



## **Differences in the Emotional and Rational Appeal of Premium and Standard Brands in the Promotion of Automobiles**

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## **Abstract**

This study examines differences in the emotional and rational appeal of premium and standard brands in the promotion of automobiles. A content analysis of 216 print advertisements of premium brands and 276 of standard brands serve as basis for the analysis. Emotional and rational cues as well as emotion and argument types are used to compare premium with standard brands. The findings show that print advertisements are dominated by emotional appeals and that premium brands differ significantly from standard brands regarding the use of cues and types. Also, a clear hierarchy among emotional and argument types is found.

*Keywords: Print advertisements, high-tech products, content analysis, emotional appeals, rational appeals, automotive industry, premium brand, standard brand*

*Track: Product and Brand Management*

## **1 Introduction**

Uncertainty of customers towards new technologies illustrates a major obstacle in the successful commercialization of high-tech products. Moriarty and Kosnik (1989) highlight therefore the importance of marketing messages in order to address these concerns. A crucial role in the composition of marketing messages plays the optimal application of information in advertisements (e.g. Baccarella et al.; Chen, Shen, & Shui, 2007; Singh & Schoenbachler, 2001) or the use of emotional or rational appeal (Panda et al. 2013) as its perception and cognitive processing is depending on the consumers' involvement (Cacioppo & Petty 1986). Yet, marketing messages are not only determined by the type of product and the involvement of costumers, but also by a company's type of brand. Premium brands can be distinguished, for instance, from standard brands according to "excellent quality" and typically higher prices (Quelch, 1987, p. 39). Consequently, there is reason to believe that premium brands face a greater level of pressure to incorporate new technological innovations, which leads to a higher uncertainty level for those companies (McKenna, 1985; Moriarty & Kosnik 1989), which in turn influences the composition and character of marketing messages. Automotive OEMs have been chosen as research objects for this study as cars are technologically advanced products (Meldrum & Millman, 1991) and car manufacturers face a high pressure to present new product developments to their existing and potential customers (Srinivasan et al., 2009). In spite of the high importance of advertising for automotive OEMs, there is a lack of studies within the field of technologically advanced products investigating marketing in general and communication activities in particular (Gerhard et al., 2011; Siems, 2012; Singh & Schoenbachler, 2001). The goal if this study is, therefore, to examine differences between premium and standard brands regarding the communication activities for technologically advanced products.

This article is structured as follows: Section 2 gives a theoretical background regarding rational and emotional appeals and derives the hypotheses from existing literature. In section 3, the method of the empirical analysis is presented. Afterwards, the findings of this study are presented in section 4, before the findings are discussed in section 5. Finally, the limitations of this study and possibilities for future research are described in section 6.

## **2 Literature Review and Development of Hypotheses**

In scientific literature, there is a range of different attempts to explain the effectiveness of emotional and rational appeals from a general perspective. In the Elaboration Likelihood Model (ELM), the effectiveness of emotional and rational appeals depends, for instance, on the involvement of consumers (Cacioppo & Petty, 1986; Lee & O'Conner, 2003). The higher the involvement of a consumer, the more convincing and persuasive are rational arguments in contrast to emotional arguments and vice versa (Mukherjee, 2002; Lee & O'Conner, 2003; Chen et al., 2007). Comparable to the classification of rational and emotional elements is the perspective of Puto and Wells (1984), who distinguish between informational and transformational advertising. They argue that those two categories are not mutually exclusive, but that any advertisement may involve both elements (rational and emotional together), but with different emphasis. Generally, the logic behind rational advertising is the notion that buyers process objective information to make their purchasing decision on the basis of logical thinking (Albers-Miller & Stafford, 1999). However, in many cases it can be very difficult to convince potential buyers solely with logical arguments (Panda et al., 2013). Hence, the idea behind emotional advertising is to create positive brand associations by evoking customers' emotions (Albers-Miller & Stafford, 1999; Panda et al., 2013). On the one hand, emotional appeals like love, humor or pride can trigger positive emotions for consumers (Kotler &

Armstrong, 2014). On the other hand, it is also possible that emotional appeals are intended to create negative feelings like fear or guilt (Taute, McQuitty, & Sauter, 2011). Either way, those appeals can enhance the consumers' purchasing motivation and enhance, as a consequence, advertising effectiveness (Kotler & Armstrong, 2014).

