Effects of comparative advertising format on consumer responses: The moderating effects of brand image and attribute relevance

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ABSTRACT

In this research we distinguish between ads that compare two different brands (Across-Brand Comparison or ABC ads) and those that compare different versions of the same brand (Within-Brand Comparison or WBC ads). Results from an experiment indicate that when comparative ads use attributes that are relevant to product performance, ad type and brand image interact such that an ABC ad leads to less favorable consumer perceptions than a WBC ad when image of the sponsor brand is low but not when it is high. However, when the ads use attributes that are irrelevant to product performance an ABC ad leads to less favorable consumer outcomes than a WBC ad, regardless of the image of the sponsor brand. We further propose and show that ad believability mediates these effects. Theoretical and practical implications of the findings are discussed and directions for future research are provided.

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1. Introduction

Comparative advertising is an increasingly popular promotion tactic. Its popularity stems from the FTC's informal encouragement of explicit comparisons in the 1970s (Grewal et al., 1997; Tannenbaum, 1974; Wilkie and Farris, 1975) and advertisers' belief in its effectiveness in influencing consumer decision-making. Indeed, it has been suggested that consumers find comparative advertisements both informative and interesting (Barry, 1993).

In a meta-analysis, Grewal et al. (1997) reported that the effectiveness of comparative ads is "equivocal". A primary reason for these mixed results is that "the complexity of comparative advertising and advertising response makes it difficult to assess the effectiveness of comparative advertising outside of some usage context" (Rogers and Williams, 1989). In this respect, the primary goal of our research is to examine the effect of comparative ads in the context of the ad format (i.e., brand to which the ad sponsor compares itself), attribute relevance and image of the advertising brand. We also examine the potential effect of "ad believability" as a mediator of comparative advertising on consumers' cognitions, attitudes, and behavioral intentions.

We contribute to the comparative advertising literature by examining the relative effectiveness of two forms of comparative tactics, "Within-Brand Comparison" (WBC) and "Across-Brand Comparison" (ABC). Further, this study provides a better understanding of the effects of such tactics by including two factors that have not been examined

before, namely, attribute relevance and brand image. Use of "brand image" instead of "market share" and "attribute relevance" instead of "message content" as variables that moderate the effectiveness of comparative ads provides a different perspective which may prove to be more appropriate in different advertising conditions, such as a low-image and low-share brand compared to a high-image and low-share brand or a new product compared to a high-image and high-share brand. The manuscript proceeds as follows. First, we discuss our conceptual model and develop hypotheses. Second, we discuss the procedure and results of an experiment conducted to test the hypotheses. Finally, we discuss the implications of our findings, state the limitations in our approach and provide directions for future research.

2. Conceptual model and hypotheses

2.1. Conceptual model

Fig. 1 represents the framework of this study. This model proposes that ad format (WBC vs. ABC), attribute relevance (relevant vs. irrelevant), and brand image (high-image brand vs. low-image brand) are antecedents of ad believability. Based on the Characterization–Correction Model (Gilbert, 1989), it is proposed that the ad format will interact with brand image and attribute relevance to influence ad believability. For example, consumers might perceive ABC ads by low-image brands as less believable than ABC ads by high-image brands. Consequently, an ABC ad by a low-image brand might result in more counterarguments because of the ad's lower believability. The model also proposes that the effects of ad format, brand image, and attribute relevance on attitude toward the advertisement (A_{Ad}), attitude toward

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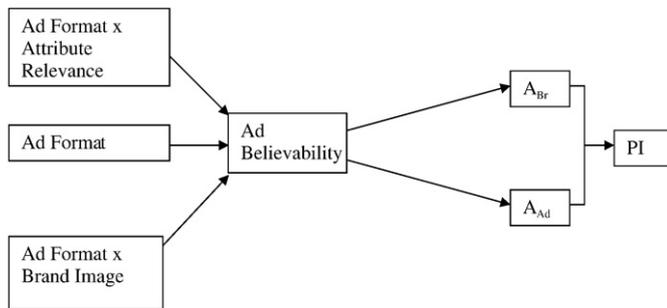(A. Biswas), sujaydutta@wayne.edu (S. Dutta).

Fig. 1. Model.

the brand (A_{Br}), and purchase intention will be mediated by ad believability Droge (1989). In the next sub-sections we discuss the antecedent variables.

2.2. Ad format

Comparative advertising compares at least two brands explicitly or implicitly in the same generic product or service class on specific attributes (e.g., "Tylenol" vs. "Advil" on faster pain relief; Grewal et al., 1997). While this general definition is widely accepted, it does not include within-brand-comparison (WBC) where two products with the same brand name in the same category are compared to one another. Comparison of a new or extended brand (i.e., "Extra Strength Tylenol") to an original brand (i.e., "Regular Strength Tylenol") or a replaced brand with the same name is a common and distinct form of comparative advertising (King, 1990). While WBC is used often by advertisers, it has not received much attention from researchers.

