

# Hedonic and Utilitarian Ad Attributes in Relation to Advertising Effectiveness - The Role of Consumer Involvement and the Context of Tablet Devices

International Business

Master's thesis

Sarianne Lehto

2013

Author: Sarianne Lehto		
Subject of the thesis: Hedonic and Utilitarian Ad Attributes in Relation to Advertising Effectiveness – The Role of Consumer Involvement and the Context of Tablet Devices		
Degree: Master of Science in Business Administration	Degree Programme: International Business	
Supervisor: Asta Salmi		
Year of approval: 2013	Number of pages: 85	Language: English
<b>Abstract</b> <b>OBJECTIVE OF THE STUDY</b> Previous marketing research on the relationship between consumer involvement and hedonic and utilitarian dimension has mostly concentrated on products and brands, rather than advertising attributes. Furthermore, advertising effectiveness has often been assessed from a single perspective, such as attitude toward the ad. Therefore this thesis is focused on the relationship between consumer involvement and hedonic and utilitarian ad attributes, and on how these are linked to overall advertising effectiveness. Furthermore, the context of advertising on tablet devices is considered.  <b>METHODOLOGY</b> A quantitative research approach was employed. In total 101 tablet device users filled a survey based on an advertisement they were shown. The survey consisted of 18 Likert-type scale questions regarding consumer involvement, hedonic and utilitarian dimensions and overall advertising effectiveness. The data was analyzed through variance-based Partial Least Squares approach to structural equation modeling.  <b>FINDINGS</b> Different results were received for the two ads used in the study, one interactive and the other one static. Especially in context of the static ad, a blurring line between hedonic and utilitarian ad attributes was detected, thus implying that it may not be clear to which category a certain attribute might belong. Furthermore, hedonic ad attributes were not found to lead to advertising effectiveness, indicating that regardless of consumer's degree of involvement and the advertisement type, a certain amount of utilitarian aspects should be present in tablet advertising. These results entail that the domain of tablet advertising effectiveness in light of consumer involvement and utilitarian and hedonic ad attributes remains a highly interesting research topic as the number of these devices, as well as opportunities for advertisers, increase.		
Keywords: Advertising effectiveness, utilitarian and hedonic attributes, consumer involvement, tablet devices, tablet advertising, structural equation modeling (SEM), partial least squares (PLS)		

Kauppatieteiden maisterin tutkinto

Tekijä: Sarianne Lehto		
Tutkielman nimi: Hedonic and Utilitarian Ad Attributes in Relation to Advertising Effectiveness – The Role of Consumer Involvement and the Context of Tablet Devices		
Tutkinto: Kauppatieteiden maisteri	Koulutusohjelma: Kansainvälinen liiketoiminta	
Valvoja: Asta Salmi		
Hyväksymisvuosi: 2013	Sivumäärä: 85	Kieli: Englanti
<p><b>Tiivistelmä</b></p> <p><b>TUTKIMUKSEN TARKOITUS</b></p> <p>Kuluttajien osallistumista sekä hedonisia ja utilitaristisia ulottuvuuksia on markkinoinnissa tutkittu aiemmin tuotteiden ja tuotemerkkien valossa eikä niinkään mainonnan tehokkuuden näkökulmasta. Lisäksi tutkimus mainonnan tehokkuudesta on usein rajautunut vain yhteen osa-alueeseen kuten asenteeseen mainosta kohtaan. Tämä tutkimus pyrkii näin ollen tutkimaan kuluttajien osallistumisen yhteyttä hedonisiin ja utilitaristisiin mainosominaisuuksiin, ja näiden kokonaisvaikutusta mainonnan tehokkuuteen. Erityispiirteenä tämä tutkimus tarkastelee mainontaa tablet-laitteilla.</p> <p><b>TUTKIMUSMENETELMÄ</b></p> <p>Tutkimus on luonteeltaan kvantitatiivinen. Yhteensä 101 tablet-laitekäyttäjää vastasi näkemänsä tablet-mainoksen pohjalta kyselyyn, jossa 18 kysymyksellä selvitettiin kuluttajien osallistuvuutta, hedonisia ja utilitaristisia mainospiirteitä sekä mainoksen kokonaisvaltaista tehokkuutta. Saatu data analysoitiin käyttämällä rakenneyhtälömallinnuksen regressiopohjaista PLS-menetelmää..</p> <p><b>LÖYDÖKSET</b></p> <p>Tutkimuksessa käytetyt kaksi erilaista mainosta, interaktiivinen ja staattinen, johtivat erilaisiin tuloksiin. Erityisesti staattisen mainoksen yhteydessä oli havaittavissa utilitarististen ja hedonisten mainosominaisuuksien rajan hälventymistä. Näin ollen ei välttämättä ole selvää, kumpaan kategoriaan yksittäinen mainoselementti kuuluu. Lisäksi hedonisten mainosominaisuuksien ja mainonnan tehokkuuden välillä ei löytynyt positiivista yhteyttä. Tämä viittaa siihen, että riippumatta kuluttajien osallistumisen asteesta ja mainoksen tyyppistä, jonkin verran utilitaristisia mainosominaisuuksia tulisi olla käytössä tablet-mainonnassa. Tulokset osoittavat, että tablet-mainonnan tehokkuus suhteessa kuluttajien osallistuvuuteen sekä utilitaristisiin ja hedonisiin mainosominaisuuksiin on jatkossakin mielenkiintoinen tutkimuskohde, kun sekä laitteiden että mainonnan mahdollisuuksien määrä jatkaa kasvuaan.</p>		
Avainsanat: Mainonnan tehokkuus, utilitaristinen ja hedoninen ominaisuus, kuluttajaosallistuminen, tablet-laite, tablet-mainonta, rakenneyhtälömallinnus, PLS		

## Table of Contents

1. INTRODUCTION .....	1
1.1. Background.....	1
1.2. Research Problem and Gap.....	2
1.3. Research Objectives and Questions .....	3
1.4. Definitions .....	4
2. LITERATURE REVIEW.....	7
2.1. Involvement theory .....	7
2.1.1. Construct of Involvement .....	7
2.1.2. Information Acceptance and Processing .....	10
2.1.3. Measuring Involvement.....	17
2.2. Hedonic and Utilitarian Theory .....	23
2.2.1. Concept definitions.....	23
2.2.2. Measuring Hedonic and Utilitarian Attributes.....	26
2.2.3. Hedonic and Utilitarian theory in relation to Involvement.....	29
2.3. Advertising Effectiveness.....	33
2.3.1. Attitude toward the Ad .....	33
2.3.2. Measuring Advertising Effectiveness.....	34
2.3.3. Media Context and Advertising Effectiveness.....	35
2.4. Theoretical model and Research Hypotheses .....	38
3. RESEARCH METHOD.....	42
3.1. Unit of Analysis and Sampling Method .....	42
3.2. Data Collection and Data Limitations.....	43
3.3. Data and Model Analysis .....	46
3.4. Results and Validation of the PLS Path Model .....	50

4. ANALYSIS AND DISCUSSION .....	57
4.1. The relationship between involvement and advertisement attributes .....	57
4.2. The relationship between advertisement attributes and ad effectiveness.....	60
4.3. Limitations and Managerial Implications.....	63
CONCLUSION .....	68
REFERENCES.....	72
Appendix 1 Interactive Advertisement.....	81
Appendix 2 Static Advertisement.....	82
Appendix 3 Questionnaire.....	83

## **Tables**

Table 1 Literature Summary – Involvement .....	23
Table 2 Literature Summary – Hedonic and Utilitarian theory.....	32
Table 3 Measurement Indicators – Interactive Advertisement .....	48
Table 4 Measurement Indicators – Static Advertisement.....	49
Table 5 Measurement Model Reliability – Interactive ad.....	51
Table 6 Measurement Model Reliability – Static ad .....	51
Table 7 Fornell-Larcker criterion .....	52
Table 8 Bootstrapping results.....	53
Table 9 Correlation matrices .....	56

## **Figures**

Figure 1 Theoretical Model.....	41
Figure 2 Path Model – Interactive Ad .....	56
Figure 3 Path Model – Static Ad .....	56

# 1. INTRODUCTION

## ***1.1. Background***

Technological developments in the consumer electronics industry have been extremely rapid in the past few years and influenced the way people interact with one another (Jones, 2011). One of the latest developments has been the so-called tablet device, which sales have increased rapidly since Apple introduced its iPad product in January 2010 (Apple, 2010). Since then, there have been a number of companies, such as Samsung and Microsoft that have introduced similar portable devices with a touch screen and Internet access.

What makes these devices interesting for marketers and advertisers are tablets' unique features that differentiate them from both smartphones and laptops (Interactive Advertising Bureau Mobile, 2011). Some of tablets' key features include their lightness and thinness, high-resolution screens with multi-touch capabilities, wireless Internet connectivity and downloadable apps that increase the devices' functionality (ibid.). It is argued that tablets with these unique features take the best of both mobile and PC worlds, as they blend powerful hardware with portability and intimacy (ibid.). Large screen size and deep user focus on tablets enhance interactivity with advertisements, and formats such as videos, slideshows and swiping options provide new possibilities for advertisers (Gartner, 2011). Nielsen Company and Pontiflex survey also found that advertisement preferences differ between smartphone and tablet users (Business Insider, 2013). Smartphone owners were argued to be more task-oriented, while tablet users had a more entertainment-based focus (ibid.).

Also remarkable is the global growth in tablet device sales in just three years. It has been estimated that in 2015, 320 million tablets will be sold, the total amount then reaching over 900 million tablets (Gartner, 2011). As a comparison, in 2010 17 million tablets were sold, 65 million in 2011, and an estimated 122 million in 2012 (Business Insider, 2013). In Finland, there were tablet devices in 17.6 percent of households in

May 2013 (Tilastokeskus, 2013). The number has quickly expanded in only a year, since in May 2012 merely eight percent of households possessed such a device (ibid.).

### ***1.2. Research Problem and Gap***

It has been recognized that tablet devices offer unique opportunities for advertisers to exploit due to the devices' features that allow for deeply interactive advertising with the consumer (Interactive Advertising Bureau Mobile, 2011). Online advertising in general is also growing fast, and accounted for 20 percent of advertising spending in Europe in 2011 (Interactive Advertising Bureau Europe, 2011). However, according to eMarketer, advertising spending on mobile and tablet devices has remained small, at 2.6 billion, or under two percent, of overall ad spending (Miller, 2012). On the other hand, International Data Corporation predicts that the mobile advertising industry will grow from the current amount to a \$14.8 billion industry by 2016 (IDC 2012, cited in Stampller, 2012). Ad spending on tablet devices and e-readers is also forecasted to gain largest share of this growth, increasing from the current 22 percent to over 40 percent of mobile ad spend, with a compound annual growth rate of 65.5 percent (ibid.).

Nevertheless, there remain many questions regarding advertising effectiveness on tablet devices. Despite the higher-than-average click-through rates, marketers remain hesitant about the possibilities of tablet advertising (Miller, 2012). There are a number of challenges concerning tablet advertising, one of them being lack of existing advertising standards on ad units (Interactive Advertising Bureau Mobile, 2011). There is also great variance in screen sizes and operating systems, an example being Adobe's Flash, commonly used in interactive advertising, which is not supported on Apple's iPads (ibid.). Furthermore, research has shown that tablets are used both in and out of home, which makes it difficult to predict the customer's location when they are exposed to the advertisement (ibid.).

Academic research on the topic is even scarcer because of the newness of tablet devices' expansion. Therefore this thesis contributes to the marketing research through exploring how consumer involvement and hedonic and utilitarian ad attributes influence

advertising effectiveness in the context of tablet devices. In previous literature involvement and hedonic and utilitarian attributes have been discussed rather extensively, especially in terms of product categories and brands (Batra and Aholta, 1991; Crowley, Spangenberg and Hughes, 1992; Johar and Sirgy, 1991; Mano and Oliver, 1993; Voss, Spangenberg and Grohmann, 2003) as well as purchase intention (Chitturi, Raghunathan and Mahajan, 2008; Dhar and Wertenbroch, 2000; Diefenbach and Hassenzahl, 2011). However, less attention has been put on hedonic and utilitarian ad attributes, and further research has been called for on these dimensions' relationship with full scale advertising effectiveness criteria (Johar and Sirgy, 1991; Malthouse, Calder and Tamhane, 2007). Furthermore, the need for further research on the relationship between involvement and hedonic and utilitarian dimensions, as well as their impact on advertising effectiveness has been outlined (Crowley, Spangenberg and Hughes (1992); Voss, Spangenberg and Grohmann, 2003). With regards to the context of tablet devices, Greenwald and Leavitt (1984) have stated that it is important to consider media differences and how different media environments affect the level of consumer involvement. In order to fill these gaps identified in previous literature, the present study aims to examine the relationship between consumers' level of involvement and hedonic and utilitarian advertisement attributes, and the attributes' relationship with overall advertising effectiveness.

### ***1.3. Research Objectives and Questions***

In spite of the challenges described above, advertising opportunities on tablet devices already exist (Interactive Advertising Bureau Mobile, 2011). In order to better exploit these opportunities, the objective of this thesis is to better understand the role of hedonic and utilitarian ad attributes on tablet advertising effectiveness, as well as these attributes' relationship with consumer involvement. This research can thus help advertisers recognize the effects these advertisement attributes have in their marketing outcomes. Moreover, the study can provide general understanding over the relationship between consumer involvement, hedonic and utilitarian ad attributes and advertising effectiveness.



In order to reach these objectives, there are two main research questions:

1. What is the relationship between consumer involvement and hedonic and utilitarian ad attributes?
2. How are hedonic and utilitarian ad attributes related to advertising effectiveness?

Answers to the research questions will be acquired through four main steps. First, a thorough literature review will be conducted in order to understand the past research developments in this field, and to form an accurate research model. In the second step, a questionnaire will be presented to a sample of tablet device users. Well-established scales to research consumer involvement, hedonic and utilitarian attributes as well as advertising effectiveness are employed in the survey design. Third, the data will be analyzed by using a quantitative research method, namely Partial Least Squares (PLS). Finally, the findings will be analyzed and put into the context of marketing research and practice.

#### ***1.4. Definitions***

In this section, the main terms essential to this thesis are outlined and defined.

*Advertising effectiveness* is a measure of purchase intention, brand attitude, brand recall and advertisement recall (Johar and Sirgy, 1991).

*Involvement* is defined in the present context as “a person’s perceived relevance of the advertisement based on inherent needs, values, and interests” (Zaichkowsky, 1994, p. 61)

- *Low Involvement* is characterized as a relative lack of information seeking about brands, little comparison among product attributes, perception of similarity among different brands, and no special preference for a particular brand (Zaichkowsky, 1985, p. 346). Under low involvement people are expected to be affected by non-content cues and be persuaded through a peripheral route (Petty and Cacioppo, 1981)
- *High Involvement* is the “number of conscious ‘bridging experiences’, connections,

or personal references per minute that the viewer makes between his own life and the stimulus” (Krugman, 1965, p. 355). Under high involvement situations people are expected to carefully consider all issue-relevant information and thus be persuaded through the central route. (Petty, Cacioppo and Schumann, 1983)

- *Affective Involvement* succeeds from value-expressive motives, which underscore self-image management. (Park and Young, 1986)
- *Cognitive Involvement* results from utilitarian motives, which emphasize relevant message content. (Park & Young, 1986)

#### *Hedonic and Utilitarian dimension*

- *Hedonic* dimension results “from sensations derived from the experience of using products”. (Voss, Spangenberg and Grohmann, 2003, p. 310)
- *Utilitarian* dimension is “derived from functions performed by products”. (Voss, Spangenberg and Grohmann, 2003, p. 310)

*Mobile advertising* refers to advertising that takes place via different mobile devices, and complements Internet and interactive advertising. It enables advertisers to create tailor-made campaigns targeting users according to their location, needs of the moment and the device they are using. (Yuan and Tsao, 2003)

*Structural Equation Modeling (SEM)* is a multivariate technique that combines aspects of multiple regression and factor analysis enabling the researcher to concurrently examine a series of interrelated dependence relationships between measured variables and the latent construct as well as relationship between several latent constructs (Hair et al., 2010). SEM is a covariance-based technique, where focus is on casual model testing and explanation (Chin and Newsted, 1999)

- *Latent variable* cannot be measured directly but can be represented by indicators (Hair et al, 2010)
- *Indicator* (or *manifest variable*) is the observed value used to measure the latent variable (Hair et al., 2010)

*Partial Least Squares (PLS)* is an alternative estimation approach to SEM, where constructs are represented as compounds based on factor analysis results, with no

attempt to recreate covariances between measured items (Hair et al., 2010). Thus PLS is a variance-based analysis, where the focus is on predictive modeling, and latent variables are identified as the sum of their respective indicators (Chin and Newsted, 1999)

*Tablet device* is a thin and very light portable device with a touch screen and multi-touch capabilities. It possesses a 6-10 inch color, high-resolution screen, wireless Internet connectivity (at least Wi-Fi, and/or 3G or 4G), and ability to add apps (free or paid) that increase the functionality of the device. (Interactive Advertising Bureau Mobile, 2011)

## 2. LITERATURE REVIEW

### ***2.1. Involvement theory***

Past marketing research has put significant attention toward consumer involvement, and its effects on persuasion (Greenwald and Leavitt 1984; Krugman 1965; Park & Young, 1986, Petty, Cacioppo, and Schumann 1983) products (Bloch and Richins, 1983; Zaichkowsky 1985), and advertising (Andrews, Durvasula and Akher, 1990; Batra and Ray, 1986; Greenwald and Leavitt, 1984; Petty and Cacioppo, 1981; Spielmann and Richard, 2013; Wright, 1973; Zaichkowsky, 1994). Studies have suggested that involvement indeed acts as a moderating condition in these fields of consumer behavior research (Krugman, 1965; Mitchell, 1981; Petty and Cacioppo, 1981; Cohen, 1983; Park and Young, 1986; Zaichkowsky, 1985) As detailed in the introduction part of this thesis, despite numerous research in this field there is however still need to further analyze involvement as a factor affecting advertising effectiveness from the point of view of hedonic and utilitarian ad attributes (Crowley, Spangenberg and Hughes, 1992; Voss, Spangenberg and Grohmann, 2003). Additionally, the context of tablet devices calls for reexamining the role of consumer involvement. Thus in the following sections, the construct of involvement will be explained and discussed in greater detail.

#### **2.1.1. Construct of Involvement**

Zaichkowsky (1985) defines involvement as the perceived relevance of an item, which is based on a consumer's inherent interests, values, and needs. This definition is argued to be applicable to products, advertisements, and purchase decisions (ibid). Involvement has also been classified into three categories: (1) situational involvement, (2) enduring involvement, and (3) response involvement (Houston and Rotschild, 1978, cited in Bloch and Richins, 1983, p. 70). Situational involvement is argued to result from perceived risk, as it refers to the degree of involvement, which is affected by product attributes and particular situational variables (ibid.). Enduring involvement, in turn, depends on past experiences with the product and product-relevant values (ibid.). Finally, response involvement considers the complexity of individual decision-making

(*ibid.*). Thus, there are personal motivations, physical product characteristics and temporary stimuli that affect the relevance of a product to consumers (Zaichkowsky, 1985). In addition, overall advertising involvement has been defined to include measures of message, media, and creative involvement, which shape brand attitude and consumer engagement (Spielmann and Richard, 2013). Overall advertising involvement is argued to be both situational and enduring (*ibid.*).

Moreover, Krugman (1965), one of the pioneers and most cited authors studying personal involvement, separated involvement into high and low levels of experiencing and being persuaded in the context of mass media effectiveness. According to Krugman (1965) high involvement refers to the connections and personal references the person has between his/her personal life and the stimulus. A number of authors have followed Krugman's categorization (e.g. Petty and Cacioppo, 1981; Ray, 1977; Zaichkowsky, 1985). According to this view on involvement, Petty and Cacioppo (1981) have argued that under high involvement, personally relevant message content is more effective than source characteristics, while the opposite is true under low involvement situations.

Adding more complexity, Mitchell (1981) considers involvement as an individual's internal state including both directional and intensity characteristics, which may have an effect on consumers' information acquisition and communication processes. In Mitchell's (1981) view, involvement level (high and low) and direction (towards the advertisement itself or the brand advertised) must both be defined in order to understand the construct of involvement (*ibid.*). Similarly, Andrews, Durvasula and Akhter (1990) consider involvement as a personal state of arousal that includes intensity, direction, and persistence. Andrews, Durvasula and Akhter (1990) define involvement intensity as the consumer's attentiveness towards the objective-oriented item. They also argue that the level of intensity should be considered as a continuum, not only as two extremes of high and low. Furthermore, direction of involvement is argued to relate to the stimulus towards which involvement intensity is targeted, such as products or advertisements. Finally, involvement persistency determines the length of the intensity of involvement. Thus Andrews, Durvasula and Akhter (1990) separate between involvement antecedents, consequences and consumers' attention and processing strategies.

