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# The effect of non-traditional advertising media on the brand loyalty of Generation-Y : an emerging market context

**Pillay, Thamona**

**2015**
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# The effect of non-traditional advertising media on the brand loyalty of Generation-Y: an emerging market context

**Thamona Pillay**

**A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Business Administration**

**Johannesburg, 2015**

# ABSTRACT

The Generation Y consumer segment has emerged as the most lucrative, demanding, price, quality and loyal consumer facing sellers in this Generation (Noble et al, 2009; Wolburg and Pokrywczynski, 2001). Building and maintaining the loyalty of the Generation Y consumer will ensure a continuous revenue stream throughout the lifecycle of the customer thereby increasing market share and shareholder profits. The pursuit of addressing this recent dynamic is what underlies this research study. Based on the literature presented, sellers should use more creative and modern ways to communicate with and advertise to the Generation Y consumer in order to increase brand loyalty. Non-traditional advertising media has emerged as a new paradigm and more and more sellers have used non-traditional advertising media to make in-roads into the market every year in light of the new empowered consumer.

The main research problem was to compare the effects of traditional and non-traditional advertising media on the Generation Y South African consumer, and to evaluate the effect of non-traditional advertising media on the brand loyalty of the South African consumer. The research used quantitative data. There were 87 completed questionnaires, from a convenience sample consisting of largely University students. The survey was analysed using descriptive statistics and a non-parametric rank test known as the Wilcoxon Rank Sums test.

The main findings concluded that Generation Y consumers consider non-traditional advertising media more effective than traditional advertising media. The non-traditional adverts inspired respondents to purchase the brand, increase the frequency of purchase of the brand as well as switch to the brand, indicating that behavioural or purchase loyalty was evidently higher in the non-traditional advertising media. The non-traditional adverts enhanced respondent's commitment to the brand, willingness to pay a higher price for the brand and willingness to recommend the brand to friends, indicating that attitudinal loyalty was higher in the non-traditional advertising media.

The key message is that advertising plans, if not already, should start to accommodate for an evolved advertising strategy that includes non-traditional advertising media. New marketing tools and techniques are emerging and the possibilities are endless.

# DECLARATION

I, Thamona Pillay, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

THAMONA PILLAY

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Signed at ……

On the …….. day of …… 20…..

# DEDICATION

This report is dedicated to my family who have appreciated, supported and encouraged me in all my endeavours. I am eternally grateful to you.

# ACKNOWLEDGEMENTS

I would like to extend my deepest appreciation to my husband, Thomas Mc Minn, for his unwavering support, patience and encouragement throughout the entire Masters in Management of Strategic Marketing degree.

I would like to extend my sincere thanks to Laurence Beder for his supervision throughout the research process. I would like to thank Hennie Gerber for his assistance and guidance in the statistical analysis part of the research.

Lastly, I would like to acknowledge the academic staff at Wits Business School. Thank you for this experience and for the knowledge that was imparted to me.

# TABLE OF CONTENTS

**ABSTRACT** ..... **ii**

**DECLARATION** ..... **iv**

**DEDICATION** ..... **v**

**ACKNOWLEDGEMENTS** ..... **vi**

**LIST OF TABLES** ..... **xi**

**LIST OF FIGURES** ..... **xiii**

**CHAPTER 1. INTRODUCTION** ..... **1**

1.1 PURPOSE OF THE STUDY ..... 1
1.2 CONTEXT OF THE STUDY ..... 1
1.3 PROBLEM STATEMENT ..... 3
1.3.1 MAIN PROBLEM ..... 3
1.3.2 SUB-PROBLEMS ..... 3
1.4 SIGNIFICANCE OF THE STUDY ..... 3
1.5 DELIMITATIONS OF THE STUDY ..... 4
1.6 DEFINITION OF TERMS ..... 5
1.7 ASSUMPTIONS ..... 5

**CHAPTER 2. LITERATURE REVIEW** ..... **7**

2.1 INTRODUCTION ..... 7
2.2 BACKGROUND DISCUSSION ..... 7
2.3 NON-TRADITIONAL VERSUS TRADITIONAL ADVERTISING MEDIA TO GENERATION Y CONSUMERS ..... 8
2.3.1 TRADITIONAL AND NON-TRADITIONAL ADVERTISING MEDIA ..... 8
2.3.2 THE GENERATION Y CONSUMER ..... 14
2.3.3 HYPOTHESIS ..... 17
2.4 NON-TRADITIONAL ADVERTISING MEDIA TO GENERATION Y CONSUMERS RESULTS IN HIGHER BRAND LOYALTY ..... 18
2.4.1 THE BRAND ..... 18
2.4.2 BRAND LOYALTY ..... 20
2.4.3 EMERGING MARKETS ..... 23
2.5 CONCLUSION OF LITERATURE REVIEW ..... 23

2.5.1 Research Question 1: Generation Y consumers are more inclined to respond to non-traditional advertising media compared traditional advertising media ... 24
2.5.2 Research Question 2: Non-traditional advertising media results in a higher brand loyalty amongst the Generation Y consumer segment. ... 24

CHAPTER 3. RESEARCH METHODOLOGY ... 26

3.1 Research methodology /paradigm ... 26
3.2 Research Design ... 27
3.3 The research instrument ... 28
3.4 Population and sample ... 31
3.4.1 Population ... 31
3.4.2 Sample and sampling method ... 31
3.5 Pilot research ... 32
3.5.1 Methodology of pilot research ... 32
3.5.2 Analysis of the pilot research ... 33
3.6 Procedure for data collection ... 33
3.7 Data analysis and interpretation ... 33
3.8 Limitations of the study ... 35
3.9 Validity and reliability ... 35
3.9.1 External validity ... 35
3.9.2 Internal validity ... 35
3.9.3 Reliability ... 38
3.10 Demographic profile of respondents ... 41
3.10.1 Gender ... 41
3.10.2 Age ... 42
3.10.3 Survey questionnaire type ... 43
3.10.4 Brands ... 44

CHAPTER 4. PRESENTATION OF RESULTS ... 45

4.1 Introduction ... 45
4.2 Results pertaining to Research Question 1 ... 45
Generation Y consumers are more inclined to respond to non-traditional advertising media compared traditional advertising media ... 45
4.2.1 Introduction ... 45
4.2.2 Descriptive Statistics ... 45
4.2.3 Hypothesis 1: Persuasive intent of an ad message is perceived to be lower when placed in a non-traditional advertising medium rather than a traditional medium ... 56
4.2.4 Proposition 2: The credibility of an ad message is perceived to be higher when it is places in a non-traditional advertising medium rather than a traditional advertising medium ... 59
4.2.5 Proposition 3: The attitude toward the ad message is higher when it is placed in a non-traditional advertising medium rather than a traditional advertising medium 61
4.2.6 Hypothesis 4: The contextual influence on message perceptions is greater for a non-traditional advertising medium than for a traditional advertising medium ... 62
4.3 Results pertaining to Research Question 2 ... 69

*NON-TRADITIONAL ADVERTISING MEDIA RESULTS IN A HIGHER BRAND LOYALTY AMONGST THE GENERATION Y CONSUMER SEGMENT.* ..... 69
4.3.1 INTRODUCTION ..... 69
4.3.2 DESCRIPTIVE STATISTICS ..... 69
4.3.3 HYPOTHESIS 5: BEHAVIOURAL/PURCHASE LOYALTY IS HIGHER IN NON-TRADITIONAL ADVERTISING MEDIUMS RATHER THAN TRADITIONAL ADVERTISING MEDIUMS ..... 74
4.3.4 HYPOTHESIS 6: ATTITUDINAL LOYALTY IS HIGHER IN NON-TRADITIONAL ADVERTISING MEDIUMS RATHER THAN TRADITIONAL ADVERTISING MEDIUMS ..... 76

**CHAPTER 5. DISCUSSION OF THE RESULTS ..... 78**

5.1 INTRODUCTION ..... 78
5.2 DEMOGRAPHIC PROFILE OF RESPONDENTS ..... 79
5.2.1 AGE ..... 79
5.2.2 GENDER ..... 79
5.3 DISCUSSION PERTAINING TO RESEARCH QUESTION 1 ..... 79
GENERATION Y CONSUMERS ARE MORE INCLINED TO RESPOND TO NON-TRADITIONAL ADVERTISING MEDIA COMPARED TRADITIONAL ADVERTISING MEDIA ..... 79
5.3.1 INTRODUCTION ..... 79
5.3.2 HYPOTHESIS 1: PERSUASIVE INTENT OF AN AD MESSAGE IS PERCEIVED TO BE LOWER WHEN PLACED IN A NON-TRADITIONAL ADVERTISING MEDIUM RATHER THAN A TRADITIONAL MEDIUM ..... 80
5.3.3 HYPOTHESIS 2: THE CREDIBILITY OF AN AD MESSAGE IS PERCEIVED TO BE HIGHER WHEN IT IS PLACED IN A NON-TRADITIONAL ADVERTISING MEDIUM RATHER THAN A TRADITIONAL ADVERTISING MEDIUM ..... 81
5.3.4 HYPOTHESIS 3: THE ATTITUDE TOWARD THE AD MESSAGE IS HIGHER WHEN IT IS PLACED IN A NON-TRADITIONAL ADVERTISING MEDIUM RATHER THAN A TRADITIONAL ADVERTISING MEDIUM 81
5.3.5 HYPOTHESIS 4: THE CONTEXTUAL INFLUENCE OF THE ADVERT IS GREATER FOR A NON-TRADITIONAL ADVERTISING MEDIUM THAN FOR A TRADITIONAL ADVERTISING MEDIUM ..... 82
5.3.6 CONCLUSION ..... 82
5.4 DISCUSSION PERTAINING TO RESEARCH QUESTION 2 ..... 83
NON-TRADITIONAL ADVERTISING MEDIA RESULTS IN A HIGHER BRAND LOYALTY AMONGST THE GENERATION Y CONSUMER SEGMENT. ..... 83
5.4.1 INTRODUCTION ..... 83
5.4.2 HYPOTHESIS 5: BEHAVIOURAL/PURCHASE LOYALTY IS HIGHER IN NON-TRADITIONAL ADVERTISING MEDIUMS RATHER THAN TRADITIONAL ADVERTISING MEDIUMS ..... 83
HYPOTHESIS 6: ATTITUDINAL LOYALTY IS HIGHER IN NON-TRADITIONAL ADVERTISING MEDIUMS RATHER THAN TRADITIONAL ADVERTISING MEDIUMS ..... 83
5.5 CONCLUSION ..... 85

**CHAPTER 6. CONCLUSIONS & RECOMMENDATIONS ..... 87**

6.1 INTRODUCTION ..... 87
6.2 CONCLUSIONS OF THE STUDY ..... 87
6.3 RECOMMENDATIONS ..... 88
6.4 SUGGESTIONS FOR FURTHER RESEARCH ..... 90

**REFERENCES** ..... **92**

**APPENDIX A** ..... **98**

**3.3 PLEASE RATE THE NIKE ADVERT THAT WAS FOUND IN A PRINT MEDIUM (TRADITIONAL ADVERTISING MEDIUM)** ..... 99
**4.3 PLEASE RATE THE NIKE ADVERT THAT WAS FOUND IN A DIGITAL MEDIUM (NON-TRADITIONAL ADVERTISING MEDIUM)** ..... 102
**3.3 PLEASE RATE THE RED BULL ADVERT THAT WAS FOUND IN A PRINT MEDIUM (TRADITIONAL ADVERTISING MEDIUM)** ..... 105
**4.3 PLEASE RATE THE RED BULL GUERRILLA CAMPAIGN (NON-TRADITIONAL ADVERTISING MEDIUM):** ..... 107

**APPENDIX B** ..... **108**

# LIST OF TABLES

Table 1: Profile of respondents ..... 32

Table 2: Study measures ..... 36

Table 3: Reliability of constructs (N=87)..... 38

Table 4: Persuasive intent of advert - survey responses..... 46

Table 5: Credibility of advert - survey responses ..... 47

Table 6: Attitude towards Advert – survey responses ..... 49

Table 7: Traditional advertising medium - survey responses ..... 50

Table 8: Non-traditional advertising medium - Survey responses ..... 52

Table 9: Mean and standard deviation for Traditional and Non-traditional advertising mediums ..... 53

Table 10: Mean and standard deviation for Nike Traditional and Non-traditional advertising media..... 54

Table 11: Mean and Standard deviation for Red Bull Traditional and Non-traditional advertising media..... 55

Table 12: Wilcoxon Rank Sums Test – Persuasive intent of advert..... 58

Table 13: Wilcoxon Ranked Sums test – Credibility of advert..... 60

Table 14: Wilcoxon Ranked Sums test – Attitude towards advert..... 62

Table 15: Nonparametric: Spearman's ρ..... 63

Table 16: Nonparametric: Spearman's ρ..... 64

Table 18: Nonparametric: Spearman's ρ ..... 66

Table 17: Nonparametric: Spearman's ρ ..... 67

Table 19: Wilcoxon Ranked Sums Test - Attitude and Credibility of the Medium ..... 68

Table 20: Behavioural/Purchase Loyalty - Survey responses ..... 69

Table 21: Attitudinal loyalty - Survey responses ..... 71

Table 22: Mean and standard deviation for Nike Traditional and Non-traditional advertising media ..... 73

Table 23: Mean and Standard deviation for Red Bull Traditional and Non-traditional advertising media ..... 74

Table 24: Wilcoxon Rank Sums Test: Behavioural/Purchase Loyalty ..... 76

Table 25: Wilcoxon Ranked Sums Test – Attitudinal loyalty ..... 77

# LIST OF FIGURES

Figure 1: Gender split of respondents ..... 41

Figure 2: Age split of respondents..... 42

Figure 3: Survey questionnaire type..... 43

Figure 4: Survey Brands ..... 44

Figure 8: Persuasive intent of advert (Nike) ..... 56

Figure 9: Persuasive intent of advert (Red Bull)..... 57

Figure 10: Credibility of advert (Nike)..... 59

Figure 11: Credibility of advert (Red Bull) ..... 59

Figure 12: Attitude towards advert (Nike)..... 61

Figure 13: Attitude towards advert (Red Bull) ..... 61

Figure 14: Scatterplot matrix – Credibility of non-traditional advert and medium ..... 63

Figure 15: Scatterplot matrix – Credibility of traditional advert and medium .... 64

Figure 17: Scatterplot matrix – Attitude towards traditional advert and medium65

Figure 16: Scatterplot matrix – Attitude towards non-traditional advert and medium ..... 66

Figure 19: Behavioural/Purchase loyalty (Nike) ..... 74

Figure 20: Behavioural/Purchase loyalty (Red Bull)..... 75

Figure 21: Attitudinal loyalty (Nike)..... 76

Figure 22: Attitudinal loyalty (Red Bull) ..... 77

Figure 23: A model of non-traditional advertising media, brand loyalty and brand performance ..... 85

# CHAPTER 1. INTRODUCTION

## 1.1 Purpose of the study

The purpose of the study is to evaluate the effect of non-traditional advertising media on the brand loyalty of the Generation Y consumer within an emerging market. Both traditional and non-traditional advertising media were used and the study looked at each mediums' respective appeal to each other and to ascertain the most effective medium to influence brand loyalty of Generation Y consumers in South Africa.

Various research studies have been concluded around the comparison of non-traditional and traditional advertising media (Rust & Oliver, 1994; Speck & Elliott, 1998; Dahlen & Edenius, 2007; Malthouse et al, 2007; Chao et al, 2012; Verhellen et al, 2012) and many more. Studies concluded on the effect of non-traditional advertising media on brand loyalty have been few (Dahlen et al, 2009; Ha et al, 2011) however studies on brand loyalty (Bennett & Thiele, 2002; Chaudhuri & Holbrook, 2001; Wood, 2000; Datta. 2003; Gounaris & Stathakopoulos, 2004; Bennett & Thiele, 2005) and more have contributed to the literature on this concept through generations. In addition to the studies above, research around the Generation Y consumer (Chung et al 2009; Noble et al, 2009; Foscht et al, 2009; Roy & Chattopadhyay, 2010; Eastman & Liu 2012) and more have guided researchers on this specific segment of the consumer market. This study adds to the existing literature in an attempt to advance research into the effectiveness of advertising mediums on the brand loyalty of Generation Y consumers.

## 1.2 Context of the study

Whilst there are traditional ways to market to Generation Y consumers, their need set is different and they display characteristics that are different to the traditional customer (Noble et al 2009).

Seven years prior to Noble et al (2009), Morton (2002) also studied this consumer segment and found that Generation Y consumers seemed to be a “notoriously fickle” segment who demands the latest trends in the fastest possible time. She also found that traditional marketing doesn't work with these young consumers as they relied more heavily on word of mouth, celebrity testimonials, loud and quick visuals, and advertisements that reflected their lifestyles and core values in humorous and emotional ways (Morton, 2002: p.47).

Noble (2009) went on to state that the Generation Y consumer segment is one of the most lucrative segments in the world due to their volume and spending power.

The interest in non-traditional advertising media and the influence of this medium on consumer behaviour has been increasing through the years. This is one of the reasons why advertising has now evolved from what it was to what it is today (Rust and Oliver, 1994).

A recent Research and Market Adds report (2013) showed strong growth in the Smartphone and Mobile Broadband adoption rate. The Mobility 2014 research study, conducted by World Wide Worx supported by First National Bank, revealed that the 19-24 year old age group which typically represented students and entrants into the workforce has been abandoning voice usage faster than any other consumer segment. Consumers in this segment spending on mobile data increased from 17% to 24%. South Africans love their mobile phones and more specifically smartphone penetration has been growing in popularity.

Today, brands are faced with an empowered consumer segment coupled with improvements in technology, which has made way for more enhanced and improved ways to advertise to consumers in order for sellers to increase shareholder returns. Therefore, it has become that much more challenging for sellers to maintain the brand loyalty of consumers given the dynamic presented by Noble et al (2009) and Rust and Oliver (1994). Sellers are becoming more creative in their advertising approach to

consumers in order to ensure effectiveness (Malthouse et al, 2007) and to acquire and maintain brand loyalty (Noble et al, 2009).

The question is whether brands employing non-traditional advertising mediums can effectively increase the brand loyalty of the Generation Y consumer market.

## 1.3 Problem statement

### 1.3.1 *Main problem*

The main problem is to compare the effects of traditional and non-traditional advertising media on the Generation Y South African consumer, and to evaluate the effect of non-traditional advertising media on the brand loyalty of the South African consumer.

### 1.3.2 *Sub-problems*

The first sub-problem is to compare non-traditional advertising media against traditional advertising media aimed at the South African Generation Y consumer.

The second sub-problem is to evaluate the effect of non-traditional advertising media on the brand loyalty of the South African Generation Y consumer. The study also determines the effect of traditional advertising media on the brand loyalty of the South African Generation Y consumer.

## 1.4 Significance of the study

Roy and Chattopadhyay (2010) have made strides in understanding the Generation Y consumer and have found that this consumer is considerably more sensitive to the perceived value, quality and price of products and services. The authors added that it is becoming increasingly difficult to sustain the customers brand loyalty over their lifecycle

as they are becoming savvier about demanding superior quality products and services and insist on receiving value for money.

Research also shows that it is becoming the norm where consumers in general are avoiding traditional advertising with increasing success by means of improvements in technology or by mentally blocking out traditional advertising media (Speck & Elliot, 1997; Dahlen & Edenius, 2007).

Based on the work by Roy and Chattopadhyay (2010) as well as the research that proves that the consumers are avoiding traditional advertising at large, the study intends to fill a gap in understanding the brand loyalty of Generation Y consumers by utilising non-traditional media to market to them.

The study may provide guidance to market driven companies in South Africa whose target market is largely that of the Generation Y consumer. It is hoped that the research will inform a better set of tools and techniques that can be employed which strategic marketers can utilise to achieve greater brand loyalty within the Generation Y target market. Companies are fighting for the largest piece of the pie in this exceptionally competitive landscape. The report strives to provide further knowledge within the competitive South African landscape so that companies can operate more effectively and efficiently.

## 1.5 Delimitations of the study

The scope of the study is limited to the geographic region of Johannesburg, Gauteng and includes consumers within a portion of the Generation Y consumer segment. The study does adopt a longitudinal approach due to the time period allocated for the study, therefore no comparisons over time can be made.

## 1.6 Definition of terms

The following terms are used frequently in the report and are explained for the reader:

**Advertising** is defined as “any paid from of non-personal presentation and promotion of ideas, goods or services by an identified sponsor” (Kotler, 1996, p.590).

**Traditional** advertising is defined as advertising using mass mediums such as newspapers, television, and magazines (Pfau et al, 1996).

**Non-traditional** advertising media is defined as exposing a brand (logo or slogan) in a medium that has not previously featured advertising, and that, in itself implicitly communicates the message (Dahlen, 2005, Dalen & Edenius, 2007).

**Brand Loyalty** is defined as when consumers re-patronise a preferred product/service because of a deeply held commitment for that product/service, thereby resulting in repeat brand purchasing, despite situational influences and marketing efforts having the potential to cause switching behaviour (Oliver, 1999, p.34).

**Generation Y** or Millennials consumer segment is defined as all individuals in the 14-31 age categories (Noble et al, 2009) whilst Chung et al (2009) specify that this segment are individuals born between 1980 and 1994 and Morton (2002) defines this segment as those born between 1977 and 1994.

**Emerging Markets** refers to the emerging economies of Asia, Africa, South America, and Eastern Europe. These countries are also referred to as the “third world countries,” “less developed countries,” “less affluent world,” “developing countries,” and “transitional economies” in the literature.

## 1.7 Assumptions

The following assumptions have been made regarding the study:

a. The study assumed that respondents answer the survey honestly

b. The final assumption is that of the respondents having looked at the adverts on the questionnaire and being able to imagine them being real adverts displayed on buildings/newspapers/YouTube/etc.

# CHAPTER 2. LITERATURE REVIEW

## 2.1 Introduction

This section contains a literature review on the key themes of relevance to the study. The first theme is non-traditional and traditional media, including its key attributes and current issues and situation relating to the Generation Y customer. The second theme is brand loyalty and its current issues relating to advertising to Generation Y customer. The section concludes with an overview of the key learnings and the hypothesis of the research study.

## 2.2 Background discussion

Mass media advertising, otherwise known as traditional advertising, is on its deathbed and its' prognosis is poor (Rust & Oliver, 1994, p. 71). Rust and Oliver (1994) have described this phenomenon and added that sellers are restructuring their traditional advertising plans to accommodate for an evolved advertising strategy due to a variety of reasons. The authors have seen this demise of mass media advertising due to the new age empowered consumer and the advent of new technologies that has resulted in the fragmentation of media and markets (Rust & Oliver, 1994, p. 71).

This demise of traditional advertising media has given way to new marketing tools and techniques and the advent of non-traditional advertising is one of them (Rust and Oliver, 1994). Even though non-traditional marketing has been making in-roads with large clients, e.g. Coca-Cola Company (Rust & Oliver, 1994), this type of advertising has still received scarce research attention (Dahlen & Edenius, 2007).

Authors have identified the Generation Y consumer as one that has emerged as the most lucrative, demanding in terms of price and quality and loyal consumer facing sellers in this Generation (Noble et al, 2009; Wolburg & Pokrywczynski, 2001).

## 2.3 Non-traditional versus traditional advertising media to Generation Y consumers

"***Anywhere the eye can see it's now likely to see an ad" (NY Times Headline, 2007)***

Advertising has evolved through the years (Rust & Oliver, 1994) and so has the consumer (Noble et al 2009). Consumers are filled with millions of adverts daily and have constructed mental shortcuts to deal with this phenomenon (Dahlen & Edenius, 2007). Speck and Elliott (1998), as cited in Dahlen and Edenius (2007), have suggested that consumers are becoming more negative to advertising due to the increasing ad clutter by sellers. The authors go on to state that as a result of the increasing advertising clutter in TV and newspapers, the so-called traditional advertising mediums, this type of media and its advertising content has been negatively affected (Dahlen & Edenius, 2007, p. 33).

To overcome the problem presented above, Dahlen and Edenius (2007) have added that advertisers are searching for innovative ways to reach their target markets. The authors go on to state that non-traditional media has exploded in the last few years.

### 2.3.1 *Traditional and Non-traditional advertising media*

Kotler (1994) defines advertising as "any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor" (p.590) and Ducoffe (1995, 1996) further summarise the definition of advertising as the exchange between advertisers and consumers where both parties benefit: consumers offer their time and mental capacity/effort and in return expect to receive something of value, typically in the form of entertainment and information. Advertising is a tool that marketers use to provide information about a product, service and the business. Park, Shenoy and Salvendy (2008) add that its purpose is to primarily strengthen brand image and grow purchasing whilst Human et al (2011) believe that its purpose is to create awareness.

Therefore advertising plays a pivotal role in influencing the perception and consumption of products and/or services. The brand requires advertising to increase consumer persuasion, information sharing and decision making (Raj, I. & Raj, J., 2012).

