on transformational appeals.

Even though this definition of transformational advertising was presented, most of the research over the years has not truly differentiated between transformational and emotional. Most researchers have simply ignored the concerns of Deighton (1988) and Aaker and Stayman (1992). Based on their assessment, transformational and emotional advertising are not the same concepts and the terms not only should not be used interchangeably, but it should be considered that there are three types. Yet, the dominant paradigm is simply a transformational/informational dichotomy. Others refer to the rational/emotional dichotomy. Aaker and Stayman refer to "a natural association between feeling or emotional advertising and transformational advertising as the thrust of much of feeling advertising is to associate feelings with the use experience" (1992, 239). They even stated that a transformational ad could use an informational approach as well as an emotional one. This suggestion has not received support in the literature. Researchers focus on the dichotomy but ignore the concept of the matrix.

To date, most of the research on informational/emotional-transformational advertising has focused on products and brands. Research regarding appeals and retailers are difficult to find, but the few that do exist have typically looked at services (Stafford and Day 1995) . A brief review can be found in the following Table 2.5 with advertising research specific to retailers provided later in Table 2.8. Some of the studies used the categories of emotional/rational or emotional/non-emotional rather than informational/ transformational but many of the authors still cited Puto and Wells (1984).

Table 2.5

Research on Informational/Emotional-Transformational Advertising

Author(s)	Year	Media	Purpose/Findings
Aaker and Stayman	1992	None	Used a projective technique to determine whether previous exposures to advertising could have a transformational effect.
Swaminathan, Zinkhan and Reddy	1996		Developed a framework for transformational ads based on the product's stage in the Product Life Cycle. Conceptual only.
Turley and Kelly	1997	Print	Compared the use of rational and emotional appeals in print advertising for retail services vs. business services.
Janssens and De Pelsmacker	2005	Print	Used emotional/non-emotional ads for new and existing brands. Non-emotional ads had more positive responses for new brands.
Mehta, Chen, and Narasimhan	2008		Conceptual framework that suggests the informative, transformative and persuasive effects of advertising on consumer evaluations of brand quality.
Naylor, Kleiser, Baker and Yorkston	2008	Promo video; Print	Examined transformational appeals for retail and services. A resort and a chocolatier were used to test the model. Found that transformational appeals worked best when the experience was new for the consumer and for hedonic/symbolic benefits rather than functional benefits.
Heath	2011	TV	Reviewed 50 years of the debate over emotional/rational TV ad effectiveness. Stated that for building brands, emotional TV ads were most effective.

Additional research has been done on informational/emotional advertising in the Skepticism toward Advertising literature and will be reviewed later as it relates directly to the proposed model and hypotheses development.

Persuasion Knowledge Model

In Peter Wright's Presidential Address at the 1985 Association for Consumer Research he introduced the term "schemer schema" and suggested research regarding consumers' perceptions of advertisers' motives (Wright 1986). Over the next several years, researchers began to look at consumer Skepticism. Calfee and Ringwold (1994) reviewed 60 years of research and discovered that even though 70% of consumers were skeptical of advertising claims, they still found advertising to be useful. Years after his address, Wright co-authored with Friestad the seminal conceptual article that suggested that consumers develop persuasion knowledge over the years that allows them to use the knowledge to "cope" with a marketer's persuasion attempt (Friestad and Wright 1994). Many models, such as the Elaboration Likelihood Model (Petty, Cacioppo and Schumann 1983), are based on a consumer's information processing of an advertisement, but these models do not address the accumulation of knowledge that consumers have regarding persuasion techniques used by marketers. Nan and Faber (2004) suggest that the Persuasion Knowledge Model addresses a problem with the Elaboration Likelihood Model in that it includes consumer Skepticism which can play an important role in consumers' processing of advertising. The Persuasion Knowledge Model helps to fill an important gap in consumer research by including the accumulation of knowledge and its use by the consumer in a persuasion episode.

In order to understand the elements of the Persuasion Knowledge Model, it is

necessary to define the elements and present the visualization of the PKM which is

shown next in Figure 2.1.
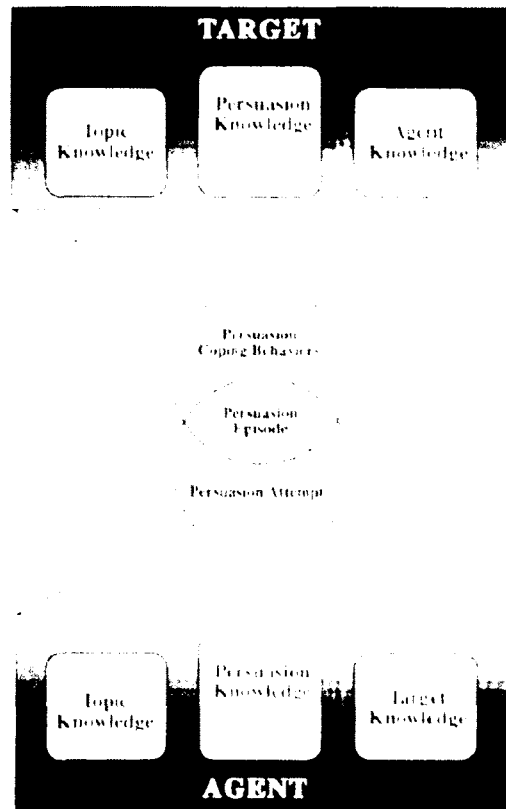
Figure 2.1 *Persuasion Knowledge Model (PKM)*

The Persuasion Knowledge Model, hereafter referred to as the PKM, is unique in

that it includes the perspective of both the Target and the Agent. The Target is the group

of "people for whom a persuasion attempt is intended" (Friestad and Wright 1994, 2).

The Agent represents "whomever a target identifies as being responsible for designing

and constructing a persuasion attempt" (Friestad and Wright 1994, 2).

A persuasion episode occurs whenever the target perceives that an agent is attempting to persuade him/her (persuasion attempt). The persuasion attempt can be through personal selling, advertising or any other method of sending a persuasive message. The target's persuasion coping behaviors refer to how the target's three knowledge structures interact to assist the target in coping with the persuasion episode. The term "coping" is presented as a neutral term and refers to:

> "not only their cognitive and physical actions during any one persuasion episode, but also any thinking they do about an agent's persuasion behavior in anticipation of a persuasion attempt, as well as between and after episodes in a campaign" (1994, 3).

Consumers use these behaviors in order to pursue their own goals, such as purchase decisions, as well as, to resist persuasion attempts (Friestad and Wright 1994).

Understanding the three knowledge structures of the target and how these structures interact for both the target and the agent is essential to understanding and using the PKM as a theoretical framework. The target's three knowledge structures are:

1. Persuasion Knowledge- "performs schemalike function" which is an accumulation of knowledge that develops over the life of the consumer. It includes culturally supplied folk knowledge, the consumer's own knowledge regarding the tactics used by marketers to persuade consumers and the consumer's confidence in his/her own ability to cope with the marketer's tactics" (3) such as advertising. Thus, in addition to the person's own experiences in the marketplace, news stories and books written to "expose" practices such as subliminal advertising, contribute to a person's persuasion knowledge. As a person matures and grows older, he/she should develop more persuasion knowledge and learn to use it more effectively in accomplishing his/her personal

goals. Also, less cognitive resources will be needed and coping will become more automatic. Targets will rely more heavily on their persuasion knowledge when unfamiliar with a topic or agent.

2. Topic Knowledge consists of consumer held beliefs or knowledge regarding "the topic of the message" (e.g., a product, service, social cause, or candidate) (3). This knowledge may be about the product category or the specific brand.

3. Agent Knowledge consists of consumer held beliefs regarding "the traits, competencies, and goals of the persuasion agent (e.g., an advertiser, salesperson) (3). This knowledge can be about a specific agent or agents in general.

Depending on the type of persuasion episode, the mental resources allocated to each knowledge structure will vary. It may even change during an episode.

During the persuasion attempt, the agent also has three knowledge structures that are interacting. These knowledge structures are target knowledge (knowledge of the consumer segment), topic knowledge and persuasion knowledge. Friestad and Wright posit that consumers (targets) and marketers (agents) are continually interacting. It is important to note that this is not always an adversarial interaction. At times, each can even assume the role of the other. For example, a person who works in sales for one company is in the role of agent while working yet moves into the role of target when shopping at another store. Campbell and Kirmani (2008) suggested that while some may choose to blur the lines between persuasion, agent, and topic knowledge, that it is preferable to carefully define and delineate the three; however, Ahluwahlia and Burnkant (2004) found an interaction between persuasion knowledge and agent knowledge which suggests that separate investigations are not preferable and an integrated approach should

be used. When using outcomes such as Attitude toward the Ad or Attitude toward the Advertiser, it becomes more difficult to separate these knowledge structures for established brands, especially when the target is familiar with or knowledgeable of the brand or product category.

Since its debut, several researchers have used the Persuasion Knowledge Model for their theoretical framework. Others have worked to expand the PKM conceptually. Obermiller and Spangenberg relied heavily on this model for the development of their Skepticism toward Advertising scale (Obermiller and Spangenberg 1998), but when testing and validating their scale, this important construct could not be included because a scale to measure persuasion knowledge had yet to be developed. Their scale also depended heavily on the "change of meaning" concept which refers to the transformation of a consumer's understanding of a particular action as a persuasion tactic. If a consumer is taught that an action is actually a tactic of persuasion, he will become more resistant to the action/tactic. If a consumer believes that the tactics are inappropriate it can lead to negative evaluations of a marketer or product (Campbell and Kirmani 2008).

Persuasion Knowledge has been identified as one of the dimensions of Consumer Self-Confidence in the multi-dimensional scale developed by Bearden, Hardesty and Rose (2001). They define Consumer Self- Confidence as "the extent to which an individual feels capable and assured with respect to his or her marketplace decisions and behaviors" (122). Persuasion Knowledge is one of the dimensions in their scale and is based on the definition provided by Friestad and Wright. The other dimensions are Information Acquisition. Consideration-Set Formation, Persuasion Outcomes Decision Making, Social Outcomes Decision Making, Persuasion Knowledge, and Marketplace

Interfaces. While an important contribution to the marketing literature, this multi-dimensional scale reaches beyond the scope of this research and will not be included in the model.

The PKM has received a great deal of attention in the academic literature. In their review of PKM research, Campbell and Kirmani (2008) identify cognitive resources, accessibility of motive, and persuasion expertise as the antecedents of the activation of persuasion knowledge. The consequences of the coping behaviors and response strategies are divided into negative or positive judgments, attitudes or choices. Table 2.6 provides an overview of the studies based on the PKM.

Table 2.6

Studies Based on the Persuasion Knowledge Model (PKM)

Author(s)	Year	Purpose of Study
Friestad and Wright	1994	Developed the Persuasion Knowledge Model (PKM)
Friestad and Wright	1995	Compared the beliefs of lay people and researchers regarding the use of persuasion techniques and psychology in TV advertising. They emphasized that researchers need to not project their own knowledge on lay people when designing and analyzing studies.
Campbell and Kirmani	2000	Identified conditions under which a consumer is likely to activate their persuasion knowledge when interacting with a salesperson.
Bearden, Hardesty and Rose	2002	Developed a Consumer Confidence six dimension scale: Information Acquisition (IA) Consideration-Set Formation (CSF), Personal Outcomes Decision Making (PO), Social Outcomes Decision Making (SO), Persuasion Knowledge (PK), and Marketplace Interfaces (MI).
Williams, Fitzsimmons and Block	2004	Showed that intention questions affected future behavior unless the subject realized that this was a persuasion technique. Socially undesirable behaviors were not affected by intention questions.

Table 2.6 (Continued)

Ahluwalia and Burnkrant	2004	Found that argument strength and perceived favorability of the source influenced the effectiveness of the persuasion attempt when using rhetorical questions. Found that agent knowledge and persuasion knowledge interact. Study used the PK dimension of Bearden, Hardesty and Rose's Consumer Confidence Scale.
Campbell and Kirmani	2008	Reviewed the use of the PKM in consumer research and suggested future areas of research. States that most research has focused on persuasion knowledge and very little has addressed the other components in the model.

Defining Skepticism Toward Advertising

The criteria developed by Resnik and Stern (1977) for evaluating information in advertisements have been used repeatedly for classifying advertisements (Aaker and Norris 1982) (Abernethy and Franke 1996) (Dowling 1980) (Pollay, Zaichkowsky and Fryer 1980) (Senstrup 1985). But it is important to note that the evaluation did not include the truthfulness of the advertising claims and that the authors emphasized this point in their work. Although the Federal Trade Commission regulates advertising and requires truth in advertising (Bureau of Consumer Protection Business Center 2011), many firms violate these rules with the knowledge that the government has limited resources for following up on complaints. Unless it is blatant and complaints are filed, many cases of deceptive advertising are not investigated. In a free market, it is expected that exaggerations in advertising will occur but that many consumers may avoid marketers who use these claims (Obermiller and Spangenberg 1998). Even when it is not the intent of advertisers to be manipulative or deceptive, it is not possible to truly substantiate claims using the words "best" or "quality" since these are subjective terms

that can't be verified. Although a price/quality relationship has been found for consumer perceptions (Zeithaml 1988), quality and value are based on subjective evaluations. Many consumers are aware of this, which leads to increased Skepticism toward Advertising.

Obermiller and Spangenberg defined Skepticism toward Advertising or ad Skepticism as "the general tendency toward disbelief of advertising claims (1998, 160). They limited the scope of their work to claims in advertising and stated that Skepticism toward Advertising is a "stable, generalizable marketplace belief.....that varies across individuals and is related to general persuasibility" (160) that should generalize across media forms for an individual. They limited the scope of their work to advertising and not to other forms of communication or sources of information. They also stated that advertising Skepticism is a situational variable. An individual's response to a specific ad in the form of belief or disbelief of ad claims may vary based on the moderating influences of claim substantiation, source characteristics, prior knowledge, message variables, ad structure and execution factors (Obermiller and Spangenberg 1998). They state that persuasion knowledge is more general than advertising Skepticism, but that the sources of persuasion knowledge identified by Friestad and Wright (1994) are arguably the same factors that shape ad Skepticism (culturally supplied folk wisdom). The factors are:

1.   Marketplace experiences
2.   Social interactions
3.   Conversations about how people are influenced
4.   Commentary from the media on advertising and marketing

All of these have been shown to influence persuasion. This Skepticism toward Advertising is related to persuasion knowledge or general persuasibility; however, it should not be considered the same dimension. "Persuasion Knowledge is more general; it

includes the broad array of knowledge about persuasion techniques, marketer tactics and appropriate coping strategies, whereas ad Skepticism refers to a single response tendency" (Obermiller and Spangenberg 1998, 162-163). Thus, an informative approach that is not easily substantiated may be discounted by the highly skeptical consumer whereas an emotional appeal may be better received. Others have found rational appeals to have a more positive attitude toward the ad (Stafford and Day 1995) (Taylor, Miracle and Wilson 1997) and higher patronage intentions (Stafford and Day 1995); however, Skepticism toward Advertising was not included as a moderating variable in either of these studies. Research that investigates whether different types of information will result in differences in attitudes could provide valuable insight for advertisers.

Even before the development of the Skepticism toward Advertising scale, researchers referred to consumer Skepticism. Ford, Smith and Swasy (1990) addressed consumer Skepticism of advertising claims and presented the SEC (Search, Experience, Credence) framework. Search qualities can be verified prior to purchase, experience qualities can only be verified after purchase and thus, use, and credence qualities can never be truly verified. They based their framework on economics of information theory which posits that the Skepticism of consumers decreases when claims are easily verifiable prior to purchase and increases when the claims are not verifiable before purchase. They tested the following hypotheses: that consumers would be (H1) "less skeptical of objective claims than subjective claims," (H2a) "less skeptical of search attribute claims than of experience attribute claims," (H2b) "less skeptical of experience attribute claims than of credence attribute claims," and (H3) "less skeptical of experience claims for low-priced products than for high priced products" (Ford, Smith and Swasy

1990, 434). They found support for H1 and H2a, no support for H2b, and the opposite for H3.

A measure used by practitioners, the Starch score, was used by Franke, Huhmann and Mothersbaugh (2004) when they compared the information content of search and experience goods in print ads and found that higher information content resulted in higher Starch scores for search goods but not for experience goods. The Starch score is a recall measure that seeks to discover how much attention was paid to the ad by the reader by measuring how much was read, how much was noted and how if a brand association occurred (Belch and Belch 2012). Franke et al (2004) found that for search goods, information content was important.

One of the first empirical studies that measured Skepticism toward Advertising, was a longitudinal study of middle school students by Boush, Friestad, and Rose (1994). They found that as they aged, students became more skeptical. They developed the Attitude toward Television Advertising (Mistrust of television advertisers) Scale. It was tested with junior high school students which may have contributed to its low reliability. Additionally, the wording of the items may have biased the respondent due to the very negative wording of most items.

Obermiller and Spangenberg (1998) also suggested consumption experiences that might influence Skepticism toward Advertising. Age and education were all hypothesized to have an effect. They hypothesized that gender would not have an affect other than possibly in certain product categories. They posited that the effects of social role differences might have an effect but that it would be based on cognitive differences rather than biological differences.

Additionally, personality traits could influence a consumer's Skepticism. According to them, cynicism "is more of a general characteristic than is ad Skepticism and more a personality characteristic than a marketplace belief" (Obermiller and Spangenberg 1998, 165). They posited that high cynicism would likely lead to higher ad Skepticism; however higher ad Skepticism is not necessarily indicative of high cynicism since the ad Skepticism can be due to personal experiences in the marketplace. A cynical person is more likely to be skeptical of advertising but the reverse is not true. When validating their scale, they could not find a reliable cynicism scale. At that time, the only one available was by Kanter and Wortzel (1985); however, a reliable, well-validated cynicism scale is now available (Turner and Valentine 2001) and will be used in this research. Another personality trait, self-esteem, would also be influential and higher levels of self-esteem would be related to higher levels of ad Skepticism.

With the combined effects of consumption experiences and personality traits, Skepticism toward Advertising could be expected to increase. Individuals with high self-esteem and intelligence would be more likely to counter-argue against any persuasion attempts. Over time, thus, as a person ages, Skepticism and resistance to persuasion attempts would increase.

When developing the nomological net (Figure 2.2) for Skepticism toward Advertising, Obermiller and Spangenberg (1998) included attitude toward advertising in general and attitudes toward marketing (Gaski and Etzel 1986).

Antecedents   **Related Beliefs**   **Consequences**

Personality Traits
    Cynicism
    Self Esteem

Ad Skepticism

    Att-Mktg   Att-Adv

Ad Appeals

Consumption Experiences
    Age
    Education

Ad Information

    Processing

Brand Beliefs

Brand Attitudes

Reliance on
ads

Individual Factors
    Knowledge/
    Expertise
    Motivation/
    Involvement

Situation Factors
    Product/claim
    type
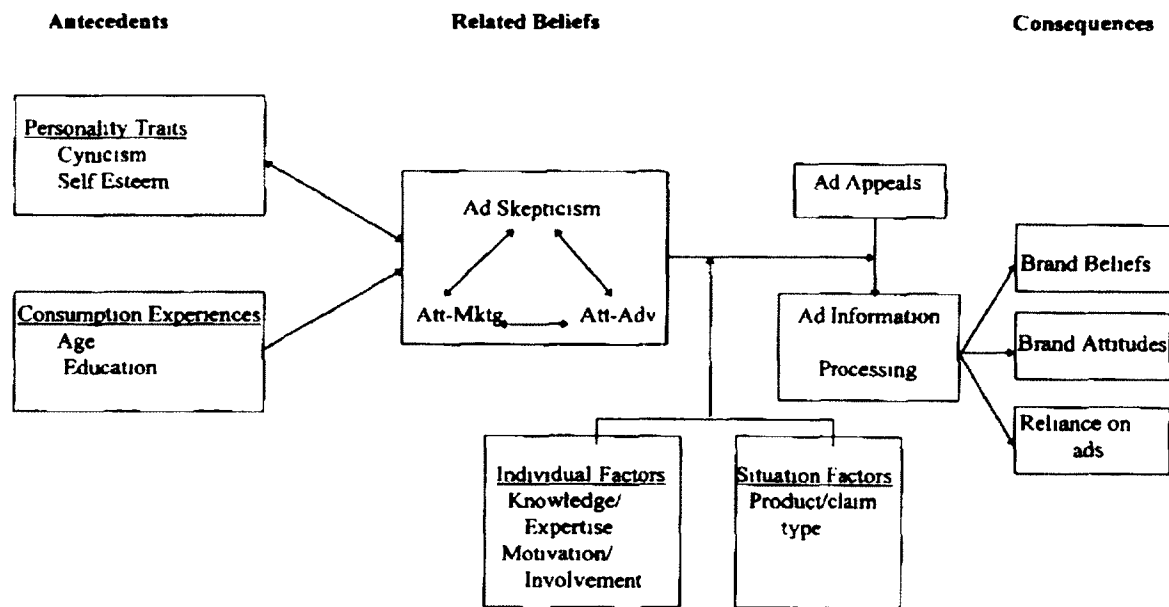
Figure 2.2 *Obermiller and Spangenberg's Proposed Nomological Net*

Obermiller and Spangenberg (2000) extended their work on Skepticism toward Advertising to include the influence of consumer socialization. They built on the ideas that persuasion knowledge develops over time (Friestad and Wright 1994) and the consumer socialization process. They looked for the intergenerational transfer of Skepticism toward Advertising between a parent and child. An interesting finding was that daughters were influenced more by their fathers than sons were by the mothers. They also compared Skepticism toward Advertising with Skepticism toward other information sources. They found that it is a separate construct and as expected, advertising was considered the least credible source of product information.

Several years later, Obermiller, Spangenberg and MacLachlan (2005) extended the work to determine if there are any consequences for marketers. Their overall purpose was to determine if consumers would not only discount the ads but attempt to avoid ads

completely. If an ad was unavoidable, then it is important to understand consumers' responses to various ad types. Three studies were conducted.

In the first study, participants responded to the advertising Skepticism scale. Four weeks later, participants were shown print ads of real products and brands. They rated the ad on likeability, believability, favorability and informational value. They then indicated interest in the product category. They found that ad Skepticism was related to responses to the ads. Product category involvement and perceived informational value as a moderating influence provided mixed results.

The second study posited that more skeptical consumers would rely less on advertising or salespeople for product information while relying more on *Consumer Reports* and specialty magazines, government sources as well as friends when making purchase decisions. They found that more skeptical consumers do avoid ads by fast-forwarding through commercials and other avoidance means. But these consumers were not more likely to read other sources of information. They did tend to ask friends and family about products. In the second study, they also asked about the use of celebrity spokespeople in ads, the use of infomercials and simple informative ads but found no relationship with Skepticism with any of these advertising methods (12).

The last study was an experiment. Subjects were shown eight television commercials for products with four informational ads and four emotional ads (ads were pre-tested and evaluated using Puto and Wells scale). As hypothesized, ad Skepticism moderated the response to appeals. Participants high in Skepticism were less persuaded with informational appeals than those low in Skepticism and they also were less persuaded with informational ads than transformational ads (Obermiller and Spangenberg

2000). But further studies need to be done due to investigate conflicting results from other researchers. Although they did not test the Skepticism toward Advertising scale, Stafford and Day (1995) and Taylor et al (1997) found that informational ads were rated more favorably than emotionally based ads. Thus, additional study is warranted. Table 2.7 provides a brief overview of research on Skepticism toward Advertising.

Table 2.7

Studies on Skepticism Toward Advertising

Author(s)	Year	Media	Purpose/Findings
Bousch, Friestad And Rose	1994	TV	Longitudinal empirical study that examined adolescents' Skepticism toward Advertising and beliefs regarding persuasion tactics.
Obermiller & Spangenberg	1998	Print	Developed a scale for Skepticism toward Advertising
Obermiller and Spangenberg	2000		Compared levels of Skepticism across generations; Overall, advertising was found to be least believable source of information. No ads were used.
Koslow	2000	vignette	Created four item Skepticism scale. Consumers may still be skeptical of honest persuasive advertising if it appears "too good to be true."
Hardesty, Carlson & Bearden	2002	Web print-out	Found consumers high in Skepticism toward Advertising are more positive toward high invoice prices when familiar with the brand.
Obermiller Spangenberg & MacLachlan	2005	Print TV	Found consumers avoid advertising when possible. More detailed analysis provided previously in lit review. Provided support for Friestad and Wright's premise that consumers and advertisers engage in continuous interactions. Used TV ads for products only.
Darke and Ritchie	2007	Print TV	After experiencing an episode of deceptive advertising students showed higher levels of overall Skepticism toward Advertising.
Vohs, Baumeister and Chin	2007		When a person feels duped, there is a negative emotional reaction that can influence cognition and motivation. Sugrophobia is the fear of being duped. Some consumers will go to great lengths ot avoid being duped and are highly skeptical of claims. Participants played a prisoner's dilemma game.

Table 2.7 (Continued)

Chen and Leu	2011	Print	Found an interaction between product involvement and Skepticism toward Advertising which had an effect on brand attitude and purchase intentions.

Skepticism Toward Advertising vs. Trust in Advertising and Advertising Credibility

A recent publication by Soh, Reid and King (2009) included a new scale, Trust in Advertising that they had developed. In their justification for the need for a new scale, they reviewed the constructs of ad credibility and attitude toward advertising in general (AG). They stated that Obermiller and Spangenberg's Scale was the same construct as ad credibility but from the opposite perspective. When Obermiller and Spangenberg presented their scale, they reviewed previous scales related to marketplace beliefs. They addressed the existence of the advertising credibility beliefs scale (MacKenzie and Lutz 1989) with the following justification:

> "First, Lutz and MacKenzie did not link advertising credibility belief with past experiences and information, which we see as the essential antecedents to advertising Skepticism. Second, the only consequence of ad credibility they identified is an effect on attitude toward the ad. We propose that Skepticism directly affects brand perceptions by influencing response to ad claims. We agree with their model's specification that Skepticism may influence brand attitude peripherally, but we believe that the direct link between ad Skepticism and brand perceptions is more important" (Obermiller and Spangenberg 1998, 168).

Soh et al (2009) provide their argument that there is a need for a new scale measuring trust in advertising. They proposed a multi-dimensional scale with the following dimensions: 1) reliability, 2) usefulness, 3) affect, and 4) willingness to rely on

advertising. They provided as a justification for this new scale the need to include ad trust when researching advertising credibility and attitude toward advertising in general. Yet, it is possible to disagree with the need for a Trust in Advertising scale when 60 years of research has consistently shown that 70% of consumers are skeptical of advertising (Calfee and Ringold 1994). Additionally, this idea is not congruent with the PKM, a well-accepted model within the advertising literature. For this reason, this research is concerned with reducing Skepticism rather than attempting to increase trust.

Defining Retailers

In their undergraduate textbook, Berman and Evans provide the following definition for retailing:

> "Retailing encompasses the business activities involved in selling goods
>
> and services to consumers for their personal, family, or household use. It
>
> includes every sale to the final consumer-ranging from cars to apparel to
>
> meals at restaurants to movie tickets. Retailing is the last stage in the
>
> distribution process." (2010, 4)

Some of the business organizations that Berman and Evans included are web-based retailers, direct marketing organizations, direct selling organizations, and service providers including medical providers and legal counsel.

While this definition may work in the classroom for teaching, it is too broad for the purposes of this study. The National Retail Federation is the largest retail trade association in the world and represents "department stores, specialty, apparel, discount, online, independent, grocery and chain restaurants, among others" (National Retail Federation 2012). As a trade association, they benefit by appealing to many retailers but

they also recognize that different business types do have different needs. The NRF has a division specifically tooled to meet the needs of restaurants called the National Council of Chain Restaurants (NCCR). The variety of organizations represented by NRF is also too broad for this study.

Bucklin (1962) stated that the classification of goods could be extended to the classification of stores providing a tool to assist in developing retail strategy. Service-dominant logic and its focus on the "co-creation of value has emerged as an important theory in marketing (Vargo and Lusch 2008) and for many studies it's focus on the "service aspect" is important and applicable. In many instances, departing from a "goods-based" logic is appropriate. But for the purposes of this research, it is important to differentiate between advertising for retail services and goods-based retailers which hereafter will be referred to as "retailers."

Retailer Advertising

When Zinkhan, Johnson and Zinkhan (1992) conducted their content analysis of television advertisements, they referred to service institutions and retail institutions (which were goods-based). They compared the classification schemes of Puto and Wells (1984) and Hefzallah and Maloney (1979) for retail institutions, service institutions and products. They found that while services and products typically used very different strategies, retail institutions shared characteristics with both; however, they also stated emphatically that retail advertising should not be considered a "hybrid." Zinkhan et al (1992) state that an important difference for retailer advertisements is that "the emphasis is on buying one or more brands from a particular seller in cases where the brands arc

available from several sources" (p. 62). For the purposes of this study, the retail institutions selected will be those which are goods-based.

To date, the advertising literature specific to retailers is relatively small. Much of the advertising research has focused on advertising of product categories and specific brands. An article in *Journal of Retailing* (Grewal and Levy 2007) reviewed all the articles published in the journal for the period of 2002-2007, revealed only 19 out of 164 addressed promotional issues and none of those addressed television advertising. Grewal and Levy, as departing editors, suggested that further research on retailer advertising is warranted. Due to the lack of research that focuses solely on traditional retail institutions, this research will focus on goods-based retailers.

Additionally, the purpose for advertising is very different for retailers and manufacturers. In their review of retailer research, Ailawadi et al (2009) suggested that retailer advertising was warranted separated research due to the differences in goals, tools and outcome measures used by retailers vs. manufacturers (Table 2.8).