Park & Young (1986), in turn, take a different approach from the prevailing high/low involvement categorization by proposing that high involvement can further be divided into affective and cognitive types. These two types of high involvement together with low involvement level are argued to affect development of brand attitudes. With this conceptualization, Park & Young (1986) aimed at capturing the *motives* behind personal relevance, rather than the mere personal relevance determining consumers' level of involvement. According to Park & Young (1986) a commercial may result in a different level of personal involvement based on a brand's functional performance or emotional reactions. Utilitarian motive results in the former, while value-expressive motive relates to the latter. It is thus argued that high cognitive involvement results from utilitarian motives, which emphasize relevant message content. High affective involvement in turn, succeeds from value-expressive motives, which underscore self-image management. (ibid.) Correspondingly, Zaichkowsky (1994) emphasizes the importance of taking individuals' emotions into consideration when studying involvement.

It can be concluded from the above discussion that although there are many aspects that researchers agree on, the construct of involvement also entails some conflicting characteristics and a lack of concurrence in terms of its dimensionality and amount of reach, as well as methodological differences and involvement's effects on persuasion (Petty, Cacioppo and Schumann, 1983; Andrews, Durvasula and Akhter, 1990; Cohen, 1983, Michaelidou and Dibb, 2008). Cohen (1983, p. 325) further argues that there is "excess baggage" on the term of involvement. Many information processing activities and outcomes such as recall or cognitive responses relate to involvement-mediated effects but not involvement itself. Thus, in Cohen's (1983, p. 326) view, definition of involvement as "activation directed toward a stimulus" should be separate from consumers' specific beliefs, interests and goals, as well as consequent cognitive involvement-stimulated responses. Moreover, Cohen (1983) argues that research should discontinue using the low state of involvement to refer to consumers' disproportion of attention given to interesting stimuli. This statement is in line with Krugman's (1965, p. 355) early definition, which states that personal involvement does not refer to "attention, interest, or excitement but the number of conscious 'bridging experiences,'

connections, or personal references per minute that the viewer makes between his own life and the stimulus”.

After reviewing the past definitions and following especially close the arguments Park and Young (1986) and Zaichkowsky (1994) have made, for the purpose of the present research on exploring involvement’s role in advertising effectiveness, involvement is considered to be divided into affective and cognitive types. This is also suitable considering the characteristics of tablet devices, which include high interaction and attention, which are expected to trigger high, yet distinct, consumer involvement.

### **2.1.2. Information Acceptance and Processing**

In this section the relationship between involvement and information processing are studied in more detail. Depending on the degree of involvement, approaches and effects of information processes are argued to differ in terms of persuasion and attitude change (Greenwald and Leavitt, 1984; Krugman, 1965; Mitchell, 1981; Petty and Cacioppo, 1981; Ray, 1977; Zaichkowsky, 1985). However, there is no uniformed opinion with regards to how persuasion and attitude changes differ under these two involvement conditions. It is relevant to consider the sequence of information processing in the present study as it can give a clearer insight into how, and through which processes, involvement may affect advertising effectiveness.

Krugman (1965) argued that under different involvement conditions, the sequence of communication impacts varies. In a high involvement situation, one’s cognition is claimed to influence attitude change, only after which behavior can change. In a low involvement situation, Krugman (1965) contends that behavioral changes, which are aided by repetition, follow cognition, while attitude changes occur later. Similarly to Krugman (1965), Ray (1977) also found that the sequence of information processing differed under low and high involvement situations. Under a low involvement situation, repeated advertising messages affected purchase intentions, i.e. behavior, more than they affected attitudes (ibid.). In addition, in terms of advertising involvement,

Spielmann and Richard (2013) discovered that consumers engage in cognitions and establish an advertisement's relevance before forming brand attitudes.

Adding to Krugman (1965), Ray (1977, p. 373) also found a third sequence, calling it "dissonance-attribution hierarchy". In this hierarchy, a consumer has already made the decision before being exposed to the advertisement. Thus in this sequence behavior leads to attitude change which leads to cognition (conative-affective-cognitive sequence). In his research Ray (1977) also compared Consumer information processing (CIP) research conducted in artificial conditions with the real situation where consumers face advertising messages. He noted that there are a number of differences regarding involvement and attention within these two conditions, which is important to take into consideration as the present thesis also studies consumers' attitudes towards advertising in artificial conditions.

Different from Krugman (1965), Ray (1977) and Spielmann and Richard's (2013) view, Petty and Cacioppo (1981) argue that the communication effects do not change from the cognition-attitude-behavior sequence under different involvement conditions, but rather what varies are the cognitions that are influenced. Under a high involvement situation these cognitions are "issue-relevant argumentation", while under low involvement cognitions relate to "non-content features of the influence situation" (Petty & Cacioppo, 1981, p. 21). Non-content cues include features such as message source credibility, power and attractiveness. In Petty and Cacioppo's (1981) study, manipulating argument quality rather than source characteristics significantly affected attitudes in a high involvement situation. In low involvement conditions, the opposite occurred, although less strongly.

Consequently, Petty and Cacioppo (1981) have argued that attitude changes resulting from a persuasive message happen through either a central or peripheral route. This framework is known as Elaboration Likelihood Model (ELM). Consumers following the central route to persuasion seek for personally relevant information with credible arguments and content that is easy enough to process (ibid.). Peripheral route, on the other hand, suggests that attitude change is affected by non-content cues, such as



famous endorsers, and results in more temporary changes (ibid.). In connection to involvement, under high involvement situations people are expected to carefully consider all issue-relevant information and thus be persuaded through the central route (Petty, Cacioppo and Schumann, 1983). Under low involvement situations, argument quality is secondary to more simple rejection or acceptance cues presented in the persuasion context (ibid.).

With regards to advertising, Petty, Cacioppo and Schumann (1983) argue that quality of arguments influence attitudes when product or service advertised is highly relevant for the audience, whereas attractive endorsers would be a more effective cue for products of low relevance, even if in their study less support was found for the latter argument. Petty and Cacioppo (1981) state that attitude changes through central route are difficult to achieve, but once accomplished they are rather permanent. The ELM also suggests that persuasion through the central route predicts behavior more accurately than persuasion through the peripheral route (Petty, Cacioppo and Schumann, 1983). Relevant to the present study, Petty, Cacioppo and Schumann (1983) conclude that advertising features' effectiveness depends on consumer's involvement and thus their preferred route to persuasion. In line with the ELM, Zaichkowsky's (1985) study showed that highly involved consumers were more concerned with product information than low scorers. This also includes the view that highly involved individuals search for relevant information and evaluate competing alternatives before making a decision more than do consumers under low involvement (ibid.).

The ELM can be closely linked to earlier research Wright (1973) conducted on the process of information acceptance of advertising messages. In Wright's (1973) study three variables of information acceptance were identified. Counterargument occurs when there is a discrepancy between existing beliefs and the received information. Source derogation considers the message source as biased. Both counterargument and source derogation negatively affect the acceptance of advertising messages. Support arguments, in turn, are positive for information acceptance, as there is congruency between advertising message content and existing beliefs. Moreover, Wright (1973) argued that these three variables may change under situational factors, namely content-

processing involvement and message modality. Content-processing involvement suggests that consumers are more interested in the medium in which the advertising message takes place, and an advertisement only becomes important when it is regarded as personally relevant for an imminent decision. Message modality affects the message receiver's ability to process the message and form cognitive responses, especially when there is high information load. Wright (1973) found in his study that message receivers used counterarguments directly when responding to message content. Support argument and source derogation cues were only significant if the situation allowed for more extensive information processing. This is line with Petty and Cacioppo's (1981) ELM model in a sense that only under high involvement do consumers use the full range of tools in their possession to make an informed decision.

Furthermore, Mitchell (1981) found that involvement differences could lead to three different information acquisition processes: one under high involvement and two under low involvement conditions. In the high involvement situation individuals focus entirely on the advertisement and critically assess the brand information advertised and develop an overall evaluation of the brand. In Wright's (1973) terms, the evaluation process contains a number of support and counterarguments. The first low involvement situation suggests that brand processing and evaluation might also occur with reduced support and counter arguing. Thus using existing memory schema individuals may act less critically under low involvement than high involvement conditions. The second low involvement situation features low attention and only some, if any, support and counterarguments. The message may not be completely understood due to lack of knowledge, but some information is still obtained about the brand advertised. Ray (1977) has also argued that low involvement situation connotes limited information processing. The implication of the three different information acquisition processes is that they result in different content, organization and amount of information in memory (Mitchell, 1981).

Putting the discussion above together, capacity appears to be one common determinant in information processing. Greenwald and Leavitt (1984) emphasize capacity as well as arousal when discussing information processing and the level of involvement. With

arousal the authors refer to “a state of wakefulness, general preparation, or excitement that facilitates the performance of well-learned responses” (Greenwald and Leavitt, 1984, p. 583). Capacity, in turn, is limited in nature and it is utilized for focusing on particular tasks. Moderate level of arousal has been assumed to facilitate information processing, but higher arousal levels can disturb capacity use in an environment of multifaceted cognitive tasks (ibid.). Andrews, Durvasula and Akhter (1990) have also stated that arousal is the determining concept affecting consumers’ response to a stimuli.

This notion is particularly relevant for advertising because advertisements are often presented in a noisy environment, which affects receivers’ attention and capacity to process messages. Furthermore, the new technology of tablet devices may further decrease the capacity available for ad processing. Mitchell (1981, p. 25) determines attention and processing as the two most critical factors “that affect attitude formation and the retrieval of processed information from long term memory”. Attention refers to the limited capacity that forces individuals’ cognitive resources to concentrate on a restricted amount of stimuli. Thus one must process the information and decide which stimuli to focus on, and how much attention to allocate to every stimulus. Processing stage, in turn, is where information is interpreted and evaluated, and it also affects the recall and retrieval of the stimulus information afterwards. The factors influencing attention and processing stages are the stimulus and individual’s goals when exposed to the stimulus. Furthermore, these factors establish involvement level and direction, as well as the long-term memory schema that is applied to information processing. (ibid.)

Building on Mitchell’s (1981) views, Greenwald and Leavitt (1984) argue that increased involvement is related to different levels of cognitive activity, which require higher attentional capacity and more lasting memory effects. This, in turn, is linked to four levels of involvement, which grow hierarchically in capacity requirements: preattention, focal attention, comprehension, and elaboration (Greenwald & Leavitt, 1984, p. 584). The lowest, preattention level uses only little capacity, while focal attention concentrates on only one message source and interprets message content into categories (ibid.). Comprehension allows for analysis of speech or text, and finally the

highest, elaboration level helps to integrate existing memory cues and knowledge to the message content (ibid.).

Common between the views described above is their relatively cognitive approach to individual's information processing. As opposed to this, Holbrook and Hirschman (1982) criticize the information processing view for solely focusing on consumers as logical information processors, failing to regard consumption as an activity containing esthetic criteria, symbolic meanings and hedonic responses. Thus Holbrook and Hirschman (1982) propose an alternative view that emphasizes the experiential aspects people encounter as consumers. The authors pertain the cognition-affect-behavior response system discussed above (Krugman, 1965, Petty and Cacioppo, 1981, Ray, 1977, Spielmann and Richard, 2013), but claim that "various environmental and consumer inputs (products, resources) are processed by an intervening response system (cognition-affect-behavior) that generates output consequences which, when appraised against criteria, result in a learning feedback loop" (Holbrook and Hirschman, 1982, p. 132). Environmental inputs regard experiential rather than utilitarian functions of products, as well as non-verbal rather than verbal product cues. Consumer inputs consider involvement type rather than its degree, consumption as an enjoyment seeking activity, and individual differences in terms of personality constructs, such as sensation seeking and creativity. Intervening response systems focus on subconscious cognitive processes, affect as diverse feelings influencing consumption, and behavioral differences between buying and consuming. Finally, output consequences, criteria, and learning effects reflect evaluation criteria and post-purchase satisfaction from the experiential point of view (ibid.). Holbrook and Hirschman (1982) also state that future research should further consider the importance of consumer feelings and fantasies.

Similarly to Holbrook and Hirschman, Batra and Ray (1986) discuss the importance of considering affective responses (ARs) in addition to cognitive ones in communication research. As discussed above in the context of advertising acceptance, Wright (1973) emphasized the role of consumers' cognitive responses toward a commercial message rather than the mere message content. Batra and Ray (1986) argue that advertisements with affective content can cause both positive and negative feelings in message

receivers and thus influence their attitudes toward the advertisement or brand in question. The authors demonstrate in their study that affective responses have an effect on attitude toward the advertisement, further influencing attitude toward the brand and finally resulting in purchase intention, as Krugman (1965) and Ray (1977) have also argued. Following Wright (1973), Batra and Ray (1986) further hypothesize that attitude toward the ad might additionally intervene impacts of supportive and counterarguments; if the consumer likes or dislikes a brand, same may be true for an advertisement highlighting the same particular brand. Furthermore, Homer (2006) found that positive and negative forms of affect function differently, and that their effects on attitude depended on brand familiarity.

With regards to Internet advertising, Rodgers and Thorson (2000) argue that interactive environment also affects information processing, since consumers not only react to but also use the Internet advertisements to achieve specific goals. The Internet is a place where consumers actively seek out information in an interactive and virtual reality (ibid.). Moreover, Wang (2011) found that mobile magazines increased message involvement and attitude because of higher interactivity possible through the different device. Conversely, Heath (2009) proposed a new view on engagement, which is independent of attention. According to Heath's (2009) findings, TV advertisements are effective for building strong brands due to their ability to engage, even though they attract only low attention. This is an interesting notion, given that unlike TV ads, advertisements on tablet devices are considered to be highly engaging with high attention attracting capabilities.

Based on the discussion above, it becomes clear that both affective and cognitive styles of involvement may affect advertising effectiveness, and the medium through which the advertisement is consumed may also be of significant importance. Thus it remains justified for the present study to consider the effects of both affective and cognitive involvement on advertising effectiveness in the context of tablet devices.

### **2.1.3. Measuring Involvement**

After it has been established what the involvement construct entails and how it can affect the information processing sequence, it is also important to consider the measurement tools used to evaluate involvement's impact. According to Michaelidou and Dibb (2008), involvement can be measured in relation to enduring (product), situational (purchase decision) or both types of involvement. Most scale development has taken place during the 1980s, and subsequent studies have focused on validating the existing measures (ibid.). These newer versions are very similar, if not identical, to earlier scales (ibid.) Since Zaichkowsky's (1985, 1994) Personal Involvement Inventory (PII) scales were developed and tested for involvement related to advertising, they are employed in this research and discussed in more detail below.

Zaichkowsky (1985) developed Personal Involvement Inventory (PII), a semantic differential type scale, which purpose was to capture the notion of involvement for products. The PII is based on Zaichkowsky's (1985) definition of involvement as the perceived relevance of an item, which is based on a consumer's inherent interests, values, and needs. This definition is argued to be applicable to products, advertisements, and purchase decisions (ibid). After demonstrating content validity –to what extent the chosen items represent the defined concept– and construct validity –how well a set of manifest variables represent the theoretical latent construct they are designed to measure– for products, the final scale list consisted of 20 opposing items, such as important-unimportant, irrelevant-relevant, and valuable-worthless (ibid.). However, discriminant validity –the extent to which a construct is truly distinct from other constructs– and convergent validity –to what extent indicators of a specific construct share a high proportion of variance– were not demonstrated (ibid.). Results suggested that highly involved consumers were more concerned with product information than low scorers (ibid.). This also includes the view that high scorers search for relevant information and evaluate competing alternatives before making a decision (ibid.). Furthermore, in accordance with Houston and Rothschild's (1978 cited in Bloch and Richins, 1983, p. 70) view of three involvement categories mentioned earlier, the PII scale suggested that the level of involvement differs for different products, and that

same people perceive different products differently. In addition, the scale suggested variance for diverse situations (Zaichkowsky, 1985).

Since in Zaichkowsky’s (1985) study construct validity was only shown for products, while the scale was developed to also capture the concept of involvement for advertisements and purchase decisions, in 1994 Zaichkowsky developed the PII scale further, including advertisements as study items. In addition, close to Park and Young’s (1986) definition of involvement, the concept was considered to have affective and cognitive components. The study of a variable set of advertisements resulted in reliably reducing the 20-item PII to a 10-item scale. The reduced-item PII was found to successfully differentiate subjects’ reactions toward the same ad as well as two different ads receiving distinct scores for the equivalent message. The 10-item PII could also be separated into subscales of cognitive and affective position. The items to describe cognitive involvement were important/unimportant, relevant/irrelevant, means nothing/means a lot to me, worthless/valuable, and not needed/needed. For affective involvement the items were boring/interesting, exciting/unexciting, appealing/unappealing, fascinating/mundane, and involving/uninvolving. (Zaichkowsky, 1994) In this thesis these scales were used in the questionnaire distributed to tablet users.

A summary of the key literature regarding involvement can be found in Table 1 below. In the next section, the hedonic and utilitarian theory will be presented in light of previous research. Links between involvement and hedonic and utilitarian theory will also be drawn.

<b>Author</b>	<b>Title</b>	<b>Journal</b>	<b>Theory</b>	<b>Method</b>	<b>Findings</b>
<b>Andrews, J. C., Durvasula, S. and Akhter, S. H., 1990</b>	A Framework for Conceptualizing and Measuring the Involvement Construct in Advertising Research	Journal of Advertising , Vol. 19 (4), p. 27-40	Involvement is a personal state of arousal that includes intensity, direction, and persistence.	Conceptual development	- Four main categories of involvement conceptualizations: attention/processing strategies, personal/situational involvement, audience/process involvement, and enduring/product involvement