This exchange between advertisers and consumers has been taken a step further by Dahlén and Edenius (2007) who have used the concept of traditional media and have described it as a negotiated space where consumers, in exchange for more entertaining TV programming or more informative newspapers, have learned to accept and to encounter this advertising. There are several sources that may be considered "traditional" forms of media such as newspapers, television, billboards, radio and magazines (Pfau et al, 1996). The authors go on to confirm that these forms of communication are classified as being traditional because they have been a key source of campaign news for many decades.

Malthouse et al. (2007) add that the effectiveness of advertising is dependent on three factors. The first is the quality of the product being advertised and the second is the quality of the advert itself. Lastly, it is essential that the media is fit for the purpose of the target market concerned. The authors have used these factors in the traditional marketing practice and literature and have found that the concern with traditional advertising is the evaluation of the size, reach and frequency associated with a medium’s audience. Medium refers to the vehicle that provides the most coverage and exposure for an ad.

Whilst there may be several sources of traditional marketing as stated above, in more recent times, marketing has taken a rather unconventional or non-traditional twist. Dahlen and Edenius (2007) define non-traditional as media which has not formerly featured advertising. The evolution of technology has brought the introduction of new types of advertising mediums. More recently, the growth in mobile and internet in emerging markets has paved the way for new types of advertising mediums and are rapidly growing (Park, Shenoy & Salvendy, 2008). Segovia (2013) adds that advertising

is modifying the manner in which it targets young people because of their strong relationship with technology and its devices.

As stated in Dahlen et al. (2009), guerrilla marketing is a form of non-traditional marketing and is defined as an unconventional medium for performing marketing activities on a very low budget (Levinson, 1984; Levinson & McLaughlin, 2005). Some examples of unconventional brand marketing as described in a more recent paper by Dahlen et al. (2009) include: Red Bull repainting entire city streets and Adidas arranging sprinter competitions on skyscrapers. It is likely that brands use this type of advertising in order to seek public attention and top of mind awareness.

Having researched this field of marketing, Dahlen and Edenius (2007) confirmed that even though this form of marketing has become common in recent years, non-traditional advertising media has received little attention in the field of research.

Therefore, in a more recent study Dahlen et al. (2009) sought to understand the customer perceived value of employing non-traditional media. The study described marketing in non-traditional media as being very instrumental in improving the customer perceived value of a brand. The authors defined consumer perceived value as the cognitive or mental assessment of the derived value consumers receive from an advert and focuses both on what the advertiser gains and what the consumer receives. The authors also hypothesized that marketing in non-traditional media enhances consumer perceived value. The results from the study showed that tested non-traditional media campaigns received higher perceived value than the traditional media campaigns. The study also revealed that this form of advertising is an effective means of reaching consumers particularly by small, un-established companies or low reputation brands.

Other academic studies that have been conducted prior to Dahlen et al. (2009) were authored by Dahlen (2005) and Dhalen and Edenius (2007). These prior studies focused on the advertising effects of non-traditional media literature but more specifically the placement of non-traditional media. Dahlen et al. (2009) has built on the results from the studies in 2005 and 2007 to include the effect of non-traditional media

on customer perceived value and the effects of brand reputation, appropriateness and expense.

In his most recent study, Dalen (2009) studied the impact of non-traditional advertising for low and high impact brands. The main message communicated to researchers is that advertisers should spend time in the creative design of the advertising message. When brands within the same product category usually advertise in media with an overlap in audience and theme, the outcome is that brands face greater competition leaving little or no room for positive effects inside the advertising space (Dalen, 2009, p.22). The authors suggested the use of guerrilla marketing as a cost effective way to improve the effectiveness of advertising.

### *2.3.2 The Advertising Schema*

Consumers are filled with advertising every day and in order to deal with it have developed mental shortcuts. Dahlen and Edenius (2007) went into further detail and investigated how consumers identified advertising using schemata which are mental frameworks of “interconnected activities, causes and effects” (pg. 34).

Schemas assist consumers with understanding information and automatically reacting to it (Pillow, 1991). With time, individuals become part of the consumption society and during this process react to different consumption and marketing events by way of developing of different schemata (Roedder 1981; Roedder & Whitney 1986 as stated in Dahlen & Edenius, 2007). Everyday consumers are bombarded with advertising and Friestad and Wright (1994) add that one of the primary responsibilities of consumers is to try and cope with this fact. In so doing the authors argue that when consumers encounter advertising, they mentally activate the advertising schema.

Consumers are skeptical and wary of the advert’s influence and researchers have paid much attention to the advertising schema in recent years (James & Kover 1992; Friestad & Wright 1994, 1995; Kwak et al 2002; Dahlen 2005). The findings show that the advertising schema assists consumers in interpreting the advert as a persuasive

attempt and identify how, when and why marketers attempt to influence them (Dahlen & Edenius, 2007).

Dalen and Edenius (2007) take this concept further to determine at which point the advertising schema is activated. Based on their contribution to the topic, the authors found that consumers categorised advertising placed in traditional mediums to a larger extent that when placed in a non-traditional medium. Consumers tend to increasingly avoid advertising in a traditional advertising medium as consumption of that medium increases (Speck & Elliot, 1997; Elliot & Speck, 1998). The authors proved that 90 percent of skipping of TV advert commercials is automatic and the decision is based on an automatic identification of the advert as advertising and usually not the content of the advert itself. That which is not a newspaper article is a print advert, and that which is not a programme on TV is an advertising commercial due to the contrast to its surrounding. Dalen and Edenius (2007) conceptualise this by stating that if the contrast is not as easily identifiable then consumers might potentially not identify the ad as advertising. The authors go on to suggest that non-traditional mediums should effectively achieve a similar effect.

With traditional advertising mediums such as print, there usually is a distinct difference between the advert and the adjacent content and is therefore very easily identifiable topography. However, with non-traditional advertising mediums such as digital, due to the general lack of opposing space and topography that may not be easily identified, consumers may not habitually identify it as advertising. The result is that persuasive intent is lower when placed in a non-traditional medium (Dahlen & Edenius, 2007, p. 35).

**Hypothesis 1:** The persuasive intent of an advertising message is perceived to be lower when placed in a non-traditional advertising medium rather than a traditional medium (Dahlen & Edenius, 2007).

In accordance with the advertising schema, it is not activated when consumers cannot easily or readily identify the advertised message as advertising. Goodstein (1993) and

Stafford and Stafford (2002) add that brands see reduced credibility and unfavourable evaluations or attitude towards the advert when the advertising schema is activated.

According to MacKenzie and Lutz (1989), it is noted that the attitude towards the advert pertains to the particular exposure to a particular advert at that particular point in time. It does not relate to consumers' attitude towards general advertising or their attitudes towards the ad stimulus at another point in time. The authors conclude that consumers' attitude towards the advert is formulated at the point in time of exposure to the advert.

Credibility of the advert is defined by MacKenzie and Lutz (1989) and Dahlen and Edenius (2007) as the extent consumers perceive claims made about the brand in the advert to be truthful and believable.

Dahlen and Edenius (2007) show that consumers react more favourably to the advert when it is located in a non-traditional advertising medium than if the advert was located in a traditional advertising medium.

**Hypothesis 2:** The credibility of an advertising message is perceived to be higher when it is located in a non-traditional advertising medium rather than a traditional advertising medium (Dahlen & Edenius, 2007).

**Hypothesis 3:** The attitude toward the advertised message is higher when it is located in a non-traditional advertising medium rather than a traditional advertising medium (Dahlen & Edenius, 2007).

In previous studies (Goodstein, 1993; Stafford & Stafford, 2002; Dahlen & Edenius, 2007) it was established that the activation of the advertising schema affects evaluations of the ad negatively as consumer's attention is dramatically reduced. Therefore, in these instances the authors have shown that the perceptions of the medium are used by consumers as additional input into the influence of the message. Dahlen and Edenius (2007) state that when the landscape of the advertised message and the newspaper content is disturbed in a non-traditional advertising medium, it is that much more difficult for consumers to form a mental representation to aid in the

interpretation of the message. In other words, the boundary between the advertised message and the surrounding context is blurred.

Dahlen and Edenius (2007) speculated that the attitude towards the medium and credibility of the medium are the motivating factors behind the consumers' perceptions of the advert stimulus. The authors go on to state that if the consumers perceive the medium as credible, they are more likely to trust the content of the medium and therefore rate the advert as more credible. The same is true for consumers' attitude towards the advert.

**Hypothesis 4:** In a non-traditional advertising medium, the contextual influence on message perceptions is greater than in a traditional advertising medium (Dahlen & Edenius, 2007).

This research question will compare the effectiveness of traditional and non-traditional advertising media to the Generation Y consumer segment. It must be noted that this research question re-visits Dahlen and Edenius's study in 2007 using different forms of traditional and non-traditional advertising media as well as specifically targeting the Generation Y consumer segment. Whilst considering the research that has been done thus far and presented above on the comparison between traditional and non-traditional advertising media, the objective of the first research question is to establish which form of media is more effective in targeting the Generation Y consumer. The next section will define, describe and discuss the Generation Y consumer.

### 2.3.2 *The Generation Y Consumer*

Noble et al. (2009) define the Generation Y segment as all individuals in the 14-31 age groups in 2008 whilst Chung et al. (2009) specify that this segment contains individuals born between 1980 and 1994. As stated in Foscht et al. (2009), Generation Y are people born between 1977 and 1995 and a more recent study conducted by Eastman and Liu (2012) in South Africa identifies this segment as individuals born between 1986 and 2005.

Generation Y consumers have grown up in a point in time where brands are just about everywhere and are therefore more comfortable and accepting of brands than previous generations and respond and react to them differently (Merrill, 1999). Wolburg and Pokrywczynski, (2001) and Noble et al. (2009) describe this segment of the population as very well educated and very lucrative due to the volume of individuals as well as their purchasing power within this segment. Taken together these two ingredients bode well to have an unprecedented impact on the economy.

Bartlett's (2004) findings suggest that the Generation Y segment contains very fickle consumers who are brand and fashion conscious and appreciate change. Heaney (2007) indicates that these consumers use the internet as part of their purchase decisions and for business transactions. Foscht et al. (2009) describe this segment as the largest segment in the world. The authors add that the Generation Y consumers are very astute, very informed and are comfortable using computers from an early age and therefore are no strangers to electronic media.

Noble et al. (2009) aimed to produce a study to explore the antecedents of the consumption behaviour of the college aged Generation Y consumer (aged 18-22). The study attempted to fill a gap in the literature around the reasons behind this segments' consumption behaviour and preferences.

The findings of Noble et al.'s (2009) study point out that matters relating to socialisation, reactance, uncertainty reduction, self-discrepancy and feelings of accomplishment and connectedness are driving factors behind these consumers' to purchase products. Some of the implications for marketers derived from the study in targeting this age group are: firstly that their advertising should focus on demonstrating the value of products and retailers as these consumers are value seeking; secondly, brand products that this segment can trust to assist them to look and feel good in their appearance and finally that alignment of the brand and consumer personality is important so that consumers can identify with the brand e.g. fun, exciting, hip, cool, stylish.

Foscht (2009) sought to examine the factors influencing the satisfaction, behavioural intentions and loyalty of the Generation Y segments' banking needs. 10-14 year olds were also included in the study as they have the potential to develop their loyalty from an early age with the aim of securing profits later. Their findings indicate that customer satisfaction and loyalty are critical issues. Satisfaction has a relationship with loyalty with all Generation Y age groups however, the intensity of loyalty differed by age group. The authors concluded that if satisfaction is high, young bank customers are more likely to be loyal to their bank, less likely to switch banks, recommend their bank to friends and make use of the banks additional products and services.

A more recent three year longitudinal study conducted by Katherine (2012) was to determine which digital marketing strategies are preferred by millennials and are effective in influencing their behaviour. The study found that this segment of consumer has a definite preference for online advertising where consumers are motivated to consistently visit websites. Insights from the study showed that this segment of consumer is visiting websites or downloading applications for shopping, keeping abreast with the latest news, entertainment and social media. The authors found that due to their profuse consumption of digital media, digital advertising is an effective means of communicating with this consumer.

However, the conundrum is that of the total advertising expenditures, only 13% is allocated to the internet, even though online advertising is becoming the fastest growing advertising medium (The Economist, 2010).

The Generation Y consumer, also known as the millennials, have been raised socialising and purchasing online and therefore been identified as a driving force behind online shopping (Katherine, 2012). Even though digital marketing brings high levels of future growth and value, brands need to ensure that the marketing strategies are appealing enough to the consumer for it to take effect.

In light of the concerns of traditional media as cited in Malthouse et al. (2007) as well as Rust and Oliver (1994), non-traditional advertising has a much bigger role to play to

keep up with the demand of consumers in this Generation. Wolburg and Pokrywczynskil (2001), Noble et al. (2009), Chung et al. (2009) and Kennedy (2001) as cited in Noble et al. (2009) and Katherine (2012) have reinforced how lucrative the Generation Y consumer segment has become and how our advertising has to keep up to their needs and demands as a consumer. That said this study hopes to gauge how well received Generation Y consumers are to non-traditional media.

### 2.3.3 *Summary of Research Question 1*

The effectiveness of non-traditional advertising media compared traditional advertising media amongst the Generation Y consumers will be researched based on the following hypothesis below. The hypothesis is largely based on the study by Dahlen and Edenius (2007). Points of differentiation include the types of non-traditional advertising media used as well as the target audience, Generation Y.

**Hypothesis 1:** The persuasive intent of an advertising message is perceived to be lower when placed in a non-traditional advertising medium rather than a traditional medium (Dalen & Edenius, 2007)

**Hypothesis 2:** The credibility of an advertising message is perceived to be higher when it is located in a non-traditional advertising medium rather than a traditional advertising medium (Dalen & Edenius, 2007)

**Hypothesis 3:** The attitude toward the advertised message is higher when it is located in a non-traditional advertising medium rather than a traditional advertising medium (Dalen & Edenius, 2007)

**Hypothesis 4:** In a non-traditional advertising medium, the contextual influence on message perceptions is greater than in a traditional advertising medium (Dalen & Edenius, 2007)

## 2.4 Non-traditional advertising media to Generation Y consumers results in higher brand loyalty

In this increasingly competitive landscape brands are the primary points of differentiation between competitive offerings and can be paramount to the success of companies of today (Wood, 2000). If companies are successful in differentiating their brand from the competitors, it is likely that consumers will be brand loyal (Bennett & Rundle-Thiele, 2005). The authors go on to state that brand loyalty is destined to languish at the bottom of the loyalty life cycle if sellers do not differentiate their brand from the competitors.

Consequently, as competition increases, Gounaris and Stathakopoulos (2004) add that sellers are becoming more desperate to develop loyalty for their brands in order to sustain and strengthen sales and market share. Loyalty thus becomes a means to an end not a cause of its own.

### 2.4.1 *The Brand*

One of the first definitions of a company orientated brand stemmed from the American Marketing Association (1960, p. 241). It was defined as “A name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors”. However, this definition has received much criticism for being biased to product orientation (Wood, 2000). A more relevant and widely accepted definition of a company orientated brand by Bennett (1988), as cited in Wood (2000), is: “A brand is a name, term, design, symbol or any other feature that identifies one seller’s good or service as distinct from those of other sellers” (p.664). This definition has been applied by Aaker (1991), Stanton et al. (1991), Doyle (1994) and Kotler et al. (1997). The new definition includes the intangible elements such as a company’s image to also be a point of differentiation. Wood (2000) emphasises that brand differentiation in a competitive market environment is of crucial importance.

Ambler (1992) has defined the consumer orientated brand as fulfilling a promise of customer satisfaction received from a bundle of attributes that a consumer purchases. Those attributes could be illusory, rational, emotional, tangible or invisible (p.664). It is clear that other brand definitions concentrate on techniques for companies to aim for differentiation and/or the benefits that customers will receive from buying the brand.

Wood (2000) has summarised the definition of a brand, highlighting a brands purpose to the owner (company) as well as merging this with this achievement through consumer benefits. The author has defined a brand as a mechanism for achieving a competitive advantage through differentiation (purpose). It is important to note that the attributes that differentiates the brand from its competitors are the benefits that consumers are attracted to and is what sustains customer satisfaction.

Both Wood (2000) and Burmann and Zeplin (2005) both describe the management of a brand to be strategic, holistic and consistent to ensure brand longevity. Burmann and Zeplin (2005) add that when it comes to brand management it is critical to not only conduct market research, strategically decide on brand architecture and positioning, and manage both advertising and media agencies however, most importantly, to also deliver on the brand promise made in brand advertising. The authors have acknowledged that this is where the consistency of the brand is kept safe which leads to credibility and longevity. The authors have defined a strong brand as one that is all encompassing of the above and where consumers purchase repeatedly and recommend the brand too.

It is envisaged that this research study will home in on the brand loyalty aspect which Burmann and Zeplin (2005) have discussed in their study. The following section delves into the literature of brand loyalty which then leads to the second hypothesis.

### 2.4.2 *Brand Loyalty*

***"Brands are at the heart of marketing and business strategy. Successful brands create wealth by attracting and retaining customers" (Doyle, 1998, p.165)***

Runyon (1980), as cited in Datta (2003), defines brand loyalty as a case of programmed decision making when customers assume a decision making strategy of giving all or most of their patronage to a particular brand (p. 355). Chaudhuri and Holhrook (2001) and Bennett and Rundle-Thiele (2005) have added to this definition of brand loyalty by saying that it is a deeply held commitment to consistently purchase and patronise a product or service despite internal or external influences. The definition of brand loyalty is also demonstrated by the willingness to recommend the brand, providing advice to the organisation and their intent to consistently re-purchase the brand.

Brand loyalty provides protection to sellers in an increasingly competitive landscape as well as greater control in planning their marketing campaigns (Kotler, 1994, p.448). Chaudhuri and Holbrook (2001), Datta (2003), Wernerfelt (1991), Pessemier (1959) and Bennett and Rundle-Thiele (2005) have described brand loyalty as an asset to any organisation because, depending on the loyalty of the customer, they are willing to pay more for a brand which leads to stronger market share and higher profits.

Noble and Noble (2000) describes Generation Y consumers as trusting and as having the ability to identify with branded products. The results of their study found that university aged Generation Y consumers embrace brands because they trust brands, have affection for brands that have proven themselves and may not be carried away with the advertising hype that brands portray. Generation Y consumers also appear willing to create permanent or lifelong relationships with these brands (Noble & Noble, 2000, p.625). Whilst this may be the case, Datta (2003) discusses the various potential reasons influencing customer loyalty towards a brand and these include convenience, reliability, environmental protection, product performance, inter-generational influence, perception, price and quality. Foscht et al. (2009) went on to assess the outcomes of the Generation Y customers' loyalty more specifically around their banking needs. The

authors found that the determinants of satisfaction, loyalty and behavioural intention are primarily affected by the satisfaction of employees and the services that the banks rendered. The study indicates that brands need to be cognisant of the needs of the Generation Y consumer in order to increase their satisfaction and loyalty.

In a more recent study, Hong-Youl Ha et al. (2011) takes the concept of customer perception presented by Data (2003) and discusses its influence to shape brand loyalty and even further, the effect of advertising in customer perception and thereby shaping the loyalty of the brand. The study conducted by Hong-Youl Ha et al. (2011) attempted to provide a complete picture of the role of advertising spending in building brand loyalty. The results from the study show that brand loyalty is indirectly affected via positively enhancing store image and perceived quality through increased advertising spending. The managerial implications of the study propose that firstly, in order to eventually strengthen the brand loyalty, marketers should focus on advertising that creates and enhances the consumers' knowledge structures pertaining to the brand and secondly, that if this is done with positive quality themes this would similarly influence brand loyalty via positive effects on perceived quality and satisfaction (Hong-Youl Ha et al., 2011, p. 677).

**Brand loyalty and advertising**

Brand loyalty is a catalyst for business to ensure sustainable competitive advantages and is therefore a key concept in marketing today (Schiffman & Kanuk, 2009). The definition of brand loyalty above highlights two constructs of brand loyalty that have been described in previous studies: behavioural brand loyalty and attitudinal brand loyalty (Day, 1969; Aaker, 1991; Jacoby & Kyner, 1973; Jacoby & Chestnut, 1978; Oliver, 1999). Behavioural, also termed purchase, loyalty consists of repurchase behaviour, purchase frequency and switching habits, whereas attitudinal brand loyalty consists of customer attitude, commitment and intention to recommend. Bennett and Thiele (2002) also defined attitudinal loyalty with measures of attitude towards brand or measures of acts of repurchasing the brand. Schloffer et al. (2009) adds that

developing and maintaining loyalty increases profits through consumers' positive word of mouth, repeat patronage and reduced sensitivity to price.

Chaudhuri and Holbrook (2001) and Day (1969) have specifically drawn attention to the effects of advertising in the creation of building loyalty in brands. Chaudhuri and Holbrook (2001) examined both behavioural/purchase loyalty and attitudinal loyalty in the role of brand loyalty. The authors found that behavioural/purchase loyalty leads to greater market share and attitudinal loyalty leads to a higher relative price for the brand.

Agarwal (1996) demonstrated how advertising positively affects brand loyalty and Yang et al. (2005) added that brands use repeat advertising to encourage repeat purchasing. Their research shows that as consumers are exposed to adverts, their awareness levels of the adverts increase and are therefore inevitably more aware of the brands as the brand is core to the advertisement. Given the first four propositions above and the literature surrounding the advertising schema, this study also shows how advertising impacts brand loyalty.

Human et al. (2011) found that advertising (specifically outdoor advertising) created advertising awareness, cognitive image and affective image contributes to the relationship between brand awareness and brand trust, and brand awareness and brand affect. The authors found that an emotional response needs to be evoked through advertising so that a cognitive response is elicited. This will drive up brand trust and brand affect. Because brand trust and brand affect are longer term in nature, they are usually developed over time and consumers may need to develop a relationship with the brand.

It has been suggested in previous studies that brand loyalty includes some degree of predisposition commitment toward a brand (Jacoby & Chestnut, 1978; Chaudhuri & Holbrook, 2001). Therefore, in this study, behavioural/purchase loyalty and attitudinal loyalty are considered.

**Hypothesis 5:** Purchase loyalty is higher in non-traditional advertising mediums rather than traditional advertising mediums

**Hypothesis 6:** Attitudinal loyalty is higher in non-traditional advertising mediums rather than traditional advertising mediums.

### 2.4.3 *Emerging Markets*

Emerging Markets refers to the emerging economies of Asia, Africa, South America, and Eastern Europe. These countries are also referred to as the “third world countries,” “less developed countries,” “less affluent world,” “developing countries,” and “transitional economies” in the literature (Dholakia & Talukdar 2004). As multinationals from emerged or developed countries venture into the emerging economies due to the sheer volume and buying potential of consumers, a better understanding of the consumer and an evaluation of their consumption in emerging countries becomes increasingly important. This level of data can be used as intelligence to companies and guide marketing strategy.

In addition, Burgess and Steenkamp (2006) pointed out that the learnings and knowledge of most marketing phenomena is derived exclusively from research conducted in high income and industrialised countries. It is therefore vital to conduct more research in emerging markets to discover learnings and add to the knowledge base pertaining to this market.

Human et al. (2001) indicates that brand loyalty and its relationship with advertising has been studied in emerged markets however, similar work in emerging markets appears scant.

## 2.5 Conclusion of Literature Review

Taken together, the literature review reveals the importance of the loyalty of the Generation Y consumer in maintaining a continuous revenue stream throughout the

lifecycle of the customer thereby increasing market share and shareholder profits. The pursuit of addressing this recent dynamic is what underlies this research study. Based on the literature presented sellers should use more creative and modern ways to communicate and advertise to the Generation Y consumer in order to increase brand loyalty. Non-traditional advertising media has emerged as a new paradigm and making in-roads by more and more sellers every year in light of the new empowered consumer. The literature does present a gap in getting a better understanding of the effects for sellers to employ non-traditional advertising media to influence brand loyalty positively to the Generation Y consumer.

### 2.5.1 *Research Question 1: Generation Y consumers are more inclined to respond to non-traditional advertising media compared traditional advertising media*

**Hypothesis 1:** The persuasive intent of an advertising message is perceived to be lower when placed in a non-traditional advertising medium rather than a traditional medium (Dahlen & Edenius, 2007)

**Hypothesis 2:** The credibility of an advertising message is perceived to be higher when it is located in a non-traditional advertising medium rather than a traditional advertising medium (Dahlen & Edenius, 2007)

**Hypothesis 3:** The attitude toward the advertised message is higher when it is located in a non-traditional advertising medium rather than a traditional advertising medium (Dahlen & Edenius, 2007)

**Hypothesis 4:** In a non-traditional advertising medium, the contextual influence on message perceptions is greater than in a traditional advertising medium (Dahlen & Edenius, 2007)

### 2.5.2 *Research Question 2: Non-traditional advertising media results in a higher brand loyalty amongst the Generation Y consumer segment.*

**Hypothesis 5:** Purchase loyalty is higher in non-traditional advertising mediums rather than traditional advertising mediums

**Hypothesis 6:** Attitudinal loyalty is higher in non-traditional advertising mediums rather than traditional advertising mediums.

