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The Effect of Incentive Type and Sex on Attitudes towards Interactive Television Advertising

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Abstract

An experiment was carried out to test the effect of incentive type and sex on users' attitudes towards interactive television advertising. One hundred eleven subjects interacted with an application that offered either a free sample or a request for further information. The interaction between incentive type and sex was significant. In particular, women presented more negative attitudes than men when a free sample was offered. Implications for interactive advertising effectiveness are discussed.

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1. Introduction

“Go digital or die” could perfectly work as the slogan of the new media landscape. Not only are new media born digital, but old media are converting to digital as well. Among them, television is no exception. Digitization offers a wide range of renewed possibilities to the mass medium par excellence. Technological convergence, together with an increase of available media platforms and TV screen types (mobile, PC...), make it possible to shift from one-way to two-way communication between broadcasters and viewers. This fact implies greater possibilities for

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television to become interactive.

Clearly, these advances represent new opportunities for advertisers as well (Levy and Nebenzahl, 2006). New advertising formats have appeared in and alongside the broadcast stream finding inspiration both from TV and Internet formats (Cauberghe & De Pelsmacker, 2006; Cauberghe 2009). These new formats take advantage of interactivity, which has become essential in digital media advertising (Truong, McColl, & Kitchen, 2010).

Also, the vast interest in the digital panorama around the globe prompts the current research to look into consumer attitudes' towards interactive digital advertising (Cheng et al., 2009). Previous works have highlighted strengths and potentials of interactive television advertising (ITVAD) formats. Advertising characteristics such as permission-based, personalization, and interactivity are possible with digital media. All three factors can help improve consumer acceptance of advertising, reduce reluctance to exposure, increase implication from consumers and contribute towards better returns on investment for advertisers (Truong, McColl, & Kitchen, 2010). Also, these formats have a positive impact on users' attitudes and behavior compared to traditional formats. In particular, interacting with interactive TV ads seems to have a positive effect on awareness, it improves attitude towards the ad and the brand and increases purchase intentions compared to traditional ads (Bellman, Schweda, & Varan, 2009; Reading et al., 2006).

The willingness of the audience to change its viewing habits and become more actively involved it is crucial for the success of these applications (Levy & Nebenzahl, 2006) as the message contained in these applications cannot be fully delivered without consumers' participation. A particularly decisive moment in the process of delivering ITVAD is when the interactive icon appears on the screen. This icon offers the user an incentive to interact (e.g. "for a free sample, press the red button"). Thus, the type of incentive offered through these applications may play an important role in the success of the interactive campaign. Concerning this, the present study explores the role that an incentive plays on users' attitude towards ITVAD and interacting. In addition, it also considers the role of sex. Sex is a key variable for marketing analysis since males and females tend to respond to advertising stimulus in a different manner (Wolin & Korgaonkar, 2003).

2. Interactive Television and new advertising formats

Interactive Television (ITV) is nothing new. Producers have tried to make their TV shows dynamic and participatory since the earliest days of television. More than 60 years have passed since memorable children's show *Winky Dink and You* offered viewers one of the first opportunities to interact with the medium (Gawlinski, 2003). With digitization, ITV has now more chances to prosper, offering viewers further opportunities to make decisions over their consumption. Current ITV allows users to decide when, where and how to watch only what they want to watch.

ITV has been broadly defined. Although a widely accepted definition of the concept is missing (Cauberghe & De Pelsmacker, 2006; Prado et al., 2006) most conceptualizations emphasize the fact that ITV offers users the possibility to participate and interact with the content and take control over the TV experience (e.g. Cauberghe and De Pelsmacker, 2006; Jensen, 2005; Picard, 2005; Prado et al., 2006). In other words, ITV takes viewers beyond the passive experience of watching (Gawlinski, 2003) and it is defined by the ability of users to act and determine the course of the interaction between themselves and the content provider (Picard, 2005). Interactivity's ability to combine the emotive capacity of television with the potential for high impact consumer engagement and measurement information is attracting renewed interest from advertisers (IAB, 2010).

Interactive advertising experiences include two steps: Entry Point and interactive product. Entry Points are the place within the TV viewing or interactive experience where the viewer is first exposed to the interactive advertisement. Entry Points may be displayed within commercial or programming content based on some contextual or technical trigger, or may be displayed within the user interface screens or menus of the Set Top Box (STB) or other device connected to the television set (IAB, 2010: 8). Once selected, a viewer may interact with an application outside the linear broadcast stream, with an overlay application that enables interactivity while retaining the video experience, or watch additional video (IAB, 2010).