<b>Batra, R. and Ray, M.L., 1986</b>	Affective Responses Mediating Acceptance of Advertising	Journal of Consumer Research, Vol. 13 (2), p. 234-249	In addition to cognitive responses to advertising, affective responses (AR) representing moods and feelings should be taken into consideration as they impact attitude towards the ad and brand attitudes.	Experimental design. 120 subjects were exposed to four TV ads taken from a pool of 40 commercials	Affective responses determine Aad and chain of effects is ARs-->Aad--> Ab-->PI.
<b>Bloch, P.H. and Richins M.L., 1983</b>	A Theoretical Model for the Study of Product Importance Perceptions	Journal of Marketing, Vol. 7 (), p. 69-81	In product importance framework Involvement is divided into three categories: (1) Situational involvement, (2) Enduring involvement, and (3) Response involvement.	Conceptual development	<ul style="list-style-type: none"> <li>- Product meaning and consumer characteristics influence long-term perceptions of product importance.</li> <li>- Enduring importance perceptions translate into lasting feelings of involvement</li> <li>- Product involvement motivates attitudinal and behavioral responses independent of purchase decision-making.</li> </ul>
<b>Cohen, J.B., 1983</b>	Involvement and you: 1000 Great Ideas	Advances in Consumer Research, Vol. 10 (1), p. 25-28	Involvement as "activation directed toward a stimulus" (p. 326) should be separate from consumers' specific beliefs, interests and goals, as well as consequent cognitive involvement-stimulated responses.	Conceptual development	<ul style="list-style-type: none"> <li>- Separate antecedent and consequent variables from the construct of involvement</li> <li>- Involvement is a state of activation, which is directed to some portion of the psychological field.</li> </ul>
<b>Greenwald, A.G. and Leavitt, C., 1984</b>	Audience Involvement in Advertising: Four Levels	Journal of Advertising Research, Vol. 11 (1), p. 581-592	Increased involvement is linked to different levels of cognitive activity, which require higher attentional capacity and more lasting memory effects. This is linked to four levels of involvement, which grow hierarchically in capacity requirements: preattention, focal attention, comprehension, and elaboration	Conceptual development	<ul style="list-style-type: none"> <li>- Lower levels of involvement use relatively little capacity and extract information needed to determine whether higher levels will be invoked. The higher levels require greater capacity and result in increasingly durable cognitive and attitudinal effects.</li> <li>- The best indicators of ad effectiveness depend on the level of involvement</li> </ul>
<b>Holbrook, M.B. and Hirschman, E., 1982</b>	The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun	Journal of Consumer Research, Vol. 9 (2), p. 132-140	Information processing view focuses on consumers as logical information processors, failing to regard consumption as an activity containing esthetic criteria and hedonic responses. Instead, environmental inputs, consumer inputs, intervening responses, and output consequences, criteria, and learning effects from the point of view of experience should be considered.	Conceptual development	<ul style="list-style-type: none"> <li>- Supplementing the information processing view with experiential perspective raises vital issues concerning (1) the role of esthetic products, (2) multisensory aspects of product enjoyment, (3) the syntactic dimensions of communication, (4) time budgeting in the pursuit of pleasure, (5) product-</li> </ul>



					related fantasies and imagery, (6) feelings arising from consumption, and (7) the role of play in providing enjoyment and fun.
<b>Krugman, H.E., 1965</b>	The Impact of Television Advertising: Learning without Involvement	The Public Opinion Quarterly, Vol. 29 (3), p. 349-356	High involvement: the connections and personal references the person has between his/her personal life and the stimulus. Under different involvement conditions, the chain of communication impacts varies. In a high involvement situation, one's cognition influences attitude change, only after which behavior changes. In a low involvement situation, behavioral changes follow cognition, while attitude changes occur later.	Conceptual development	<ul style="list-style-type: none"> <li>- Low or high involvement is not better than the other, but the processes of communication impact are different</li> <li>- Low involvement: gradual shifts in perceptual structure, aided by repetition, activated by behavioral-choice situations, and followed at some time by attitude change.</li> <li>- High involvement: more dramatic conflict of ideas at the level of conscious opinion and attitude that precedes changes in overt behavior.</li> </ul>
<b>Michaelidou N. and Dibb, S., 2008</b>	Consumer involvement: a new perspective	The Marketing Review, Vol. 8 (1), p. 83-99	Involvement is linked to channel choice in order to highlight the potential influence on involvement with the choice of a shopping channel for the product purchase.	Construct development	<ul style="list-style-type: none"> <li>- The shopping channel choice may moderate the level of purchase involvement, it can heighten situational variations in behavior and influence the level of motivation and degree of care as to the choice of brand</li> </ul>
<b>Mitchell, A.A., 1981</b>	The Dimensions of Advertising Involvement	Advances in Consumer Research, Vol. 8 (1), p. 25-30	Involvement is an individual's internal state including directional and intensity characteristics, which affect consumers' information acquisition and communication processes. Both level and direction of involvement must be defined in order to understand the construct of involvement. Attention and processing are the two most critical factors that influence attitude formation.	Conceptual development	<ul style="list-style-type: none"> <li>- Differences in involvement can lead to three different information acquisition processes</li> <li>- These determine how critically the advertising message is assessed.</li> <li>- Involvement is only one cause of the information acquisition process, alongside with the amount of knowledge an individual has about the topic and the opportunity to cognitively respond.</li> </ul>
<b>Park, C.W. and Young, S.M., 1986</b>	Consumer Response to Television Commercials : The Impact of Involvement and Background	Journal of Marketing Research, Vol. 23 (1), p. 11-24	High involvement can further be divided into affective and cognitive types affecting development of brand attitudes. Aim is to capture the motives behind personal relevance, rather than the mere personal relevance determining consumers' level	Experimental design. 120 women participated in the study. The effects of involvement (cognitive	<ul style="list-style-type: none"> <li>- An ad may result in a different level of personal involvement based on a brand's functional performance or emotional reactions.</li> <li>-High cognitive involvement results from utilitarian motives, which</li> </ul>

	Music on Brand Attitude Formation		of involvement.	vs. affective vs. low involvement) and music (presence or absence), on brand attitude and information processing of a TV commercial were examined.	emphasize relevant message content. - High affective involvement succeeds from value-expressive motives - The measurement of advertising effectiveness on the basis of brand attitude alone may not be satisfactory because a person may have a favorable brand attitude for two reasons: Aad's strong effect on positive feeling, or because of the specific product concept successfully conveyed by the commercial which integrates both message contents and peripheral persuasion cues.
<b>Petty, R.E. and Cacioppo, J.T., 1981</b>	Issue Involvement as a Moderator of the Effects on Attitude of Advertising Content and Context	Advances in Consumer Research, Vol. 8 (1), p. 20-24	Elaboration Likelihood Model (ELM). Attitude changes resulting from a persuasive message happen through either a central or peripheral route. Consumers following the central route to persuasion seek for personally relevant information with credible arguments and content that is easy enough to process. Peripheral route suggests that attitude change is affected by non-content cues, such as famous endorsers, and results in more temporary changes	Experimental design. Two experiments to test the two-process model of involvement. Variable manipulated were personal relevance of the message, quality of the arguments, and source characteristics	- High involvement: message content is the main determinant of the amount of persuasion that occurs. - Low involvement: non-content factors such as the credibility or attractiveness of the message source are more important. → Attitude change is determined by different factors under high and low involvement conditions.
<b>Petty, Cacioppo, Schumann, 1983</b>	Central and Peripheral Routes to Advertising Effectiveness: The Moderating Role of Involvement	Journal of Consumer Research, Vol. 10 (2), p. 135-146	Quality of arguments influence attitudes when product or service advertised is highly relevant for the audience, whereas attractive endorsers would be a more effective cue for products of low relevance. ELM suggests that persuasion through the central route predicts behavior more accurately than persuasion through the peripheral route	Experimental design. Two groups: high and low involvement.	- Advertising features' effectiveness depends on consumer's involvement and their preferred route to persuasion. - Product category recall and brand recognition vary depending on the level of involvement, more highly involved consumers recalling the product category and brand more likely than consumers in the low involvement category, while the use of famous endorsers reduced brand name recognition among

					low involvement conditions. - Personal relevance is only one determinant in addition to situational and personal difference variables.
<b>Ray, M.L., 1977</b>	When Does Consumer Information Processing Research Actually Have anything to do with Consumer Information Processing?	Advances in Consumer Research, Vol. 4 (1), p. 372-375	Consumer information processing (CIP) research conducted in artificial conditions differs greatly from actual situations where consumers face advertising messages.	Experimental design. Replication of natural exposure situations in controlled laboratory experimentation.	- Three hierarchies of learning, attitude and behavior were found: learning (cognitive to affective to conative), low involvement (cognitive to conative to affective), and dissonance-attribution (conative to affective to cognitive). - Most situations in advertising tend to be low involvement.
<b>Wright, P.L., 1973</b>	The Cognitive Processes Mediating Acceptance of Advertising	Journal of Marketing Research, Vol. 10 (1), p. 53-62	The process of information acceptance of advertising messages in terms of three variables of information acceptance: counter arguments, source derogation and support argument. These variables may change under situational factors, i.e. content-processing involvement and message modality.	Experimental design. Spontaneous free-response recording of thought processes.	- Message receivers use counterarguments directly when responding to message content. - Support argument and source derogation cues only significant if the situation allows for more extensive information processing.
<b>Zaichkowsky, J.L., 1985</b>	Measuring the Involvement Construct	Journal of Consumer Research, Vol. 12 (3), p. 341-352	Involvement is the perceived relevance of an item, based on a consumer's inherent interests, values, and needs. This definition is applicable to products, advertisements, and purchase decisions. Based on this definition, Personal Involvement Inventory (PII), a semantic differential type scale, is developed for assessing involvement for products.	Specific questions related to involvement were administered over three products to 28 clerical and 29 administrative staff members	- The final scale list consisted of 20 opposing items, e.g. important-unimportant, irrelevant-relevant, and valuable-worthless. - Highly involved consumers more concerned with product information than low scorers. - High scores search for relevant information and evaluate competing alternatives before making a decision. - PII: the level of involvement differs for different products, and same people perceive different products differently. - Variance for diverse situations.

<b>Zaichkowsky, J.L., 1994</b>	Research Notes: The Personal Involvement Inventory: Reduction, Revision, and Application to Advertising.	Journal of Marketing, Vol. 23 (4), p. 59-70	In addition to Zaichkowsky (1985), involvement is also defined by both cognitive and affective components.	Subjects' reactions toward two different ads were tested.	- The PII scale successfully reduced from 20- to a 10-item scale and applied to advertising, these items were separated into affective and cognitive position.
--------------------------------	--	---	--	---	--

**Table 1 Literature Summary – Involvement**

## ***2.2. Hedonic and Utilitarian Theory***

A number of researchers have shown that consumer attitudes towards products, brands and advertisements differ based on two different components: hedonic and utilitarian (Batra and Ahtola, 1991; Chitturi, Raghunathan and Mahajan, 2008; Dhar and Wertenbroch, 2000; Diefenbach and Hassenzahl, 2011; Johar and Sirgy, 1991; Mano and Oliver, 1993; Voss, Spangenberg and Grohmann, 2003). In the following sections, these concepts will be defined, scales to measure their effects are identified, and the link between hedonic and utilitarian theory and consumer involvement will be demonstrated.

### **2.2.1. Concept definitions**

Batra and Ahtola (1991) have stated that consumption may happen for two fundamental reasons. One reason is that consumers seek affective gratification, and the second reason is that consumers find appreciation in the product's functional features (ibid.). The former describes hedonic, sensory attributes, and the latter utilitarian, non-sensory attributes, and these two reasons are claimed to affect attitudes towards different product categories (ibid.). As an example, dish detergent can be seen as a highly utilitarian product, whereas cars might include more hedonic attributes.

Using the same two dimensions, Voss, Spangenberg and Grohmann (2003) stated that hedonic dimension is related to sensations from using products, and utilitarian dimension from functions the products perform. Chitturi, Raghunathan and Mahajan (2008) also viewed utilitarian benefits as practical, instrumental and functional, and hedonic benefits as enjoyable, experiential, and aesthetic. Similarly, Mano and Oliver

(1993) claimed that utilitarian evaluation is based on need and value of the product, while hedonic evaluation assesses interest, positivity and appeal. Mäenpää et al. (2006) further found in their study of Internet banking service that consumers who are more hedonic and experiential place greater importance on wide service offering than less hedonic consumers.

Similarly to what Petty and Cacioppo (1981) stated in their Elaboration Likelihood Model in relation to consumer involvement and persuasion, Johar and Sirgy (1991) suggested that there are two routes to persuasion: self-congruity and functional congruity. When products are value-expressive, consumer attitudes are argued to be best influenced through self-congruity, while utilitarian products require functional congruity (Johar and Sirgy, 1991). Persuasion through self-congruity appears when there is a match between the consumer's actual self-image and the product's hedonic attributes and cues (*ibid.*). Functional congruity, in turn, links the product's performance-related functions to the consumer's ideal attributes and criteria toward the same object. Since self-congruity focuses on product cues, it can be viewed as peripheral route to persuasion (Johar and Sirgy, 1991; Petty and Cacioppo, 1981). Functional congruity can be regarded as the central route to persuasion, as message content and quality of arguments are processed in greater detail (*ibid.*).

These notions of congruity can be directly linked to advertising, and give an insight into what type of messages would be the most persuasive. Value-expressive advertising appeals are argued to be most effective when self-congruity is the determining factor of persuasion (Johar and Sirgy, 1991). Utilitarian advertising appeals, in turn, led to advertising persuasion through functional congruity (*ibid.*). Furthermore, Johar and Sirgy (1991) argued that whether value-expressive or utilitarian appeals are more effective, is based on factors such as product differentiation, scarcity and life cycle, and consumer involvement, self-monitoring, and prior knowledge. Product differentiation is claimed to lead to functional congruity, while the greater the product maturity, scarcity or prior knowledge, the more persuasive the value-expressive appeals become (*ibid.*). The authors also call for further research in self-congruity and functional congruity with regard to full-scale advertising effectiveness criteria, such as ad attention, ad or brand

recognition and recall, brand attitude and purchase intention (ibid.). Somewhat conversely, Homer (2006) found that there is a difference between positive and negative affect. Cognition mediated the impact positive affect had on hedonic attitudes for familiar brands, while the impact of negative affects demonstrated a direct impact (ibid.). In terms of unfamiliar brands, direct effects between brand attitudes and negative and positive affect were both significant, and cognition played a minor role (ibid.). Consequently Homer (2006) argued that new brands should use more creative advertisement, while with increasing familiarity brands can highlight more cognitive arguments to maintain a positive image.

In addition to advertising effectiveness, hedonic and utilitarian dimensions can consequently also affect audience's consumption behavior. Chitturi, Raghunathan and Mahajan (2008) studied postconsumption consequences based on these two dimensions, considering them in the light of prevention goals and promotion goals, which closely link to fundamental needs and wants of consumers. Utilitarian features are expected to decrease pain by fulfilling prevention goals, while hedonic attributes increase pleasure through fulfilling promotion goals. Thus emotional experiences differ based on hedonic and utilitarian benefits (Chitturi, Raghunathan and Mahajan, 2008). Similar to this notion, Dhar and Wertenbroch (2000) discussed forfeiture versus acquisition choices when choosing between hedonic and utilitarian goods. In forfeiture choices, where consumers decide which item to give up, hedonic dimension is argued to be stronger (ibid.). Acquisition choices, on the other hand, determine which item a consumer purchases, and are more salient towards utilitarian dimensions (ibid.). Dhar and Wertenbroch (2000) argue that this is due to the fact that in forfeiture choices there is greater elaboration, which often emphasizes hedonic aspects. Furthermore, Diefenbach and Hassenzahl (2011) argued that when facing choice situations, consumers overemphasize the pragmatic, or utilitarian, dimension since these aspects are often found easier to justify than those that are simply enjoyed the most.

These are interesting perceptions, and somewhat opposing Petty and Cacioppo's (1981) ELM framework with regards to involvement. The central route to persuasion is widely thought of as placing greater emphasis on facts and utilitarian aspects than hedonic

attributes. Dhar and Wertenbroch (2000) however found that the choice in question, acquisition or forfeiture, brings an additional attribute that may affect consumer persuasion. Hedonic features are argued to be more easily imagined and elaborated on, and thus more salient in forfeiture choices where more time is spent on elaborating potential losses of giving up something (ibid.). Diefenbach and Hassenzahl (2011, p. 641), in turn, identified a “Hedonic Dilemma” stating that even if consumers feel better about the hedonic choice, they choose the pragmatic one, as it may be easier to justify.

However, it is also important to keep in mind Batra and Ahtola’s (1991) note that hedonic and utilitarian motivations are not necessarily mutually exclusive or prominent. Babin, Darden and Griffin (1994) agree with this notion by stating that predicting relationships between hedonic and utilitarian dimensions may be challenging due to a wide variety of contexts and considerations, and the dimensions do not exclude one another. Consumers are claimed to be both emotional and intellectual in a purchase situation (ibid.). This is what Holbrook and Hirschman (1982) also emphasize in their experiential view on information processing, and Batra and Ray (1977) highlight with the concept of affective responses. Thus it may not be clear which dimension, hedonic or utilitarian, is determinant in which context, as a variety of thought processes take place simultaneously.

### **2.2.2. Measuring Hedonic and Utilitarian Attributes**

A number of scales have been developed to effectively measure hedonic and utilitarian attributes and their influence on consumer attitudes. Some of the most prominent work on this matter was completed by Batra and Ahtola (1991). They developed a scale that was intended to show that while attitudes towards different products display both hedonic and utilitarian factors, these factors also differ on different product attributes (ibid.). After studying various semantic differential (SD) items on tooth paste brands that possess both hedonic and utilitarian attributes, Batra and Ahtola (1991) concluded that the hedonic dimension can be best measured with items of pleasant/unpleasant, nice/awful, agreeable/disagreeable, and happy/sad. Utilitarian dimension, in turn, was

best measured with items of useful/useless, valuable/worthless, beneficial/harmful, and wise foolish (ibid.).

Despite shown statistical validity in their study, Batra and Ahtola's scale was later criticized for not completely capturing the intended hedonic and utilitarian dimensions (Crowley, Spangenberg and Hughes, 1992; Voss, Spangenberg and Grohmann, 2003). In an attempt to improve the scales, Crowley, Spangenberg and Hughes (1992) concentrated on broader product categories as opposed to specific brands. In their study they found that for most categories the items did not load as expected based on Batra and Ahtola's (1991) scales, which development focused on specific products. Especially problematic were the nice/awful item on the hedonic dimension, and the wise/foolish item on the utilitarian dimension, which loaded either on the opposite dimension, or failed to load at over 0.5 on either dimension (Crowley, Spangenberg and Hughes, 1992). It was discovered that most categories had both hedonic and utilitarian benefits, and thus landed high on both dimensions (ibid.). Therefore the categories' relative position within the quadrant was more indicative of their more noticeable hedonic/utilitarian components. Crowley, Spangenberg and Hughes (1992) further argued that "outliers" in the quadrant may represent a halo effect toward that category, which can be comparable to consumer involvement with the product category. The authors thus called for further research on the relationship between involvement and hedonic/utilitarian dimensions, as well as their effects on advertising effectiveness.

Following Crowley, Spangenberg and Hughes's (1992) proposition, Voss, Spangenberg and Grohmann (2003) set to develop a thoroughly tested, generalizable, reliable, and valid scale to measure consumer attitudes in terms of hedonic and utilitarian dimensions. The HED/UT scale's unidimensionality and reliability, as well as discriminant, predictive, and nomological validity were demonstrated. Both brands and wider product categories were tested in the development process. After conducting exploratory factor analysis (EFA), Voss, Spangenberg and Grohmann (2003) found 12 adjective pairs that represented both hedonic and utilitarian attributes of product attitude. Through additional experiments the achieved list was further reduced to five adjective pairs for both hedonic and utilitarian dimensions. The final HED/UT list



consisted of adjectives effective/ineffective, helpful/unhelpful, functional/not functional, necessary/unnecessary, and practical/impractical for the utilitarian dimension, and not fun/fun, dull/exciting, not delightful/delightful, not thrilling/thrilling, and enjoyable/unenjoyable for the hedonic dimension (Voss, Spangenberg and Grohmann, 2003, p. 312).

Furthermore, while establishing discriminant validity, Voss, Spangenberg and Grohmann (2003) stated that the involvement construct differs from the hedonic and utilitarian attributes of consumer attitude as opposed to Kapferer and Laurent's (1993) view, which considered a product's hedonic value as an antecedent of involvement. Results obtained from using single-factor and two-factor confirmatory factor analysis (CFA) models in LISREL suggested that different information is captured from hedonic and utilitarian scales and affective and cognitive involvement, thus indicating that these constructs are indeed distinct and apprehend different information (Voss, Spangenberg and Grohmann, 2003). When testing predictive validity and comparing results with Batra and Ahtola's (1991) scale, it was found that eight out of 16 product categories tested were misclassified using Batra and Ahtola's (1991) scale, and across all product categories Voss, Spangenberg and Grohmann's (2003) HED/UT scale performed superiorly. Moreover, relationship between involvement and hedonic and utilitarian attributes were studied in terms of Petty and Cacioppo's (1981) ELM model, as well as experiential and functional positioning statements. The results suggested that the model was significant for the hedonic dimension, but not for the utilitarian. This might indicate that when there is low brand differentiation in a product category, functional positioning statements may not be very effective. (Voss, Spangenberg and Grohmann, 2003)

Finally, nomological validity was tested in terms of purchase intention by using Petty and Cacioppo's (1981) central route to persuasion model (Voss, Spangenberg and Grohmann, 2003). Two models were used, and in the second one attitude toward brand (Ab) was replaced with hedonic and utilitarian concepts. Both models depended on product category involvement. Affective involvement was suggested to predict the hedonic attribute, while cognitive involvement was connected to the utilitarian dimension. The results could not clearly indicate superior model between the two, as

both performed well. As a conclusion, Voss, Spangenberg and Grohmann (2003) stated that hedonic and utilitarian constructs are separate dimensions of attitude toward products and brand, and that future research should incorporate these two dimensions with more complex constructs such as attitude toward the ad.

Based on the above discussion and consequent superiority for the HED/UT scale, the present thesis uses the full scales Voss, Spangenberg and Grohmann (2003) have developed to test the relationship between affective and cognitive involvement and hedonic and utilitarian advertising attributes, and their subsequent influence on advertising effectiveness.