# CHAPTER 3. RESEARCH METHODOLOGY

In this section of the study, the methodology used to conduct this research is considered. The literature around quantitative research will be discussed first, followed by a review of the research design and research instrument that was used in this study. Information around the data collection, data analysis, the validity and reliability of this study will then be discussed.

## 3.1 Research methodology /paradigm

Positivist epistemology sees observable evidence as the only form of defensible scientific findings. Hope and Waterman (2003) add that valid research is confirmed only by the degree of proof that it can link to the phenomena for which the study results stand. Halcomb and Andrew (2005) further contributed that the positivist philosophical paradigm is identified as logical and based on strict rules of logic and measurement, absolute principles, truth and prediction. In light of the logical and objective realities of this research school of thought, positivism is applicable for this research because its takes a quantitative approach to investigating phenomena.

This study aims to investigate the medium of advertising which is most effective in increasing brand loyalty. The research takes a quantitative approach which tests objective theories through the examination of the variables (Creswell, 2005). Bryman (2012) defines this approach as the collection of numerical data exhibiting a view of the relationship between theory and research as deductive whilst also having an objectivist view on the objects studied.

Wegner (2000) describes how statistical methods are used to analyse data in quantitative research. The author proceeds to add that the methods of statistical inference enable the reader of the research to establish the bounds of reliability of the sampled population. Payne (2011) describes the quantitative research method is also

described as research that is convenient, controlled and a relatively inexpensive methodology.

Gounaris and Stathakopoulos (2004) and Dahlen et al. (2009) have used a quantitative research method in their respective studies. Gounaris and Stathakopoulos (2004) used a quantitative research method to test relationships among characteristics associated with the consumer, the brand, the social environment, four types of loyalty and four types of consumer-related behaviours. Dahlen et al. (2009) used this method to test the consumer-perceived value of non-traditional media.

Due to the statistical makeup of the research questions in this study and the delivery of data in the form of numbers and statistics; coupled with a controlled, convenient and relatively inexpensive environment, a quantitative approach is best suited to this study.

## 3.2 Research Design

Trochim and Land (1982) defined quantitative research design as the glue that holds the research project together. In order to structure the research, one needs to focus on the design. The authors go on to state that it's important to indicate how all of the major components (the sample, measures, research instrument, analysis and collection) work together to try to address the central research questions (Trochim & Land, 1982, p. 1).

Four key features were described by Crotty (1998) to consider in research design: "the epistemology that informs the research, the rational stance underlying the methodology in question, the methodology itself, and the techniques and procedures used in the research design to collect data" (p. 148).

Following the literature review above, the focus of this study is twofold. The first is to discover the preference of traditional and non-traditional marketing amongst Generation Y consumers. The next is to determine their level of brand loyalty on non-traditional advertising media. The research will be deductive in nature and inferences from the

statistical tests will lead to general inferences of the Generation Y population in question.

Katherine's (2012) exploratory study included surveying millennials over a three-year period aiming to find preferences and trends in online behaviour. It is clear that their study exemplifies the need for digital marketing strategies that attract and engage Millennials, which additional research will inform.

This study employed a research design using social survey research instruments which involved hypothesis testing. Due to the clarity of the research questions presented in the literature review, the design of the survey aimed to improve the precision of the answers; as well as the analysis of the data that was generated from the survey, this research design approach was best suited to the research aims and objectives.

Respondents will be surveyed on the effectiveness of traditional and non-traditional advertising media, as well as the ability of non-traditional media to increase brand loyalty in the Generation Y consumer segment.

## 3.3 The research instrument

Saunders and Lewis (2012) define the term questionnaire as a data collection method where potential respondents are asked to answer the same set of questions in the same order (p.141).

The authors go on to describe questionnaires as a good method for collecting data about the same things from large number of respondents. Due to the standardisation of the questionnaire and the fact that a large number of respondents can participate, the data can be analysed statistically to provide for a reasonable study.

A survey questionnaire was designed to collect data regarding the respondents' preferences, thoughts and behaviours. The questionnaire provides the correct data to answer the research questions specified above and meet the objectives of the study.

This is referred to as content validity (Saunders & Lewis, 2012). A pilot research was conducted to test for reliability.

An online questionnaire was designed on Qualtrics and the link was emailed to the researcher's sample, with a covering letter introducing the survey. In order to increase the response rate of the research sample, the online survey was also printed and distributed to University students to complete on paper-based questionnaire. The mix of responses included both online and paper.

Two brands were selected for the study, Nike and Red Bull. The rationale behind the choice of brands was that it needed to resonate with the Generation Y target market. The brands that were used in the study were featured in the Brandz Top 100 Most Valuable Brands 2014 with Nike rated 34 and Red Bull 92 out of 100. Both brands have a presence in South Africa and are seen to primarily target the Generation-Y consumer through their advertising. A traditional and a non-traditional advert were selected per brand.

The first research question re-visits Dahlen and Edenius's study in 2007 using different forms of traditional and non-traditional advertising media.

The respondents were required to complete four questions which addressed and measured the following variables which were outlined in the proposition:

- Ad Credibility
- Ad Attitude
- Medium Credibility
- Medium Attitude
- Persuasive Intent
- Purchase loyalty
- Attitudinal loyalty

The Ad credibility was measured with a three item semantic differential scale (1-7) which has been previously used by MacKenzie and Lutz (1989) and Dahlen and Edenius (2007). The items on the scale were convincing/unconvincing, believable/unbelievable and biased/unbiased. Medium credibility was also measured using the same technique, except the respondents were asked to rate the medium instead of the ad, taken from Dahlen and Edenius (2007).

The attitude toward the ad was measured with a three item semantic differential scale (1-7). The measure was taken from MacKenzie and Lutz (1989) and Dahlen and Edenius (2007). The following items were used on the scale: good/bad, pleasant/unpleasant, favourable/unfavourable. Attitude toward the medium was also measured using the same technique, except the respondents were asked to rate the medium instead of the ad, also taken from Dahlen and Edenius (2007).

Persuasive intent was measured with three items on a seven-point likert scale (1= strongly disagree, 7= strongly agree). The measure was taken from MacKenzie and Lutz (1989) and Dahlen and Edenius (2007). The following items were used on the scale: “the purpose of the placement is to sell more product”, “it is a commercial message”; “it wants you to purchase the product”.

Behavioural or purchase loyalty was measured with three items on a seven- point Likert scale (1= strongly disagree, 7= strongly agree). The measure was taken from Foscht and Schloffer et al (2009). The construct was measured using intention of purchase, repurchase and switch brands.

Attitudinal loyalty was measured with three items on a seven-point Likert scale (1= strongly disagree, 7= strongly agree). The measure was taken from Foscht and Schloffer et al (2009) and Human et al (2011). The construct was measured using customer attitude, commitment and intention to recommend the brand.

Finally in an exploratory attempt, the researcher measured the categorisation of the ad as advertising. This measure was taken from Dahlen and Edenius (2007).

Respondents were asked how readily they identify the placement as advertising on a rating out of 100.

## 3.4 Population and sample

### 3.4.1 *Population*

Parahoo (1997) defined the population as the total number of units from which data can be collected and Stopher (2012) defined the population of the research study as the entire collection of elements of concern in a given situation (Stopher, 2012, p.6). The author also uses the term universe as a synonym for population. Therefore, if the elements of concern are Generation Y consumers then the population of the study included all the Generation Y consumers in Johannesburg at the time the study was conducted.

### 3.4.2 *Sample and sampling method*

The sample is defined as the subset of the population and the sampling frame is the list of all members of the target population (Stopher, 2012, p. 266). Due to the large population size that has been identified for this study i.e. Generation Y consumers in Johannesburg at the time of the study, it is necessary to sample this target market from the sampling frame to achieve an acceptable representative sample.

Noble et al. (2009) conducted their study with a subset of the Generation Y consumers in the United States of America at the time of the study. Respondents were United States college students, 18-22 years old that attended universities in four states namely Mississippi, Missouri, Texas and Florida. Noble et al. (2009) used quota sampling to obtain more information of factors driving college age Generation Y students. Quota sampling is a non-random sampling method and is defined by Stopher (2012) as a number of samples that are taken from sub groups of the population. The author goes on to state that this sampling method is considered an inexpensive approach.

Human et al. (2011) conducted their study using the convenience sampling technique. Convenience sampling is a non-probability technique that is based on the judgement of the researcher and the units included in the sample were the easiest to access. Human et al. (2001) studied consumers at the bottom end of the pyramid and, due to their substantial economic constraints, they typically seek the most cost effective way to commute. Therefore, the researchers chose to conduct their study at commuter hubs in an attempt to capture the audience who met their criteria.

This study used a non-probability sampling technique to sample 87 respondents from the Johannesburg region. A convenience sampling approach was followed to obtain the representation of students from the age and gender brackets under investigation. The University was chosen using the convenience sampling technique as it provided a relatively well captured audience for selecting respondents who met the criteria.

**Table 1: Profile of respondents**

| **Description of Respondent** | **Number of respondents** |
|---|---|
| University students between the ages of 18 and 30 | 87 |

## 3.5 Pilot research

The rationale for a pilot research was to test the reliability and validity of the research instrument.

### 3.5.1 *Methodology of pilot research*

The respondents were a convenience sample made up those that are in accordance with the requirements stipulated for the study. Thirty questionnaires were emailed to 30 respondents of which there was a ten per cent response rate. The questionnaire was

emailed from the researchers personal email address with a link to Qualtrics. An introduction was included on the message of the email. This explained the reasoning for the research, informed the respondents that they are the pilot sample, the time it would take to complete the survey and that results can be shared upon request.

### 3.5.2 *Analysis of the pilot research*

Ten respondents completed the pilot research. Findings from the pilot research were as follows:

- The results showed that the number of adverts needed to reduce from four to two to minimise respondent fatigue. Respondents opposed the time it took to survey four adverts (two traditional and two non-traditional adverts).
- The results showed that the wording of a question needed to be edited to improve validity.

## 3.6 Procedure for data collection

Data was collected through paper based questionnaires and a survey online. Paper-based questionnaires were distributed to University students who fit the research criteria. The online questionnaire was distributed to respondents who were eligible for the study through email with a hyperlink to the actual questionnaire. In instances, an introduction and the intention of the research was specified along with relevant definitions of key constructs. An indication of time was also provided.

The questionnaire can be located in Appendix A.

## 3.7 Data analysis and interpretation

The gathered data for the research was collected was captured on Microsoft Excel and then imported into SAS where the variables were analysed and compared.

The study examined the relationships between variables using the following statistical techniques:

- Descriptive statistics (Mean, standard deviation)
- Wilcoxon Ranked Sums Test

### 3.7.1 Descriptive statistics

The descriptive statistics summarise and describe the basic features of the data obtained from a study. This includes information about age and gender. Hair et al (1995), Zikmund (2003) and Saunders and Lewis (2012) refer to multivariate data analysis as the simultaneous analysis of multiple (three or more) variables under investigation. Rencher (2002) adds that the multivariate approach enables us to explore the joint performance of the variables and determine the effect of each variable in the presence of the others.

Due to the numeric data split into more than three groups using a categorical variable, the intention was to use multiple analysis of variance (MANOVA) in this study to examine the difference amongst the variables which represents the probability of the differences between the values in the groups occurring by chance (Saunders & Lewis 2012, p.180). However based on unacceptable normality, a non-parametric test was used to measure significance of the ranks. This test is called the Wilcoxon Ranked Sums test.

### 3.7.6 Wilcoxon Ranked Sums Test

The foundation on which many parametric statistical tests are derived assumes that the variables sampled are normally distributed (Zumbo & Zimmerman, 1993). The authors add that the variables should be independently and identically distributed.

Non-parametric rank tests (e.g., Wilcoxon Rank Sum tests) are described by Bridge (1996) as having the ability to analyse original rank data (ordinal scale) in addition to transforming higher level variables (interval or ratio) to order or rank data. Runyon & Haber (1991) consider this test to be one of the most powerful non-parametric tests.

## 3.8 Limitations of the study

The two potential limitations that have been identified include:

- The exclusion of other age groups/segments in the sample of Generation Y sample,
- The independent and dependent variables are measured by respondent's perceptions of the advertising and does not include their actual behaviours and purchase history of products and/or services of the brand. However, due to the time constraints a longitudinal study was not an option to consider.

## 3.9 Validity and reliability

Research can be affected by different kinds of factors which could potentially render this research study invalid (Saunders and Lewis, 2012). Hence, it was critical that all factors that could threaten the validity of the research were eliminated.

### 3.9.1 *External validity*

External validity is defined as the capability to generalise from a study to a larger population (Kalof, 2008). The research study measured a subset of the Generation Y consumer segment. In order to ensure external validity, the study was conducted using a sample size of 150 of which 87 successfully completed the survey. Two mediums were used in this study, paper based and web-based questionnaires. This ensured that there was a large and diverse pool of respondents. Strategic marketers and academics interested in this consumer segment will find value in this study.

### 3.9.2 *Internal validity*

Internal validity is determined by whether the experimental treatment was the sole cause of changes in the dependent variable (Zikmund, 2003). Kalof's (2008) definition

of internal validity is: ability of the study to draw appropriate conclusions from the data. The study ensured internal validity by guaranteeing that only one version of the questionnaire was emailed to respondents during the data collection period. The adverts were also reviewed by an experienced marketing lecturer at the University who is familiar with the constructs and variables used in the study. This review was to ensure that the content was correct in accordance to the research questions and would be applicable, suitable and would appeal to the target market used in the study.

The table two below shows the measures, items and sources on which the questionnaire was based. Given the well cited literature on brand loyalty, items were adapted from Chaudhuri and Holbrook (2001), Foscht et al. (2009) and, Human et al. (2011). Existing literature on advertising effectiveness was adapted from Makenzie and Lutz (1989) and Dahlen and Edenius (2007). Minor changes were made to the items so that it was applicable to the South African market.

**Table 2: Study measures**

| **Measure** | **Items** | **Adapted from (source)** | **Test for Validation** |
|---|---|---|---|
| Attitude towards Advert | Good/bad, pleasant/unpleasant, favourable/unfavourable | Makenzie & Lutz (1989); Dahlen & Edenius (2007) | LISREL (Refer to Makenzie & Lutz, 1989) |
| Credibility of Advert | Convincing/unconvincing, believable/unbelievable, biased/unbiased | Makenzie & Lutz (1989); Dahlen & Edenius | LISREL (Refer to Makenzie & Lutz, 1989) |

| | | | |
|---|---|---|---|
| | | (2007) | |
| Persuasive intent of Advert | It wants you to purchase the product; it is a commercial message; the purpose of the placement is to sell more product | Dahlen & Edenius (2007) | (Refer to Dahlen & Edenius, 2007) |
| Contextual Influence of Advert | Differences in the credibility of the medium x credibility of the ad and the attitude towards the medium x attitude towards the ad correlations | Dahlen & Edenius (2007) | (Refer to Dahlen & Edenius, 2007) |
| Behavioural/Purchase Loyalty | The ad inspires you to buy this brand the next time you buy [brand name]; the Ad inspires you to keep purchasing this brand; the ad inspires you to switch to this brand the next time you buy [brand name] | Chaudhuri & Holbrook (2001) | Confirmatory factor analysis with LISREL 8.14 |
| | | Foscht et al (2009) | Factor Analysis |
| Attitudinal Loyalty | The ad enhances your commitment to this brand; the Ad enhances your willingness to pay a higher | Chaudhuri & Holbrook (2001) | Confirmatory factor analysis with LISREL 8.14 |

| | | | |
|---|---|---|---|
| | price for this brand; you would recommend this brand to your friends | Human et al (2011) | Confirmatory Factor Analysis |
| | | Foscht et al (2009) | Factor Analysis |

### 3.9.3 *Reliability*

Reliability is a measure of the internal consistency of an instrument across similar scale items (Kayes, 2005). Prior research has generally supported Cronbach Alphas in the acceptable range of 0.8-0.87 to ensure internal reliability (Kayes, 2005). Reliability was verified using Cronbach's coefficient alpha. Both the web-based and paper-based questionnaires were self-administered.

In order to obtain this result, a pilot research was circulated to a closed group. The pilot research intended to identify any gaps in the questions, assess the ease of using the instrument and ensure that it is free from error and derives consistent results.

The table below shows the reliability of all the constructs in the study. Each construct is an average of three questions or items.

**Table 3: Reliability of constructs (N=87)**

| **Variables** | **Items** | **Items left out** | **Cronbach** | **Reliability** |
|---|---|---|---|---|
| **Traditional adverts: Nike and Red Bull** | | | | |

| | | | | |
|---|---|---|---|---|
| Construct 1: Attitude towards advert | 3.1.1, 3.1.2, 3.1.3 | None | 0.9235 | Good |
| Construct 2: Credibility of advert | 3.1.4, 3.1.5, 3.1.6 | 3.1.6 | 0.8587 | Good |
| Construct 3: Attitude towards medium | 3.2.1, 3.2.2, 3.3.3 | None | 0.8934 | Good |
| Construct 4: Credibility of medium | 3.2.4, 3.2.5, 3.2.6 | 3.2.6 | 0.9488 | Good |
| Construct 5: Persuasive intent of advert | 3.3.1, 3.3.2, 3.3.3 | None | 0.7896 | Acceptable |
| **Non-traditional adverts: Nike and Red Bull** | | | | |
| Construct 1: Attitude towards advert | 4.1.1, 4.1.2, 4.1.3 | None | 0.9341 | Good |
| Construct 2: Credibility of advert | 4.1.4, 4.1.5, 4.1.6 | 4.1.6 | 0.9459 | Good |
| Construct 3: Attitude towards medium | 4.2.1, 4.2.2, 4.2.3 | None | 0.9415 | Good |
| Construct 4: Credibility of | 4.2.4, 4.2.5, 4.2.6 | 4.2.6 | 0.9316 | Good |

| | | | | |
|---|---|---|---|---|
| medium | | | | |
| Construct 5: Persuasive intent of advert | 4.3.1, 4.3.2, 4.3.3 | None | 0.9009 | Good |

The internal consistency of responses was assessed by Cronbach's alpha. In Table 2, each construct is listed together with the items that are part of the construct, items left out, the Cronbach Alpha value (0.90) and interpretation of reliability.

Reliability estimates for the traditional adverts were 0.92, 0.86 for attitude towards advert and credibility of advert respectively. The attitude towards the medium and credibility of the medium reliability estimates were 0.89, 0.95 respectively. This indicated good reliability. Acceptable reliability was estimated for persuasive intent for the traditional advert at 0.79.

Good reliability was shown for the same constructs under non-traditional advertising media. Attitude towards advert and credibility of advert was 0.93 and 0.95 respectively. Attitude towards the medium and credibility of the medium advert was 0.94 and 0.93 respectively. Persuasive intent of the advert showed good reliability at 0.90.

In both the traditional and non-traditional adverts, items 3.1.6 and 3.2.6 had to be removed in order to show a good reliability. The semantic differential scale was used where respondents had to rate if the advert was biased or unbiased. This was however misunderstood largely by respondents in the main study. Therefore, the item was removed.

In summary, the Cronbach Alphas scores met the research requirement to be considered reliable and internally consistent. Kayes (2005) supports Cronbach Alphas in the acceptable range of 0.8-0.87. In this study the Cronbach Alphas ranged between 0.79 – 0.95.

## 3.10 Demographic profile of respondents

### 3.10.1 *Gender*

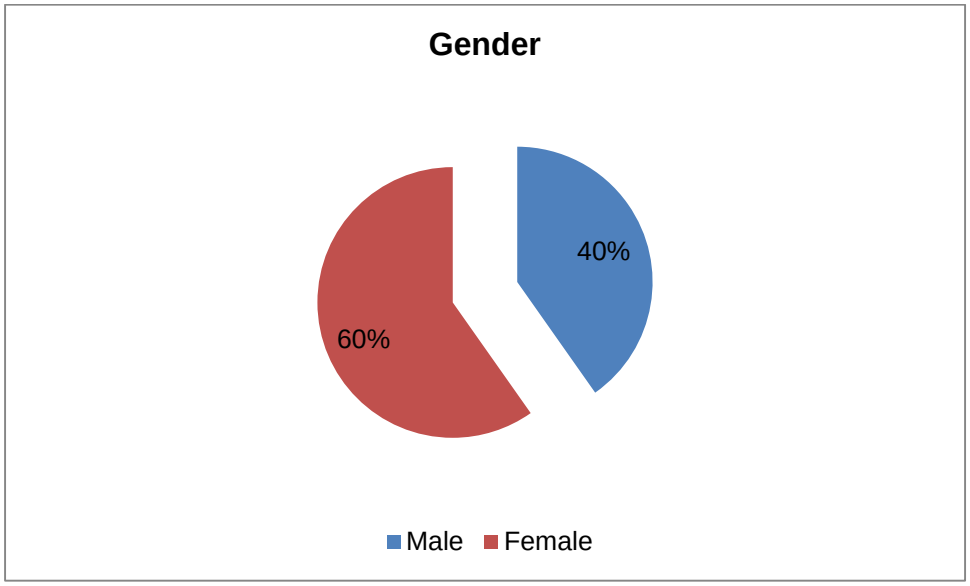


**Figure 1: Gender split of respondents**

The majority of the respondents were female and made up 60% of the sample and whereas 40% were male. This was expected as it is indicative of the general gender statistic of the PDM class at the University.

### 3.10.2 *Age*

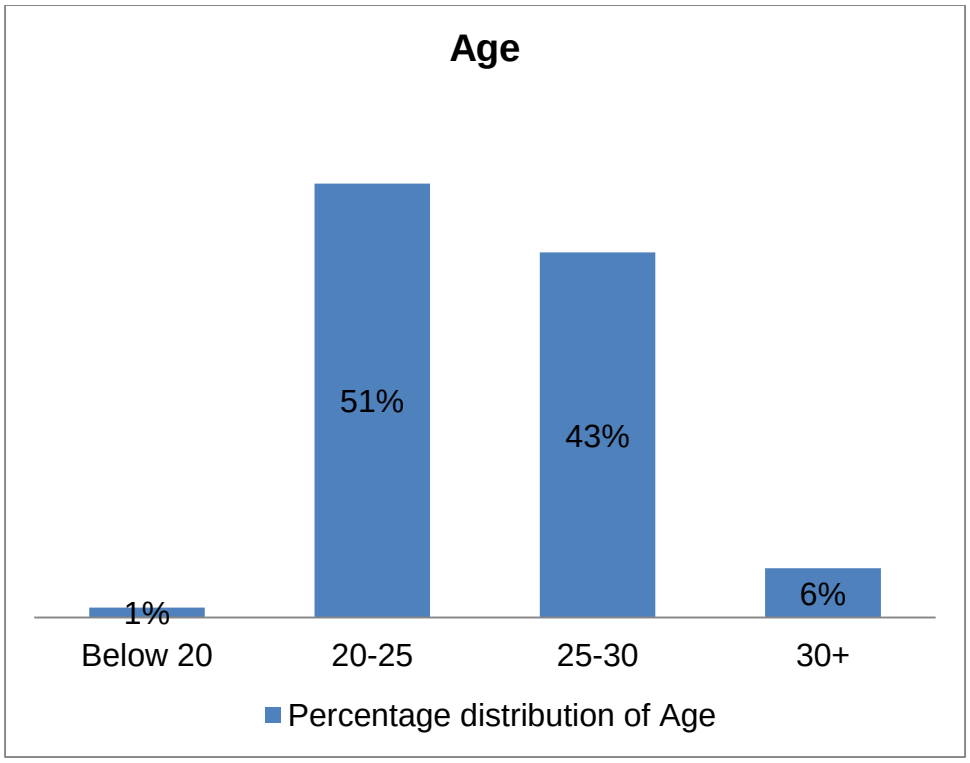


**Figure 2: Age split of respondents**

The age cohort was acceptable and in accordance with the requirements of the Generation-Y segment. A total of 87 respondents were surveyed of which approximately 93% of the respondents were between the ages of 20 and 30 years old.