Table 2.8

Advertising for Retailers vs. Manufacturers

Retailers

> *Goals:* Maximize Corporate, Chain, Store, Category, Private Label and Customer Profits

> *Tools:* Store and Private Label Advertising, Feature Advertising

> *Outcome Measures:* Store Traffic, Sales/Sq. ft., Store Share, Profit, Store Satisfaction, Share of Wallet

Manufacturers

> *Goal:* Maximize Company, Category and Brand Profits

> *Tools:* Brand Advertising, Consumer Promotion, Trade Promotion, Sales Force, Public Relations

> *Outcome Measures:* Sales, Market Share, Margin, Profit, ROI, Brand Equity and Shareholder Value

But even though it has received some attention, most research in retailer advertisements has been based on print ads with a focus on prices within those ads (Biswas and Blair 1991) (Bobinski Jr, Cox and Cox 1996) (Howard and Kerin 2006). These results cannot be generalized to television advertising due specifically to the differences in how consumers process information from different media types (Belch and Belch 2012). Print ads require higher levels of involvement and cognitive resources and are self-paced, whereas, television advertising is low involvement, externally paced and is media rich.

As stated previously, the goals of retailer advertising are very different than those for manufacturers. Frequently, clearance sales are needed for reducing inventory. In retail clothing stores, most merchandise is seasonal which means there will be a need for

a clearance sale (Smith and Achabal 1998). The words used in a promotion, the semantic cues, can affect purchase intentions. Emphasizing paying less vs. saving more was found to increase willingness to buy for consumers who had pre-purchase intentions (Xia and Monroe 2009). Promotions increase consumers' sensitivity to price and promotions (Jedidi, Mela and Gupta 1999). When promotions are frequent, consumers will wait to make a purchase until there is another price promotion (Mela, Gupta and Lehman 1997). Advertisements that feature both limited time availability and reference prices positively affect consumer price perceptions and shopping intentions whether the consumer was shopping for a product or not (Howard and Kerin 2006).

Of the different types of retailers, grocery stores have received a great deal of the attention in the retail advertising literature. Moriarity (1983) examined 94 weeks of scanner data from five grocery stores as well as the newspaper advertising used by the individual stores. He compared sales for a product to determine if there was a difference in sales for a price-promotion when the store also featured the item in newspaper advertising and when the retailer offered a price-promotion on the product but did not have additional featured advertising. He found an interaction between retail price and newspaper feature advertising which suggests that sales do benefit from newspaper advertising of sale items.

Zinkhan et al (1992) conducted a content analysis and compared the use of informational vs. transformational ads for product, services and retailers and found that informational ads were used more frequently than transformational ads for all three categories. For their categorization, raters were instructed to label an ad as informational, transformational, or neither. Their methodology follows more of the criteria of Resnik

and Stern (1977) which required the presence of only one piece of information for an ad to be classified as informational, which is not congruent with the informational/transformational framework suggested by Puto and Wells (1984) that states ads are either primarily informational or transformational but not a pure dichotomy. They also stated that the differences among product, services, and retailer advertising are great enough that the three categories should be divided in studies.

Stafford and Day (1995) looked at appeal type and media type for retail services. They pointed out the lack of research into retail services advertising and that the few studies that had been conducted produced conflicting results. They used a 2 x 2 x 2 (service type: experiential vs. utilitarian; message appeal: rational vs. emotional; medium: radio vs. print) between subjects experimental research design. Dependent variables were retail patronage intentions and attitude toward the ad, and attitude toward the service (type). They found that a radio ad was more favorable for both types of services and that rational appeals were also more favorably received. These results are not in agreement with those of Obermiller, Spangenberg, and McLachlan's (2005) Skepticism study which found that emotional appeals were more favorably received by consumers. Stafford and Day (1995) also did not find an interaction between medium and appeal type that had been found in previous studies that used products. These conflicting results between studies that focus on retailers vs studies that focus on products suggest that further research is needed for retailer advertising and that research at the product/brand level should not be generalized to retailers.

Retailers need to use advertising strategies that are consistent with the positioning of the store. Lincoln and Samli (1981) suggested that attribute advertising by retailers

could improve store image. These attributes could include prices, customer service qualities and general attributes of the store. Their research design, by their own admission was flawed, thus, the results were inconclusive. Yet this is consistent with Martineau (1958) who included advertising as one of the elements of the personality of the retail store. Manolis, Keep, Joyce, and Lambert (1994) developed a three-dimensional scale for retail store image with the following dimensions: a general store attributes dimension, an appearance-related dimension, and a salesperson/service dimension. Advertising was not included.

When advertising a discount or sale, retailers need to be careful not to hurt their image. Schindler and Kibrarian (2001) found that when high quality retailers use the 99 ending, it has a negative effect on their overall quality image. Rajiv, Dutta, and Dhar (2002) found that high-quality stores benefit more from offering lower discounts more frequently. Discount stores benefit more from offering a deeper discount less frequently. Before beginning their data collection, they conducted interviews with 50 shoppers and asked how they made their store selection. These interviews revealed that many consumers do use print advertisements when deciding where to shop for a certain product category such as clothing. Their analysis was based on six months of print advertisements for six leading department store chains and two leading discount store chains. They also used data from *Consumer Reports* for measuring In-Store Service. They found that a store's service level was positively related to the frequency of discounts and negatively related to the depth of discounts.

Price-matching guarantees in retailer advertising have also become a popular area of research. When a retailer offers a wide assortment of brands consumers are more likely

to shop at the retailer; whereas, when the retailer's merchandise assortment is composed mostly of private labels that do not fit the criteria for price-matching, consumers perceive the guarantee to be a gimmick and less likely to shop at the retailer (Kukar-Kinney, Xia and Monroe 2007).

Retailer advertising has had a great deal of research over the years; however, TV advertising research has been lacking. Due to the difference in how consumers process the information in different types of advertising it is important to study the media separately. TV ads are low-involvement but also more media rich, whereas, print ads require more cognitive resources and are externally self-paced (Belch and Belch 2012). An overview of retailer advertising (Table 2.9) reveals that TV advertising research is lacking despite the differences in consumer information processing.

Table 2.9

Retailer Advertising Research

Author(s)	Year	Media	Purpose/Findings
Doyle and Fenwick	1974-75	Newspaper	Found an interaction between store size and level of advertising at local level. Used one retail chain in the UK. Looked at overall sales for the retailer.
Fry and McDougall	1974	Newspaper	Found that the previous experience and knowledge of a retailer did affect consumer's perceptions of advertised prices.
Berkowitz and Walton	1980	Newspaper	Comparison cues are positively viewed, whereas, semantic cues effects vary and are dependent on the stimuli.
Blair and Landon	1981	Fictitious Newspaper	Consumers discount reference price claims of savings but still believe some savings to occur when reference price is used.
Wilkinson, Mason and Paksoy	1982	Newspaper	Found an interaction between price reductions and in-store displays. Advertising was significant only as a main effect. They suggested more research was needed on the interactions between the three main effects in their study.

Table 2.9 (Continued)

Moriarity	1983	Newspaper	Found an interaction between price promotion and featured advertising for grocery store sales in a product category.
Urbany, Bearden and Weilbaker	1988	Newspaper	Used Adaptation Level and Assimilation-Contrast theories. Found that exaggerated reference prices could actually increase purchases. (Pre-Internet and easy price searches).
Biswas and Blair	1991	Print	Type of store (discounter or non-discounter), plausibility of reference price, and familiarity with brand influence consumer's perceptions of savings and shopping intentions.
Lichtenstei n, Burton and Karson	1991	Newspaper	Found conflicting results regarding semantic cues influence on consumer perceptions of ad prices at various levels of plausibility.
Burton, Lichtenstei n, Biswas and Fraccastoro	1994	Print	The attributed reason for the sale price influenced consumer perceptions of value, attitude toward the ad and shopping intentions.
Stafford and Day	1995	Print Radio	Found that rational appeals were better received and that radio ads were more likely to influence patronage intentions for retail services.
Kaul and Wittink	1995		Advertising that focused on price increased price sensitivity. An exception was Value Pricing.
Bobinski, Cox and Cox	1996	Fictional Print ad	Found that perceived store credibility was influenced by the rationale for the advertised sale price.
Grewal, Krishnan, Baker and Borin	1998	Print ad	Tested a model of effects of discount, price, brand name, store name, perceived store image and brand quality, reference prices and perceived value on purchase.
Berkowitz, Allaway and D'Souza	2001	Radio and Billboard	Found that radio ads had longer lag effect on sales than billboard ads.
Schindler and Kibrarian	2001	Newspaper	The 99 cent ending conveys lowest sale price and is favorable for retailers; however, it can also affect the perception of quality of the retailer.
Alford and Biswas	2002	Print	Retailer name was blocked. Extended reference price advertising research to include the individual variables of price consciousness and sale proneness.

Table 2.9 (Continued)

Rajiv, Dutta and Dhar	2002	Newspaper	Found that frequency and depth of discount was related to level of service for department and discount stores.
Krishnan, Biswas and Netemeyer	2006	Print Display	Concrete cues are more effective.
Schindler	2006	Newspaper	Found that a 99 price ending was perceived by consumers to indicate a low-price whereas the 95 price ending did not. Other endings had some evidence of meaning but need further study.
Kukar-Kinney, Xia and Monroe	2007	Scenario	Price-matching guarantees serve as a signal for competitive pricing. Enhanced overall perception of fairness as long as an assortment of national brands was carried as well. Consumers' perceptions of store motives have a significant effect on perceived price fairness.
Ho, Ganesan and Oppewal	2011	Internet	Low-price guarantees (LPG) may trigger more searches but a credible LPG will create a more favorable image than a credible Always Low Price ALP).

Retail Store Patronage Intentions

Previous research has suggested that there are three main components to store patronage intentions: 1) retailer's store image, 2) quality of merchandise/brands, and 3) price/promotions (Grewal, Krishnan, et al. 1998). Advertising plays a key role in informing consumers of these three components. Its ultimate purpose is to stimulate and enhance sales (Stafford and Day 1995). Thus, it is important for retailers to know which type of advertising is likely to influence retail patronage intentions and which type is mostly to be negatively affected by the consumer's Skepticism toward Advertising. Yet, despite Martineau's inclusion of advertising in the store's image, most research has ignored advertising's impact on patronage intentions. Hopkins and Alford (2001) provided a review of the research of the retail image construct and found seven

dimensions that had been used over the years to measure image but advertising had not been included. A meta-analysis of the determinants of retail patronage also did not include advertising (Pan and Zinkhan 2006). Including patronage intentions in the model provides an opportunity for Martineau's inclusion of advertising to be empirically tested.

Perceived Store (Retailer) Credibility

Retailers use advertising to convey a certain image to customers. But there are several components in retail store image. Martineau (1958) was the first to suggest that a retail store has a personality (most researchers refer to store image). He suggested four elements: 1) layout and architecture, 2) symbols and colors, 3) advertising, and 4) sales personnel. Stanley and Sewall (1976) as well as Doyle and Fenwick (1974-1975) argued that store image is not merely a function of advertising and creative promotions. Keaveney and Hunt (1992) reviewed the research on retail store image and suggested that the focus on attributes as components of retail store images created problems with conceptualization and operationalization in empirical studies. Manolis, Keep, Joyce and Lambert (1994) developed a scale for measuring retail store image that had three dimensions: 1) general store attributes dimension, 2) appearance-related dimension, and 3) salesperson-service dimension. Thus without measuring the other attributes of retail image, it is not theoretically sound to attempt to link the type of advertising to retail image. Although, advertising is not the only element of a retailer's overall image, it plays an important role. Martineau (1958) states that shoppers can make symbolic judgments regarding the image based on viewing store advertisements. It is a "valuable tool for building company or brand equity as well as it is a powerful way to provide consumers with information as well as to influence their perceptions" (Belch and Belch 2012, 19).

Deceptive advertising practices diminish the overall image but especially the credibility of the store. Bobinski, Cox and Cox (1996) found that if an item was offered at a lower than expected price, perceived retailer credibility was not diminished when advertised as a reduction or as a special event. They suggested future research should examine differences in type of store as well as levels of consumer Skepticism toward moderate reference prices used in advertisements for sales.

Attitude Toward the Advertiser and Attitude
Toward the Advertisement

The theory of planned behavior suggests a relationship between consumers' Attitude toward the Ad and Attitude toward the Advertiser. Although the PKM had not been conceptualized when Mackenzie and Lutz (1989) proposed their structural model, it is compatible with the model. Past experiences and information were found to influence ad claim discrepancy, advertiser credibility, and advertiser perceptions. Through indirect paths all of these variables influenced Attitude toward the Ad and all but ad claim discrepancy had an indirect path to Attitude toward the Advertiser. With well-known retailers, and using the PKM as a theoretical framework, it can be suggested that the target (consumer) is using the agent (retailer) knowledge structure and persuasion knowledge structure concurrently. Ahluwalia and Burnkrant (2004) found an interaction between agent knowledge and persuasion knowledge which besides finding empirical evidence to support this, makes sense intuitively.

When the Persuasion Knowledge Model is utilized as the theoretical framework, then it is possible that all the relationships can be studied concurrently and without direct paths indicating causality. This is due to the PKM's conceptualization that emphasizes

that consumers may switch between knowledge structures automatically and without even realizing it. It is important to understand the effect that Ad Type has on Attitude toward the Advertiser and Attitude toward the Advertisement but also, that Attitude toward the Advertisement could have an effect on Attitude toward the Advertiser and Perceived Retailer Credibility. These should not necessarily be considered one-way relationships. Additionally, Russo and Chaxel (2010) found that people were unaware that commercials that they viewed on a daily basis actually did have an indirect influence on their choices. Seeing ads over a period of time can indirectly influence an individual when suddenly the need to make a consumer choice arises. Lagged effects of advertising have been found to occur for numerous media types (Berkowitz, Allaway and D'Souza 2001). The PKM incorporates a consumer's (target's) accumulated knowledge which will include information and opinions developed from the viewing of ads.

The nomological net for Skepticism toward Advertising includes Attitude toward the Ad and Attitude toward the Advertiser. The ultimate purpose of its conceptualization was to determine consumers' responses toward advertising and specific ad types with a special focus on informational claims (Obermiller and Spangenberg 1998).

Research Questions and Model

After reviewing the literature, it became apparent that many questions regarding consumers' perceptions and attitudes toward retailer advertising were left unanswered. Additionally, concern was raised regarding current typologies and terminologies and the applicability to retailers since those typologies had been developed for advertising for manufacturers. As noted in the literature review, the differences in the goals, tools and outcome measures for retailers vs. manufacturers suggests that separate research is

warranted (Ailawadi, et al. 2009). Thus, there are many questions that need to be answered. The following section presents these questions.

RQ1: Are any of the current typologies for advertising applicable to retailers since most were developed while focusing on product/brands advertisements?

RQ2: For retailers, should the informational/transformational matrix be changed to informational/emotional?

RQ3: What are the most commonly used types of information and appeals?

A perusal of the literature yielded mixed findings regarding consumers' perceptions of informational vs. emotional appeals. Stafford and Day (1995) found rational appeals for services in print and radio ads were evaluated more favorably than emotional appeals. Basing their research on Hofstede's individualism/collectivism dimension of culture and Hall's description of the United States as having low cultural context, Taylor, Miracle and Wilson (1996) found that US consumers had more positive attitude toward the ad and the advertiser when informational ads were used. Obermiller and Spangenberg found emotional appeals reduced the negative influence of Skepticism toward Advertising on Attitude toward the Ad and Attitude toward the Advertiser. Heath (2011) reviewed JAR articles over the past 50 years and found some mixed but more recent research indicates emotional appeals that are more creative are more effective. The discrepancies in the findings of these studies suggest that further investigation is warranted.

Previous research based on sorting theory has shown that consumers can lower search costs for quality information by saving consumers the trouble of directly inspecting quality information on products (Suri, et al. 2011, 2). Sorting interacts with customer motivation and influences price perceptions. Retailers who do not rely on a price based appeal, could benefit by presenting merchandise by brand assortment rather than price.

RQ4: Previous research has yielded conflicting results as to which type is viewed more favorably by consumers (Obermiller, Spangenberg and MacLachlan 2005) (Stafford and Day 1995). By manipulating the advertising strategy (appeal type and content) can the advertiser reduce the negative influence of Skepticism toward Advertising on Attitude toward the Ad, Attitude toward the Advertiser, Retail Patronage Intentions and Perceived Retailer Credibility? Is there an interaction between Ad Type and the level of Skepticism toward Advertising (Figure 2.3)?
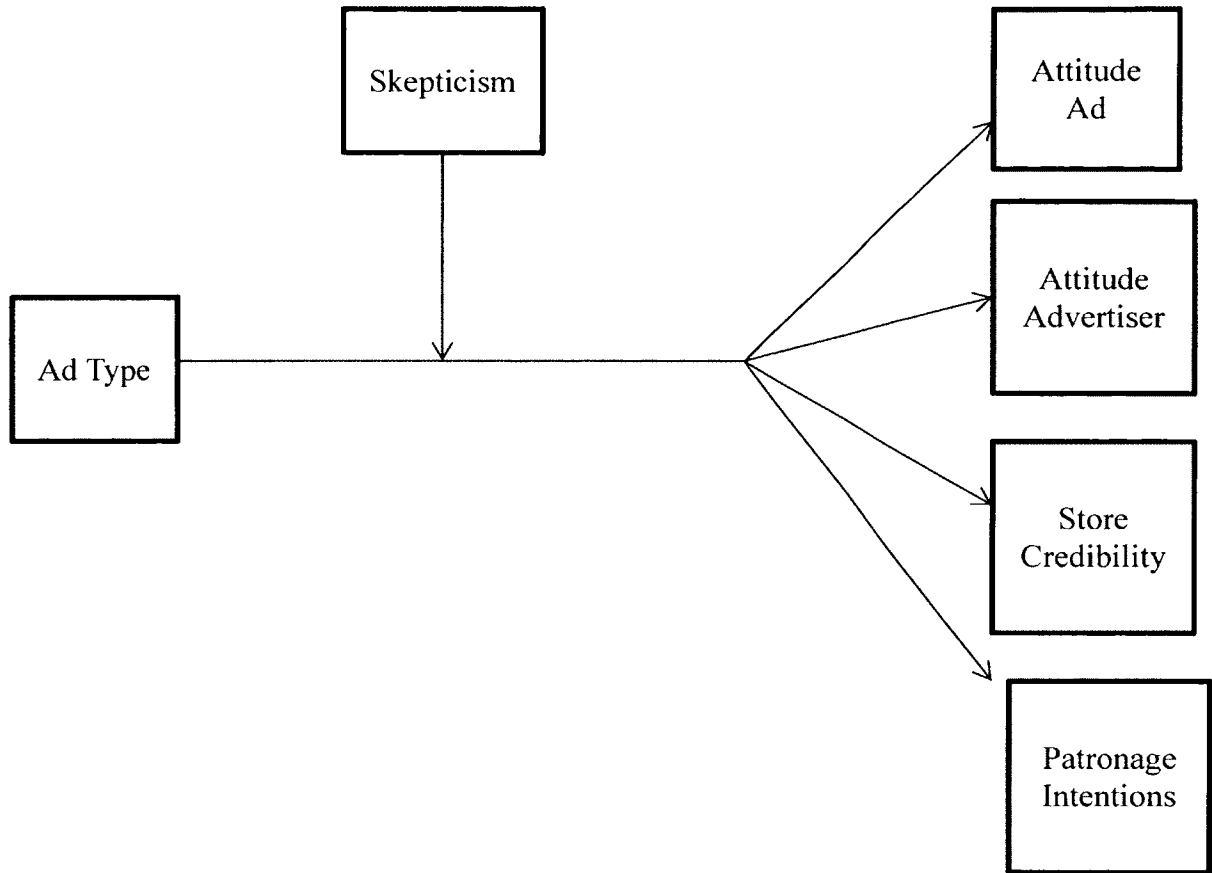
Figure 2.3 *The Moderating Effect of Consumer's Skepticism Toward Advertising*

This research focuses on the target's response to the persuasion attempt. It incorporates some, but not all, aspects of the three knowledge structures. Agent knowledge will be addressed by measuring shopping experience with the retailer. Skepticism toward Advertising does measure the persuasion knowledge of the participant specific to advertising and is the main purpose of this research. Topic knowledge will be addressed by measuring how knowledgeable the participant is of the retailer. Incorporating all three structures in one study will be an important contribution of this research.

Consumer's perceptions of various informational cues are important for advertisers to understand. Lichtenstein, Burton, and Karson (1991, 380) investigated the "semantic cues" or the "particular phrases that advertisers use to give additional meaning to prices provided in reference price ads in reference price advertising. Burton, Lichtenstein, Biswas, and Fraccastoro (1994) found that the information in the advertisement did affect consumers' Attitude toward the Ad and Shopping Intentions. Lichtenstein, Burton, and Karson (1991, 380) investigated the "semantic cues" or the "particular phrases that advertisers use to give additional meaning to prices provided in reference price ads in reference price advertising." Thus, understanding whether specific phrases in sales advertising messages warrants further investigation.

Furthermore, Betts and McGoldrick (1995) discuss the "perpetual sale" and increased consumer Skepticism (general). Alford and Engelland (2000) based their research on social judgment theory and found the plausibility of reference prices positively influenced consumers' perceptions of value and reduced further search intentions. Retailers who consistently advertise "sales" risk having consumers' reference prices decrease. When consumers see advertising that seems to appear every weekend claiming that this weekend is "the biggest sale of the season" or "the lowest prices of the season" they may begin to perceive the implausibility of the biggest sale occurring every weekend. Kirmani (1997) found that although increased repetition initially served as a signal of quality, excessive repetition led to an inverted-U relationship. Excessive repetition led consumers to believe that the product was inferior. When excessive sales are advertised, consumers may begin to believe that the retailer is either a discounter or over-pricing the merchandise to then offer it at a sale price.

RQ5: Are consumers more skeptical of certain phrases that have been over-used in retailer advertising in general and by a retailer in numerous advertisements over a period of time? (Biggest sale of the season, lowest prices, etc.)? Stayman, Aaker, and Bruzzone (1989) "overuse of certain types of executions may lead to their being less effective" (p.26).

These five research questions and the proposed model are addressed in the next three chapters. Appendix A contains the content analysis criteria by Taylor et al (1997) that incorporates the list by Resnik and Stern (1977). Appendix B contains the list of ads used in the content analysis. Appendix C contains the instruction booklet provided to the judges for the content analysis. Appendix D contains the evaluation sheet used by the judges. Appendix E contains the measurement instruments used in Studies 2 and 3. Appendix F contains the descriptions and links to YouTube for the ads used in Studies 2 and 3.

CHAPTER 3

RESEARCH METHOD

This chapter presents the research method used in this work. The study used both qualitative and quantitative methods. The purposes of each study, the processes for data collection and the methodologies for analyzing the data are presented.

Research Design Overview

In order to address the research questions presented here, it was necessary to conduct three separate studies. Each study builds on the results found in the previous study; therefore, the studies follow a chronological progression.

Study One: This study utilized content analysis as a method for studying retailer advertising. Three trained judges were provided with the supporting materials needed to analyze the ads in this study. This Study addressed Research Questions 1, 2 and 3.

Study Two: This study was conducted with the goal of providing confirmation for the findings of Study 1. Two different samples were used to test the same instrument on a variety of ads. Study 2a used a student sample and Study 2b used a convenience sample recruited via email and Facebook. Study 2 also addressed Research Questions 1 and 2.

Study 3) This study employs a national online panel and addresses Research Questions 4 and 5. MANOVA is used to test model first presented in Chapter 2, Figure 2.3.

Study 1: Content Analysis

The purpose of Study 1 was to answer the following research questions:

1) For retailers, should the informational/transformational matrix be changed to informational/emotional?

2) What are the most commonly used types of information and appeals?

Additionally, the evaluation served as the basis for selecting the ads used in Study 2 and Study 3.

Data Collection and Sample Description

The research project began by conducting a content analysis based on the methodology suggested by Kassarjian (1977). He defined content analysis as "a scientific, objective, systematic, quantitative, and generalizable description of communications content" (Kassarjian 1977, 10). A convenience sample of television ads for selected major retailers in the United States was analyzed. The steps for conducting a scientific content analysis according to Kassarjian were followed.

The first step was to select a large enough reasonable size sample of retailers. The retailers in the table below were selected using three criteria:

1. The retailers appeared on the Advertising Age 100 Leading National Advertisers for 2010 list. Some of the retailers listed are part of retail group such as Wal-Mart Stores, Sears Corp., Macy's, Kroger Co., GAP Inc. and The Limited. Key numbers are provided in Table 3.1.

2. The retail organization is a goods-based retailer and not a service-based retailer.

3. The retailer spent 10% or more of their total advertising budget on television advertising. Only one retailer, Fry's Electronics (#99 on the list) was eliminated from the list due to these criteria. Fry's spent less than 1% of their total advertising budget on television commercials. Fry's was the only retailer on the list that did not have a YouTube channel that showed their ads.

Table 3.1

Retailers and U. S. Advertising Expenses 2010 (in millions)

Rank on 100 list	Retailer	Total Advertising Dollars	Dollars On TV	% on TV
7	Wal-Mart Stores	2,055.3	524.3	25.5
15	Sears Corp.	1,778.6	470.7	26.5
18	Target	1,508.0	337.5	22.4
19	Macy's	1,417.0	281.0	19.8
25	JCPenney Co.	1,317.0	214.5	16.3
31	Kohl's Corp.	1,017.0	159.2	15.7
49	The Home Depot	768.7	288.9	37.6
56	Best Buy Co.	666.5	147.3	22.1
66	Kroger Co.	533.0	59.0	11.1
70	Amazon	486.8	83.0	17.1
72	Walgreens	468.0	101.6	21.7
79	Limited Brands	435.5	57.6	13.2
90	Gap Inc.	413.3	199.4	48.0
99	Fry's Electronics	348.0	1.5	.00043

The second step was to determine the unit of measurement. This study analyzed the framing of the advertisement and the advertisement was the unit of measurement. Videos of commercials found on YouTube were viewed for the content analysis. All ads downloaded from YouTube were the same version that was shown on TV. No extended

versions were used. When possible, ads for every store name included within the company were used (i.e., GAP Inc. includes Old Navy and Banana Republic). Since each retail organization within a parent-company has its own business strategy, some of the organizations may not be represented within the sample. Recent ads as well as older ads were selected with the intent of trying to select a variety of both informational and emotional ads; however, emphasis was placed on selecting the more recent ads. The ad with the highest number of views on the retailer's official YouTube channel was always selected for the retailer. Since retailers vary in their strategies of developing new ads, and replay older ads, it was important to not focus on only the most recent ads. If that strategy were to be used, then the ads would only cover a very short time period since some retailers constantly change the ads shown on TV. The intent of this research was to look at a wide variety of ads. Ads were selected for each typical "sales" season (i.e Black Friday/Christmas, Back-to-school) as well as non-seasonal ads. A full list of the ads is provided in Appendix B.

This was not a probability sample; however, none of the studies listed in the literature review used a probability sample. All were convenience samples simply because regardless of the parameters that are set for selecting TV ads, due to the sheer number, the sample cannot be considered a probability sample. Previous research has been based on the access that researchers had to either a marketing research company (Aaker and Norris 1982) or arbitrarily selecting viewing times to record on specific stations (Laskey, Fox and Crask, Investigating the Impact of Executional Style on Television Commercial Effectiveness 1994) or were merely selected by the researchers based on their pre-determined criteria (Taylor, Miracle and Wilson 1997).

The third step was to train the judges to categorize the content based on predetermined rules. Judges participated in two hour sessions during which they viewed the ads as a group. Judges were instructed not to discuss the ads but rather, to work independently. The judges were provided with written instructions as well as evaluation sheets to use for each ad viewed. The instructions included any definitions that the judges need to perform the content analysis as well as the criteria listed later in this chapter. The instruction booklet may be found in Appendix C. The use of an evaluation sheet ensured consistency in the content analysis and may be found in Appendix D. Judges attended a two hour training/practice session. At this session, judges were able to ask questions and were provided with any necessary clarification regarding the instructions.

The evaluation sheet has three parts. Part A assisted the judges in evaluating the informational content of the ads. Judges were trained on how to include additional criteria they might find and this was evaluated for inter-judge reliability. Part B addresses the emotional appeal of the ad. Part C includes the Puto and Wells matrix with directions for the judges to place the ad in a quadrant. For high emotion ads, the judges then evaluated whether the ad met the criteria of a transformational ad. None of the judges made notes that suggested that a low emotion ad should have been evaluated as transformational.

The rules for Part A were based on the criteria for an informational ad as suggested by Resnik and Stern (1977). This set of criteria has been used in over 60 studies (Abernethy and Franke 1996) with success; however, only seven of the 14 were applicable to retailers. When Resnik and Stern conducted their study, they included "institutions" but out of 378 ads evaluated, only 24 were for institutions and only six of the criteria appeared. They did not list which criteria were found or a full list of

institutions. In the replications and extensions of their work, the criteria have typically been used to evaluate specific products rather than retailers; therefore, there was the possibility that new evaluative criteria would be discovered in the content analysis.

The list of criterion was expanded to include the additional items suggested by Taylor, Miracle and Wilson (1997) that were applicable to retailers. Items were adapted for use with retailers. The full list of original items from Resnik and Stern (1977) and Taylor, Miracle and Wilson (1997) may be found in Appendix A. The name of the retailer was not considered an informational item but the names of brands carried by the retailer were considered to be so and judges were so instructed. This was important for the judges to understand since Resnik and Stern stated that the brand name of the product being advertised was not an informational cue. For this study, the retailer was considered the brand per Resnik and Stern but the brands carried actually met the criterion of variety of product. Here are the criteria and definitions used in this study:

1. *Price-* Refers to the amount the consumer must pay for the product or service; may be in absolute terms, like a suggested retail price, or relative terms.

