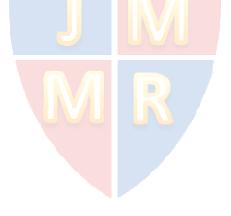
# Target marketing and the product: categorizing products to understand the resulting marketing communication outcome measures

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# ABSTRACT

There is an increased expectation for American consumers to be presented with relatable images (Williams, Qualls, and Grier 1995). The use of Black models is now a commonplace occurrence in African American targeted marketing efforts; however there are a lack of studies that address other elements in the advertisement, beyond the skin color of the featured model. The author's experiment shed light on the role that both the realm of consumption of the featured product and its cultural relevance plays on the reception of targeted marketing communication efforts. The way that a consumer views an ad is affected by elements within the ad and how these elements are seen and used within their own cultural context. In other words, a cultural lens is used to view the different elements of an ad in order to find significance. This study sets out to identify whether the product featured in a targeted advertisement affects the anticipated marketing communication outcomes.



## INTRODUCTION

The use of target marketing is based on the premise that those who are targeted have a pronounced affinity for the product or brand (Aaker 1999). By highlighting this affinity, marketers will successfully meet their desired outcome such as purchase intent, attitude towards the ad, brand, and product. One explanation of why this targeting works is due to the shared cultural knowledge displayed in the marketing communication (Aaker, Brumbaugh, Grier 2000; Brumbaugh 1997). In other words, the success of targeted marketing is driven by a consumer's inference of similarity between some aspect of a company's communication effort and themselves (Whittler 1989).

As minority buying power grows in America, so too will the need for advertising that speaks directly to consumers of varying ethnicities. There is an increased expectation for American consumers to be presented with relatable images (Williams, Qualls, and Grier 1995). It is commonly accepted that African-American consumers respond favorably towards advertisements that feature African-American models (Whittler 1991). In support of targeted marketing, it is assumed that when presented with an advertisement, the audience will seek out similarities between the product and their self. This would make the consumer feel a connection with the advertisement and therefore feel as though the message, and therefore the product, is specifically for them. The use of Black models is now a commonplace occurrence in African American targeted marketing efforts; however there are a lack of studies that address other elements in the marketing mix, beyond the skin tone of the featured model that may also affect the resulting outcomes. This study sets out to identify whether the product featured in a targeted advertisement affects the anticipated marketing communication outcomes.

## LITERATURE REVIEW

#### **Reference Group and Product Consumption**

Advertising attitudes are influenced by the product categories viewed in an ad (Biehal, Stephens, and Curlo 1992.) Therefore, studies interested in the role of ethnicity in advertising also need to account for perceived product endorsement and product categories. For this study, the products featured were chosen based upon categories that were congruent with understanding the role ethnicity would play in the reception of an ad featuring an African American model.

Endorsement of a product by a model that belongs to your group can influence your information processing, attitude formation and your purchase behavior (Bearden, Netemeyer, and Teel 1989). The products that a consumer purchases and the brands that they select can be significantly influenced by the reference groups they subscribe to based upon a quantitative study conducted by Bearden and Etzel (1982). Two types of referent groups have been presented in the previous literature: comparative and normative referents (Childers and Rao 1992). Normative referents are close in proximity to the average consumer. Peers and family members would fall into this category. Normative referents set the standard of behavior and values that are provided for the individual to assimilate to (Ostlund 1973). A consumer would be influenced by this type of reference group because they want to fit in and be accepted by this group.

Comparative referents act as a "yardstick against which the individual can evaluate their position relative to others" (Ostlund 1973). Comparative referents often have far proximal distance to the consumer. In the marketing process, professional athletes, entertainers and celebrities along with other endorsers would fall into this category. Although

the average consumer does not have direct contact with these individuals, they can be a representative of the product they endorse.

According to McCracken (1989), models in an ad can bring non verbal meaning to a message based upon how the viewer interprets visual cues or previous knowledge about that endorser. Visual cues and socially attached stereotypes may then play a role in how a consumer views an ad. If the model is the representative of the product and the consumer becomes associated with the product, there is a chance that the meaning attached to the model is the measure that the consumer will be judged upon. This study will control for comparative reference group effect based upon two attributes, realm of consumption and cultural relevance.

## **Realm of Consumption**

Public goods are products or services that are used by a consumer for which others are aware that the consumer uses or owns them. Private goods are used at home or in private where others outside of immediate family or friends may not be aware that the consumer uses or owns them. Whether or not a product is consumed publicly or privately will dictate the influence that reference groups have on a consumer purchasing and using a product. For reference group influence to affect the purchase or usage of a product by a consumer, the product must be seen and identified by others (Bearden and Etzel 1982). If others are unaware of the product usage by a person (private good), influence becomes irrelevant.

