

So Whaddya Think? Consumers Create Ads and Other Consumers Critique Them

Burçak Ertimur ^{a,*} & Mary C. Gilly ^b

^a *Silberman College of Business, Fairleigh Dickinson University, Teaneck, NJ 07666, USA*

^b *The Paul Merage School of Business, SB 401, University of California, Irvine, Irvine, CA 92697, USA*

Available online 3 December 2011

Abstract

With the availability of online creative tools, consumers create ad-like communications on their own or in response to company contests. These consumer-generated ads (CGA) are like word-of-mouth (WOM) in that they are consumer-to-consumer communications, yet they have the look and feel of traditional advertising. We examine consumer responses to both contest and unsolicited CGA and company ads using data gathered from consumers via netnography and depth interviews. Content analysis is used to compare the three ad types and reveals that the contest rules frame CGA so that they resemble company ads while unsolicited CGA differ from both ad types. Findings show that consumers respond to both types of CGA by engaging with the ad rather than the brand, much like an ad critic, while company ads elicit brand associations. Unsolicited CGA are seen as authentic, but not credible, while contest ads are seen as credible, but not authentic, revealing a boundary condition to the conventional view that authenticity leads to credibility.

© 2011 Direct Marketing Educational Foundation, Inc. Published by Elsevier Inc. All rights reserved.

Keywords: Consumer-generated advertising; User-generated content; Credibility; Authenticity; Word-of-mouth communications

Introduction

With the availability of online creative tools, consumers create ad-like communications on their own or in response to company contests. These consumer-generated ads (CGA) are like word-of-mouth (WOM) in that they are consumer-to-consumer communications, yet they have the look and feel of traditional advertising. We examine consumer responses to both contest and unsolicited CGA and company ads using data gathered from consumers via netnography and depth interviews. Content analysis is used to compare the three ad types and reveals that the contest rules frame CGA so that they resemble company ads while unsolicited CGA differ from both ad types. Findings show that consumers respond to both types of CGA by engaging with the ad rather than the brand, much like an ad critic, while company ads elicit brand associations. Unsolicited CGA are seen as authentic, but not credible, while contest ads are seen as credible, but not authentic,

revealing a boundary condition to the conventional view that authenticity leads to credibility.

In 2004, a vocational school teacher named George Masters showcased the 60-second animated ad he had created for the iPod Mini by uploading it to his personal Web site. The video could have easily been mistaken for an ad produced by Apple. The unsolicited ad caught the attention of fans, bloggers, and marketers, and was viewed more than 500,000 times within a month (McConnell and Huba 2007). In 2007, the NFL, General Motors-Chevrolet, Bayer-Alka Seltzer, Unilever-Dove and PepsiCo-Doritos invited consumers to create ads for their products to be aired during the Super Bowl and the Oscars. The success and the buzz generated by some of these ads have fueled many other companies to initiate similar ad contests.

With the availability of digital media technology and the emergence of Web-based publishing and networking platforms,

* Corresponding author.

E-mail addresses: bertimur@fdu.edu (B. Ertimur), mcgilly@uci.edu (M.C. Gilly).

ordinary consumers easily generate and distribute brand-related content (McConnell and Huba 2007). The above examples illustrate the emergence of a new type of user-generated content (UGC), namely consumer-generated advertising (CGA). While earlier forms of UGC tended to be textual in nature, creating and sharing content in the form of videos has become more common especially on social networking sites like Facebook and specialized video sharing sites like YouTube (Purcell 2010). With CGA, consumers create ads for products. Essentially, there are two types of CGA: those solicited by companies through contests and those created by consumers on their own. While unsolicited CGA are initiated as well as created by consumers, solicited CGA can be viewed as hybrid forms of content that are firm-initiated and consumer-created. With both types of CGA, consumers perform tasks that were previously handled by companies. Hence, this new type of UGC challenges the traditional view of advertising as a form of company-controlled communication (Berthon, Pitt, and Campbell 2008).