2. *Value-* Refers to some combination of price and quality or quantity, as in better quality at a low price or best value for the dollar. This can also include Every Day Low Pricing by retailers.

3. *New Ideas-* Refers to any information about a new way to use an established product or to a completely new idea.

4. *Availability-* Any information concerning the place(s) where the consumer may purchase or otherwise obtain the product; for example, "available in supermarkets." This could also include website information.

5. *Quality-* Refers to how good the product or service is; may refer to craftsmanship and/or attention during manufacture, use of quality (i.e.,

better, best) ingredients or components, length of time to product the product.

6. *Economy/savings-* Refers to saving money or time either in the original purchase or in the use of the product relative to other products in the category. May be in the form of percent off or sale price.

7. *Variety of the product-* Refers to claiming for or featuring more than one type of product. This could include variety of products/brands carried.

8. *Special offer or event-* Information concerning special events such as sales, discounts or percent-off sales, contests, two-for-one deals, premiums, or rebates that occur for a specified period of time. Rewards programs and incentives such as department store "cash" or "points" are also included.

9. *Company information-* Refers to any information (e.g., size or number of years in business) about the image or reputation of the company that manufactures or distributes the product.

10. *Characteristics or image of users-* Refers to any information concerning the type(s) of individual(s) who might use the advertised product. This includes individuals who shop at the stores.

11. *Guarantees/warranty-* Refers to any information concerning the presence of a guarantee or warranty. This applies to supplemental warranties that are in addition to manufacturer warranties. It also includes "low price" guarantees.

12. *Use occasion-* Information that clearly suggests an appropriate use occasion or situation for the product; for example, "buy film for the Christmas season," "enjoy Jello at a birthday party." This includes seasonal shopping.

13. *Other- please describe.*

In addition to the previously used categories, the judges were provided with space to describe any piece of information which did not meet the parameters listed above

(shown as item 13). One of the criticisms of the existing typologies was that their development was based solely on pre-determined categories (Aitken, Lawson and Gray 2003). Including the "other" option addressed this criticism and provided the opportunity for criteria to emerge that may be used in future research on the development of a retailer advertising typology.

Resnik and Stern only required that one information item be present in order to classify it as an informational advertisement when they reviewed TV advertising. Obermiller and Spangenberg required three items (1998) but their study was based on print advertisements which due to the format are more conducive to information claims. A specific number of items were not be required for an ad to be evaluated as high information. Since judges placed the ad in a quadrant of the matrix immediately after evaluating the criteria, they were able to make an immediate judgment which assisted them in most appropriately rating the ad since recall was not necessary. Since there was no lag time and the judges could request that the ads be repeated as necessary, the final placement was left to their judgment.

Judges indicated whether the informational cues were presented audibly, visually, or both. Resnik and Stern (1977) stated that cues could be presented through audio or visual stimuli but did not provide any data that differentiated between the two. Previous research on product placement has found that viewers do respond differently to audio-visual vs. visual only product placement (Brennan and Babin 2004). This information was noted in order to be available for any post hoc analysis in Studies 2 and 3.

In Part B, the judges were also directed to evaluate the ads on the type of emotional appeal used. Judges indicated whether they believed the advertiser's intent was

to evoke an emotion reaction. Their instructions and training emphasized that ads were not to be evaluated based on their own feelings but rather perceived advertiser intent. They were provided with the following categories: Humor, fear, joy, excitement, sex and self-esteem which are commonly used appeals that appear in marketing textbooks (Belch and Belch 2012) (Shimp 2010). Other-please describe was also offered with a space to write a description in order to explore whether other feelings were evoked that were not identified in previous research.

Part C required the judges to rate the informational/emotional content of the ad. In Chapter 2, the framework developed by Puto and Wells was reviewed. The literature has examples of the informational/emotional dichotomy and others have used informational/transformational. Based on the definitions provided by Deighton (1988) and Aaker and Stayman (1992) emotional and transformational should not be considered as inter-changeable; however, it is a frequent occurrence and their work is often ignored in the transformational and emotional research. Obermiller, Spangenberg and MacClachlan (2005) referred to the informational/transformational dichotomy and then substituted emotional for transformational without any justification for doing so when using the Puto and Wells (1984) scale. According to the Puto and Wells framework, ads may contain elements of each but should be considered as *primarily* informational or transformational. Judges were instructed to place the ad in a quadrant in the matrix found in Figure 3.1.

	Low Emotion	High Emotion
High Information	High Information/ Low Emotion	High Information/ High Emotion
Low Information	Low Information/ Low Emotion	Low Information/ High Emotion

Figure 3.1 *Adapted Puto and Wells' Matrix*

In Part C, when a judge categorized an ad as high emotion, the judge was directed to look at the definition for transformational and then determine if the ad should be categorized as transformational. The purpose was to determine whether informational /transformational should be used or if it should be informational/emotional and if the terms should be considered inter-changeable. When final analysis was conducted, if the majority of the ads were evaluated as transformational then consideration was given to the inter-changeability of the terms. If the majority of the high emotion ads were not categorized with consistency as transformational, then in future research, consideration should be given to the idea that transformational advertising is a sub-category of emotional advertising. Chapter 4 provides these results. Inter-rater reliability was carefully reviewed for these ads and the use of three judges ensured that no tie votes occurred.

After viewing each ad twice, judges used as much time as necessary to evaluate and categorize each ad. The first time they watched the ad, they were instructed not to write anything but merely to focus on the ad. While watching the ad the second time, they were instructed to write a "V" for visual cues and an "A" for audible cues under the appropriate criterion provided in Section A. If a judge requested to view an ad again, the

ad was shown as many times as the judge requested. For each ad, each judge independently evaluated and categorized the ad on a separate evaluation sheet. Ads were selected by the researcher with the intention of selecting a variety of ads from each retailer on the list. Ads by the same retailer were not shown back-to-back. Sessions did not last for a period longer than two hours in order to prevent burn-out during the sessions.

The last step according to Kasserjian (1977) is to use the data for statistical analysis. In order to be able to use the data, the procedures listed above were used in order to ensure reliability. Reliability is essential for the study to meet the standards for objectivity, systemization and quantification. In content analysis, the researcher's subjectivity can be a problem especially for category reliability. To mitigate this problem, the criteria selected have been repeatedly validated in the advertising literature. Three judges were used for each ad in the study. Inter-judge reliability was assessed using the percentage of agreement; the minimum acceptable number is 85% (Kassarjian 1977).

After the evaluations were completed, the categories from all three sections were coded as nominal variables. Multinomial logistic regression was used to determine trends in retailer advertising. Multinomial regression was the method used to "predict categorical placement in or the probability of category membership on a dependent variable based on multiple independent variables" (Starkweather and Moske 2011). This method may be used with data comprised of either continuous or dichotomous independent variables. The goal was to collect sample size will include a minimum or ten cases per variable (Schwab 2002). The results were used to determine which ads to use for Study 2 and Study 3. The presence of predictor variables in the ad served as the rule

for selecting an ad from each category. Additionally, all ads selected for the Studies 2 and 3 featured the same retailer in order to eliminate confounding factors from type of retailer or reputation of the retailer. Since all retailers did not use all types of advertising, the size of this selection pool was limited.

The results of the content analysis provided some of the necessary information required to at least partially answer the first three research questions presented in Chapter 1. According to Kassarjian, the content analysis must meet the following criteria:

1. Objectivity- This was achieved by using a set of given rules that eliminates the researcher's own biases. Using the criteria of Resnik and Stern (1977) and Taylor, Miracle and Wilson (1997) contributed to the achievement of this goal.

2. Systematization- Advertisements were viewed and evaluated based on the presence of pre-determined criteria allowing for categorization as high emotion/high information, high emotion/low information, low emotion/high information, or low emotion/ low information (Puto and Wells 1984).

3. Quantification- Multinomial logistic regression was used to assist in answering the research questions for this study. The results of this content analysis determined which ads should be used in Studies 2 and 3.

After the content analysis was complete, the next study was conducted.

Study 2

There were three purposes for Study 2: 1) to confirm findings from Study 1, 2) to determine whether the most commonly used types of advertising by retailers are favorably received by consumers, and 3) to select the ads to be used in Study 3.

In order to accomplish these purposes, this study began by reviewing the reliabilities of the ads in Study 1. Ads were selected based on the following a two-step selection process:

1. Within each quadrant, the ads were reviewed for the most frequent criteria and appeal type.

2. From this pool of ads, ads selected for the experiment, needed to best reflect the predictors from the multinomial logistic regression categorization.

The quasi-experiment utilized these ads. A controlled experiment would require conditions which were not possible for the scope of this research. Since the purpose of this research was to determine whether retailers can reduce the negative influence of consumers' Skepticism toward Advertising on the individual retailer's advertising, a manipulation of advertisements was necessary for this research. Previous knowledge and experience as well as personality traits cannot be directly controlled and do vary across individuals; therefore, an attempt at a controlled experiment would lack external validity. Instead, the quasi-experiment was utilized and measures were administered to subjects and then controlled for in the analyses.

Study 2 utilized two samples to be analyzed separately. Study 2a used a student sample. Student samples are used frequently within the marketing literature and although not generalizable to the entire population, the data collected can still produce results that provide valuable insight. The samples for Study 2a and 2b did not meet the requirements of a probability sample (Churchill and Iacobucci 2005), but despite this limitation, by using two different types of convenience samples the study provided some useful data.

The results of the analysis provided confirmation of Study 1 as well as guidance in selecting the ads for Study 3.

Study 2b used a snowball convenience sample comprised of participants found on Facebook. Recruitment of participants occurred electronically. Links to the experiment were sent via email and by asking Facebook friends to participate and re-post. The link to the Qualtrics study was posted directly on Facebook. Although these results cannot be generalized and there are limitations, Facebook as a source of respondents does provide an interesting and useful pool of respondents with over 155 million users in the United States and 800 million worldwide (Carmichael 2011). Table 3.2 contains demographic information regarding Facebook users in the United States according to *Advertising Age* (Carmichael 2011).

Table 3.2

Facebook Demographics

Age Range	Male	Female
14-17	9.9%	9.1%
18-20	13.75	13.2%
21-24	17.5%	16.6%
25-29	13.2%	11.7%
30-34	10.2%	9.7%
35-44	15.3%	15.4%
45-54	10.45	12.3%
55-63	5.5%	7.2%
64+	4.5%	4.8%

Study 2a and 2b followed the same procedures. An ad was selected from each quadrant that met the previously stated criteria. One of the main purposes of this study was to provide face validity for the proposed model for Study 3. Participants were directed to the link for Qualtrics. Randomization settings available in Qualtrics were set

for the ads to ensure that the randomization requirements of a quasi-experiment were met. After viewing the ad, the participant evaluated the ad using the Puto and Wells Informational and Transformational Scale (1984). This is similar to the procedure used by Obermiller, Spangenberg and MacClachan (2005) to evaluate print ads. They preselected eight ads: four that they determined to be emotional and four to be informational. Participants then viewed and rated the ads using the Puto and Wells scale. They compared the results to their pre-categorization as a confirmation. An adapation of this process was used by selecting ads based off the results from the content analysis and multinomial logistic regression.

Study 2a was conducted first. Since it was the intention to find managerial implications for retailers from this study, it was necessary to collect demographic data. Obermiller and Spangenberg (1998) conceptualized their nomological net of Skepticism toward Advertising to include age and education as parts of the accumulated experiences of consumers. Skepticism toward Advertising has been shown to have a curvilinear relationship with age possibly because as people grow older they are better able to use their persuasion knowledge and are not necessarily skeptical toward all advertising. Demographic questions included gender, marital status, age range, number of children residing in household, race/ethnicity, education and income. Age and education are important for the conceptualization of the model. The other demographic information collected was for the purpose of comparing various market segments for managerial contributions. Retailers target specific socioeconomic groups, hence these questions were included for *post hoc* analysis purposes.

Measurement Instruments

All items used in this analysis may be found in Appendix E. The items as well as the descriptions of the method for measuring the items are provided.

Information and Transformation Scale Items

Subjects were randomly assigned to view an ad and evaluate the ad. Real ads from a retailer rather than fictional ads were used for this study. Participants used the 23 item six pt. Likert-type Information and Transformation Scale developed by Puto and Wells (1984) for the evaluation. Obermiller and Spangenberg (2005) used this method to evaluate the print advertisements used in their research on Skepticism toward Advertising. The items were presented in the same order suggested by Puto and Wells but the items were adapted to fit retailers and the shopping experience since this scale was developed for product/brands.

Attitude Toward the Advertiser

Several variations of the semantic differential scale for Attitude toward the Advertiser exist. There are three variations scales reported in the *Marketing Scales Handbook* (Bruner II, James and Hensel 1992) that have shown to have adequate reliability. Muehling (1987) included good/bad, favorable/unfavorable, and positive/negative and reported a Cronbach's alpha of .96. MacKenzie and Lutz used good/bad, pleasant/unpleasant, and favorable/unfavorable and reported an alpha of .90. Simpson, Horton and Brown (1996) added reputable/not reputable to the MacKenzie and Lutz version and reported an alpha of .96. All three variations have adequate reliability. The four item seven pt. semantic differential scale by Simpson, Horton and Brown was

used in this study since reputation of the retailer can have a significant impact on a consumer's evaluation.

Attitude Toward the Ad

In addition to validating the results from Study 1, Study 2 provided insight into the attitude that participants have toward the ads. Retailers need to know what types of ads, whether informational or emotional are viewed most favorably by consumers. Additionally, retailers can benefit by knowing which informational cues or emotional appeal types are most favorably received by consumers. As with Attitude toward the Advertiser, Attitude toward the Ad has been measured using a variety of items as reported in the *Marketing Scales Handbook* (Bruner II, James and Hensel 1992).

In order to maintain consistency in the study, the three item seven pt. semantic differential measure by Simpson, Horton and Brown (1996) was used.

Demographics

Retailers target specific market segments. Knowing the general attitude of a market segment toward different advertising strategies will assist retailers in making decisions regarding the creative strategy and execution. Information regarding age, gender, income, education and profession was collected.

Study 3

The purpose of Study 3 was to determine whether retailers can reduce the negative influence of a consumer's Skepticism toward Advertising on the outcomes of Attitude toward the Ad, Attitude toward the Advertiser, Retail Patronage Intentions and Perceived Retailer Credibility by manipulating the ad type. The proposed model (Figure 3.2) was tested.

```
┌─────────────┐                              ┌─────────────┐
│             │                              │  Attitude   │
│  Skepticism │                              │     Ad      │
│             │                              │             │
└─────────────┘                              └─────────────┘

                                             ┌─────────────┐
                                             │  Attitude   │
                                             │ Advertiser  │
┌─────────┐                                  └─────────────┘
│ Ad Type │
└─────────┘                                  ┌─────────────┐
                                             │    Store    │
                                             │ Credibility │
                                             └─────────────┘

                                             ┌─────────────┐
                                             │  Patronage  │
                                             │  Intentions │
                                             └─────────────┘
```
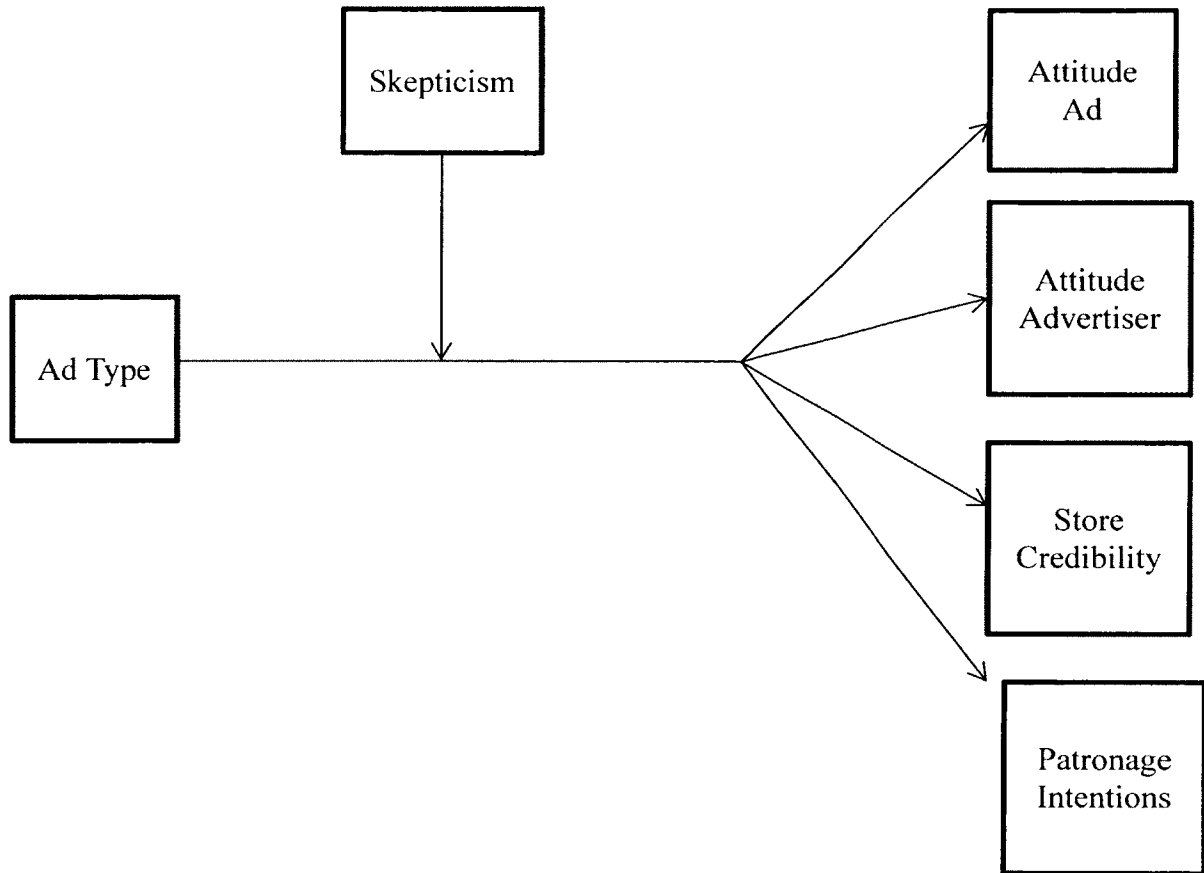
Figure 3.2 *The Moderating Effect of Consumer's Skepticism Toward Advertising*

A national online panel representative of the consumer population of the United States was recruited using Qualtrics. Participants were recruited via email by Qualtrics. Screening questions were not used since this study is applicable to the general population except for one that made certain the person actually shops. Several control variables were used in order to better understand the various segments of the population and their use of and response to advertising. Descriptions of the control variables in this study are listed later in this chapter. Participants were randomly assigned to one of the ads from the group of ads selected in Study 2. The quasi-experiment will be two (high information vs. low information) x two (high emotion vs. low emotion) between-subjects design. To try to reduce bias, the Skepticism toward Advertising scale was presented before the Cynicism

scale which was the last scale presented and just prior to the demographic information. After viewing the ad, participants responded to the items with instructions to think of the ad just viewed. The following sections contain descriptions of the measures used in this analysis.

Control Variables

Cynicism

Skepticism toward Advertising has been defined as a marketplace belief (Obermiller and Spangenberg 1998) but a person's natural cynicism may influence an individual to be even more skeptical. Additionally, a person may not be cynical; however, due to accumulated persuasion knowledge, the person may have high Skepticism toward Advertising. When Obermiller and Spangenberg (1998) conceptualized the construct and developed the scale, they addressed this issue and stated that this inherent personality trait should be measured as an antecedent. It is important to note that although a cynical person would likely have higher Skepticism toward Advertising, which is a marketplace belief, it does not necessarily mean that high levels indicate that a cynical person. When they developed their scale, the only cynicism scale reliable scale was not available at the time. Since then, Turner and Valentine (2001) developed a new cynicism scale with acceptable reliability ($\alpha = 0.86$).

Ad Information Usage and Sales
Advertising Watcher

With the increased ownership of the DVR (digital video recorders) and its function that allows viewers to fast forward during commercials, it should be assumed that many viewers do not even watch the ads. Over the years, numerous researchers have reported results that indicate many viewers avoided watching commercials by switching channels during commercials, skipping past commercials in a recording or they just "tuned it out" (Speck and Elliot 1997). Obermiller, Spangenberg, and MacLachlan (2005) found that consumers higher in Skepticism toward Advertising were more likely to fast forward when recorded, switch channels during advertisements and to ignore magazine advertisements when reading. But not all consumers ignore advertising, so it was important to measure this for the analysis to be valid. Rajiv, Dutta, and Dhar (2002) held interviews with shoppers who stated that they did use print ads to compare prices over categories which then affected their choice of retailer.

Since not all consumers consciously use advertising information, it was important to differentiate between those who knowingly use advertising information and those who do not. Those who do not consciously use the information may still be subconsciously affected by ads that they see (Russo and Chaxel 2010); therefore, those who do not consciously use the information will not be eliminated from the study. When testing for transformational effects, Aaker and Stayman (1992) used a projective technique based on the premise that previously viewed beer advertisements could have a transformational effect.

Ad Information Usage was controlled for in the analyses. An adaptation of the 3-item 6-point Likert-type Ad Information Usage scale by Lumpkin and Darden (1982) was

be used. The original scale measured magazine and television advertisements. The original work did not include the scale items; however, those items were found in the *Marketing Scales Handbook* (Bruner II, James and Hensel 1992). Since the focus of this study was TV advertising, one item for magazines was dropped and the other magazine item was adapted to television. The remaining television item was used twice: once in the original format and a revised version. Lumpkin (1985) also measured whether respondents watched for sales with a 4-item Likert-type scale. One item pertained to newspapers and was dropped. The other three items will be used in the original format.

Prior Knowledge and Previous
Shopping Experience

Since the advertisements used in this research are for actual retailers and not fictional, it was assumed that many of the participants will have prior knowledge of the retailers. This may be due to viewing advertisements, word of mouth communications, and actual shopping experience which may have been either a positive or negative experience. Since this was a quasi-experiment, these factors will be controlled for through statistical analysis. Fry and McDougall (1974) found that experiences with the retailer did impact consumer's perceptions of advertised prices. An adaptation of the Grewal, Krishnan, Baker, and Borin (1998) measure was used. Using a 3-item 7-point Likert-type rating scale, they measured respondents' cycling subjective and objective knowledge of a product category (bicycle). They measured respondents' product knowledge of the category and ownership status. For this study, an adaptation measured retailer knowledge and previous shopping experience.

Moderating Variable

Skepticism Toward Advertising

The main purpose of this research was to determine whether a retailer can reduce the negative impact that Skepticism toward Advertising has on various consumer outcomes by choosing an appropriate advertising strategy. The 9-item, 5-point Likert-type rating scale, Skepticism toward Advertising scale by Obermiller and Spangenberg was used to measure the "tendency toward disbelief in advertising claims (170). It was conceptualized as a moderating variable (Obermiller and Spangenberg 1998) and was used as such in this study. Since this measures a general marketplace belief and is not meant to be answered regarding a specific retailer or product, no adaptations were needed other than to apply it to retailers and shopping.

Dependent Variables

Since the purpose of Study 3 was to extend the findings of Study 2, the same scales used in Study 2 were used in Study 3 to measure attitude toward the ad and attitude toward the advertiser. Since the overall purpose of this research was to provide meaningful managerial implications for retailers, Retail Patronage Intentions and Perceived Retailer Credibility served as two additional dependent variables added to this study. Retailers can benefit by knowing which types of advertising reduce the impact that Skepticism toward Advertising has on Attitude toward the Ad and Attitude toward the Advertiser as well as Retail Patronage Intentions and Perceived Retailer Credibility.

Attitude Toward the Advertiser and
Attitude Toward the Ad

The purpose of Study 3 was to build upon the findings of Study 2. Attitude toward the Ad and Attitude toward the Advertiser were measured using the same items in Study 2.

Retail Patronage Intentions

Behavioral Intentions have been the outcome of many studies in conjunction with Attitude Toward the Ad and Attitude Toward the advertisers (MacKenzie and Lutz 1989) (MacKenzie, Lutz and Belch 1986) (Taylor, Miracle and Wilson 1997) (Stafford and Day 1995) (Yi 1990a) (Yi 1990b). This was measured using a 3-item, 7-point, Likert-type scale used by Stafford and Day (1995) which they used to measure patronage intentions for retail services. They adapted the purchase intention measure used by Yi (1990a) and used it in conjunction with retail services advertising in radio and print ads.

Perceived Retailer Credibility

Consumers are inundated with advertising every day. The Persuasion Knowledge Model (PKM) suggests that an individual's persuasion knowledge includes the individual's knowledge of the agent- the individual or organization engaging in the persuasion attempt. This knowledge accrues over time. Each time an individual is presented with a persuasion attempt (this includes advertising) the individual uses this accrued knowledge to assist in enacting a persuasion coping behavior (Friestad and Wright 1994). Retailers need to know how various types of ads impact these knowledge structures. Reducing the negative impact that Skepticism toward Advertising has on perceived retailer credibility by manipulating the type of advertising will be an important tool for retailers to have. Bobinksi et al. (1996) found that the use of "sale" in advertising

did have an effect on perceived retailer credibility when there wasn't a credible rationale for the sale and the price. Perceived Retailer Credibility was measured using the same five item 7-point semantic differential scale.

Proposed Data Analysis

SPSS was used to analyze the data for all three studies. Each of the studies in this research required a separate analysis. In Study 1, inter-rater reliability was assessed with a minimum percentage agreement of .70 (Kassarjian 1977). For each quadrant that received at least 10 percent of the ads rated by the judges, cross-tabs was used to find trends and multinomial logistic regression was used to test category predictability. As trends emerged regarding criteria for most retailers, ads were selected for use in Study 2.

Study 2 utilized MANOVA in SPSS to analyze the results. To determine whether consumers would confirm the results of the judges' ad categorization as informational or emotional, the 23 items from the Informational/Transformational Scale were divided into the appropriate category and then analyzed. A comparison of the means was used to determine whether the ad has a higher mean for the transformational (emotional) dimension or the informational dimension. The evaluation of the means included comparing these results to those from Study 1.

Study 3 utilized a two-stage analysis. Since all the scales used for this study have been well-validated in the literature and there is theoretical support, it was assumed that the items would load on the expected factor. These conditions are necessary for utilizing Confirmatory Factor Analysis to test the measurement model (Hair Jr., et al. 2010). Thus, the first step involves Confirmatory Factor Analysis in AMOS 17.0 to test for reliability and validity. After assessing the measurement model and determining its

validity, the model was tested using MANOVA in SPSS. In the previous sections, the constructs were described as dependent, independent or control variables and were used as described in the analysis.

CHAPTER 4

RESULTS AND ANALYSES

This chapter provides the results for each of the studies outlined in Chapter 3. The organization follows the chronological order of the studies. The research questions associated with each study were evaluated within the corresponding section.

Study 1: Results

Reliability and Agreement Among Judges

Each judge attended a two hour training practice session. During these sessions, judges were allowed to ask questions about the instructions and the evaluation process.

For the content analysis, 179 retailer television ads were viewed on YouTube by the three judges. Each judge's evaluations were entered separately. Data was entered into SPSS using dummy-coded nominal variables for each informational criterion that also separated visual and audio cues resulting in six entries for each criterion in every ad. For emotional appeals, a dummy coded nominal variable was entered for each judge resulting in three entries for each criterion in every ad.

Reliability is an important condition for a content analysis. Kasserjian (1977) stated that a reliability of .85 is an acceptable standard and this is accomplished merely be calculating the percentage of agreement on all decisions made by the judges. For exploratory research .70 is acceptable.

For this research, percentage agreement was calculated for each decision as well as an overall percentage for the total number of decisions made by the judges.

Each judge made 32 decisions for each ad. For the entire sample of 179 ads, 5728 decisions were made by the judges. The percentage of agreement for the entire sample is 92%. Table 4.1 provides the percentage agreement for each decision. All decisions were either "yes" or "no" as to whether the informational criterion was present or the appeal type was used except for the placement of the ad within the quadrant. Four choices were provided to the judges for this decision and it yielded the lowest percentage agreement of .70 which while low, is acceptable for this exploratory research.

Table 4.1

Judge Agreement

Decision	Form[a]	%Agree
Price	V	.93
Price	A	.95
Value	V	.92
Value	A	.93
New Idea	V	.94
New Idea	A	.94
Availability	V	.93
Availability	A	.91
Quality	V	.95
Quality	A	.96
Economy/Savings	V	.89
Economy/Savings	A	.92
Variety	V	.91
Variety	A	.90
Special Offer	V	.93
Special Offer	A	.93
Guarantee	V	.97
Guarantee	A	.98
Company Info	V	.93
Company Info	A	.91
User Image	V	.87
User Image	A	.95
Occasion	V	.89

Table 4.1 (Continued)

Occasion	A	.90
AdType		.70
Transformational		.96
Humor		.93
Fear		1.0
Joy		.85
Excitement		.81
Sex		.98
Self Esteem		.93
Overall Percentage		.92

[a]Form refers to the presence of the criterion as evaluated by the judges. A "V" indicates it was visually present and an "A" indicates it was audibly present per the judges.

The list of retailers provided in Table 3.1 was used for the sampling frame. The breakdown of the ads by retailer and retailer type for each quadrant in the Informational/Emotional Matrix can be found in Table 4.2. Transformational totals are also included.