## **Cultural Relevance**

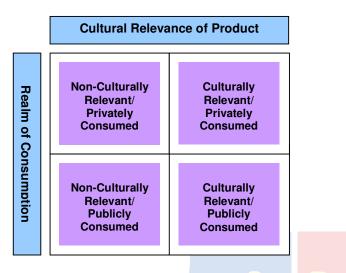
The cultural relevance of a consumer good to its audience is directly related to their self identity. How a consumer views him/herself and the group culture to which they subscribe is paramount to how they interpret cultural cues that are present in advertisements (Grier, Brumbaugh, Thornton, 2006). The context in which the audience identifies themselves will determine whether they will find relevance in the messaging. This means that if the message is intended for a group, the cues that are meaningful to the group in which the audience is a member will add significance to the message.

People may seek out consumer goods that define, enhance and connect them to their social identity. In Tajfel's Social Identity theory, this "individual's self concept is derived from his knowledge of his group membership and the emotional significance attached to that membership" (Tajfel, 1982). When a message or product is meant to speak to the needs of a consumer's social identity, it would be vital to include the audience using cues that highlight the importance of this group membership.

The cultural relevance of a product to a consumer is hence correlated to the context in which they view themselves. The groups they align themselves with and the importance they place on these groups will dictate the cultural relevance of the product.

# PRODUCTS USED IN STIMULI

For this study, the products featured in the stimuli ad fall into a matrix that examines the interaction between cultural (racial) reference group and the realm product consumption (private or public). A consumer's cultural group and how they feel about their group (ethnic identity) combined with the realm of consumption, may provide marketers a deeper understanding of how consumers feel about a product advertisement and how marketing communication can be tailored to better capture a targeted audience. In this study, "cultural relevance" will be operationalized in terms of African American culture. Adapted from "Reference Group Influence on Product and Brand Purchase Decisions" by William Bearden and Michael Etzel published in the Journal of Consumer Research (1982), The Figure 1 matrix is a visual of the interaction of these variables.



#### Figure 1: Reference Group - Product Matrix

Products that fall into the first cell, "Non-Culturally Relevant/ Privately Consumed" are products that are used in private and do not have any cultural attachments based upon brand, usage, or attributes. An example of a non-culturally relevant product that is privately used is soap. Soap is a product that is used by most consumers in the privacy of their homes, regardless of race. Also, a consumer's peers usually do not see them use toothpaste, and therefore the influence of referent group is minimal.

Products that fall into the second cell, "Culturally Relevant/ Privately Consumed" are products that are used in private but have cultural attachments based upon brand, usage, or attributes. Examples of culturally relevant products that are privately used are hair care products or ethnic foods and seasonings. These products are used by most consumers in the privacy of their homes, but there are different usages, requirements and desires of the product based upon race. Again, a consumer's peers usually do not see them use these products and therefore the influence of referent group is minimal.

Products that fall into the third cell, "Non-Culturally Relevant/ Publicly Consumed" are products that most people are familiar with since they are used in public, but they do not have any cultural attachments. An example of a non-culturally relevant product that is publicly used is a car. A consumer's peers can see them driving their car so there may be influence to have a socially acceptable product based upon peer group.

Finally, products that fall into the fourth cell, "Culturally Relevant/ Publicly Consumed" are products that most people are familiar with since they are used in public, but they have cultural attachments. Examples of culturally relevant products that are publicly used are ethnic clothing such as kente cloth apparel or a sari. A consumer's peers can see them wearing these products and since it is culturally relevant, the consumer will have reference group influence from their peer group.

#### PRETEST

A pretest was conducted with a participant pool of 30 respondents in order to select the products to be used in the dissertation study. The goal of this pretest was to insure that the products used in the dissertation study would be accounted for in terms of their effect on perception. The products fall into a matrix that examines the interaction between cultural relevance (high or low) and the realm product consumption (private or public). How the consumer perceives the cultural relevance of the product combined with the realm of the product's consumption, may provide a deeper understanding for how consumers feel about a product advertisement. According to Bearden and Etzel (1982), the products that a consumer purchases can be inferentially influenced by the reference groups they subscribe to. Using that study as a format, the reference group effect on a list of 30 products was tested in order to determine the level of relevance the product had to a consumer based upon the realm of consumption and cultural relevance.

Each of the 30 products questioned were then rated in two sections, the first section asking where on a spectrum does a product fall in terms of being a public or private good. A public product is defined for the consumer as one that other people are aware that you possess and use. If they want to, others can identify the brand of the product with little or no difficulty. And a private product is defined for the consumer as one used at home or in private at some other location. Except for your immediate family, people would be unaware that you own or use the product. For reference group influence to affect the purchase or usage of a product by a consumer, the product "must be seen and identified" by the group (Bearden and Etzel 1982). If the referent group is unaware of the product usage by a group member (private good), their influence cannot be transmitted. The second section of this product pretest asks where on a spectrum do these same 30 products fall in terms of being high or low in cultural relevance. A product that is high in cultural relevance is defined for the consumer as one that people may use or think about differently based upon their race or ethnicity. And a product that is low in cultural relevance is defined for the consumer as one that people use or think about the same way as other consumers regardless of their race or ethnicity. By using products that can be identified as private versus public in consumption, or high versus low in cultural relevance, it can be inferred whether or not the consumer's reference point in regards to these two chosen variables is in fact playing a role in the way they feel about the product and other subsequent effects. Four products were chosen based upon the rating scale provided by Bearden and Etzel's 1982 study design that fall into each of the prescribed categories: publicly consumed/ high in cultural value, publicly consumed/ low in cultural value, privately consumed/ high in cultural value, and privately consumed/ low in cultural value