According to Albers-Miller and Stafford (1999), research has examined whether emotional or rational appeals are more effective in advertising. While some authors assess rational appeals as more effective (e.g. Coulson 1989; Golden & Johnson 1983), there are others, who associate emotional appeals with higher advertising performance (e.g. Geuens, De Pelsmacker, & Fasseur, 2011; Sashikala, 2007; Wood, 2012). However, there are also studies showing that the effectiveness of the advertising appeal is closely related to product types (e.g. Golden & Johnson, 1983; Johar & Sirgy, 1991). Therefore, different advertising approaches should be applied for different product categories (Albers-Miller & Stafford, 1999; Johar & Sirgy, 1991). More specifically, rational appeals are more suitable for utilitarian products, while emotional appeals should be used for value-expressive products (Johar & Sirgy, 1991; Vaughan, 1980). Panda, Panda, and Mishra (2013) conclude that an emotional relation between consumers and brands leads to a lower price sensitivity and, thus, it is more likely that customers are willing to pay a premium price. Similarly, Rossiter and Bellman (2012) state that "emotionally attached" (p. 295) consumers are those with the highest profitability for a brand. However, it is problematic to relate to emotional advertising generally as superior. Panda et al. (2013), for example, describe an unsuccessful emotional advertising campaign of Kodak. The researchers argue that a rational appeal would have been more successful because the brand itself had with "value for money" a rational character. The challenge whether rational or emotional appeals are superior is also transferable to premium and standard brands in automotive advertising (Panda et al., 2013). Since price premiums are particularly relevant for premium brands, it can be assumed that emotional appeals, consequently, play a greater role for premium brands compared to standard brands (Quelch, 1987). Then, automobiles of standard brands can be associated more with utilitarian products. Thus, one may conclude that rational-based advertising can be found more within standard brands. Therefore, the following hypotheses are suggested:

*H1a: Premium brands use more emotional cues than standard brands.*

*H1b: Standard brands use more rational cues than premium brands.*

*H1c: Print advertisements of premium brands are dominated by emotional cues.*

*H1d: Advertisements of standard brands contain more rational than emotional cues.*

*H2a: Premium brands use more emotion types (love, proud, guilt, fear) than standard brands.*

*H2b: Argument types (refutation, comparison, unique positioning) are used more often by standard brands than premium brands.*

### **3 Method**

To collect relevant print advertisements an extensive research was conducted comprising billable websites such as Coloribus ([www.coloribus.com](http://www.coloribus.com)), publicly available information, and access to firm specific databases. After all sources have been screened, the final sample of this study comprises 492 print advertisements from the automotive OEMs BMW, Audi, VW and Toyota. All advertisements have been published in the time period between 2006 and 2010 (2006: 82 advertisements, 2007: 103 advertisements, 2008: 100 advertisements, 2009: 56 advertisements, 2010: 65 advertisements and 2011: 86 advertisements) and all advertisements were published in print media during an official marketing campaign. The analyzed OEMs were divided into premium and standard brands according to their vision and mission statements and

their brand self-conception. As a result, the group of the premium brands contains 216 print advertisements of the OEMs Audi and BMW, whereas the group of the standard brands encloses VW and Toyota with 276 advertisements.

To ensure objectivity as much as possible, various experienced coders were involved in the coding procedure. All coders had a degree in the field of business administration and were acquainted with the topic. Before the coding began, the coders have been trained by qualified professionals with a pre-test sample to ensure that potential misunderstandings were eliminated and that questions were minimized once the coding started. To further make the results comparable and more objective, a structured online coding guideline was developed. Within the coding guideline, several features for further ease of use were included. Hence, it was possible for coders to get access to explanations and examples with every coding step. Moreover, the guideline contained filters, which ensured that only relevant aspects of the advertisements at hand were visible..

The emotional and rational appeal of advertisements was measured with the standard method of Chandy et al. (2001). They differ between emotional cues (love, pride, guilt, fear) and rational cues (refutation, comparison, unique positioning) (Chandy et al. 2001). The general appeal of an advertisement is thus determined by the amount of emotional and rational cues. Because the coding of emotional and rational aspects is a highly subjective process, no intercoder reliability according to Holsti (1968) was calculated. Instead, the procedure in this study followed the recommendation of Pollay (1983) where coders are allowed to conduct group discussions to avoid misinterpretations in a content analysis.

## **4 Findings**

Hypothesis 1a sees an emphasis of emotional cues regarding the advertised product among premium brands in comparison to standard brands. Emotional and rational cues are given in 181 advertisements of premium brands and 215 print advertisements of standard brands. The advertisements of premium brands contain in average 4.04 emotional cues and 7.98 rational cues. The use of emotional and rational cues among standard brands is with 1.81 emotional and 4.20 rational cues lower. The  $\chi^2$  analysis identifies a significant difference between premium and standard brands ( $\chi^2= 88.320$ ,  $df= 14$ ,  $p= .000$ ) in the use of emotional cues. Premium brands lay, as a consequence, more emphasis on emotional aspects than premium brands. Hypothesis 1a is subsequently confirmed. Following the derivation of hypotheses 1b, it is assumed that standard brands use rational cues more often in promoting a product than premium brands. This hypothesis is declined by the findings of this study. The  $\chi^2$  analysis identifies that a significant difference between premium and standard brands exists ( $\chi^2= 88.320$ ,  $df= 14$ ,  $p= .000$ ).

