## THE NATIONAL UNIVERSITY OF POLITICAL STUDIES AND PUBLIC ADMINISTRATION

Abstract

## Advertising models: characteristics and evolution

A comparative analysis of approaches in academic environment and those in marketing and communication industry

**Coordinator:** 

Prof. univ. dr. Grigore Georgiu

PhD. student:

Răzvan Mătășel

Bucharest, April 2024

This paperwork stemmed from the desire to study the points of intersection and division between the theoretical elements of advertising and those applied in the industry. It aimed to facilitate a closer alignment and harmonization between these two universes, a process that would yield multiple benefits for both parties involved. Consequently, the academic world could better comprehend the type of knowledge utilized and the issues addressed in the practical realm, while practitioners could sometimes transcend the superficial and image-oriented approaches specific to the industry. They could assimilate solid theoretical structures and apply them, thereby contributing to the strengthening of the scientific foundation of an industry that is rather fragile. Reducing the division between practice and theory would have numerous effects, ranging from more practically applied scientific research on the needs of the Romanian marketing and communication industry to students equipped with a solid theoretical background, thoroughly prepared for a career in the industry. Moreover, it would lead to much more rigorous and structured approaches by practitioners, resulting in a noticeable increase in the effectiveness of the campaigns developed by them.

The research program aims primarily to conduct a comparative analysis of the models detailed throughout the history of the advertising industry in both the academic environment and the practitioner's environment. This analysis serves as a basis for understanding the gap that exists between these two universes.

In the late 1980s, the American Marketing Association (AMA) established an interdisciplinary group to examine what separates the academic world of marketing from the practical world. Representatives from both academia and industry agreed that this division is unfortunate and detrimental to the interests of both groups, a sentiment widely shared.

Beginning with Walter Dill Scott (The Theory of Advertising, 1903), the academic environment has been deeply concerned with models detailing how effective advertising functions. Aaker, Batra and Myers, Vakratsas and Ambler, Zajonc, Krugman, Holbrook, Petty, Cacioppo are just a few representatives of academia who have researched and detailed various models explaining how advertising works. However, many of these authors and models they describe are completely unknown to advertising agency specialists, who instead operate with models developed by practitioners such as Hopkins, Dichter, Gallup, Starch, Bernbach, James Webb Young, Watzlawick, Barnum, Reeves, Ogilvy, or Stephen King. Similarly, the academic environment ignores models that have developed in the industry (Feldwick, 2015), although there are some academic concerns about understanding what happens in the practical environment. Thus, the literature suggests that practitioners use certain forms of implicit theory (Gabriel et al., 2006; Kover, 1995; Nyilasy & Reid, 2009). These forms, termed by Kover (1995, p. 596) as "practitioners' philosophies," represent informal theoretical frameworks or systematic structures that describe the process of creating an advertising campaign and building relevance for consumers.

Secondly, the research program analyzes the advertising models used in the marketing and communication industry in Romania, examining the differentiated approaches used in marketing departments and advertising agencies. It is crucial to note that both the strategic vision on the subject through interviews with strategy professionals and the creative vision through the inclusion of advertising creation specialists will be analyzed within advertising agencies. These two disciplines within advertising agencies were chosen because they are defining factors in shaping the advertising model and developing the final product. Subsequently, after identifying the structures used by the industry, the detailed models will be compared with those taught and used in academic research.

Thus, last but not least, the research also details the advertising models taught in the faculties of marketing and communication in the largest academic centers in Romania, as detailed in existing textbooks or course materials.

There is also a secondary theme, which captures the impact of crises of any nature on this unit of measurement, namely the advertising model, and how the pandemic crisis has reflected on the models taught in universities and those applied in practice.

The structure of the work follows the detailing of the objectives developed above. Thus, the first chapter analyzes the gap between the practical and theoretical environment, examining the forms it takes, detailing the causes of this gap, and presenting the solutions proposed over time by various authors.

The second chapter inventories the models addressed in the specialized literature specific to the academic environment, classifying the main families of models researched in scientific papers, as well as those presented in textbooks or course materials used in Romanian faculties.

