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Advertising to businesses: Does creativity matter?

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ABSTRACT

Business-to-business advertising research has long been grounded in rationality with a focus on factual, functional, benefit-laden messages. However, in consumer advertising, psychological differentiators, such creativity, are frequently used to increase advertising effectiveness. With growing evidence that consumer marketing concepts apply to business buyers, this research investigates the effect advertising creativity has on the organizational buying process. Using an online survey, we present actual advertisements to managers in the B2B environment. Our results provide strong evidence that message creativity influences business managers' response toward advertising for site selection. Creative ads generated stronger shifts in attitudes toward the ad, attitudes toward the brand, and behavioral intentions. The results extend previous research on the role of creativity in advertising to a business-to-business context. The results also challenge conventional wisdom and dominant practices in advertising to businesses.

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Creativity has long been recognized as one of the most important concepts in the design and development of effective advertising (El-Murad & West, 2004; Hopkins, 1972; Klebba & Tierney, 1995; Ogilvy, 1963, 1995; Reeves, 1961; Sasser & Koslow, 2008). Creative ads have been linked to increased levels of awareness and comprehension as well as more favorable attitudes toward the ad and brand (Till & Baack, 2005; Yang & Smith, 2009). Yet, for all the academic interest in the topic, there appears to be a paucity of research on advertising creativity within a business-to-business (B2B) context. This gap in the literature can be largely traced to the potentially false distinction between "organizational buyers" and "individual consumers." The traditional perspective of organizational buyer behavior as rational purchase decisions has walled off much B2B marketing research from the large body of consumer marketing research (Wilson, 2000). Viewing business buyers as objective, attribute-driven, and separate from consumers has limited the application and efficacy of past research on the topic (Brown, Zablah, Bellenger, & Johnston, 2011; Wilson, 2000).

While acknowledging that business markets are certainly different (albeit by degree not genus, as noted by Wilson, 2000), by applying consumer marketing theory, B2B researchers face rich opportunities to advance the field. While the possibilities are myriad, this paper focuses on how message effects, namely creativity, may very well be important whether targeting business people or consumers. Creativity is considered an important determinant of advertising effectiveness, and well-planned creative strategy and execution are central elements in the development of advertising. This project explores the relativity under

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researched area of advertising creativity in the B2B sector, and by doing so offers evidence of the efficacy of creative advertising in a B2B context.

1. Literature review and hypothesis development

To explore advertising creativity in the B2B sector, creativity must be identified as a relevant construct that likely influences business managers during their decision-making process. To do this, we first discuss the organizational buying center and how it, like the consumer market, is vulnerable to the influences of subjective marketing information. We next explicate how our chosen B2B context, international site selection, is an appropriate representation of a B2B market. We conclude our literature review by defining creativity and explaining how creativity acts as subjective information in decision-making processes. Finally, the literature review led us to the development of three hypotheses.

1.1. Marketing influences in the organizational buying center

Over the past 40 years, a number of models have been developed to explain the organizational buying process (Robinson, Faris, & Wind, 1967; Sheth, 1973; Webster & Wind, 1972), and they remain an important theoretical foundation for current research (Lewin & Donthu, 2005; Owusa & Welch, 2007; Verville & Halingten, 2003). A common theme among the models is that each describes organizational buying as progressing through a number of stages with variables internal and external to the buying center affecting organizational buying behavior (Chandler & Johnston, 2012; Johnston & Lewin, 1996). While each model identifies a varying number of activities in the buying process, all outline the same general progression. Because of its succinctness,

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and widespread acceptance, Webster and Wind's (1972) model is used in our discussion to summarize the overall organizational buying process, This model contains the following steps: (1) identification of need; (2) establishment of specifications; (3) identification of alternatives; (4) evaluation of alternatives; and (5) selection of suppliers (see Fig. 1).

Traditionally, organizational buying research has viewed buyers in this process as purely rational, objective, and non-emotional actors (Patti, Hartley, & Kennedy, 1991; Wilson, 2000), but this assumption increasingly faces skepticism. Over the past decade, research on marketing to businesses has focused more on consumer behavior effects, such as the sensitivity to brand information (Brown et al., 2011; Mudambi, 2002) and the use of emotional appeals (Lynch & de Chernatony, 2004; Swani, Brown, & Milne, 2014), providing evidence that advertising to businesses looks increasingly similar to advertising created for consumers. Consequently, information-processing influences, such as those produced by creative elements within an ad, represent a potentially key message component for advertising to businesses.