Based on the line of argumentation, it is proposed that print advertisements of premium brands are dominated by emotional cues (hypothesis 1c), while standard brands place an emphasis on rational cues (1d). From the 181 advertisements of premium brands, 116 show more rational than emotional cues. In 11 advertisements, the same amount of both types of cues is given. Emotional cues outweigh rational cues in 54 advertisements. Similar results can be found among standard brands. 168 advertisements are dominated by rational cues. Both types of cues are equally given in 33 advertisements and in only 14 cases, more emotional than rational cues are used. As a consequence, hypothesis 1c has to be declined as the communication of premium brands is mainly dominated by rational cues. Hypotheses 1d, focusing on standard brands, is confirmed by the findings of this study.

Hypothesis 2a argues that premium brands differ from standard brands in the usage of emotional types (love, pride, guilt, fear). Among the emotional types, a hierarchy is given according to their usage in print advertisement. Pride illustrates the most frequently used emotional type by premium and standard brands alike. Pride highlights the benefit of possessing a product or being part of the brand community. It can be found in 173 (premium brands) and 108 (standard brands) advertisements. Love as the second most important key stimulus is mentioned 92 (premium brands) and 36 (standard brands) times. Fear of consequences related to not having a product is the third most mentioned emotion type and occurs in seven advertisements of premium and 52 of standard brands. In 16 (premium brand) and 14 (standard brand) cases, the advertisement suggests that the reader is not good enough or exciting, if she/he doesn't possess the product (guilt). Significant differences exist in the emotion types pride ( $\chi^2 = 98.065$ ,  $df = 1$ ,  $p = .000$ ), love ( $\chi^2 = 51.189$ ,  $df = 1$ ,  $p = .000$ ), and fear ( $\chi^2 = 31.998$ ,  $df = 1$ ,  $p = .000$ ). Premium brands outweigh standard brands in the usage of pride and love, while standard brands address fear more often. As premium brands differ from standard brands in the most frequently used emotion types, hypothesis 2a can be confirmed.

Hypothesis 2b predicts a difference between premium and standard brands in the usage of argument types. Argument types occur mostly in the minority of advertisements. Refutation is addressed only once in an advertisement of a premium brand. In 7 (premium brand) and 49 (standard brand) advertisements, the argument type comparison is given. An exception illustrates the type unique positioning. It is mentioned in 95% of all advertisements of premium brands and in 84% advertisements of standard brand. The  $\chi^2$  analysis identifies significant differences in comparison ( $\chi^2 = 28.983$ ,  $df = 1$ ,  $p = .000$ ) and unique positioning ( $\chi^2 = 11.933$ ,  $df = 1$ ,  $p = .001$ ). Comparison is more often used by standard brands, while unique positioning is more often communicated by premium brands. Hypothesis 2b can, hence, be declined.

## 5 Conclusion and Discussion

Taking the findings of this study into consideration, a pattern becomes visible in the emotion and rational appeal of print advertisements of premium and standard brands from the automotive industry. First, emotional aspects seem to possess a higher value for OEMs than rational aspects. Regardless of the form of measurement, emotional outweigh rational cues or argument types. Second, premium brands place an even bigger emphasis on emotional appeal than standard brand, which allows them to underline their superiority. As a consequence, they use more emotional cues and implement, emotional as well as argument types, with a positive annotation (pride, love, unique positioning). In print advertisements of standard brands, emotion and argument types with a more negative annotation can be found (comparison, fear), which offers standard brands to highlight the better price-performance ratio of their products.

Even if no consensus exists in scientific literature, whether emotional or rational appeal is superior, marketing practice in the automotive industry shows a clear tendency to the emotional appeal. This supports the line of argumentation of Albers-Miller and Stafford (1999), Johar and Sirgy (1991), Panda et al. (2013), and Quelch (1987). Albers-Miller and Stafford (1999) argue that different product categories should initiate different advertising approaches. Johar and Sirgy (1991) pose that value-expressive products should use mainly emotional appeals because, according to Panda et al. (2013), an emotional relation between the consumers and a brand can lower the consumers' price sensitivity. This is especially appropriate to premium brands since enforcing a premium price is a core challenge for them (Quelch 1987). Standard brands, in contrast, correspond more with utilitarian products, which should be advertised by a more rational appeal (Johar & Sirgy, 1991).

## 6 Limitations and Further Research

Regardless of its contributions, this study possesses some limitations, which offer possibilities for future research. The limitations can be subsumed into two groups. The first group comprises formal limitations. Only print advertisement served as basis for the analysis. The findings could be subsequently related to this communication channel. Future studies could examine whether similar results can be found in other communication channels. The decision to analyze coded print advertisement does not offer insights into the perception of communicated messages. This study does subsequently not allow insights into the effect of an emotional or rational appeal on the viewer of the print advertisement. Future studies could examine the effectiveness of an emotional and rational appeal of a print advertisement.

The second group of limitations comprises the automotive industry as sample subject. With a single-industry focus, results cannot be transferred to other industry. Only future research can examine whether the results of this study are also given in other industries between premium and standard brands. This study additionally includes print advertisements from a single cultural region. A comparison on a cultural level can, thus, not be drawn. Future research could replicate this study with a sample comprising print advertisements from different cultural regions.

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