Table 4.2

Frequency of Retailers and Retailer Type (N=179) [a]

Retailer Type/Retailer	Freq.	%	HI/LE	HI/HE	LI/LE	LI/LE	DIS*	Trans
Clothing Store								
Banana Republic	3	1.7			1	2		
Gap	6	3.4			1	4	1	
The Limited	1	0.6				1		
Old Navy	9	5.0	5			3	1	
SubTotal	**19**	**10.7**	**5**	**0**	**2**	**10**	**2**	**0**
Department Store								
JCPenney	18	10.1	3		5	7	3	2
Kohl's	16	8.9	7		1	6	2	
Macy's	23	12.8	10	4	4	4	1	4
Sears	12	6.7	3	1	2	3	3	2
SubTotal	**69**	**38.5**	**23**	**5**	**12**	**20**	**8**	**8**
Electronics								
Best Buy	13	7.3	3	2	3	4	0	1
SubTotal	**13**	**7.3**	**3**	**2**	**3**	**4**	**0**	**1**

Table 4.2 (Continued)

Grocery								
Food 4 Less	1	0.6	1					
Kroger	4	2.2	3		1			
Ralph's	1	0.6					1	
SubTotal	**6**	**3.4**	**4**	**0**	**0**	**0**	**1**	**0**
Home Improvement								
Home Depot	10	5.6	7			2	1	
Lowe's	5	2.8	1		2	2		
SubTotal	**15**	**8.4**	**8**	**0**	**2**	**4**	**1**	**0**
Mass Merchandise								
Amazon	1	0.6					1	
Fred Meyer	4	2.2		1		2	1	
Kmart	9	5.0	3	2	1	3		
Target	21	11.7			5	15		
Walmart	16	8.9	1	1	6	3	5	1
SubTotal	**51**	**28.4**	**4**	**4**	**12**	**23**	**8**	**1**
Warehouse								
Sam's Club	1	0.6			1			1
SubTotal	**1**	**.06**	**0**	**0**	**1**	**0**	**0**	**1**
Total	**179**	**100.0**	**50**	**11**	**33**	**62**	**23**	**11**

[a]Based on Cross Tabs analysis of Retailer by ADtype (A,B,C,D,H[**]) with Chi-Sq = 119.591, df = 84 and p = .007. The Likelihood ratio is 129.898, df = 84 and p = .001. 102 cells (92.7%) have expected count less than 5. The minimum expected count is .06.
[**]H- Indicate that a minimum of a two judge agreement did not occur.

Study 1 had two purposes: 1) to evaluate whether the Puto and Wells' matrix should be modified for retailers and 2) to find some of the commonly used appeals and types of information in retailer television advertising. To address these questions, the next section provides the categorization by ad type and then the analysis of the use of the informational criteria and appeal types.

Evaluation of the Adaptation of the
Puto and Wells Matrix

Transformational and emotional have been used interchangeably in much of the advertising and promotional literature despite different definitions and conditions for labeling. The purpose here was to evaluate whether the terms are interchangeable. If so,

then it was posited that if an ad was judged to be high emotional by the judges, then when they answered the item regarding whether an ad was also transformational, then it should be close to a 100 percent agreement. Figure 4.1 provides the breakdown of the quadrant placement.

	Low Emotion	High Emotion
High Information	High Information/ Low Emotion **50**	High Information/ High Emotion **11**
Low Information	Low Information/ Low Emotion **62**	Low Information/ High Emotion **33**

Figure 4.1 *Adapted Puto and Wells Matrix*

Because some ads did not have a 2/3 or more agreement for quadrant assignment, an additional category was created with the label "Disagree" (merely for separation and sorting purposes). Ads in the "Disagree" category are included in the Cross Tabs analysis but not in the multinomial logistic regression. Only 23 of the 179 ads did not fall into one of the four quadrants. Due to the nature of Study 2, it was decided that rather than have judges attempt to reconcile their decisions, the decisions would stand. Study 2 used a different method to confirm the judges' evaluations.

The appeals, as agreed upon by the judges, used in these 23 ads consisted of 11 humor-based appeals, 10 excitement-based appeals, five joy-based appeals, one self-esteem-based appeal and no sex-based or fear-based appeals (some of the ads were judged to have more than one emotional appeal). Informational criteria selected did not

provide any insight into the lack of agreement. Judges One and Two frequently agreed on emotional content but disagreed on informational content. Throughout the study and especially for the ads with disagreement, Judge Three was more likely to rate one of these ads as being low emotion whereas Judge Two was more likely to rate these ads as high emotion. This could possibly be attributed to the personality and natural biases of these judges. Judge Three was also least likely to rate an ad as transformational.

Research Question 1 asked whether any of the current typologies for advertising is a good fit for retailer advertising. After conducting a review of the literature, it was determined that the Puto and Wells (1984) typology might be a good fit but it was questioned whether the informational/transformational dichotomy or matrix was applicable. All 11 ads that were evaluated as transformational were also placed in one of the two High Emotion quadrants. This gives support to the premise that all transformational ads are emotional. However, if these terms truly should be considered to be interchangeable, then there should have been more than a mere 25% of High Emotion ads that were evaluated as transformational. This research was only exploratory research; however, there appears to be some evidence that transformational ads are a sub-category of emotional ads. Thus, Research Questions #1 and #2 have been addressed in Study 1 with further confirmation to follow in Studies 2a and 2b.

Next, the judge's decisions for each variable for each ad were then collapsed into a single observation. When all three judges agreed on the outcome, the variable was entered with the consensus. When only two judges agreed, the variable was entered with the winning vote, thus, if two judges found the criterion to be present and one did not, the criterion was entered for that ad as being present. For Ad Type, which consisted of the

four quadrants in the matrix, the Ad Type was determined by a 2/3 agreement. Since four choices for categorization were available, not all cases met the 2/3 agreement requirement. Occasionally, the judges were in complete disagreement for the ad categorization. Cases that did not have at least a two judge agreement were not included when evaluating the Puto and Wells matrix (1984) using multinomial logistic regression. All ads were retained for the cross-tabs analysis and determination of commonly used themes in retailer television advertising.

Research Question #3 asked "what are the most commonly used appeals and types of information used in retailer advertising?" Although not a prediction technique, a crosstabs analysis reveals which criterion have a relationship with the variable of ad type. Since not all criteria appeared in all ad types, or as frequently, an interpretation of the crosstabs results provides some direction for ad type categorization. In the High Information/Low Emotion ads, the criteria of price, availability of the retailer (audible only), economy of savings, variety of product, and special offers indicate a relationship exists between the criterion and ad type. User image and a visual presentation of availability were present in many of the ads; however, these criteria do not have a significant X^2. For the High Information/High Emotion ads, the criteria of price, availability, special offers and use occasion have significant Chi Squares for ad type and are present in many of the ads in this category. For both the Low Information/High Emotion and Low Information/Low Emotion ads, the criteria of availability and variety are present and have a significant Chi Square. Since most of the criterion had a significant Chi Square, there is evidence that these criteria do have some power of predictability for ad type categorization since those criteria are not independent of the ad

type categories. The most frequently used ad type was Low Information/Low Emotion. A complete analysis is provided in Table 4.3.

Table 4.3

CrossTabs and Frequencies of Informational Criteria (N = 179)

Criterion	Form[a]	Freq	%	HI/ LE	HI/ HE	LI/ HE	LI/ LE	DIS	X^2
Price	V	51	28.5	28	5	3	8	7	33.65*
Price	A	34	19.0	24	2	2	2	4	40.99*
Value	V	8	4.5	5	2		1		12.23*
Value	A	9	5.0	7	2				18.66*
New Idea	V	12	6.7	5	1	1	4	1	1.89
New Idea	A	13	7.3	7	2	2	2		11.43
Availability	V	177	98.9	49	11	32	62	23	2.53
Availability	A	123	68.7	46	10	20	26	21	42.28*
Quality	V	3	1.7	1		1		1	2.64
Quality	A	7	3.9	4			2	1	4.10
Economy/Savings	V	40	22.3	23	2	4	6	5	23.95*
Economy/Savings	A	42	23.5	25	1	3	5	8	34.49
Variety	V	104	58.1	37	6	17	30	14	8.31**
Variety	A	36	20.1	22	1	6	1	6	32.38*
Special Offer	V	39	21.8	21	4	2	9	3	21.10*
Special Offer	A	36	20.1	20	5	2	6	3	25.67*
Guarantee	V	10	5.6	2		4	1	3	7.84**
Guarantee	A	13	7.3	4	1	3	1	4	6.70
User Image	V	102	57.0	29	10	14	36	13	10.09
User Image	A	4	2.2	2			1	1	2.29
Occasion	V	22	12.3	6	5	4	5	2	12.53*
Occasion	A	12	6.7	5	4	1	1	1	19.82*
Company Info	V	1	0.6			1			4.44
Company Info	A	5	2.8			5			22.75*

*X^2 is significant at $p < .05$; **X^2 is significant at $p < .10$
[a]Form refers to the presence of the criterion as evaluated by the judges. A "V" indicates it was visually present and an "A" indicates it was audibly present per the judges.

While not a prediction technique, the type of emotional appeal appears to be an important for categorization for all ad types. None of the ads used a fear appeal which makes sense due to the purpose of the ads which is to attract shoppers. Some of the ads used more than one appeal with the combination of joy/excitement being the most common. Humor was observed most in both ad types with low information. Joy was used

in half of all High Information/High Emotion ads. High Information/Low Emotion ads used the excitement appeal especially when ads focused on special offers and price. Sex appeals were not commonly used in retail advertising; however, when used the appeal type was found only in Low Information/Low Emotion ads. Self-Esteem was less frequently used but when it did appear, it was found mostly in Low Information/Low Emotion ads. Table 4.4 provides a more detailed analysis.

Table 4.4

CrossTabs and Frequencies of Emotional Appeals[a] (N=179)

Appeal	Freq	%	HI/LE	HI/HE	LI/HE	LI/LE	DIS	X^2
Humor	55	30.7	5	2	15	22	11	18.08*
Fear	0							
Joy	33	18.4	1	5	12	11	5	21.03*
Excitement	83	46.4	36	6	13	18	10	37.56*
Sex	7	3.9	0	0	0	7	0	29.03*
Self-Esteem	14	7.8	1	0	2	10	1	9.74*

[a]Some ads were evaluated as using more than one appeal type.
*X^2 is significant at $p < .05$

Multinomial Logistic Regression Analysis

In addition to determining how the judges would classify the ads, it was also an objective of this research to determine whether any of the criteria would actually predict the classification within the matrix. In order to select the ads for Study 2a and 2b, it was necessary to determine which criteria were revealed the most in each type of ad and would serve as the best predictor. This was accomplished through the use of multinomial logistic regression. The assumptions of normality, linearity and homogeneity of variance for independent variables are not applicable for multinomial logistic regression (Schwab 2002).

Next, each variable for each ad was then collapsed into a single observation. When all three judges agreed, the variable was entered with the consensus. When only two judges agreed, the variable was entered with the winning vote. For Ad Type, which consisted of the four quadrants in the matrix, the Ad Type was determined by a 2/3 agreement. Cases that did not have at least a two judge agreement were not included when evaluating the Puto and Wells matrix (1984) using multinomial logistic regression but were retained for the cross-tabs analysis and determination of commonly used themes in retailer television advertising as well as the logistic regression analysis.

Since fear was not present in any of the ads evaluated by the judges, this category was eliminated from the analysis. Leaving it in the analysis would have created stability problems with the Hessian matrix since it would have created additional empty cells. This process left 18 variables: price, value, new ideas, availability, quality, economy/savings, variety of the product, special offers/events, guarantee, company information, user image, use occasion, humor, fear, joy, excitement, sex, self-esteem and transformational. The frequency table provided in Table 4.3 indicates that many of the informational criteria used were found in either the majority of the ads or in relatively few ads. This created also problem with the Hessian matrix because of empty cells. This is a common issue in multinomial logistic regression and frequently this number can be even more than 50% of the cells (Field 2013). To address this problem, the variables were further reduced to five categories that either showed similar qualities or that appeared to be present together in an ad. Researcher judgment based on knowledge of the variables was used to determine which variables would be merged together. Four appeal variables were used since fear was eliminated and two appeals, excitement and joy, were found to be frequently present

together. The sample included 156 ads which was adequate since a minimum of 10 cases per independent variable is sufficient (Schwab 2002). Table 4.5 contains the variables that were created.

Table 4.5

New Variables from Content Analysis

New Variable	Variables included
PVQE	Price, Value, Quality, Economy/Savings
SCGU	Special Offers/Events, Guarantee, Company Info, Use Occasion
NV	New ideas, Variety of the Product
AVAIL	Availability of the Product
USERIM	User Image
HUMOR	Humor
EXJOY	Excitement, Joy
SEX	Sex
Self-Esteem	Self-Esteem

AVAIL was also removed from the analysis since it was found in every advertisement that was rated, thus, it should not be categorized as a predictor. Two analyses were conducted. One that used the informational criteria variables and one that used the appeal type variables which allowed for analyses that didn't have a problem with stability and that could be considered valid.

Results for Informational Predictors

A common benchmark for determining whether a multinomial logistic model is useful is that the model has a 25% improvement of prediction accuracy over that which is achievable by chance alone (Schwab 2002). Therefore, 25% improvement was set as the benchmark for this study. This was calculated by taking the actual classification results provided in the case processing summary (Table 4.6) and then squaring and summing the proportion of cases in each group. This number was then multiplied by 1.25 (the

benchmark) and if it is less than the percent correct in the classification table (Table 4.7), the model is useful (Schwab 2002).

Table 4.6

Case Processing Summary of Classification per Judges

Category	N	Marginal Percentage
LILE	62	39.7%
LIHE	33	21.2%
HIHE	11	7.1%
HILE	50	31.1%

Table 4.7

Classification Table

Observed	Predicted				
	HILE	HIHE	LIHE	LILE	Percent Correct
HILE	38	0	0	12	76.0%
HIHE	8	0	0	3	0.0%
LIHE	7	0	0	26	0.0%
LILE	13	0	0	49	79.0%
Overall Percentage	42.3%	0.0%	0.0%	57.7%	55.8%

Next, the formula for the proportional by chance accuracy criteria was used to determine whether the classification system is usable.

$$(0.397^2 + 0.212^2 + .071^2 + .321^2) = 0.31$$

$$31.0\% \times 1.25 = 39\%$$

While the 39% is lower than the actual prediction rate of 55.8%, it is necessary to look closer at the classification results before suggesting that it is a usable model. The classification system is very useful for predicting Low Emotion (HILE = 76% and LILE = 79%), the model utterly failed when predicting High Emotion (HIHE = 0% and

LIHE = 0%). Thus, even though the prediction rate falls within the range of useful, a deeper analysis revealed that for High Emotion ads, further investigation is warranted.

Next, the relationship between the dependent and independent variables was analyzed. AdType was used as the categorical dependent variable. USERIM, PVQE, SCG, and NV were included as dichotomous independent variables. The Likelihood Model fit and ratio tests indicate a good model fit and are provided in Tables 4.8, 4.9, 4.10 and 4.11. The parameter estimates from the testing the model are in Table 4.12.

Table 4.8

Model Fitting Tests

Effect	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood of Reduce Model	Chi-Square	df	Sig.
Intercept Only	175.409			
Final	101.488	73.922	12	.000

Since the model uses a categorical dependent variable as well as categorical independent variables, it is only possible to calculate an approximation of the variation explain rather than an actual calculation. The pseudo r-square serves this purpose and is provided in Table 4.9.

Table 4.9

Pseudo R-Square

Cox and Snell	.377
Nagelkerke	.411

Before testing for the significance of an independent variable in differentiating between pairs of groups, it must first be significant in the overall relationship. All of the independent variables are statistically significant ($p < .05$) in the Likelihood Ratio tests found in Table 4.10. Since all the variables are significant in the likelihood ratio test, it is possible to examine the relationship between the individual independent variables and the dependent variable. The results in Table 4.10 indicate that all the independent variables are significant and belong in the model.

Table 4.10

Likelihood Ratio Tests

Effect	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood of Reduce Model	Chi-Square	df	Sig.
Intercept	101.488	.000	0	
USERIM	111.442	9.9954	3	.019
PVQE	133.592	32.104	3	.000
SCG	114.369	12.882	3	.005
NV	110.140	8.652	3	.034

The next step was to look at the parameter estimates to determine whether in addition to an overall relationship with the dependent variable, the independent variables have a significant role in distinguishing between pairs of groups (Schwab 2002). All of the parameter estimates are provided in Table 4.11. LILE was selected as the reference group since it was the category with the highest accurate prediction rate (79.0%).

Table 4.11

Parameter Estimates from the Multinomial Logistic Regression Informational Criteria Model

Group	Variable	B	Std. Error	Wald	df	Sig.	Exp(B)	95% C.I for Exp (B)	
LIHE	Intercept	-.216	.651	.110	1	.740			
	UserIm=no	.246	.468	.276	1	.599	1.279	.511	3.198
	UserIm=yes	0[b]			0				
	PVQE=no	-.090	.512	.031	1	.861	.914	.335	2.493
	PVQE=yes	0[b]			0				
	SCG=no	-.594	.491	1.460	1	.227	.552	.211	1.447
	SCG=yes	0[b]			0				
	NV=no	-.106	.456	.054	1	.816	.899	.368	2.200
	NV=yes	0[b]			0				
HIHE	Intercept	.859	.740	1.348	1	.246			
	UserIm=no	-2.738	1.171	5.471	1	.019	.065	.007	.642
	UserIm=yes	0[b]			0				
	PVQE=no	-.905	.719	1.584	1	.208	.405	.099	1.656
	PVQE=yes	0[b]			0				
	SCG=no	-1.919	.745	6.634	1	.010	.147	.034	.632
	SCG=yes	0[b]			0				
	NV=no	-.036	.818	.002	1	.965	.965	.194	4.794
	NV=yes	0[b]			0				
HILE	Intercept	2.523	.566	19.839	1	.000			
	UserIm=no	-.242	.502	.233	1	.629	.785	.293	2.100
	UserIm=yes	0[b]			0				
	PVQE=no	-2.382	.490	23.676	1	.000	.092	.035	.241
	PVQE=yes	0[b]			0				
	SCG=no	-1.551	.504	9.493	1	.002	.212	.079	.569
	SCG=yes	0[b]			0				
	NV=no	-1.485	.556	7.135	1	.008	.226	.076	.673
	NV=yes	0[b]			0				

If multicollinearity is present, the model can produce improbable results. Since all of the standard errors are less than 2.0, multicollinearity is not a problem for this model (Schwab 2002).

None of the variables are significant for predicting the category of Low Information/High Emotion. For the High Information/High Emotion category, only UserIm (p = .019) and SCG (p = .010) are significant. For the High Information/Low Emotion category, PVQE (p = .000), SCG (p = .002) and NV (p = .008) are significant. The negative coefficients indicate that the predictors that have significant Wald statistics are less likely to be absent from the category than in the reference group category (Schwab 2002). Or more simply put, those predictors are more likely to be present. None of the significant predictors had positive coefficients, thus, all are less likely but not unlikely.

<div align="center">Results for Emotional Appeal Predictors</div>

The same process for evaluating the informational predictors was used for evaluating the emotional appeals as predictors. The first attempt to analyze the emotional appeals as predictors was not successful due to a problem with the Hessian matrix. Only seven of the ads used a sexual appeal and only 13 ads used a self-esteem appeal, thus, it was necessary to eliminate those ads from the analysis due to a problem with too many empty cells. Although these appeals are commonly used in advertising in general, and especially with specific brands, in retailer advertising, these appeals were not found very often due to the nature of the retailers in the sample. The sample consisted of all retailers that made the Top 100 Advertisers list for 2011. Retailers such as Lowes and The Home Depot were included in the sample due to fitting the parameters of the sampling frame; however, since these stores do not sell goods that are frequently associated with sex or self-esteem, it makes sense that this would not be the type of advertising typically used by these retailers. The sample size for this analysis was 156 yet only 20 ads contained

either of these appeals. The counts for the retailer types for the low-count appeals are in

Table 4.12.

Table 4.12

Low Count Appeals

Retailer Type	# of Ads with Sexual Appeal	# of Ads with Self-Esteem Appeal
Clothing Store	2	4
Department Store	3	5
Drug Store	0	0
Electronics	0	0
Home Improvement	0	1
Groceries	0	0
Mass Merchandise	2	3
Warehouse	0	1
Total	7	13

After removing these appeals from the model, the Hessian matrix was stable

despite two cells having a zero-frequency. The results from the case processing and the

classification are presented in Tables 4.13 and 4.14.

Table 4.13

Case Processing Summary of Classification per Judges

Category	N	Marginal Percentage
LILE	62	39.7%
LIHE	33	21.2%
HIHE	11	7.1%
HILE	50	31.1%

Table 4.14

Classification Table

Observed	Predicted				
	HILE	**HIHE**	**LIHE**	**LILE**	**Percent Correct**
HILE	38	0	0	12	70.0%
HIHE	8	0	0	3	0.0%
LIHE	7	0	0	26	9.1%
LILE	13	0	0	49	58.1%
Overall Percentage	42.3%	0.0%	0.0%	57.7%	47.1%

Next, the same calculation for the proportional by chance accuracy criteria was used to determine whether the classification system is usable.

$$(0.397^2 + 0.212^2 + .071^2 + .311^2) = 0.31$$

$$31.0\% \times 1.25 = 39\%$$

While the overall percentage is higher than the chance accuracy criteria, caution should be used before accepting this model at face value. While it did provide some accuracy for three categories, two of the categories are less than the chance accuracy criteria.

As with the last model, the relationship between the independent variables and the dependent variable was examined in Table 4.15.

Table 4.15

Model Fitting Tests

Effect	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood of Reduce Model	**Chi-Square**	**df**	**Sig.**
Intercept Only	65.147			
Final	39.408	25.739	6	.000

The pseudo r-square is provided in Table 4.16 and indicates that the complete

elimination of some predictors created a void in the model and did not do as well at

explaining the variance as the informational model.

Table 4.16

Pseudo R-Square

Cox and Snell	.152
Nagelkerke	.166

Since the model is significant, the relationships for the individual variables were

examined with results provided in Table 4.17.

Table 4.17

Likelihood Ratio Tests

Effect	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood of Reduce Model	Chi-Square	df	Sig.
Intercept	39.408	.000	0	
Humor	51.638	12.228	3	.007
ExJoy	48.606	0.199	3	.027

Since both independent variables are significant, the parameter estimates were

examined to determine the influence of the variables on classification prediction. Table

4.18 provides the results of this analysis. HILE served as the reference group for this

analysis due to this category having the highest number of correctly predicted cases.

Table 4.18

Parameter Estimates for Emotional Appeals

Group	Variable	B	Std. Error	Wald	df	Sig.	Exp(B)	95% C.I for Exp (B)	
HIHE	Intercept	-.198	1.040	.036	1	.849			
	Humor=no	-1.257	1.047	1.442	1	.230	.284	.037	2.214
	Humor=yes	0^b			0				
	ExJoy=no	-1.031	.971	1.127	1	.288	.357	.053	2.393
	ExJoy=yes	0^b			0				
LIHE	Intercept	1.372	.690	3.950	1	.047			
	Humor=no	-2.219	.683	10.552	1	.001	.109	.029	.415
	Humor=yes	0^b			0				
	ExJoy=no	-.356	.591	.363	1	.547	.700	.220	2.232
	ExJoy=yes	0^b			0				
LILE	Intercept	.746	.624	1.428	1	.0232			
	Humor=no	-1.129	.595	3.601	1	.058	.323	.101	1.038
	Humor=yes	0^b			0				
	ExJoy=no	.860	.452	3.624	1	.057	2.363	.975	5.730
	ExJoy=yes	0^b			0				

All standard errors are less than 2.0, thus, multicollinearity is not a factor. The only category with a significant Wald statistic is LIHE and only Humor is significant. The negative coefficient for the absence of humor indicates that humor is more likely to be present in this category than in the reference group of HILE.

Final Analysis of the Multinomial Regression Results

While these models do hold promise for future research, an interpretation that this is a usable model is problematic. While the individual models do meet the required levels for the statistical tests for this method, there is still a serious issue with the lack of predictability for two of the classification categories. Additionally, the original intent was

to include all predictors into one model. Due to the large number of empty cells with this combination, it would take a sample size in the thousands to have even a possibility of achieving this. The results of the crosstabs analysis and frequency table provided a great deal of useful information for the scope of this study. Those results served as the basis for making the decisions for the ads to be used in Studies 2 and 3. In Chapter Five, suggestions for future research and refinement will be made.

Study 2 Results

The purpose for Studies 2a and 2b was to use the Informational and Transformational Scale by Puto and Wells (1984) in order to attempt to confirm the judge's categorization of four ads from the content analysis. The other purpose was to determine whether an Informational/Emotional typology was appropriate for categorizing ads. Those ads would then be used in Study 3. By comparing the means of the various ad types (from the matrix), it was hoped that a confirmation of the judges' decision could be found. Additionally, the attitudes of participants toward the advertiser (retailer) and the advertisement were measured.

Study 2a

The purpose of Study 2a is to confirm the classification of the ads by judges and additional confirmation for Research Questions 1 and 2. The scales used to measure participants attitudes and perceptions were described in the Chapter 3 and can be found in Appendix E. The sample of participants for Study 2a consisted of a student sample of Louisiana Tech students (Spring, 2012). The demographics for Study 2a are provided in Table 4.19. Gender was not included due to an error on the online instrument. All other demographics were collected.

Table 4.19

Demographics for Study 2a (N = 85)

Descriptor	%	Freq.
Age		
18-12	88.2	75
25-34	8.2	7
35-44	2.4	2
45-54	1.2	1
55-64	0.0	0
65+	0.0	0
Marital Status		
Single	96.4	81
Married	2.4	2
Divorced	1.2	1
Widowed	0.0	0
Race/Ethnicity		
Caucasian	81.2	69
African-American	11.8	10
Hispanic	1.2	1
Asian/Pacific Islander	4.7	4
Native American	0.0	0.0
Other/Decline	1.2	1
Education		
Some College	78.8	67
College Graduate	18.8	16
Advanced Degree	1.2	1
Income		
Under $25,000	64.7	55
$25,001 - $49,999	11.8	10
$50,000 - $74,999	5.9	5
$75,000 - $99,999	5.9	5
$100,000 - $149,999	4.7	4
$150,000+	5.9	5
Household size		
One	25.9	22
Two	22.4	19
Three	21.2	18
Four	22.4	19
Five or More	8.2	7
Occupation		
Professional/Technical	16.5	14
Manager/official/proprietor	9.4	8

Table 4.19 (Continued)

Clerical	0.0	0
Sales	4.7	4
Craft/trades	1.2	1
Operator	0.0	0
Laborer	1.2	1
Service Worker	4.7	4
Retired	1.2	1
Homemaker	0.0	0
Student	49.4	42
Unemployed	0.0	0
Other	11.8	10

Each student watched one of four Macy's ads that had been previously evaluated by three judges for a content analysis in Study 1. A description of the ads with a hyperlink to YouTube.com can be found in Appendix F. One ad was selected to represent each of the quadrants in the proposed matrix shown previously in Figure 4.1. Ads were selected from the ads used in the content analysis from Study 1. Ads were selected based on the presence of the informational criteria and appeal that best reflected the quadrant. The high information ads that were used were not only rated as high information but also contained the majority of the predictors. The High Emotion ads were evaluated by the judges as having excitement and joy. The full analysis of these individual ads can be found in Table 4.20. The selection process was based on the results from CrossTabs and Frequencies found in Tables 4.3 and 4.4.

Table 4.20

Criteria and Appeals Present in Selected Macy's Ads

Ad Selected	PVQE	SCGU	NV	AVAIL	USERIM	HUMOR	EXJOY	SEX	Self-Esteem
HILE "Super Saturday"	X	X	X	X	X		X		
HIHE "Believe-O-Magic"		X	X	X	X		X		
LIHE "Find Your Magic: Where it all Comes Together"			X	X		X	X		
LILE "Make it Festive"			X	X	X				X

Each participant was randomly assigned to watch an ad and then evaluated the ad using measures for informational/emotional ads, Attitude toward the Ad, Attitude toward the Advertiser, and Skepticism toward Advertising.

Reliability and Validity for Puto and Wells

Table 4.21 consists of the means for the ads on each dimension. This was measured with the Puto and Wells (1984) Informational/Transformational 7-point scale.

Table 4.21

Means for Study 2a with Student Sample (N=85)

Quadrant	N	Info (Std. Dev.)	Emotion (Std. Dev.)
High Info/Low Emotion	21	3.80 (.82)	3.46 (.79)
High Info/High Emotion	19	3.71 (.62)	3.56 (.80)
Low Info/High Emotion	23	3.78 (.84)	4.19 (.87)
Low Info/Low Emotion	22	4.15 (.91)	3.52 (.84)

The means do not reflect the same results as the judges' opinions. Further analysis revealed that the scales lacked acceptable reliability. A Confirmatory Factor Analysis was conducted using five constructs: Information, Emotion, Attitude toward the Advertiser (Retailer), Attitude toward the Advertisement, and Skepticism toward Advertising. Four items were dropped from Information, five items were dropped from Emotion, and three items were dropped from Skepticism toward Advertising. No items were dropped for either Attitude Scale. The results from the CFA are provided in Table 4.22.

