LEARNING OBJECTIVES

After studying this chapter, students should be able to:
1. Understand the role of the message’s source in the communication process.
2. Understand the role of the message’s audience (receivers) in the communication process.
3. Learn about advertising media and how to select the right media when sending promotional messages targeting selected consumer groups.
4. Learn how understanding consumers enables marketers to develop persuasive messages.
5. Understand how marketers measure the effectiveness of their promotional messages.

CHAPTER SUMMARY

This chapter has described how the consumer receives and is influenced by marketing communications. The five components of communication are: the sender, the receiver, the medium, the message, and feedback (the receiver’s response). In the communications process, the sender encodes the message using words, pictures, symbols, or spokespersons and sends it through a selected channel (or medium). The receiver decodes (interprets) the message based on his or her personal characteristics and experience, and responds (or does not respond) based on such factors as selective exposure, selective perception, comprehension, and psychological noise.

There are two types of communications: interpersonal and impersonal (or mass) communications. Interpersonal communications occur on a personal level between two or more people and may be verbal or nonverbal, formal or informal. Consumers’ comparative and normative reference groups are key sources of their informal, interpersonal communications. In mass communications, there is no direct contact between source and receiver. Interpersonal communications take place in person, by telephone, by mail, on the Web, or by e-mail; mass communications occur through such impersonal media as television, radio, newspapers, and magazines. Feedback is an essential component of all types of communications because it provides the sender with some notion as to whether and how well the message has been received.

The credibility of the source, a vital element in message persuasiveness, often is based on the source’s perceived intentions. Informal sources and neutral or editorial sources are considered to be highly objective and, thus, highly credible. Informal, interpersonal communications are called word of mouth (WOM). Consumers generally perceive WOM as highly credible, and marketers must devise strategies that stimulate positive WOM about their offerings. The growth of online communications and social networks has significantly widened the WOM environment and also provided marketers with more opportunities to use such networks to promote their products. The credibility of a commercial source is more problematic and usually is based on a composite evaluation of its reputation, expertise, and knowledge and that of the medium in which it advertises the retail channel, and company spokespersons.

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Media selection depends on the product, the audience, and the advertising objectives of the campaign. Each medium has advantages and shortcomings that must be weighed in the selection of media for an advertising campaign. In addition to mass media, marketers now have access to new media that are more dynamic and interactive and enable developing more customized communications that can reach consumers via media with narrowcasting, rather than broadcasting, capabilities. Also, branded advertising has been growing significantly and is now part of most electronic communications.

The manner in which a message is presented influences its impact. The major structural aspects of advertising messages are framing, one-sided versus two-sided messages, and advertising resonance. The major advertising appeals used include humor, fear, sex, comparative advertising, audience participation, abrasive advertising, and using celebrities.

The feedback of interpersonal communications is immediate and direct while the impact of impersonal communications is delayed, indirect, and often inferred. The impact of promotional messages includes exposure, persuasion, and sales effects. The primary methods of communications feedback are measures of media and audience exposure, message attention, interpretation and recall, and recently developed methods gauging the impact of addressable advertising.

CHAPTER OUTLINE

INTRODUCTION
1. Communication is the transmission of a message from a sender to a receiver via a medium of transmission.
2. The five basic components of communications are: sender, receiver, medium, message and feedback.
3. Communications are the link between the individual and society.

THE SOURCE AS THE MESSAGE INITIATOR
1. A company’s marketing communications are designed to make the consumer aware of the product or service, induce purchase or commitment, create a positive attitude toward the product, or show how it can solve the consumer’s problem better than a competitive product.
2. The sender is the initiator of the communication and can be a formal or informal source.
3. A formal communications source represents either a for-profit or not-for-profit organization.
4. An informal source might be a parent or a friend who gives product information or advice.
5. Informal sources also include people who influence one’s consumption via online social networks and other Web forums.
6. Informal word-of-mouth communication tends to be highly persuasive.
IMPERSONAL AND INTERPERSONAL COMMUNICATIONS

1. Communications can be either impersonal or interpersonal.
2. The sources of **impersonal communications** are organizations that develop and transmit appropriate messages through their marketing departments, advertising or public relations agencies and spokespersons.
3. The sources of **interpersonal communications** can be either formal or informal.
4. The key factor underlying the persuasive impact of a personal or interpersonal message is the source’s credibility.

Source Credibility

1. The perceived honesty and objectivity of the sponsor of the communication have enormous influence on how the communication is accepted by the receiver(s).

Reference Groups

1. **Reference groups** are groups that serve as frames of reference for individuals in their consumption decisions because they are perceived as credible sources
2. Reference groups influencing broadly defined values or behavior are called **normative reference groups**.
3. Reference groups serving as benchmarks for specific or narrowly defined attitudes or behavior are called **comparative reference groups**.
4. A group to which a person either belongs or would qualify for membership is called a **membership group**.
5. There are groups in which an individual is not likely to receive membership, despite acting like a member by adopting the group’s values, attitudes, and behavior. This is called a **symbolic group**.

THE CREDIBILITY AND DYNAMICS OF INFORMAL SOURCES AND WORD OF MOUTH

1. Originally, sociologists who studied the informal communications process named it opinion leadership.
2. **Opinion leadership** was defined as the process by which one person informally influences the actions or attitudes of to others, who may be opinion seekers or opinion recipients.
3. The key characteristic of the influence is that it is interpersonal and informal and takes place between two or more people, none of who represents a commercial selling source that would gain directly from the sale of something.
4. Later on, marketers realized that informal communications are a two-way process and names such interactions word-of-mouth (WOM).
5. An opinion leader may become an opinion receiver later on.
6. Opinion leadership tends to be category specific.
7. Although the term word-of-mouth implies personal, or face-to-face communication, it may also take place in a telephone conversation or online.

THE WORD-OF-MOUTH ENVIRONMENT AND e-WOM

1. Constantly emerging new technologies allow people to compile and post increasingly sophisticated, appealing, and attention-getting materials online and vividly share their consumption experience with others.
2. Word of mouth taking place online is called e-WOM.
3. e-WOM occurs online in social networks, brand communities, blogs, and consumer message boards.

