AN INDUCTIVE APPROACH TO ASSESSING CONSUMER

REACTIONS TO INSTITUTIONAL

ADVERTISING

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Scope and Method of Study: The paper represents an attempt
    to study inductively the effects of institutional
    advertising on the consumer. A sample of thirty insti-
    tutional advertisements were selected and shown to 267
    respondents. The respondents rated the advertisements
    on fifteen seperate dependent variables. The responses
    were factor analyzed, resulting in two factors--a con-
    tent and physical appearence factor. The scores were
    then submitted to cluster analysis, and six clusters of
    advertisements were obtained. The variables making up
    each factor were summed in each cluster to obtain a
    mean favorability score for the cluster. Analysis of
    variance (ANOVA) was then utilized to determine if any
    significant differences existed between the clusters on
    each factor.

Findings and Conclusions: The ANOVA analysis revealed that
    a significant difference existed between clusters on
    both factors. An examination of the clusters revealed
    that

    1.   the variables of the content factor, such as
         intelligence, trustworthiness, and influence,
         were strongly related to the written content
         of the advertisements. An advertisement that
         presented an innovative product or pictured a
         product in an innovative way was highly
         favored. Advertisements which were written
         such that they posed negative implications
         for consumers were poorly received by
         respondents

    2.   the variables of the physical factor, such as
         attraction, interest, and complexity, were
         strongly related to the physical dimensions
         of an advertisement. Advertisements were
         perceived most favorably on these variables
         if the advertisement possessed only one page,
         had medium sized print,   utilized a lot of

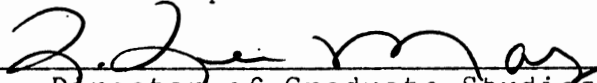pictures, had few lines per column, and had a few columns per page.
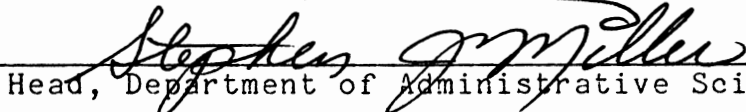
ADVISER'S APPROVAL ___John C. Mowen___

AN INDUCTIVE APPROACH TO ASSESSING CONSUMER

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ADVERTISING

Report Approved:

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CHAPTER I

INTRODUCTION

Institutional advertising, also known as corporate, image, or goodwill advertising, was originated by businesses to improve their credibility and trust among consumers. Institutional advertising was initiated to inform, educate, and persuade the general public about the role of business in society and its contribution to the wellbeing of the community. Corporate advertisements come in many types. They might be aimed at the financial community or public policy issues. In general they are advertisements which are non-product oriented (4). Thus, corporate image advertising is aimed at creating a specific corporate identity among the general public and selected audiences, e.g., stockholders, consumers, suppliers, and potential investors(10).

In recent years there has been a dramatic increase in corporate spending on institutional advertising. A recent survey conducted by the 'Public Relations Journal', revealed that U.S. corporations and trade associations spent a combined total of $490.8 millions on institutional advertising in six major media during 1978 and of this, corporate advertisers spent $330.7 millions (11). Since then, it has risen

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rapidly and now accounts for more than $1 bilion in annual media expenditures or 7% of all advertising dollars put through advertisement agencies (6). But because of its subordinate position to the direct promotion of products and services very little research has been done on consumers perception of institutional advertising. Questions which have not been researched include; how would a consumer perceive a given advertisement? what kind of advertisements are perceived as more intelligent, trustworthy, and attractive by consumers? what kind of an advertisement would influence consumers attitude towards a business?

In this study, an attempt was made to answer the above questions. The purpose of this study was to develop potential suggestions that would help a manager to design an institutional advertisement to meet the objectives of his advertising campaign. Thus the research sought to identify factors which influence consumer reactions to institutional advertisements.

CHAPTER II

REVIEW OF THE LITERATURE

Since there was very little research done on the consumer's perception of corporate advertising, the review of the literature is mainly concerned with the articles, as opposed to research studies, written on corporate advertising.

Bruce H. Cole, executive vice president, Marstellar Inc. (2), has listed the following reasons that often indicate a need for corporate advertising.