### **2.2.3. Hedonic and Utilitarian theory in relation to Involvement**

It can be noted from the aforementioned discussion that there is a significant connection, if not overlap, between involvement and hedonic/utilitarian dimensions. Kapferer and Laurent (1993) in fact determine a product's hedonic value as one antecedent of involvement in their empirical instrument of Consumer Involvement Profile (CIP). Some other researchers, in turn, disagree with this notion, and claim that involvement and hedonic and utilitarian dimensions are separate, though connected, attributes (Mano and Oliver, 1993; Voss, Spangenberg and Grohmann, 2003)

Mano and Oliver (1993) stated that there is operational overlap between hedonic and utilitarian evaluation and involvement, and these are measured with largely identical scales, such as the one developed by Zaichkowsky (1985). Mano and Oliver (1993) also noted, however, that evaluation and involvement are not equal. Instead they found that arousal, value, positivity, negativity, and hedonic experience positively correlate with involvement (*ibid.*). Johar and Sirgy (1991) also commented that value-expressive and utilitarian appeals of a product are a function of several factors such as that of involvement. Furthermore, a number of studies closely link hedonic and utilitarian dimensions with Petty and Cacioppo's (1981) Elaboration Likelihood Model (ELM) and the central and peripheral routes to persuasion that the model determines (Johar and Sirgy, 1991; Voss, Spangenberg and Grohmann, 2003). Johar and Sirgy (1991)

discussed that in a low involvement situation consumers evaluate products using self-congruity, that is value-expressive appeals, while in a high involvement situation functional congruity, or product's utilitarian benefits, will become a more determining factor. Somewhat differently, Dhar and Wertenbroch (2000) argued that in forfeiture choices in which time is spent on elaborating potential losses of giving up something, hedonic features become more salient. These different findings namely demonstrate the complexity of the relationships between the constructs under question.

Holbrook and Hirschman (1982) emphasize the importance of not focusing solely on the level of involvement, but also on its type including cognitive responses versus arousal. Information processing and experiential view are claimed to affect consumer choices differently, emphasizing either a product's utilitarian functions, or consumers' seek of enjoyment and fun, that is, more hedonic attributes (ibid). Greenwald and Leavitt (1984), Andrews, Durvasula and Akhter (1990), and Mano and Oliver (1993) also highlighted arousal as an important moderator of consumer experience. Similarly, Park and Young (1986) found in their study on involvement and advertising that personal involvement differs depending on a brand's functional versus emotional attributes. As a result they conceptualized involvement as having cognitive and affective, rather than low and high, characteristics (ibid.). In the table below a summary of the hedonic and utilitarian research can be examined. In conclusion, past research strongly indicates that involvement and hedonic and utilitarian theory are closely aligned, and thus consideration of both constructs is encouraged when studying consumers' attitudes and reactions towards advertising.

Author	Title	Journal	Theory	Method	Findings
Batra, R. and Ahtola, O.T., 1991	Measuring the Hedonic and Utilitarian Sources of Consumer Attitudes.	Marketing Letters, Vol. 2 (2), p. 159-170	Consumption happens for two reasons: affective (hedonic) gratification, or products' functional (utilitarian) features.	Experiment. Study 1: 59 respondents rated four arbitrarily selected brands. Study 2: 108 student subjects saw an ad for a new toothpaste brand and provided data	<ul style="list-style-type: none"> <li>- Scales created for instrumental attribute adequacy and for sensory attribute adequacy.</li> <li>- Attitudes towards brands and behaviors have hedonic and utilitarian components.</li> <li>- Utilitarian measured by: useful/useless, valuable/worthless, beneficial/harmful,</li> </ul>

				on brand attitudes. Study 3: 93 students rated 18 behaviors on each of 23 evaluative SD items.	and wise/foolish - Hedonic component measured by pleasant/unpleasant, nice/awful, agreeable-disagreeable, and happy/sad.
<b>Chitturi, R.R., Raghunathan, R. and Mahajan, V., 2008</b>	Delight by Design: The Role of Hedonic Versus Utilitarian Benefits	Journal of Marketing, Vol. 72 (3), p. 48-6	Utilitarian benefits are practical, instrumental and functional, and hedonic enjoyable, experiential and aesthetic. Post-consumption consequences are linked to prevention and promotion goals, which in turn are linked to utilitarian and hedonic dimensions.	Experimental study with cell phones, laptops and cars. Study 1 and 2: 2x4 between-subjects design, 240 students. Study 3: 142 car owners questioned about feelings towards their cars.	- Hedonic and utilitarian benefits of a product differ in their ability to delight and satisfy customers. - Products meeting utilitarian needs fulfill prevention goals, enhance satisfaction - Products meeting hedonic wants fulfill promotion goals, enhance delight.
<b>Crowley, A.E., Spangenberg, E.R. and Hughes, K.R., 1992</b>	Measuring the Hedonic and Utilitarian Dimensions of Attitudes Toward Product Categories	Marketing Letters, Vol. 3 (3), p. 239-249	Batra and Ahtola's (1991) scales are applied to a wide variety of product categories, rather than brands.	Experiment, 151 students asked to rate product categories on Batra and Ahtola's scale. 24 product categories included in the study categories.	- Utilitarian and hedonic elements comprising attitudes toward product categories, Batra and Ahtola's scale (1991) does not measure these as expected.
<b>Dhar, R. and Wertenbroch, K., 2000</b>	Consumer Choice Between Hedonic and Utilitarian Goods	Journal of Marketing Research, Vol. 37 (1), p. 60-71	When choosing between hedonic and utilitarian goods, consumers make either forfeiture or acquisition choices, respectively. In forfeiture choices consumers decide which item to give up, and acquisition choices determine which item a consumer purchases.	Experiment design. Study 1: 51 students, between-design study consisting of an acquisition and forfeiture condition. Study 2: 114 students participated in a 2 x 2 between-subjects full factorial + thought-listing task. Study 3: 141 students, four choice problems between hedonic or utilitarian attributes. Field survey on car owners.	- Forfeiture choice: consumers more salient towards hedonic dimension. - Acquisition choice: the utilitarian dimension stronger. - In forfeiture choicest there is greater elaboration on potential losses → emphasizes hedonic aspects.

<p><b>Johar, J.S. and Sirgy, M.J. 1991</b></p>	<p>Value-Expressive Versus Utilitarian Advertising Appeals: When And Why To Use Which Appeal</p>	<p>Journal of Advertising, Vol. 20 (3), p. 23-33</p>	<p>There are two routes to persuasion: self-congruity and functional congruity.</p>	<p>Conceptual development.</p>	<ul style="list-style-type: none"> <li>- Value-expressive products: consumer attitudes best influenced through self-congruity,</li> <li>- Utilitarian products require functional congruity.</li> <li>- Persuasion through self-congruity: match between the consumer's actual self-image and the product's hedonic attributes and cues.</li> <li>- Functional congruity: link the product's performance-related functions to the consumer's ideal attributes and criteria toward the same object.</li> </ul>
<p><b>Mano, H. and Oliver, R.L., 1993.</b></p>	<p>Assessing the Dimensionality and Structure of the Consumption Experience: Evaluation, Feeling, and Satisfaction</p>	<p>Journal of Consumer Research, Vol. 20 (3), p. 451-466</p>	<p>Assessment of three aspects of the post-consumption experience, which include product evaluation, product-elicited affect, and product satisfaction. Utilitarian evaluation is based on need and value, hedonic evaluation assesses interest, positivity and appeal.</p>	<p>Experiment. 118 business students participated in a low or high involvement condition. Zaichkowsky's (1985) and Batra and Ahotla's (1991) scales used as measures.</p>	<ul style="list-style-type: none"> <li>- Evaluation and involvement not equal</li> <li>- Arousal, value, positivity, negativity, and hedonic experience positively correlate with involvement.</li> <li>- Two primary dimensions of product evaluation, utilitarian and hedonic judgment, viewed as causally antecedent to two dimensions of affect, pleasantness and arousal, and to product satisfaction.</li> </ul>
<p><b>Voss, K.E., Spangenberg, E.R., Grohman, B., 2003</b></p>	<p>Measuring the Hedonic and Utilitarian Dimensions of Consumer Attitude</p>	<p>Journal of Marketing Research, Vol. 40 (3), p. 310-320</p>	<p>HED/UT scale: 10 semantic differential response items (5+5). Relationship between HED/UT dimensions of attitude and involvement: when used to measure attitudes of product categories, HED/UT captures information different from the affective and cognitive dimensions of product category involvement. Study shows HED/UT scale superior to Batra &amp; Ahtola's (1991) scale.</p>	<p>Scale development: Study1: exploratory factor analysis, confirmatory factor analysis, scales depend on evaluation of item-to-total correlations, internal consistency, AVE and unidimensionality, Study 2 : reduce scale items, reliability shown at 5+5. Second-order factor analysis to see links to a higher-order construct</p>	<ul style="list-style-type: none"> <li>- HED/UT constructs two distinct dimensions of brand attitude.</li> <li>- Brand attitudes associated with attitudes toward product category.</li> <li>- Brands tend to vary more on the hedonic than utilitarian dimension.</li> <li>- Central route vs. peripheral route to persuasion depends on hedonic/utilitarian dimension.</li> </ul>

Table 2 Literature Summary – Hedonic and Utilitarian theory

### ***2.3. Advertising Effectiveness***

In this section advertising effectiveness is viewed from the theoretical perspective. Advertising effectiveness can be defined and measured by taking various components into account (Johar and Sirgy, 1991). Most previous research, however, has only considered few factors affecting advertising effectiveness, such as purchase intention or attitude toward the ad (De Pelsmacker, Geuens and Anckaert, 2002; Malthouse, Calder and Tamhane, 2007). In the following, the aforementioned factors affecting advertising effectiveness will be deconstructed.

#### **2.3.1. Attitude toward the Ad**

MacKenzie, Lutz and Belch (1986, p. 130) have defined attitude toward the ad (Aad) as “a causal mediating variable in the process through which advertising influences brand attitudes and purchase intentions”. Advertisement content and implementation directly influence its effectiveness (ibid.). De Pelsmacker, Geuens and Anckaert (2002) further argued that attitude toward to ad can be measured through three different components: likeability, informativeness, and clarity (ibid.). Likeability measures the affective attention potential of an advertisement, informativeness the cognitive attention potential, and clarity determines people’s ability to process the advertisement (ibid.). These measures can be linked to Park and Young’s (1986) involvement categorization, as they argued that high cognitive involvement results from utilitarian motives emphasizing relevant message content, whereas high affective involvement follows value-expressive motives.

As discussed above, Petty and Cacioppo (1981) have stated that under different levels of involvement, value-expressive versus utilitarian advertisement appeals become more effective. In terms of causal relationship between attitude towards the ad and overall advertising effectiveness, MacKenzie, Lutz and Belch (1986) tested different models by manipulating the hierarchy-of-effects, which presumes cognition precedes affect before behavior (Krugman, 1965; Ray, 1977). This is also known as the affect transfer hypothesis (ATH), and can be argued to represent the peripheral route to persuasion in Petty and Cacioppo’s ELM framework (MacKenzie, Lutz and Belch, 1986).

As an alternative view to the above, MacKenzie, Lutz and Belch (1986) posit the dual mediation hypothesis (DMH), which differs from the ELM by suggesting that there is an indirect causal flow from attitude toward the ad through brand cognitions to attitude toward the brand. Thus DMH proposes that central and peripheral routes to persuasion are interlinked rather than alternative processes for one another (ibid.). Furthermore reciprocal mediation hypothesis (RMH) suggests that consumers seek balance between the ad and the brand in question by evoking similar attitudes towards both (ibid.). Finally, the independent influences hypothesis (IIH) presumes no causal relationship between attitude toward the ad and the brand (ibid.). MacKenzie, Lutz and Belch's (1986) results indicated that the DMH was a superior model in representing these relationships. Thus the results suggest that attitude toward the advertisement affects both cognitions and attitude toward the brand, being in line with findings that under low involvement cognitions and attitude toward the brand are independent of one another (ibid.). This is similar to what Krugman (19965) and Ray (1977) have also argued in their studies.

### **2.3.2. Measuring Advertising Effectiveness**

In terms of measuring advertising effectiveness, there are a number of different components that can be considered. Johar and Sirgy (1991) list these elements to include: advertisement attention, comprehension, interest and liking, advertisement or brand recall and recognition, brand attitude, attention and adoption rate, and purchase intention. Greenwald and Leavitt (1984) also found in their study that overall advertising effectiveness index could not be found on a single measure. For example, if only advertisement recall is studied, any negative evaluative reactions toward the ad are not discovered. Using the four levels of involvement, preattention, focal attention, comprehension, and elaboration, Greenwald and Leavitt (1984) claimed that ad effectiveness at the highest, elaboration level of involvement, may be best assessed by using evaluative measures of brand acceptance or product quality beliefs. At the second-highest, comprehension level of involvement, an aided recall procedure may provide good indication of advertising effectiveness (ibid.). At the focal level, advertising

effectiveness is argued to be assessed best with measures such as attitude toward the ad or sensory traces (ibid.).

In this thesis scales from Holzwarth, Janiszewski and Neumann (2006) to measure purchase intention, and from Yoo and Donthu (2001) to assess brand awareness and association, are combined in the survey design to address the different components of advertisement effectiveness as discussed above. Furthermore, in addition to the advertisement features, media context may also have a significant impact on advertising effectiveness. Therefore in the following section the role of media context is discussed in more detail.

### **2.3.3. Media Context and Advertising Effectiveness**

De Pelsmacker, Geuens and Anckaert (2002, p. 49) have defined media context as “the characteristics of the content of the medium in which an ad is inserted (articles in a magazine, spots in a television program), as they are perceived by the individuals who are exposed to it”. The authors examined the effect of two media context factors, advertisement style/congruency and advertising context appreciation. More specifically, De Pelsmacker, Geuens and Anckaert (2002) studied whether context style and advertisement style congruency, or highly appreciated context, led to better or worse advertisement processing. As a moderating effect for the relationship between advertisement and context congruity, the authors considered product category involvement. As also noted by Zaichkowsky (1985, 1994) and Petty and Cacioppo (1981), under low involvement people devote less attention to advertising, and are likely to process information and be persuaded through the peripheral route (De Pelsmacker, Geuens and Anckaert, 2002). Highly involved individuals, in turn, find the advertisement message highly relevant, and process information centrally (ibid.). Furthermore, De Pelsmacker, Geuens and Anckaert (2002) considered context appreciation and responses towards advertisements as a part of media context in advertising effectiveness. Thus the authors differentiated between affective and cognitive attitudes toward advertising; when attitudes are affective, appreciated media context may lead to a more positive attitude toward the ad (ibid.). Cognitive attitudes, in



turn, may result in more detailed context processing and in less attention and central processing of the advertisement itself (ibid.).

In their experimental design study De Pelsmacker, Geuens and Anckaert (2002) found that under low involvement, advertisement and media context congruity results in better understanding and more positive affective attitude, and enhances peripheral processing. Under high involvement, contrasting advertisement and media style contexts are actually found to be more effective, as individuals process unexpected advertisements more carefully (ibid.). However, contrary to some earlier studies, the relationship between congruency and product category involvement was not found to affect the perception of advertisement's informativeness and brand recall (ibid.). A high quality media context is suggested to lead to overall appreciation of the ad on both affective and cognitive components. Some differences were found between different age groups, older people preferring advertisement and context congruity (ibid.). Moreover, a number of differences were found between television and print ads and their processing, thus indicating the importance of considering different media types when planning effective advertising campaigns (ibid.). De Pelsmacker, Geuens and Anckaert (2002) also commented that different product types, namely hedonic and utilitarian, may have significant effects on advertising effectiveness, and called for additional research to explore the issue. These are highly relevant findings considering the focus of this thesis.

According to Malthouse, Calder and Tamhane (2007), advertising effectiveness depends on three factors: the quality of the advertised product, the quality of the advertisement itself, and the media context in which the advertisement is present. Similarly to De Pelsmacker, Geuens and Anckaert (2002), Malthouse, Calder and Tamhane (2007) argued that media context is also closely linked to the construct of involvement (ibid.). Because of the looseness of the involvement construct, however, Malthouse, Calder and Tamhane (2007) introduced a new term, media experiences, in order to capture the feelings and thoughts readers have about a magazine. They argued that involvement is defined by the specific experience, and these experiences have an effect on reactions towards advertising (ibid.). Media experiences can also be linked to De Pelsmacker, Geuens and Anckaert's (2002) conceptualization of context appreciation. Malthouse,

Calder and Tamhane (2007) used a quasi-experimental design to establish how magazine reading experiences affect attitudes towards advertising in the same magazine. The results obtained suggested that involvement with magazines comprises of a variety of multidimensional experiences, and readers' experience with a magazine can affect their attitude towards advertising in the magazine. More specifically, they found that as many as 36 out of 39 magazine experiences were related to advertising effectiveness, and all of these experiences were positive (ibid.). Thus, positive magazine experiences are likely to increase advertising effectiveness, while negative experiences are not hurtful (ibid.).

It should be kept in mind, as Johar and Sirgy (1991) also discussed, that attitude toward the ad is only one way to measure advertising effectiveness, and Malthouse, Calder and Tamhane's (2007) study did not consider these other measures. Malthouse, Calder and Tamhane (2007) thus call for further research in other measures of advertising effectiveness in addition to attitude toward the ad. Their study also examined only one advertisement, and the authors encourage future research to study different product categories and advertising executions. This thesis aims at responding to this demand by observing two different advertisements in different categories, product and service, and taking a number of different advertising effectiveness measures into consideration.

Furthermore, research on mobile advertising and its effectiveness may bring additional insights into the prevalent issues that should be considered when advertising in the context of new technologies. Varnali, Yilmaz and Toker (2012) found that the amount of prior experience with mobile devices affected responsiveness and response delay on SMS-advertising regardless of the attitudes toward and evaluations of the campaign. Simultaneously, prior experience with the devices was not found to be related with the overall attitudes towards the campaign (ibid.). Additionally, the perceived fit between the brand and the medium appeared as the strongest element defining the relationship between affective involvement and mobile advertising message (ibid.).

Yang, Kim and Yoo (2013), in turn, argue that both user's choice of mobile technology and characteristics of ad communication influence mobile advertising. The authors

developed an integrated advertising model, which combines the effects of the advertisement and mobile technology as well as two routes of attitude formation, emotional and technological based evaluations (ibid.). This model is thus similar to Voss, Spangenberg and Grohmann's (2003) HED/UT scale discussed above, as well as Park and Young's (1986) conceptualization of affective and cognitive involvement. The results indicated that more experienced consumers were better able to distinguish information quality from performance expectations than less experienced consumers (Yang, Kim and Yoo, 2013). Hedonic considerations as well as technology-based evaluations primarily affected attitudes toward mobile advertising, whereas utilitarian considerations influenced beliefs about mobile technologies (ibid.). Hence, consumers' responsiveness toward advertising increased the more favorable they were towards using mobile technology (ibid.). Moreover, experienced consumers' attitudes toward ads were found to be determined mostly by technology and ad-based attitudes, while inexperienced consumers relied more on the ad content itself when forming attitudes (ibid.). Consequently, inexperienced consumers were argued to depend more on emotional aspects and process ads heuristically, while experienced consumers would process ads more systematically (ibid.). These notions are similar to Petty and Cacioppo's (1981) Elaboration Likelihood Model, as it may be interpreted that inexperienced consumers form their attitudes toward an advertisement through the peripheral route, while more experienced consumers rely on the central route to persuasion.

#### ***2.4. Theoretical model and Research Hypotheses***

The above discussion on involvement theory, hedonic and utilitarian attributes, and advertising effectiveness clearly indicates that there is a relationship between these different constructs. There is also a gap in the past research regarding hedonic and utilitarian ad attributes and their relationship with full-scale advertising effectiveness criteria (Johar and Sirgy, 1991; Malthouse, Calder, Tamhane). Furthermore, the need to further research the relationship between involvement and hedonic and utilitarian dimensions, as well as their impact on advertising effectiveness has been identified (Crowley, Spangenberg and Hughes (1992); Voss, Spangenberg and Grohmann, 2003).

Moreover, the tablet device presents a distinctive media context that remains highly unexplored in academic research, and with its unique features it is likely to provide new results undiscovered in studies addressing traditional media.