In the third chapter, the models used by practitioners are analyzed and classified, as they appear in the specialized literature and in the methodologies of major advertising groups. The author will propose their classification, inventorying the major families of approaches. The proposed taxonomy was discussed and adjusted following video conversations on online platforms with five international specialists in strategy.

The fourth chapter is dedicated to the impact of crises on advertising. Concrete data related to media investment volumes in Romania are analyzed and presented, along with structural changes. Scientific sources discussing the influence of recessions on advertising, the role of brands in the pandemic, consumer expectations, and message typologies used are also examined.

Following the literature review from the first four chapters, in the fifth chapter, working hypotheses will be formulated, to be tested through qualitative research involving in-depth interviews with representatives from academia and three major marketing and communication practitioner groups: on one side, marketing and communication professionals working on the client side, and on the other, strategists and creatives working in agencies.

The sixth chapter is dedicated to presenting the research conclusions, following the themes outlined in the methodology.

The last chapter aims to formulate principles to help define a common framework of understanding, generating synergy between the two universes crucial for the development of the communication and advertising field. Thus, we propose a structuring of models into the following six categories, borrowing and combining elements from both worlds:

(1) The first category encompasses models of rational persuasion, which include multiple approaches that can be based on single-step communication, built upon a simple hierarchy of effects, or utilize an integrated hierarchy. Both the practical and academic worlds seem to align on the persuasive role of communication through the use of a single message that can be either rational or emotional. Practitioners retain various criteria for evaluating this single message, and in this work, we describe the differentiation and distinctiveness, relevance, honesty, and long-term exploitative potential. Additionally, from industry, we mention approaches such as positioning or unique selling proposition (USP), as well as the philosophy of the brand idea. The theoretical support for this family of models is generous, with studies focusing on the recall of an advertisement, a brand, an attribute, or a creative execution being the subject of much research. Recognition and understanding of an advertisement, as well as the formation and change of certain opinions/beliefs,

are effects of advertising studied in numerous academic research studies. There is academic research studying both simple hierarchies and integrated hierarchies. We mentioned studies analyzing simple hierarchical models like AIDA (Attention-Interest-Desire-Action) or variations of this model. We also detailed references to complex hierarchies such as the Elaboration Likelihood Model (ELM) or integrated models such as the FCB matrix (Foote, Cone & Belding), the improved version of Rossiter-Percy, or Taylor's strategic wheel.

- (2) The second category is a family of models centered around an approach based on emotion and relevance built through the exploitation of consumer insights. The theories arguing and supporting the existence of this family of models are divided into two major categories, thus making a clear distinction between affective responses that lead to the formation of attitudes about a brand and those that lead to the formation of attitudes about the advertisement itself. Within the theories referring to the formation of attitudes about the advertisement, "liking" plays an extremely important role. Most of the research analyzed by Vakratsas and Ambler (1999) confirms strong correlations between the liking of an advertisement and consumer behavior, preference for a particular brand, or sales, demonstrating that this effect is long-term. If the theory focuses more on measuring final outcomes of affective communication, practice also operates with intermediate modules of this model. There is almost unanimous agreement that to elicit an emotional response from the consumer, there must be an insight that is exploited in communication, allowing the construction of an authentic connection. What is interesting, and we analyzed this in the third chapter dedicated to practical models, is that there is no common definition of what is meant by insight, nor is there conceptual alignment on this essential element for emotional communication. The exploitation of insight is taken to a higher level by directly addressing a homogeneous group and creating a sense of belonging to it.
- (3) The third category of models, which is continuously evolving, includes advertising models based on the theories of humanizing a brand. This group encompasses approaches that aim to create relationships and connections between brands and consumers or those that start from anthropomorphizing a brand and seek to build a unique personality for it through a unified narrative.
- (4) The fourth category comprises models that focus on the level of consumer involvement when making decisions related to a particular category of goods or services. Although used in the past by practitioners, this approach has become extremely neglected today, as there are fewer and fewer

categories with low levels of involvement since branding strategies and modern communication have often focused on increasing involvement in categories where historically it was extremely low. However, as a result of the qualitative research conducted in this work, we identified among the interviewed experts a concern for calibrating the communication model according to the level of consumer involvement in the category. Whether we are talking about building brands in categories where consumers are traditionally less involved (here, specific examples such as spreads or toilet paper were mentioned) or about brands built in categories where consumer involvement is extremely high (respondents discussed branding models used for luxury products or automobile brands).