1. A change in purchasing patterns

2. A change in sales organization

3. A change in distribution patterns

4. A change in corporate personality

5. A change in name or appearence of the company

6. Increased foreign involvement

7. New stock offering or listing

8. Generally lagging awareness

9. Abnormal growth of product line

The impact of institutional advertising on a firm can be tremendous. Some of the benefits are:

1. A firm can induce greater public trust in its products and services by successfully

   improving the firms credibility with the
   consumers (10).

2. It can also reduce future government
   intervention in a firm's activities because
   few people would demand protection (10).

3. It has been shown that stock prices are
   directly influenced by corporate advertising
   expenditures (3).

For example, public trust of oil companies reached its
lowest level during the last gas crisis. For the first time
people were blaming oil companies, not the OPEC members for
the oil shortage. In order to boost up its image and
possibly to avoid any government intervention, Chevron
(Standard Oil Company of California) was first of the major
oil companies to counter that charge directly in 180 news
paper advertisements citing inadequate refining capacity,
Iran's cutback on exports and increased demand as factors
contributing to the oil crisis (5).

'In a most important study to date, called 'Phase II',
the attitude research firm Yankelovich, Skelly & White,
dealt with many aspects of corporate advertising (4). They
found

1. that 'high corporate advertisers' (those
   spent more than $500,000 on corporate
   advertisements in the prior year) rated
   better, on average, than the 'low
   advertisers' in every crucial recall and
   attitude measurement

2. a tangible return on the corporate
   advertising investment in terms of supportive
   behavior such as writing letters of support,
   buying stock etc., because the high
   advertisers constantly out ranked the low

3.   that corporate advertising is more efficient, building recall for a company name better than product advertising alone

4.   that print corporate advertising is considered more believable than corporate TV commercials.

In another study, Eugene P. Schonfeld and Professor John H. Boyd conducted two statistical correlation analyses in the mid 1970's and claimed to find a positive relationship between corporate advertising and stock price gains (3).

In 1977, Bozell & Jacobs, Inc., in an effort to quantify the relative effect of different advertising elements on stock price sponsored a Schonfeld-Boyd analysis. The massive study involved 460 major U.S. corporations (companies with more than $200 millions sales per year). A total of more than 16,000 advertisements were analyzed on the basis of 80 variables. In addition, stock prices were measured for three years (6). The findings were:

1.   On average, corporate advertising accounts for 4% of the variance in price of a stock. However, the average return on an average corporate advertising investment works out to be 33 to 1. This was computed by considering average increase in market value due to corporate advertising and average investment in corporate advertising, per company listed in New York stock exchange

2.   Given a fixed media budget, this study was in favor of scheduling smaller-spaced advertisements more frequently over the large spaced advertisements from time to time

3.   A multi unit advertisement - more than a page - is more effective per dollar of investment

than single or fractional pages. Four - color
is better than two - color, and two - color
is better than black and white (in terms of
stock prices)

4. Regarding the advertisement positioning, the
back cover pages are slightly better in terms
of investment than inside the book positions,
the latter being average. The inside front
cover and the page opposite are surprisingly
below average

5. Labor productivity and new product
announcements are the most effective themes
used in the advertisement.

In an excellent article, Prakash Sethi discussed
institutional and advocacy advertising and their tax
treatment (10). He developed a framework that would help
classify a firms institutional advertisements in terms of
commercial and political speech. Sethi noted that commercial
advertisements are subject to Federal Trade Commission
regulations. Political speech is protected from libel under
the First Amendment, but is not tax deductible under IRS
regulations. The problem, therefore, is "lack of specificity
as to what constitutes pure, tax deductible, image goodwill
advertising and what constitutes non-deductible advocacy
advertising".

Professor Sethi then offers a solution to the above
problem involving a corporate advertising classification
system. It consists of seperating the institutional/image
advertising from the idea/issue advertising. The
institutional/image advertising is designed to develop an
awareness among the public of a corporation's name and its

activities. This includes goodwill, name identification, and activity identification advertisements.

The idea/issue advertising attempts to influence the publics' opinion on controversial social issues to coincide with that of company's. This category contains three types of advocacy advertising: indirect, direct, and disguised. Indirect advocacy occurs "when a message describes company activities in terms that suggest that the corporation is serving a public interest and subtly advocates these activities as preferred solutions to issues of public concern". Direct advocacy advertising offers a "specific viewpoint on an approach to societal problems. These messages would present facts and arguments that project the sponser positively and the opponent negatively". Disguised advocacy messages "supposedly present both sides of a given social issue, making an issue seemingly simple when much more may be involved" (10, pp 75).