- Toothpaste
  - Private Consumption (mean = 4.56)
  - Low Cultural Relevance (mean = 4.53)
- Cell Phone
  - Public Consumption (mean = 2.46)
  - Low Cultural Relevance (mean = 4.59)
- African Art
  - Private Consumption (mean = 4.50)
  - High Cultural Relevance (mean = 1.68)
- Make up
  - Public Consumption (mean = 2.82)
  - High Cultural Relevance (mean = 2.94)

Independent sample t-tests were performed to assess whether the mean scores of the products used in each cell was significantly definable by the cells designation. When examining products that are low in cultural relevance, there was a significant difference

found in the means of consumption [t(82) = 6.4157, p<0.001]. Significance was also found when examining the means of consumption of products that are high in cultural relevance, [t(82) = 5.1325, p<0.001]. When examining products that are low in cultural relevance, there was a significant difference found in the means of consumption [t(82) = 5.0408, p<0.001]. The same pattern was found when examining products that are low in cultural relevance. There was a significant difference in the means of consumption [t(82) = 8.7069, p<0.001]. In other words, in all of the products that are used in the study, the pretest shows that participants were able to significantly distinguish between whether the products were public or private in use and whether the product is high or low in cultural relevance.

## METHODOLOGY

The data for this study was collected through a web based survey. There were approximately subjects: 240 from a student sample at a large southwestern state university and the other 240 from a student sample at a small historically black university in the same southwestern city. The intention was to have a racially diverse sample with an equal representation of White and Black subjects.

In order to help provide validity for the billions of dollars spent annually by companies for advertising and other marketing communication efforts, four major dependent variables were examined in this study: attitude toward the ad, attitude toward the product, attitude toward the model, and purchase intention. These outcome measures are of great importance to marketers due to their indication of consumer acceptance of the message.

To take measure of the dependent variables, three advertisements were shown to the participants. One of these ads served as the study stimulus and the other two served as foils or "dummy ads" to help disguise the purpose of the study.

The first section of the survey asked respondents questions related to the participants attitude towards the ad. This section featured a scale that is made up of a number of bi-polar adjectives that are geared at measuring the affective component of the subjects' attitude. The second section asked respondents about their attitude towards the product. The format of this section was a seven item, bi-polar statement scale to measure the consumer's evaluation of the product. The third section asked respondents about their attitude towards the model. Since the two dummy ads did not feature models, the questions were manipulated to fit the ad presented. The fourth section asked questions related to purchase intent based upon the ad. Tested and approved marketing scales were use. The ones selected were recommended for the determination of attitude towards the ad, the product, the model, and purchase intent by the American Marketing Association Marketing Scales publication (Bruner, Hensel, and James 2005). The final section asked for general demographic information from the subjects regarding age, gender, and ethnicity.

#### **RESULTS AND DISCUSSION**

The interaction between realm of consumption and cultural relevance provided only a marginally significant effect on attitude towards the model ( $A_{mod}$  [F(1,455) = 3.108, p = 0.079]), attitude towards the product ( $A_{prod}$  [F(1,455) = 2.772, p = 0.097]), and purchase intent (P.I. [F(1,455) = 3.783, p = 0.052]). Significance was not approached when examining the interaction between realm of consumption and cultural relevance and its effect on attitude towards the ad.

The findings of this study shed light on the role that both the realm of consumption of the featured product and its cultural relevance plays on the reception of marketing communication efforts. The way that a consumer views an ad is therefore affected by elements within the ad and how these elements are seen and used within their own cultural context. In other words, a cultural lens is used to view the different elements in order to find significance.

The combination of the featured product's realm of consumption and the product's cultural relevance has an effect on the consumer's attitude towards the model. This finding is logical in practice, because it is understood that consumers will seek congruence in the visual representation of a products usage and the anticipated resulting outcome of consumption. When developing strategies for marketing efforts, this correlation should be appreciated and highlighted in order to optimize the positive effect that can results from the congruence between seeing an appropriate model presenting a product in an ad and that product's realm of consumption and the product's cultural relevance.

This same congruence can be seen between a product's realm of consumption and the product's cultural relevance and the way the consumer feels about the product and purchase intent. If the product is not in-line with the cultural needs of the consumer, then attitude towards the product and resulting purchase intent will be adversely affected by the marketing efforts. Marketers should therefore keep these findings in mind during the development of their marketing communication strategy.

Future research in this area would help marketers further understand how to pair up their product with visual elements in advertising that will be most conducive with meeting a marketing goal. The practice of target marketing is a particular area that would benefit with further research and understanding of the relationship between the product and the cultural lens through which they view advertisements. Advertising agencies that understand their audience and how to effectively appeal to them visually will be more valuable to their client, which is a major goal in that industry. In conclusion, understanding the consumer's perception of a product is beneficial knowledge for any company and further development of marketing strategy that addresses this understanding is needed.

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# BIOGRAPHY

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