Social Networks

1. Online social networks are virtual communities where people share information about themselves with others.
2. A recent study identified three dimensions underlying consumers’ engagement in e-WOM in online social networks: (1) Tie strength, (2) Similarity and (3) source credibility.

Brand Communities

1. Brand communities are online forums that focus on particular products or brands.

Consumer Message Boards and Weblogs

1. Many Web portals enable people to post information on about anything and everything online.
2. A blog is a personal online journal initiated and managed by a blogger, which includes comments from the reader.
3. These online journals are now probably the most powerful platform for the exchange of consumption-related information.
4. Marketers have virtually no control over the information exchanged in these forums.

*****Use Key Learning term blog Here*****

STRATEGIC MARKETING APPLICATIONS OF WORD OF MOUTH

1. Word-of-mouth is often more effective than paid promotional messages initiated by manufacturers.
2. Stimulating WOM is not a new strategy, but the emergence of e-WOM brought upon a huge surge in the amount of money and creativity devoted to campaigns and strategic initiatives centered on WOM, including using buzz agents, viral marketing, e-referrals and recommendations, and responding effectively to negative rumors.

Buzz Agents

1. Many firms enlist typical consumers to serve as their buzz agents; these agents agree to promote products by bringing them to family gatherings, read books while riding on mass transit, etc.
2. These “agents” typically do not receive payment but are motivated by being called upon to serve as opinion leaders.

*****Use Key Learning term buzz agents Here*****

Viral Marketing

1. Viral marketing consists of encouraging individuals to pass on an e-mail message to others, thus creating the potential for exponential growth in the message’s exposure and influence.
2. Another effective form of viral marketing is online referrals and recommendations.  
   a) Highly successful e-merchants attach links encouraging users to send notices of their selections to their friends.

*****Use Key Learning terms viral marketing & referrals and recommendations Here; Use Table #9.2 Here*****

Tackling Negative Rumors

1. Markets realize it is impossible to control word-of-mouth communications.
2. The Web is a prolific ground for spreading rumors. Persistent critics of marketers who initiate bad publicity online are called determined detractors.

*****Use Key Learning term determined detractors Here; Use Exercise #3 Here*****
THE CREDIBILITY OF FORMAL SOURCES, SPOKESPERSONS, AND ENDORSERS

1. Consumers judge commercial source credibility on such factors as past performance, reputation, the kind and quality of products and service they are known to render, the image and attractiveness of the spokesperson used, the type of retail outlets through which they sell, and the media carrying their promotions.
2. Marketers use institutional advertising, which is designed to promote a favorable company image rather than to promote specific products.
3. Not-for-profit sources generally have more credibility than for-profit sources.
4. Publicity is valuable to a manufacturer as citations in an editorial context give the reader more confidence in the message.
5. Consumers sometimes regard the spokesperson delivering the product message as the source of the message.
6. Marketers often use celebrities as endorsers of their offerings, and a given celebrity’s persuasive power is a function of a consumers’ awareness and likeability of the person.
7. Key findings related to the relationship between the effectiveness of the message and the spokesperson or endorser employed include:
   a) The effectiveness of the spokesperson is related to the message itself.
   b) The synergy between the endorser and the type of product or service advertised is very important, because according to associative learning theory celebrities are conditioned with the products they promote.
   c) Endorsers who have demographic characteristics that are similar to those of the target audience are viewed as more credible and persuasive than those that do not.
   d) The endorser’s credibility is not a substitute for corporate credibility.
   e) Marketers who use celebrities to give testimonials or endorse products must be sure that the specific wording of the endorsement lies within the recognized competence of the spokesperson.
8. In formal interpersonal communications, consumers are more likely to be persuaded by salespersons who engender confidence and who give the impression of honesty and integrity.

Vendor Credibility

1. The reputation of the retailer who sells the product has a major influence on message credibility.
2. The consumer’s previous experience with the product or the vendor has a major impact on the credibility of the message.

Medium Credibility

1. The reputation of the medium that carries the advertisement also enhances the credibility of the message.
2. There is no single answer as to which medium has the most credibility.

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Effects of Time on Source Credibility: The Sleeper Effect

1. When information is transferred from the short-term memory to the cerebral cortex, over time, it is separated from the context in which it was learned.
2. This phenomenon is called source amnesia or the sleeper effect.
3. Though a high-credibility source is initially more influential than a low-credibility source, research suggests that both positive and negative credibility effects tend to disappear after six weeks or so.
4. The theory of differential decay suggests that the memory of a negative cue simply decays faster than the message itself, leaving behind the primary message content.
5. Reintroduction of the same or similar message by the source serves to jog the audience’s memory, and the original effect re-manifests itself; that is, the high–credibility source remains more persuasive than the low-credibility source.

THE RECEIVERS AS THE TARGET AUDIENCE

The Receiver

1. The receiver is the targeted prospect or a customer.
2. There are also intermediary audiences for a message, such as wholesalers, distributors, and retailers who receive trade.
3. There are also unintended audiences, which include everyone who is exposed to the message, whether or not they are specifically targeted by the source.
4. The message’s source must encode the message in such a way that its meaning is interpreted by the targeted audience in precisely the intended way.
5. The message’s receivers decode the messages they receive on the basis of their personal experiences, characteristics and motives
6. The factors affecting the decoding and comprehension of persuasive messages include the receiver’s personal characteristics and motives, involvement with the product or product category, the congruency of the message with the medium, and the receiver’s mood.

PERSONAL CHARACTERISTICS AND MOTIVES

1. The meaning derived from the message is a function of the message itself, the receiver’s opportunity and ability to process the message, and the receiver’s motivation.
2. All of an individual’s personal characteristics influence the accuracy with which the individual decodes a message.
3. Personality, attitudes, and prior learning all affect how a message is decoded.
4. Consumer researchers have attempted to develop a profile of the opinion leader.
5. The evidence indicates that opinion leaders across all product categories generally have several defining characteristics:
   a) They reveal a keen sense of knowledge and interest in the particular product or service area.
   b) They are likely to be consumer innovators.
   c) They demonstrate a greater willingness to talk about the product, service, or topic.
   d) They are more self-confident.
   e) They are more outgoing and gregarious.
   f) They receive more information via nonpersonal sources.
   g) They are considered to have expertise in their area of influence.
   h) They usually belong to the same socioeconomic and age groups as their opinion receivers.
6. **Market mavens** possess a wide range of information about many different types of products, retail outlets, and other dimensions of markets.
7. **Susceptibility to normative influence (SNI)** is a trait somewhat related to one’s likelihood to be a leader or follower.
   a) A study discovered that people who scored high on SNI were more influenced by ads that included testimonials while those low on SNI were influence mostly by information on product attributes.