Sethi proposes that institutional/image advertising should be considered as a commercial message. Thus, the category would be subjected to Federal Trade Commission regulations and allowed as a tax deductible item for a business expense. However, these messages would enjoy only limited First Amendment protection. In contrast, he argued that idea/issue messages are non-commercial and, therefore, should be considered as a non-deductible expense and an expression of the corporations right to free speech with full protection under the First Amendment.

Despite the large sums of money spent on corporate advertising, not all the campaigns are successful. That is because, as David Ogilvy says (7), corporations fail to define the purpose of their campaigns. He further noted that it takes years for corporate advertising to do a job. A recent public opinion survey found that despite Mobil Oil company's extensive issue advertising campaign, the public opinion of the company has not changed since 1974. Only 9% of the public considered Mobil to be 'seriously concerned' about solving the energy problem (1).

Another critism of corporate advertising is that non-commercial or institutional issue advertising is "propaganda aimed at brainwashing the public" (10).

However, when used properly and consistantly, corporate advertising, according to Mr. Ogilvy, can hope to

1. build awareness of the company

2. make a good impression on the financial community

3. influence public opinion on specific issues

4. motivate present employees and attract better recruites

and, therefore, is immensely useful to a corporation.

The review of the literature on corporate advertising leaves little doubt of the importance of enhancing a corporation's image with the public whether it is by image advertising or by advocacy advertising. Also, as noted

above, /little research has been carried out to date on the consumers perception of institutional advertising. How do consumers perceive corporate advertising? Does it influence the consumers attitude and confidence in a business?

In a report submitted towards her Master's degree, Vicki L. Ryan tried to come up with an answer to these questions (8). She used sixteen image advertisements and then divided the advertisements into four categories. The categories were obtained by designing a two by two matrix using presence or absence of justification, and company activity mentioned or not as the independent variables. Justification refers to whether or not the company was justifying some action it had taken. Company activity was based upon whether the advertisement specifically mentioned some action the company was taking. In the study, subjects were asked to evaluate the advertisements based on such variables as interest, honest, readability etc..

The study found that the most popular categories were those in which a company mentioned its activities but did not justify them, or when it did not mention its activities but instead promoted an issue or justified some topic. The least popular advertisements neither justified nor mentioned a company activity.

This paper is an extension of Ms. Ryan's study. In the present research a larger number of institutional advertisements was used than in the study by Ms. Ryan

(1980). In addition, the study takes a different approach to identify the impact of corporate advertising on the consumers. And the next section will deal with the methodology employed in this study.

CHAPTER III

METHODOLOGY

As mentioned earlier, Professor Prakash Sethi's classification system consists of institutional/image advertising and idea/issue advertising. The institutional/image advertising covers three types of messages: goodwill, name identification, and activity identification. The idea/issue advertising also covers three types of messages: indirect advocacy, direct advocacy, and disguised advocacy. This classification system was designed to distinguish the advertisements in terms of FTC regulations, tax treatment, and protection under First Amendment.

The Sethi classification system was used in part as the basis for selecting the advertisements for this paper. Initially, sixty institutional advertisements were collected from different consumer magazines of recent years such as Time, Newsweek, Psychology Today etc.. Care was taken to diversify the advertisements as much as possible i.e., advertisements were taken from small to big and unknown to reputed companies. Out of a total of sixty advertisements, thirty were chosen for the sample which were thought to best represent corporate advertising. Care was also taken to

include the advertisements which represented all of Sethi's categories. These advertisements numbered about twenty and the remaining ten were randomly chosen.

Sample Surveyed

A convenience sample was used to select the respondents for the advertising survey. Individuals from lower middle, middle, and upper middle class residential areas in Stillwater, Oklahoma were selected. Ten seperate residential areas were selected and each area was assigned to one surveyor. Each one of the surveyors interviewed thirty respondents. And a total of 267 individuals answered questionnaires (One of the surveyors became ill, and could not complete all of the surveys). However, only 263 questionnaires were used in the final analysis since four respondents did not completely fill out the questionnaires. The number of individuals who saw each advertisement varied from 6 to 11 with an average of 8.9 individuals. The respondents were surveyed in their homes and asked to fill out two questionnaires which took about fifteen minutes of their time. All respondents first completed a practice questionnaire on a standard advertisement and then completed the next questionnaire on a randomly selected advertisement.