### 3.10.3 *Survey questionnaire type*

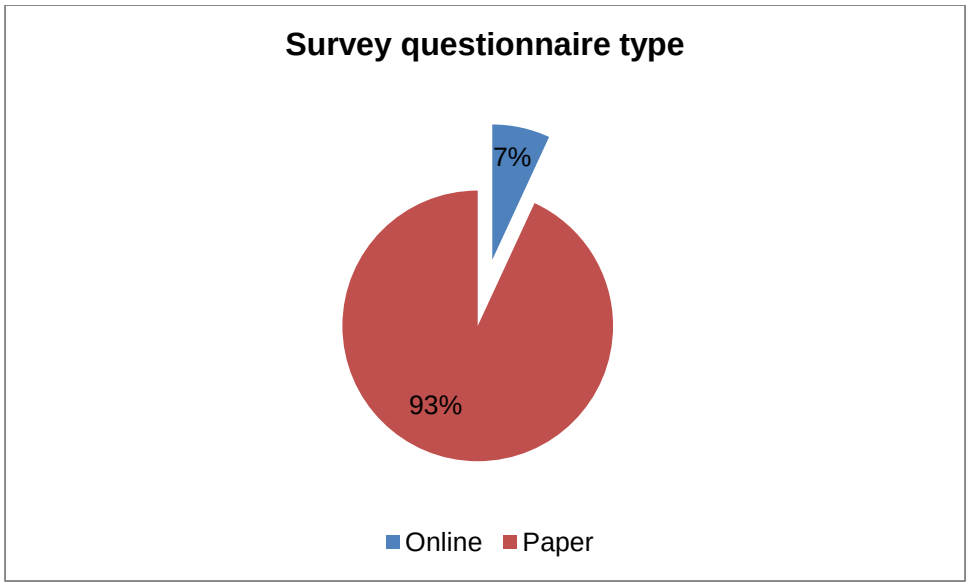


**Figure 3: Survey questionnaire type**

The majority of the respondents completed paper-based surveys 93% versus 7% web-based questionnaires. This is in accordance with the researchers expectations given the majority of respondents were full time PDM students at the University.

### 3.10.4 *Brands*

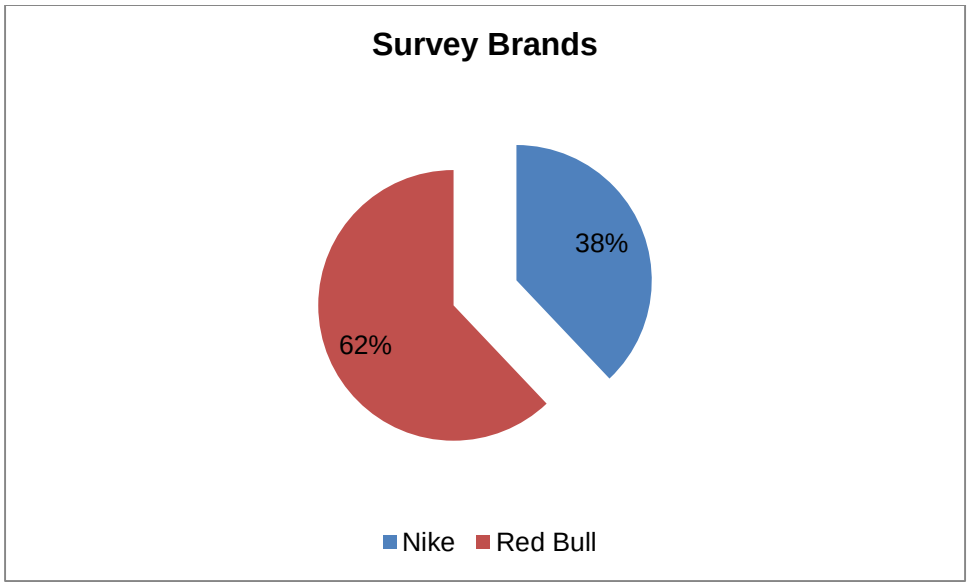


**Figure 4: Survey Brands**

A traditional advert and non-traditional advert was shown for each brand: Nike and Red Bull. The results indicated that 62% (54) of the respondents completed the Red Bull survey and 38% (33) completed the Nike survey.

# CHAPTER 4. PRESENTATION OF RESULTS

## 4.1 Introduction

A survey questionnaire was used to collect data for the research. A web based and paper based survey was created and distributed to a sub-set of Generation-Y consumers in Johannesburg. The convenience sample constituted mainly University students who are currently completing a full time PDM certification at the Wits Business School. Eighty seven valid questionnaires were received from the study.

## 4.2 Results pertaining to Research Question 1

***Generation Y consumers are more inclined to respond to non-traditional advertising media compared traditional advertising media***

### 4.2.1 *Introduction*

The effect of traditional advertising media versus non-traditional advertising media is of particular importance in this research question. The results begin with the presentation of the survey. Each construct is presented with the percentage distribution of the respondents' response. This is then followed by the presentation of the means and standard deviations.

### 4.2.2 *Descriptive Statistics*

Research question one had four hypotheses. Each variable is presented with the percentage distribution of the respondents' response.

### Persuasive Intent of the Advert

Delving into the data and tabled below, it revealed that for the Nike traditional advert, 70% of respondents felt that the purpose of the advert was to sell more products, 82% responded that it was a commercial message and 63% felt the advert persuaded them to purchase the product. The Nike non-traditional advert revealed the following: 82% of respondents felt that the purpose of the advert was to sell more products, 91% responded that it was a commercial message and 82% felt the advert persuaded them to purchase the product.

Similarly, the data revealed that for the Red Bull traditional advert, respondents were persuaded more with the non-traditional advert than the traditional advert.

### Table 4: Persuasive intent of advert - survey responses

| **Persuasive Intent of Advert (H1)** | **% of Total** | **% of Total** | **% of Total** | **% of Total** | **% of Total** | **% of Total** | **% of Total** |
|---|---|---|---|---|---|---|---|
| **Nike Traditional Advert** | **1** | **2** | **3** | **4** | **5** | **6** | **7** |
| The purpose of Ad is to sell more product | 3.03% | 3.03% | 15.15% | 9.09% | 27.27% | 36.36% | 6.06% |
| It is a commercial message | 6.06% | 3.03% | 6.06% | 3.03% | 30.30% | 36.36% | 15.15% |
| The Ad persuades you to purchase the product | 6.06% | 12.12% | 6.06% | 12.12% | 36.36% | 21.21% | 6.06% |
| **Nike Non-traditional Advert** | **1** | **2** | **3** | **4** | **5** | **6** | **7** |
| The purpose of Ad is to sell more product | 9.09% | 3.03% | 3.03% | 3.03% | 12.12% | 33.33% | 36.36% |
| It is a commercial message | 3.03% | 3.03% | 3.03% | 0.00% | 15.15% | 36.36% | 39.39% |
| The Ad persuades you to purchase the product | 9.09% | 6.06% | 3.03% | 0.00% | 9.09% | 42.42% | 30.30% |

| **Red Bull Traditional Advert** | **1** | **2** | **3** | **4** | **5** | **6** | **7** |
|---|---|---|---|---|---|---|---|
| The purpose of Ad is to sell more product | 1.85% | 1.85% | 0.00% | 16.67% | 44.44% | 31.48% | 3.70% |
| It is a commercial message | 1.85% | 1.85% | 5.56% | 14.81% | 44.44% | 31.48% | 0.00% |
| The Ad persuades you to purchase the product | 1.85% | 9.26% | 5.56% | 5.56% | 31.48% | 38.89% | 7.41% |
| **Red Bull Non-traditional Advert** | **1** | **2** | **3** | **4** | **5** | **6** | **7** |
| The purpose of Ad is to sell more product | 7.41% | 1.85% | 0.00% | 5.56% | 22.22% | 38.89% | 24.07% |
| It is a commercial message | 3.70% | 3.70% | 0.00% | 11.11% | 27.78% | 35.19% | 18.52% |
| The Ad persuades you to purchase the product | 3.70% | 5.56% | 5.56% | 1.85% | 25.93% | 29.63% | 27.78% |

## Credibility of the advert

The results revealed that respondents found both the traditional and non-traditional adverts for Nike credible however, the non-traditional advert scored higher than the traditional advert. Similarly, Red Bull non-traditional credibility of the advert scored higher than the traditional advert.

## Table 5: Credibility of advert - survey responses

| **Credibility of advert** | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| **Nike Traditional Advert** | % of Total | % of Total | % of Total | % of Total | % of Total | % of Total | % of Total |
| Unconvincing - Convincing | 0.00% | 3.03% | 3.03% | 6.06% | 36.36% | 24.24% | 27.27% |
| Unbelievable - Believable | 0.00% | 0.00% | 6.06% | 9.09% | 27.27% | 39.39% | 18.18% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Unbiased - Biased | 27.27% | 15.15% | 15.15% | 15.15% | 15.15% | 9.09% | 3.03% |
| **Nike Non-traditional Advert** | | | | | | | |
| Unconvincing - Convincing | 0.00% | 0.00% | 3.03% | 3.03% | 3.03% | 30.30% | 60.61% |
| Unbelievable - Believable | 0.00% | 0.00% | 3.03% | 0.00% | 9.09% | 24.24% | 63.64% |
| Unbiased - Biased | 39.39% | 9.09% | 9.09% | 12.12% | 9.09% | 18.18% | 3.03% |
| **Red Bull Traditional Advert** | | | | | | | |
| Unconvincing - Convincing | 1.85% | 9.26% | 14.81% | 24.07% | 25.93% | 18.52% | 5.56% |
| Unbelievable - Believable | 1.85% | 7.41% | 14.81% | 25.93% | 25.93% | 18.52% | 5.56% |
| Unbiased - Biased | 37.04% | 9.26% | 9.26% | 24.07% | 9.26% | 9.26% | 1.85% |
| **Red Bull Non-traditional Advert** | | | | | | | |
| Unconvincing - Convincing | 1.85% | 0.00% | 3.70% | 12.96% | 16.67% | 18.52% | 46.30% |
| Unbelievable - Believable | 1.85% | 0.00% | 5.56% | 12.96% | 12.96% | 22.22% | 44.44% |
| Unbiased - Biased | 35.19% | 7.41% | 9.26% | 12.96% | 14.81% | 11.11% | 9.26% |

### Attitude towards the advert

The results revealed in table 11 below show that respondents had a positive attitude towards the both the traditional and non-traditional adverts for Nike however, the non-

traditional advert scored higher than the traditional advert. Similarly Red Bull non-traditional attitude towards the advert scored higher than the traditional advert.

**Table 6: Attitude towards Advert – survey responses**

| **Attitude towards advert** | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| **Nike Traditional Advertising Media** | % of Total | % of Total | % of Total | % of Total | % of Total | % of Total | % of Total |
| Bad – Good | 0.00% | 0.00% | 0.00% | 12.12% | 24.24% | 33.33% | 30.30% |
| Unpleasant - Pleasant | 0.00% | 0.00% | 3.03% | 9.09% | 33.33% | 33.33% | 21.21% |
| Unfavourable - Favourable | 0.00% | 0.00% | 3.03% | 9.09% | 33.33% | 33.33% | 21.21% |
| **Nike Non-Traditional Advertising Media** | | | | | | | |
| Bad – Good | 0.00% | 0.00% | 0.00% | 0.00% | 3.03% | 21.21% | 75.76% |
| Unpleasant - Pleasant | 0.00% | 3.03% | 0.00% | 0.00% | 3.03% | 27.27% | 66.67% |
| Unfavourable - Favourable | 0.00% | 3.03% | 0.00% | 0.00% | 3.03% | 27.27% | 66.67% |
| **Red Bull Traditional Advertising Media** | | | | | | | |
| Bad - Good | 0.00% | 1.85% | 11.11% | 20.37% | 50.00% | 12.96% | 3.70% |
| Unpleasant - Pleasant | 0.00% | 0.00% | 11.11% | 37.04% | 38.89% | 9.26% | 3.70% |
| Unfavourable - Favourable | 1.85% | 0.00% | 11.11% | 29.63% | 38.89% | 12.96% | 5.56% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Red Bull Non-Traditional Advertising Media** | | | | | | | |
| Bad - Good | 0.00% | 1.85% | 1.85% | 7.41% | 11.11% | 22.22% | 55.56% |
| Unpleasant - Pleasant | 0.00% | 1.85% | 0.00% | 11.11% | 11.11% | 31.48% | 44.44% |
| Unfavourable - Favourable | 1.85% | 0.00% | 3.70% | 7.41% | 16.67% | 22.22% | 48.15% |

## Contextual influence of the advert

The results revealed in table 13 and 14 below showed that the response was significantly more positive for the attitude and credibility of the non-traditional advertising medium used – digital and guerrilla marketing. This response was consistent for both Nike and Red Bull. It can be seen that for both traditional and non-traditional mediums, the item biased/unbiased showed varying responses. As explained above, this item had to be removed in order to show good reliability for the variable.

### Table 7: Traditional advertising medium - survey responses

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| | % of Total | % of Total | % of Total | % of Total | % of Total | % of Total | % of Total |
| **Traditional Advertising Medium** | | | | | | | |
| **Nike Attitude towards medium** | | | | | | | |
| Bad – Good | 0.00% | 6.06% | 9.09% | 33.33% | 15.15% | 27.27% | 9.09% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Unpleasant – Pleasant | 0.00% | 3.03% | 6.06% | 21.21% | 39.39% | 21.21% | 9.09% |
| Unfavourable – Favourable | 6.06% | 3.03% | 12.12% | 27.27% | 21.21% | 21.21% | 9.09% |
| **Nike Credibility of medium** | | | | | | | |
| Unconvincing – Convincing | 0.00% | 6.06% | 3.03% | 21.21% | 21.21% | 24.24% | 24.24% |
| Unbelievable – Believable | 0.00% | 6.06% | 3.03% | 18.18% | 21.21% | 36.36% | 15.15% |
| Unbiased – Biased | 30.30% | 9.09% | 15.15% | 18.18% | 12.12% | 12.12% | 3.03% |
| **Red Bull Attitude towards medium** | | | | | | | |
| Bad – Good | 0.00% | 3.70% | 12.96% | 29.63% | 31.48% | 14.81% | 7.41% |
| Unpleasant – Pleasant | 0.00% | 1.85% | 5.56% | 35.19% | 35.19% | 16.67% | 5.56% |
| Unfavourable – Favourable | 0.00% | 1.85% | 9.26% | 40.74% | 33.33% | 11.11% | 3.70% |
| **Red Bull Credibility of medium** | | | | | | | |
| Unconvincing – Convincing | 1.85% | 0.00% | 14.81% | 37.04% | 31.48% | 11.11% | 3.70% |
| Unbelievable – Believable | 1.85% | 0.00% | 11.11% | 38.89% | 29.63% | 16.67% | 1.85% |
| Unbiased – Biased | 40.74% | 3.70% | 1.85% | 31.48% | 12.96% | 5.56% | 3.70% |

## Table 8: Non-traditional advertising medium - Survey responses

| Non-Traditional Advertising Medium | | | | | | | |
|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| **Nike Attitude towards medium** | % of Total | % of Total | % of Total | % of Total | % of Total | % of Total | % of Total |
| Bad – Good | 0.00% | 0.00% | 0.00% | 3.03% | 3.03% | 21.21% | 72.73% |
| Unpleasant – Pleasant | 0.00% | 0.00% | 0.00% | 6.06% | 3.03% | 24.24% | 66.67% |
| Unfavourable – Favourable | 0.00% | 0.00% | 0.00% | 3.03% | 3.03% | 36.36% | 57.58% |
| **Nike Credibility of medium** | | | | | | | |
| Unconvincing – Convincing | 0.00% | 0.00% | 0.00% | 3.03% | 6.06% | 30.30% | 60.61% |
| Unbelievable – Believable | 0.00% | 3.03% | 0.00% | 3.03% | 0.00% | 30.30% | 63.64% |
| Unbiased – Biased | 27.27% | 18.18% | 12.12% | 6.06% | 6.06% | 27.27% | 3.03% |
| **Red Bull Attitude towards medium** | | | | | | | |
| Bad – Good | 0.00% | 1.85% | 3.70% | 5.56% | 11.11% | 22.22% | 55.56% |
| Unpleasant – Pleasant | 0.00% | 0.00% | 0.00% | 14.81% | 11.11% | 24.07% | 50.00% |
| Unfavourable – Favourable | 0.00% | 0.00% | 1.85% | 11.11% | 11.11% | 27.78% | 48.15% |

| **Red Bull Credibility of medium** | | | | | | | |
|---|---|---|---|---|---|---|---|
| Unconvincing – Convincing | 0.00% | 0.00% | 9.26% | 9.26% | 11.11% | 20.37% | 50.00% |
| Unbelievable – Believable | 0.00% | 0.00% | 11.11% | 9.26% | 12.96% | 20.37% | 46.30% |
| Unbiased – Biased | 35.19% | 7.41% | 7.41% | 14.81% | 16.67% | 9.26% | 9.26% |

The table below presents descriptive statistics used for the study including the Mean and Standard Deviation.

**Table 9: Mean and standard deviation for Traditional and Non-traditional advertising mediums**

| **N=87** | **Non-Traditional Adverts** | | **Traditional Adverts** | |
|---|---|---|---|---|
| | **Mean** | **SD** | **Mean** | **SD** |
| Attitude towards advert | 6.26 | 1.06 | 5.04 | 1.06 |
| Credibility of advert | 6.05 | 1.25 | 4.86 | 1.34 |
| Persuasive intent of advert | 5.48 | 1.49 | 4.95 | 1.14 |
| Attitude towards medium | 6.28 | 0.98 | 4.69 | 1.09 |
| Credibility of medium | 6.10 | 1.21 | 4.78 | 1.24 |

The descriptive statistics above reveal insights between the traditional and non-traditional adverts. The non-traditional advertising means, which is also referred to as

the average, is typically higher than the traditional advertising means. Of the non-traditional advertising media, attitude towards the advert and medium constructs had the highest means at 6.26 and 6.28 respectively whereas, persuasive intent of the advert had the lowest mean at 5.48. Of the traditional advertising media, attitude towards the advert and persuasive intent of the advert had the highest means at 5.04 and 4.95 respectively whereas, behavioural/purchase and attitudinal loyalty had the lowest means at 4.33 and 4.25 respectively.

**Table 10: Mean and standard deviation for Nike Traditional and Non-traditional advertising media**

| | | Traditional advertising media | | Non-traditional advertising media | |
|---|---|---|---|---|---|
| | **Variables** | **Mean** | **SD** | **Mean** | **SD** |
| NIKE | Attitude towards Advert | 5.68 | 0.95 | 6.59 | 0.74 |
| | Credibility of Advert | 5.56 | 1.10 | 6.44 | 0.89 |
| | Attitude towards medium | 4.76 | 1.25 | 6.55 | 0.66 |
| | Credibility of medium | 5.26 | 1.37 | 6.47 | 0.85 |
| | Persuasive intent | 4.85 | 1.34 | 5.61 | 1.53 |
| | Q3.4_1 | 68.5 | 22.5 | 85.2 | 14.6 |

The table 4 above shows the mean and standard deviation for each variable for Nike. The data shows that the means were higher for Nike non-traditional advertising media for the following variables: attitude towards advert, credibility of advert, attitude towards medium, credibility of medium, persuasive intent of advert.

In an exploratory attempt, respondents were asked in Q3.4.1 if they readily identify the placement as advertising out of 100%. Respondents rated Nike on average 68.5 for the traditional advert and 85.2 for the non-traditional advert.

**Table 11: Mean and Standard deviation for Red Bull Traditional and Non-traditional advertising media**

| | | Traditional advertising media | | Non-traditional advertising media | |
|---|---|---|---|---|---|
| | | **Mean** | **SD** | **Mean** | **SD** |
| RED BULL | Attitude towards Advert | 4.65 | 0.94 | 6.06 | 1.17 |
| | Credibility of Advert | 4.43 | 1.30 | 5.81 | 1.38 |
| | Attitude toward medium | 4.64 | 0.99 | 6.11 | 1.10 |
| | Credibility of medium | 4.48 | 1.05 | 5.87 | 1.34 |
| | Persuasive intent: | 5.01 | 1.00 | 5.41 | 1.48 |
| | Q4.4_1 | 72.6 | 20.3 | 74.6 | 22.3 |

The table 5 above shows the mean and standard deviation for each variable for Red Bull. The data shows that the means were higher for Red Bull non-traditional advertising media for the following variables: attitude towards advert, credibility of advert, attitude towards medium, credibility of medium, persuasive intent of advert.

In an exploratory attempt, respondents were asked in Q4.4.1 if they readily identify the placement as advertising out of 100%. Respondents rated Red Bull on average 72.6 for the traditional advert and 74.6 for the non-traditional advertising media.

The study investigated each of the advertising effectiveness variables to see where there is a significant difference between traditional and non-traditional advertising mediums for the constructs.

It must be noted that the study intended to do independent t-tests to see the difference of means however, the tests for normality revealed construct scores that are not normally distributed therefore a non-parametric test was used. In this study the Wilcoxon Ranked Sums test was used due to a lack of normality.

For interpretation purposes, the diamond graphs below depict the mean score of the variables. The middle line in the diamond represents the mean score of the position. The vertical endpoints form the 95% confidence interval of the mean. The width of the diamonds indicates the relative sample size. The test for significance was performed on the ranks.

### 4.2.3 *Hypothesis 1: The persuasive intent of an advertising message is perceived to be lower when placed in a non-traditional advertising medium rather than a traditional medium*

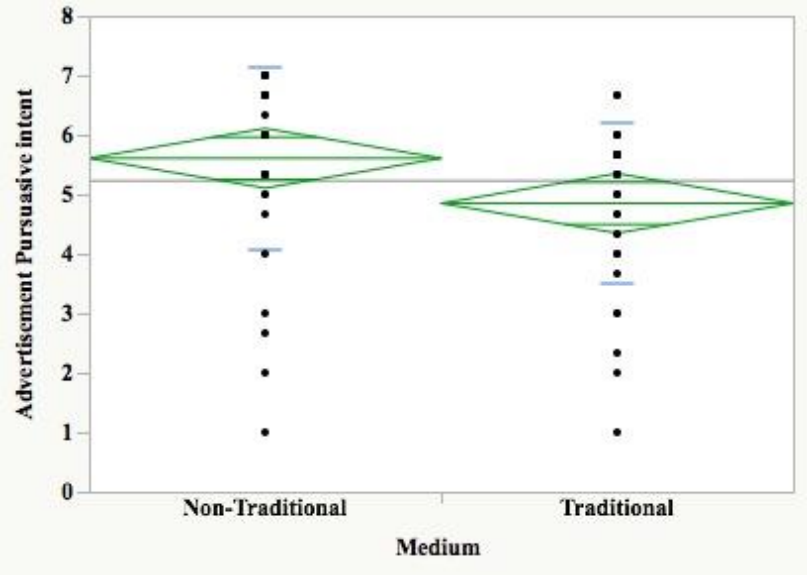


**Figure 5: Persuasive intent of advert (Nike)**

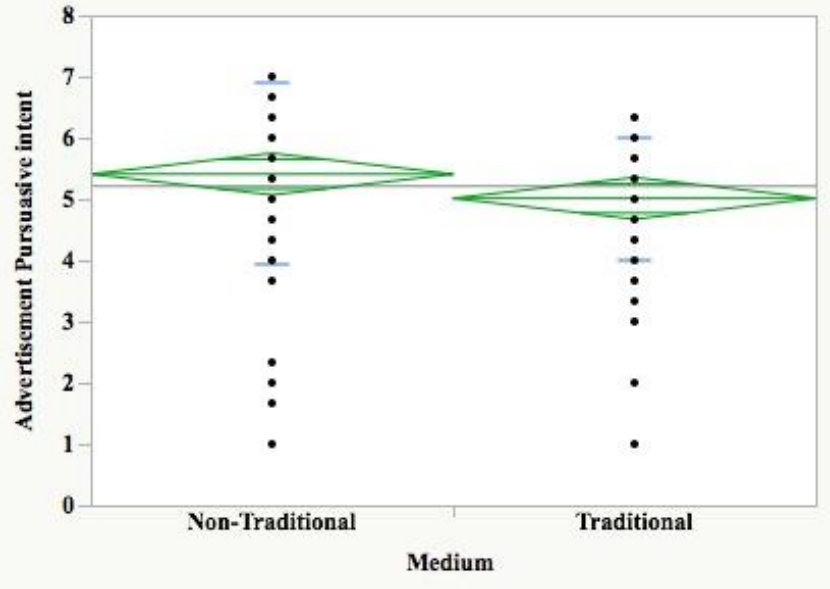


**Figure 6: Persuasive intent of advert (Red Bull)**

Persuasive intent was measured using three items on a seven-point Likert scale. In testing H1, the means for persuasive intent of the advert for the non-traditional advertising medium was higher than that for traditional advertising media. The results are displayed in table 3, 4 and 5 above. The non-traditional advertising media mean value was 5.48 compared to 4.69 for the traditional advert. The mean values were both significantly higher for both the non-traditional Nike (5.61) and Red Bull (5.41) adverts compared to the traditional adverts for Nike (4.85) and Red Bull (5.01). The results disprove hypothesis H1; persuasive intent of the ad message is actually higher when placed in a non-traditional advertising medium than a traditional medium.

Using the exploratory measure, consumers were asked to categorise the adverts as advertising. The result for Nike, M=68.5 for the print advert versus M=85.2 for the digital advert; Red Bull, M=72.6 for the print advert versus 74.6 for the guerrilla marketing campaign. The result for Red Bull guerrilla marketing campaign was only marginally higher than the print ad.