What makes CGA highly relevant for consumer researchers is that they allow consumers to communicate on behalf of (or in opposition to) firms and participate in creating brand images. The resulting ads constitute evidence of consumer perceptions of the brand as well as the firm (Muniz and Schau 2007). Studies show that consumers say they are more likely to be influenced by UGC than by information coming directly from advertisers and marketers (Bickart and Schindler 2001; eMarketer 2007) and that UGC outranks other forms of advertising in terms of gaining consumer trust (Nielsen Company 2007). The outcomes of CGA contests, however, have been inconsistent, leaving the question of whether this new type of UGC can provide brand information seen as credible and authentic by other consumers. On the one hand, both types of CGA (solicited and unsolicited) may be seen as similar to conventional ads in that they are intended to be persuasive and they look as well as feel like ads. On the other hand, CGA may be viewed as WOM communications given that they are created by consumers, not marketers, and are not directly commercially motivated. CGA may provide benefits such as increased authenticity and credibility in comparison to traditional ads, as is the case in WOM communications.

Knowing how other consumers respond to and perceive these ads is needed to have a full understanding of the appeal and credence of CGA. Here, we attend to this issue by addressing the following research questions: 1) How are unsolicited CGA (i.e., consumer ads) and solicited CGA (i.e., contest ads) similar or different from each other and from company ads? 2) How do consumers respond to and evaluate these three ad types? and 3) How do consumer perceptions of authenticity, credibility, and persuasiveness vary based on each ad type?

Our findings complement and extend prior research in three important ways: First, we compare the structure and content of consumer, contest, and company ads and find that contests serve to frame CGA so that they mimic company ads while consumer ads differ from both contest ads and company ads. Second, we find that consumers react to CGA differently. Instead of reacting to brand messages, they become ad critics. Third, while consumers do find CGA to be more authentic than company ads in theory, when asked to evaluate specific

CGA, they find consumer ads less credible and contest ads as less authentic than the company ad.

Background

User-generated Content (UGC) and Online Word-of-mouth (WOM) Communications

UGC takes as diverse forms as blogs, message boards and forums, review/rating sites, personal videos and podcasts and includes making Second Life avatars, creating Facebook profiles, recommending books at Amazon, and distributing content via YouTube. It is one of the fastest growing mediums with UGC creators and consumers representing a continually rising percentage of the Internet population (Interactive Advertising Bureau 2008). A recent report from eMarketer shows that the number of people in the US who create content (i.e., post videos, photos, music, blogs, wikis, personal profiles and personal web sites) is estimated to grow from 82.5 million in 2008 to 114.5 million in 2013 (Verna 2009). The number of consumers of UGC, on the other hand, is estimated to reach 154.8 million in 2013 from 115.7 million in 2008 (eMarketer 2009).

Most of the consumer research interest in UGC stems from the idea that it can be examined as WOM communications (Kozinets et al. 2010; Muniz and Schau 2007). Researchers have long studied WOM, demonstrating how it affects consumers' product judgments, purchase decisions, awareness of innovations, and adoption of new products (Herr, Kardes, and Kim 1991). WOM communications have gained even more significance with the advent of the Internet through which consumers are able to spread both positive and negative WOM on a much larger scale and at a higher speed. Online environments not only allow consumers to create and share content, but also to rely on UGC (vs. ads or professional advice) in forming opinions about products and making purchase decisions (Mathwick, Wiertz, and De Ruyter 2008; Schlosser 2005). While earlier theories of WOM focused on particularly influential consumers such as opinion leaders and market mavens in spreading information, the accessibility, interactivity, and reach of Web-based technologies mark a new world of WOM communications in which marketing messages and meanings are co-produced in consumer networks (Kozinets et al. 2010).

Research on UGC focuses heavily on online product reviews, examining why and how online consumer-generated product reviews influence consumer decision-making and behavior. Studies in this stream investigate aspects of UGC such as valence, volume, dispersion and user identity (Duan, Gu, and Whinston 2008; Sen and Lerman 2007). However, UGC is not limited to text as in the cases of online user reviews, blogs posts, and discussion threads in online forums. The growth of online social communities such as YouTube, Flickr.com and Facebook has generated new media of expression in the form of videos, photos, and podcasts. The emergence and proliferation of CGA coincide with these types of UGC that allow consumers to share and discuss opinions and experiences in the form of audio-visual material (Muniz and Schau 2007).

Download English Version:

<https://daneshyari.com/en/article/886067>

Download Persian Version:

<https://daneshyari.com/article/886067>

[Daneshyari.com](https://daneshyari.com)