Questionnaire

The questionnaire was composed of three sections. The questions in the first section dealt with the respondent's impressions of the advertisement. The second section dealt with the impressions of the company and the third contained questions regarding demographic data. To make the respondents familiar with the questionnaire and to make them feel at ease, a control advertisement was used before the actual advertisement. However, the information gathered on control advertisement was not used in the study. After this, the second advertisement was randomly selected from the original thirty advertisements by the surveyor for the use of respondent.

The responses to the questions in the first two sections were measured using semantic differential scales. The values for these scales varied from one to five, one being favorable and positive response, and five being unfavorable and negative response. The scales measured thirty one dependent variables; seventeen dealt with the questions about impressions of advertisement and fourteen dealt with the impressions of company. However, for this study, data pertaining only to the impressions of advertisements will be discussed.

Statistical Analysis

In the first step of the analysis, a principal axis factor analysis with varimax rotation was run on the fifteen dependent variables relating to the subjects' impressions of the advertisements. The purpose of this analysis was to determine similarities among the variables by identifying a subsect of orthogonal factors. This resulted in two factors: factor 1 having nine variables and factor 2 having six variables. The variables in factor 1 are: valuable, honest, intelligence, trustworthy, believable, powerful, responsible, influential, and offensive. The variables in factor 2 are: interest, length, noticeable, likeable, attractive, and complexity. These are given in Table I. The variables of factor 1 tended to be related to the copy content of advertisements and the dependent variables of factor 2 tended to be related to the physical aspects of the advertisements. Consequently, these factors were labled content factor and physical factor respectively.

After the factor analysis was run on the dependent variables, a cluster analysis was performed on the sample of thirty institutional advertisements. The purpose of using a cluster analysis technique was to produce groups or clusters which form the basis of a classification scheme. The cluster procedure utilized a hierarchial cluster analysis. It first forms one cluster for each observation. The two closest clusters are then combined into one cluster: then, the two closest clusters of the new set of clusters are combined

TABLE   I

RESULTS OF THE FACTOR ANALYSIS

DEPENDENT VARIABLE	FACTORS
Valuable Honest Intelligent Trustworthy Believable Powerful Responsible Influential Offensive	Content Factor
Interesting Length Noticeable Likeable Attractive Complexity	Physical Factor

into another cluster, and so on (9). The cluster analysis was performed as follows. The factor analysis resulted in a coefficient score between each factor and each variable. This coefficient score was used by the cluster analysis to obtain the clusters. The reason for using coefficient scores rather than variable mean scores is that this computer program could not handle so many variables.

Since we could have chosen any number of clusters ranging from one to thirty for the analysis, it was decided to have as many clusters as possible with a sufficient number of advertisements in each cluster. This resulted in six clusters each having atleast three advertisements in them. A breakdown of clusters and the factor scores are given in Appendix A. The output included a summary of the cluster analysis performed.

In the third step, the mean values of the advertisements in each cluster on content and physical factors were calculated. A lower mean value correspond to a favorable and positive response. The mean values give favorability ratings assigned to each cluster of advertisements by the respondents. For the content factor, the order of clusters in terms of favorability was 4,3,5,1,2,and 6. Similarly, the order for physical factor was 4,6,5,3,2, and 1.

The final step of the analysis sought to determine if any significant difference existed between the clusters. To determine this, an analysis of variance (ANOVA) was per-

formed on each factor. The dependent variable for ANOVA was the sum of the individual variables contained in that factor. For both the factors, significant effects were found. Thus, differences in favorability among the clusters on the two factors existed. The clusters and the ANOVA values indicating significant differences among the clusters are shown in figure 1.