Furthermore, business decisions are not always the outcome of a systematic decision-making process made by a group. Traditionally, organizational buying has viewed individuals involved in purchasing decisions as being influenced by group objectives, and that this process keeps individual behaviors in check (Gilliland & Johnston, 1997). However, several researchers have suggested that organizational buying has more in common with consumer buying than early research indicated (Sheth, 1973). For example, Wilson (2000) argues that consumers face many of the same social influences and collective objectives (e.g., family) that guide organizational buying decisions (e.g., buying center). So why would we expect individuals to behave differently in a professional context than we expect in a social context? The following quote summarizes the individual versus organization perspective well, albeit from a narrower advertising perspective: "committees don't view ads, people do" (Bellizzi, Minas, & Norvell, 1994).

Accepting that organizational buyers are not always objective decision makers, a growing number of researchers have found that individuals in organizational buying centers are sensitive to subjective, marketing information (Brown et al., 2011; Brown, Zablah, Bellenger, & Donthu, 2012; Homburg, Klarmann, & Schmitt, 2010; Mudambi, 2002). These authors investigated the role of corporate and/or product branding in influencing organizational decision making and found that three situational factors can make buying center participants more sensitive to the effects of marketing. These factors are purchase importance, purchase complexity, and purchase uncertainty. Purchase importance is defined as the relative importance of the purchase to other types of purchases and its perceived impact on the overall organization (Stump & Heide, 1996). Purchase complexity is defined with respect to a highly

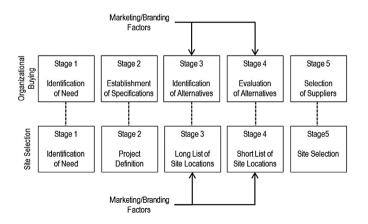


Fig. 1. Comparison of the organizational buying process to the international site selection process.

technical product or the involved nature of the actual purchase decision (Lewin & Bello, 1997). Purchase uncertainty refers to the availability of information to make the best decision and/or the ultimate outcome from the decision (Lewin & Donthu, 2005).

Collectively, these three situational factors appear to contribute to the perceived risk associated with making an incorrect decision (McQuiston, 1989) When perceived risk is great, managers can become overwhelmed with the amount of information, some of which may be conflicting, needed to make an informed decision. As a result, research in this area found that managers often look to subjective factors, such as branding, to reduce risk perceptions and legitimize their buying decisions (Brown et al., 2012). In these circumstances, branding efforts can increase overall brand awareness, which is important in stage three of organization buying process (see Fig. 1), as it can reduce buyer information search costs (Homburg et al., 2010). It also serves as a cue for product quality in stage four of the organizational buying process, as it is widely believed that companies typically only spend money on branding, through advertising for example, if they expect to recoup the costs (Kirmani & Rao, 2000).

Branded products help to increase manager receptivity to marketing communications (Low & Blois, 2002; Michell, King, & Reast, 2001). This in turn may make the manager open to the influence of psychological differentiators, such as emotional and image-based content, which are important components of marketing communications (Gilliland & Johnston, 1997). Some emotions, like trust, peace of mind, and security, can increase customer engagement, build customer relationships, and lead to competitive differentiation (Lynch & de Chernatony, 2004). Such content has increasingly been found in B2B marketing communications. For example, emotion-based headlines were found in as many as 40% of B2B advertisements (Cutler & Javalgi, 1994) and emotional appeals were found in 30% of tweets, which was actually 6% higher than the number of functional appeals (Swani et al., 2014). When used appropriately, emotional content can increase brand awareness and brand attitudes, which help brands enter managers' evoked and consideration sets, as was the instance with B2B product placements found in well-liked movies (Lord & Gupta, 2010).

Thus there appears to be growing evidence, and even acceptance, that managers involved in the organizational buying process are susceptible to subjective information, such as branding (Leek & Christodoulides, 2011). Further, many of the psychological differentiators used in consumer advertising seem applicable for business advertising as well (Gilliland & Johnston, 1997; Lynch & de Chernatony, 2004).

1.2. Context: international site selection

To provide a context for our investigation, our study focuses on the subjective marketing influences in one particular organizational buying context: international site selection. Site selection is a process by which businesses evaluate locations for foreign direct investment (FDI), and represents a large and important organizational buying process. FDI is worth more than US\$1.45 trillion annually with nearly 14,000 international site selection decisions made around the world each year (The World Bank Group, 2012).

Site selection involves two types of actors: the business or group of businesses seeking international expansion on the one end of the exchange, and the investment promotion agencies (IPAs) that provide information and market entry assistance during the selection process on the other end. IPAs can be either a public sector or private sector organization (Wells, 1999), which, in either case, qualifies it as the initiating "business" organization in the B2B dyad commonly used within the organizational buying literature (Wilson, 2000).

As outlined in Fig. 1, the site selection process correlates extremely well with traditional views of organizational buying, and site selection has previously been explained using the organizational buying frameworks discussed earlier in this paper (c.f., Wells & Wint, 2000). Site

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