To determine if there was a difference between the traditional and non-traditional advertising media for the construct, the Wilcoxon Ranked Sums test was used.

Persuasive intent was statistically significant, the p-value indicated statistical significance (<0.01) for both Nike and Red Bull of the persuasive intent of the advert at a 99% level of confidence, indicating that there is a significant difference between the persuasive intent of the advert for non-traditional and traditional advertising media. This is tabled below.

**Table 12: Wilcoxon Rank Sums Test – Persuasive intent of advert**

| | **Nike** | | | **Red Bull** | | |
|---|---|---|---|---|---|---|
| | **Chi-Square** | **DF** | **Prob> ChiSq** | **Chi-Square** | **DF** | **Prob>ChiSq** |
| **Persuasive intent** | 8.16 | 1 | 0.0043* | 9.80 | 1 | 0.0017* |

### 4.2.4 *Proposition 2: The credibility of an advertising message is perceived to be higher when it is located in a non-traditional advertising medium rather than a traditional advertising medium*

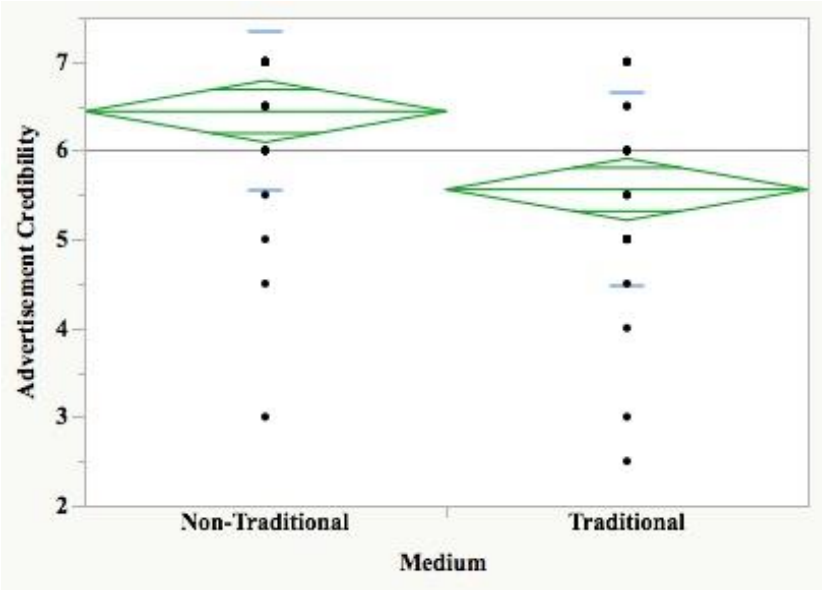


**Figure 7: Credibility of advert (Nike)**

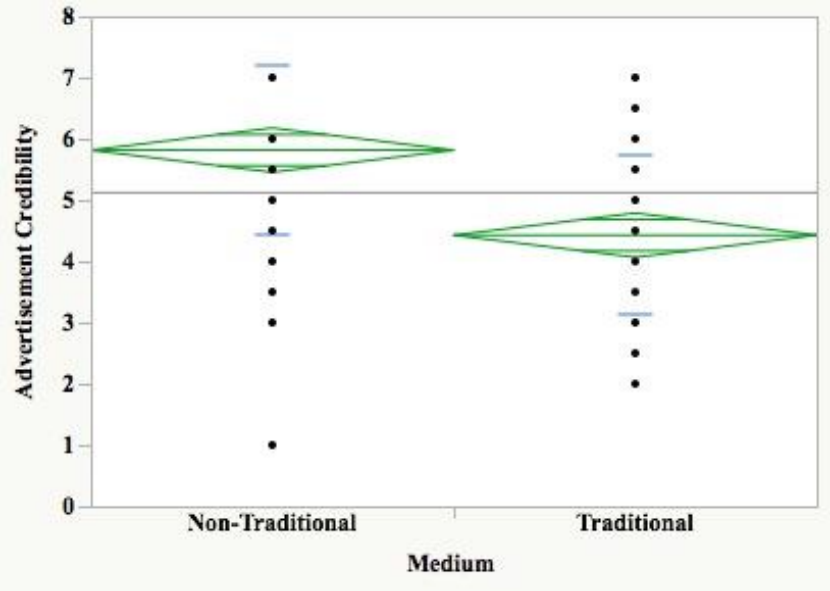


**Figure 8: Credibility of advert (Red Bull)**

The credibility of advert was measured with a three-item semantic differential scale.

It can be seen that for both traditional and non-traditional adverts, the item biased/unbiased showed varying responses. As explained above, this item had to be removed in order to show good reliability for the variable.

The means for the credibility of the advert for the non-traditional advertising media (M=6.44) is higher than that for traditional advertising media (M=5.56) for Nike.

To determine if there was a difference between the traditional and non-traditional advertising media for the construct, the Wilcoxon Ranked Sums test was used. The Wilcoxon test revealed significant differences between the ranks. The p-value indicated statistical significance of the credibility towards the advert at a 99% level of confidence, indicating that there is a significant difference between the credibility towards the advert for non-traditional and traditional advertising media.

**Table 13: Wilcoxon Ranked Sums test – Credibility of advert**

| | **Nike** | | | **Red Bull** | | |
|---|---|---|---|---|---|---|
| | **Chi-Square** | **DF** | **Prob> ChiSq** | **Chi-Square** | **DF** | **Prob>ChiSq** |
| **Credibility of Ad** | 13.87 | 1 | 0.0002* | 25.34 | 1 | <.0001* |

### 4.2.5 *Proposition 3: The attitude toward the advertised message is higher when it is located in a non-traditional advertising medium rather than a traditional advertising medium.*

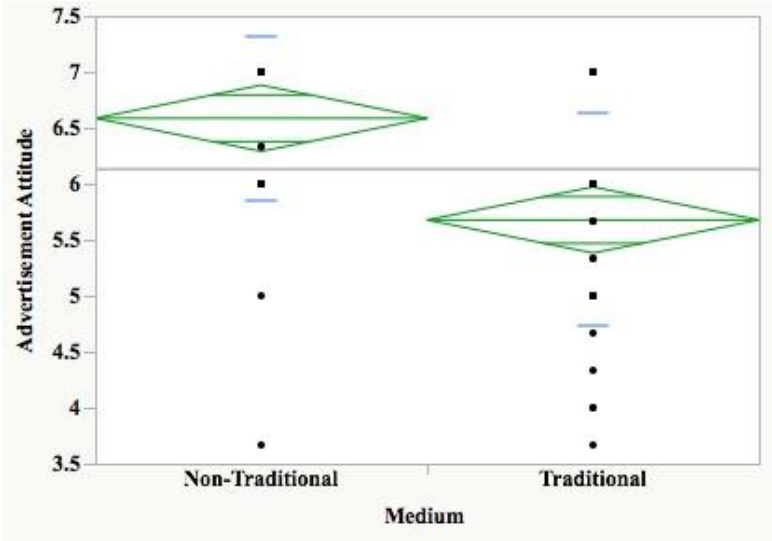


**Figure 9: Attitude towards advert (Nike)**

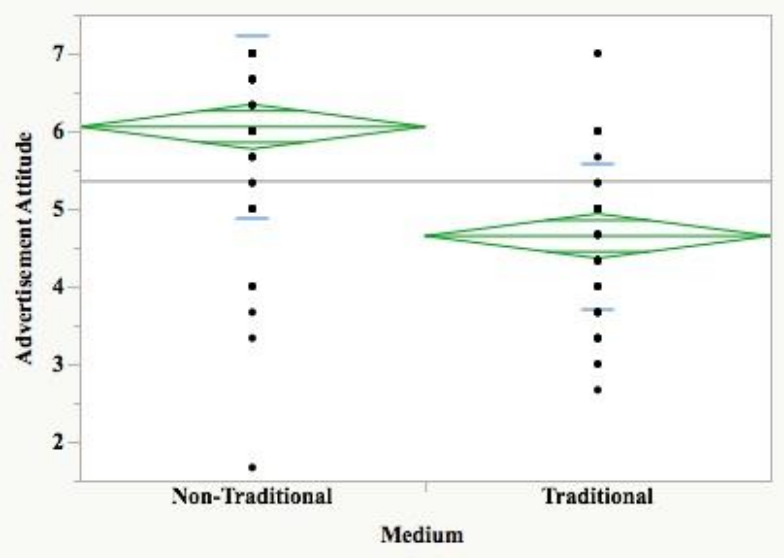


**Figure 10: Attitude towards advert (Red Bull)**

In this case, it is clear that the diamonds for the non-traditional advertising media are much higher than the diamonds for traditional advertising media for both Nike and Red

Bull indicating a large mean score difference between the positions. The means for the attitude towards advert for the non-traditional advertising media is higher than that for traditional advertising media.

To determine if there was a difference between the traditional and non-traditional advertising media for the construct, the Wilcoxon Ranked Sums test was used. The p-value indicated statistical significance of the attitude towards the advert at a 99% level of confidence, indicating that there is a significant difference in the ranks between the attitude towards the advert for non-traditional and traditional advertising media for both Nike and Red Bull.

**Table 14: Wilcoxon Ranked Sums test – Attitude towards advert**

| | **Nike** | | | **Red Bull** | | |
|---|---|---|---|---|---|---|
| | **Chi-Square** | **DF** | **Prob> ChiSq** | **Chi-Square** | **DF** | **Prob>ChiSq** |
| **Attitude towards Ad** | 17.85 | 1 | <.0001* | 36.99 | 1 | <.0001* |

### 4.2.6 *Hypothesis 4: In a non-traditional advertising medium, the contextual influence on message perceptions is greater than in a traditional advertising medium*

In testing hypothesis 4, correlations between the credibility of the advert and credibility of the medium was done. Correlations between the attitude towards the advert and attitude towards the medium were also done. This is done because in a new or non-traditional advertising medium consumers don't visually or mentally represent the advert as advertising as the landscape of the advertised message and the surrounding content is usually different to what one would expect in a traditional advertising medium. Therefore, consumers usually use their perceptions of the medium (Dahlen & Edenius,

2007). Attitude and credibility items are used to determine consumers' perception of the advert (Dahlen & Edenius, 2007).

The Spearman correlation analysis was conducted to determine if there was a correlation between the credibility of the advert and credibility of medium. This was done for both traditional and non-traditional advertising media.

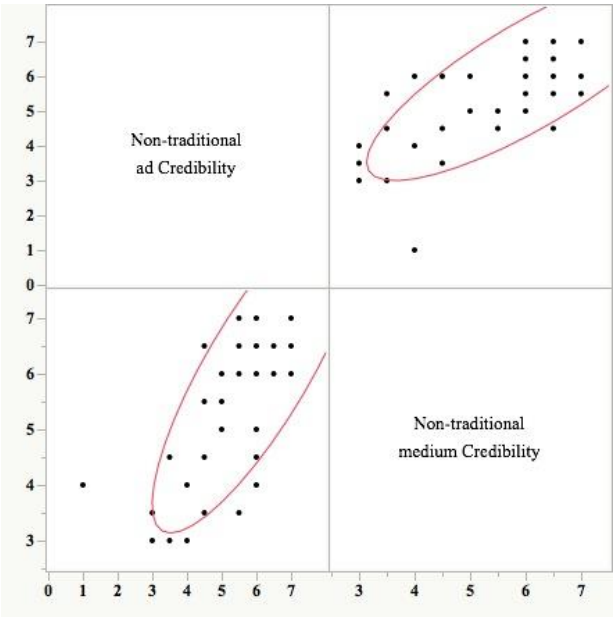


**Figure 11: Scatterplot matrix – Credibility of non-traditional advert and medium**

**Table 15: Nonparametric: Spearman's ρ**

| **Variable** | **by Variable** | **Spearman ρ** | **Prob>\|ρ\|** |
|---|---|---|---|
| Non-traditional medium Credibility | Non-traditional Ad Credibility | 0.8190 | <.0001* |

The results revealed a significant positive relationship between credibility of the advert and credibility of the medium for non-traditional advertising media, the strength of the relationship is strong ($r=0.82$ $N=87$, $p<0.0001$).

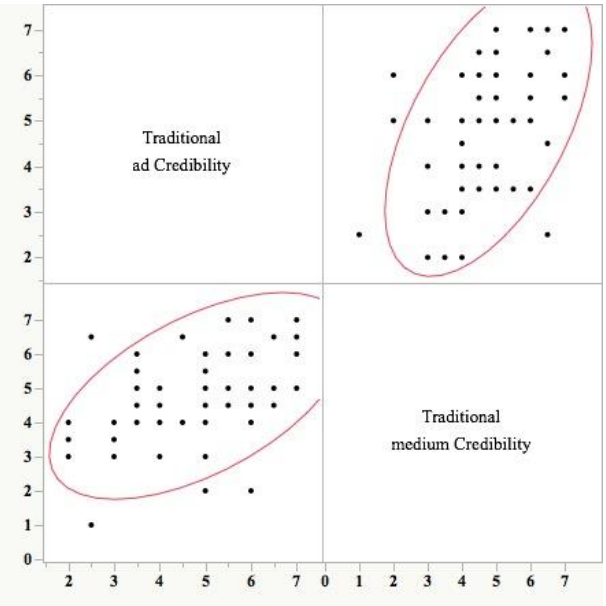


**Figure 12: Scatterplot matrix – Credibility of traditional advert and medium**

**Table 16: Nonparametric: Spearman's ρ**

| **Variable** | **by Variable** | **Spearman ρ** | **Prob>\|ρ\|** |
|---|---|---|---|
| Traditional medium Credibility | Traditional ad Credibility | 0.5781 | <.0001* |

The results revealed a significant positive relationship between credibility of the advert and credibility of the medium for traditional advertising media, the strength of the relationship is medium (r=0.58 N=87, p<0.0001).

**Comparison of the Correlations:**

Using Fishers r-z transformation, differences were tested between the correlations for the traditional and non-traditional advertising media (r=0.58 versus r=0.82). The difference between the two were significant Z=3.2, p=0.0014).

The Spearman correlation analysis was then conducted to determine if there was a correlation between the attitude towards the advert and attitude towards the medium. This was done for both traditional and non-traditional advertising media.

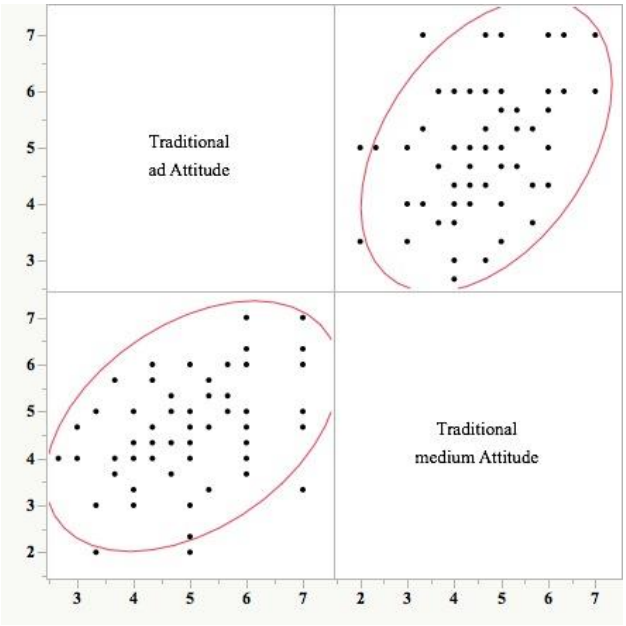


**Figure 13: Scatterplot matrix – Attitude towards traditional advert and medium**

**Table 17: Nonparametric: Spearman's ρ**

| Variable | by Variable | Spearman ρ | Prob>\|ρ\| |
|---|---|---|---|
| Traditional medium Attitude | Traditional ad Attitude | 0.3866 | 0.0002* |

The results revealed a significant positive relationship between attitude towards the advert and attitude towards the medium for traditional advertising media, the strength of the relationship is medium (r=0.39 N=87, p<0.0001).

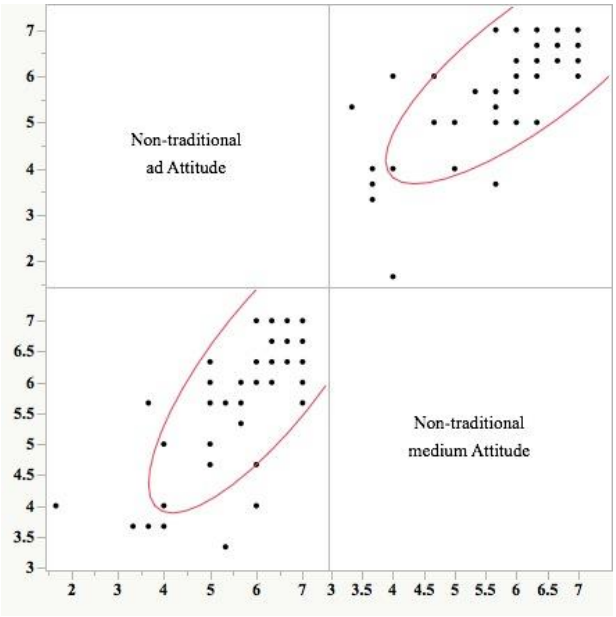


**Figure 14: Scatterplot matrix – Attitude towards non-traditional advert and medium**

**Table 18: Nonparametric: Spearman's ρ**

| Variable | by Variable | Spearman ρ | Prob>\|ρ\| |
|---|---|---|---|
| Non-traditional medium Attitude | Non-traditional ad Attitude | 0.7671 | <.0001* |

The results revealed a significant positive relationship between attitude towards the advert and attitude towards the medium for non-traditional advertising media, the strength of the relationship is high (r=0.76 N=87, p<0.0001).

**Comparison of the Correlations:**

Using Fishers r-z transformation, differences were tested between the correlations for the traditional and non-traditional advertising media (r=0.39 versus r=0.76). The difference between the two were significant Z=3.9, p=0.0001).

These results support hypothesis 4, in a non-traditional advertising medium, the contextual influence on message perceptions is higher than for a traditional advertising medium.

Examining the data further, table 3 shows that attitude and credibility of the non-traditional medium was M=6.28 and M=6.10 respectively versus attitude and credibility of the traditional medium M=4.69 and M=4.78 respectively. The Wilcoxon Ranked Sums test shown in table 19 below revealed a significance of p<0.001.

**Table 19: Wilcoxon Ranked Sums Test - Attitude and Credibility of the Medium**

| | Nike | | | Red Bull | | |
|---|---|---|---|---|---|---|
| | **Chi-Square** | **DF** | **Prob> ChiSq** | **Chi-Square** | **DF** | **Prob>ChiSq** |
| **Attitude towards medium** | 31.72 | 1 | <.0001* | 35.05 | 1 | <.0001* |
| **Credibility of medium** | 16.68 | 1 | <.0001* | 27.14 | 1 | <.0001* |

## 4.3 Results pertaining to Research Question 2

***Non-traditional advertising media results in a higher brand loyalty amongst the Generation Y consumer segment.***

### 4.3.1 *Introduction*

The effect of non-traditional advertising media on brand loyalty is of particular importance in this research question. In order to determine the effect of brand loyalty, both traditional and non-traditional advertising was used. This study used two constructs to measure brand loyalty: behavioural/purchase loyalty and attitudinal loyalty.

### 4.3.2 *Descriptive statistics*

**Behavioural/Purchase Loyalty**

The findings for the non-traditional Red Bull advert showed that 85% of respondents were inspired to purchase the brand the next time they purchased energy drinks, 78% thought the advert inspired them to keep purchasing the brand and 80% would switch to Red Bull. The findings for the non-traditional Nike advert showed that 82% of respondents were inspired to purchase the brand the next time they purchased sports apparel 85% thought the advert inspired them to keep purchasing the brand and 76% would switch to Nike.

**Table 20: Behavioural/Purchase Loyalty - Survey responses**

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| **Traditional Advertising Media** | **% of Total** | **% of Total** | **% of Total** | **% of Total** | **% of Total** | **% of Total** | **% of Total** |
| **Nike Behavioural/Purchase loyalty** | | | | | | | |
| The Ad inspires me to buy this brand the next time I buy an Energy Drink | 12.12% | 9.09% | 12.12% | 15.15% | 15.15% | 27.27% | 9.09% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| The Ad inspires me to keep purchasing this brand | 6.06% | 15.15% | 9.09% | 18.18% | 9.09% | 30.30% | 12.12% |
| The Ad inspires me to switch to this brand the next time I buy an Energy drink | 9.09% | 6.06% | 15.15% | 12.12% | 21.21% | 27.27% | 9.09% |
| **Red Bull Behavioural/Purchase loyalty** | | | | | | | |
| The Ad inspires me to buy this brand the next time I buy an Energy Drink | 5.56% | 14.81% | 7.41% | 11.11% | 25.93% | 35.19% | 0.00% |
| The Ad inspires me to keep purchasing this brand | 11.11% | 9.26% | 11.11% | 14.81% | 31.48% | 20.37% | 1.85% |
| The Ad inspires me to switch to this brand the next time I buy an Energy drink | 9.26% | 12.96% | 7.41% | 11.11% | 33.33% | 24.07% | 1.85% |
| **Non-traditional Advertising Media** | | | | | | | |
| **Nike Behavioural/Purchase loyalty** | | | | | | | |
| The Ad inspires me to buy this brand the next time I buy an Energy Drink | 6.06% | 9.09% | 0.00% | 3.03% | 24.24% | 18.18% | 39.39% |
| The Ad inspires me to keep purchasing this brand | 6.06% | 6.06% | 0.00% | 3.03% | 18.18% | 33.33% | 33.33% |
| The Ad inspires me to switch to this brand the next time I buy an Energy drink | 6.06% | 3.03% | 9.09% | 6.06% | 27.27% | 24.24% | 24.24% |
| **Red Bull Behavioural/Purchase loyalty** | | | | | | | |
| The Ad inspires me to buy this brand the next time I buy an Energy Drink | 3.70% | 0.00% | 1.85% | 9.26% | 24.07% | 31.48% | 29.63% |
| The Ad inspires me to keep purchasing this brand | 3.70% | 0.00% | 5.56% | 12.96% | 24.07% | 27.78% | 25.93% |
| The Ad inspires me to switch to this brand the next time I buy an Energy drink | 3.70% | 1.85% | 5.56% | 9.26% | 12.96% | 42.59% | 24.07% |

## Attitudinal Loyalty

The results are revealed in table 24 below. It showed that the attitudinal loyalty was significantly more positive for the non-traditional advertising medium used – digital and guerrilla marketing. This response was consistent for both Nike and Red Bull. The "ad enhances my commitment for this brand" and "I would recommend this brand to my friends" were very favourable for the non-traditional adverts for both Nike and Red Bull.

### Table 21: Attitudinal loyalty - Survey responses

| **Traditional advertising media** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Nike Attitudinal loyalty** | **1** | **2** | **3** | **4** | **5** | **6** | **7** |
| | % of Total | | | | | | |
| The Ad enhances my commitment to this brand | 3.03% | 6.06% | 15.15 % | 9.09% | 33.33 % | 24.24 % | 9.09% |
| The Ad enhances my willingness to pay a higher price for this brand over other brands in this category | 6.06% | 12.12 % | 24.24 % | 12.12 % | 27.27 % | 18.18 % | 0.00% |
| I would recommend this brand to my friends | 3.03% | 6.06% | 12.12 % | 24.24 % | 15.15 % | 39.39 % | 0.00% |
| **Red Bull Attitudinal loyalty** | | | | | | | |
| The Ad enhances my commitment to this brand | 7.41% | 12.96 % | 7.41% | 20.37 % | 31.48 % | 18.52 % | 1.85% |
| The Ad enhances my willingness to pay a higher price for this brand over other brands in this category | 7.41% | 12.96 % | 9.26% | 31.48 % | 27.78 % | 7.41% | 3.70% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| I would recommend this brand to my friends | 7.41% | 12.96 % | 5.56% | 22.22 % | 24.07 % | 27.78 % | 0.00% |
| **Non-traditional advertising media** | | | | | | | |
| **Nike Attitudinal loyalty** | | | | | | | |
| The Ad enhances my commitment to this brand | 6.06% | 6.06% | 0.00% | 9.09% | 15.15 % | 27.27 % | 36.36 % |
| The Ad enhances my willingness to pay a higher price for this brand over other brands in this category | 9.09% | 6.06% | 3.03% | 12.12 % | 15.15 % | 21.21 % | 33.33 % |
| I would recommend this brand to my friends | 9.09% | 3.03% | 0.00% | 12.12 % | 12.12 % | 42.42 % | 21.21 % |
| **Red Bull Attitudinal loyalty** | | | | | | | |
| The Ad enhances my commitment to this brand | 0.00% | 5.56% | 3.70% | 11.11 % | 18.52 % | 35.19 % | 25.93 % |
| The Ad enhances my willingness to pay a higher price for this brand over other brands in this category | 3.70% | 1.85% | 11.11 % | 18.52 % | 14.81 % | 29.63 % | 20.37 % |
| I would recommend this brand to my friends | 1.85% | 3.70% | 3.70% | 11.11 % | 16.67 % | 38.89 % | 24.07 % |

The table 20 and 21 below presents descriptive statistics used for the study including the Mean and Standard Deviation.