*****Use Key Learning terms market mavens & susceptibility to normative influence (SNI) Here; Use Table #9.4 Here*****

**INvolvement and Congruency**

1. A person’s level of involvement determines how much attention is paid to the message and how carefully it is decoded and is an important consideration in the design and content of persuasive communications.

**Mood**

1. A consumer’s mood (e.g., cheerfulness, unhappiness) affects the way in which a message is perceived, recalled, and acted upon.
2. The consumer’s mood often is influenced by the context in which the advertising message appears (e.g., the adjacent TV program or newspaper story) and the content of the ad itself; these in turn affect the consumer’s evaluation and recall of the message.

**Barriers to Communication**

1. Various “barriers” to communication may affect the accuracy with which consumers interpret messages.
   a) Barriers include: selective perception and psychological noise.

**Selective Exposure to Messages**

1. Consumers selectively perceive advertising messages.

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a) They tend to ignore advertisements that have no special interest or relevance to them.
b) Technology provides consumers with sophisticated means to control their exposure to media.

**Psychological Noise**

1. Things that impair reception of a message, such as competing advertising messages or distracting thoughts, are called **psychological noise**.
2. The best way for a sender to overcome psychological noise is to:
   a) Repeat exposure to the message.
   b) Use contrast.
   c) Personalize of promotional messages using digital technologies.
3. The most effective way to ensure that a promotional message stands out and is received and decoded appropriately by the target audience is through effective positioning and a unique selling proposition.

THE MEDIA AS THE CHANNELS FOR TRANSMITTING MESSAGES

1. Media and communications models that have been used for decades are presently undergoing fundamental changes.
2. Driven by technology, mass communication is going through the greatest changes since the development of spoken and written language.
3. The **medium** is the channel or way the message is communicated.
   a) It can be an **impersonal communications channel**, such as a mass medium like a newspaper or television program.
   b) It can be an **interpersonal communications channel**—an informal conversation between two friends—or a formal conversation between a salesperson and a customer.
4. **Mass media** are generally classified as **print** (e.g., newspapers, magazines, billboards), **broadcast** (radio, television), or **electronic** (primarily the Internet).
5. **New media** (alternative or nontraditional media) include new communication technologies.

TARGETING CONSUMERS THROUGH MASS MEDIA

1. Selecting the appropriate audience is the key component of a communications strategy.
2. Companies that have many diverse audiences sometimes develop a communications strategy that consists of an overall communications message to all their audiences, from which they spin off a series of related messages targeted directly to the specific interests of individual segments.
3. In addition, to maintain positive communications with all of their publics, most large organizations use **public relations** to broadcast favorable information about the company and to suppress unfavorable information.

4. **Media strategy** is an essential component of a communications plan.

5. It calls for the placement of ads in the specific media read, viewed or heard by each targeted audience.

6. To accomplish this, advertisers develop a **consumer profile** of their target customers that includes the specific media they read or watch.

7. Media organizations research their own audiences and develop descriptive **audience profiles**.

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**TARGETING CONSUMERS THROUGH NEW (NONTRADITIONAL) MEDIA**

1. New media are more dynamic than traditional mass media.

2. Messages are:
   a) Addressable
   b) Interactive
   c) Response-measurable

3. New or nontraditional media is sometimes called “unmeasured media” because the organizations monitoring companies’ advertising expenditures have not developed distinct means for computing the amount of money spent on each “unmeasured” medium separately.

4. There is no standard definition of what is considered “new,” “nontraditional,” or “alternative,” media.

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**Out-of-Home and On-the-Go Media**

1. This category consists of new promotional tools as well as some older means that were significantly updated with new technologies.

2. These media target mobile customers in more innovative, captivating, and interactive ways than mass media.

3. This category includes:
   a) Captive advertising screens placed in buildings
   b) Digital billboards and displays
   c) Ambient advertising

**Online and Mobile Media**

1. This category is also called **consumer-generated media** and **mobile advertising**.
2. It includes all ads reaching the consumer online and on any mobile communication devices such as personal digital assistants, cell phones, and smartphones.
3. The message-transmission tools used within this media include search engines, online classifieds and yellow pages, online video and rich media, consumer-generated ads, and e-direct marketing.
4. Online and mobile media permit marketers to send addressable, customized messages based on data gathered from tracing consumers’ surfing and clicks online, in combination with other information.
5. Addressable communications – often termed **narrowcast messages** – are significantly more response measurable than traditional broadcasted ads.
6. Advertising on cell phones is gaining popularity because mobile phones are an ideal forum for personalized advertising.

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**Use Key Terms**

- **consumer-generated media**
- **mobile advertising**
- **narrowcast messages**

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**Interactive TV**

1. Interactive TV (iTV) combines TV programming and the interactivity of the Web.
2. iTV can be delivered to one’s TV, computer, or mobile device in the form of a two-way communication between a subscriber and provider of cable or satellite TV.
3. On iTV, viewing is much more engaging, personal, and dynamic than watching one-way TV programs.
4. iTV is probably the most advanced form of new media because it allows marketers to send addressable ads, allows interactivity between the sender and the receiver, and permits marketers to measure the results and the persuasive impact of their message effectively.

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**Use Key Term**

- **interactive TV (iTV)**

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**MEDIA AND MESSAGE CONGRUENCE**

1. The fusion of digital technologies and personal communication devices and the integration of TV – the most powerful persuasive medium – into computers and mobile devices fundamentally changed the format of the advertising content.
2. For decades, the **broadcast model** meant that all the viewers of a given TV program received the same advertising message.
3. Presently, marketers can customize advertisements and send addressable promotional messages directed at individuals, or narrowcast messages to relatively small audiences.
4. In order to bypass the clutter in the advertising sphere and consumers’ reluctance to view ads, marketers increasingly use sophisticated forms of **branded entertainment**.