(5) Another category of communication models we identify addresses communication as having a role beyond just determining the purchase of a good or service. In this category, we primarily include models used in advertising to generate cultural and social impact, models that encourage brand action rather than just their political discourse. These models find theoretical correspondences in approaches to brand activism. Verlegh (2023) analyzes the mechanisms that explain the influence of brand activism on consumer preferences and identifies three groups: brand identification, emotional responses, and how consumers gain empowerment. Moreover, it is considered that such an approach has effects on investors, employees, and the cause the brand advocates for. The author proposes a model of aligned activism between the brand, consumers, and the cause the brand fights for.

Discussions around purpose-driven campaigns, known as Brand Purpose in practice, have been highly animated in recent years, and as we have seen, some agencies have tried to lead this trend by inventing advertising models. Field (2021) defines Brand Purpose as " A commitment articulated by a commercial brand or its parent company to goals other than improved profits or products, involving contribution towards one or more positive social impacts in the fields of health, the environment, human development, sustainable business practices, or other similar areas."

The abuse of this model and its use in unethical ways have attracted vehement negative reactions from consumers. Therefore, in recent times, we have seen international companies publicly declaring that they will no longer force the use of such a model where it does not naturally fit. For instance, the CEO of the multinational company Unilever, which widely adopted this communication model, stated in a public interview in 2023 (Carroll, 2023) the company's strategy on this issue. Specifically, they aim to stop "force fitting purpose to our brands" admitting that

there are "some brands where the concept is simply not relevant." in the company's portfolio. The manager also emphasized that for certain brands such as Dove and Lifebuoy, this model has worked very well and has been extremely effective because it was applied with a lot of credibility. Hein Schumacher metaphorically added that "in recent years, debate around brands' sustainability and purpose has arguably generated more heat than light" (Carroll, 2023).

Also, in this category of models, we include those that view communication as a form of entertainment. This approach considers that in order to persuade the consumer, a campaign must operate using principles from the world of entertainment that audience members consume. Therefore, practically, following the application of this model, the advertisement not only convinces but also entertains, or those who accuse advertising of lacking ethics would say not only entertains but also convinces. This category lies at the confluence of theory and practice. Thus, the theoretical arguments underpinning this sub-family of models stem from approaches based on narrative and storytelling in advertising. Escalas (1998) describes a narrative advertisement as being "an ad that tells a story" with a structure consisting of one or more episodes in which a series of individuals engage in various actions with the aim of achieving certain objectives and involves a sequence determined by certain events and actions leading to specific outcomes (Escalas, 1998). Moraru (2015) extensively presents this model of advertising based on narrative techniques and formats. The author discusses the narrator and narrative in advertising, the need for an advertising hero, and well-established local heroes from Romanian commercials, advertising narrative strategies, and absolutely necessary ingredients to convince the consumer, Homo Narratus.

(6) The previous five categories do not cover all the nuances identified through this research. Therefore, alongside these main categories, we also outline a sixth one where we include other models. Among these are, for example, models aiming to create category convention disruptions or models whose main goal is to generate fame for a specific brand.

Another powerful term, but this time describing the outcome of applying the model rather than the campaign development process, is the notion of "fame." The most important demonstration of the success of campaigns backed by a fame-building mechanism comes from the guardians of communication effectiveness, Les Binet and Peter Field. The two analyzed hundreds of effective campaigns that won IPA UK (The Institute of Practitioners in Advertising) effectiveness awards and reached a series of extremely important conclusions for the industry and validation of the models used by it. They classified campaigns into rational campaigns, emotional campaigns, and fame-building campaigns and observed that the most effective ones are those that generate fame. The authors define this type of campaign as those that inspire people to share their enthusiasm both online and offline. Fame-building campaigns have outperformed all others in terms of business success indicators. Thus, 35% of fame-based campaigns reported increased profitability compared to only 21% of other types of campaigns (Binet & Field, 2013).