3. Incentive offering: Request for information and free sampling

Product sampling has been described as an excellent way to introduce new and unusual products (Marks & Kamins, 1988). Moreover, viewers like the idea of being able to click on impulse ads to get free samples or brochures (Bellman, Schweda, & Varan, 2009). Also, some studies suggest that providing incentives in banner ads is effective in soliciting click-through (Hupfer & Grey, 2005; Xie et al., 2004). Particularly regarding ITV, it has been suggested that if the call to action in an ITV ad includes an offer of a sample, response increases (Bellman, Schweda, & Varan, 2012). Also, using the word *free* increases response rate (Bellman, Schweda, and Varan, 2012). However, offering free samples may also generate a negative impact on users' attitude in some cases, such as on goal-directed searchers in a website (Hupfer & Grey, 2005).

Regarding the offer of more information about the product in ITVAD, it has been suggested that offering the viewer *more information* if they click on a banner reduces the response rate (Bellman, Schweda, & Varan, 2012).

This study particularly examined the effect of adding two different incentives on DAL advertising applications on users' attitude towards ITVAD and interacting. Specifically, it analyzed the effect on users' attitude of offering a free sample compared to offering a request for further information. Regarding this, a precedent study by Bellman, Schweda, and Varan (2012) analyzed the effects of different combinations of ad type with the nature of the offer in the ad over 500 ITVAD campaigns in UK and found that DALs offering a sample obtained better response rates than DALs offering more information. Regarding this, the following RQ is proposed:

RQ1. Does the type of incentive (free sample vs. request for information) affect users' attitude towards ITVAD and interacting?

4. Sex differences in attitude towards advertising

It has been highlighted that men tend to report better attitudes towards advertising than women both in traditional and interactive advertising. In a survey of over 1,000 consumers, Shavitt, Lowrey, and Haefner (1988) found that women were offended more often by advertising and felt less comfortable purchasing items directly through an address or phone number in advertisements. Another survey by Wolin and Korgaonkar (2003) indicated that males exhibited more positive attitudes towards Web advertising. Also, they found that males were more likely than females to purchase from the Web and surf the Web for functional and entertainment reasons, whereas females were more likely to surf the Web for shopping reasons. Rodgers and Harris (2003) found that women were less satisfied than men with online shopping and highlighted experience emotion, trust, and convenience as the main variables that might explain sex differences in satisfaction with online shopping and actual shopping behavior. Finally, Garbarino and Strahilevitz (2004) found that women perceive a higher level of risk in online purchasing than men but also, they found that a site recommendation from a friend significantly reduced their perceived risk and increased their willingness to buy online. Thus, sex differences are an important variable to consider in marketing strategies for the success of ITV advertising campaigns. Considering previous findings, the presence of the incentives offered might influence women's and men's attitudes in a different way. The following research question is presented:

RQ2. Does the type of incentive affect women's and men's attitude towards ITVAD and interacting in a different way?

5. Method

5.1. Sample

One hundred eleven university students from a Catalan university (75 females and 36 males), aged 17 to 28 ($M=20$, $SD=2.6$), voluntarily took part in the experiment. Participants were randomly assigned to one of the two experimental conditions (sample vs. information request).

5.2. Material

A television advertisement of instant noodles was selected for the experiment. It was dubbed to Catalan from the original English version and an interactive icon was added to the bottom right corner of the ad. The product advertised was selected because (a) the brand was not present in the Spanish market and so participants were unlikely to be influenced by brand image, (b) the target of the product was young people (participants were university students, mostly young people), and (c) the offer of a free sample of the product was credible (it was not too expensive to be given for free). The icon that appeared on the screen changed according to the incentive offered in the following way: *for more information, press menu* or, alternatively, *for a free sample, press menu*.

A Dedicated Advertiser Location (DAL), an interactive television advertising format, containing either an incentive of a free sample or more information was designed. Typically, in a DAL, users lose contact with live content during the navigation process. They enter a second (broadband) stream similar to an internet site (Cauberghe & De Pelsmacker, 2006). Generally, it contains further information of the product advertised and can include video footage and images. Users freely navigate the application using their interactive remote controls. The application was accessible from the advertisement at the click of the interactive button. Both applications contained a response mechanism[†].