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**Use Key Terms**

- **broadcast model**
- **branded entertainment**
Addressable Advertising

1. Premiere online merchants analyze the purchase behaviors of their users and utilize this data to make customized recommendations to individual users about future offerings.
2. A recent study demonstrated that consumers favor interactive Web sites where they feel that they receive personalized messages when they seek feedback and where they can easily and quickly engage in two-way communications.

Branded Entertainment

1. **Branded entertainment** – often called product placement – has increased significantly and has spread beyond movies and TV and into other vehicles of entertainment.
2. In addition to embedding brands in films and TV programs, marketers now develop **webisodes** (short videos shown online featuring entertainment centered around a brand) and use **advergaming** (brands embedded in video games played at homes, arcades, or online).
3. Many recent TV programs billed as “entertainment” are actually showcases for prominently featuring products in ways designed to form emotional connections between brands and consumers.

DESIGNING PERSUASIVE MESSAGES

1. The **message** can be **verbal**, (spoken or written) or **nonverbal** (a photograph, an illustration, or a symbol), or a combination of the two.
2. The message is the thought, idea, attitude, image, or other information that the sender wishes to convey to the intended audience.

MESSAGE STRUCTURE AND PRESENTATION

1. Some of the decisions that marketers must make in designing the message include the use of resonance, positive or negative message framing, one-sided or two-sided messages, and the order of presentation.
2. **Resonance—Advertising resonance** is defined as wordplay, often used to create a double meaning, used in combination with a relevant picture.
3. By using resonance in ads, marketers hope to increase the chances that consumers will notice their ads, remember them, and view them favorably.

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4. Message Framing—Should a marketer stress the benefits to be gained by using a specific product (positive message framing), or the benefits to be lost by not using the product (negative message framing)?
   a) Research suggests that the appropriate message-framing decision depends on the consumer’s attitudes and characteristics as well as the product itself.

5. One-sided messages versus two-sided messages tell consumers only the good points (benefits).
   a) This is most effectively used if the audience is friendly, if it initially favors the communicator’s position, or if it is not likely to hear an opposing argument.
   b) Two-sided messages tell consumers both good (benefits) and bad (disadvantages) points of the product.
   c) These are most effectively used when the target audience is critical or unfriendly, if it is well educated, or if it is likely to hear opposing claims.

6. Order Effects—communications researchers have found that the order in which a message is presented affects audience receptivity.
   a) On television, the position of a commercial in a commercial pod can be critical.
   b) The commercials shown first are recalled best, those in the middle the least.
   c) When just two competing messages are presented, one after the other, the evidence as to which position is more effective is somewhat conflicting.
   d) Magazine publishers recognize the impact of order effects by charging more for ads on the front, back, and inside covers of magazines than for the inside magazine pages, because of their greater visibility and recall.
   e) Order is also important in listing product benefits within an ad.
   f) If audience interest is low, the most important point should be made first to attract attention.
   g) If interest is high, however, it is not necessary to pique curiosity, and so product benefits can be arranged in ascending order, with the most important point mentioned last.
   h) When both favorable information and unfavorable information are to be presented (e.g., in an annual stockholders’ report), placing the favorable material first often produces greater tolerance for the unfavorable news.
   i) It also produces greater acceptance and better understanding of the total message.
ADVERTISING APPEALS

Comparative Advertising

1. Comparative Advertising—claims product superiority for its brand over one or more explicitly named or implicitly identified competitors, either on an overall basis or on selected product attributes.
   a) Comparative advertising is useful in exerting positive effects on brand attitudes, purchase intentions, and actual purchases.
   b) A downside to comparative ads may be that they assist recall of the competitor’s brand at the expense of the advertised brand.
   c) Positively comparative ads were found to elicit higher levels of cognitive processing activity (high-involvement), had better recall than noncomparative ads, and were perceived as more relevant.

*****Use Key Term comparative advertising Here; Use Discussion Question #10 Here *****

Fear

1. Fear is an effective appeal often used in marketing communications.
   a) Some researchers have found a negative relationship between the intensity of fear appeals and their ability to persuade.
   b) Strong fear appeals tend to be less effective than mild fear appeals.
   c) There is no single explanation of the relationship between fear appeals and persuasiveness.
   d) Marketers must also consider that the mention of possible detrimental side effects of using a product while proclaiming its benefits may result in negative attitudes toward the product itself.

*****Use Figure #9.9 Here; Use Exercise #5 Here*****

Humor

1. Humor—a significant portion of ads use humor because marketers believe it increases the acceptance and persuasiveness of the communication
   a) Humor should be used selectively because there are so many qualifying conditions to its effectiveness.
      i) Humor attracts attention and enhances one’s liking of the product advertised.
      ii) Humor does not harm the comprehension of ads, and, in some cases, it aids comprehension.
      iii) Humor does not increase an ad’s persuasive impact or a sources’ credibility.
      iv) Humor that is relevant to the product is more effective than humor unrelated to the product.
v) Humor is more effective in ads of existing products than in ads of new products, and more effective in targeting consumers that already have a positive attitude for the product.
vi) Using humor is more appropriate for advertising low-involvement than high-involvement products.
vii) The effects of humorous ads vary by the audiences’ demographics.

*****Use Figure #9-10 Here*****

**Abrasive Advertising**

1. **Abrasive Advertising**—works when the sponsor’s credibility is established and the messages tends to be highly persuasive.
   a) All of us have at one time or another been repelled by so-called agony commercials, which depict in diagrammatic detail the internal and intestinal effects of heartburn, indigestion, clogged sinus cavities, hammer-induced headaches, and the like.
   b) Nevertheless, pharmaceutical companies often run such commercials with great success because they appeal to a certain segment of the population that suffers from ailments that are not visible, and which therefore elicit little sympathy from family and friends.