The descriptive statistics revealed insights between the traditional and non-traditional adverts and brand loyalty.

- Nike traditional advert: The mean value for behavioural/purchase loyalty was M=4.42 and attitudinal loyalty was M=4.43.
- Nike non-traditional advert: The mean value for behavioural/purchase loyalty was M=5.37 and attitudinal loyalty was M=5.30.
- Red Bull traditional advert: The mean value for behavioural/purchase loyalty was M=4.28 and attitudinal loyalty was M=4.14.
- Red Bull non-traditional advert: The mean value for behavioural/purchase loyalty was M=5.51 and attitudinal loyalty was M=5.37.

**Table 22: Mean and standard deviation for Nike Traditional and Non-traditional advertising media**

| | | **Traditional advertising media** | | **Non-traditional advertising media** | |
|---|---|---|---|---|---|
| | **Variables** | **Mean** | **SD** | **Mean** | **SD** |
| **Nike** | Behavioural/Purchase loyalty | 4.42 | 1.68 | 5.37 | 1.69 |
| | Attitudinal loyalty | 4.43 | 1.29 | 5.30 | 1.75 |

**Table 23: Mean and Standard deviation for Red Bull Traditional and Non-traditional advertising media**

| | | Traditional advertising media | | Non-traditional advertising media | |
|---|---|---|---|---|---|
| | | **Mean** | **SD** | **Mean** | **SD** |
| **Red Bull** | Behavioural/Purchase loyalty | 4.28 | 1.49 | 5.51 | 1.40 |
| | Attitudinal loyalty | 4.14 | 1.35 | 5.37 | 1.34 |

### 4.3.3 *Hypothesis 5: Behavioural/Purchase loyalty is higher in non-traditional advertising mediums rather than traditional advertising mediums*

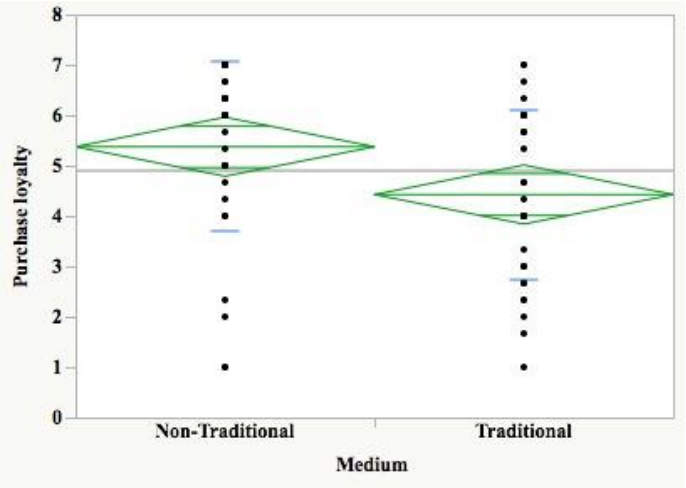


**Figure 15: Behavioural/Purchase loyalty (Nike)**

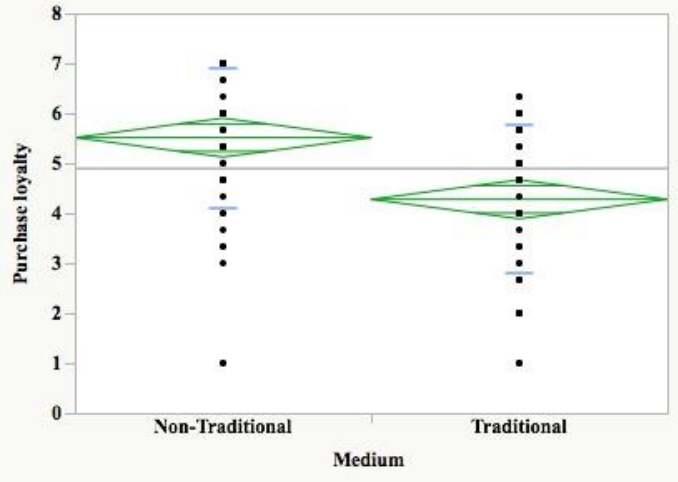


**Figure 16: Behavioural/Purchase loyalty (Red Bull)**

The behavioural/purchase loyalty was measured with three-items on a seven point Likert scale. In testing hypothesis 5, behavioural/purchase loyalty was measured for both traditional and non-traditional advertising media. The results are shown in tables 20 and 21. The mean values were significantly higher for non-traditional advertising media for Nike (M=5.37) and Red Bull (M=5.51) compared to traditional advertising media for Nike (M=4.42) and Red Bull (M=4.28). The test for significance was the Wilcoxon Ranked Sums test which showed significance $p<0.0001$ at a 99% level of confidence, shown in table 23 below.

The findings suggest that behavioural/purchase loyalty of Generation Y consumers is higher when exposed to non-traditional advertising mediums than traditional advertising mediums, thereby supporting hypothesis 5.

**Table 24: Wilcoxon Rank Sums Test: Behavioural/Purchase Loyalty**

| | Nike | | | Red Bull | | |
|---|---|---|---|---|---|---|
| | **Chi-Square** | **DF** | **Prob> ChiSq** | **Chi-Square** | **DF** | **Prob>ChiSq** |
| **Behavioural/Purchase loyalty** | 6.52 | 1 | 0.0107* | 20.20 | 1 | <.0001* |

### 4.3.4 *Hypothesis 6: Attitudinal loyalty is higher in non-traditional advertising mediums rather than traditional advertising mediums*

Attitudinal loyalty was measured with three items: “the Ad enhances my commitment to this brand”, “the Ad enhances my willingness to pay a higher price for this brand over other brands in this category” and “I would recommend this brand to my friends”. A seven-point Likert scale was used in the questionnaire to test this hypothesis.

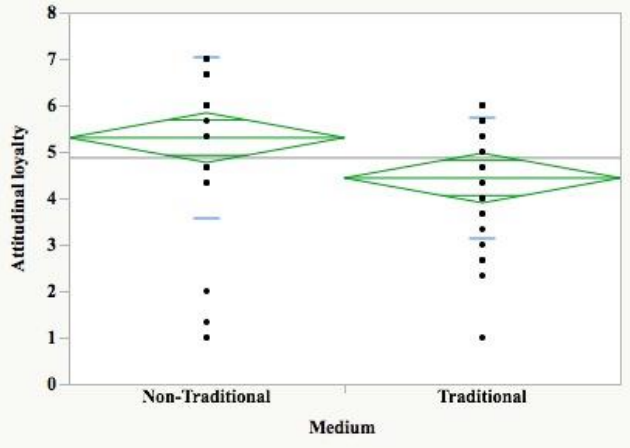


**Figure 17: Attitudinal loyalty (Nike)**

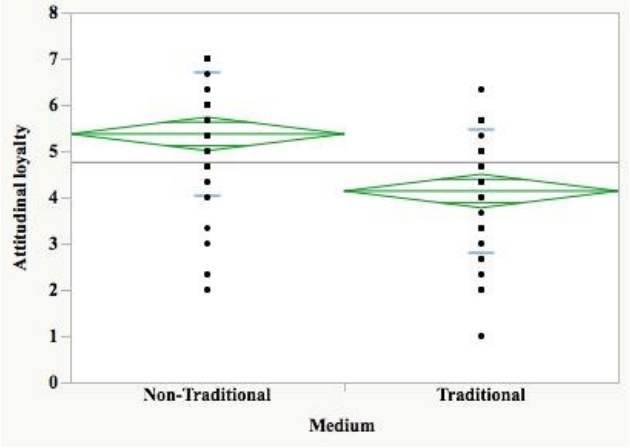


**Figure 18: Attitudinal loyalty (Red Bull)**

The results for the means for attitudinal loyalty are shown in tables 20 and 21. The mean values were significantly higher for non-traditional advertising media for Nike (M=5.30) and Red Bull (M=5.37) compared to traditional advertising media for Nike (M=4.43) and Red Bull (M=4.41). The Wilcoxon Ranked Sums test for significance was used which showed significance $p<0.0001$ at a 99% level of confidence, shown in table 25 below.

The findings suggest that attitudinal loyalty of Generation Y consumers is higher when exposed to non-traditional advertising mediums than traditional advertising mediums, thereby supporting hypothesis 6.

**Table 25: Wilcoxon Ranked Sums Test – Attitudinal loyalty**

| | **Nike** | | | **Red Bull** | | |
|---|---|---|---|---|---|---|
| | **Chi-Square** | **DF** | **Prob> ChiSq** | **Chi-Square** | **DF** | **Prob>ChiSq** |
| **Attitudinal loyalty** | 9.34 | 1 | 0.0022* | 21.31 | 1 | <.0001* |

# CHAPTER 5. DISCUSSION OF THE RESULTS

## 5.1 Introduction

The purpose of the study is to evaluate the effect of traditional and non-traditional advertising media on the brand loyalty of the Generation Y consumer within an emerging market. Both traditional and non-traditional advertising media were used and the study looked at each mediums' respective appeal to each other and to ascertain the most effective medium to influence brand loyalty of Generation Y consumers in South Africa.

The research used an online and paper-based questionnaire to gather data. Respondents were presented with a traditional advert followed by questions evaluating the advert. This was followed by a non-traditional advert and questions evaluating the non-traditional advertising media. Two brands were used in the survey – Nike and Red Bull. The brands that were used in the study were specifically chosen as they were featured in the Brandz Top 100 Most Valuable Brands 2014 with Nike rated 34 and Red Bull 92 out of 100. Both brands have a presence in South Africa and are seen to primarily target the Generation Y consumer through their advertising.

The aim of the research was to compare the effects of traditional and non-traditional advertising media on the Generation Y South African consumer, and then to evaluate the effect of non-traditional advertising media on the brand loyalty of the South African consumer. The questionnaire assessed respondents' evaluation of both traditional and non-traditional advertising media. The sample was convenient and the University was chosen as it provided a relatively well captured audience for selecting respondents who met the criteria. Of the 200 questionnaires that were distributed, 87 valid questionnaires were returned.

## 5.2 Demographic profile of respondents

The study was limited to the Gauteng province, in particular the Johannesburg region.

### 5.2.1 *Age*

The age cohort was acceptable and a very good representation of Generation Y between the ages of 20-30 years old. This is in accordance with the requirements of the Generation-Y segment outlined in the literature.

### 5.2.2 *Gender*

There was a higher representation of female respondents than men and this is in accordance with the demographic profile at the University. 60% of the respondents were female and 40% were male.

## 5.3 Discussion pertaining to Research Question 1

***Generation Y consumers are more inclined to respond to non-traditional advertising media compared traditional advertising media***

### 5.3.1 *Introduction*

The first research question evaluated the effect of traditional and non-traditional advertising media. It focussed on the reactions to advertising based on the advertising context. In addition, this research question explored the contextual influence of advertising by correlating both attitude towards the advert and medium; and credibility of the advert and medium. Each hypothesis is discussed in more detail below.

### 5.3.2 *Hypothesis 1: The persuasive intent of an advertising message is perceived to be lower when placed in a non-traditional advertising medium rather than a traditional medium*

In testing H1, the researcher compared perceived persuasion between the traditional and non-traditional advertising media. Based on previous research (Dahlen and Edenius, 2007), traditional advertising provided an easily recognisable topography as opposed non-traditional advertising media, where consumers might not recognise the topography and identify the ad stimulus as advertising. Their study used new forms of non-traditional advertising media such as advertising on an egg and elevator where the topography wasn't easily identifiable, therefore categorisation of the message as advertising was low.

In the current study, respondents perceived the non-traditional adverts to have greater persuasive intent in the non-traditional advertising medium suggesting that respondents have already made a psychological representation of it as advertising. It is assumed by the researcher that this hypothesis was disproved due to the growing popularity of the non-traditional adverts and mediums selected. Literature also shows that digital marketing strategies are preferred by Generation Y and are effective in influencing their behaviour. They are the most technologically savvy segment of society. They have incorporated the internet into their daily lifestyle, defining them digitally. Hence, digital advertising and guerrilla marketing have become widely used by many brands in recent years in an attempt to appeal and capture this consumer segment, supporting the result of the current study where respondents classified the non-traditional adverts ad stimulus as advertising and confirmed a higher persuasive intent of the advert.

### 5.3.3 *Hypothesis 2: The credibility of an advertising message is perceived to be higher when it is placed in a non-traditional advertising medium rather than a traditional advertising medium*

The literature above hones in on the advertising schema concept. Studies show that advertising that activates the advertising schema results in reduced credibility of the advert (Dahlen & Edenius, 2007; Stafford & Stafford, 2002; Goodstein, 1993).

The advertising schema is used to determine if consumers would react favourably to the advert and if the ad schema is not activated, then it is assumed that the evaluation of the advert is more positive. Given the results for H1 and H2, it would seem that, depending on the level of the advertising schema that is activated, consumers reactions could move from positive (zero to low activation of the advertising schema) to negative (medium and high activation of advertising schema). This explains the positive reaction by respondents to the credibility of the advert.

A similar result was obtained in the study by Dahlen and Edenius in 2007. Their study revealed significant differences in the credibility of the advert between the non-traditional advertising media and traditional advertising media (print).

### 5.3.4 *Hypothesis 3: The attitude toward the ad message is higher when it is placed in a non-traditional advertising medium rather than a traditional advertising medium*

The attitude towards the advert is also driven by the effect of the advertising schema, as discussed in 5.3.3. Dahlen and Edenius (2007) showed that evaluations of the ad were more positive when the advert (advertising on egg and elevator panel) was not identified as advertising and the schema was not activated.

Based on the discussion in 5.3.2, this study showed that even though respondents identified the adverts as advertising, the evaluations of the non-traditional adverts were more positive than the traditional adverts, indicating the possibility of varying degrees of

the ad schema. Respondents reacted more favourably and positively when to the non-traditional advert compared to the traditional advert.

### 5.3.5 *Hypothesis 4: In a non-traditional advertising medium, the contextual influence on message perceptions is greater than in a traditional advertising medium*

The expectation is that if the respondents perceive the medium as credible, then they are more likely to trust the content and therefore rate the advert as more credible. The same is true for consumer's attitude towards the advert. If respondents perceive the medium favourably then they will most probably trust the content and have a positive attitude towards the advert.

### 5.3.6 *Conclusion*

In response to research question one: Generation Y consumers are more inclined to respond to non-traditional advertising media compared to traditional advertising media and it can be concluded that persuasive intent, attitude towards the advert and the credibility of the advert was higher for the non-traditional advertising media than for traditional advertising media. Hypothesis one was rejected and the researchers reason was attributed to using non-traditional advertising media that is already in production by many brand and advertising companies. The topography of the advert was identifiable and it was easy for respondents to identify the advert as advertising.

The contextual influence of the non-traditional advertising media was also stronger than the traditional advertising media. Consumers can generate knowledge from determining the form of message to be advertised for the product/service of the brand but also to influence the interpretation of the content of the message.

The conclusion is therefore that Generation Y consumers are more inclined to respond to non-traditional advertising media compared to traditional advertising media. Non-traditional advertising media results in more favourable evaluations of the advert.

## 5.4 Discussion pertaining to Research Question 2

***Non-traditional advertising media results in a higher brand loyalty amongst the Generation Y consumer segment.***

### 5.4.1 *Introduction*

The second research question evaluated the effect of non-traditional advertising media on brand loyalty amongst the Generation Y consumer segment. As per the literature, the notion of loyalty includes a degree of pre-dispositional commitment towards a brand therefore, in this study, brand loyalty was measured using two constructs - behavioural/purchase loyalty and attitudinal loyalty. In order to obtain loyalty from this Generation Y target market, it is essential businesses become aware of the advertising media that may lead to improved behavioural/purchase and attitudinal loyalty. Each hypothesis is discussed in more detail below.

### 5.4.2 *Hypothesis 5: Behavioural/Purchase loyalty is higher in non-traditional advertising mediums rather than traditional advertising mediums*

### *Hypothesis 6: Attitudinal loyalty is higher in non-traditional advertising mediums rather than traditional advertising mediums*

Results of this study showed that the non-traditional advert enhanced the buyers willingness to pay a higher price for the brand over other brands in that category, the results also showed that the non-traditional advert inspired them to buy, re-purchase and switch to the brand, indicating potentially increase in market share. This contributes to Chaudhuri and Holbrook's (2001) study that higher attitudinal loyalty leads to a higher price of the brand and higher behavioural/purchase loyalty which potentially leads to greater market share of the brand.

The study by Chaudhuri and Holbrook (2001) examined purchase loyalty and attitudinal loyalty as variables that linked the chain of effects from brand trust and brand affect to brand performance. The study showed that brand trust and brand effect leads to purchase and attitudinal loyalty. Purchase loyalty then leads to greater market share of the brand and attitudinal loyalty leads to a higher price of the brand relative to others in that category.

Figure 23 below is an adaptation of Chaudhuri and Holbrook's (2001) model of brand loyalty and brand performance. It shows how brand trust and brand affect, key determinants of brand loyalty, are related to behavioural/purchase and attitudinal loyalty. Consumers are more loyal and committed to a brand they trust and it's of great importance that brand trust is developed and that promises to consumers are met with always.

The study proved that higher brand trust and brand affect leads to higher purchase loyalty of the brand which results in high sales and market share of the brand. The author's defined market share as brands sales taken as a percentage of sales for all brands in the product category. The study also proved that brand trust and brand affect increases attitudinal loyalty, which leads to higher relative prices in the marketplace.

Linking back to the current study, both behavioural/purchase loyalty and attitudinal loyalty were both higher for the non-traditional advertising media presented to Generation Y respondents. Considering behavioural/purchase loyalty leads to higher market share of the brand and attitudinal loyalty leads to higher relative price of the brand, it can be assumed that non-traditional advertising media indirectly increases the market share and relative price of the brand. However, it must be noted that the brand trust and brand affect of consumers needs to have already developed over time.

When comparing the results of this study to that of Human et al. (2011), who studied advertising, brand knowledge and attitudinal loyalty in low income markets, they concluded that an emotional response needs to be evoked through advertising so that a

cognitive response is elicited. These two components drive up brand affect and brand trust, which are both key determinants of brand loyalty.

The current study used brands that are very familiar to the current Generation Y consumer segment. Given that brand trust and brand affect are developed over time, it may therefore be posited that non-traditional advertising media increases brand loyalty, assuming brand affect and brand trust have already been developed.

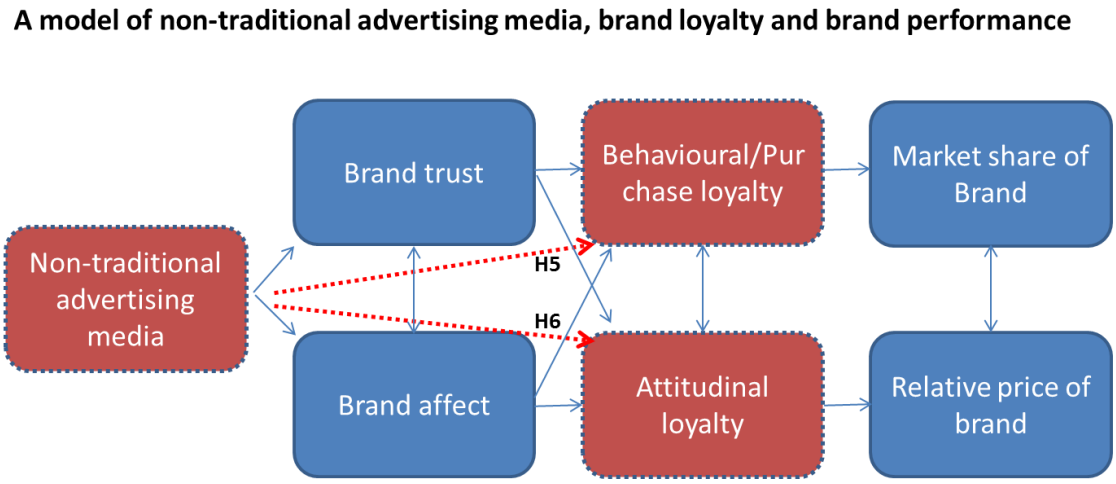


**Figure 19: A model of non-traditional advertising media, brand loyalty and brand performance**

## 5.5 Conclusion

The second research question evaluated the effect of non-traditional advertising media on brand loyalty amongst the Generation Y consumer segment. The findings resulted in respondents indicating a higher brand loyalty for the brands advertised in a non-traditional manner. It must be noted that the result assumes that brand trust and brand affect have been developed over time due to the popularity of brands for the segment presented in the study: Nike and Red Bull. The more effective advertising is in building brand trust and brand affect, the greater behavioural/purchase loyalty and attitudinal loyalty will become.

This result is critical for businesses to be able to build a sustainable competitive advantage. It also shows how big a role the right advertising plays in building brand loyalty. Developing and building the brand loyalty in the Generation Y consumer segment presents an even bigger opportunity for marketing practitioners to increase profits through: repeat patronage, purchase frequency, switching, customer attitude, customer commitment and intention to recommend the brand to others. Loyal customers will lead to favourable brand performance, the result which all marketing practitioners look forward to.

# CHAPTER 6. CONCLUSIONS & RECOMMENDATIONS

## 6.1 Introduction

Chapter six is the final chapter of the research paper and highlights the main findings and conclusions of the study. It also presents some recommendations for future studies on the effect of advertising media and brand loyalty on the Generation Y consumer segment. The chapter concludes with suggestions for future research.

## 6.2 Conclusions of the study

The study sought out to compare non-traditional advertising media against traditional advertising media of the South African Generation Y consumer. The findings conclude that Generation Y consumers consider non-traditional advertising media more effective than traditional advertising media. Attitude towards the non-traditional advert and credibility of the non-traditional advert were significantly more favourable when compared to the traditional advert. Due to the increased use of non-traditional mediums selected, the persuasive intent was higher for the non-traditional adverts. Previous literature states that a medium that previously didn't feature advertising has more favourable affects due to the fact that messages in non-traditional mediums are perceived less as persuasive attempts. Taking together, the contextual influence of the non-traditional advert was significantly higher. Attitude towards advert x attitude towards medium and credibility of advert x credibility of medium correlations were significantly greater when the ad message was placed in a non-traditional advertising medium.

The second sub-problem sought to evaluate the effect of non-traditional advertising media on the brand loyalty of the South African Generation Y consumer. In order to achieve brand loyalty, businesses must be aware of the factors that lead to higher behavioural/purchase loyalty and attitudinal loyalty. This outcome drives brand profitability. The findings showed that the non-traditional adverts inspired respondents to

purchase the brand, increase the frequency of purchase of the brand as well as switch to the brand, indicating that behavioural/purchase loyalty was evidently higher in the non-traditional advertising media. The findings also showed that the non-traditional adverts enhanced respondent's commitment to the brand, willingness to pay a higher price for the brand and, willingness to recommend the brand to friends, indicating that attitudinal loyalty was higher in the non-traditional advertising media.

Brand trust and band affect develop over time therefore, it was assumed that due to the popularity of the brands selected for the study, respondents already developed brand trust and brand affect. Chaudhuri and Holbrook's (2001) model of brand loyalty and brand performance was adapted in this study to include non-traditional advertising media.

## 6.3 Recommendations

Based on the seminal work by Roy and Chattopadhyay (2010), as well as the research that proves that the consumers are avoiding traditional advertising at large, the study intended to fill a gap in understanding the brand loyalty of Generation Y consumers by utilising non-traditional media to market to them.

The potential of non-traditional advertising media is being recognised by advertisers all over the world. Not only does it allow for creative innovation in advertising, it also enhances brand and ad perceptions and indirectly impacts brand loyalty in a positive way. The outcome is superior brand performance: higher market share and relative price of the brand.

Businesses are hungry to build competitive advantages and advertising and brand loyalty are key concepts to drive that competitive advantage. Some of the advantages for customers to be brand loyal, as stated in Human et al. (2011), include the fact that it is cheaper to retain customers than acquire new customers, brand loyal customers are less price sensitive and the companies influence on trade increases as the degree of loyalty increases.

The study intended to provide guidance to market driven companies in South Africa whose target market is largely that of the Generation Y consumer. The outcome of the study provides a better understanding of the advertising media that can be employed which strategic marketers can utilise to achieve greater brand loyalty within the Generation Y target market.

Some of the managerial implications arising from the study include:

- Marketing practitioners and advertisers should not make media choices on habit. They should become more creative in how and where they place adverts. One can enhance the effectiveness of advertising to Generation Y consumers by using new and non-traditional advertising media.

- Using the results of this study marketing practitioners and advertisers may expect improved attitude and credibility towards the advert and advertising medium.