Table 4.22

Reliability and AVE for Study 2a with Puto and Wells Scale (N = 85)

Construct	Reliability	AVE
Information	.73	40.67%
Emotion	.91	47.28%
Skepticism	.85	69.77%
Att to Advertiser (Retailer)	.89	67.32%
Att to Advertisement	.94	62.24%

This measurement model required that 50% of the items be dropped from the informational dimension in order to achieve even a minimal level of reliability. Researchers should be very cautious when reducing a scale by half of the items. And even with this minimal level of reliability, a problem remained with the convergent validity. Calculating the Average Variance Extracted for a scale is a way to determine convergent validity. The AVE should be at least 50% (Hair Jr., et al. 2010). The results in Table 4.22 reveal that convergent validity was not present. The emotional dimension of the scale did achieve reliability after dropping several items but the AVE was still a little bit low. The fit of the model was also problematic. The results for the CFA for Study 2a can be found in Table 4.23.

Table 4.23

CFA Results for Study 2a (N=85)

Measurement of Fit	"Full" Model	"Respecified" Model
Chi Square	1172.184	440.069
Degrees of Freedom	692	314
Probability	.000	.000
CMIN/DF	1.694	1.410
Comparative Fit Index (CFI)	.731	.901
Root Mean Square Error of Approximation (RMSEA)	.091	.070
Confidence Interval for RMSEA	(.082; .100)	(.054; .084)

An overall assessment of this model indicated that the Puto and Wells Informational and Transformational Scales (1984) were problematic. It was decided that an additional scale should be found for Study 2b which measured the same dimensions and would make it possible to compare results; therefore, no further analysis by multivariate methods was conducted.

Study 2b

In Study 2b, a manipulation check that consisted of two items was used as well. The manipulation checks were previously used in an experiment by Moore, Harris, and Chen, 1995. A seven pt. Likert scale was used with the following items as manipulation checks for opinions regarding the information and emotional appeals in an advertisement:

1. In my opinion, this advertisement has a very strong appeal to my emotions.

2. This commercial contains a lot of information.

A scale by De Pelsmacker, Gueuns and Ackaert (2002) was found that measured similar dimensions to the Puto and Wells. The dimensions of knowing and feeling were

measured. Each dimension had four items and was measured using a seven pt. Likert scale. The first four measured "feeling" and the last four measured "knowing."

1. This advertisement is beautiful.
2. The advertisement attracts attention.
3. This advertisement is remarkable.
4. This advertisement is original.
5. This advertisement gives useful information.
6. This advertisement is believable.
7. This advertisement tells me something new.
8. This advertisement fits with the store.

These items were all included in Study 2b as well as the Puto and Wells scale.

Study 2b was conducted using a convenience sample recruited through Facebook and email. The demographics of this sample may be found in Table 4.24. In order to improve the quality of the data, two additional questions were added. First, participants were asked to identify the retailer in the ad shown. Participants that answered incorrectly were eliminated from the analyses. In order to determine if participants were still paying attention to questions, a question was placed later in the survey that required that the option of "weekly" was selected. Participants who selected another answer choice were also eliminated. In the student sample, many of the participants had either made patterns or had marked the same number for every item. The amount of time spent on the survey was also not enough time to watch the ad and respond. Some students spent as little as one minute 45 seconds total for both viewing the ad and answering the questions. Since the shortest ad was 32 seconds, it was apparent that the student had not made a serious attempt to answer the questions. In the second sample, after removing participants who did not meet the previously stated requirements, for all participants the minimum amount of time spent was approximately five minutes. Listwise deletion was used in order to analyze responses with missing data.

Table 4.24

Demographics for Study 2b

Descriptor	%	Freq.
Gender		
Female	64.1	82
Male	34.4	44
Decline	1.6	2
Age		
18-12	7.8	10
25-34	16.4	21
35-44	29.7	38
45-54	25.0	32
55-64	13.3	17
65+	6.3	8
Marital Status		
Single	17.2	22
Married	68.0	87
Divorced	.8	1
Widowed	12.5	16
Race/Ethnicity		
Caucasian	79.7	102
African-American	1.6	2
Hispanic	5.5	7
Asian/Pacific Islander	5.5	7
Native American	0.0	0.0
Other/Decline	7.8	10
Education		
Some high school	0.8	1
High school graduate	9.4	12
Some College	28.1	36
College Graduate	30.5	39
Advanced Degree	28.1	36
Income		
Under $25,000	14.1	18
$25,001 - $49,999	17.2	22
$50,000 - $74,999	20.3	26
$75,000 - $99,999	18.0	23
$100,000 - $149,999	18.0	23
$150,000+	7.8	10
Decline	4.7	6
Household size		
One	12.5	16

Table 4.24 (Continued)

Two	31.3	40
Three	19.5	25
Four	21.1	27
Five or More	14.1	18
Decline	1.6	2
Occupation		
Professional/Technical	40.6	16
Manager/official/proprietor	14.1	18
Clerical	3.9	5
Sales	2.3	3
Craft/trades	7.0	9
Operator	1.6	2
Laborer	0.0	0
Service Worker	1.6	2
Retired	4.7	6
Homemaker	0.0	0
Student	3.9	5
Unemployed	3.1	4
Other	15.6	20
Decline	1.6	2

First, in order to find if there was confirmation of the judges' categorization, the means were compared for all items in order to discover if the participants evaluated the ads similarly to the judges. A high info/low emotion ad should have a higher mean for info than the mean for emotion. The means for the Puto and Wells scale can be found in Table 4.25. There isn't much variation. Additionally, the means are not all in the direction that would provide confirmation. These results should be considered with caution due to the lack of reliability and validity that is presented in the next section.

Table 4.25

Means for Study 2b (Puto and Wells) (N=128)

Quadrant	N	Info (Std. Dev.)	Emotion (Std. Dev.)
High Info/Low Emotion	32	3.73 (.90)	3.55 (1.18)
High Info/High Emotion	37	3.48 (.90)	3.93 (1.04)
Low Info/High Emotion	32	4.04 (1.12)	3.91 (1.19)
Low Info/Low Emotion	27	4.14 (.76)	3.63 (1.05)

Reliability and Validity for Puto and Wells

The CFA for Study 2b with the Puto and Wells scale produced similar results with the exception being that no items were dropped for the Skepticism toward Advertising.

Overall, the results in Table 4.26 were better with the exception of the Information dimension which was worse than in Study 2a. Four items were dropped from Information and five from Emotion. No items were dropped from Skepticism.

Table 4.26

CFA Results for Study 2b (Puto and Wells)(N=128)

Construct	Reliability	AVE
Information	.67	34.45
Emotion	.92	52.34
Skepticism	.91	53.72
Att to Advertiser (Retailer)	.95	82.19
Att to Advertisement	.97	68.45

For this study, since the reliability and AVE are not within the required range, the discriminant validity was not assessed. The CFI is .901, even after dropping items. With the model showing a lack of reliability and validity, further analysis was not conducted. The model was rejected.

Reliability and Validity for De Pelsmacker et al

A second CFA was conducted using the dimensions of knowing and feeling from the replacement scale and no items were dropped. The results indicating good reliability and convergent validity can be found in Table 4.27.

Table 4.27

CFA Results for the Alternative Model (N = 128)

Construct	Reliability	AVE
Knowing	.82	53.90
Feeling	.91	72.73
Skepticism	.91	53.62
Att to Advertiser (Retailer)	.95	82.14
Att to Advertisement	.97	68.45

The next step was to assess discriminant validity. The squared interconstruct correlations (SIC) were calculated and compared to the AVE for each construct. The results are in Table 4.28.

Table 4.28

CFA Results for the Alternative Model (SIC)

	Feeling	Knowing	Skepticism	Advertiser	Advertisement
Feeling	1.0				
Knowing	0.26	1.0			
Skepticism	0.01	0.15	1.0		
Advertiser	0.35	0.29	0.07	1.0	
Advertisement	0.62	0.50	0.04	0.52	1.0

All of the squared interconstruct correlations for each construct are less than the

Variance Extracted for each construct which indicates discriminant validity. Nomological

validity was assessed by looking at the covariances and correlations (Table 4.29).

Table 4.29

Covariances, Standard Errors, Critical Ratios, and Correlations*

Variables	Covariances	S. E.	C.R.	P	Correlations
AdSkep < -- > ComAtt	-.265	.125	-2.127	.033	-.208
ComAtt < -- > AttKnow	-1.494	.274	-5.455	***	-.704
AdSkep < -- > AttKnow	.382	.115	3.329	***	.385
AttKnow < -- > AttFeel	.858	.204	4.215	***	.512
AdSkep < -- > AttFeel	.098	.098	1.002	.316	.098
ComAtt < -- > AttFeel	-1.700	.277	-6.145	***	-.788
RetAtt < -- > ComAtt	1.589	.254	6.261	***	.722
RetAtt < -- > AttKnow	-.920	.201	-4.569	***	-.537
RetAtt < -- > AdSkep	-.278	.103	-2.072	.007	-.270
RetAtt < -- > AttFeel	-1.024	.199	-5.138	***	-.589

*RetAtt and ComAtt were not reverse-coded for CFA analysis.   Correctly
interpreting covariances and correlations requires this to be considered.

The AdSkep construct has a significant relationship with only the knowing

dimension. AdSkep has been shown in previous research to be in the nomological net

(Obermiller and Spangenberg 1998). It was not intended to be included in the

multivariate analysis for Study 2b but was included with the data collection for

theoretical purposes. Study 3 does include this construct and will be discussed later in

this chapter. The other relationships are significant and in the expected direction. Thus,

while not optimal, there is some evidence of Nomological validity.

From the above analyses, it is apparent that the alternative scale was a better

choice for the study. These results confirm the findings of the judges regarding the

evaluation of the ads. The comparison of the means in Table 4.30 indicates that all means are in the directions that provides confirmation of the categorization by the judges.

Table 4.30

Means from the Alternative Scale (N = 128)

Quadrant	N	Knowing (Std. Dev.)	Feeling (Std. Dev.)
High Info/Low Emotion	32	4.84 (1.15)	3.20 (1.28)
High Info/High Emotion	37	5.37 (1.20)	5.09 (1.15)
Low Info/High Emotion	32	3.63 (1.09)	4.94 (1.44)
Low Info/Low Emotion	27	3.97 (1.17)	4.03 (1.31)

One last analysis provides additional confirmation. Two manipulation checks are included in Study 2b. Table 4.31 contains the results for a comparison of the means of the manipulation checks.

Table 4.31

Means from Manipulation Checks (N = 128)

Quadrant	N	Information (Std. Dev.)	Emotion (Std. Dev.)
High Info/Low Emotion	32	4.28 (1.68)	2.72 (1.50)
High Info/High Emotion	37	3.92 (1.81)	4.16 (1.95)
Low Info/High Emotion	32	3.81 (1.73)	4.06 (1.91)
Low Info/Low Emotion	27	2.52 (1.50)	3.57 (1.86)

The means are in the direction that confirmed the categorization by the judges. The original purpose for using the Puto and Wells scale was to determine whether the participants would confirm the results of the categorization of the judges in Study 1. The Puto and Wells scale did not provide reliable results and when validity was tested, it failed in that category as well. The manipulation checks provide results that confirm the results of the judges. The alternative scale not only provides confirmation when

comparing the means, but also withstood tests for reliability and validity. The fit indices for the CFA are all within accepted range. Thus, the results for Study 1 were confirmed. The ads were then used in Study 3 which tested the full model.

Multivariate Analysis Results for Attitude Toward the Ad and Attitude Toward the Advertiser

Studies 2a and 2b have one additional purpose which was to measure consumers' attitudes toward the ad and the advertiser. Since Study 2a did not produce a measurement model with reliability or validity, no further analyses were conducted on this sample. The data for Study 2b was further analyzed. The General Linear Model was used to determine if participants Attitude toward the Ad and Attitude toward the Advertiser differ depending on the type of ad shown. This study is concerned only with the main effect of Ad Type on consumer attitudes toward the advertiser and the advertisement. For a two (High Information vs Low Information) x two (High Emotion vs. Low emotion) design sample of at least 80 participants is necessary; however, to ensure that a minimum of 20 respondents per cell would be in the sample, a larger sample was collected. For this analysis, N = 140 and the cell counts can be found in Table 4.32. Additionally, the scales for Attitude toward the Ad and Attitude toward the Advertiser were reverse coded in order to make the results easier to interpret. The results for the comparison of the means are provided in Table 4.32.

Table 4.32

Descriptive Statistics for Study 2b (N = 140)

Construct	AdType	Mean	Std. Dev	N
Attitude toward the Ad	High Info/Low Emotion	4.36	1.53	34
	High Info/High Emotion	5.49	1.46	42
	Low Info/High Emotion	5.08	1.68	34
	Low Info/Low Emotion	4.47	2.05	30
	Total	4.90	1.72	140
Attitude toward the Advertiser	High Info/Low Emotion	5.21	1.36	34
	High Info/High Emotion	5.99	.99	42
	Low Info/High Emotion	5.59	1.28	34
	Low Info/Low Emotion	5.47	1.66	30
	Total	5.59	1.33	140

The comparison of the means suggests that while High Emotion appeals are positively viewed by consumers, High information is valued as well unless it is combined with a Low Emotion appeal. The ad that received the lowest favorable rating is a typical "Super Saturday" sales ad. The favorability for the advertiser is higher overall, but the results regarding information levels and appeal types are the same.

Before conducting the MANOVA, the data was checked to ensure that it met all requirements for normality, homogeneity of variances, linearity and multicollinearity. A regression analysis produced a Box Plot for Attitude toward the Advertiser that reveals that for AdType A, there are several outliers which can be found in Figure 4.2.
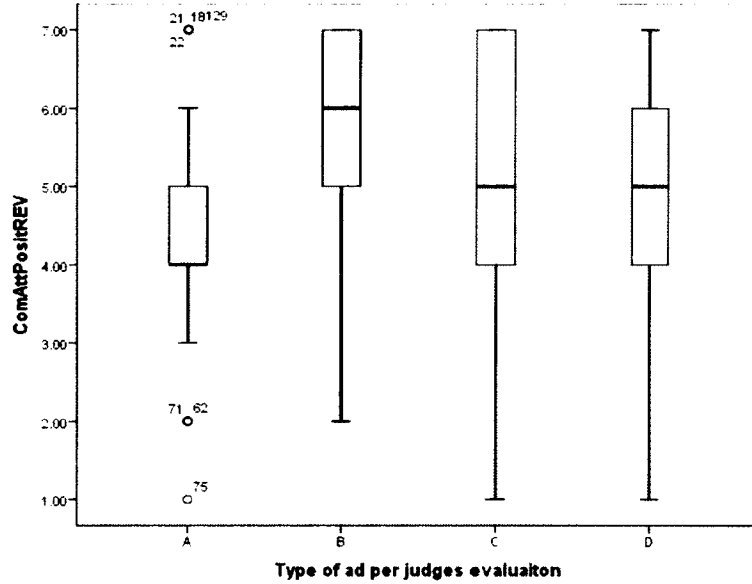
Figure 4.2 *Attitude Toward Advertiser Outliers*

After removing the outliers from the dataset, further analysis was conducted. The P-Plots for Attitude toward the Advertisement (Figure 4.3) and Attitude toward the Advertiser (Figure 4.4) indicated that a minor violation of the basic assumptions was present in the data. The statistics for kurtosis and skewness are in Table 4.33.
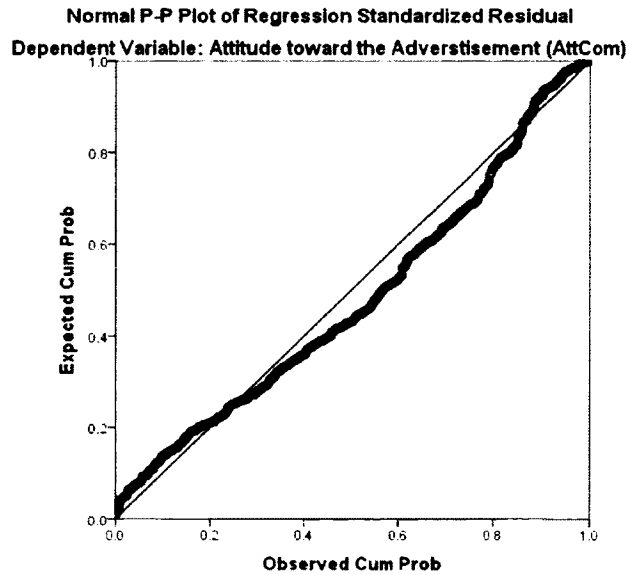
Figure 4.3 *Attitude Toward Advertisement*
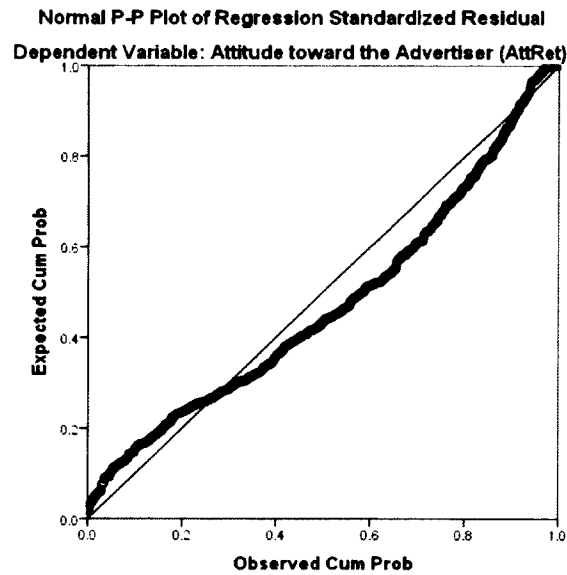
Figure 4.4 *Attitude Toward Advertiser*

Table 4.33

Skewness and Kurtosis Statistics

	N	Min	Max				Skewness		Kurtosis	
				Statistic	St. Error	STD. Dev	Statistic	Std. Error	Statistic	Std. Error
AttCom	136	1.0	7.0	4.9118	.14081	1.64216	-.540	.208	-.220	.413
AttRet	133	1.0	7.0	5.5940	.10897	1.25665	-.944	.210	.924	.417

For Attitude to the Advertiser (AttRet) there is a positive or leptkurtic distribution. For Attitude to the Advertisement (AttCom) there is a negative or platykurtic distribution. Although this indicates a violation of normality, the violations are not severe. There is debate regarding the use of data transformation and bootstrapping (Field 2013) and it has been suggested that it is better not to transform the data for these minor violations especially when the sample is adequate. Since this sample is more than 100 with only two dependent variables and minimum cell sizes of 20, the data was not transformed.

Finally, before running the MANOVA, the possibility of multicollinearity was assessed. The tolerance and VIF statistics can be found in Table 4.34.

Table 4.34

Multicollinearity Results

Dependent Variable	Independent Variable	Tolerance	VIF
Attitude to Advertiser (AttRet)	Cynicism	.981	1.019
	AdSkep	.745	1.342
	SaleWatch	.759	1.381
	AdUse	.617	1.621
	PriorKnowledge	.884	1.131
	ShopRec	.856	1.168
Attitude to Advertisement (AttCom)	Cynicism	.981	1.019
	AdSkep	.745	1.341
	SaleWatch	.759	1.318
	AdUse	.617	1.621
	PriorKnowledge	.884	1.131
	ShopRec	.856	1.168

Since all values for the VIF are far below 5, and the Tolerance is closer to one than .1, (Hair Jr., et al. 2010), multicollinearity is ruled out as a potential problem

After removing the outliers and determining that the data was ready for further analysis, the MANOVA was conducted. Even with the deletion of the outliers, all cells meet the minimum requirement of 20 cases per cell. The results of the MANOVA can be found in Table 4.35 with the analysis provided after the MANOVA.

Table 4.35

Multivariate Tests[a] for Study 2b

Effect	Value	F	Hypothesis df	Error df	Sig.	Partial Eta Squared	Noncent. Parameter	Observed Power[c]
Intercept Pillai's Trace	.953	1302.105[b]	2.0000	128.000	.000	.953	2604.209	1.000
AdType Pillai's Trace	.102	2.311	6.0000	258.000	.034	.051	13.866	.797

a. Design: Intercept + ADTYPE
b. Exact Statistic
c. Computed using alpha = .05

The Box's Test of Equality of Variances (59.589, F= 6.429, df1 = 9, df2 = 132702.358, p = .000) indicates that the assumption of equality is violated. The difference in group sizes (largest group size/smallest group size) was 42 / 27 = 1.555 and is very close to the cut-off of less than 1.5. The measure that was used for assessing the model was Pillai's Trace since this is a more robust method that is preferred with unequal cell sizes and violations of homogeneity (Hair Jr., et al. 2010).

The results of the multivariate tests provide support that the model should be accepted. The ad type as a main effect does explain some of the variance in attitudes. The test of between subjects effects (Table 4.36) also provides support; however, this model was very simple in design. The r squared and adjusted r squared as well as the partial eta squared for both variables are small indicating that while significant, only a small amount of the variance is explained.

Table 4.36

Tests of Between-Subjects Effects

Source	DV	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared	Noncent. Parameter	Observed Power[c]
Cor. Model	AttAd	32.210[a]	3	10.737	4.185	.007	.089	12.556	.846
	AttRet	12.608[b]	3	4.203	2.768	.044	.060	8.305	.658
Inter-cept	AttAd	3019.679	1	3019.679	1177.104	.000	.901	1177.104	1.000
	AttRet	3978.504	1	3978.504	2620.612	.000	.953	2620.612	1.000
Ad Type	AttAd	32.210	3	10.737	4.185	.007	.089	12.556	.846
	AttRet	12.608	3	4.203	2.768	.044	.060	8.305	.658
Error	AttAd	330.930	129	2.565					
	AttRet	195.842	129						
Total	AttAd	3569.222	133	1.518					
	AttRet	4370.375	133						
Cor. Total	AttAd	363.140	132						
	AttRet	208.450	132						

a.   R Squared = .089 (Adjusted R Squared = .068)
b.   R Squared = .060 (Adjusted R Squared - .039)
c.   Computed using alpha = .05

The observed power is adequate for Attitude to the Ad but does not meet the .80 threshold (Cohen 1988) for Attidude to the Advertiser. The descriptive analysis is provided in Table 4.37.

Table 4.37

Updated Descriptives for Study 2b

Construct	AdType	Mean	Std. Dev	N
Attitude toward the Ad	High Info/Low Emotion	4.27	1.01	27
	High Info/High Emotion	5.49	1.46	42
	Low Info/High Emotion	5.08	1.68	34
	Low Info/Low Emotion	4.47	2.05	30
	Total	4.91	1.65	133
Attitude toward the Advertiser	High Info/Low Emotion	5.14	.89	27
	High Info/High Emotion	5.99	.99	42
	Low Info/High Emotion	5.59	1.28	34
	Low Info/Low Emotion	5.47	1.66	30
	Total	5.59	1.25	133

While this simple model does provide some support for the main effect of Adtype on consumers' attitudes, it really only should be viewed as a model that provides direction for additional research. One interesting finding is that when presented with a high information content, participants preferred the ad that also contained high emotion.

Study 3

The purpose of Study 3 is to test the proposed model in Chapter 2 and to provide the framework for testing Research Questions 4 and 5.

A sample of 802 online respondents was obtained from Qualtrics. In order to ensure that the sample was comprised of people who actually shopped since the study was concerned with the effect of advertisements on shopper behavior, respondents who did not shop at least two times in the last month were eliminated from the sample as the data was collected.

Sample Quality Checks

Additionally, four checks were put into the survey in order to attempt to ensure that respondents were paying attention. The first check was simple and merely did not allow the respondent to skip through the advertisement shown to them. Of course, it is not possible to make certain that the respondent actually viewed the ad, but at least it is possible to know that the respondent could not skip the actual playing of the ad. The second check was comprised of a question which presented five national retailers. Respondents were required to select the name of the retailer featured in the advertisement. Any respondent who provided an inaccurate response was eliminated from the sample. The third check included a question that asked the respondent to select the answer "weekly." If one of the other choices was selected, the respondent was

eliminated. The fourth check was a time requirement. By pre-testing the survey, it was determined that a minimum of seven minutes would be needed for a reasonable respondent to watch the ad and complete all items in the survey. Any respondent with a completion time less than seven minutes was eliminated by Qualtrics. Additionally, a request was made for an equal number of males and females.

Qualtrics collected 1,328 responses and after checking that the data met these requirements, a sample of 802 was finalized for this research. The demographics for this sample are provided in Table 4.38.

Table 4.38

Demographic Information for Participants in Study 3

Descriptor	%	Freq.
Gender		
Female	50	401
Male	50	401
Age		
18-12	5.0	40
25-34	21.6	173
35-44	18.1	145
45-54	21.6	173
55-64	24.9	200
65+	8.9	71
Marital Status		
Single	26.1	209
Married	56.9	456
Divorced	4.0	32
Widowed	13.1	105
Race/Ethnicity		
Caucasian	78.8	632
African-American	7.5	60
Hispanic	6.0	48
Asian/Pacific Islander	5.0	40
Native American	1.0	8
Other/Decline	1.7	14

Table 4.38 (Continued)

Education		
Some high school	.9	7
High school graduate	15.5	124
Some College	34.4	276
College Graduate	35.4	284
Advanced Degree	13.8	111
Income		
Under $25,000	19.6	157
$25,001 - $49,999	26.9	216
$50,000 - $74,999	22.3	179
$75,000 - $99,999	17.0	136
$100,000 - $149,999	9.7	78
$150,000+	4.5	36
Household size		
One	20.2	162
Two	34.6	277
Three	21.1	169
Four	14.5	116
Five or More	9.6	77
Occupation		
Professional/Technical	18.6	149
Manager/official/proprietor	15.0	120
Clerical	5.5	44
Sales	6.5	52
Craft/trades	3.2	26
Operator	1.1	9
Laborer	4.7	38
Service Worker	3.7	30
Retired	15.0	120
Homemaker	5.0	40
Student	2.4	19
Unemployed	7.4	59
Other	12.0	96
Decline	1.6	2

Measurement Model Analysis and Results

Before testing the proposed model for answering the research question of this study, it was first necessary to conduct a Confirmatory Factor Analysis. All of the

constructs used in this model have been used by previous researchers (Obermiller and Spangenberg, 1998; Turner and Valentine, 2001; Grewal, Krishnan, Baker, and Borin, 1998; Lumpkin and Darden, 1982; Lumpkin, 1985; Simpson, Horton, and Brown, 1996; Bobinski Jr, Cox, and Cox, 1996; Stafford and Day, 1995). Some minor adaptations were made to a few items and those adaptations are provided in Chapter 3. The full instrument with the items analyzed in this CFA model may be found in Appendix E. The measurement model is shown in Figure 4.5.
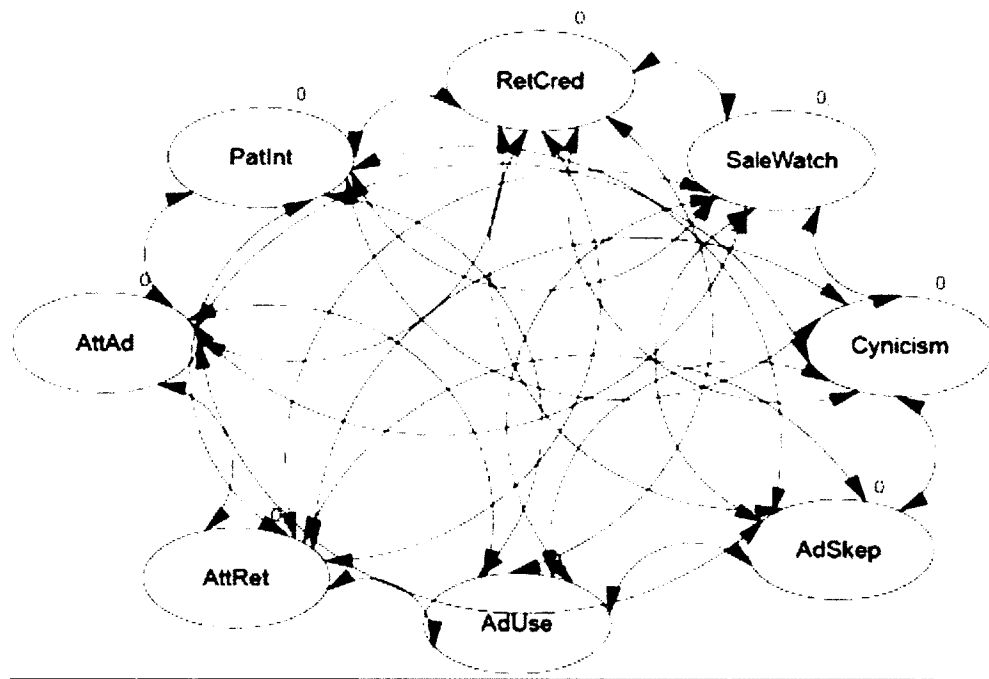
Figure 4.5 *Measurement Model for Study 3*

Amos Graphics was used to assess the overall fit of the measurement model and to determine the reliability of the measures as well as the convergent, discriminant and nomological validity. The original assessment indicates that all constructs meet the necessary thresholds except for the Cynicism measure. Overall reliability is adequate; however the Average Variance extracted is only 41.1% which is less than the rule of

thumb of 50% (Hair Jr., et al. 2010). Before proceeding with the analysis of the model, the analysis of the cynicism scale is provided first.

Cynicism Analysis

An examination of the standardized loading estimates revealed that only one out of 11 items was above .7. The loadings for each item can be found in Table 4.39.