As Park and Young (1986) have stated, a commercial might result in a different level of personal involvement based on a brand's functional performance, that is, utilitarian motives, or emotional reactions, thus value-expressive motives. Furthermore, the authors argued that high cognitive involvement is connected to utilitarian motives, and high affective involvement links with value-expressive motives (Park and Young, 1986). These further relate to individual's preference towards central or peripheral processing of information (Petty and Cacioppo, 1981; Petty, Cacioppo and Schuman, 1983). Therefore first two hypotheses are defined as follows:

*Hypothesis 1:* Hedonic ad attributes have a positive relationship with affective involvement

*Hypothesis 2:* Utilitarian ad attributes have a positive relationship with cognitive involvement

On the contrary, since different routes to persuasion are preferred depending on the level or degree of involvement, it can be assumed that information processes employed are different based on the type of involvement (Krugman, 1965; Petty and Cacioppo, 1981; Petty, Cacioppo and Schuman, 1983; Ray, 1977; Zaichkowsky, 1985, 1994). Consequently it can be hypothesized that there is a negative relationship between high cognitive involvement and hedonic ad attributes, as well as between high affective involvement and utilitarian ad attributes. Based on this logic, next two hypotheses are formed:

*Hypothesis 3:* Hedonic ad attributes have a negative relationship with cognitive involvement

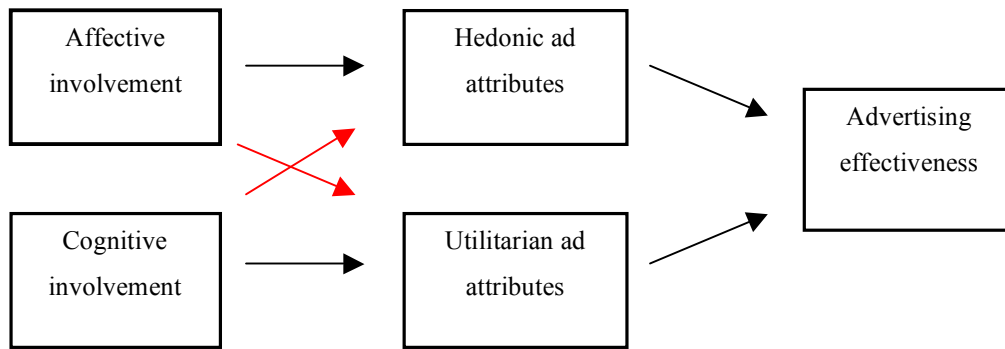
*Hypothesis 4:* Utilitarian ad attributes have a negative relationship with affective involvement

In terms of advertising effectiveness, it is assumed that both utilitarian and hedonic evaluation may lead to ad effectiveness. As Batra and Ahtola (1991) stated, consumers seek either affective gratification or functional properties. Respectively, hedonic or utilitarian attributes influence attitudes towards objects product categories (ibid.). Johar and Sirgy (1991) also argued that when products are value-expressive, self-congruity and hedonic attributes are required, while utilitarian products require functional congruity. Similarly, Babin, Darden and Griffin (1994) stated that hedonic and utilitarian dimensions are not mutually exclusive. Holbrook and Hirschman (1982) argued that consumers are both intellectual and emotional when making a purchase. The same can be presumed to be true when evaluating advertising effectiveness. Based on a consumer's degree of involvement and a product or service's nature, both hedonic and utilitarian ad attributes may lead to effective advertising outcomes. Accordingly, the last two hypotheses are outlined as follows:

*Hypothesis 5:* Hedonic ad attributes have a positive relationship with advertising effectiveness

*Hypothesis 6:* Utilitarian ad attributes have a positive relationship with advertising effectiveness

Based on the aforementioned discussion and the formed hypotheses, the resulting theoretical model can be examined in figure 3 below. The hypotheses defined above are explored through a structural equation model, which is further described in the next section.



**Figure 1 Theoretical Model**

### 3. RESEARCH METHOD

#### ***3.1. Unit of Analysis and Sampling Method***

This thesis investigates the topic of hedonic and utilitarian advertisement attributes in the media industry context. This particular setting was selected as a research subject since the media industry and especially advertising is currently experiencing dramatic changes as consumers change their media consumption behavior and habits all over the world (Jones, 2011). The emergence of tablet devices has had a significant impact on how advertising can be done due to the novel devices' technical features (Interactive Advertising Bureau Mobile, 2011). Hedonic and utilitarian dimensions have been studied rather extensively in the context of product categories and brands (Batra and Ahtola, 1991; Crowley, Spangenberg and Hughes, 1992; Voss, Spangenberg and Grohmann, 2003), but less so in the context of advertising attributes and ad effectiveness.

In the present study the unit of analysis is advertising effectiveness. Empirical units of analysis, in turn, are affectively or cognitively involved consumers who are exposed to tablet advertising. As the study is quantitative in nature, its ontological position is positivism. Healy and Perry (2000) argue that positivism considers reality as real and apprehensible. In terms of epistemology, or the methods through which knowledge can be obtained, findings are regarded as true and generalizable (ibid.). Downward and Mearman (2007) further state that positivism strives to predict explanations in which objective reality is fundamental, and induction strategy is essential to this view. Blakie (1993, p. 137, cited in Downward and Mearman, 2007, p. 85) has stated that “[t]he inductive strategy embodies the realist ontology which assumes that there is a reality “out there” with regularities that can be described and explained, and it adopts the epistemological principle that the task of observing this reality is essentially unproblematic”. Thus this study aims at objectively capturing consumers' experiences with advertising effectiveness on tablet devices.

When measuring the quality of structural equation models, both the quality of the measures as well as the overall model fit should be evaluated (Rigdon, 1998). Good measures should be reliable, that is, rather free of random error, as well as unidimensional, thus loading on only one construct (ibid.). In terms of unidimensionality, convergent validity is demonstrated when the measures of the same construct have high correlations between them, and discriminant validity is demonstrated when the correlations are lower with measures of different constructs (ibid.). Model's fit, on the other hand, can be measured through a variety of indices, such as chi-square statistic, the root mean square error approximation (RMSEA), and Bentler's comparative fit index (CFI) (Kline, 2005). However, the measures to estimate model fit are rather different for variance-based partial least squares method. In PLS, a model can be evaluated through R-square, predictive relevance, bootstrapping, composite reliability, and average variance extracted (AVE) (Chin, 1998). These criteria of establishing model validity in PLS will be further described in the results section. SmartPLS software (Ringle, Wende and Will, 2005) is employed to analyze and evaluate the structural equation model used in the study.

In terms of sampling method, due to the lack of resources a purposeful and convenience sampling method was used (Patton, 2002). In purposeful sampling the respondents are chosen by non-random methods, and thus the results cannot directly be generalized to the whole population. In convenience sampling expediently available people that meet the study criteria are selected as study participants (Patton, 2002). In the next section, the sample used will be described in greater detail.

### ***3.2. Data Collection and Data Limitations***

Primary data were used as the survey responses were collected directly from consumers who were tablet device users for at least three months. In total, a 101 survey responses were gathered. 78 percent of the participants were Finnish, other nationalities included Canadian, Chinese, Egyptian, French, German, Irish, Japanese, Russian, Spanish, and Vietnamese. 60 percent were female, 65 percent had been using a tablet for a maximum of one year, and 79 percent of the respondents were aged between 20-30 years. The data



is thus skewed towards young Finnish females, which poses a limitation to the generalizability of the results. On the other hand the sample represents consumers who are technical minded, and it is interesting to see how this group perceives advertisements on new technologies that are part of their daily life today and in the future. In addition, a number of experimental studies in the field of involvement and hedonic and utilitarian dimensions have used students as study participants, and it has thus been a common practice (e.g. Dhar and Wertenbroch, 2000; Crowley, Spangenberg and Hughes, 1992; Mano and Oliver, 1993).

The study participants were approached personally face-to-face, in places where they did not seem to be in a hurry, such as school cafeteria, airport, social gatherings, and workplace. They were first briefly explained the purpose and topic of the study, and asked if they were tablet device users. If they answered yes, the subjects were then asked whether they would consider taking the time to answer the survey. Those who agreed to answer the questionnaire were shown on a tablet device one of the two ads that were used in the study. One ad displayed a well-known cruise service firm Viking Line, and had an interactive component, whereas the other one was a static picture of a Tissot watch of Swiss origin with a celebrity endorser (Appendix 1 and 2 for screenshots). Both advertisements were real and retrieved from Richie tablet advertisement database. Since Viking Line is partly a Finnish brand and not necessary well known among foreigners, mostly Finns were asked to answer the survey based on this advertisement. Tissot, on the other hand, is a widely known brand internationally, and participants answering the survey based on the Tissot ad were of a more diverse background. After reviewing the advertisement, the participants were asked to complete the questionnaire that included 18 Likert-type scale questions in total (Appendix 3 for survey questions). Questions included in the survey regarded respondents' demographics, hedonic and utilitarian ad attributes, consumer involvement, and general advertising effectiveness criteria. The questionnaire was pre-tested on 15 respondents to address any issues that might arise. Based on the pretest, minor changes were made before submitting the questionnaire to a larger audience.

The major limitations of the study design regard the sample and the setting in which the study was completed. As mentioned above, the demographic reach of the study is rather limited, and thus poses challenges if one wishes to generalize the findings to a larger population. Furthermore, the rather distinct sample characteristics behind the two advertisements pose a challenge for comparing the obtained results. Also, due to lack of resources the data was gathered through non-probability measures, which reduce the credibility of the findings (Patton, 2002). The fact that the respondents were exposed to the advertisements in an artificial condition poses an additional limitation. As Ray (1977) has noted, there are a number of differences regarding involvement and attention within Consumer information processing (CIP) research conducted in artificial conditions as opposed to the actual situation where consumers face advertising messages. Similarly, Greenwald and Leavitt (1984) called for research to determine the relationship between involvement and media under free exposure conditions. This limitation must thus be taken into consideration when analyzing the findings.

Moreover, the use of partial least squares (PLS) software as opposed to covariance-based structural equation modeling software (e.g. Amos, LISREL) can be both an asset and a liability. The biggest reason for choosing PLS over Amos or LISREL was the relatively small sample size. Normally, a sample of at least a 100 respondents is recommended in order to obtain significant results in SEM (Kline, 2005). In the present study there were 50 answers collected for each advertisement, 101 responses in total. According to Haenlein and Kaplan (2004), structural equation modeling can still be successfully applied with smaller sample size when using PLS and a variance-based approach to SEM, rather than the covariance-based analysis that Amos and LISREL apply. In variance-based analysis, orientation is shifted from causal model testing and explanation to component-based predictive modeling (Chin and Newsted, 1999). In order to predict, latent variables are identified as the sum of their respective indicators (ibid). PLS is argued to be applicable to both theory confirmation and suggesting where relationships exist (ibid.). In their Monte Carlo Simulation, Chin and Newsted (1999) tested the PLS with varying number of latent variables, sample sizes, and indicators. They found that with a sample size as low as 20, information about appropriateness of

indicators can be found, although standard errors dropped when sample size was increased (ibid.).

However, there is an issue of consistency at large when using PLS, which implies that the sample size and number of indicators would need to become infinite in order to estimate path coefficients on the parameters of the latent-variables (MacDonald, 1996 cited in Haenlein and Kaplan, 2004, p. 292). Thus PLS tends to underestimate the correlations between latent variables and overestimate the loadings (Dijkstra, 1983). Moreover, to date there is no global Goodness of Fit (GoF) index developed for PLS (Esposito Vinzi, Trinchera and Amato, 2010; Hair, Ringle and Sarstedt, 2011; Henseler and Sarstedt, 2012), thus evaluating the overall fit of the model is challenging, as regular tactics used in covariance based SEM, such as Chi-square, Steiger-Lind root mean square error of approximation (RMSEA), and Bentler comparative fit index (CFI) (Kline, 2005) are not feasible to be employed. Altogether there are false pretenses regarding PLS and its use, which have decreased the validity of the results obtained (Jarvis, MacKenzie and Podsakoff 2003; Marcoulides and Saunders, 2006). Keeping in mind these challenges and limitations, it can be concluded that for testing the research model of the this thesis, PLS and variance-based approach is still highly suitable because of the main purpose of the study is theory exploration rather than confirmation, and the sample size that is more adequate for PLS (Chin and Newsted, 1999; Hair, Ringle and Sarstedt, 2011).

### ***3.3. Data and Model Analysis***

The items for each construct used in the questionnaire were established through a thorough literature review. The questions were formed as multiple-item, seven point Likert-type scales. Questions related to hedonic and utilitarian ad attributes were derived from Voss, Spangenberg and Grohmann's (2003) study, as it is the most recent and reliable scale to date to measure these dimensions. Questions concerning respondents' involvement were based on Zaichkowsky's (1994) Personal Involvement Inventory (PII) research on the relationship between consumer involvement and ad effectiveness. The scale can also be found in the highly cited Handbook of Marketing

Scales (Bearden and Netemeyer, 1999). Finally, questions regarding advertising effectiveness were combined from Holzwarth, Janiszewski and Neumann (2006) and Yoo and Donthu's (2001) scales in order to include a variety of different advertising effectiveness dimensions as Johar and Sirgy (1991) have recommended. Tables 3 and 4 display the final items chosen and their loadings for each construct for the interactive and static advertisements (Appendix 1 and 2).

<b>Interactive advertisement</b>					
<b>Construct</b>	<b>Construct Reliability</b>	<b>AVE</b>	<b>Loadings</b>	<b>Items</b>	<b>Source</b>
Utilitarian ad attributes	0,8216	0,5402	0,5633 0,8393  0,7872 0,7206	Helpful - unhelpful Necessary - unnecessary Useful - useless Problem solving - not problem solving	Voss, Spangenberg and Grohmann, 2003
Hedonic ad attributes	0,9197	0,5359	0,7660 0,8149 0,6524 0,6124 0,6640 0,7303 0,7146 0,7735 0,7645 0,7998	Not fun - fun Dull - exciting Not delightful - delightful Not thrilling - thrilling Enjoyable - unenjoyable Not happy - happy Unpleasant - pleasant Not playful - playful Cheerful - not cheerful Amusing - not amusing	Voss, Spangenberg and Grohmann, 2004
Cognitive involvement	0,9314	0,7311	0,8588 0,8715 0,8038  0,8388 0,8992	Important - unimportant Relevant - irrelevant Means nothing to me - Means a lot to me Worthless - valuable Not needed - needed	Zaichkowsky, 1994
Affective involvement	0,8536	0,5391	0,7701 0,7826 0,6796 0,7366 0,6969	Boring - interesting Exciting - unexciting Appealing - unappealing Fascinating - mundane Involving - uninvolving	Zaichkowsky, 1995

Advertising effectiveness	0,8513	0,5889	0,7799	The brand advertised to me is: Not useful - useful	Holzwarth. Janiszewski and Neuman, 2006
			0,7823	I can imagine buying a product/service from this company: Very unlikely - highly likely	
			0,7839	I am very interested in buying the product/service being promoted in the ad: Not at all - always	
			0,7217	The advertisement to me is not useful - useful	

**Table 3 Measurement Indicators – Interactive Advertisement**

Static advertisement					
Construct	CR	AVE	Loadings	Items	Source
Utilitarian ad attributes	0,9368	0,5752	0,7755	Effective - ineffective	Voss, Spangenberg and Grohmann, 2003
			0,7230	Helpful - unhelpful	
			0,8528	Functional - not functional	
			0,7212	Necessary - unnecessary	
			0,7398	Practical - impractical	
			0,8071	Beneficial - harmful	
			0,7453	Useful - useless	
			0,7340	Sensible - not sensible	
			0,7522	Efficient - inefficient	
			0,6430	Unproductive - productive	
			0,8269	Handy - not handy	
Hedonic ad attributes	0,9375	0,6017	0,7936	Not fun - fun	Voss, Spangenberg and Grohmann, 2004
			0,7712	Dull - exciting	
			0,8788	Not delightful - delightful	
			0,7215	Not thrilling - thrilling	
			0,8340	Not happy - happy	
			0,7444	Unpleasant - pleasant	
			0,8456	Not playful - playful	
			0,7866	Cheerful - not cheerful	
			0,6895	Amusing - not amusing	
			0,6637	Not funny - funny	
Cognitive involvement	0,8583	0,5489	0,7187	Important - unimportant	Zaichkowsky, 1994
			0,7855	Relevant - irrelevant	
			0,6821	Means nothing to me - Means a lot to me	
			0,7061	Worthless - valuable	
			0,8045	Not needed - needed	
Affective involvement	0,918	0,6917	0,8428	Boring - interesting	Zaichkowsky, 1995
			0,9018	Exciting- unexciting	
			0,8209	Appealing - unappealing	
			0,8023		

			0,7857	Fascinating - mundane Involving - uninvolved	
Ad effectiveness	0,9072	0,5222	0,6682	The brand advertised to me is not familiar - familiar	Yoo and Donthu, 2001
			0,7542	The brand advertised to me is not useful - useful	Yoo and Donthu, 2001
			0,7377	I can recognize the brand among competitors	Holzwarth. Janiszewski and Neuman, 2006
			0,7119	I can imagine buying a product/service from this company	Holzwarth. Janiszewski and Neuman, 2006
			0,6566	Next time I am interested in buying a product/service like the one being promoted, I will take this company into consideration	Holzwarth. Janiszewski and Neuman, 2006
			0,8067	I am very interested in buying the product/service being promoted in the ad	Yoo and Donthu, 2001
			0,6520	The characteristics of the brand in the ad come to my mind quickly	Yoo and Donthu, 2001
			0,8011	I can quickly recall the symbol/logo of the brand in the ad	Yoo and Donthu, 2001
			0,6860	I have difficulty in imagining the brand presented in the ad in my mind	

**Table 4 Measurement Indicators – Static Advertisement**

A PLS path model is defined by two sets of linear equations: the inner and outer model (Henseler and Sarstedt, 2012). The inner model specifies the relationships between the unobserved latent variables (LV), whereas the outer model identifies the relationships between the latent variable and its observed indicators, also known as manifest variables (MV) (ibid.). In the outer model, the measurement between the latent variable and its manifest variables can be either reflective or formative (Tenenhaus et al., 2005). In the reflective measurement, each manifest variable is related to its latent variable by a simple regression. In the formative measurement, the latent variable is generated by its own manifest variables, thus the latent variable is a linear function of its manifest variables and a residual term (ibid.). In the reflective measurement a block of manifest variables is unidimensional, whereas in formative measurement the block of manifest

variables can be multidimensional (ibid.). Since in this thesis the indicators make up a totality that enables one to understand the whole construct better, there needs to be correlation between the manifest variables of the construct. This indicates reflective measurement, as the indicators are interchangeable and there is high correlation between them (Jarvis et al., 2003).

SmartPLS 2.0 (Ringle, Wende and Will, 2005) was used for analyzing the survey data. The software was chosen based on Temme, Kreis and Hildebrandt's (2006) review on different PLS software available in the market. SmartPLS supports estimation of interaction effects, has helpful export options, deals with missing data through mean replacement, and allows for bootstrapping and blindfolding, which provide necessary data for model evaluation and validation (ibid.). In the next section, the results of the SmartPLS (Ringle, Wende and Will, 2005) analysis will be presented.

### ***3.4. Results and Validation of the PLS Path Model***

In order to evaluate PLS path models, the reflective measurement model is evaluated before the structural model (Hair, Ringle and Sarstedt, 2011). As mentioned above, reflective indicators are formed under the assumption that they all measure the same latent variable (Chin, 1998). Hence, if the underlying latent variable or phenomenon changes, the indicators should change in the same way (ibid.). The indicators' loadings in relation to the latent variable determine how well the manifest variable reflects the latent variable (ibid.). Therefore the measurement model should be evaluated in terms of reliability and validity (Hair, Ringle and Sarstedt, 2011). The outer loadings shown in Tables 2 and 3 above determine how well each indicator defines the latent variable in question. Indicator reliability was achieved with loadings higher than 0.6. Construct reliability –the measure of internal consistency and reliability of the measured variables representing a latent construct (Hair et al., 2010)– was observed through composite reliability, where all constructs achieved composite reliability above the threshold of 0.70 (Hair, Ringle and Sarstedt, 2011). Convergent validity –the extent to which indicators of a specific construct share a high proportion of variance in common (Hair et al., 2010)– measured by average variance extracted (AVE) with value over 0.5 was

achieved for all constructs. Finally, discriminant validity –extent to which a construct is distinctive from other constructs (Hair et al., 2010)– was assessed through Fornell-Larcker criterion (Fornell and Larcker, 1981), which employs that the AVE for each LV should be higher than the construct’s highest squared correlation with any other latent construct. In other words, an indicator’s loadings should be higher than all of its cross-loadings. This was true for all indicators in the case of the interactive ad, but not for cognitive involvement in the static ad, where affective involvement had a higher cross-loading. Please see Tables 5, 6 and 7 below for the results.