- Studies show that the activation of the advertising schema reduces a consumer's attention to the advert. New advertising mediums show reduced persuasive intent of the advert (Dahlen & Edenius, 2007). However, this study used more common forms of non-traditional advertising media (digital advertising and guerrilla marketing) where increased persuasive intent was evident.

- The evaluation of non-traditional advertising media needs to include brand valuation analysis particularly, brand trust, brand affect, attitudinal loyalty and behavioural/purchase loyalty. Chaudhuri and Holbrook's (2001) study showed the importance of brand loyalty and its link to brand performance (market share and relative price of brand). Their evidence suggested that higher brand trust and brand affect leads to higher attitudinal loyalty which leads to relatively higher prices in the market place. Whereas it also suggests that higher brand trust and brand affect leads to higher behavioural/purchase loyalty which leads to more sales and market share.

- This study indicated that behavioural/purchase loyalty and attitudinal loyalty measures are significantly higher for non-traditional advertising compared to traditional advertising media. Marketing practitioners need to understand the contrasts in brand performance outcomes as explained above.

## 6.4 Suggestions for further research

This study compared non-traditional advertising media against traditional advertising media and evaluated the effect of non-traditional advertising media on the brand loyalty of the South African Generation Y consumer. The emerging market context of this study leaves a few limitations. The findings of this study are consistent with those reported in developed/emerged markets.

The size of the sample used in this market is a limitation. Whilst it is assumed that the results may be similar in other segments of the population, it is suggested that a similar study be conducted with a wider, more general sample.

The study was conducted using a sample of University Generation Y consumers in Gauteng, South Africa. The study was thus constrained geographically. Future studies in the emerging market should include a much larger sample preferably a good representation of the provinces too.

It may also be useful in understanding if the outcome is consistent amongst all ethnic groups in SA, preferably proportional to the Generation Y consumer segment.

Nike and Red Bull were selected for use in this study due to its popularity amongst the Generation Y consumers. Findings for both brands were similar, strengthening the conclusions above. However, it must be noted that utilisation of other brands might yield

a different result particularly because brand trust and brand affect develop over time. The researcher suggests that the study be conducted with a low impact brand, medium impact brand and high impact brand to determine if the outcome would be consistent.

Future research should include additional measures of behavioural/purchase loyalty and attitudinal loyalty to be able to explain brand performance. Brand trust and brand affect have been mentioned as key determinants of brand loyalty and have assumed to have already been developed given the popularity of the brands in the study. However, brand trust and brand affect may be different depending on the type of product. It is suggested that the next study of this nature includes brand trust and brand affect measures.

This study did not measure the degree of brand loyalty amongst the Generation Y consumer segment. This would be especially important for marketing practioners to be able to determine the relevance of each of the brand loyalty constructs.

The inclusion of brand performance measures will also enlighten marketing practitioners. Future research should include actual variances in market share and the relative price of the brand.

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# APPENDIX A

You are invited to participate in a survey to determine the effectiveness of traditional advertising media versus non-traditional advertising media and the effect of non-traditional advertising media on the brand loyalty of Generation Y consumers.

One Traditional and One Non-Traditional Advertising Medium has been selected for Nike. Please view each ad in the manner it's been captured in the advertising medium and answer the questions that follow. A questionnaire has been designed to assist you to respond to a list of questions. It will take approximately 5 minutes to fill this questionnaire. A list of definitions is provided to guide you through the survey. Your survey responses will be coded, and will remain strictly confidential. I will share with you the findings once the report is complete, should you be interested.
Thank you very much for your time and support.

---

**DEFINITIONS:**

**Traditional Advertising:** Traditional advertising includes the "usual" media placement, such as print, radio, television or outdoor billboards.

**Non-traditional Advertising:** Non-traditional advertising are approaches such as digital advertising, Guerrilla marketing, adverts distributed in unusual places or circumstances, blogs, YouTube videos, etc. This approach involves utilising an unconventional advertising space or method.

**Brand Loyalty**: Brand Loyalty is defined as a commitment to consistently purchase and patronise a brand regardless of internal or external influences. It is also demonstrated by ones willingness to recommend the brand.

**Advertising Schema**: Schemata are mental networks that help us interpret information and automatically respond to it. As consumers our task is to cope with advertising. Hence, we develop an advertising schema that helps us identify how, when and why marketers try to influence us. The schema also directs our responses to advertising.

---

**SURVEY:**

1. **Please specify your gender:**

| | |
|---|---|
| Male | |
| Female | |

2. **Please specify your age:**

| | |
|---|---|
| Below 20 | |
| Between 20 and 25 | |
| Between 25 and 30 | |
| Above 30 | |

3. **<u>Nike Traditional Print Advert:</u>** This Nike Advert was found in a Sunday Newspaper




### 3.1 Please rate this <u>Nike print advert</u> above:

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
|---|---|---|---|---|---|---|---|---|
| Bad | | | | | | | | Good |
| Unpleasant | | | | | | | | Pleasant |
| Unfavourable | | | | | | | | Favourable |
| Unconvincing | | | | | | | | Convincing |
| Unbelievable | | | | | | | | Believable |
| Unbiased | | | | | | | | Biased |

### 3.2 Please rate the <u>Traditional Advertising Medium</u> that was used:

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
|---|---|---|---|---|---|---|---|---|
| Bad | | | | | | | | Good |
| Unpleasant | | | | | | | | Pleasant |
| Unfavourable | | | | | | | | Favourable |
| Unconvincing | | | | | | | | Convincing |
| Unbelievable | | | | | | | | Believable |
| Unbiased | | | | | | | | Biased |

**3.3 Please rate the Nike Advert that was found in a Print Medium (Traditional Advertising Medium)**

| | Strongly disagree | Disagree | Disagree Somewhat | Undecided | Agree somewhat | Agree | Strongly Agree |
|---|---|---|---|---|---|---|---|
| The purpose of the placement is to sell more product | | | | | | | |
| It is a commercial message | | | | | | | |
| It wants you to purchase the product | | | | | | | |
| The Ad inspires you to buy this brand the next time you buy sports apparel | | | | | | | |
| The Ad inspires you to keep purchasing this brand | | | | | | | |
| The Ad inspires you to switch to this brand the next time you buy sports apparel | | | | | | | |
| The Ad enhances your commitment to this brand | | | | | | | |
| The Ad enhances your willingness to pay a higher price for this brand over other brands in this category | | | | | | | |
| You would recommend this brand to your friends | | | | | | | |

**3.4 Do you readily identify this placement as Advertising? Please rate out of 100.**

| | 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 | 80 | 90 | 100 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Advertising | | | | | | | | | | | |

4. **<u>Nike Non-Traditional Digital Advert:</u>** This Digital Advert was seen on a high rise building in Johannesburg CBD during the 2010 Soccer World Cup




**4.1 Please rate this <u>Nike Digital advert</u> above:**

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
|---|---|---|---|---|---|---|---|---|
| Bad | | | | | | | | Good |
| Unpleasant | | | | | | | | Pleasant |
| Unfavourable | | | | | | | | Favourable |
| Unconvincing | | | | | | | | Convincing |
| Unbelievable | | | | | | | | Believable |
| Unbiased | | | | | | | | Biased |

**4.2 Please rate the <u>Non-Traditional Advertising Medium</u> that was used:**

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
|---|---|---|---|---|---|---|---|---|
| Bad | | | | | | | | Good |
| Unpleasant | | | | | | | | Pleasant |
| Unfavourable | | | | | | | | Favourable |
| Unconvincing | | | | | | | | Convincing |
| Unbelievable | | | | | | | | Believable |
| Unbiased | | | | | | | | Biased |

**4.3 Please rate the Nike Advert that was found in a Digital Medium (Non-Traditional Advertising Medium)**

| | Strongly disagree | Disagree | Disagree Somewhat | Undecided | Agree somewhat | Agree | Strongly Agree |
|---|---|---|---|---|---|---|---|
| The purpose of the placement is to sell more product | | | | | | | |
| It is a commercial message | | | | | | | |
| It wants you to purchase the product | | | | | | | |
| The Ad inspires you to buy this brand the next time you buy sports apparel | | | | | | | |
| The Ad inspires you to keep purchasing this brand | | | | | | | |
| The Ad inspires you to switch to this brand the next time you buy sports apparel | | | | | | | |
| The Ad enhances your commitment to this brand | | | | | | | |
| The Ad enhances your willingness to pay a higher price for this brand over other brands in this category | | | | | | | |
| You would recommend this brand to your friends | | | | | | | |

**4.4 Do you readily identify this placement as Advertising? Please rate out of 100.**

| | 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 | 80 | 90 | 100 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Advertising | | | | | | | | | | | |

## INTRODUCTION:

You are invited to participate in a survey to determine the effectiveness of traditional advertising media versus non-traditional advertising media and the effect of non-traditional advertising media on the brand loyalty of Generation Y consumers.

One Traditional and one Non-Traditional Advertising Medium has been selected for Red Bull. Please view each ad in the manner it's been captured in the advertising medium and answer the questions that follow. A questionnaire has been designed to assist you to respond to a list of questions. It will take approximately 5 minutes to fill this questionnaire. A list of definitions is provided to guide you through the survey. Your survey responses will be coded, and will remain strictly confidential. I will share with you the findings once the report is complete, should you be interested.
Thank you very much for your time and support.

---

## DEFINITIONS:

**Traditional Advertising:** Traditional advertising includes the "usual" media placement, such as print, radio, television or outdoor billboards.

**Non-traditional Advertising:** Non-traditional advertising are approaches such as digital advertising, Guerrilla marketing, adverts distributed in unusual places or circumstances, blogs, YouTube videos, etc. This approach involves utilising an unconventional advertising space or method.

**Brand Loyalty**: Brand Loyalty is defined as a commitment to consistently purchase and patronise a brand regardless of internal or external influences. It is also demonstrated by ones willingness to recommend the brand.

**Advertising Schema**: Schemata are mental networks that help us interpret information and automatically respond to it. As consumers our task is to cope with advertising. Hence, we develop an advertising schema that helps us identify how, when and why marketers try to influence us. The schema also directs our responses to advertising.

---

## SURVEY:

**1. Please specify your gender:**

| | |
|---|---|
| Male | |
| Female | |

**2. Please specify your age:**

| | |
|---|---|
| Below 20 | |
| Between 20 and 25 | |
| Between 25 and 30 | |
| Above 30 | |

**3.** **<u>Red Bull Traditional Print Advert</u>**: This Red Bull advert was located in a Traditional Advertising medium




**3.1 Please rate this <u>Red Bull Print Advert</u> above:**

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
|---|---|---|---|---|---|---|---|---|
| Bad | | | | | | | | Good |
| Unpleasant | | | | | | | | Pleasant |
| Unfavourable | | | | | | | | Favourable |
| Unconvincing | | | | | | | | Convincing |
| Unbelievable | | | | | | | | Believable |
| Unbiased | | | | | | | | Biased |

**3.2 Please rate the <u>Traditional Advertising Medium</u> that was used:**

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
|---|---|---|---|---|---|---|---|---|
| Bad | | | | | | | | Good |
| Unpleasant | | | | | | | | Pleasant |
| Unfavourable | | | | | | | | Favourable |
| Unconvincing | | | | | | | | Convincing |
| Unbelievable | | | | | | | | Believable |
| Unbiased | | | | | | | | Biased |

**3.3 Please rate the Red Bull Advert that was found in a Print Medium (Traditional Advertising Medium)**

| | Strongly disagree | Disagree | Disagree Somewhat | Undecided | Agree somewhat | Agree | Strongly Agree |
|---|---|---|---|---|---|---|---|
| The purpose of the placement is to sell more product | | | | | | | |
| It is a commercial message | | | | | | | |
| It wants you to purchase the product | | | | | | | |
| The Ad inspires you to buy this brand the next time you buy an energy drink | | | | | | | |
| The Ad inspires you to keep purchasing this brand | | | | | | | |
| The Ad inspires you to switch to this brand the next time you buy an energy drink | | | | | | | |
| The Ad enhances your commitment to this brand | | | | | | | |
| The Ad enhances your willingness to pay a higher price for this brand over other brands in this category | | | | | | | |
| You would recommend this brand to your friends | | | | | | | |

**3.4 Do you readily identify this placement as Advertising? Please rate out of 100.**

| | 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 | 80 | 90 | 100 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Advertising | | | | | | | | | | | |

**4.** **<u>Red Bull Non-Traditional Guerrilla Campaign</u>**: In October 2012, Austrian skydiver Felix Baumgartner became the first person to break the sound barrier without engine power by jumping from a capsule 24 miles above the Earth. This was sponsored by Red Bull. He tweeted: "One small step for man, one giant step for energy drink marketing".




**4.1 Please rate this <u>Red Bull Guerrilla Campaign</u> above:**

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
|---|---|---|---|---|---|---|---|---|
| Bad | | | | | | | | Good |
| Unpleasant | | | | | | | | Pleasant |
| Unfavourable | | | | | | | | Favourable |
| Unconvincing | | | | | | | | Convincing |
| Unbelievable | | | | | | | | Believable |
| Unbiased | | | | | | | | Biased |

**4.2 Please rate the <u>Non-Traditional Advertising Medium</u> that was used:**

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
|---|---|---|---|---|---|---|---|---|
| Bad | | | | | | | | Good |
| Unpleasant | | | | | | | | Pleasant |
| Unfavourable | | | | | | | | Favourable |
| Unconvincing | | | | | | | | Convincing |
| Unbelievable | | | | | | | | Believable |
| Unbiased | | | | | | | | Biased |

**4.3 Please rate the Red Bull Guerrilla Campaign (Non-Traditional Advertising Medium):**

| | Strongly disagree | Disagree | Disagree Somewhat | Undecided | Agree somewhat | Agree | Strongly Agree |
|---|---|---|---|---|---|---|---|
| The purpose of the placement is to sell more product | | | | | | | |
| It is a commercial message | | | | | | | |
| It wants you to purchase the product | | | | | | | |
| The Ad inspires you to buy this brand the next time you buy an energy drink | | | | | | | |
| The Ad inspires you to keep purchasing this brand | | | | | | | |
| The Ad inspires you to switch to this brand the next time you buy an energy drink | | | | | | | |
| The Ad enhances your commitment to this brand | | | | | | | |
| The Ad enhances your willingness to pay a higher price for this brand over other brands in this category | | | | | | | |
| You would recommend this brand to your friends | | | | | | | |

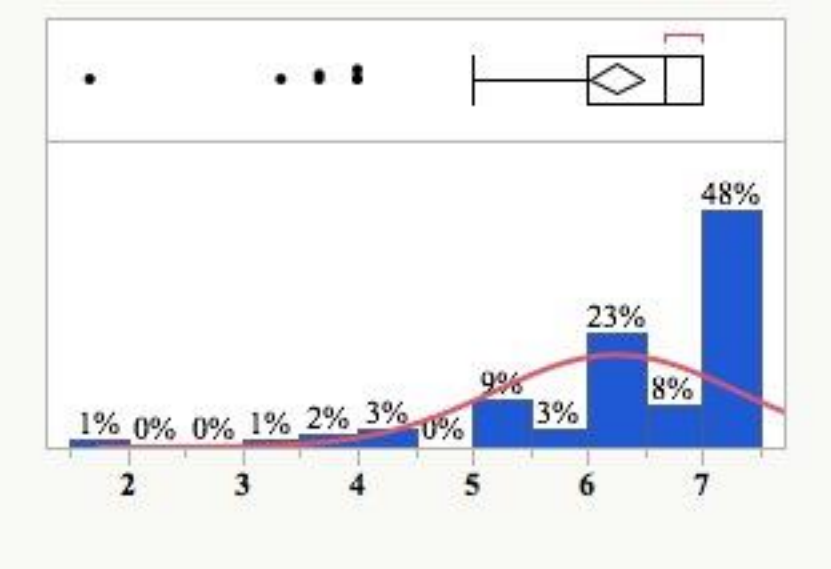
**4.4 Do you readily identify this placement as Advertising? Please rate out of 100.**

| | 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 | 80 | 90 | 100 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Advertising | | | | | | | | | | | |

# APPENDIX B

**Distributions Medium=Non-Traditional**

**Advertisement Attitude**




Normal(6.2567,1.05618)

**Quantiles**

| | | |
|---|---|---|
| 100.0% | Maximum | 7 |
| 99.5% | | 7 |
| 97.5% | | 7 |

| | | |
|---|---|---|
| 90.0% | | 7 |
| 75.0% | Quartile | 7 |
| 50.0% | Median | 6.66667 |
| 25.0% | Quartile | 6 |
| 10.0% | | 5 |
| 2.5% | | 3.4 |
| 0.5% | | 1.66667 |
| 0.0% | Minimum | 1.66667 |

**Summary Statistics**

| | |
|---|---|
| Mean | 6.256705 |
| Std Dev | 1.0561756 |
| Std Err Mean | 0.1132339 |
| Upper 95% Mean | 6.4818065 |
| Lower 95% Mean | 6.0316034 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 6.256705 | 6.0316034 | 6.4818065 |
| Dispersion | σ | 1.0561756 | 0.9191873 | 1.2415246 |

-2log(Likelihood) = 255.405176646313

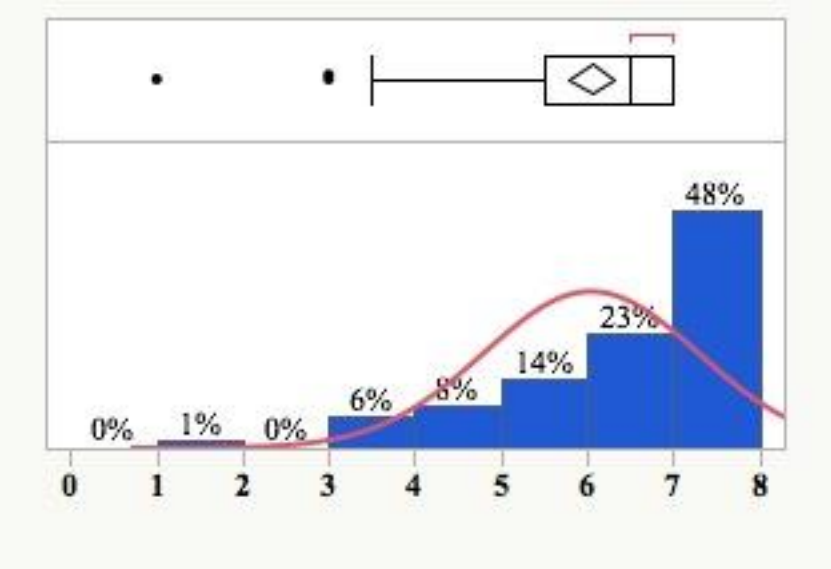
### Goodness-of-Fit Test

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.734979 | | <.0001* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

## Advertisement Credibility




Normal(6.05172,1.24833)

**Quantiles**

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |
| 97.5% | | 7 |
| 90.0% | | 7 |
| 75.0% | quartile | 7 |
| 50.0% | median | 6.5 |
| 25.0% | quartile | 5.5 |

| | | |
|---|---|---|
| 10.0% | | 4 |
| 2.5% | | 3 |
| 0.5% | | 1 |
| 0.0% | minimum | 1 |

### Summary Statistics

| | |
|---|---|
| Mean | 6.0517241 |
| Std Dev | 1.2483349 |
| Std Err Mean | 0.1338355 |
| Upper 95% Mean | 6.3177804 |
| Lower 95% Mean | 5.7856679 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 6.0517241 | 5.7856679 | 6.3177804 |
| Dispersion | σ | 1.2483349 | 1.0864232 | 1.4674062 |

-2log(Likelihood) = 284.490345909049

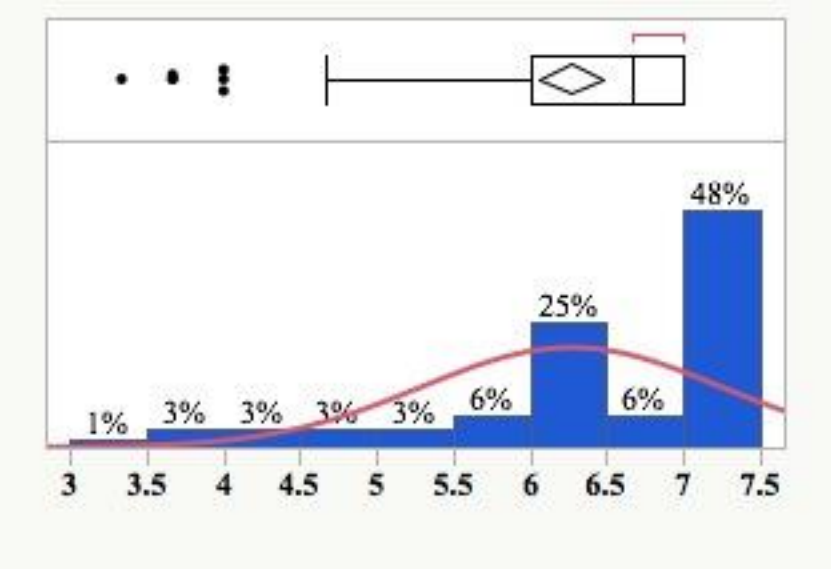
**Goodness-of-Fit Test**

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.774925 | | <.0001* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Medium Attitude**




Normal(6.27586,0.97806)

**Quantiles**

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |

| | | |
|---|---|---|
| 97.5% | | 7 |
| 90.0% | | 7 |
| 75.0% | quartile | 7 |
| 50.0% | median | 6.66667 |
| 25.0% | quartile | 6 |
| 10.0% | | 4.66667 |
| 2.5% | | 3.66667 |
| 0.5% | | 3.33333 |
| 0.0% | minimum | 3.33333 |

**Summary Statistics**

| | |
|---|---|
| Mean | 6.2758621 |
| Std Dev | 0.9780629 |
| Std Err Mean | 0.1048593 |
| Upper 95% Mean | 6.4843155 |
| Lower 95% Mean | 6.0674086 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 6.2758621 | 6.0674086 | 6.4843155 |
| Dispersion | σ | 0.9780629 | 0.851206 | 1.1497039 |

-2log(Likelihood) = 242.035753019319

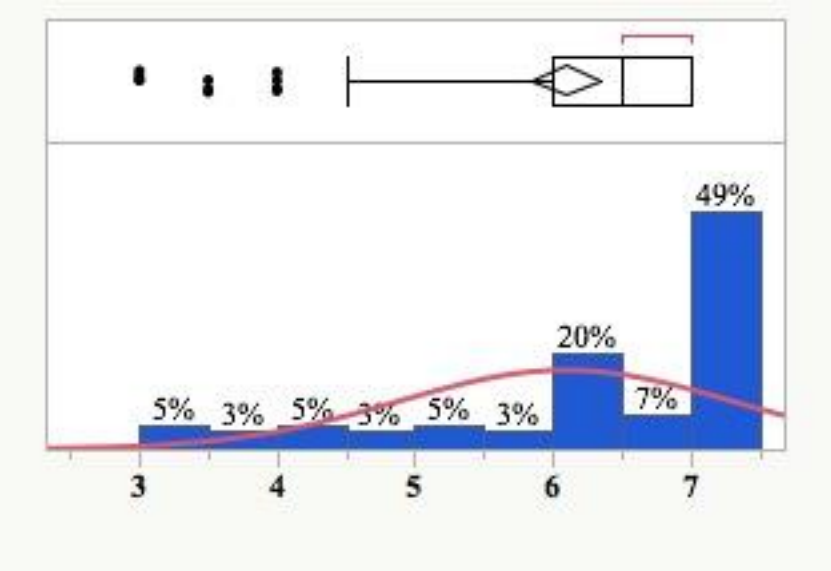
### Goodness-of-Fit Test

Shapiro-Wilk W Test

| W | Prob<W |
|---|---|
| 0.752901 | <.0001* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Medium Credibility**



Normal(6.0977,1.21003)

### Quantiles

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |
| 97.5% | | 7 |
| 90.0% | | 7 |
| 75.0% | quartile | 7 |
| 50.0% | median | 6.5 |
| 25.0% | quartile | 6 |
| 10.0% | | 4 |
| 2.5% | | 3 |
| 0.5% | | 3 |
| 0.0% | minimum | 3 |

### Summary Statistics

| | |
|---|---|
| Mean | 6.0977011 |
| Std Dev | 1.2100333 |

| | |
|---|---|
| Std Err Mean | 0.1297292 |
| Upper 95% Mean | 6.3555942 |
| Lower 95% Mean | 5.8398081 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 6.0977011 | 5.8398081 | 6.3555942 |
| Dispersion | σ | 1.2100333 | 1.0530894 | 1.422383 |