Table 4.39

Cynicism Items with Standardized Loading Estimates (SLE) (N = 802)

Variable	Item	SRW
Cynic1	Salespeople are only interested in making a sale, not customer service.	.548
Cynic2	Big companies make their profits by taking advantage of working people.	.611
Cynic3	Outside of my immediate family, I don't really trust anyone.	.673
Cynic4	When someone does me a favor, I know they will expect one in return.	.671
Cynic5	People only work when they are rewarded for it.	.665
Cynic6	To a greater extent than most people realize, our lives are governed by plots hatched in secret by politicians and big businesses.	.665
Cynic7	Familiarity breeds contempt.	.646
Cynic8	Reports of atrocities in war are generally exaggerated for propaganda purposes.	.566
Cynic9	No matter what they say, men are interested in women for only one reason.	.666
Cynic10	When you come right down to it, it's human nature never to do anything without an eye to one's own profit.	.730
Cynic11	Businesses profit at the expense of the customers.	.583

The reliability for Cynicism was .88 which is well above the minimum requirement of .70; however, the AVE is below 50% which indicates a problem with convergent validity. By dropping Cynic1, Cynic2, Cynic8, and Cynic11, the AVE is improved to 46.29%. Items should not be dropped merely to improve model fit. But a closer examination of the items revealed that three of the items are related to business.

When dropping items from a measurement model, no more than 20% of the items should be dropped. Since only four items from the whole model were dropped, the percentage is less than 5% and well within accepted limits (Hair Jr., et al. 2010).

By dropping the items, the AVE for cynicism did improve slightly but still is below the 50% minimum. This indicates a problem with convergent validity for the cynicism. The developers of the scale stated that after dropping three items from their original scale, all items loaded on the same factor (Turner and Valentine 2001); however, after finding the lack of convergent validity by using Confirmatory Factor Analysis, SPSS 21.0 was used to test the dimensionality of the scale. Exploratory Factor Analysis indicates a two factor solution. Items one, two and 11 are all related to attitudes toward business, whereas, the other eight items are related attitudes toward government or people in general. The factor loadings can be found below in Table 4.40.

Table 4.40

Factor Analysis Results for Cynicism Using EFA

Scale Item	Factor 1	Factor 2
Cynic10	.742	.263
Cynic9	.707	.212
Cynic4	.696	.237
Cynic8	.683	.098
Cynic7	.673	.237
Cynic3	.666	.289
Cynic5	.627	.325
Cynic6	.525	.482
Cynic2	.201	.864
Cynic1	.213	.730
Cynic11	.279	.701

These results indicate that in future research, the cynicism scale would benefit from further refinement and possible re-evaluation of all items.

Measurement Results

After dropping items one, two, eight, and 11, a new CFA was conducted with the respecified model. The fit indices for both models can be found in Table 4.41.

Table 4.41

Fit Indices for the Measurement Model (N = 802)

Measurement of Fit	"Full" Model	"Respecified" Model
Chi Square	2313.120	1719.234
Degrees of Freedom	751	601
Probability	.000	.000
CMIN/DF	3.08	2.861
Comparative Fit Index (CFI)	.95	.962
Root Mean Square Error of Approximation (RMSEA)	.051	.048
Confidence Interval for RMSEA	(.049; .053)	(.046; .051)

The Chi Square is significant but this is expected since the sample size (N=802) is over 50 (Iacobucci 2010). The CFI is above .90 which indicates a good model fit. Additionally, the RMSEA was selected as a badness of fit index. The value of .048 is below .08 which is within the acceptable range below the acceptable limit of the fit indices are within acceptable ranges for both models and fit did not improve much by dropping the items (Hair Jr., et al. 2010).

Reliability and Validity

For the respecified model, validity and reliability were assessed. The standardized loading estimates for all variables with the corresponding reliabilities and AVE's may be found in Table 4.42. The measurement items may be found in Appendix E.

Table 4.42

Standardized Loading Estimates, Construct Reliability (α) and AVE for Respecified Measurement Model for Study 3

Construct	Variable	SLE	Construct α	AVE
AdUse				
	AdUse1	.74		
	AdUse2	.95		
	AdUse3	.92	.91	76.30%
SaleWatch				
	SaleW1	.51		
	SaleW2	.68		
	SaleW3	.90	.75	50.79%
Cynicism				
	Cynic3	.68		
	Cynic4	.70		
	Cynic5	.68		
	Cynic6	.62		
	Cynic7	.64		
	Cynic9	.68		
	Cynci10	.75	.86	46.29%
AdSkep				
	AdSkep1	.83		
	AdSkep2	.74		
	AdSkep3	.79		
	AdSkep4	.86		
	AdSkep5	.85		
	AdSkep6	.87		
	AdSkep7	.86		
	AdSkep8	.88		
	AdSkep9	.84	.95	69.67%
AttRet				
	AttRet1	.96		
	AttRet2	.95		
	AttRet3	.79		
	AttRet4	.91	.95	81.79%
AttAd				
	AttAd1	.95		
	AttAd2	.95		
	AttAd3	.97	.97	91.27%
PatInt				
	PatInt1	.96		
	PatInt2	.90		
	PatInt3	.96	.96	88.24%
RetCred				
	RetCred1	.90		
	RetCred2	.94		
	RetCred3	.94		
	RetCred4	.96		
	RetCred5	.93	.97	86.82%

The composite reliability for all constructs is above .70 which indicates acceptable reliability; however, not all of the individual standardized loading estimates meet desired standards. It is preferable that each item have a standardized loading of .7 as well (Hair Jr., et al. 2010). None of the items fell below .5, so no additional items were dropped. All constructs have a minimum of three indicators. All individual constructs are identified and the measurement model is over-identified. All constructs are hypothesized as reflective constructs. The AVE for all constructs is above 50%, except for Cynicism which is still only 46.29% even after dropping four items. Other than cynicism, all other constructs met the standard for convergent validity. Since Cynicism is close to the threshold of 50%, it was left in the model. Additionally, the estimated loading, standard error, and critical ratios were evaluated for evidence of convergent validity. All critical ratios are significant and have a p-value < .001 (Table 4.43).

Table 4.43

Estimated Loadings, Standard Errors and Critical Ratios for Study 3

Variable	Estimate	Standard Error	Critical Ratio
Cynic3	1.000[a]		
Cynic4	.935	.054	17.228
Cynic5	.974	.058	16.830
Cynic6	.988	.063	15.566
Cynic7	.847	.053	15.875
Cynic9	.985	.059	16.819
Cynic10	1.047	.057	18.242
AdSkep1	1.000[a]		
AdSkep2	.930	.038	24.371
AdSkep3	.873	.032	27.120
AdSkep4	1.003	.033	30.763
AdSkep5	1.056	.035	30.110

Table 4.43 (Continued)

AdSkep6	1.078	.035	31.236
AdSkep7	1.046	.034	30.800
AdSkep8	1.077	.034	31.849
AdSkep9	.981	.033	29.400
AttRet1	1.000[a]		
AttRet2	.850	.027	30.955
AttRet3	1.070	.022	48.329
AttRet4	1.036	.021	49.106
AttAd1	1.000[a]		
AttAd2	1.075	.016	67.854
AttAd3	1.029	.017	61.390
AdUse1	1.000[a]		
AdUse2	1.206	.044	27.290
AdUse3	1.168	.044	26.752
SaleW1	1.000[a]		
SaleW2	1.446	.107	13.540
SaleW3	1.973	.140	14.097
PatInt1	1.000[a]		
PatInt2	.805	.017	47.955
PatInt3	.965	.016	61.243
RetCred5	1.000[a]		
RetCred4	1.003	.019	54.149
RetCred3	.952	.019	49.762
RetCred2	.997	.020	49.943
RetCred1	.988	.022	44.160

[a]Loading set to 1.0. Not estimated.

While the values listed above do not have a specific range for validity (Hair Jr., et al. 2010), it is possible to look at these values and make some assessment of convergent validity. All values are in the hypothesized direction and are significant.

The next test of validity required determining if discriminant validity exists. The Φ squared matrix is comprised of the squared interconstruct correlations. If the correlations are less than the AVE's for both constructs, then discriminant validity exists. The Φ matrix and the Φ squared matrix can be found in Tables 4.44 and 4.45, respectively.

Table 4.44

Φ Matrix

Φ matrix	AdUse	SaleW	AdSkep	AttRet	AttAd	Cynic	PatInt	RetCred
AdUse	1.00							
SaleW	0.51	1.00						
AdSkep	0.68	0.48	1.0					
AttRet	-0.59	-0.34	-0.27	1.00				
AttAd	-0.79	-0.70	-0.21	0.87	1.00			
Cynic	0.05	0.03	-0.01	0.21	0.15	1.00		
PatInt	-0.42	-0.36	-0.44	0.63	0.64	0.13	1.0	
RetCred	-0.43	-0.36	-0.55	0.81	0.74	0.21	0.63	1.00

Table 4.45

Φ Squared Matrix

Φ matrix Squared	AdUse	SaleW	AdSkep	AttRet	AttAd	Cynic	PatInt	RetCred
AdUse	1.00							
SaleW	0.26	1.00						
AdSkep	0.46	0.23	1.0					
AttRet	0.35	0.12	0.07	1.00				
AttAd	0.62	0.50	0.04	0.76	1.00			
Cynic	0.00	0.00	0.00	0.04	0.02	1.00		
PatInt	0.18	0.13	0.19	0.39	0.41	0.02	1.0	
RetCred	0.19	0.13	0.30	0.66	0.55	0.04	0.40	1.00

None of the squared interconstruct correlations are more than the corresponding AVE values; thus, there is evidence that the measurement model has discriminant validity.

Nomological validity was assessed by examining the covariances (Table 4.46). All constructs have significant covariances except for three which includes cynicism. Since cynicism is a personality trait that is not present in all personality types, this is not surprising and does not affect the theory presented by the model. It would be of more concern if it was shown to have only significant covariances. Most importantly, the other constructs in the nomological net are shown to have relationships which are important for the theoretical basis of the model to be tested later.

Table 4.46

Covariances, Standard Errors, Critical Ratios, and Correlations for Study 3*

Variables	Covariances	S. E.	C.R.	P	Correlations
Cynicism < -- > AdSkep	-.011	.036	-.288	.773	-.011
Cynicism < -- > AttRet	.299	.058	5.186	***	.210
AdSkep < -- > AttRet	-.542	.048	-11.394	***	-.488
RetCred < -- > PatInt	1.469	.102	14.389	***	.633
RetCred < -- > AttRet	1.389	.084	16.467	***	.813
RetCred < -- > SaleWatch	-.359	.047	-7.614	***	-.358
RetCred < -- > AdUse	-.749	.074	-10.088	***	-.432
RetCred < -- > AdSkep	-.614	.049	-12.463	***	-.547
RetCred < -- > Cynicism	.301	.058	5.194	***	.209
RetCred < -- > AttAd	1.540	.096	15.990	***	.744
SaleWatch< -- > PatInt	-.484	.064	-7.619	***	-.359
AttRet < -- > SaleWatch	-.342	.046	-7.358	***	-.343
AdUse < -- > SaleWatch	.600	.062	9.666	***	.594
Cynicism < -- > SaleWatch	.027	.035	.770	.441	.032
AdSkep < -- > SaleWatch	.310	.035	8.913	***	.475
ComAtt < -- > SaleWatch	-.396	.055	-7.185	***	-.329
RetAtt < -- > AdUse	-.671	.072	-9.282	***	-.390
AdUse < -- > PatInt	-.974	.099	-9.846	***	-.417
AdSkep < -- > AdUse	.766	.059	13.076	***	.679
Cynicism < -- > AdUse	.072	.057	1.254	.210	.049
ComAtt < -- > AdUse	-.886	.088	-10.020	***	-.425
Cynicism < -- > ComAtt	.263	.068	3.850	***	.152
AdSkep < -- > ComAtt	-.697	.058	-12.057	***	-.517
RetAtt < -- > PatInt	1.445	.102	14.186	***	.628

Table 4.46 (Continued)

AdSkep < -- > PatInt	-.669	.058	-12.057	***	-.443
Cynicism < -- > PatInt	.260	.076	3.406	***	.134
ComAtt < -- > PatInt	1.789	.122	14.665	***	.642
RetAtt < -- > ComAtt	1.787	.103	17.300	***	.870

*AdSkep, RetAtt, AttAd, ComAtt, and PatInt were not reverse-coded for CFA analysis.   Correctly interpreting covariances requires this to be considered. A lower number represented a more favorable attitude or intention. Items were reverse coded for the MANOVA.

The correlation analysis indicated that the dependent variables are positively correlated. Significant correlations are related in the direction that is expected. Cynicism is related to only some of the variables but this is not unexpected since it is a personality trait that is not inherent to all consumers.

Testing the Model

Since a quasi-experiment was used, the following model (Figure 4.6) was tested using MANOVA. The experimental design is a two (High Information vs. Low Information) x two (High Emotion vs. Low Emotion) between subjects design.
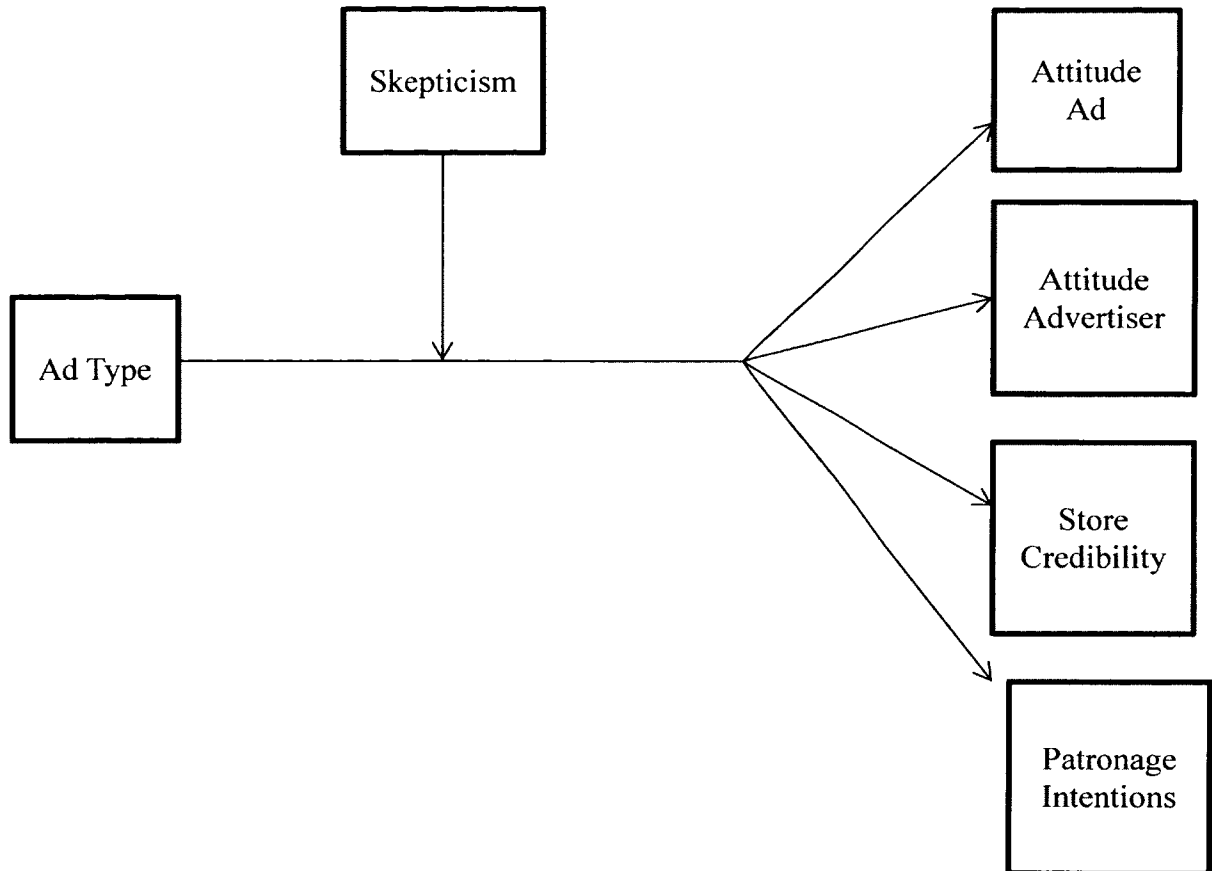
Control Variables: SaleWatch, AdUse, PriorKnowledge, ShopDate, Cynicism

Figure 4.6 *The Moderating Effect of Consumers' Skepticism Toward Advertising*

In order to have adequate power, having an adequate sample size is critical. Four cells and four dependent variables are used. According to Lauter (1978), in order to detect a small effect, a minimum of 145 participants per cell is necessary. A total of 802 participants completed the study. The attempt was made to have equal cell sizes based on the ad shown to the participant. A block randomizer was used which allowed for the four advertisements to be equally assigned to participants; however, some participants did not complete the survey which made it difficult to keep the cell sizes equal. As participants

did not finish the survey in the required time period, a new participant was recruited. Table 4.47 provides the distribution of ads across participants who completed the full survey.

Table 4.47

Sample Breakdown by Ad Shown (N=802)

AdType	N
Low Information/ High Emotion	213
High Information/High Emotion	199
Low Information/High Emotion	204
Low Information/Low Emotion	186

The smallest cell had 186 participants, thus, the sample size was determined to be large enough for power and effect size (Cohen 1988). Additionally, since 213/186 = 1.15 is less than 1.5, the cells are adequately represented (Hair Jr., et al. 2010).

The correlations between the dependent variables as well as the control variables are shown in Table 4.48.

Table 4.48

Correlations Between Variables in the Analysis

	AdSkep	Cynic	Aduse	SaleW	AttAd	AttRet	PatInt	RetCred	PriorKn	ShopDA
AdSkep										
Pearson	1	.017	.640*	-.377*	-.502*	-.468*	-.427	-.529*	-.236*	.249*
Sig. (2-tailed)		.627	.000	.000	.000	.000	.000	.000	.000	.000
N	802	802	802	802	802	802	800	800	802	608
Cynic										
Pearson	.017	1	.042	.023	-.150*	-.203*	-.138	-.194	-.116*	-.048
Sig. (2-tailed)	.627		.237	.507	.000	.000	.000	.000	.001	.235
N	802	802	802	802	802	802	800	800	802	608
AdUse										
Pearson	-.640*	.042	1	476*	.396*	.363*	.401*	.410*	.262*	-.269*
Sig. (2-tailed)	.000	.237		.000	.000	.000	.000	.000	.000	.000
N	802	802	802	802	802	802	800	800	802	608
SaleWatch										
Pearson	-.377*	.023	.476*	1	.298*	.308*	.300*	.314*	.232*	-.166*
Sig. (2-tailed)	.000	.507	.000		.000	.000	.000	.000	.000	.000
N	802	802	802	802	802	802	800	800	802	608
AttAd										
Pearson	-.502*	-.150*	.396*	.298*	1	.829*	.629*	.730*	.279*	-.251*
Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000	.000	.000
N	800	802	802	802	802	802	800	800	802	608
AttRet										
Pearson	-.468*	-.203*	.363*	.308*	.829*	1	.601*	.790*	.278*	-.225*
Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000	.000	.000
N	802	802	802	800	802	802	800	800	802	608

Table 4.48 (Continued)

PatInt Pearson	-.427	-.138	.401*	.300*	.629*	.601*	1	.627*	.403*	-.463*
Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000	.000	.000
N	800	800	802	800	800	800	800	799	800	606
RetCred Pearson	-.529	-.194*	.410*	.314**	.730*	.790*	.627*	1	.271*	-.267*
Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000		.000	.000
N	800	800	800	802	800	800	799	800	800	606
PriorKno Pearson	-.236	-.116*	.262*	-.232*	.279*	.278*	.403*	.271*	1	-.292*
Sig. (2-tailed)	.000	.001	.000	.000	.000	.000	.000	.000		.000
N	802	802	802		802	802	800	800	802	608
ShopDa Pearson	.249*	-.048	-.269*	-.166*	-.251*	-.225*	-.463*	-.267*	-.292*	1
Sig. (2-tailed)	.000	.235	.000	.000	.000	.000	.000	.000	.000	
N	608	608	608	608	608	608	606	606	6	608

*significant at $p < .01$

The personality trait of cynicism has a significant correlation with only a few of the variables. Surprisingly, it was not correlated with Skepticism to Advertising. The dependent variables are all correlated which is expected and validates the nomological net.

Several variables had to be reverse-coded for easier interpretation of the model and results. Patronage Intentions, Attitude toward the Ad, Attitude toward the Advertiser, Retailer Credibility, and Skepticism toward Advertising were all reverse-coded before creating the summated scales that were used for the analysis. The median for Skepticism toward Advertising 2.77 was used as a cut point for the High/Low Skepticism conditions. Those above 2.77 are considered to have high AdSkep and those below are categorized as low AdSkep. By creating this variable it is possible to use AdSkep as a moderating variable and to measure the influence that the interaction with the AdType had on the dependent variables. The deletion of the cases around the median resulted in the loss of some data; however, the cell sizes are still adequate for analysis. Even with the data loss due to the recoding of AdSkep, N = 605. This sample is large enough that testing the assumptions is not necessary. Some tests, such as Box's M, produce significant results with small effects when samples are large (Field 2013). Since the cell sizes are similar and the largest/smallest is 163/138 = 1.12 which is less than the threshold of 1.5 (Hair Jr., et al. 2010). Thus, the multivariate analysis was conducted with the data in its current state, without transformations or bootstrapping, since in a sample of this size, any minor violations are rarely problematic (Field 2013).

Testing the proposed model was the next step in the analysis. Table 4.49 provides the results of the multivariate analysis which tested the model. Pillai's Trace was used in this analysis since it is a more robust test statistic.

Table 4.49

Multivariate Analysis of the Model

Effect	Pillai's	F	Hypothesis df	Error df	Sig.	Partial Eta Squared	Noncent. Parameter	Observed Power
Intercept	.336	74.395	4.000	589.000	.000	.336	297.581	1.000
Cynic	.075	11.885	4.000	589.000	.000	.075	47.541	1.000
AdUse	.035	5.277	4.000	589.000	.000	.035	21.109	.971
SaleWa	.033	4.953	4.000	589.000	.001	.033	19.811	.961
PriorKn	.015	2.248	4.000	589.000	.063	.015	8.990	.659
ShopDa	.156	27.248	4.000	589.000	.000	.156	108.991	1.000
AdSkep	.094	15.331	4.000	589.000	.000	.094	61.325	1.000
AdType	.071	3.565	12.000	1773.00	.000	.024	42.775	.998
AdSkep* AdType	.020	1.016	12.000	1773.00	.431	.007	12.188	.606

While the overall model was significant, the interaction was not. Research Question 4 asked if there is an interaction between the type of ad and the level of Skepticism. The multivariate results show that there is no interaction. All of the main effects were significant suggesting that possibly, the moderating variable of Skepticism toward Advertising is not a moderator as conceptualized by Obermiller and Spangenberg (1998). Although the model must be rejected, for post hoc purposes as suggested in Chapter 3, the test of between subject effects (Table 4.50) does offer some interesting results that are important for advertisers.

Table 4.50

Test of Between Subjects Effects for Study 3

Source	DV	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared	Noncent. Parameter	Observed Power[e]
Cor. Model	AttRet	263.153[a]	12	21.929	17.481	.000	.262	209.772	1.000
	ComAtt	482.088[b]	12	40.174	21.550	.000	.304	258.605	1.000
	RetCre	323.167[c]	12	26.931	24.522	.000	.332	294.270	1.000
	PatInt	454.772[d]	12	37.898	27.500	.000	.358	330.005	1.000
Inter-cept	AttRet	246.746	1	247.746	196.693	.000	.249	196.693	1.000
	ComAtt	184.410	1	184.410	98.922	.000	.143	98.922	1.000
	RetCre	257.450	1	257.450	234.429	.000	.284	234.429	1.000
	PatInt	257.771	1	257.771	187.051	.000	.240	187.051	1.000
Cynic	AttRet	46.110	1	46.110	36.756	.000	.058	36.756	1.000
	ComAtt	49.986	1	49.986	26.814	.000	.043	26.814	.999
	RetCre	46.747	1	46.747	42.567	.000	.067	42.567	1.000
	PatInt	29.672	1	29.672	21.532	.000	.035	21.532	.996
AdUse	AttRet	8.090	1	8.090	6.449	.011	.011	6.449	.717
	ComAtt	26.204	1	26.104	14.003	.000	.023	14.003	.962
	RetCre	16.214	1	16.214	14.764	.000	.024	14.764	.970
	PatInt	11.982	1	11.982	8.695	.003	.014	8.695	.837
SaleW	AttRet	18.834	1	18.834	15.013	.000	.025	15.013	.972
	ComAtt	16.420	1	16.420	8.808	.003	.015	8.808	.842
	RetCre	10.673	1	10.673	9.719	.002	.016	9.719	.875
	PatInt	20.631	1	20.631	14.971	.000	.025	14.971	.971
ShopDa	AttRet	10.530	1	10.530	8.394	.004	.014	8.394	.824
	ComAtt	20.333	1	20.333	10.907	.001	.018	10.907	.909
	RetCre	17.397	1	17.397	15.842	.000	.026	15.842	.978
	PatInt	137.729	1	137.729	99.943	.000	.144	99.943	1.000
PriorK	AttRet	5.466	1	5.466	4.357	.037	.007	4.357	.549
	ComAtt	9.350	1	9.350	5.016	.025	.008	5.016	.609
	RetCre	1.281	1	1.281	1.166	.281	.002	1.166	.190
	PatInt	9.633	1	9.633	6.990	.008	.012	6.990	.752
Ad Type	AttRet	11.432	3	3.811	3.038	.029	.015	9.113	.714
	ComAtt	44.963	3	14.988	8.040	.000	.039	24.119	.991
	RetCre	14.851	3	4.950	4.508	.004	.022	13.523	.882
	PatInt	2.2027	3	.676	.490	.689	.002	1.471	.150
AdSkep	AttRet	40.375	1	40.375	32.184	.000	.052	.052	1.000
	ComAtt	76.630	1	76.630	41.107	.000	.065	.065	1.000
	RetCre	58.074	1	58.074	52.881	.000	.082	.082	1.000
	PatInt	21.410	1	21.410	15.536	.000	.026	.026	.976
AdSkep* AdType	AttRet	4.020	3	1.340	1.068	.362	.005	3.204	.290
	ComAtt	15.064	3	5.021	2.694	.045	.013	8.081	.656
	RetCre	4.252	3	1.417	1.291	.277	.006	3.872	.346
	PatInt	5.633	3	1.878	1.363	.253	.007	4.088	.364
Error	AttRet	742.648	592	1.254					
	ComAtt	1103.601	592	1.864					
	RetCre	650.134	592	1.098					
	PatInt	815.822	592	1.378					

Table 4.50 (Continued)

Total	AttRet	20847.938	605						
	ComAtt	18677.444	605						
	RetCre	19185.560	605						
	PatInt	19082.000	605						
Cor. Total	AttRet	1005.801	604						
	ComAtt	1585.689	604						
	RetCre	973.302	604						
	PatInt	1270.594	604						

a. R Squared = .262 (Adjusted R Squared = .247)
b. R Squared = .304 (Adjusted R Squared = .290)
c. R Squared = .332 (Adjusted R Squared = .318)
d. R Squared = .358 (Adjusted R Squared = .345)
e. Computed using alpha = .05

A moderating effect can be found for Attitude to the Ad (ComAtt); however, the partial eta square indicates that the effect is small. But as a main effect, AdSkep is significant for all four dependent variables. The AdType is significant for all dependent variables except Patronage Intentions. The independent variables included in the model are significant and the R Squared for each dependent variable indicates that the model does provide some guidance for future research.

As main effects, the independent variables do provide some insight for retailers regarding the types of advertising and habits of individual (such as advertising usage and sales watching). The model did explain enough of the variance that the results are important for retailers when developing advertising campaigns. This suggests the need for further research as well as re-thinking the conceptualization of Skepticism toward Advertising as a main effect rather than a moderator.

A comparison of the means for the dependent variables by Ad Type and AdSkep (Table 4.51) provides some indication as to which ads are rated more favorably. Looking at the results in Table 4.50, some preferences do become apparent for the two levels of AdSkep.