	<b>Interactive advertisement</b>					
<b>Construct</b>	<b>AVE</b>	<b>Composite Reliability</b>	<b>R<sup>2</sup></b>	<b>Cronbachs Alpha</b>	<b>Communality</b>	<b>Redundancy</b>
1. Ad effectiveness	0,5889	0,8513	0,3208	0,7675	0,5889	0,0045
2. Affective involvement	0,5391	0,8536	0	0,7921	0,5391	0,0000
3. Cognitive involvement	0,7311	0,9314	0	0,9085	0,7311	0,0000
4. Hedonic ad attributes	0,5359	0,9197	0,1657	0,9057	0,5359	0,0745
5. Utilitarian ad attributes	0,5402	0,8216	0,4844	0,7399	0,5402	-0,0264

**Table 5 Measurement Model Reliability – Interactive ad**

	<b>Static advertisement</b>					
<b>Construct</b>	<b>AVE</b>	<b>Composite Reliability</b>	<b>R<sup>2</sup></b>	<b>Cronbachs Alpha</b>	<b>Communality</b>	<b>Redundancy</b>
1. Ad effectiveness	0,5222	0,9072	0,3689	0,8869	0,5222	-0,0737
2. Affective involvement	0,6917	0,918	0	0,8883	0,6917	0
3. Cognitive involvement	0,5489	0,8583	0	0,7935	0,5489	0
4. Hedonic ad attributes	0,6017	0,9375	0,6535	0,926	0,6017	0,3007
5. Utilitarian ad attributes	0,5752	0,9368	0,5767	0,9255	0,5752	0,1817

**Table 6 Measurement Model Reliability – Static ad**



Construct	Interactive advertisement					Static advertisement				
	1	2	3	4	5	1	2	3	4	5
1. Ad effectiveness	0,7674					0,7226				
2. Affective involvement	0,538	0,7342				0,4256	0,8317			
3. Cognitive involvement	0,678	0,6897	0,8550			0,3933	0,7477	0,7409		
4. Hedonic ad attributes	0,217	0,4676	0,3071	0,7321		0,1807	0,7721	0,7365	0,7757	
5. Utilitarian ad attributes	0,543	0,4903	0,7376	0,2695	0,7350	0,5762	0,6809	0,7324	0,5841	0,7584

Table 7 Fornell-Larcker criterion

In terms of the structural model, the main evaluation criteria are the R square measures and the significance of the path coefficients. R square values regarded as high, moderate or weak depend on the research discipline, but as a rule of thumb in marketing research R<sup>2</sup> values of 0.25, 0.50, or 0.75 for endogenous latent variables can be expressed as weak, moderate or substantial, respectively (Hair, Ringle and Sarstedt, 2011). On the other hand R<sup>2</sup> of 0.2 is considered high in consumer behavior, for instance (ibid.). Using the values Hair, Ringle and Sarstedt (2011) discussed, for the interactive advertisement R square was moderate for utilitarian ad attributes, but weak for ad effectiveness and hedonic ad attributes. For the static ad, hedonic and utilitarian ad attributes received moderate R square values, and weak for ad effectiveness. Thus overall the results indicate that some of the present constructs do not effectively explain the endogenous latent variables' variance unlike expected.

In SmartPLS 2.0 (Ringle, Wende and Will, 2005) bootstrapping was used to assess the path coefficients' significance. Number of bootstrap samples was set to 5,000. It is important to note that when using resamples, arbitrary sign changes may occur, and to deal with these changes, construct level changes were used as recommended by Tenenhaus et al. (2005). Critical t-values for a two-tailed test are 2.58 (p<0.01), 1.96 (p<0.05), and 1.65 (p<0.10). For the interactive ad, relationships between cognitive involvement and utilitarian ad attributes, and utilitarian ad attribute and ad effectiveness were significant at p<0.01. Other relationships were insignificant. However, when using individual sign changes option in SmartPLS, also the relationship between affective involvement and hedonic ad attributes was found significant at 2.10 (p<0.05). For the

static ad, in turn, relationships between affective involvement and hedonic ad attributes, cognitive involvement and hedonic ad attributes, cognitive involvement and utilitarian ad attributes, utilitarian ad attributes and ad effectiveness, and affective involvement and utilitarian ad attributes were all significant at  $p < 0.01$ , while there was no significant relationship found between hedonic ad attributes and ad effectiveness. Please see table 8 below for bootstrapping results.

Construct	Interactive advertisement					Static advertisement				
	1	2	3	4	5	1	2	3	4	5
	Original Sample	Sample Mean	Standard Deviation	Standard Error	T Statistic	Original Sample	Sample Mean	Standard Deviation	Standard Error	T Statistic
1. Affective involvement -> Hedonic attributes	0,4878	0,5302	0,3094	0,3094	1,5764	0,5021	0,4974	0,1343	0,1343	3,7398
2. Affective involvement -> Utilitarian attributes	-0,035	0,0084	0,161	0,161	0,2177	0,3022	0,2998	0,1418	0,1418	2,1312
3. Cognitive involvement -> Hedonic attributes	-0,0292	-0,0274	0,1794	0,1794	0,163	0,361	0,3732	0,1231	0,1231	2,9326
4. Cognitive involvement -> Utilitarian attributes	0,7617	0,7511	0,1119	0,1119	6,8082	0,5065	0,5082	0,1286	0,1286	3,9387
5. Hedonic attributes -> Ad effectiveness	0,0919	0,115	0,1634	0,1634	0,5625	-0,237	-0,2335	0,1842	0,1842	1,2845
6. Utilitarian attributes -> Ad effectiveness	0,5209	0,5461	0,1109	0,1109	4,695	0,7144	0,745	0,1037	0,1037	6,8918

Table 8 Bootstrapping results

With regards to the global goodness-of-fit (GoF) of the structural equation model, it should be noted that no universally agreed measure has been established, because methodological implications of PLS path modeling, and especially its distribution-free character, do not allow the application of parametric global GoF measures that are used in covariance-based SEM (Ringle, 2006). As an alternative, Tenenhaus et al. (2005) have suggested that the geometric mean of the average communality (outer model) and the

average R square (inner model) that is limited between values of 0 and 1 can be used to assess the GoF measure for PLS. Hence,  $GoF = \sqrt{\text{average communality} \times R^2}$ . Following this formula, the GoF for the interactive and static ad was found to be moderate with values of 0.459 and 0.560, respectively. The moderate R-square values for ad effectiveness in both advertisements, and low R-square for hedonic ad attributes in the interactive advertisement mainly cause the GoF values to only reach moderate levels.

Furthermore, to assess the model's predictive relevance, blindfolding was employed in SmartPLS (Ringle, Welde and Will, 2005). The omission distance  $d$  was set 7, as it was between the recommended 5-10 distance, and the sample size was not a multiple integer number of that omission distance. The Stone-Geisser's  $Q^2$  values by using cross-validated redundancy were above 0 for all endogenous latent constructs, indicating the exogenous constructs have predictive relevance for the endogenous construct under consideration (Chin, 2010). Furthermore, effect size  $f^2$  assesses whether an independent variable has a notable impact on a particular dependent variable (Chin, 2010). Values of 0.35, 0.15 and 0.02 respectively indicate large, medium or small effect (ibid.). According to the effect sizes obtained, in case of the interactive advertisement cognitive involvement and utilitarian ad attributes had the highest effect on utilitarian ad attributes and advertising effectiveness, respectively. Affective involvement had a small effect on hedonic ad attributes, whereas hedonic ad attributes variable in fact had a negative effect on advertising effectiveness variable. In terms of the static ad, utilitarian ad attributes had a large effect on advertising effectiveness, and hedonic ad attributes a small effect. Affective involvement had a medium effect on hedonic ad attributes, and small effect on utilitarian ad attributes. Finally, cognitive involvement had a medium effect on utilitarian ad attributes, and small on hedonic ad attributes. Similarly, the relative effect of the structural model on the independent variables for each dependent variable can be assessed through changes in the Stone-Geisser's  $Q^2$ . The results for  $Q^2$  followed the same pattern as the effect size results described above for both advertisements.

The Finite Mixture (FIMIX) Partial Least Squares approach is a tool that can be used to assess different segments and unobserved heterogeneity in path models, which is an important issue when considering a wide range of marketing strategies (Ringle, 2006). FIMIX enables simultaneous estimation of segment affiliations of observations and model parameters (Sarstedt et al., 2011). However, the selection of an appropriate number of segments remains a challenge (ibid.). The most commonly used criteria used to determine the segments in FIMIX are “Akaike’s information criterion (AIC, Akaike (1973)), Bayesian information criterion (BIC, Schwarz (1978)), consistent AIC (CAIC, Bozdogan (1987)), and normed entropy criterion (EN, Ramaswamy, DeSarbo, and Reibstein (1993))” (Sarstedt et al., 2011, p. 36). As a result of their evaluation of different model selection criteria in FIMIX, Sarstedt et al. (2011) concluded that the highest success rate is shown for AIC4 at 58 percent for model selection in FIMIX-PLS, followed by BIC at 57 percent, and CAIC at 55% percent. Conversely, since the sample size in this study is very limited, no reasonable segment specific estimations could be formed when running FIMIX on SmartPLS 2.0 (Ringle, Wende and Will, 2005). It is likely that the data set includes some unobserved heterogeneity, but because FIMIX is based on running the model many times with a number of segments to determine the best criteria, the sample is too small to make any robust evaluation from the data received.

In table 9 and figures 2 and 3 below the final PLS path models for both the interactive and static advertisement can be observed with correlations between the latent variables. The further analysis and implications of these results will be discussed in the next chapter.

Construct	Interactive advertisement					Static advertisement				
	1	2	3	4	5	1	2	3	4	5
1. Ad effectiveness	1					1				
2. Affective involvement	0.5301	1				0.4256	1			
3. Cognitive involvement	0.6582	0.6779	1			0.3933	0.7477	1		
4. Hedonic ad attributes	0.262	0.4055	0.3016	1		0.1807	0.7721	0.7365	1	
5. Utilitarian ad attributes	0.5662	0.4401	0.6947	0.4411	1	0.5762	0.6809	0.7324	0.5841	1

Table 9 Correlation matrices

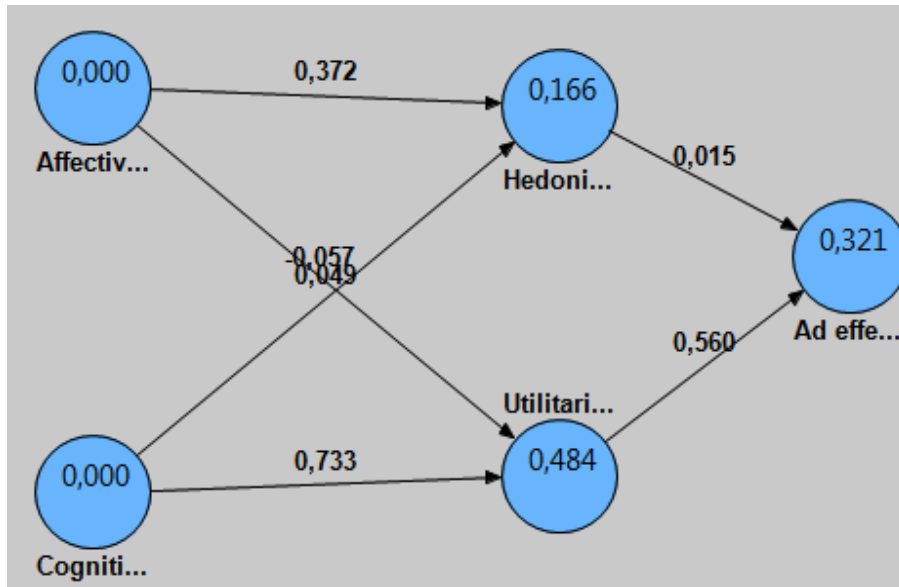


Figure 2 Path Model – Interactive Ad

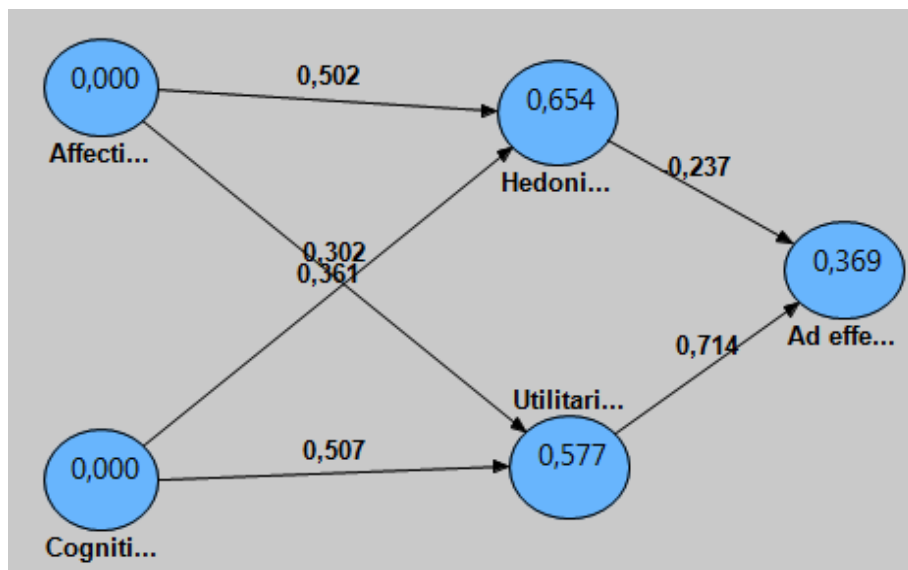


Figure 3 Path Model – Static Ad

## 4. ANALYSIS AND DISCUSSION

This thesis contributes to the body of marketing research through exploring how consumer involvement and hedonic and utilitarian ad attributes influence advertising effectiveness. As a context, the study considers ads appearing in tablet device magazines, which are expanding rapidly around the world. In this section, the results from data analysis presented in the previous chapter are analyzed further and put into the context of existing marketing research.

### ***4.1. The relationship between involvement and advertisement attributes***

In terms of the interactive ad, the obtained results indicate that affective involvement relates positively to hedonic ad attributes, and negatively to the utilitarian ad attributes, as expected. Affective involvement explained 0.372 of the variance in hedonic ad attributes, and cognitive involvement explained 0.049 of this variance. Similarly, cognitive involvement was found to correlate positively with utilitarian ad attributes and negatively with the hedonic attributes, in accordance with the hypotheses. Cognitive involvement explained 0.7334 of the variance in utilitarian ad attributes, and affective involvement explained -0.0571 of this variance. The positive correlations suggest very strong relationship, since usually values over 0.2 are considered substantial (Ringle, 2006). Smaller correlations, in turn, were not significant at  $p < 0.10$ .

These findings are largely in line with existing body of knowledge. Park and Young (1986) stated that commercial success depends on the level of personal involvement based on a brand's functional performance and utilitarian motives, or emotional reactions and value-expressive motives. Furthermore the authors argued that high cognitive involvement is connected to utilitarian motives, and high affective involvement links to value-expressive motives (ibid.). In addition, according to Elaboration Likelihood Model (Petty and Cacioppo, 1981) depending on the level of involvement, consumers prefer either central or peripheral route to persuasion. In the central route, more time is invested in the research, and people seek for issue-relevant

arguments and source credibility (ibid.). In terms of the peripheral route, non-content cues become more sought after (ibid.). Therefore with regards to the interactive advertisement used in the study, affectively involved respondents were more likely influenced by the ad's fun and cheerful aspects, whereas cognitively involved respondents found the more utilitarian aspects, such as information on the brand and its available services more relevant. The results thus follow previous research findings, and provide further evidence that there is indeed difference in terms of information processing systems that depend on consumer involvement.

Similarly to the interactive advertisement, in terms of the static advertisement affective involvement was positively related to hedonic ad attributes, and cognitive involvement to the utilitarian ad attributes. Interestingly, in terms of the subsequent hypotheses, there were differences between the two advertisement types. Where there was negative or insignificant correlation between affective involvement and utilitarian ad attributes, and cognitive involvement and hedonic ad attributes for the interactive advertisement, in terms of the static advertisement the results were against the hypotheses with positive correlations between these variables. Hence, over 0.3 of the variance in hedonic and utilitarian ad attributes was explained by cognitive and affective involvement, respectively. The results are significant at  $p < 0.01$ .

There are some factors that could plausibly explain these differing results between the two advertisements. First, the line between hedonic and utilitarian ad attributes might have been more blurred in terms of the static advertisement than the interactive one. In the static ad there was a famous endorser, NBA basketball player Tony Parker, who however may not be as well-known among non-sports enthusiasts. Thus depending on respondents' prior knowledge and degree of involvement, he might have been regarded as either famous and thus appealing in terms of the peripheral route to persuasion, or as a person who would only choose a high-quality product, thereby mixing the advertised brand's functional performance and emotional reactions (Johar and Sirgy, 1991; Petty and Cacioppo, 1981). The brand's country-of-origin, Switzerland, can also present itself as both an issue-relevant argument and source characteristic, since it is a widely recognized assumption that some of the best watches in the world are produced in

Switzerland. Thus, the same cues might have been interpreted as both hedonic and utilitarian depending on the respondents' own assumptions and prior knowledge.

This notion can be linked to MacKenzie, Lutz and Belch's (1986) dual mediation hypothesis (DHM), which suggests that central and peripheral routes to persuasion are interlinked rather than alternative processes. In other words, message source is linked to attitude toward the advertisement, which is further connected to both brand cognition and attitude toward the brand cognitive, and thus governs affective and cognitive reactions towards message content (ibid.). As a result one inference of the obtained results could be that when prior knowledge of a product or service is low, central and peripheral routes to persuasion become interlinked rather than separate processes. Consequently a person's degree of involvement becomes less prominent when interpreting advertisement source and message clues.

Another explaining factor could be the higher demographic variance present in the sample of static advertisement as opposed to the interactive one, which makes the comparison of results challenging. In the sample of the interactive ad only two respondents were of a nationality other than Finnish, whereas when surveying the static ad over one third of respondents were of a variety of nationalities, including German, Canadian and Chinese. It would be interesting for future research to address, whether hedonic and utilitarian appeals differ based on one's nationality and cultural background; hence whether different aspects are considered hedonic and utilitarian depending on one's background. This might also provide fruitful insights when planning advertising campaigns that reach across national and cultural borders. In this study FIMIX analysis was not able to provide robust data on underlying segments within the data sets due to a small sample size. Future studies could explore the FIMIX-PLS function in order to reveal unobserved heterogeneity within data.

Furthermore, the context of tablet devices might in part be able to explain the obtained results. Rodgers and Thompson (2000) argued that an interactive environment affects information processing, and Wang (2011) found that mobile magazines increased message involvement due to the higher interactivity possible through mobile devices.



These notions might further support the idea that in an interactive context, the line between hedonic and utilitarian aspects becomes more blurred, as even the utilitarian aspects might also be considered fun and exciting. On the other hand, as discussed above, the same results were not obtained in terms of the more interactive advertisement. One explaining feature could be that Viking Line is a well-established brand that the respondents were very familiar with. Therefore there is clearer difference between a brand's functional performance and emotional reactions (Park and Young, 1986). This could be linked to Houston and Rotschild's (1978, cited in Bloch and Richins, 1983, p. 70) definition of enduring involvement, which states that past experiences with the product influence its relevance to consumers. Similarly, according to the reciprocal mediation hypothesis (RMH), consumers seek balance between the brand and advertisement under consideration, and evoke similar attitudes towards both (MacKenzie, Lutz and Belch, 1986). Homer (2006) also notes that brand familiarity has an effect on the way positive and negative forms of affect influence attitudes. Thus the advertisement per se might not have offered much new information, and the observable characteristics of the advertisement became more prominent despite the context of tablets.

In summary, the findings regarding the relationship between involvement and hedonic and utilitarian ad attributes suggest that prior knowledge and experience with a product or service might affect the way consumers interpret different cues that are present in an advertisement, sometimes blurring the line between hedonic and utilitarian advertising attributes. Future research could further assess whether consumers demographics have an effect on what constitutes affective and cognitive involvement. Because the results were different for the two advertisements used, these findings do not provide clear understanding of how exactly does the context of tablet devices affect the types of involvement, and thus this remains an interesting field of study for future research.

#### ***4.2. The relationship between advertisement attributes and ad effectiveness***

The relationship between hedonic and utilitarian ad attributes and ad effectiveness also yielded intriguing findings. Contrary to the hypothesis, no significant correlation was

found between hedonic ad attributes and advertising effectiveness, the value being 0.015 of the correlation between hedonic ad attributes and advertising effectiveness in the interactive advertisement, and -0.237 in the static advertisement. The results were also not significant at  $p < 0.10$ . Thus hedonic advertising attributes, or items such as fun and exciting, especially appealing to affectively involved consumers did not however contribute to the overall effectiveness of the advertisement. On the other hand, the results suggest a positive and significant correlation between utilitarian ad attributes and advertising effectiveness, especially in terms of the static ad, where 0.714 of the variance in ad effectiveness was explained by utilitarian ad attributes. The value was 0.560 for the interactive advertisement.