Typically, WBC ads attempt to differentiate a new product from an old one on certain attributes (to show the improvements) while trying to transfer the image associated with the original brand name. Introducing new products based on an existing brand has been labeled as "brand extension" (Aaker and Keller, 1990) and although the related literature deals with product-based determinants of extension effectiveness (see Völckner and Sattler, 2006 for a recent review), our focus is on the effectiveness of one mode (WBC ads) in which marketers can communicate such extension. ABC ads, on the other hand, involve either association (to elevate the image of the advertised brand) or differentiation (to promote a superior attribute) of a brand from the competition. Prior research on across-brand comparisons indicates that consumers perceive comparative ads to be more informative, but less friendly and believable (Droge, 1989; Muehling et al., 1990). We believe consumers' cognitive, affective, and behavioral responses might be different when they are exposed to a WBC ad. Our model proposes that ad believability will be affected by the interaction among ad format, brand image and attribute relevance, variables that are discussed next.

2.3. Brand image

Existing research suggests that effectiveness of comparative advertising may be moderated by relative market position (e.g., market share) of sponsor and comparison brands. Findings indicate that low-share brands are more likely to benefit from comparative advertising than high-share brands (Pechmann and Stewart, 1990; Grewal et al., 1997). While this finding has important implications, there are instances where two low-share brands (i.e., Lexus vs. Mercedes) or two high-share brands (i.e., Children's Tylenol vs. Children's Motrin) are compared with each other. In both instances, the compared brands have similar market share but dissimilar brand images. Also, there seems to be an inherent problem associated with

using market share to judge the effectiveness of comparative ads. Market share information is easy to obtain but difficult to interpret. Aaker (1996) indicates that:

"There can be measurement problems with market share. The product class and competitor set need to be defined, and sometimes this is difficult. Should store brands be included? What about brands at a different price point? Is the relevant competitor set compact cars, non-luxury cars, import cars, or all cars? Should Miller Lite be compared to all beers, all premium beers, or all light beers? Further, the relevant competitor set can change, creating interpretation problems (p. 116)."

Given the difficulties associated with the interpretation of market share, the current study reexamines the effectiveness of comparative ads within the context of brand image. We conceptualize brand image as a composite of perceived quality and esteem dimensions. Perceived quality is the customer's judgment of the overall excellence or superiority of a brand (with respect to its intended purpose) relative to alternative brand(s) (Netemeyer et al., 2004). Esteem is the degree to which the brand is held in high regard, is trusted by, and respected by customers, relative to other brands in its class/product category (Netemeyer et al., 2004). We propose that brand image influences consumers' perception of believability, and therefore the effectiveness of the two ad formats (WBC vs. ABC).

2.4. Attribute relevance

Past research on comparative ads has examined the moderating effect of "message content" and has generally found that the credibility of comparative ads might be enhanced by including factual (objective) product-related information rather than evaluative (subjective) product-related information (Grewal et al., 1997; Edell and Staelin, 1983). However, such research has focused on comparison based on product attributes that are relevant to product quality. Attempts to differentiate brands based on irrelevant attributes, that is, attributes that are not relevant to product quality, appear to be common in the marketplace (Kalra and Goodstein, 1998). For instance, Procter and Gamble differentiates instant Folger's coffee based on "flaked coffee crystals" (having greater surface area), an attribute that is irrelevant to coffee quality. Carpenter et al. (1994) showed that brands can successfully differentiate themselves with the help of irrelevant attributes, even when consumers are informed about the attributes' irrelevance to product quality. In two choice-based experiments, these authors showed that consumer preference for a brand over competing brands is higher when the brand differentiates itself based on an irrelevant attribute, compared to when brand that does not differentiate itself on that attribute, *ceteris paribus*. In the present research we are interested in the mode in which attribute-based differentiation can be communicated to consumers. Specifically, we explore the relative effectiveness of the two ad formats ABC and WBC, subject to attribute relevance and image of the sponsor brand. As we argue subsequently, ABC ads using irrelevant attributes are less effective than WBC ads regardless of sponsor brand image; however, ABC ads using relevant attributes are less effective than WBC ads only when the sponsor brand has a low image.

2.5. Hypotheses

This study employs the Persuasion Knowledge Model and the Characterization–Correction Model to examine the relationships among comparative ad format, brand image, and attribute relevance and the effect of these variables on attitude toward the ad, attitude toward the brand, and purchase intention. The Persuasion Knowledge Model and the Characterization–Correction Model indicate that