Table 4.51

Descriptives for Study 3

	AdSkepHiLo	AdType	Mean	Std. Dev.	N
RetAtt	1.0	Low Info/High Emotion	6.00	1.04	81
		High Info/Low Emotion	6.16	.86	84
		High Info/High Emotion	6.20	1.04	86
		Low Info/High Emotion	6.22	1.02	76
		Total	6.14	1.02	327
	2.0	Low Info/High Emotion	4.95	1.54	57
		High Info/Low Emotion	5.17	1.24	71
		High Info/High Emotion	5.55	1.24	63
		Low Info/High Emotion	5.21	1.51	87
		Total	5.22	1.41	278
		Low Info/High Emotion	5.57	1.37	138
		High Info/Low Emotion	5.71	1.18	155
		High Info/High Emotion	5.92	1.17	149
		Low Info/High Emotion	5.68	1.40	163
		Total	5.72	1.29	605
ComAtt	1.0	Low Info/High Emotion	5.62	1.45	81
		High Info/Low Emotion	5.85	1.13	84
		High Info/High Emotion	6.04	1.22	86
		Low Info/High Emotion	6.10	1.35	76
		Total	5.90	1.30	327
	2.0	Low Info/High Emotion	4.24	1.80	57
		High Info/Low Emotion	4.33	1.54	71
		High Info/High Emotion	5.26	1.39	63
		Low Info/High Emotion	4.52	1.79	87
		Total	4.61	1.68	278
		Low Info/High Emotion	5.05	1.74	138
		High Info/Low Emotion	5.15	1.53	155
		High Info/High Emotion	5.71	1.34	149
		Low Info/High Emotion	5.31	1.75	605
RetCred	1.0	Low Info/High Emotion	5.80	1.20	81
		High Info/Low Emotion	6.04	.86	84
		High Info/High Emotion	6.10	1.06	86
		Low Info/High Emotion	6.01	1.06	76
		Total	5.99	1.04	327
	2.0	Low Info/High Emotion	4.74	1.33	57
		High Info/Low Emotion	4.87	1.06	71
		High Info/High Emotion	5.28	1.25	63
		Low Info/High Emotion	4.71	1.29	87
		Total	4.89	1.25	278

Table 4.51 (Continued)

		Low info/High Emotion	5.36	1.35	138
		High Info/Low Emotion	5.50	1.12	155
		High Info/High Emotion	5.75	1.21	149
		Low Info/High Emotion	5.32	1.33	163
		Total	5.48	1.26	605
PatInt	1.0	Low Info/High Emotion	5.83	1.27	81
		High Info/Low Emotion	5.97	1.12	84
		High Info/High Emotion	5.73	1.45	86
		Low Info/High Emotion	5.93	1.30	76
		Total	5.86	1.29	327
	2.0	Low Info/High Emotion	4.83	1.56	57
		High Info/Low Emotion	4.94	1.33	71
		High Info/High Emotion	5.11	1.49	63
		Low Info/High Emotion	4.77	1.45	87
		Total	4.90	1.45	278
		Low Info/High Emotion	5.42	1.48	138
		High Info/Low Emotion	5.50	1.32	155
		High Info/High Emotion	5.47	1.49	149
		Low Info/High Emotion	5.31	1.50	163
		Total	5.42	1.45	605

For Attitude toward the Retailer (RetAtt), a high information/high emotion approach was more favorably rated. The ad used for this condition was also evaluated in the content analysis as being a transformational ad http://www.youtube.com/watch?v=xvzRXy3J0Z0. It used a scenario of children mailing letters to Santa based on the "Yes, Virginia. There is a Santa Claus." Besides taking an emotional approach, information was presented regarding the iPhone app and the process for sending the letter. Additionally, for each letter received, a donation was made to the Make-a-Wish foundation.

For Attitude toward the Ad, the high information/high emotion approach was more favorably received by those with higher levels of AdSkep, whereas for those with a lower level of AdSkep, the low information/high emotion approach was more favorably

received. The difference between the high information/high emotion and the low information/high emotion was negligible for those with low Skepticism. The low information/high emotion ad was highly entertaining and showed celebrity designers in the Macy's store in a humorous situation (http://www.youtube.com/watch?v=8ck38bPotGQ). Overall, those with lower AdSkep did rate the ads more favorably than those with high AdSkep.

For RetCred, ads with higher levels of information were more favorably received by those with low or high AdSkep, but for the high AdSkep group, the high information/high emotion ad had a much higher overall favorability over all three of the other ads.

For PatInt, the low AdSkep group showed a slight preference for the "Super Saturday" (http://www.youtube.com/watch?v=TJ1PxgavQSo&list=PL70CFD6622ABF2 E17) high information/low emotion ad. For those with higher AdSkep, the High Information/High Emotion ad was once again rated more favorably than the other ads.

Research Question 5 was concerned with certain phrases regarding sales. Consumers are told on a weekly basis, with no special occasion associated, that each weekend is the biggest sale of the season. The High Info/Low Emotion ad used in this research was not for a specific holiday or occasion. It was one of the "typical" sales ads. The title was "Super Saturday" and it listed special prices for items for Friday and Saturday only. The descriptive statistics suggest that for those with higher Skepticism, for everything but PatInt, a high information/low emotion ad was rated less favorably than the other ad types.

Post Hoc Analysis

Additionally, post hoc analyses were planned for discovering if certain demographics responded differently to the various ad types. When Obermiller and Spangenberg (1998) developed the scale for Skepticism toward Advertising, they found a curvilinear effect of age. This had served as a proxy for experience and knowledge. They suggested that as individuals grow older and mature, they are better able to use the accumulation of Persuasion Knowledge, thus, making them less skeptical of all advertising. When age was used as a factor there were no clear trends that emerged. When collecting data, age was collected as a categorical rather than a continuous variable. The cell sizes are not equal and a comparison of the means based on age did not yield any trends that could be identified.

Using gender to identify trends yielded some interesting results. The means for all the dependent variables are in Table 4.52 followed by the ANOVA results with the measures of association in Table 4.53.

Table 4.52

Means by Gender and AdType

Gender	AdType		AttAd	RetAtt	PatInt	RetCred
Male	Low Info/High Emotion	Mean	4.45	5.10	4.66	4.99
		N	94	94	93	93
		Std. Dev.	1.83	1.45	1.78	1.50
	High Info/Low Emotion	Mean	4.71	5.34	4.85	5.17
		N	103	103	103	103
		Std. Dev.	1.52	1.21	1.52	1.16
	High Info/High Emotion	Mean	5.31	5.60	5.02	5.42
		N	100	100	100	100
		Std. Dev.	1.47	1.21	1.46	1.27
	Low Info/High Emotion	Mean	5.22	5.59	5.09	5.33
		N	104	104	104	104
		Std. Dev.	4.93	1.34	1.52	1.32
	Total	Mean	4.93	5.41	4.91	5.23
		N	401	401	400	400
		Std. Dev.	1.66	1.33	1.57	1.32
Female	Low Info/High Emotion	Mean	5.13	5.65	5.18	5.40
		N	92	92	92	91
		Std. Dev.	1.74	1.34	1.82	1.27
	High Info/Low Emotion	Mean	5.33	5.85	5.43	5.69
		N	101	101	101	101
		Std. Dev.	1.51	1.20	1.64	1.17
	High Info/High Emotion	Mean	5.88	6.03	5.29	5.75
		N	99	99	99	99
		Std. Dev.	1.16	1.12	1.73	1.25
	Low Info/High Emotion	Mean	5.18	5.66	5.03	5.18
		N	109	109	108	109
		Std. Dev.	1.86	1.12	1.76	1.40
	Total	Mean	5.38	5.80	5.23	5.49
		N	401	401	400	400
		Std. Dev.	1.62	1.28	1.73	1.29

Table 4.53

ANOVA and Measures of Association for Gender and AdType

		Sum of Squares	df	Mean Square	F	Sig.	Eta	Eta Squared
AttAd* Gender	Between Groups Within Groups Total	40.250 2155.334 2195.584	1 800 801	40.250 2.694	14.939	.000	.135	.018
AttRet* Gender	Between Groups Within Groups Total	29.667 1373.012 1402.679	1 800 801	29.667 1.716	17.286	.000	.145	.021
PatInt* Gender	Between Groups Within Groups Total	20.373 2199.288 2219.661	1 798 799	20.373 2.756	7.392	.007	.096	.009
RetCred* Gender	Between Groups Within Groups Total	12.954 1373.155 1386.109	1 798 799	12.954 1.721	7.528	.006	.097	.009

Women evaluated all ads more favorably than men for all dependent variables. The high information/high emotion (Believe-O-Magic) ad performed the best with men and women. But when comparing all ad types by gender, another trend emerged. Men showed a preference for the ads in the high emotion quadrants, whereas women preferred the ads in the high information quadrants. This finding is the opposite of the stereotype in American culture that women are more emotional than men and should probably be investigated in future research.

The overall purpose of this research was to investigate retailer advertising and to determine how consumers respond to the different types of advertising and whether retailers can use this knowledge to reduce the influence of consumers' Skepticism toward

Advertising. Despite not finding an interaction, this research still yielded important findings for both academics and practitioners. Chapter 5 provides a discussion of these findings and the implications as well as limitations and suggestions for future research.

CHAPTER 5

DISCUSSION OF FINDING, LIMITATIONS,
AND FUTURE RESEARCH

The goal of this research was to answer five research questions regarding retailer advertising. These questions were clearly stated in order to design a series of research protocols that could provide answers for the associated research question and serve as the basis for the next research question and corresponding data collection. Chapter 1 clearly defined the questions and the studies associated with the question. The next section of this research is organized according to research question. The question is presented and then followed by the studies associated in chronological order of completion. After the findings, practical contributions are presented. Finally, this research concludes with the limitations of the studies and suggestions for future research. This conclusion of the research is divided by studies and the suggestions for future research are included with the study that it would possibly build upon and extend the knowledge. al., 2011). And recent empirical studies from international data show that the VAT may not be as regressive as originally thought, in fact, it can be progressive (e.g., Ebrill et al.).

RQ1: Are any of the current typologies for advertising applicable to retailers since most were developed while focusing on product/brands advertisements?

Over the years, several advertising typologies have been developed. Many suggested completely new parameters for categorizing advertisements (Shimp 1976) (Resnik and Stern 1977) (Frazer 1982) (Vaughn 1983) (Puto and Wells 1984) and some built on the work of others (S. E. Moriarity 1987) (Laskey, Day and Crask 1989) (Cutler, Thomas and Rao 2000) (Aitken, Lawson and Gray 2003). After reviewing the literature regarding advertising typologies and retailer advertising, it was determined that of the existing typologies, the Puto and Wells (1984) informational/transformational matrix offered the most potential for a good fit for retailers. Content analysis of a sample of retailer ads was deemed to be the best method for determining whether the matrix was indeed applicable for retailers.

After the judges independently evaluated and categorized the sample of ads using the modified matrix with the additional option of rating the ad as transformational, the results were assimilated into a single data set for further analysis. The analysis indicated that each judge had used all four quadrants for a significant number of ads. Although the judges did not agree on the categorization of all ads, there were no problematic ads that could not be placed by a judge in one of the quadrants. Thus, it appears that using a current typology was preferable to creating a new typology.

However, the results of the literature review suggested that although it was not necessary to completely develop a new typology for retailer advertising the concerns raised regarding the interchangeable us of emotional and transformational was problematic (Aitken, Lawson and Gray 2003). When analyzing the data from the content analysis, it became apparent that Research Question #2 was a valid question. The finding

did provide evidence that the modification suggested in this research was necessary and is discussed next.

RQ2: For retailers, should the informational/transformational matrix be changed to informational/emotional?

The literature review revealed that the terms emotional and transformational had been used interchangeably despite having different definitions. Thus, the content analysis was used to determine whether these terms should be used interchangeably. The logic behind this methodology was that if the terms were interchangeable, then all (or at least a majority) emotional ads would be rated as transformational. The results indicate that all of the ads that were evaluated as transformational were also evaluated as having high emotional content. Out of 179 ads, 44 were evaluated as having high emotion. The judges evaluated only 11 ads as being transformational. None of the low emotion ads were evaluated as transformational. Thus, there is evidence that suggests that the transformational advertising is a sub-category of emotional appeals.

Studies 2a and 2b were designed to provide additional confirmation of the judges' findings. Participants were shown one ad from the sample and evaluated the informational and emotional content of the ads. The Puto and Wells Informational/Transformational scale was used for this assessment. Obermiller at al (2005) used this scale to evaluate ads as being emotional or informational, thus, it was determined that their method could be used in this study. Problems arose when Study 2a did not provide results that could be utilized for this assessment due to reliability problems with the informational dimension of the scale. Both dimensions required many

of the items to be dropped and exceeded the threshold of acceptability for dropping items (Hair Jr., et al. 2010).

In Study 2b, participants used the Puto and Wells (1984) scales as well as a manipulation check (Moore, Harris and Chen 1995) and the thinking and knowing scales De Pelsmacker, Gueuns and Ackaert (2002). In this study, the Puto and Wells scale provided results that were less reliable than those in the first study. Fortunately, the alternative measures were reliable and the means were in the directions that provided confirmation of the judges' evaluations. The results also suggest that scales designed to measure whether an ad is transformational should not be used to measure emotional. Additionally, the results from the manipulation check suggest that for the informational content, it might not be necessary to use a multiple item measure but rather to use a single predictor item since it could considered a more concrete idea (Bergkvist and Rossiter 2007). Future research should utilize measures that are specifically designed to measure informational and emotional appeals and use transformational items only if that is the dimension being measured. Substitutions result in unreliable data.

RQ3: What are the most commonly used types of information and appeals?

The content analysis conducted in this research yielded some interesting results. Each criterion is presented with a brief description of its use in retailer advertising. Criterions are listed according to the frequency found in the ads used in this research.

1. The availability of the place of purchase, whether implicitly or explicitly related to consumer emerged as the number one informational criteria used by all retailers in the sample. Regardless of information content or emotional content, this criterion was present in all but one of the ads in the sample. Due

to its constant presence, it was not found to be significant in a crosstabs analysis and was eliminated from further analysis.

2. The variety of product available at the retailer was in the majority of ads. This was found to be presented visually in most of the ads with an audible explanation occurring in only a few of those ads. Variety of product available was found in all ad types regardless of whether the audible explanation was given as well.

3. User image appeared in over half of the ads. Since user image is closely associated with the market segments that retailers are targeting, it would be expected that this criterion would have been used more frequently. Another surprising find was that it was found across all ad types since the conventional wisdom would suggest that it would be highly tied to a more emotional appeal. Advertising textbooks frequently give examples of print ads with a user image appeal with luxury goods or prestigious brands and not for lower end products. Yet, user image was found in all department store ads.

4. Price was frequently found in the high information ads, which is not surprising since sales ads were categorized as high information/low emotion. Surprisingly, it even was found in a few of the low information ads.

5. Economy or Savings was utilized mostly in high information ads but it was also found in a few of the low information ads.

6. Special offers were found in all ad types.

7. Value was found only in high information ads but did not appear very often.

8. Special Occasion was found in all ad types. For high information ads, this was also usually associated with price or special offers. For high emotion ads, it was associated with user image.

9. Guarantee was not frequently used but was found in all ad types.

10. New ideas appeared in all ad types but most frequently in high information/low emotion ads.

11. Quality was not found in high emotion/ high information ads. It was rarely used but when it was found, it appeared mostly in high information/low emotion ads.

12. Company information was found only in the low information/low emotion ad type category.

This analysis indicates that the informational criteria included in this research were applicable to retailer advertising. All of the criteria were present in a minimum of five ads in the sample. This suggests that the criteria presented to the judges were appropriate for conducting content analysis of retailer advertising. The option of other with a description was not utilized by the judges.

The emotional appeals presented to the judges were based on those that appear in the literature. Each appeal is presented in order of the frequency that it was found in the sample of ads for the content analysis. Several ads used more than one appeal. Excitement and joy were frequently in the same ads. Humor was also combined with other appeal types.

1. Excitement was the most frequently occurring especially in the high information/low emotion category. Judges were instructed to evaluate the ads

based on what they perceived the retailer was attempting to convey as an emotional appeal. The attempt to artificially create a sense of excitement appeared in many of the "sales" ads especially those not attributed to a reason for a sale such as Christmas or Back-to-School sales. These ads were frequently for a "1-day sale" or "Super Saturday" sales ad and usually included fast tempo music with a loud voice-over that attempted to convey a sense of urgency in the delivery.

2. Humor was found in all ad types but the low information/ low emotion and low information/high emotion categories were more likely to utilize a humor appeal.

3. Joy was in all ad types but the majority of uses occurred in either a low information/high emotion ad or a low information/low emotion ad. It was only found in one high information/low emotion ad. It was also frequently associated with holidays and special occasions.

4. Self-esteem was not found in high information/high emotion ads and was predominantly found in low information /low emotion ads. Additionally, self-esteem was utilized mostly by clothing stores.

5. Sex was used only in low information/low emotion ads and was associated with user image. This appeal was not frequently used by retailers and was limited to clothing stores.

6. Fear was not used by any of the retailers. This is not surprising since fear is frequently used as an appeal for advertising directed toward changing behavior such as in anti-smoking ads.

Overall, it appears that retailers use appeals that attempt to generate emotions that contribute to the hedonic value of the shopping experience.

Additionally, these criteria and appeals were used as predictor variables for predicting ad types. The model that used informational criteria performed better than the model with emotional appeals. Both models fell within the accepted parameters established for good model fit. However, a closer look revealed that both models performed well when predicting low emotion ad types but not with high emotion ad types.

RQ4: By manipulating the advertising strategy (appeal type and content) can the advertiser reduce the negative influence of Skepticism toward Advertising on Attitude toward the Ad, Attitude toward the Advertiser, Retail Patronage Intentions and Perceived Retailer Credibility?

Previous research has yielded conflicting results as to which type is viewed more favorably by consumers (Obermiller, Spangenberg and MacLachlan 2005) (Stafford and Day, Retail Services Advertising: The Effects of Appeal, Medium, and Service 1995). By manipulating the advertising strategy (appeal type and content) can the advertiser reduce the negative influence of Skepticism toward Advertising on Attitude toward the Ad, Attitude toward the Advertiser, Retail Patronage Intentions and Perceived Retailer Credibility?

The model presented in this study focused on the possibility of an interaction between the ad type and the level of Skepticism toward Advertising by the consumer. An interaction was not found to be present; however, both ad type and the level of Skepticism were found to be significant as main effects. Previous research that found

differences in consumer perceptions yielded opposing results. This research used four ad types that had a combination of emotion and information. Previous research (Obermiller and Spangenberg 1998) (Obermiller and Spangenberg 2000) (Obermiller, Spangenberg and MacLachlan 2005) (Stafford and Day 1995) used more extreme differences that presented emotional content and informational content as a dichotomy rather than a matrix. This research returns to the premise that ads are not a dichotomy but rather a more complex matrix. Even with a high information or high emotion condition, both elements were found to be present in all the ads.

Despite not finding the interaction hypothesized in the model, the research did provided some good insight into consumer perceptions of retailer advertising. These results are discussed in the section on managerial implications.

RQ5: Are consumers more skeptical of overused phrases?

Several phrases (biggest sale of the season, lowest prices, one-day sale, etc.) were found frequently in high information/low emotion ads. Stayman, Aaker, and Bruzzone (1989) suggested that "overuse of certain types of executions may lead to their being less effective" (p.26). Thus, the question arises: are consumers more skeptical of certain phrases that have been over-used in retailer advertising in general and by a retailer in numerous advertisements over a period of time? The content analysis served as a means to select ads for each quadrant. Based on the need to properly represent each specific quadrant, ads were chosen by the criteria for that quadrant and only one ad could be selected from each quadrant. The ad was selected based on the criteria that best represented that quadrant. Thus, only one ad that focused on this phrase was used in

Studies 2 and 3 and only Study 3 tested the model that included Skepticism toward Advertising.

Besides testing the model, additional analysis was conducted. A comparison of the means based on ad type and level of Skepticism revealed that for those with low ad Skepticism, the high information/low emotion approach was favorable for their retail patronage intentions suggesting that sales ads can draw in those who are not as skeptical of advertising. For the other outcome variables of attitude toward the ad, attitude toward the advertiser and retailer credibility, the high information/low emotion ad was not evaluated as favorably, frequently being rated either 3rd or 4th for both conditions of high and low Skepticism.

While Study 3 provided some evidence that these phrases may not be evaluated as favorably as other informational criteria, it is difficult to determine specifically which phrases are less favorably viewed. The high information/low emotion ads frequently contained multiple phrases that referred to low prices and sales especially for sales events not related to a specific holiday or event such as Christmas or Back-to-School. In order to evaluate specific phrases, a vignette that uses only a specific phrase in each ad might be able to better determine the favorability of specific phrases since in real ads, retailers did not limit the content.

Theoretical Contributions

Research in advertising has focused on brands while retailers have been for the most part neglected except for print advertising. Retailer television advertising research has been limited (Zinkhan, Johnson and Zinkhan 1992) (Stafford and Day 1995). Yet, the goals, tools and outcome measures of retailers and brands are very different (Ailawadi, et

al. 2009). This research focused on television advertising with the unique aspects of retailers and more specifically looked at the content of retailer ads. Additionally, the Skepticism toward Advertising literature has focused solely on brands (Obermiller and Spangenberg 1998) (Hardesty, Carlson and Bearden 2002) (Obermiller, Spangenberg and MacLachlan 2005) (Hardesty, Bearden and Carlson 2007) (Chen and Leu 2011).

The results of the content analysis provide some evidence that the interchangeable use of the words emotional and transformational as an appeal or using transformational as the other half of a dichotomy with informational (S. E. Moriarity 1987) (Laskey, Day and Crask 1989) (Obermiller, Spangenberg and MacLachlan 2005) should not be done. Although more research is needed, the results of this research suggests that transformational is a sub-category of emotional; therefore, using a scale specifically designed for transformational appeals may cause some emotional appeals to be improperly evaluated. Not all emotional appeals will cause a transformational experience to occur, but, that does not exclude the presence of an emotional appeal.

The matrix proposed in this research also provides a typology that is a matrix rather than the dichotomy that is the basis of a great deal of the advertising research. Advertising messages are complex and a matrix better accommodates this complexity than a dichotomy. Since only retailer television advertisements were included in the analysis, the use of this matrix as a typology is limited.

The Persuasion Knowledge Model, with its three knowledge structures, served as the theoretical framework for this study. Previous research that utilized this model focused on one of the knowledge structures. By incorporating Skepticism toward Advertising, prior retailer knowledge and shopping experience into one study, this is one

of the few that has attempted to look at more than one knowledge structure at the same time. The model did not test for an interaction but it is one of the first to incorporate more than one knowledge structure in a single study.

Managerial Implications

The low information/high emotion ad that was used in this research had an overall favorable rating by both those with low and high ad Skepticism. The ad used was humorous and showed the array of merchandise with the celebrity designers associated. Previous research based on sorting theory has shown that consumers "can lower search costs for quality information by saving consumers the trouble of directly inspecting quality information on products (Suri, et al. 2011, 2) Sorting interacts with customer motivation and influences price perceptions. Retailers who do not rely on a price based appeal, could benefit by presenting merchandise by brand assortment rather than price. Sorting on brands can overwhelm cognitive resources; however, since TV advertising is low involvement, consumers aren't as likely to commit as many cognitive resources.

Men and women both preferred the high information/high emotion ad type. Overall, men preferred highly emotional ads and women preferred high information. While this study is limited to Macy's ads, it does provide insight for other retailers. Lowes began utilizing a business strategy that targeted women in the do-it-yourself (DIY) market. Forrester Research found that women preferred Lowes to The Home Depot due to the layout, cleanliness, merchandise selection, brand availability and an increase in appliances (Matthews 2003). Women are catching up with men in the DIY market and in 2011 women spent $70 billion on home improvement purchases (Good Morning America 2011).

Limitations and Future Research

While this research did provide some interesting findings for both practitioners and academics, there are several limitations that must be addressed. The limitations and future research suggestions for each individual study conclude this research.

The content analysis in Study 1 used a convenience sample of ads that were downloaded from YouTube. While retailers tend to upload the majority of their high emotion ads, the ads that were focused on "sales" were not as readily available. Additionally, although the ads represented the retailers that made the top 100 Advertiser's List, retailers that do utilize television advertising were not on this list. Thus, the study did not contain any ads from these retailers. Additionally, the sample only contained ads available on YouTube. While retailers uploaded many of their ads, it was not a complete listing of all the ads available on television. Future research should include smaller, local retailers.

The proposed model in this research posited that Skepticism toward Advertising has a moderating influence. The research found that an interaction with the type of ad does not occur. Future research should focus on the main effect of Skepticism since it was found to be significant as a main effect in this research. A study designed with this main effect that focuses on specific demographic groups and this main effect could provide valuable guidance for retailers.

Study 2 used two separate samples, both of which were not probability samples. While student samples are frequently used in marketing research, those results do not reflect the attitudes of consumers in general especially in regards to shopping. The participants in the second group were recruited through Facebook and email by the

researcher and friends of the researcher. Study 3 used a national, online panel from a marketing research firm. Participants in these panels do self-select. While more representative of the demographics of the population, minorities were under-represented. Participants were asked if they had shopped at the retailer and for those who responded in the affirmative, they were asked to estimate when in the last five years they had shopped at the retailer. Participants may have already had a bias or preference for the retailer. Future research should consider evaluating whether the dependent variable of perceived retailer credibility might actually be an independent (predictor) variable or covariate instead.

Only one ad was selected to represent each quadrant. Within quadrants, there was additional variation regarding the information and emotions utilized. Even the type of scenario such as a Christmas message vs. a scholarship message was found to differ within the quadrants. Another limitation is the lack of variety in the product mix of the retailer. By only selecting one retailer, only one product mix was used. The product mix for Macy's is quite different than the product mix for retailer's such as Lowe's or Target. Another limitation of importance is that all of the ads selected had predominantly white actors. While a few celebrities or models of varying ethnic backgrounds were in some of the ads, the predominance of white actors suggests that future research should utilize a sample that is comprised of ads that target other ethnic groups.

For high information ads, there was a great deal of variety as to types of information presented. Future research could investigate whether the use of sale prices for a specific reason, such as a holiday sales results in different response than ads that use a generic "Super Saturday" sales ad in advertising increases the influence that consumers'

Skepticism toward Advertising has on consumer patronage intentions (M. Moriarity 1983) and perceived store credibility (Bobinski Jr, Cox and Cox 1996).

Another limitation is participants were not asked about their perceptions of the frequency of the sales in the high information/low emotion condition that used a "Super Saturday" sale. Future research could address consumer's perceptions that a phrase is used frequently may increase the negative influence that Skepticism toward Advertising has on Attitude Toward the Ad, Attitude Toward the Advertiser, Perceived Retailer Credibility and Retail Patronage Intentions. McGoldrick (1995) discussed the "perpetual sale" and increased consumer Skepticism (general). Alford and Engelland (2000) examined the plausibility of reference prices based on social judgment theory, which could be extended to the plausibility of frequency of the perpetual sale. Kirmani (1997) found an inverted U-shape for ad repetition as a sign of quality. When advertised too much, consumers' perception was that something was wrong. Stayman, Aaker, and Bruzzone (1989) posited that "overuse of certain types of executions may lead to their being less effective" (p.26). This suggests that retailers should be cautious in pursuing a strategy that is perceived to include the perpetual sale (biggest sale of the season every week). Creating a measure for consumer's perception of the frequency of sales could provide additional insight regarding the effective advertising of "sales."

Additionally, only one retailer, Macy's, was used in Studies 2 and 3. While limiting the selection of ads to one retailer eliminated possible confounding effects from varying opinions and reputations of different retailers, it also limits the generalizability of the results to other department stores and also other retailer types. Future research should use retailer types other than department stores.

Retailer television advertising has had limited attention by researchers. In addition to finding answers to some of the research questions posited at the beginning of this work, the research conducted to complete this work, provides direction for future research that specifically addresses advertising for retailers.

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APPENDIX A

INFORMATION CUES FOR CODING SCHEMA

List of 30 Information Cues for the Coding Schema of Taylor, Miracle and Wilson based on the original criteria of Resnik and Stern

1. *Price*-Refers to the amount the consumer must pay for the product or service; may be in absolute terms, like a suggested retail price, or relative terms, like a 10 percent-off sale.

2. *Variety of the product*- Refers to claiming for or featuring more than one type of product.

3. *Value*- Refers to some combination of price and quality or quantity, as in better quality at a low price or best value for the dollar.

4. *Quality*- Refers to how good the product or service is; may refer to craftsmanship and/or attention during manufacture, use of quality (i.e., better, best) ingredients or components, length of time to product the product.

5. *Size*- Refers to the physical size or capacity of the product, how long, tall, wide, heavy, capacity to do particular size tasks.

6. *Economy/savings*- Refers to saving money or time either in the original purchase or in the use of the product relative to other products in the category.

7. *Supply, quantity available or limitation*- Refers to how much or how many items are available and directly or indirectly the need to act before the supply is exhausted.

8. *Method of payment*- Information on preferred method to pay; for example, by credit card over the telephone.

9. *Dependability/reliability/durability*- Information concerning how long the product will last without repair, service records, and other related items.

10. *Nutrition/health*- Information concerning the nutritional or health-related characteristics of a product; for example, "fortified with vitamin D," "the formula doctors recommend," "relieves iron-poor blood."

11. *Taste*- Primarily for food, drink, or personal care products.

12. *Sensory information (other than taste)*- Information (such as fragrance, touch, comfort, styling, or sound) concerning a sensory experience, appearance, classic beauty, beautiful sound, etc., associated with the product either when purchased or when prepared. In final form.

13. *Components/contents/ingredients*- What went into the making or manufacture of the product; for example, "contains iron," "made with pudding."

14. *Availability*- Any information concerning the place(s) where the consumer may purchase or otherwise obtain the product; for example, "available in supermarkets."

15. *Packaging or shape*- Information about the packaging of the product; for example, "the package is reusable," "in one convenient serving package."

16. *Guarantees/warranty*- Refers to any information concerning the presence of a guarantee or warranty.

17. *Safety*- Information concerning the safety of the product; for example, "has a built-in cut-off switch," "won't harm delicate hair," "nontoxic."

18. *Independent research results*- Information about tests of the product or of its users that were carried out by an identified individual or organization other than the company manufacturing the product.

19. *Company research results-* Information about tests of the product or of its users that were carried out by an identified individual or organization other than the company manufacturing the product.

20. *Research from unidentified source-* Information about tests of the product or its users that were carried out by the company manufacturing the product.

21. *New ideas, new uses-* Refers to any information about a new way to use an established product.

22. *Performance, results of using-* Any information concerning the outcomes associated with the use of a product. Performance deals with whether the product accomplishes a consumer purpose.

23. *Users' satisfaction/loyalty-* Refers to any information concerning users' satisfaction, dedication, preference for the brand, or length of time a consumer has used the advertised product.

24. *Superiority claim-* Information that claims the advertised product is better than competitive products or better than an older version of the advertised product in some particular ways.

25. *Convenience in use-* Information concerning the ease in which the product may be obtained, prepared, used, or disposed of.