Plausible explanation can be formulated by analyzing the product or service's characteristics in greater detail. According to Johar and Sirgy (1991) factors such as product differentiation, scarcity, life cycle, and prior knowledge affect whether value-expressive or utilitarian advertising appeals are more effective. The authors argue that the greater the product maturity, scarcity or prior knowledge, the more persuasive the hedonic appeals will become. In turn, product differentiation is argued to be best communicated through utilitarian advertising appeals. This might be true for the static ad, where there was possibly higher product differentiation and scarcity, and less prior knowledge due to the higher quality brand. Thus respondents might have been more prone to the utilitarian advertising appeals, and sought for more relevant information regardless of their level of involvement. Moreover, the static advertisement itself did not provide features that would have been regarded particularly hedonic in terms of items such as happy, exciting or amusing (Appendix 2). Therefore it can be argued that the utilitarian clues were used more excessively within all respondents.

This was however not the case for the interactive advertisement, where a widely known cruise service provider was presented, and the advertisement itself provided many hedonic features (Appendix 1). There is high level of prior knowledge and service maturity towards the brand, and most Finns have taken a cruise at some point in their lives. Therefore based on Johar and Sirgy's (1991) theory, it could have been presumed that the hedonic advertising appeals would have been even more prominent than the

utilitarian ones when evaluating the effectiveness of the advertisement. On the other hand, Homer (2006) has argued that the more familiar the brand, the more advertisers may take use of cognitive selling points. Varnali, Yilmaz and Toker (2012) also emphasize the importance of the perceived brand-medium fit, that is, whether the chosen medium is regarded as congruent with the brand and its message.

This brand-medium fit notion is closely linked with Batra and Ray's (1986) concept of affective responses, as these are argued to influence attitudes toward an advertisement. The authors hypothesized that if the consumer likes or dislikes a brand, the same opinion might be reflected in the attitude toward the advertisement as well. This notion is further connected to the use of supportive and counterarguments, which occur when there is congruency or discrepancy, respectively, between the consumers' existing beliefs and the received information (Wright, 1973; Batra and Ray, 1986). Therefore in terms of the interactive advertisement, the hedonic ad attributes might have been found less effective, because the information provided was against the existing beliefs and experiences the respondents had encountered with the brand. If the respondents' experiences with the brand were not as fun and exciting as communicated in the advertisement, the hedonic ad attributes might not have been seen credible and accurate enough. Moreover, as Viking Line can be regarded as a rather traditional company, the more novel way of advertising it on a tablet device might have been incongruent with the brand image consumers had previously formed.

Furthermore, Dhar and Wertenbroch's (2000) discussion about forfeiture and acquisition choices in terms of purchase intention entails that in acquisition choices, where consumers decide which item to purchase rather than which one to give up, utilitarian dimension becomes more salient. In accordance with Dhar and Wertenbroch (2000) this notion would indicate that there was less elaboration regarding the advertisements, which led to the use of utilitarian rather than hedonic ad attributes. On the other hand Dhar and Wertenbroch's (2000) findings were different from the more popular Elaboration Likelihood Model, which assumes that the greater the level of involvement, the more emphasis is put on the utilitarian dimension (Petty and Cacioppo, 1981). Regardless, the indication in this study would be that since Viking Line operates

in a market where there is only one major competitor and little differentiation among those, consumers do not feel they give up that much by choosing one over the other. Additionally, Diefenbach and Hassenzahl (2011) also discussed the Hedonic Dilemma, according to which consumers often overemphasize utilitarian aspects, as those are easier to justify. Therefore utilitarian aspects become the main evaluation criteria when making purchase decisions.

The respondents' level of familiarity with tablet devices may also provide some meaningful insights to these findings. While studying outcomes of mobile advertising, Varnali, Yilmaz and Toker (2012) found that prior experience with mobile devices affected the way consumers respond to mobile advertisements, but not their overall attitudes toward the campaign. Similarly, Yang, Kim and Yoo (2013) discovered that consumers with less experience with mobile devices depended more on emotional attributes, whereas more experienced consumers processed advertisements more methodically, which enabled them to differentiate between information quality and performance expectations better than inexperienced consumers. In this thesis, 65 percent of the survey respondents had been using the tablet device at least between three months and one year, which implies that most respondents were already rather familiar with the device, and therefore their responses toward the advertisement may have been influenced by the medium.

#### ***4.3. Limitations and Managerial Implications***

In summary, for the interactive ad support was found for all hypotheses except for hypothesis 5 regarding the positive relationship between hedonic advertisement attributes and advertising effectiveness. In terms of the static advertisement, support was found for the positive relationship between affective involvement and hedonic ad attributes (hypothesis 1), cognitive involvement and utilitarian ad attributes (hypothesis 2), and utilitarian ad attributes and advertising effectiveness (hypothesis 6), as expected. Contrary to the hypotheses, significant and positive relationships were also found between affective involvement and utilitarian ad attributes, and cognitive involvement and hedonic ad attributes. Moreover, similarly to the interactive advertisement, no

positive relationship was discovered between hedonic ad attributes and advertising effectiveness, unlike expected.

These empirical findings thus suggest that the relationship flow from involvement through hedonic and utilitarian ad attributes to advertising effectiveness might not be as straightforward as previously discovered. Even if affectively involved consumers found hedonic ad attributes more appealing, this was not transferred to the overall effectiveness of the advertisement under consideration. Thus hedonic ad attributes were not found to aid the advertisement to become more effective overall, and in terms of the static ad these attributes made the advertisement in fact less effective, suggesting that only attributes described with items such as useful and practical, contributed positively to the ad effectiveness variable. These findings could also relate to the context of tablet devices as a medium through which advertisements were consumed. Due to the newness of these devices, consumers may not yet be ready exploit the hedonic advertisement attributes, but take use of the utilitarian ones when looking for relevant information.

Altogether the findings are intriguing when compared to the results of previous research, especially because widely recognized scales were adopted. There are three main rationalizations that might plausibly explain these differing results. These include the method, sample and the context of tablets, which are all discussed below in greater detail.

In terms of the study method, no previous study regarding consumer involvement, hedonic and utilitarian dimensions and advertising effectiveness has used PLS for data analysis, but either experiment or software such as Amos or LISREL. As discussed in the method chapter, the variance-based PLS and covariance-based Amos and LISREL have a different outlook and assumptions on data. In variance-based SEM, the constructs are represented as composites based on factor analysis results, and there is no endeavor to reconstruct covariances between measured items (Hair et al., 2010). Therefore orientation is shifted from causal model testing and explanation to component-based predictive modeling (Chin and Newsted, 1999). Consistency at large also remains an issue, implying that the sample size and number of indicators would

need to become infinite in order to estimate path coefficients on the parameters of the latent-variables (MacDonald, 1996 cited in Haenlein and Kaplan, 2004, p. 292). Thus PLS tends to underestimate the correlations between latent variables and overestimate the loadings (Dijkstra, 1983). As a result, the obtained R-square values for latent variables might be underestimated and thus lead to less significant correlations (Tenenhaus et al., 2005). With a larger sample, the model could be run in both software types to determine whether there is a significant difference in results.

Furthermore, the study was conducted in artificial conditions, in which results might differ significantly when compared to a real advertisement facing situation (Ray, 1977). The artificial conditions might have decreased the respondents' overall interest and urgency towards the topic. In addition, the influence of media context as described by De Pelsmacker, Geuens and Anckaert (2002) could not be captured in artificial conditions. The authors found that the media context congruency with the advertisement and the context appreciation had significant effects attitudes toward advertising (ibid.). Therefore it is difficult to assess in the present study, what type of effect does the context of tablet devices and different media have on the results if put into a real life situation.

Secondly, the sample size used in the present thesis poses a limitation especially in terms of generalization of results. Although the use of SmartPLS 2.0 software (Ringle, Wende and Will, 2005) minimized the risks associated with a smaller sample size, the consistency at large remains an issue as described above. Moreover, it is not possible to generalize the findings outside the characteristics present in the sample. Comparing the results of the two advertisements is also challenging due to the differences in sample demographics between the advertisements. Conducting FIMIX analysis to explore underlying sample heterogeneity has also become a vital part of PLS-analysis (Hair, Ringle and Sarstedt, 2011), but in this study running the analysis did not provide robust enough results due to the limited sample size.

Finally, the unique and to date not widely researched context of tablet devices, in which the advertisements were presented to the study participants, remains an interesting area

of study. Tablet devices allow for new approaches to advertising and interaction with the consumer unlike any other device (Interactive Advertising Bureau Mobile, 2011). As this shakes the core of the division between hedonic and utilitarian ad attributes, the implications might be far reaching. Utilitarian and hedonic ad attributes may be more indefinite than previously, and the device context may bring about a new interactive aspect. In order to capture the possible effects both interactive and static advertisement were chosen for the survey. As an underlying assumption, the static advertisement was more similar to a regular print advertisement, whereas the interactive advertisement allowed for more engagement with the respondents. Intriguingly, the results received for the static ad opposed the hypotheses even more than findings regarding the interactive ad. As discussed in the previous section, plausible explanations could range from the prior knowledge and experience with the brand to famous endorser and other clues, which classification might be ambiguous.

Advertising is a huge industry, which is living through one of the biggest changes of its history as online and mobile advertising take an ever increasing share of the overall ad spend (IDC 2012, cited in Stamper, 2012). Therefore the managerial implications of the results obtained in this study can also be diverse for marketing and advertising practice. With a brand that may not be as familiar to the target audience, certain amount of utilitarian advertising attributes could increase the overall effectiveness of the advertisement because the hedonic attributes may not contribute to the advertising effectiveness at least until enough utilitarian information has been provided. Consumers' level or degree of involvement plays a lesser role in a situation where the product is not as familiar, and some basic background information might thus be required in order to place the product or brand among the wider offering in the market place. In terms of the interactive advertisement, the results suggest that when the brand is well recognized within the target audience, advertising messages highlighting the benefits of choosing the particular service or brand might be more powerful than solely relying on hedonic ad attributes. The main focus should be on highlighting the differentiating factors of the brand and the benefits it provides over competitors. This is what Homer (2006) also suggested in her study regarding brand familiarity. Brand-image and brand-medium congruency are also important, since consumers might find

the advertisement creative and entertaining, but if incongruent with their existing beliefs, these attributes may not change consumers' already formed perceptions of the brand or make the advertisement any more effective (Batra and Ray, 1986; Varnali, Yilmaz and Toker).

The results of this thesis indicate that unlike Interactive Advertising Bureau's (2011) assumptions regarding tablet advertisements strengths such as interactivity and high user focus, hedonic ad attributes did not convert into overall advertising effectiveness as expected. Therefore advertisers should remain cautious when planning advertisement campaigns on tablet devices. The medium alone does not allow the use of certain types of advertisement attributes. Consumers' prior knowledge and experience with the products as well as familiarity with the device itself may override the tangible attributes used in the advertisement. It is thus vital for marketers to truly understand their target audience and assess how well-established a brand or service is before rolling out marketing and communication strategies.



## CONCLUSION

This thesis contributes to the body of marketing research through exploring how consumer involvement and hedonic and utilitarian ad attributes influence advertising effectiveness. As a context, the study considered tablet devices, which are expanding extremely rapidly around the world. In previous literature involvement and hedonic and utilitarian attributes have been discussed rather extensively, especially in terms of product categories and brands (Batra and Aholta, 1991; Crowley, Spangenberg and Hughes, 1992; Diefenbach and Hassenzahl, 2011; Johar and Sirgy, 1991; Mano and Oliver, 1993; Voss, Spangenberg and Grohmann, 2003) as well as purchase intention (Chitturi, Raghunathan and Mahajan, 2008; Dhar and Wertenbroch, 2000). However, less attention has been put on hedonic and utilitarian ad attributes, and further research has been called for their relationship with full scale advertising effectiveness criteria (Johar and Sirgy, 1991; Malthouse, Calder and Tamhane, 2007). Furthermore, the need for further research on the relationship between involvement and hedonic and utilitarian dimensions, as well as their impact on advertising effectiveness has been outlined (Crowley, Spangenberg and Hughes, 1992; Voss, Spangenberg and Grohmann, 2003).

Therefore the purpose of this thesis was two-fold: to examine the relationship between consumer's affective and cognitive involvement and hedonic and utilitarian advertisement attributes, and to assess how these attributes are linked to overall advertising effectiveness. Therefore the following research questions were formed:

1. What is the relationship between consumer involvement and hedonic and utilitarian ad attributes?
2. How are hedonic and utilitarian ad attributes related to advertising effectiveness?

Moreover, the objective of the present study was to better understand how the special context of tablet devices might affect these constructs in order to help advertisers

recognize the most effective advertisement attributes to be used in marketing efforts. As a method, Partial Least Squares-based Structural Equation modeling was used to analyze data gathered through a consumer questionnaire, where questions regarded two different tablet advertisements, one with interactive components and the other one static.

The study results indicated support for existing literature in terms of the positive relationship between affective involvement and hedonic dimension, and cognitive involvement and utilitarian dimension. However, results were more ambiguous with regards to the relationship between cognitive involvement and hedonic dimension, and affective involvement and utilitarian dimension. Existing body of knowledge has indicated that information processes are different for affectively and cognitively involved consumers, and thus affectively involved consumers are influenced more by hedonic dimension, while cognitively involved consumers are affected by utilitarian aspects (Park and Young, 1986; Petty and Cacioppo, 1981; Petty, Cacioppo and Schumann, 1983; Zaichkowsky, 1994). The obtained results were similar to existing findings in terms of the interactive advertisement, but for the static advertisement a positive relationship was also found between affective involvement and utilitarian ad attributes, and cognitive involvement and utilitarian ad attributes. Moreover, contrary to existing research and thereby made hypothesis, neither positive nor significant relationship was found between hedonic ad attributes and overall advertising effectiveness. Even though affectively involved consumers were influenced by the hedonic ad attributes, this was not found to result in advertising effectiveness. Utilitarian ad attributes, in turn, supported existing research by having a positive relationship with advertising effectiveness (Batra and Ahtola, 1991; Crowley, Spangenberg and Hughes, 1992; Mano and Oliver, 1993; Voss, Spangenberg and Grohmann, 2003).

The results suggest that consumers' information processing from consumer involvement through hedonic and utilitarian attributes to advertising effectiveness may not be as straightforward as previously found. The managerial implications are thus manifold. Based on previous literature, plausible factors affecting advertisement effectiveness in

terms of involvement and hedonic and utilitarian dimensions could be prior knowledge and experience with the product or service in question (Batra and Ray, 1986; Homer, 2006; Houston and Rotschild, 1978, cited in Bloch and Richins, 1983, p. 70; Johar and Sirgy, 1991), the context and situation in which the advertisement is presented (Greenwald and Leavitt, 1984; Malthouse, Calder and Tamhane, 2007; De Pelsmacker, Geuens and Anckaert, 2002; Ray, 1977; Rodgers and Thorson, 2000; Wang, 2011; Yang, Kim and Yoo, 2013) as well as purchase intention (Chitturi, Raghunathan and Mahajan, 2008; Dhar and Wertenbroch, 2000; Diefenbach and Hassenzahl, 2011). When designing marketing campaigns, it is thus vital to consider all these different aspects and the influence they might have on the advertising effectiveness outcome. Consumers' varying past experiences with the brand, level of knowledge, and the context in which the advertisement is presented might all yield distinct results. Advertising on tablet devices per se does not allow the use of certain types of advertisement attributes, but these should be carefully considered together with other in-depth information about the target audience and its behavior.

Despite filling some gaps in the existing body of knowledge, this thesis does not come without limitations, and addressing these limitations in future studies could provide yet more enlightening insights into the conflicting results presented in this study. First, the sample used in this study is small considering the positivist nature of quantitative methods (Healy and Perry, 2000; Downward and Mearman, 2007), and a sample of at least 200 is recommended for future studies assessing a similar research model (Kline, 2005). Not only would this allow for more meaningful generalizations, but one could also further look into the differences between covariance and variance-based structural equation models by conducting research in both Amos or LISREL and PLS. Currently there is considerable debate for and against the use of PLS (Marcoulides and Saunders, 2006; Hair, Ringle and Sarstedt, 2010), and as the popularity of SEM in marketing research increases, the issues regarding this method require further analysis and conclusions. Furthermore, addressing unobserved heterogeneity in data sets has become increasingly important (Hair, Ringle and Sarstedt, 2010), yet the effects of different segments could not be addressed in this study due to the limited sample size. As most research regarding consumer involvement and hedonic and utilitarian dimensions has

taken place in the United States, it would be fruitful to assess whether factors regarded as utilitarian or hedonic differ among various demographic variables such as cultural background.

Finally, in order to truly assess advertising effectiveness and the effect of different device and media context, research should be conducted in less artificial conditions. The present study used existing advertisements in a survey, where participants were shown a picture of the advertisement on a tablet device. Even though some interaction with the advertisement was possible, the situation was still highly simulated. Moreover, it would be intriguing to test the same advertisement in different environments, such as print, tablet and mobile. Comparison of these results might yield additional insights into how to develop advertising to be more effective and relevant to consumers in the increasingly interactive, multi-media environment, where new possibilities for advertisers emerge every so often to be exploited.

## REFERENCES

### *Academic Articles*

Andrews, J. C., Durvasula, S. and Akhter, S. H., 1990. A Framework for Conceptualizing and Measuring the Involvement Construct in Advertising Research. *Journal of Advertising*, Vol. 19 (4), p. 27-40

Babin, B.J., Darden, W.R., Griffin, M., 1994. Work and/or Fun: Measuring Hedonic and Utilitarian Shopping Value. *Journal of Consumer Research*, Vol. 20 (4), p. 644-656

Batra, R. and Ahtola, O.T., 1991. Measuring the Hedonic and Utilitarian Sources of Consumer Attitudes. *Marketing Letters*, Vol. 2 (2), p. 159-170

Batra, R. and Ray, M.L., 1986. Affective Responses Mediating Acceptance of Advertising. *Journal of Consumer Research*, Vol. 13 (12), p. 234-249

Bearden, W.O. and Netemeyer, R.G., 1999. *Handbook of Marketing Scales: Multi-Item Measures for Marketing and Consumer Behavior Research*. 2<sup>nd</sup> ed. Thousand Oaks: SAGE Publications

Bloch, P.H. and Richins M.L., 1983. A Theoretical Model for the Study of Product Importance Perceptions. *Journal of Marketing*, Vol. 47 (3) p. 69-81

Chin, W.W., 1998. The Partial Least Squares Approach for Structural Equation Modeling. In: G.A. Marcoulides, ed. 1998. *Modern Methods for Business Research*. Mahwah New Jersey: Lawrence Erlbaum Associates. Ch. 10

Chin, W.W. and Newsted P.R., 1999. Structural Equation Modeling Analysis with Small Samples Using Partial Least Squares. In: R.H. Hoyle, ed. 1999. *Strategies for Small Sample Research*. Thousand Oaks: SAGE Publications Inc. Ch. 12

Chin, W.W., 2010. Application of PLS in Marketing: Content Strategies on the Internet. In: V. Esposito Vinzi, W.W. Chin, J. Henseler and H. Wang, ed. 2010. *Handbook of Partial Least Squares*. New York: Springer. Ch. 28

Chitturi, R.R., Raghunathan, R. and Mahajan, V., 2008. Delight by Design: The Role of Hedonic Versus Utilitarian Benefits. *Journal of Marketing*, Vol. 72 (3), p. 48-63

Cohen, J.B., 1983. Involvement and you: 1000 Great Ideas. *Advances in consumer research*, Vol. 10 (1), p. 325-328

Crowley, A.E., Spangenberg, E.R. and Hughes, K.R., 1992. Measuring the Hedonic and Utilitarian Dimensions of Attitudes Toward Product Categories. *Marketing Letters*, Vol. 3 (3), p. 239-249

De Pelsmacker, P., Geuens, M. and Anckaert, P., 2002. Media Context and Advertising Effectiveness: The Role of Context Appreciation and Context-Ad Similarity. *Journal of Advertising*, Vol. 31 (2), p. 49-61

Dhar, R. and Wertenbroch, K., 2000. Consumer Choice Between Hedonic and Utilitarian Goods. *Journal of Marketing Research*, Vol. 37 (1), p. 60-71

Dijkstra, Theo, 1983. Some comments on maximum likelihood and partial least squares methods. *Journal of Econometrics*, Vol. 22 (1-2), p. 67-90

Diefenbach, S. and Hassenzahl, M., 2011. The dilemma of the hedonic – Appreciated, but hard to justify. *Interacting with Computers*, Vol. 23 (5), p. 461-472

Downward, P. and Mearman, A., 2007. Retrodution as mixed-methods triangulation in economic research: reorienting economics into social science. *Cambridge Journal of Economics*, Vol. 31 (1), p. 77-100