**Sex in Advertising**

1. **Sex in Advertising**—in our highly permissive society, sensual advertising seems to permeate the print media and the airwaves.
   a) A study that examined the effects of sexual advertising appeals on cognitive processing and communication effectiveness found that sexual appeals interfere with message comprehension, particularly when there is substantial information to be processed.
   b) It also found that more product-related thinking occurs in response to nonsexual appeals, and that visual sexual elements in the ad are more likely to be processed than the verbal content, drawing cognitive processing away from product or message evaluation.
   c) These and other findings support the theory that sexual advertising appeals often detract from the processing of message content.
   d) There are strong indications that the type of interest that sex evokes often stops exactly where it started— with sex.
   e) The advertiser may be giving up persuasiveness to achieve “stopping power.”
   f) The advertiser must be sure that the product, the ad, the target audience, and the use of sexual themes and elements all work together.

*****Use Exercise #5 Here*****

**Audience Participation**

1. **Audience Participation**—the provision of feedback changes the communications process from one-way to two-way communication.
a) This is important to senders, because it enables them to determine whether and how well communication has taken place.
b) It also is important to receivers, because it enables them to participate, to be involved, to experience in some way the message itself.
c) Participation by the receiver reinforces the message.

**Timely Advertising**

1. Timely Advertising – The financial crisis of September 2008 had a significant impact on advertising.

**Celebrities**

1. A firm employing a celebrity to promote its product or service can use the celebrity in a **testimonial**, an **endorsement**, as an **actor** in a commercial, or as a company **spokesperson**.

| **** Use Key Terms testimonial, endorsement, actor & spokesperson Here; Use Table #9.6 Here **** |

**FEEDBACK DETERMINES THE MESSAGE’S EFFECTIVENESS**

1. **Feedback** is an essential component of both interpersonal and impersonal communications.
2. Prompt feedback permits the sender to reinforce, to change, or to modify the message to ensure that it is understood in the intended way.
3. Generally, it is easier to obtain feedback (both verbal and nonverbal) from interpersonal communications than impersonal communications.
4. An important advantage of interpersonal communications is the ability to obtain immediate feedback through verbal as well as nonverbal cues.
5. Because of the high cost of space and time in mass media, it has always been very important for sponsors of impersonal communications to obtain feedback as promptly as possible, so that they could revise a message if its meaning is not being received as intended or if the messages did not reach the intended audience.
6. In evaluating the impact of their advertising messages, marketers must measure their **exposure effects** (i.e., how many consumers were exposed to the message?), **persuasion effects** (i.e., was the message received, understood, and interpreted correctly?), and their **sales effects** (i.e., did the ad increase sales?) of their advertising messages.
7. Advertisers gauge the exposure and persuasion effects of their messages by buying data from firms monitoring media audiences and conducting audience research to find out which media are read, which television programs are viewed, and which advertisements were remembered by their target audience(s).
8. The sales effects of mass communications are difficult to assess.

| **** Use Key Terms exposure effects, persuasion effects, & sales effects Here; Use Discussion Questions #1 & #2 Here **** |
MEDIA AND MESSAGE EXPOSURE MEASURES

1. These measures assess how many consumers received the message and construct a profile of those who received it.
2. The largest syndicated company that collects such data and sells it to advertisers and other organizations is Nielsen.
3. The tools used to monitor the total media exposure are portable people meters – small, GPS-enabled personal devices.
4. Broadcasters, publishers, and owners of Web sites use media exposure measures to determine the size of their audiences and set the rates they charge advertisers for placing promotional messages in their media.
5. Disputes regarding the results of audience measurements are not uncommon.

MESSAGE ATTENTION, INTERPRETATION, AND RECALL MEASURES

1. Psychological measures track bodily responses to stimuli.
2. Attitudinal measures gauge consumers’ cognitive responses to messages, including their levels of engagement and involvement with messages tested.
3. Researchers use day-after recall tests in which viewers of TV shows or listeners to radio broadcasts are interviewed a day after watching or listening to a given program.

MEASURES OF THE IMPACT OF ADDRESSABLE ADVERTISEMENTS

1. The measures discussed previously assess the extent to which consumers noticed, paid attention to, liked, and remembered promotional messages, but none gauges the actual buying behavior induced by a given ad.
2. For the most part, marketers infer the purchase behaviors triggered by ads from broad sets of sales data, where it is rarely possible to identify a cause-and-effect relationship between a given message and the resulting purchase behavior.
3. Addressable advertising is significantly more response measureable than standard “broadcast” advertising because addressable messages are sent to individual consumers and often include a digital mean enabling the sender to monitor the receiver’s responses.
4. The most common such tool is the electronic “cookie.
5. As addressable advertising becomes more commonplace, more sophisticated measures of promotional messages’ persuasive impact – in terms of actual consumer behavior – will certainly emerge.”

*****Use Figure #9.11 Here*****
DISCUSSION QUESTIONS

1. Explain the differences between feedback from interpersonal communications and feedback from impersonal communications. How can the marketer obtain and use each kind of feedback?

**Interpersonal communication** enables the sender to obtain immediate feedback. In personal selling situations, for example, the salesperson can obtain immediate verbal and nonverbal reactions from the prospect, which enable him or her to modify, repeat, or explain in greater detail the sales message. In **impersonal communication**, feedback is somewhat delayed. Return coupons, requests for more information, sales figures, and brand awareness surveys are all methods of feedback as to the effectiveness of the marketing message. A marketer who plans to use a survey to assess the effectiveness of a communications campaign must take a similar survey prior to the campaign, in order to obtain “benchmark” figures against which to compare the campaign’s results. As in interpersonal communications, unfavorable feedback indicates that the communication campaign should be revised.

2. How do some new media enable obtaining better advertising feedback?

Many research companies specialize in obtaining feedback regarding new media. Nielsen uses **Portable People Meters**, small GPS-enabled personal devices which monitor a person’s total exposure to media, including online page views, video streams and visits to web sites, and viewing of TV screens and billboards outside of the. Other companies monitor online traffic and web visits and track mobile advertising on cell phones. All of these methods give advertisers better feedback which in turns helps make more strategic marketing decisions.

3. Why is an opinion leader a more credible source of product information than an advertisement for the same product? Are there any circumstances in which information from advertisements is likely to be more influential than word-of-mouth?

Communication with an opinion leader is interpersonal, informal and takes place between two or more people. Feedback is part of the communication process. The opinion leader does not represent a commercial selling source and therefore does not gain directly from the sale of something. The opinion leader often bases his/her product comments on firsthand experience. The opinion leader is perceived as highly credible.