-2log(Likelihood) = 279.068042607181

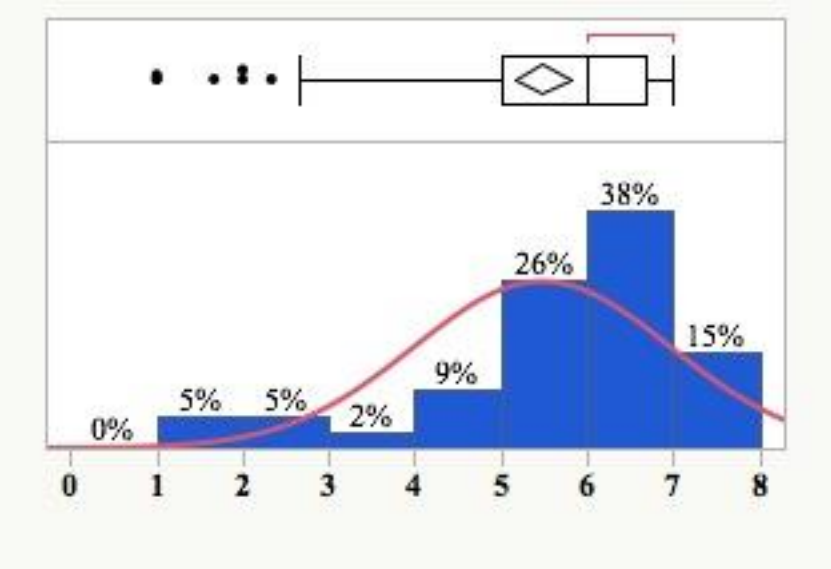
### Goodness-of-Fit Test

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.753163 | | <.0001* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Advertisement Persuasive intent**




Normal(5.48276,1.49224)

**Quantiles**

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |
| 97.5% | | 7 |
| 90.0% | | 7 |
| 75.0% | quartile | 6.66667 |
| 50.0% | median | 6 |
| 25.0% | quartile | 5 |

| | | |
|---|---|---|
| | | |
| 10.0% | | 2.93333 |
| 2.5% | | 1 |
| 0.5% | | 1 |
| 0.0% | minimum | 1 |

### Summary Statistics

| | |
|---|---|
| Mean | 5.4827586 |
| Std Dev | 1.4922354 |
| Std Err Mean | 0.1599844 |
| Upper 95% Mean | 5.8007971 |
| Lower 95% Mean | 5.1647201 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | M | 5.4827586 | 5.1647201 | 5.8007971 |
| Dispersion | Σ | 1.4922354 | 1.2986892 | 1.7541089 |

-2log(Likelihood) = 315.543199671928

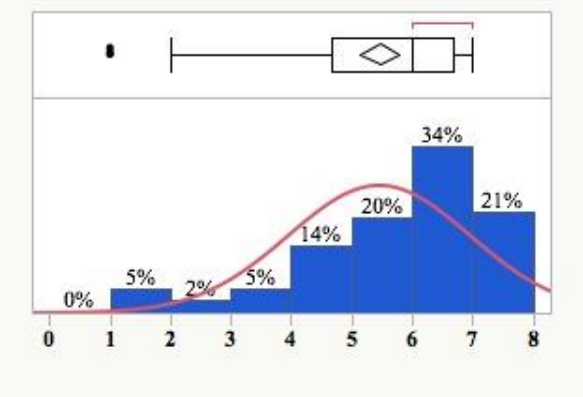
**Goodness-of-Fit Test**

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.823603 | | <.0001* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Purchase loyalty**




Normal(5.45977,1.50558)

**Quantiles**

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |
| 97.5% | | 7 |

| | | |
|---|---|---|
| 90.0% | | 7 |
| 75.0% | quartile | 6.66667 |
| 50.0% | median | 6 |
| 25.0% | quartile | 4.66667 |
| 10.0% | | 3.33333 |
| 2.5% | | 1 |
| 0.5% | | 1 |
| 0.0% | minimum | 1 |

**Summary Statistics**

| | |
|---|---|
| Mean | 5.4597701 |
| Std Dev | 1.5055808 |
| Std Err Mean | 0.1614152 |
| Upper 95% Mean | 5.7806529 |
| Lower 95% Mean | 5.1388873 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 5.4597701 | 5.1388873 | 5.7806529 |
| Dispersion | σ | 1.5055808 | 1.3103037 | 1.7697964 |

-2log(Likelihood) = 317.092406795005

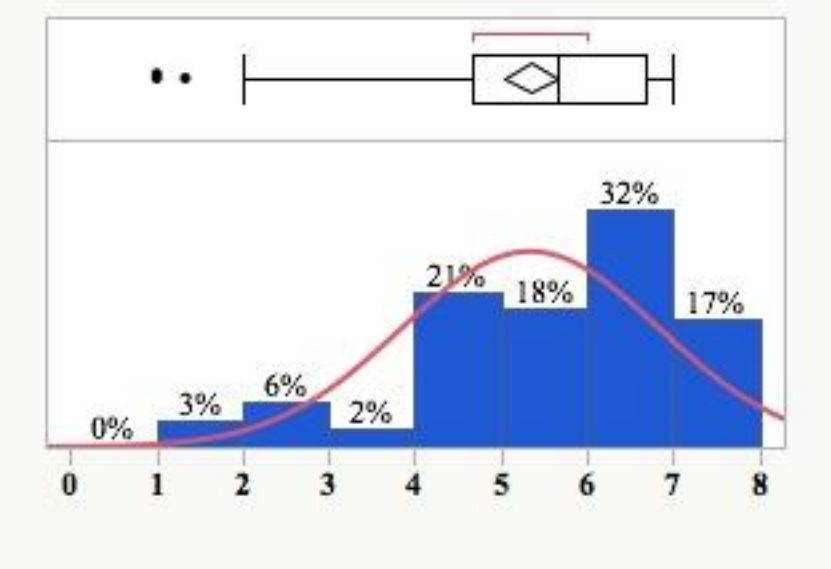
### Goodness-of-Fit Test

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.845605 | | <.0001* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Attitudinal loyalty**



Normal (5.34483,1.49888)

### Quantiles

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |
| 97.5% | | 7 |
| 90.0% | | 7 |
| 75.0% | quartile | 6.66667 |
| 50.0% | median | 5.66667 |
| 25.0% | quartile | 4.66667 |
| 10.0% | | 2.86667 |
| 2.5% | | 1.06667 |
| 0.5% | | 1 |
| 0.0% | minimum | 1 |

### Summary Statistics

| | |
|---|---|
| Mean | 5.3448276 |
| Std Dev | 1.4988784 |

| | |
|---|---|
| Std Err Mean | 0.1606966 |
| Upper 95% Mean | 5.6642819 |
| Lower 95% Mean | 5.0253733 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 5.3448276 | 5.0253733 | 5.6642819 |
| Dispersion | σ | 1.4988784 | 1.3044706 | 1.7619177 |

-2log(Likelihood) = 316.316075987528

### Goodness-of-Fit Test

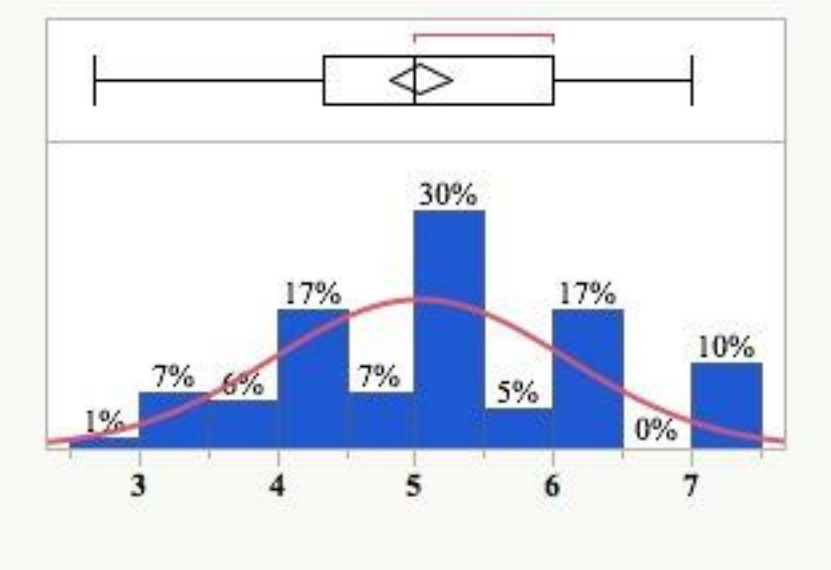
Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.872688 | | <.0001* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Distributions Medium=Traditional**

**Advertisement Attitude**




Normal(5.03831,1.06315)

**Quantiles**

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |
| 97.5% | | 7 |
| 90.0% | | 7 |
| 75.0% | quartile | 6 |

| | | |
|---|---|---|
| 50.0% | median | 5 |
| 25.0% | quartile | 4.33333 |
| 10.0% | | 3.66667 |
| 2.5% | | 3 |
| 0.5% | | 2.66667 |
| 0.0% | minimum | 2.66667 |

**Summary Statistics**

| | |
|---|---|
| Mean | 5.0383142 |
| Std Dev | 1.0631547 |
| Std Err Mean | 0.1139821 |
| Upper 95% Mean | 5.2649032 |
| Lower 95% Mean | 4.8117252 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | M | 5.0383142 | 4.8117252 | 5.2649032 |
| Dispersion | Σ | 1.0631547 | 0.9252612 | 1.2497285 |

-2log(Likelihood) = 256.55117147864

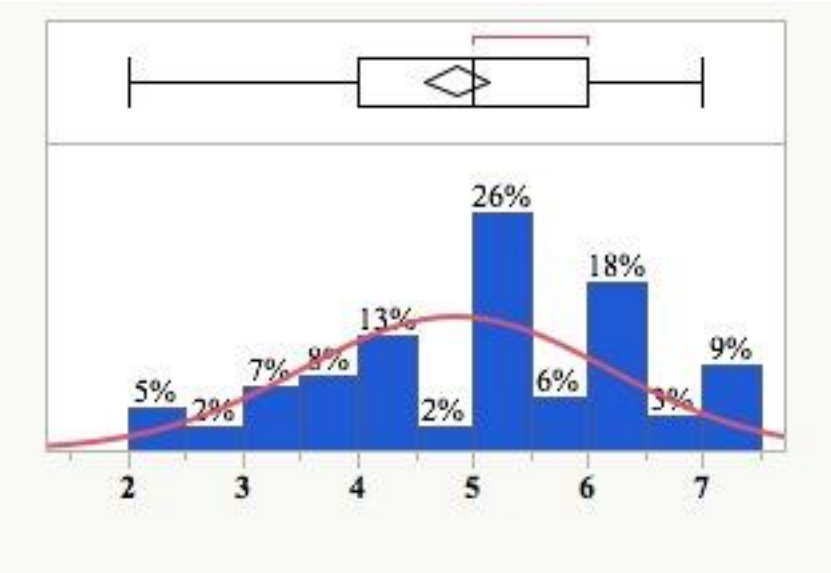
### Goodness-of-Fit Test

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.959166 | | 0.0077* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Advertisement Credibility**




Normal(4.85632,1.33797)

**Quantiles**

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |
| 97.5% | | 7 |
| 90.0% | | 6.6 |
| 75.0% | quartile | 6 |
| 50.0% | median | 5 |
| 25.0% | quartile | 4 |

| | | |
|---|---|---|
| 10.0% | | 3 |
| 2.5% | | 2 |
| 0.5% | | 2 |
| 0.0% | minimum | 2 |

### Summary Statistics

| | |
|---|---|
| Mean | 4.8563218 |
| Std Dev | 1.3379698 |
| Std Err Mean | 0.1434454 |
| Upper 95% Mean | 5.1414819 |
| Lower 95% Mean | 4.5711618 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 4.8563218 | 4.5711618 | 5.1414819 |

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Dispersion | σ | 1.3379698 | 1.1644322 | 1.5727711 |

-2log(Likelihood) = 296.555988509499

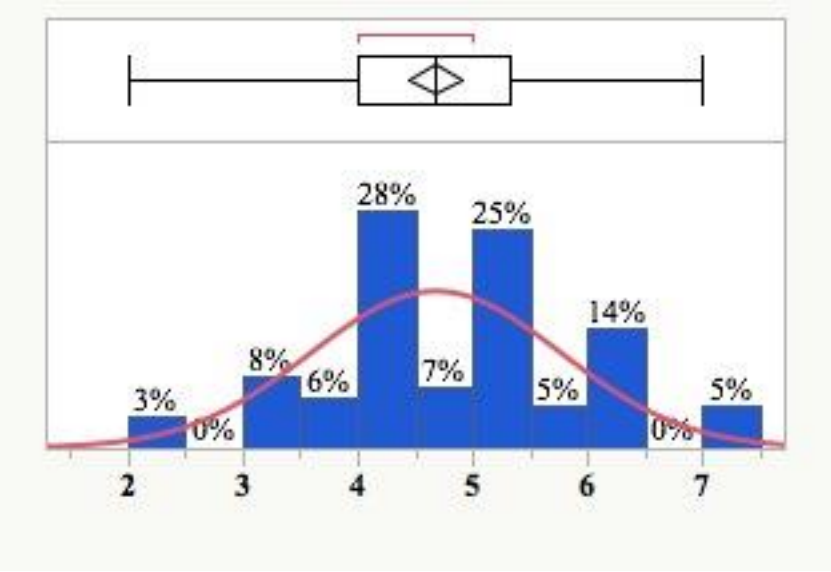
**Goodness-of-Fit Test**

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.949378 | | 0.0019* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Medium Attitude**




Normal(4.68582,1.09067)

## Quantiles

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |
| 97.5% | | 7 |
| 90.0% | | 6 |
| 75.0% | quartile | 5.33333 |
| 50.0% | median | 4.66667 |
| 25.0% | quartile | 4 |
| 10.0% | | 3.33333 |
| 2.5% | | 2.06667 |
| 0.5% | | 2 |
| 0.0% | minimum | 2 |

## Summary Statistics

| | |
|---|---|
| Mean | 4.6858238 |
| Std Dev | 1.0906655 |
| Std Err Mean | 0.1169316 |

| | |
|---|---|
| Upper 95% Mean | 4.9182761 |
| Lower 95% Mean | 4.4533714 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 4.6858238 | 4.4533714 | 4.9182761 |
| Dispersion | σ | 1.0906655 | 0.9492038 | 1.2820672 |

-2log(Likelihood) = 260.996426286761

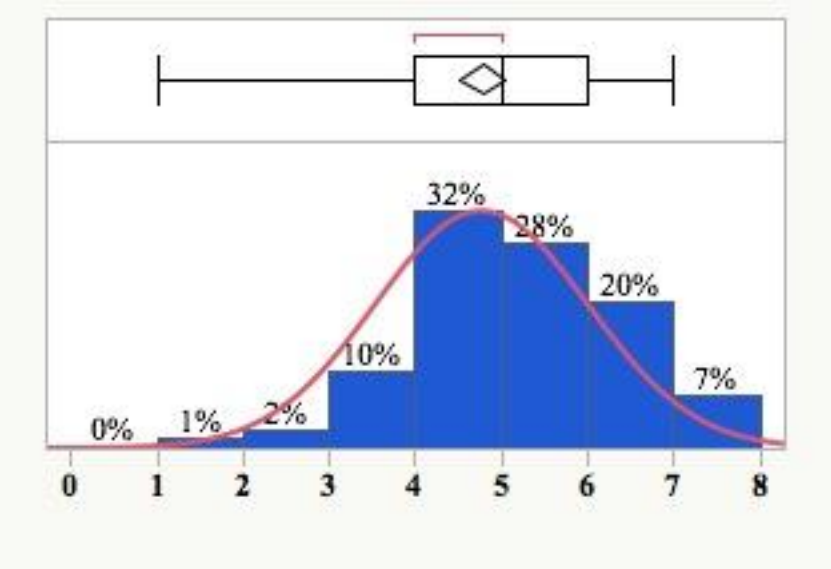
### Goodness-of-Fit Test

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.972804 | | 0.0635 |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Medium Credibility**




Normal(4.77586,1.23599)

**Quantiles**

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |
| 97.5% | | 7 |
| 90.0% | | 6.5 |
| 75.0% | quartile | 6 |
| 50.0% | median | 5 |
| 25.0% | quartile | 4 |

| | | |
|---|---|---|
| 10.0% | | 3 |
| 2.5% | | 2 |
| 0.5% | | 1 |
| 0.0% | minimum | 1 |

### Summary Statistics

| | |
|---|---|
| Mean | 4.7758621 |
| Std Dev | 1.235988 |
| Std Err Mean | 0.1325118 |
| Upper 95% Mean | 5.0392869 |
| Lower 95% Mean | 4.5124373 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 4.7758621 | 4.5124373 | 5.0392869 |

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Dispersion | σ | 1.235988 | 1.0756777 | 1.4528925 |

-2log(Likelihood) = 282.76080152124

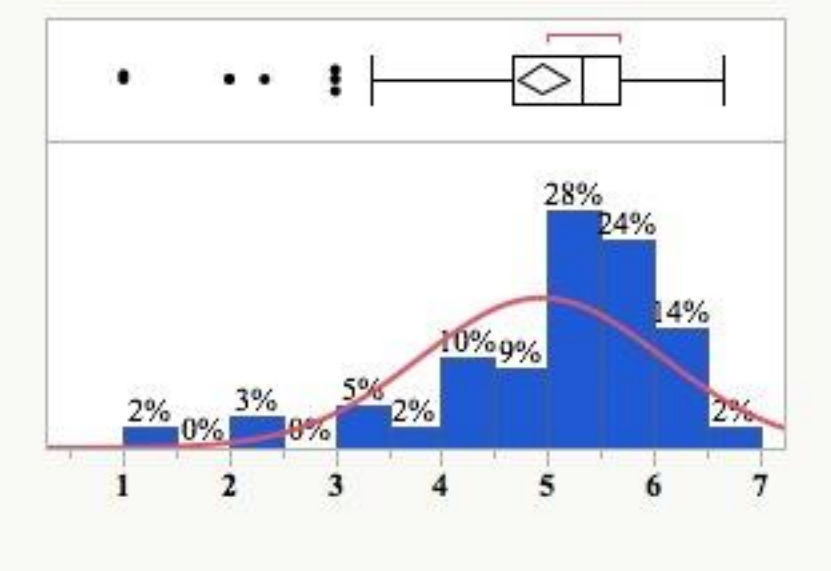
**Goodness-of-Fit Test**

Shapiro-Wilk W Test

| W | Prob<W |
|---|---|
| 0.955093 | 0.0043* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Advertisement Persuasive intent**




Normal(4.95019,1.13953)

**Quantiles**

| | | |
|---|---|---|
| 100.0% | maximum | 6.66667 |
| 99.5% | | 6.66667 |
| 97.5% | | 6.6 |
| 90.0% | | 6 |
| 75.0% | quartile | 5.66667 |
| 50.0% | median | 5.33333 |
| 25.0% | quartile | 4.66667 |
| 10.0% | | 3.26667 |

| | | |
|---|---|---|
| 2.5% | | 1.2 |
| 0.5% | | 1 |
| 0.0% | minimum | 1 |

### Summary Statistics

| | |
|---|---|
| Mean | 4.9501916 |
| Std Dev | 1.1395279 |
| Std Err Mean | 0.1221702 |
| Upper 95% Mean | 5.1930579 |
| Lower 95% Mean | 4.7073252 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 4.9501916 | 4.7073252 | 5.1930579 |
| Dispersion | σ | 1.1395279 | 0.9917287 | 1.3395046 |

-2log(Likelihood) = 268.622152148203

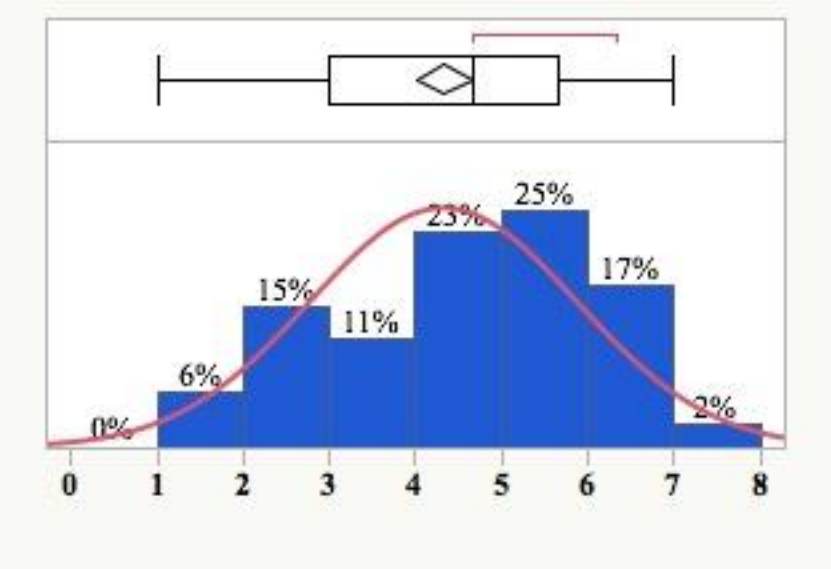
**Goodness-of-Fit Test**

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.850832 | | <.0001* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Purchase loyalty**




Normal(4.33333,1.55685)

**Quantiles**

| | | |
|---|---|---|
| 100.0% | maximum | 7 |
| 99.5% | | 7 |

| | | |
|---|---|---|
| 97.5% | | 6.93333 |
| 90.0% | | 6 |
| 75.0% | quartile | 5.66667 |
| 50.0% | median | 4.66667 |
| 25.0% | quartile | 3 |
| 10.0% | | 2 |
| 2.5% | | 1 |
| 0.5% | | 1 |
| 0.0% | minimum | 1 |

**Summary Statistics**

| | |
|---|---|
| Mean | 4.3333333 |
| Std Dev | 1.556847 |
| Std Err Mean | 0.1669115 |
| Upper 95% Mean | 4.6651425 |
| Lower 95% Mean | 4.0015242 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 4.3333333 | 4.0015242 | 4.6651425 |
| Dispersion | σ | 1.556847 | 1.3549206 | 1.8300593 |

-2log(Likelihood) = 322.91860204914

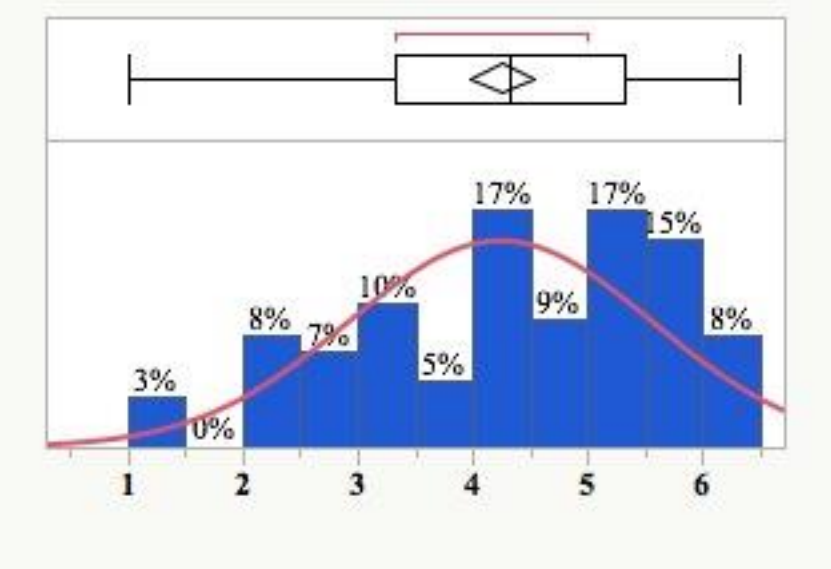
### Goodness-of-Fit Test

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.948117 | | 0.0016* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.

**Attitudinal loyalty**



Normal(4.24904,1.32675)

### Quantiles

| | | |
|---|---|---|
| 100.0% | maximum | 6.33333 |
| 99.5% | | 6.33333 |
| 97.5% | | 6.26667 |
| 90.0% | | 5.66667 |
| 75.0% | quartile | 5.33333 |
| 50.0% | median | 4.33333 |
| 25.0% | quartile | 3.33333 |
| 10.0% | | 2.33333 |
| 2.5% | | 1 |
| 0.5% | | 1 |
| 0.0% | minimum | 1 |

### Summary Statistics

| | |
|---|---|
| Mean | 4.2490421 |
| Std Dev | 1.3267457 |
| Std Err Mean | 0.1422421 |

| | |
|---|---|
| Upper 95% Mean | 4.53181 |
| Lower 95% Mean | 3.9662743 |
| N | 87 |

### Fitted Normal

### Parameter Estimates

| Type | Parameter | Estimate | Lower 95% | Upper 95% |
|---|---|---|---|---|
| Location | μ | 4.2490421 | 3.9662743 | 4.53181 |
| Dispersion | σ | 1.3267457 | 1.1546639 | 1.5595774 |

-2log(Likelihood) = 295.090172798209

### Goodness-of-Fit Test

Shapiro-Wilk W Test

| W | | Prob<W |
|---|---|---|
| 0.947405 | | 0.0015* |

Note: Ho = The data is from the Normal distribution. Small p-values reject Ho.