Both the academic and practical environments attach great importance to the concept of a model, and a common and unified approach to this fundamental term for both worlds would clearly contribute to reducing the gap. This paper describes the current level of understanding and use of the term "model" in the practical and theoretical environments in Romania and proposes an integrative common classification that needs to be validated and perfected through future research. It is only a first step in the detailed understanding of each family of models, their constituent elements, the theoretical structures that underpin them, and the practical expertise that can validate them.

Studying the models used in communication and segmenting them as granularly as possible is an essential topic for both the academic and practical environments, but such an endeavor requires adequate human resources. While the academic environment possesses these specialized research resources, the situation is more problematic in the Romanian marcom industry. As observed during the research, creatives see an additional limitation in using models and consider that applying a model is part of the role of the strategy department. For marketing professionals in client departments, communication policies, and hence the models used in advertising, represent only a small part of their daily concerns, so they do not possess in-depth knowledge on this subject.

In conclusion, the research results show the overwhelming role of strategists, both those who develop brand strategies and only creative ones, in building new models or using already established ones. We will emphasize the essential role of strategy professionals in bridging the academic and practical environments through the joint research of advertising models. Besides their extensive practical experience in the field of advertising models, strategists also possess a rich theoretical background and are the closest to the academic environment among the three categories of specialists participating in the study. Some strategists who answered the study questions even have academic teaching experience. Moreover, in their profession, they interact daily with various qualitative and quantitative market research methodologies.

Therefore, we propose a solution to reduce the gap by studying the concept of a model and

validating the common taxonomy for the two worlds through rigorous collaborative research involving strategy professionals and university faculty. This research would be just a first step, with subsequent research analyzing each category of models and how different actors operating within that category relate to them.

## Bibliografie

- 1. Binet, L. & Field, P. (2007). *Marketing in the Era of Accountability*, pp. 57–58, IPA DataMine.
- 2. Binet, L. & Field, P. (2013). *The long and the short of it: balancing short and long-term marketing strategies*. Institute of Practitioners in Advertising.
- Carroll, N. (2023). Unilever CEO: We will stop 'force fitting' purpose to our brands. <u>www.marketingweek.com</u>. <u>https://www.marketingweek.com/unilever-ceo-stop-force-fitting-</u> purpose-brands/
- Escalas, J. E. (1998). Advertising narratives: What are they and how do they work? In B. Stern (Ed.), Representing consumers: Voices, views, and visions (pp. 267-289). New York: Routledge & Kegan Paul.
- 5. Escalas, J. E. (2004). Narrative processing: Building consumer connections to brands. *Journal of consumer psychology*, *14*(1-2), 168-180.
- Feldwick, P. (2015). *The anatomy of humbug: how to think differently about advertising*. Troubador Publishing Ltd.
- 7. Field, P. (2001). Peter Field makes strong case for potential power of brand purpose campaigns. https://ipa.co.uk/news/power-of-brand-purpose/
- Gabriel, H., Kottasz, R., & Bennett, R. (2006). Advertising planning, ad-agency use of advertising models, and the academic practitioner divide. *Marketing Intelligence & Planning*, 24(5), 505-527.
- 9. Kover, A. J. (1976). Careers and noncommunication: the case of academic and applied marketing research. *Journal of Marketing Research*, *13*(4), 339-344.
- 10. Kover, A. J. (1995). Copywriters' implicit theories of communication: An exploration. *journal* of Consumer Research, 21(4), 596-611.
- 11. Moraru, M. (2015). Poveștile Publicitare. De la inspirație la strategie. Editura Tritonic.
- 12. Nyilasy, G., & Reid, L. N. (2007). The academician–practitioner gap in advertising. *International Journal of Advertising*, *26*(4), 425-445.

- 13. Nyilasy, G., & Reid, L. N. (2009). Agency practitioners' meta-theories of dvertising. *International Journal of Advertising*, 28(4), 639-668.
- 14. Nyilasy, G., Kreshel, P. J., & Reid, L. N. (2012). Agency practitioners, pseudoprofessionalization tactics, and advertising professionalism. *Journal of Current Issues & Research in Advertising*, 33(2), 146-169.
- 15. Vakratsas, D., & Ambler, T. (1999). How advertising works: what do we really know?. *Journal of marketing*, *63*(1), 26-43.
- Verlegh, P. W. (2023). Perspectives: a research-based guide for brand activism. *International Journal of Advertising*, 1-15.