An advertisement is designed primarily to sell a product. Commercial gain is the intent, therefore credibility may be questioned.

When the intentions of an advertisement is clearly profit making, then reputation, expertise, and knowledge become important factors in message credibility. The credibility of commercial messages is often based on the composite evaluation of the reputation of the company sending the message, the retail outlet that carries the product, the medium that carries the message, and the company spokesperson (the actor or sales representative who delivers the message). When the source of a message is well respected and highly thought of.
by the intended audience, the message is much more likely to be believed. All these elements combined could possibly make an advertisement more influential than word-of-mouth.

4. **Why would a consumer who has just purchased an expensive digital camera attempt to influence the purchase behavior of others?**

Consumers often feel compelled to talk favorably about their purchase to other people, thus confirming the wisdom of their choice. In addition, researchers have found that many people feel the need to give advice and enjoy sharing information.

5. **List and discuss the effects of psychological noise on the communications process. What strategies can a marketer use to overcome psychological noise?**

Psychological noise refers to issues such as competing advertising messages or distracting thoughts. Most consumers are bombarded daily with more messages than any one person could possibly comprehend; this clutter of competing commercial messages constitutes psychological noise. To preserve their sanity, individuals subconsciously direct their attention to those messages that are in their realm of interest or experience, and ignore those that are not. In a marketing context, people selectively perceive information about products or services in which they are interested or which relate to their lifestyles, and they ignore information concerning products in which they have no interest. Thus, marketers must effectively position their products by communicating to consumers how these offerings meet their needs better than their competition. Many ads show how particular brands are related to particular lifestyles while trying to establish lasting brand images, which stand out within the advertising clutter and lead to brand loyalty on the part of consumers.

Repeated exposure to an advertising message helps surmount psychological noise and facilitates message reception. Repeating an ad is a must.

Copywriters often use contrast to break through the psychological noise and advertising clutter. Contrast entails using features within the message itself to attract additional attention. These features include developing an unexpected outcome or increasing the amount of sensory input.

Digital technologies allow marketers to monitor the consumer’s visits to web sites, infer the person’s interest from this data, and design and send customized promotional messages to that person.

In addition positioning and a unique selling proposition helps the message stand out from psychological noise.

6. **List and discuss factors that determine the credibility of formal communications sources of product information. What factors influence the perceived credibility of an informal communications source?**
Informal sources such as friends, neighbors, and relatives have a strong influence on receiver’s behavior because they are perceived as having nothing to gain from a product transaction they recommend. Among formal sources, neutral rating services or editorial sources have greater credibility than commercial sources because of the likelihood that they are more objective in their product assessments.

7. You are the marketing vice president of a large soft-drink company. Your company’s advertising agency is in the process of negotiating a contract to employ a superstar female singer to promote your product. Discuss the reference group factors that you would consider before the celebrity is hired.

Reference groups can be classified by membership status. Celebrities often constitute a symbolic group—a group in which an individual (consumer) is not likely to receive membership, despite acting like a member by adopting the group’s values, attitudes, and behavior.

When a firm considers employing a celebrity numerous issues should be explored. One issue concerns effectiveness of the spokesperson as related to the message itself. When message comprehension is low, receivers rely on the spokesperson’s credibility in forming attitudes toward the product, but when comprehension is high, the expertise of the spokesperson has far less impact on a receiver’s attitudes.

In addition, the synergy between the endorser and the type of product or service advertised is important as celebrities are conditioned with the products they promote. When there is an appropriate fit between the celebrity and the product endorsed, the conditioning is more effective, robust and enduring.

Celebrities who have demographic and ethnic characteristics that are similar to those of the target audience are viewed as more credible and persuasive than those that do not.

The endorser’s credibility may impact the audience’s attitudes toward the ad but the endorser’s credibility is not a substitute for corporate credibility.

The marketer for the beverage company also needs to make sure that the celebrities who give testimonials or endorses the soft drink use specific wording within the recognized competence of the spokesperson. To be believable, the celebrity must drink the beverage and be able to articulate the benefits and features of the beverage.

Finally, one study indicates that when considering a celebrity endorser, issues such as a careful match with the target audience, product and brand, the celebrity’s overall image, prior endorsements, trustworthiness, familiarity, expertise, profession, physical attractiveness and whether the celebrity is a brand user impacts the credibility and success of the advertising campaign.

8. What are the implications of the sleeper effect for the selection of spokespersons and the scheduling of advertising messages?
The persuasive effects of high-credibility sources do not endure over time. Though a high-credibility source is initially more influential than a low-credibility source, research suggests that both positive and negative credibility effects tend to disappear after six weeks or so. This phenomenon has been termed the **sleeper effect**. Consumers simply forget the source of the message filter and then they forget the message itself. Reintroduction of the message by the source, however, serves to jog the audience’s memory and the original effect remanifests itself—that is, the high-credibility source remains more persuasive than the low-credibility source. The implication for marketers who use high-credibility spokespersons is that they must rerun the ad or commercial regularly in order to maintain its persuasiveness.

9. **Compared with mass media, what are the advantages and unique features of new media?**

New media is considered alternative or non-traditional media while mass media uses traditional avenues for advertisements such as newspapers, billboards, radio, television and magazines.

New media is more dynamic than traditional mass media. New media is addressable meaning it can be customized and addressed to a particular receiver and different receivers get varied rendering of the same basic message. It is interactive, receivers may interact with the sender during its transmission and it is response-measurable. This means that a receiver’s response to a promotional message can be measured more precisely and directly than his or her response to a message transmitted via mass media.

10. **For what kinds of audiences would you consider using comparative advertising? Why?**

**Comparative advertising** should be used if the audience is critical or unfriendly (e.g., if it uses competitive products), if it is well educated, or if it is likely to hear opposing product claims from competing marketers. A friendly audience (e.g., one which uses the advertiser’s products), tends to be favorably predisposed to the marketer’s message and screens out opposing arguments from competitors. Therefore, advertising which reinforces brand loyalty, rather than comparative messages, should be aimed at friendly audiences.