5.3 Procedure

A 2x2 between-subjects design was conducted. The independent variables were incentive type (free sample vs. information request) and sex (males vs. females). During the experiment, participants' individually watched a 2'30" TV documentary, three ads and the interactive ad. When the call-to-action appeared on the screen, they had the possibility to press the interactive button in the remote and surf the application, check the information and either ask for more information or a free sample (depending on the condition). Participants decided when they wanted to finish the process. Afterwards, they filled a PC-based questionnaire. In total, 104 participants pressed the interactive button in the remote control and seven did not interact with the ad.

A pre-test was conducted with 12 experts in Media and Advertising to test the usability of the applications and to check whether the questions in the post-test were easily understandable. According to their observations, minor modifications in the material and in the experimental setting were introduced.

5.4 Measures

Attitude in the context of the present study is defined as a predisposition to respond in a favorable or unfavorable manner to a particular advertising stimulus during a particular exposure occasion (MacKenzie, Lutz, and Belch, 1986). Two scales were developed for the purposes of the experiment.

The *Attitude towards interactive television advertising* scale consisted of seven items (e.g. *I find interactive advertising in TV...desirable / undesirable; beneficial / harmful*, etc.). A single factor was obtained that accounted for 61.68% of the total variance ($\alpha=.89$; KMO=.84; Bartlett's Test of Sphericity $p=.000$).

The *Attitude towards interacting with television advertising applications* scale contained eight items (e.g. *I find the possibility to interact with a television advertising application... interesting/ indifferent*, etc.). A single factor was obtained that explained 59.58% of the total variance ($\alpha=.90$; KMO=.91; Bartlett's Test of Sphericity $p=.000$).

6. Results

Regarding RQ₁, attitude towards ITVAD ($F=1.1$, $p=.29$, partial $\eta^2=.01$) and interacting ($F=1.5$, $p=.22$, partial $\eta^2=.01$) did not result significantly affected by incentive type. Regarding RQ₂, a significant interaction between sex and incentive type was found both for attitude towards ITVAD ($F=4.9$, $p=.03$, partial $\eta^2=.04$) and interacting ($F=3.8$,

[†] The original experiment also examined a subtype of DAL: Mini-DAL, which is a reduced version of DAL. Differences between the two applications are not examined in this paper.

$p=.05$, partial $\eta^2=.03$). Post-hoc tests revealed that the differences were found between women who were offered a free sample and men who were offered a free sample. Males ($M=2.04$, $SD=.72$) showed a more positive attitude towards ITVAD than females ($M=2.64$, $SD=.68$) when a free sample was offered as incentive ($\chi^2=8.84$, $d.f.=3$, $p=.03$). Also, males ($M=1.95$, $SD=.63$) showed a more positive attitude towards interacting with these applications than females ($M=2.55$, $SD=.76$) when a free sample was offered ($\chi^2=8.03$, $d.f.=3$, $p=.04$).

7. Discussion, limitations and further research

This study explored the influence of incentive type and sex on users' attitude towards ITVAD and interacting. Sex emerged as an important variable to consider in the design of these applications as results showed significant differences between men's and women's attitude towards ITVAD and interacting when a free sample was offered. In particular, offering a free sample negatively influenced women's attitude towards these applications and interacting with them compared to men that were also offered a free sample.

In view of that, further research is encouraged to explore this phenomenon in more detail. In particular, different types of incentives and free samples of other products should be explored and the benefits of offering a free sample through these applications should be re-examined.

On the other hand, two scales to test attitude towards ITVAD and attitude towards interacting were developed and validated in the context of the investigation. Their use is encouraged in future studies related to attitude towards interactive advertising. Scales can be easily adapted to analyze attitude towards interactive advertising in other media than television (internet, mobile phones, etc).

Finally, the Spanish TV audience is not familiarized with ITVAD applications. Although Spain was among the pioneers introducing interactive ads in television in 1998 (Prado et al., 2006), Spanish market has almost no interactive ads at present. Only three of 111 participants in the experiment had interacted with a similar application before. Therefore, it was a novelty for them to interact with an interactive advertisement. Further experiments with an experienced sample are encouraged as they might lead to different results.

Also, the investigation presents some limitations regarding sample distribution. The study had a considerably larger number of females. Since sex appeared to be an important variable to predict attitude towards ITVAD and interacting a more equal number of males and females would be preferred.

The practical implications of these findings for the design of ITVAD applications are important. Marketers can obtain valuable information from the study to take into consideration when designing television advertising applications and marketing strategies.

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