Now, having known the favorability ratings it was decided to visibly inspect the clusters for possible differences among them. First, all the advertisements were laid out within their clusters on a table. Then physical aspects of each advertisement, i.e., number of pages, print size whether small, medium, or long, length of text in lines per column, columns per page taken in an average, and size of picture relative to the whole advertisement on a scale of zero to five are noted down (Table II). An index number was also calculated for the length of text in an average advertisement in a cluster. This number has been arrived at on the basis of columns per page, number of pages, lines per column, and size of picture of the advertisement (Table III). Similarly, the copy content of advertisements in a cluster was examined to find out exactly what was written in it and what the themes were. An advertisement was considered positive when it put more stress on the positive aspects of an issue. It could mean that a company working on a solar energy research project of trying to reduce energy

Factor	Grouping[1]		Mean Value[2]	Cluster
Content	A		17.48	4
	A		19.88	3
	B		22.34	5
	B	C	23.08	1
	B	C	23.96	2
		C	25.80	6
Physical	A		12.34	4
	A	B	14.44	6
		B	15.53	5
		B	16.20	3
		C	18.91	2
		D	21.89	1

1. Means with same letter are not significantly different
2. Lower mean corresponds to favorable and positive response

Figure 1.   Mean Values of Clusters and ANOVA Results

costs or it might even mean expanding one's knowledge through TV documentaries. Other factors that were considered in examining the advertisements were: whether the general public was being informed about the company's activities such as investment in new areas, research and development, and whether the company was justifying some action it had taken.

The outcome of this evaluation of the clusters is given in Appendix B. However, one should note that the method used in this study for differentiating between the clusters is a subjective evaluation procedure and therefore has its own drawbacks.

TABLE   II

PHYSICAL DIMENSIONS OF ADVERTISEMENTS

Cls.	Ads.	# of Pages	Print Size	Lines/ Column	Average Colms./Page	Picture Size(0-5)
1.	1	2	S	50	3	1
	17	2	S	50	3	1
	28	2	S	60	2	0
2.	2	1	M	20	1	0
	8	2	M	20	1	3
	11	1	M	40	3	0
	12	2	M	40	2	3
	18	2	M	10	2	4
3.	3	2	M	10	2	4
	4	1	M	20	2	2
	6	1	M	50	1	3
	16	1	S	40	1	4
	19	1	M	30	3	0
	21	2	S	40	1	3
	23	1	L	20	1	3
	25	2	L	15	1	3
	26	1	L	20	1	2
	27	2	M	10	1	4
4.	15	1	M	10	1	3
	20	1	M	5	2	4
	22	1	M	10	2	3
5.	5	2	S	40	0.5	3
	7	2	M	15	1	4
	10	1	L	20	1	1
	14	1	S	15	1	3
	24	1	M	20	3	3
	30	1	S	10	3	4
6.	9	2	M	15	2	4
	13	1	M	15	1	4
	29	2	M	15	0.5	3

CHAPTER IV

RESULTS DISCUSSION

The means of the clusters provided us with information on which clusters were perceived more favorably than others within each of the factors. Thus, for the content factor the favorability of the ratings revealed the following order - 4,3,5,1,2, and 6, in a reducing order. For the physical factor the order was - 4,6,5,3,2, and 1. And then the advertisements of each cluster were examined for physical dimensions and as well as for written content. The results are discussed below.

CONTENT FACTOR

This factor is comprised of nine dependent variables (Table I). Based on these variables the clusters were rated in the following order from most to least favorable of - 4,3,5,1,2, and 6. Therefore, advertisements in cluster 4 were perceived to be more intelligent, more trustworthy, more responsible than the advertisements in cluster 6.

An examination of copy content reveals that clusters 3 and 4 are more innovative and positive than other clusters. And there is no significant difference between these two

clusters. Except for a couple of advertisements in cluster 3 all the advertisements were trying to project a positive image about the company or about the environment surrounding the consumers. The companies also tended to be involved in innovative research to solve society's problems. All these things tend to make a consumer feel positively towards his surrounding environment. As one goes down the favorable rating order, one also sees that the clusters deal with controversial issues such as nuclear energy and cleaner environment, and become more lengthy. Finally in clusters 2 and 6, the pictures do not tend to portray what the written text is implying. And then it becomes difficult to understand the issues.