**EXERCISES**

1. **Bring two print advertisements to class: one illustrating a one-sided message and the other a two-sided message. Which of the measures discussed in the chapter would you use to evaluate the effectiveness of each ad? Explain your answers.**

**Instructor’s Discussion**

A one-sided (or supportive) message is often used with audiences who are friendly (e.g., who are brand loyal to the product being advertised), who are not highly educated, and who are not likely to hear negative comments about the product. Two-sided (or refutation) messages
are often used in advertisements for products that are characterized by intense competition, such as cars, soft drinks, and headache remedies. A two-sided message provides audiences with counter-arguments when they hear competing ads and thus serves to inoculate them against a competing marketer’s claims. Two-sided ads tend to be more credible and more appealing to highly educated audiences.

2. **Describe two situations in which you served as an opinion leader and two situations in which you sought consumption-related advice or information from an opinion leader. Indicate your relationship to the persons with whom you interacted. Are the circumstances during which you engaged in word-of-mouth communications consistent with those in the text’s material? Explain.**

   **Instructor’s Discussion**

   Student answers will differ. Answers should show an understanding of opinion leadership and word-of-mouth communication. Recognition of the two-way nature of the communication is also important as is the informal process. Students might also discuss credibility and how it relates to the choice of opinion leader when information was sought.

3. **a. Find ads that encourage consumers to engage in word-of-mouth communications and present them in class.**
   **b. Can you think of negative rumors that you have heard recently about a company or a product? If so, present them in class.**

   **Instructor’s Discussion**

   Students will show a variety of ads. Ask them if the advertiser was successful in showing personal, or face-to-face communication. Discuss how different media (television, newspapers, Web, radio, etc.) can model/demonstrate WOM communication.

   When discussing negative rumors, ask the students if the rumor is true. Do they know? Can they track how the rumor was started and spread? What role did the web play in spreading the rumor? What was the motive for starting and spreading the negative rumor? Has the “accused” responded? How effective was the response?

4. **With a paper and pencil, spend one hour watching a network television channel during prime time. Record the total number of commercials that aired. For each commercial using a celebrity endorser, record the celebrity’s name, the product or service advertised, and whether the celebrity was used in a testimonial, as an endorser, as an actor, or as a spokesperson.**

   **Instructor’s Discussion**

   This question pairs nicely with Discussion Question 7 above. Ask students which role (testimonial, endorser, actor or spokesperson) is more credible and why. How persuasive is
the endorser? How effective is the commercial? Would it be more or less effective if an unknown actor was used? Given the topic, students will be engaged in a lively discussion.

A variation that gives you more control and accuracy would be to make a videotape of commercials and show it in class. Watching a variety of programs, the students will come up with a good selection of commercials; it is also likely that many students will list the same often-shown commercials. During the classroom discussion, the instructor and students should classify each of the often-shown commercials depicting celebrities into one of the categories listed in the question.

5. Find one example of each of the following two advertising appeals: fear and sex. One example must be a print ad and the other a TV commercial. Analyze the placement of each advertisement in the medium, in which it appeared according to the media selection criteria, presented in Table 9-5.

Instructor’s Discussion

Students’ analysis will vary widely. There should be some gender differences in perceptions. This may be an opportunity to help each gender understand how the other perceives advertising. This exercise is designed to illustrate how marketers utilize the advertising appeals discussed in the text.

6. Watch one hour of TV on a single channel during prime time and tape the broadcast. Immediately after watching the broadcast, list all the commercials you can recall seeing. For each commercial, identify (a) the message framing approach used and (b) whether the message was one-sided or two-sided. Compare your list with the actual taped broadcast. Explain any discrepancies between your recollections and the actual broadcast on the basis of concepts discussed in this chapter.

Instructor’s Discussion

This exercise is designed to illustrate the effect of message framing and one-sided versus two-sided messages on the recall and persuasive abilities of advertising messages. Have students videotape the hour they watch. Have someone other than the viewer record the commercials, his or her products, content, etc., to measure the level of recall in the viewer.

S.T.A.R. PROJECTS

Ethical Issues in Consumer Behavior

S.T.A.R. Project #1
One of the most important aspects of consumer communication, whether it is impersonal or interpersonal, is that it be built on an ethical pillar. Company after company in the early twenty-first century faced ethical dilemmas with respect to public communications and disclosures. Some fared well with their dilemmas and some did not. Worldcom, Andersen, Enron, Dynegy,
and Bridgestone-Firestone were among those that faced their communication and ethics problems poorly. To learn more about these classic difficulties visit the Colorado State University E-business Ethics Center Web site at www.e-businessethics.com. Once there, observe the several company stories found on the Web site’s case studies. Pick one company and investigate its difficulties with respect to consumer communication difficulties. Report your findings. Comment on what the company in question did right and what they did wrong. How do you feel about what you read?

Instructor’s Discussion

The Web site is an excellent resource site for contemporary business ethics issues. The resource links are up-to-date and full of information. Additionally, special features of the Web site include information about codes of conduct, ethics centers, organizational citizenship, government citizenship, a gray matters ethics game, and surveys on ethics.

S.T.A.R. Project #2

The credibility of the message initiator (source) is an important aspect of an effective communication process. The credibility of the source affects the decoding of the message. When the spokesperson for a marketer’s message is a celebrity or an endorser, the credibility as well as the acceptability of the message is affected. Obviously, because of the power that a celebrity (or endorser) has to impact acceptance, ethics can be an important factor in these message forms. Using the facts about spokespersons and endorsers contained in the chapter, find one ad that displays what you perceive to be good ethical behavior by a spokesperson or celebrity endorser. Find one ad that displays what you perceive to be poor ethical behavior by a spokesperson or celebrity endorser. Explain your categorization and comment on the ethical behavior involved. In the case of the poor ethical behavior, how could the situation be corrected?

Instructor’s Discussion

The chapter presents a very interesting discussion about credibility of a message source and then refines this discussion by explaining the unique role of the spokesperson or endorser. The findings from the body of research in this area are interesting and noteworthy. Students should review this material before undertaking the assignment. Pick a few ad examples to show to the class and have the students that picked the ads explain the rationale for the picks.