26. *Special offer or event-* Information concerning special events such as sales, contests, two-for-one deals, premiums, or rebates that occur for a specified period of time.

27. *New product or new and improved features-* Refers to any information concerning a new product introduction, or new components, ingredients, or features of an existing product.

28. *Use occasion-* Information that clearly suggests an appropriate use occasion or situation for the product; for example, "buy film for the Christmas season," "enjoy Jell-O at a birthday party."

29. *Characteristics or image of users-* Refers to any information concerning the type(s) of individual(s) who might use the advertised product.

30. *Company information-* Refers to any information (e.g., size or number of years in business) about the image or reputation of the company that manufactures or distributes the product.

APPENDIX B

LIST OF ADS USED IN CONTENT ANALYSIS

Ad #	Retailer	Name of Ad	Date posted
70	Amazon	Amazon Commercial 2012	3/11/2012
85	Banana Republic (Gap)	Holiday 2011: Wishes do come true	11/9/2011
59	Banana Republic (Gap)	Claire Forlani- Banana Republic commercial #2	10/21/2011
60	Banana Republic (Gap)	Spring 2011: Journey in Style	2/3/2011
1	Best Buy	Make March Amazing	3/11/2012
15	Best Buy	First Steps	2/20/2012
23	Best Buy	Super Bowl- Justin Bieber	6/6/2011
29	Best Buy	Create a Monster	10/19/2011
44	Best Buy	Backpack	8/16/2011
47	Best Buy	Phone Innovators: Official Best Buy game Day	1/31/2012
63	Best Buy	Phone Freedom at Best Buy	10/26/2011
82	Best Buy	Black Friday at Best buy	11/22/2011
87	Best Buy	Game Trade in	8/2/2011
119	Best Buy	Big Game Experience	1/23/2012
127	Best Buy	Sitting on Goldmine	11/17/2011
164	Best Buy	Game On Santa with extended returns	12/19/2011
174	Best Buy	2012 Best Buy Scholarship	1/4/2012
112	Food 4 Less (Kroger)	tough times	4/21/2009
101	Fred Meyer (Kroger)	FC Ham	4/15/2011
52	Fred Meyer (Kroger)	Bombay	4/20/2011
58	Fred Meyer (Kroger)	Fred Meyer Jewelers 2011 TV Ad	12/13/2011
2	Gap	Gapkids:Color Pop Skinnies	2/7/21012
16	Gap	A short's story	4/6/20122
33	Gap	Made in the Shade	3/4/2011
65	Gap	Gap Spring 2011 Opposites Attract	1/6/2011
134	Old Navy (gap)	Old Navy Back to school	7/26/2011
161	Gap	Gap Kids and Baby- Want	11/5/2010
162	Gap	2009 Christmas Gap	12/4/2009
166	Old Navy (gap)	Old Navy- Spin that Rockin	10/4/2011
102	Home Depot	Viva	3/22/2012
4	Home Depot	Stok Quattro Grill	3/9/2012
34	Home Depot	Eco-Smart LED Christmas Lights	3/9/2012
48	Home Depot	Small Projects- The Home depot	12/21/2011
61	Home Depot	Savings Spectacular- The Home Depot	1/31/2012
64	Home Depot	Glidden Duo- the home depot	1/11/2012
76	Home Depot	Home Depot Wrecking Ball	2/16/2012
118	Home Depot	Carpet	1/7/2011

139	Home Depot	Make Your Walls talk	7/14/2011
177	Home Depot	Buy Online	9/2/2011
128	JCPenney	Pin the Tail	1/26/2012
133	JCPenney	Shell Game	1/26/2012
144	JCPenney	Brandi Carlisle Have you ever	9/14/2008
145	JCPenney	Mother's Day	5/12/2008
154	JCPenney	Pennies From Heaven	8/30/2011
171	JCPenney	Class of 2012	8/30/2011
172	JCPenney	Levi's	8/30/2011
5	JCPenney	Ellen-Hat Pence	2/22/2012
14	JCPenney	April 11,2011 BSOTS (JcPenney)	4/21/2011
30	JCPenney	Mad for March	3/12/2011
35	JCPenney	Jumping through hoops	1/30/2012
49	JCPenney	Jcp/ ellen: western Coupons	2/22/2012
62	JCPenney	lots to love in february	1/27/2012
67	JCPenney	Jcpenney New look new day who knew!	5/6/2011
75	JCPenney	jcp/Ellen: Roman Returns	2/22/2012
86	JCPenney	Auctioneer	1/26/2012
98	JCPenney	Who's Your Santa?	11/17/2011
103	JCPenney	Drummer boy	1/26/2012
55	Kmart (Sears)	Protégé	3/9/2010
79	Kmart (Sears)	Christmas commercial 2011 (Kmart)	12/16/2011
93	Kmart (Sears)	Kmart "Got the Look" 2011 Back to School	8/5/2011
104	Kmart (Sears)	Kmart 25 years	10/15/2010
106	Kmart (Sears)	Back to School 2011 kmart	7/29/2011
158	Kmart (Sears)	Show us	9/29/2011
120	Kohl's	Marc Anthony Spring	2/27/2012
121	Kohl's	Candie's Girls	8/8/2011
140	Kohl's	Kohl's Cares Scholarship	2/4/2011
146	Kohl's	Vote for Your School	8/23/2010
150	Kohl's	President's Day Sale Kohls- 2/12/2012	3/8/2012
155	Kohl's	Kohls Mega Back to School	8/30/2011
165	Kohl's	Mia Hamm	3/26/2012
173	Kohl's	Vera on Value	10/26/2012
6	Kohl's	Jennifer Lopez- I've got the music in me	3/8/2012
17	Kohl's	Back to School in Style	8/08/12
37	Kohl's	After thanksgiving sale- Nov. 11, 2009	3/2/2011
46	Kohl's	Shop Premium Rock & Republic now	2/1/2012
66	Kohl's	Fall Fashion and Style from Kohl's	9/26/2011
88	Kohl's	Jennifer Lopez-	9/8/2011
90	Kohl's	Kohls; Rebecca Black Friday	11/21/2011
107	Kohl's	Back to School 2011 kohls	7/29/2011
7	Kroger	Customers and Associates love gift cards	11/21/2011

36	Kroger	Save on fuel	11/18/2011
92	Kroger	Earn 4x Fuel Points on Gift Cards	11/21/2011
111	Kroger	Faster Checkout	3/8/2011
126	Kroger	Ooh Lawnmowers	10/1/2010
105	Lowe's	Closet Makeover	3/12/2012
108	Lowe's	Never Stop Improving	9/26/2011
129	Lowe's	Fresh Cut Grass	3/12/2012
160	Lowe's	John Deere at Lowes	4/12/2011
163	Lowe's	Lowes Business card	3/19/2012
123	Macy's	Macys Sale	10/14/2010
130	Macy's	Acqua Di	12/30/2011
135	Macy's	Wake Up Early	11/22/2010
142	Macy's	Magic of Macys- New Season	11/1/2007
147	Macy's	Super Saturday 3/22	3/27/2012
148	Macy's	Hot Home Sale	3/20/2102
157	Macy's	Macy's Fur Sale	2/28/2012
159	Macy's	Hot Home Mattress	3/20/2012
170	Macy's	Macy's Valentines Jewelry	2/14/2012
8	Macy's	Find your magic	7/21/2012
20	Macy's	Make room for more	9/11/2009
25	Macy's	Alfani Suit (auto body paint)	2/23/2012
26	Macy's	Thanksgiving Sale (amy Kuney)	12/17/2009
39	Macy's	Find your magic- where it all comes together	9/14/2011
40	Macy's	One day sale	8/30/211
42	Macy's	One day sale (Deanna Miller)	9/23/2007
68	Macy's	Macy's "A Million Reasons to Believe" 2011	12/28/2011
73	Macy's	Macy's Believe-o-Magic	11/7/2011
74	Macy's	Make it festive	2/24/2010
80	Macy's	Macy's Back to School 2010 Commercial	8/1/2010
91	Macy's	Believe	11/9/2009
95	Macy's	Mariah Carey	3/24/2008
113	Macy's	Wake Up with Martha Stewart	11/22/2010
89	Old Navy	Old Navy Presents Prototypes	11/28/2011
110	Old Navy	Super Bowl Corporado	2/5/2012
3	Old Navy (gap)	The Best Tee Ever Infomercial	3/5/2012
21	Old Navy (gap)	Old navy Presents BOGO	9/21/2011
41	Old Navy (gap)	Old Navy Presents This week jeans	8/19/2011
56	Old Navy (gap)	Old Nay Presents" Bee bots	3/21/2012
69	Old Navy (gap)	old Navy Presents: After Holiday Sale	12/14/2011
77	Ralph's (Kroger)	Get Real @ Ralphs... Find out March 28	3/21/2012
9	Sears	The Truth Room	12/2/2012
18	Sears	Ease the Season with Layaway	9/26/2011
27	Sears	Kenmore Capacity Refrigerator	10/3/2011

32	Sears	More Muscle C3 Impact	9/28/2012
38	Sears	UK Style by French connection	3/11/2011
50	Sears	Help Sears as they fulfill Military Heroes' wishes this year	11/19/2012
54	Sears	Be a Hero to our Heroes-- Heroes at Home	12/20/2010
57	Sears	Kardashian Kollection Sears commercial	9/7/2011
99	Sears	Here Kitty	8/7/2011
124	Sears	Sofia Vergara Kmart	9/15/2011
125	Sears	Bailee Madison (Kmart)	9/28/2009
131	Sears	Kmart Back to School Layaway	6/18/2011
132	Sears	Sears Father's Day	7/8/2010
143	Sears	World by Five for fighting	11/3/2008
153	Sears	Amazing Back to School	8/30/2011
10	Target	Suit Yourself	3/5/2012
22	Target	Target: Elf Grease 2Day	11/16/2011
31	Target	The Fray	2/10/2012
45	Target	Target Summer in 30 seconds	5/20/2011
51	Target	Cars 2 "Mom on a Mission"	6/9/2011
71	Target	Rolling in the Deep Target Ad	App 2012
72	Target	Making Dessert	2/2/2012
81	Target	2nd Grade Teacher	7/8/2011
83	Target	I am Pharmacist	5/26/2011
84	Target	Music Teacher	7/8/2011
96	Target	Spring Into Color	3/23/2012
97	Target	Santa Has Elves	12/24/2011
116	Target	Nailed It	3/26/2012
117	Target	Cat Man	10/4/2011
138	Target	Nog	1/17/2012
149	Target	Medievel Eggs	3/13/2012
151	Target	Chef at Heart	3/6/2012
152	Target	Alouette	2/14/2012
156	Target	Missoni Brand Sport	9/7/2011
175	Target	2 day- Reindeer Games	11/16/2011
176	Target	2 Day Early Birds	11/16/2011
13	The Limited	Spring 2012	2/24/2012
136	Walgreens	Edith and Ellen	10/20/2011
168	Walgreens	This is Mary	4/12/2011
114	Walgreen	Holiday Cards	12/14/2011
11	Walgreens	Expedition	3/8/2012
19	Walgreens	Web pickup to the rescue	2/17/2012
12	Walmart	Low Price Guarantee	3/14/2012
24	Walmart	Christmas 2011 Cat Sweater	11/6/2011
28	Walmart	Fishing Trip	4/12/2011

43	Walmart	grandpa looks like a baby	5/11/2011
53	Walmart	Yodeling Cat	12/5/2011
78	Walmart	Barbie's Flat Screen	6/14/2011
94	Walmart		11/7/2011
100	Walmart	Walmart Back to School	11/4/2010
109	Walmart	Spring 2010 Rollback	5/11/2011
115	Walmart	Franz Bakery	6/17/2011
122	Walmart	Muddy Kid	5/5/2011
137	Walmart	Boyfriend	7/21/2011
141	Walmart	Mommy Says	11/13/2011
167	Walmart	Walmart Easter 2011	6/29/2011
169	Walmart	Walmart Girl goes boom	11/26/2011
178	Walmart	Christmas Wish- Snow for Troops	11/4/2009
179	Sam's Club (Walmart)	Sam's Club donation for chronic disease	7/1/2011

APPENDIX C

INTRODUCTION TO THE CONTENT

ANALYSIS SESSIONS

Introduction to the Content Analysis Sessions

Thank you for agreeing to participate in this study. If you have any questions while reading this please contact me at (318)607-3454 or jmp055@latech.edu. Please read this instructional package and the evaluation sheet before attending your first session. At the session, we will go over the materials but it will be helpful if you have read everything first.

Each session will last for two hours. If you need a short break, please stop the session. We want everyone to be comfortable and able to focus on the task at hand.

You will be given a binder with the instructions and any necessary supporting documents when you arrive at your session. While evaluating the advertisements, you will have these documents available should you need to reference them for your evaluation.

During the sessions, it is very important that the ads are not discussed. Each individual is to watch the ads and fill out the evaluation forms without any discussion regarding the ads.

Each ad will be shown a minimum of two times. During the first viewing, please watch the ad and do not write anything on your forms. It is important that you watch the ad without distraction and focus solely on it. During the 2nd showing, you may start to write on your evaluation sheets. If you would like the ad to be shown again, please inform the person controlling the computer. You will evaluate the ad on informational content and appeal type.

It is our expectation, that it will take approximately five minutes for each ad to be viewed and analyzed; however, this is an estimate and if additional time is needed, we will determine that during the evaluations. Please do not feel rushed. It is important that the

evaluations be done as accurately as possible. If an ad requires that you view it again,

please let us know.

Instructions for Content Analysis

1. **Please make sure that the following information is provided for each worksheet:**

Date: _____ Judge:_____

Retailer shown in ad:_____

Name of ad:_____

2. You will be shown each ad two times. If you would like to see it again, please let us know. For the first viewing, do not write anything down. During the second viewing, you please track each time a piece of information is presented by putting a check mark in the appropriate space. If a piece of information is presented more than one time, please put a check mark for each incidence.

   Here is Section A of your evaluation sheet:

Part A: Here are the criteria for information content. Please place an "A" for an audible information cue and a "V" for a visual information cue.

> **The information may be presented either in a visual form, audibly or both. Please write a "V" for visual or an "A" for audible. If both are present, please write both in the space provided. If you think a piece of information is presented in the ad that does not fit into the categories provided, please put "V" or "A" next to other and then describe the piece of information. The form below is an example of how to mark the form.**

Criteria:

    1) Price   2) Value   3) New ideas   4) Availability   5) Quality

    ___*V A*___   _____   _____   _____   _____

    6) Economy/ Savings   7) Variety of the Product   8) Special Offers/Events

    _____   _____*V*_____   _____*A*_____

    9)Guarantee   10) Company information   11) Characteristics of image of users

    _____   _____   _____

    *12)Use Occasion 13) Other-Please describe*_____

    _____   _____

Write the total number of categories marked on your sheet here_____

The next section of this document will provide you with information regarding the

categories shown above. Please familiarize yourself with these categories before the 1st

session. You will be provided with this list in your materials at the session and you may

consult it at any time.

Criteria for Coding

1. *Price-* Refers to the amount the consumer must pay for the product or

    service; may be in absolute terms, like a suggested retail price, or

    relative terms.

2. *Value-* Refers to some combination of price and quality or quantity, as

    in better quality at a low price or best value for the dollar. This can

    also include Every Day Low Pricing by retailers.

3.   *New Ideas-* Refers to any information about a new way to use an

established product or to a completely new idea.

4.   *Availability-* Any information concerning the place(s) where the

consumer may purchase or otherwise obtain the product; for example, "available

in supermarkets." This could also include website information.

5. *Quality-* Refers to how good the product or service is; may refer to craftsmanship and/or attention during manufacture, use of quality (i.e., better, best) ingredients or components, length of time to product the product.

6. *Economy/savings-* Refers to saving money or time either in the original purchase or in the use of the product relative to other products in the category. May be in the form of percent off or sale price.

7. *Variety of the product-* Refers to claiming for or featuring more than one type of product. This could include variety of products/brands carried.

8. *Special offer or event-* Information concerning special events such as sales, discounts or percent-off sales, contests, two-for-one deals, premiums, or rebates that occur for a specified period of time. Rewards programs and incentives such as department store "cash" or "points" are also included.

9. *Company information-* Refers to any information (e.g., size or number of years in business) about the image or reputation of the company that manufactures or distributes the product.

10. *Characteristics or image of users-* Refers to any information concerning the type(s) of individual(s) who might use the advertised product. This includes individuals who shop at the stores.

11. *Guarantees/warranty-* Refers to any information concerning the presence of a guarantee or warranty. This applies to supplemental warranties that are in addition to manufacturer warranties. It also includes "low price" guarantees.

12.   *Use occasion-* Information that clearly suggests an appropriate use occasion or situation for the product; for example, "buy film for the Christmas season," "enjoy Jell-O at a birthday party." This includes seasonal shopping.

13.   *Other- please describe.*

Part B: You will now rate the ad on emotional appeal. Place a check mark next to the appeal that best describes what feelings you believe it was the advertiser's intent to arouse. If you believe an emotional appeal was used that is not listed below, please check next to Other and give a description.

Humor_____   Fear_____   Joy_____   Excitement_____   Sex_____   Self-Esteem_____
Other-Please

describe:_____

_____

Part C: Place a check in the quadrant of this matrix that best describes the informational and emotional content of this ad. When rating this ad, think about whether there was more emphasis on information or emotion.

High Information/ Low Emotion	High Information/ High Emotion
Low Information/ Low Emotion	Low Information/ High Emotion

Transformational Advertising is a specific type of advertising. Please consider the following definition when thinking of the ad that you just watched.

Transformational advertising "associates the experience of using (consuming) the advertised brand with a unique set of psychological characteristics which would not typically be associated with the brand experience to the same degree without exposure to the advertisement"

A transformational ad exhibits the following two characteristics:

1) "It must make the experience of using the product richer, warmer, more exciting, and/or more enjoyable than that obtained solely from an objective description of the advertised brand."

2) "It must connect the experience of the advertisement so tightly with the experience of using the brand that consumers cannot remember the brand without recalling the experience generated by the advertisement."

If you selected either High Emotion quadrant, do you think this ad should be considered transformational?_____

APPENDIX D

CONTENT ANALYSIS EVALUATION

WORKSHEET

<u>Content Analysis Evaluation Worksheet</u>

Date: _____   Judge:_____

Retailer shown in ad:_____

Name of ad:_____

Part A: Here are the criteria for information content. Please place an "A" for an audible information cue

and a "V" for a visual information cue.

    1) Price   2) Value 3) New ideas   4) Availability   5) Quality

    _____   _____   _____   _____   _____

    6) Economy/ Savings   7) Variety of the Product 8) Special Offers/Events   9)Guarantee

    _____   _____   _____   _____

    10) Company information 11) Characteristics of image of users   12) Use Occasion

                                                   _____

    _____   _____

    *13) Other- Please describe*_____

    _____

Write the total number of categories marked on your sheet here_____

Part B: Please give your analysis of the emotional content of the ad. Place a check mark next to the appeal

type that was used in this ad.

Humor_____ Fear_____ Joy_____ Excitement____ Sex_____ Self-Esteem_____

Other- Please describe_____

Part C: Place a check in the quadrant of this matrix that best describes the informational and emotional

content of this ad.

High Information/ Low Emotion	High Information/ High Emotion
Low Information/ Low Emotion	Low Information/ High Emotion

If you selected either High Emotion quadrant, please refer to the definition for transformational advertising

provided in your instructional booklet.

Do you think this ad should be considered transformational? Yes or No _____

APPENDIX E

MEASUREMENT INSTRUMENTS

Measuring the Independent Variables

Informational and Transformational Scale (Puto and Wells, 1984)

Strongly Disagree 1	Disagree 2	Slightly Disagree 3	Neutral 4	Slightly Agree 5	Agree 6	Strongly Agree 7

1) I learned something from this commercial that I didn't know before about this store. (I)
2) I would like to have an experience like the one shown in the commercial. (T)
3) The commercial did not seem to be speaking directly to me. (T)
4) There is nothing special about this store that makes it different from the others. (T)
5) While I watched this commercial, I thought how this store might be useful to me. (I)
6) This commercial did not teach me what to look for when buying at this store. (I)
7) This commercial was meaningful to me. (T)
8) This commercial was very uninformative. (I)
9) This store fits my lifestyle very well. (T)
10) I could really relate to this commercial. (T)
11) Shopping at this store makes me feel good about myself. (T)
12) If they had to, the company could provide evidence to support the claims made in this commercial. (I)
13) It's hard to give a specific reason, but somehow this store is not really for me. (T)
14) This commercial did not really hold my attention. (T)
15) This commercial reminded me of some important facts about this store which I already knew. (I)
16) If I could change my lifestyle, I would make it less like the people who shop at this store. (T)
17) When I think of this store, I think of this commercial. (I)
18) I felt as though I were right there in the commercial, experiencing the same thing. (T)
19) I can now accurately compare this store with other competing brands on matters that are important to me. (I)
20) This commercial did not remind me of any experiences or feelings I've had in my life. (T)
21) I would have less confidence in shopping at this store now than before I saw this commercial. (T)

22) It is the kind of commercial that keeps running through your head after you've seen it. (T)

23) It's hard to put into words, but this commercial leaves me with a good feeling about shopping at this store. (T)

Measuring the Dependent Variables

Attitude toward the Advertiser (AttRet) (Simpson, Horton and Brown 1996)

1. Pleasant __ __ __ __ __ __ __Unpleasant
2. Reputable __ __ __ __ __ __ __Not Reputable
3. Favorable __ __ __ __ __ __ __Unfavorable
4. Good   __ __ __ __ __ __ __Bad

Attitude Toward the Advertisement (AttAd) (Simpson, Horton and Brown 1996)

1. I react favorably __ __ __ __ __ __ __ unfavorably to the ad
2. I like __ __ __ __ __ __ __dislike the ad.
3. I feel positive__ __ __ __ __ __ __ negative toward the ad.

Perceived Store (Retailer)Credibility (Bobinski Jr, Cox and Cox 1996)

Please rate your beliefs about the RETAILER in the ad you watched.

1) Very sincere __ __ __ __ __ __ __ insincere
2) Very honest __ __ __ __ __ __ __ dishonest
3) Very dependable __ __ __ __ __ __ __ undependable
4) Very trustworthy __ __ __ __ __ __ __ untrustworthy
5) High credibility __ __ __ __ __ __ __ low credibility

Retail Patronage Intentions (Semantic Differential) adapted from Stafford & Day (1995)

Imagine that you need to purchase an item that is likely to be carried by the retailer featured in the advertisement that you watched earlier. Please rate whether you would visit the featured retailer.

1. Likely __ __ __ __ __ __ __Unlikely
2. Possible __ __ __ __ __ __ __Impossible
3. Probably __ __ __ __ __ __ __Improbable

Measuring the Moderator

Skepticism toward Advertising (Obermiller and Spangenberg 1998)

Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5

1) We can depend on getting the truth in most advertising.
2) Advertising's aim is to inform the consumer
3) I believe advertising is informative.
4) Advertising is generally truthful.
5) Advertising is a reliable source of information about the quality and performance of products.
6) Advertising is truth well told.
7) In general, advertising presents a true picture of the product being advertised.
8) I feel I've been accurately informed after viewing most advertisements.
9) Most advertising provides consumers with essential information.

Measuring the Control Variables

Ad Information Usage (Lumpkin and Darden, Relating Television Viewing Preference Viewing to Shopping Orientations, Lifestyles, and Demographics 1982)

Strongly Disagree 1	Disagree 2	Slightly Disagree 3	Neutral 4	Slightly Agree 5	Agree 6	Strongly Agree 7

1. I often watch the ads on TV.
2. Television advertisements are a source of information I use when I am deciding to buy something.
3. Television advertisements are a source of information I use when I am deciding where to shop.

Sales Advertising Watcher (Lumpkin 1985)

Strongly Disagree	Disagree	Slightly Disagree	Neutral	Slightly Agree	Agree	Strongly Agree
1	2	3	4	5	6	7

1. I shop a lot for "specials."
2. I always check the ads before shopping.
3. I usually watch advertisements for sales.

Prior Knowledge and Shopping History (Grewal, Krishnan, et al. 1998)

Using the following scale, please rate your knowledge of the retailer featured in the advertisement that you just watched.

Very Knowledgeable	Slightly Knowledgeable	Knowledgeable	Neutral	Knowledgeable	Slightly Knowledgeable	Knowledgeable
1	2	3	4	5	6	7

Have you shopped at the retailer featured in the advertisement that you just watched?
Yes___ No_____

If yes, how recent was your last shopping trip to this retailer?

____Last 7 days ___Last 30 days __Last 3 months ___Last 6 months ___Last 12 months ____Last 5 years

Cynicism (Turner and Valentine, Cynicism as a Fundamental Dimension of Moral Decision-Making: A Scale Development 2001)

Please use the following scale to rate your agreement with the following statements:

Strongly Disagree	Disagree	Slightly Disagree	Neutral	Slightly Agree	Agree	Strongly Agree
1	2	3	4	5	6	7

1. Salespeople are only interested in making a sale, not customer service.
2. Big companies make their profits by taking advantage of working people.
3. Outside of my immediate family, I don't really trust anyone.

4. When someone does me a favor, I know they will expect one in return.
5. People only work when they are rewarded for it.
6. To a greater extent than most people realize, our lives are governed by plots hatched in secret by politicians and big businesses.
7. Familiarity breeds contempt.
8. Reports of atrocities in war are generally exaggerated for propaganda purposes.
9. No matter what they say, men are interested in women for only one reason.
10. When you come right down to it, it's human nature never to do anything without an eye to one's own profit.
11. Businesses profit at the expense of the customers.

APPENDIX F

DESCRIPTIONS AND LINKS TO ADS

DESCRIPTIONS AND LINKS TO ADS USED IN STUDIES 2 AND 3

Table F1: Criteria and Appeals in Ads in Experiments

AdType	Ad Name	User Image	PVQE	SCGU	NV	Humor	EXJOY	Sex	Self Esteem
HI/LE	Super Saturday	X	X	X	X		X		
HI/HE	Believe-O-Magic	X		X	X		X		
LI/HE	Find Your Magic- Where it all comes Together				X	X	X		
LI/LE	Make it Festive	X			X				X

Ad Descriptions and Links:

A) High Information/Low Emotion (HI/HE)

> "Super Saturday"- two day sale on Friday and Saturday. Provides
>
> information regarding sale prices that includes percent off, discount price
>
> and BOGO (Buy One, Get One) for clothing and items for the home. Also
>
> mentions website and free shipping.

http://www.youtube.com/watch?v=TJ1PxgavQSo&list=PL70CFD6622ABF2E17

B) High Information/High Emotion (HI/HE)

> "Believe-O-Magic"-. Begins with animated reference to "Yes, Virginia.
>
> There is a Santa Claus" editorial/story in the New York Time (1897).
>
> Moves to the present and shows children writing letters to Santa Claus and
>
> bringing letters to special mailboxes within Macy's stores. Demonstrates
>
> the free "Believe-O'Magic" iPad/iPhone or Android app that allows
>
> children to come to the store and take photos with characters from movie

and turns it into greeting card to post to Facebook or Twitter. Ends with "the magic of Macy's" tagline.

http://www.youtube.com/watch?v=xvzRXy3J0Z0

C) Low Information/High Emotion (LIHE)

"Find your magic at Macy's, where it all comes together"- Begins with a customer in the shoe department asking a salesperson for a shoe in her size. He goes to the back and as he proceeds to the shoe inventory, he passes celebrity designers in various activities. The various scenes are presented in a way that is meant to be humorous. Additionally, various scenes allude to the Macy's Day Parade. The salesperson eventually returns to the customer and she asks for another shoe.

http://www.youtube.com/watch?v=8ck38bPotGQ

APPENDIX G

HUMAN USE APPROVAL LETTER

LOUISIANA TECH
U N I V E R S I T Y

MEMORANDUM

TO: Ms. Janna Parker and Dr. Bruce Alford

FROM: Barbara Talbot, University Research

SUBJECT: HUMAN USE COMMITTEE REVIEW

DATE: April 20, 2012

In order to facilitate your project, an EXPEDITED REVIEW has been done for your proposed study entitled:

"Advertising Feedback"
Revision – Adding Additional Questions to Survey

HUC 966

The proposed study's revised procedures were found to provide reasonable and adequate safeguards against possible risks involving human subjects. The information to be collected may be personal in nature or implication. Therefore, diligent care needs to be taken to protect the privacy of the participants and to assure that the data are kept confidential. Informed consent is a critical part of the research process. The subjects must be informed that their participation is voluntary. It is important that consent materials be presented in a language understandable to every participant. If you have participants in your study whose first language is not English, be sure that informed consent materials are adequately explained or translated. Since your reviewed project appears to do no damage to the participants, the Human Use Committee grants approval of the involvement of human subjects as outlined.

Projects should be renewed annually. *This approval was finalized on June 20, 2012 and this project will need to receive a continuation review by the IRB if the project, including data analysis, continues beyond June 20, 2013.* Any discrepancies in procedure or changes that have been made including approved changes should be noted in the review application. Projects involving NIH funds require annual education training to be documented. For more information regarding this, contact the Office of University Research.

You are requested to maintain written records of your procedures, data collected, and subjects involved. These records will need to be available upon request during the conduct of the study and retained by the university for three years after the conclusion of the study. If changes occur in recruiting of subjects, informed consent process or in your research protocol, or if unanticipated problems should arise it is the Researchers responsibility to notify the Office of Research or IRB in writing. The project should be discontinued until modifications can be reviewed and approved.

If you have any questions, please contact Dr. Mary Livingston at 257-4315.