Esposito Vinzi, V., Trinchera, L. and Amato. S., 2010. Application of PLS in Marketing: Content Strategies on the Internet. In: V. Esposito Vinzi, W.W. Chin, J. Henseler and H. Wang, ed. 2010. *Handbook of Partial Least Squares*. New York: Springer. Ch. 2

Greenwald, A.G. and Leavitt, C., 1984. Audience Involvement in Advertising: Four Levels. *Journal of Advertising Research*, Vol. 11 (1), p. 581-592

Haenlein, M. and Kaplan, A.M., 2004. A Beginner's Guide to Partial Least Squares Analysis. *Understanding Statistics*, Vol. 3 (4), p. 283-297

Hair, J.F., Black, B.C., Babin, B.J. and Anderson, R.E., 2010. *Multivariate Data Analysis A Global Perspective*. 7<sup>th</sup> ed. Upper Saddle River, New Jersey: Pearson Prentice Hall

Hair, J. F., Ringle, C.M. and Sarstedt, M., 2011. PLS: Indeed a Silver Bullet. *Journal of Marketing Theory and Practice*, Vol. 19 (2), p. 139-151

Healy, M. and Perry, C., 2000. Comprehensive criteria to judge validity and reliability of qualitative research within the realism paradigm. *Qualitative Market Research: An International Journal*, Vol. 3 (3), p. 118-126

Heath, R., 2009. Emotional Engagement: How Television Builds Big Brands At Low Attention. *Journal of Advertising Research*, Vol. 49 (1), p. 62-73

Henseler, J. and Sarstedt, M., 2013. Goodness-of-fit indices for partial least squares path modeling. *Computer Statistics*, Vol. 28 (2), p. 565-580

- Holbrook, M.B. and Hirschman, E., 1982. The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun. *Journal of Consumer Research*, Vol. 9 (2), p. 132-140
- Homer, P. H., 2006. Relationships among Ad-induced Affect, Beliefs, and Attitudes: Another Look. *Journal of Advertising*, Vol. 35 (1), p. 35-51
- Holzwarth M., Janiszewski, C. and Neumann, M.M., 2006. The Influence of Avatars on Online Consumer Shopping Behavior. *Journal of Marketing*, Vol. 70 (4), p. 19-36
- Jarvis, C. B., MacKenzie, S. B., and Podsakoff, P. M., 2003. A Critical Review of Construct Indicators and Measurement Model Misspecification in Marketing and Consumer Research. *Journal of Consumer Research*, Vol. 30 (2), p. 199-218
- Johar, J.S. and Sirgy, M.J. 1991. Value-Expressive Versus Utilitarian Advertising Appeals: When And Why To Use Which Appeal. *Journal of Advertising*, Vol. 20 (3), p. 23-33
- Jones, J., 2011. Toying with Tablets. *Response*, Vol. 20 (3), p. 30-34
- Kapferer, J-N. and Laurent, G., 1993. Further Evidence on the Consumer Involvement Profile: Five Antecedents of Involvement. *Psychology & Marketing*, Vol. 10 (4), p. 347-355
- Kline, R.B., 2005. *Principles and Practice of Structural Equation Modeling*. 2<sup>nd</sup> ed. New York: Guilford Press
- Krugman, H.E., 1965. The Impact of Television Advertising: Learning without Involvement. *The Public Opinion Quarterly*, Vol. 29 (3), p. 349-356



- MacKenzie, S.B., Lutz, R.J. and Belch, G.E., 1986. The role of attitude toward the ad as a mediator of advertising effectiveness: A test of competing explanations. *Journal of Marketing Research*, Vol. 23 (2), p. 130-143
- Malthouse, E. C., Calder, B. J. and Tamhane, A., 2007. The Effects of Media Context Experiences on Advertising Effectiveness. *Journal of Advertising*, Vol. 36 (3), p. 7-18
- Mano, H. and Oliver, R.L., 1993. Assessing the Dimensionality and Structure of the Consumption Experience: Evaluation, Feeling, and Satisfaction. *Journal of Consumer Research*, Vol. 20 (3), p. 451-466
- Marcoulides, G.A. and Saunders, C., 2006. Editor's comments: PLS: A Silver Bullet? *Management Information Systems Quarterly*, Vol. 30 (2), p. 3-9
- Michaelidou N. and Dibb, S., 2008. Consumer involvement: a new perspective. *The Marketing Review*, Vol. 8 (1), p. 83-99
- Mitchell, A.A., 1981. The Dimensions of Advertising Involvement. *Advances in Consumer Research*, Vol. 8 (1), p. 25-30
- Mäenpää, K., Kanto, A., Kuusela, H. and Paul, P., 2006. More hedonic versus less hedonic consumption behaviour in advanced internet bank services. *Journal of Financial Services Marketing*, Vol. 11 (1), p. 4-16
- Park, C.W. and Young, S.M., 1986. Consumer Response to Television Commercials: The Impact of Involvement and Background Music on Brand Attitude Formation. *Journal of Marketing Research*, Vol. 23 (1), p. 11-24
- Patton, M.Q., 2002. *Qualitative Research & Evaluation Methods*. 3<sup>rd</sup> ed. Thousand Oaks: SAGE Publications Inc.

Petty, R.E. and Cacioppo, J.T., 1981. Issue Involvement as a Moderator of the Effects on Attitude of Advertising Content and Context. *Advances in Consumer Research*, Vol. 8 (1), p. 20-24

Petty R.E., Cacioppo, J.T. and Schumann, D., 1983. Central and Peripheral Routes to Advertising Effectiveness: The Moderating Role of Involvement. *Journal of Consumer Research*, Vol. 10 (2), p. 135-146

Ray, M.L., 1977. When Does Consumer Information Processing Research Actually Have Anything to Do with Consumer Information Processing? *Advances in Consumer Research*, Vol. 4 (1), p. 372-375

Rigdon, E.E., 1998. Structural Equation Modeling. In: G.A. Marcoulides, ed. 1998. *Modern Methods for Business Research*. Mahwah New Jersey: Lawrence Erlbaum Associates. Ch. 9

Ringle, C.M., 2006. *Segmentation for Path Models and Unobserved Heterogeneity: The Finite Mixture Partial Least Squares Approach*. [pdf] Hamburg: Research Papers on Marketing and Retailing No. 35. Available at: <[http://mpra.ub.uni-muenchen.de/10734/1/MPRA\\_paper\\_10734.pdf](http://mpra.ub.uni-muenchen.de/10734/1/MPRA_paper_10734.pdf)> [Accessed 13 July 2013]

Rodgers, S. and Thorson, E., 2000. The Interactive Advertising Model: How Users Perceive and Process Online Ads. *Journal of Interactive Advertising*, Vol. 1 (1), p. 42-61

Sarstedt, M., Becker, J-M., Ringle, C.M., Schwaiger, M., 2011. Uncovering and Treating Unobserved Heterogeneity with FIMIX-PLS: Which Model Selection Criterion Provides an Appropriate Number of Segments? *Schmalenbach Business Review*, Vol. 63 (January), p. 34-62

Spielmann, N. and Richard, M-O., 2013. How captive is your audience? Defining overall advertising involvement. *Journal of Business Research*, Vol. 66 (4), p. 499-505

Temme, D., Kreis, H. and Hildebrandt, L., 2006. *PLS Path Modeling – A Software Review*. [pdf] Berlin: Institute of Marketing, Humboldt University Berlin. Available at: <http://sfb649.wiwi.hu-berlin.de/papers/pdf/SFB649DP2006-084.pdf> [Accessed June 10 2013]

Tenenhaus, M., Esposito Vinzi, V., Chatelin, Y-M. and Lauro, C., 2005. PLS path modeling. *Computational Statistics & Data Analysis*, Vol. 48 (1), p. 159-205

Varnali K, Yilmaz, C. and Toker, A., 2012. Predictors of attitudinal and behavioral outcomes in mobile advertising: A field experiment. *Electronic Commerce Research and Applications*, Vol. 11 (6), p. 570-581

Voss, K.E., Spangenberg, E.R. and Grohmann, B., 2003. Measuring the Hedonic and Utilitarian Dimensions of Consumer Attitude. *Journal of Marketing Research*, Vol. 40 (3), p. 310-320

Wang, A., 2011. The Effectiveness of Mobile Magazines: Implications for Mobile Marketers. *International Journal of Mobile Marketing*, Vol. 6 (1), p. 63-74

Wright, P.L., 1973. The Cognitive Processes Mediating Acceptance of Advertising. *Journal of Marketing Research*, Vol. 10 (1), p. 53-62

Yang, B., Kim, Y. and Yoo, C., 2013. The integrated mobile advertising model: The effects of technology- and emotion-based evaluations. *Journal of Business Research*, Vol. 66 (9), p. 1345-1352

Yoo, B. and Donthu, N., 2001. Developing and validating a multidimensional consumer-based brand equity scale. *Journal of Business Research*, Vol. 52 (1), p. 1-14

Yuan, S-T. and Tsao, Y.W., 2003. A recommendation mechanism for contextualized mobile advertising. *Expert Systems with Applications*, Vol. 24 (4), p. 399-414

Zaichkowsky, J.L., 1985. Measuring the Involvement Construct. *Journal of Consumer Research*, Vol. 12 (3), p. 341-352

Zaichkowsky, J.L., 1994. Research Notes: The Personal Involvement Inventory: Reduction, Revision, and Application to Advertising. *Journal of Marketing*, Vol. 23 (4), p. 59-70

#### *Online references*

Apple website: <http://www.apple.com/pr/library/2010/01/27Apple-Launches-iPad.html>  
[Accessed 26 January 2013]

Business Insider 8.1.2013 <http://www.businessinsider.com/bii-report-how-tablet-sales-are-exploding-this-year-2012-12> [Accessed 2 February 2013]

Gartner (2011):  
[http://www.gartner.com/DisplayDocument?doc\\_cd=217137&ref=g\\_noreg](http://www.gartner.com/DisplayDocument?doc_cd=217137&ref=g_noreg)  
[Accessed 30 January 2013]

Interactive Advertising Bureau Europe, 2011. *ADEX Benchmark 2011*. [pdf] Published 9 July 2012. Available at  
[http://www.iabturkiye.org/sites/default/files/adex\\_benchmark\\_2011.pdf](http://www.iabturkiye.org/sites/default/files/adex_benchmark_2011.pdf)  
[Accessed January 17 2013]

Interactive Advertising Bureau Mobile, 2011. *Tablet Buyer's Guide: Practical Advice for Advertising on Tablets*. [pdf] Published October 2011. Available at  
<http://www.iab.net/media/file/IABTabletBuyersGuide.pdf> [Accessed 27 January 2013]

Miller, C.C. Advertising Relearned for Mobile. The New York Times, 28.10.2012  
<http://www.nytimes.com/2012/10/29/technology/advertisers-refine-mobile-pitches-for-phones-and-tablets.html?pagewanted=all> [Accessed 2 February 2013]

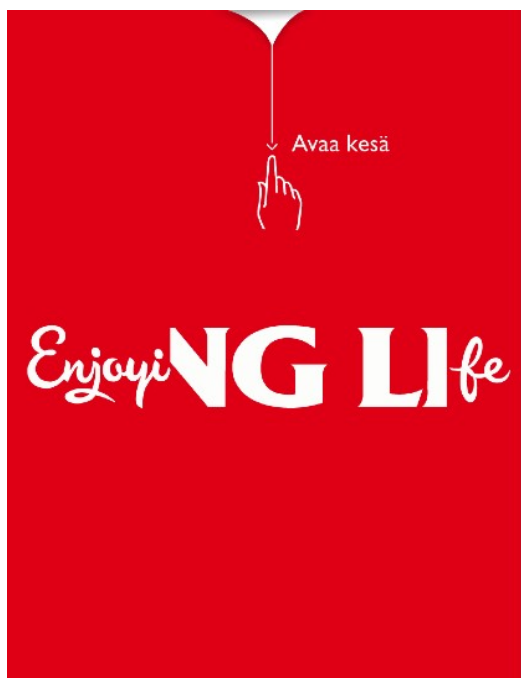
Ringle, Wende and Will, 2005. SmartPLS 2.0 software  
<http://www.smartpls.de/forum/index.php>

Stampler, L. Business Insider, 8.11.2012 These Graphs Show How Tablet Ad Spending Will Crush Smartphones Over The Next Four Years  
<http://www.businessinsider.com/idc-predicts-tablet-vs-smartphone-ad-spend-2012-11>  
[Accessed 17 January, 2013]

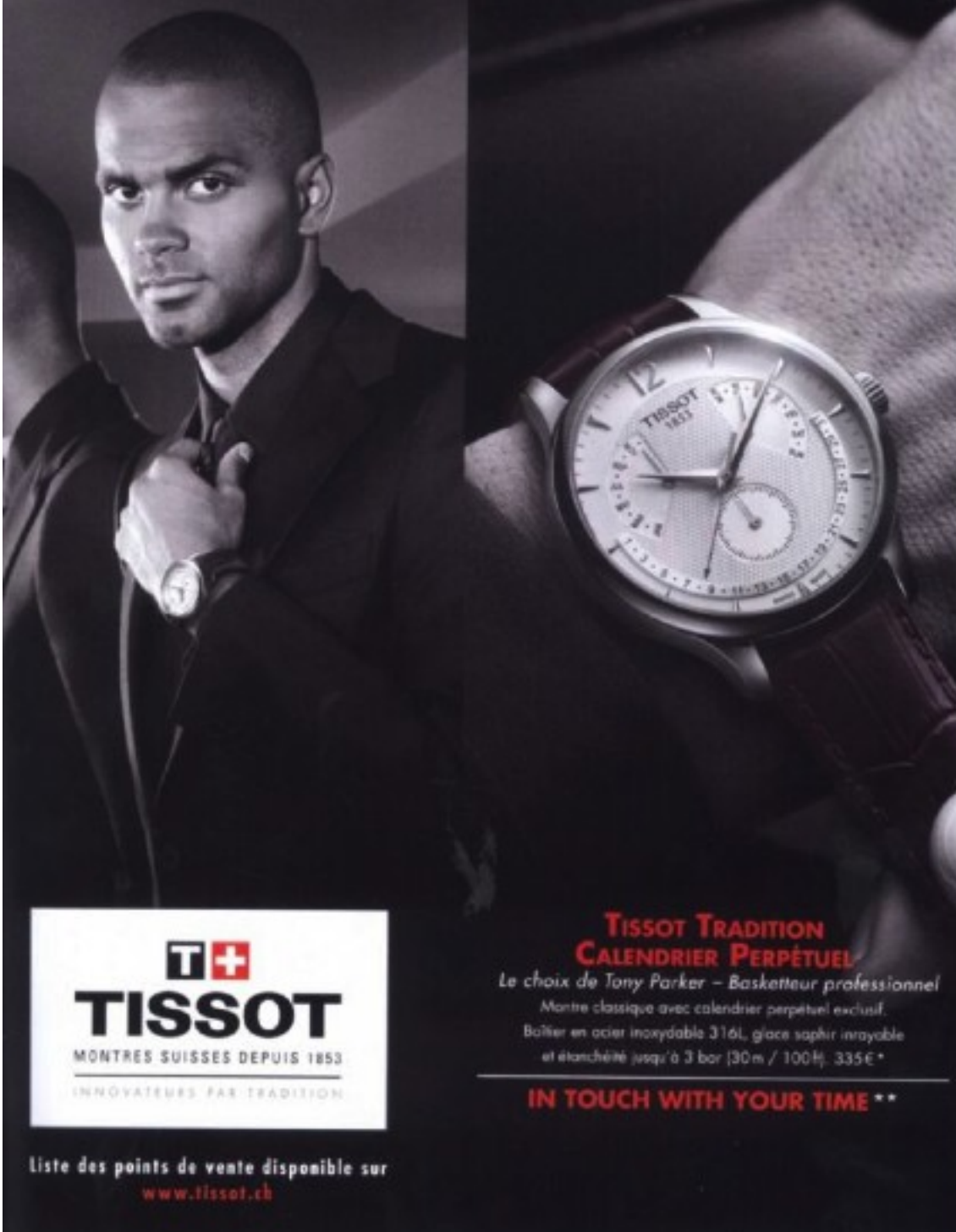
Tilastokeskus:

[http://pxweb2.stat.fi/Dialog/varval.asp?ma=020\\_kbar\\_tau\\_102&path=../database/StatFin/tul/kbar/&lang=3&multilang=fi](http://pxweb2.stat.fi/Dialog/varval.asp?ma=020_kbar_tau_102&path=../database/StatFin/tul/kbar/&lang=3&multilang=fi) [Accessed 01 August 2013]

## Appendix 1 Interactive Advertisement



## Appendix 2 Static Advertisement



**T+**  
**TISSOT**  
MONTRES SUISSES DEPUIS 1853  
INNOVATEURS PAR TRADITION

**TISSOT TRADITION  
CALENDRIER PERPÉTUEL**  
*Le choix de Tony Parker – Basketteur professionnel*  
Montre classique avec calendrier perpétuel exclusif.  
Boîtier en acier inoxydable 316L, glace saphir irrisable  
et étanchéité jusqu'à 3 bar (30 m / 100 ft). 335 € \*

**IN TOUCH WITH YOUR TIME \*\***

Liste des points de vente disponible sur  
[www.tissot.ch](http://www.tissot.ch)

## Appendix 3 Questionnaire

**The purpose of this survey is to look at ad effectiveness on tablet devices.  
Please pay attention to the questions asked.**

**1. Gender**

- Male  
 Female

**2. Nationality**

**3. Age**

**4. Yearly income in euros**

- 0-9999  
 10000-19999  
 20000-29999  
 30000-39999  
 40000-49999  
 50000-59999  
 60000-69999  
 70000-79999  
 80000-89999  
 90000-99999  
 100000- or more

**5. For how long have you been using a tablet device?**

- 3 -6 months  
 6-12 months  
 12-18 months  
 18-24 months  
 24 or more months

**6. Which of the following newspapers do you read on the tablet device?**

In this question you can choose more than one option

- Helsingin Sanomat  
 Iltalehti  
 Iltasanomat  
 Other (Please specify) \_\_\_\_\_



**7. The advertisement that I just looked at to me is**

In this section of the survey you are supposed to answer questions related to the ad and not the brand.

	1	2	3	4	5	6	7	
Effective	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Ineffective
Helpful	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Unhelpful
Functional	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not Functional
Necessary	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Unnecessary
Practical	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Impractical
Beneficial	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Harmful
Useful	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Useless
Sensible	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not sensible
Efficient	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Inefficient
Unproductive	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Productive
Handy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not handy
Problem solving	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not problem solving
Not fun	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Fun
Dull	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Exciting
Not delightful	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Delightful
Not thrilling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Thrilling
Enjoyable	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Unenjoyable
Not happy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Happy
Unpleasant	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Pleasant
Not playful	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Playful
Cheerful	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not cheerful
Amusing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Not amusing
Not sensuous	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Sensuous
Not funny	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Funny

**8. The advertisement I just looked at to me is**

In this section of the survey you are supposed to answer questions related to the ad and not the brand.

	1	2	3	4	5	6	7	
Important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Unimportant
Boring	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Interesting
Relevant	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Irrelevant
Exciting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Unexciting
Means nothing to me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Means a lot to me
Appealing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Unappealing
Fascinating	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Mundane (basic)
Worthless	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Valuable
Involving	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Uninvolving
Not needed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Needed

**9. The brand in the advertisement to me is**

Not familiar at all    1    2    3    4    5    6    7    Very familiar  
                           

**10. The brand in the advertisement to me is**

Not useful at all    1    2    3    4    5    6    7    Extremely useful  
                           

**11. I can recognize the brand in the ad among other competing brands**

Not at all    1    2    3    4    5    6    7    Always  
                           

**12. I can imagine buying a product/service from this company**

Very unlikely    1    2    3    4    5    6    7    Highly likely  
                           

**13. Next time I am interested in buying a product/service like the one being promoted in the advertisement, I will take this company into consideration**

Very unlikely    1    2    3    4    5    6    7    Highly likely  
                           

**14. I am very interested in buying the product/service being promoted in the ad**

Not at all    1    2    3    4    5    6    7    Always  
                           

**15. The characteristics of the brand in the ad come to my mind quickly**

Not at all    1    2    3    4    5    6    7    Immediately  
                           

**16. I can quickly recall the symbol or logo of the brand in the ad**

Not at all    1    2    3    4    5    6    7    Immediately  
                           

**17. I have difficulty in imagining the brand presented in the ad in my mind**

Not at all    1    2    3    4    5    6    7    Always  
                           

**18. The advertisement to me is**

Not useful at all    1    2    3    4    5    6    7    Extremely useful