Small Group Projects

S.T.A.R. Project #3

Feedback is an important aspect of effective communication. Prompt feedback permits the sender to reinforce, to change, or to modify the message to ensure that it is understood in the intended way. The Internet provides an excellent way to provide almost instantaneous feedback to the communicator. Your group’s assignment is to review the process of feedback by undertaking an interesting experiment. A current popular collegiate Web site is Hot or Not (see www.hotornot.com). This Web site has been featured in People, Newsweek, Time, and USA Today. The Web site is simple in its makeup. Interested males and females submit a digital picture of themselves to the Web site and visitors to the Web site then vote on whether the
person is attractive (hot or not). A running counter lets the viewer know how many other people have voted on the featured person and what the overall rating score is. The voting is not scientific but it is fun. Have your group review this process for its feedback value. How could it be improved? What are biases that might be involved? How could the males and females who score low improve their scores using effective communication principles?

Instructor’s Discussion

This Web site may not be for everyone, however, most students seem to have fun admiring and poking fun at their peers. Beyond the fun, the Web site does illustrate how that effective communication may be worth more than just a pretty or handsome face. For example, students may observe that the picture itself and the setting of the picture may be more important to achieving a high score than the face that is in the picture. See how many communication principles can be associated with this exercise.

S.T.A.R. Project #4
One of the best sources of credibility evaluation with respect to products and services is Consumer Reports. This impartial organization rates products and services and then reports these findings to the consuming public. The analysis of the products and services under investigation is detailed, often scientific, and lengthy. Many consumers, whether they subscribe to the Consumer Reports magazine or not, frequently use the organization’s findings in assessing potential purchases. Your group’s assignment is to go to the Consumer Reports Web page (see www.consumerreports.o). Pick a product or service category and investigate the credibility of the product or service. Write a short report about your findings. Next, go to a store that carries or supplies the product or service. Evaluate the product or service in the store environment the way a consumer normally would (i.e., talk to a sales or service person, observe, read, listen, etc.). Compare the two different approaches to gaining information about the product or service. Write a short evaluation of what you have done and what you have learned.

Instructor’s Discussion

This exercise affords the group an opportunity to examine one of the best sources of consumer information—Consumer Reports. Additionally, the students are required to use their own observational skills to make comparisons, judgments, and evaluations. This experience will help the students with material found in later chapters of the text and with any assigned term projects.

Using the Internet to Study Consumer Behavior

S.T.A.R. Project #5
Two of the best advertising effectiveness research agencies are Nielsen (see www.acnielsen.com) and MediaMark (see www.mediamark.com). Each of these organizations has their own approach to analyzing the communication effectiveness of advertising. Go to both of the Web sites, review the material that you find, and write a brief summary of the services provided by the two organizations. Next, pick an area of consumer or advertising research that interests you. See which of the organizations provides the best information to research your chosen subject. Comment on what you found.
**Instructor’s Discussion**

These two Web sites provide a wealth of information to the students. If the students are creative and probe the Web site services to their fullest, they will find that a great amount of research information or links to information that is available (even for the non-client). These Web sites can be used for future research.

**S.T.A.R. Project #6**

Are you ready to go shopping but don’t want to make the shopping trip? Well, mySimon (see www.mysimon.com) has just the answer for you. Shop from your own computer and avoid the hassles normally associated with the shopping experience. mySimon is what is called a shopping bot. The service has product comparisons, ratings, prices, and sources for all kinds of products and services. Your assignment is tryout mySimon. Pick a product and allow the shopping bot to do the shopping for you. Once the shopping process has been completed, evaluate the experience and compare this experience to the normal shopping trip. Comment on differences, similarities, and results. What did you learn about communication and consumer behavior through this experience?

**Instructor’s Discussion**

There are many shopping bots, however, this service is one of the best. Students should be able to navigate the site with ease. Be sure to ask students to compare this service with the normal shopping trip. If the shopping bot experience receives high marks, ask students if they plan to use the service. If they do not, probe for the reasons. Many students will find that they are creatures of habit and simply do not want to leave their comfort zones. How might a marketer deal with this?

**CASE COMMENTS**

**Case One: The Viewer’s Voice Influences TV Programming**

1. Television Without Pity is one of scores of online forums that allow consumers to post and share their opinions, regarding any subject or issue, with millions of others around the globe. These postings are feedback from loyal viewers, and unlike fan mail, it is sometimes critical (and also insightful) regarding the programs viewed. While ratings indicate how many people watch a program, they do not provide any information regarding viewers’ reactions to the content of the programs, while TWOP provides such feedback.

2. TV shows’ writers and programmers should definitely read the postings on TWOP and consider them when the plot lines and other show features are developed. Clearly, it is not possible to adapt a show in a manner that “pacifies” each critique. However, if a
significant number of loyal and involved viewers express a certain notion, their feedback should be reflected in future broadcasts of the show.

3. Viewers are likely to see the postings on TWOP as more credible than, say, reviews of TV programs by professional TV or newspaper journalists because the people posting the comments have no agenda and nothing to gain or lose by expressing their thoughts.

4. By answering this question, students will gain an understanding of how feedback can be used to improve the sender’s future communications with the receivers (or audience) of the message (in this case, the story lines of upcoming episodes of TV programs).

Case Two: Advertising Appeals

The Living Room Candidate online collection of political ads has been available for several years and is one of the best collections of ads available on the web. The NY Times online collection of Super Bowl ads is newer and part of several interactive displays featured by this newspaper. Instructors are advised to check out other such collections by the NY Times and regularly look for new displays.

1. Questions 1 & 2: Students will easily discover that humor is the most prominent appeal in Super Bowl ads and fear is the theme most often featured in political advertising. The advantages and disadvantages of each advertising appeal are discussed in the text.

2. Questions 3 & 4: Although possible, using humor in political marketing is risky because a funny ad may be viewed as a candidate’s attempt to make fun of an opponent and may also suggest that that person sponsoring the ad is immature and unfit to tackle hard decisions seriously if elected. Fear appeals generally result in ads attacking a political opponent, which, in spite of criticisms, appear to be persuasive in political advertising. Humor is an effective persuasive appeal in marketing most goods, while, as discussed in the text, fear appeals in consumer marketing should be used selectively and cautiously.