Cluster 5 was rated as average in favorability. The advertisements are of technically superior quality and also tend to be positive and innovative. However, the reason for its lower rating than clusters 3 and 4 could be due to the controversial issues dealt with. For cluster 1, even though its advertisements tend to be positive (mentioning company activities and justifying profits), it is the third worst cluster in rating. This could be attributed to its advertisements being extremely lengthy. Cluster 2 advertisements are difficult to understand i.e., it takes more time to grasp what the advertisement is trying to say. Also, most advertisements in cluster 2 make statements on the issues presented without bothering to give an explanation. For

example, Eaton simply says that it spent $1 billion on R&D in the past five years. This tend to leave the consumers wondering about validity of these statements. An advertisement by Arco in cluster 6 portrays consumers unfavorably by comparing the nation with a fat man dressed in a ninteenth century costume. In both the clusters, 2 and 6, the advertisements carry negative implications. For example, GM advertisement in cluster 2 implies that it had failed to estimate the timing for small car demand. Both Pullman Inc. and Arco advertisements in cluster 6 only portray negative sides of an issue (complaining about excessive rules etc.). And both these clusters have a few pictures with negative impressions, i.e., the advertisements would have been better off without these pictures. For example, in Hoechst advertisement the written text clearly communicates what the company wants to say. However, picture of a wooden horse only made the advertisement complicated and leaves a consumer thinking why the picture was used.

In summary, on the content factor an advertisement will be perceived as more honest, more intelligent, more trustworthy, more influential etc., if it is innovative and positive oriented. Lengthy advertisements and those with negative implications were perceived unfavorably. The most favorable advertisements were also very informative on company activities.

PHYSICAL FACTOR

This factor is comprised of six dependent variables (Table I). Based on these variables, clusters rated favorability was in the order of clusters 4,6,5,3,2, and 1. A physical inspection of the advertisements indicate a significant relation between number of pages, print size, lines per column, columns per page, index number, size of picture, and the variables of this factor (Table III).

It was surprising to find such a strong and consistant relationship between these physical dimensions and favorability. There was a consistant decrease in index numbers for the length of text as we move from the least favorable cluster to the most favorable cluster. Similarly, lines per column and columns per page decreased as one moved upwards to a favorable cluster. Also, the greater the percentage of picture content on the page, the favorable the cluster tended to be perceived. A medium print sized advertisement was more favorably perceived than small print sized advertisement, and advertisements with only one page were better liked than advertisements with two pages.

The conclusion on this factor is rather straight forward. If one wants the advertisement to be more attractive, more interesting, more likeable and more noticeable, it should posses only one page, have medium sized print, utilize a lot of pictures, have few lines per column, and have a few columns per page.

TABLE III

AVERAGE PHYSICAL DIMENSIONS OF CLUSTERS[1]

Clusters	4	6	5	3	2	1
Number of Pages	1	1.6	1.3	1.4	1.6	2
Print Size[2]	M	M	SM	SML	M	S
Size of Picture (less than)	65%	75%	60%	55%	40%	20%
Lines per Column	8	15	20	26	26	53
Columns per Page	1.6	1.3	1.6	1.4	1.8	2.6
Index Number[3]	5	8	12	23	45	220

1. The clusters are arranged in the order perceived favorable by respondents
2. S=Small; M=Medium; L=Long
3. Index Number for Length of Text
   = (# of Pages) X (Columns per Page) X (Lines per Column) X (1-Size of Picture)

CHAPTER   V

CONCLUSIONS

The purpose of this study was to find how the consumers
perceive an institutional advertisement. In other words, how
does an advertisement differ with another advertisement with
respect to the impact made on the consumers.

This study concludes that the variables in the content
factor (Table I) were strongly related to the written text
of an advertisement. Advertisements that were positively
oriented and innovative were perceived as more influential
than advertisements which were lengthy and difficult to
understand. Similarly, advertisements which gave information
on company activities and associated the company with bene-
fits to society were perceived favorably. The advertisements
dealing with controversial issues tended not to be received
well.   The advertisements projecting negative side of an
issue such as complaining about bureaucracy and those with
complicated pictures were poorly received.

The other conclusion of this report is that the physi-
cal dimensions of an advertisement are important. The physi-
cal factor included such variables as attractive, complex-
ity, interest etc.. The advertisements with a minimum number

of pages, few lines per column, and few columns per page were better perceived. Similarly, the advertisements with a medium print size and a high picture content were perceived to be simple, attractive, and likeable.

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APPENDIX A

CLUSTER ANALYSIS ON ADVERTISEMENTS

CLUSTER ANALYSIS ON ADS

CLUSTER LISTING

CLUSTER	AD	FACTOR1	FACTOR2
1	1	0.15543	1.74218
1	17	-0.00269	2.09966
1	28	0.17953	2.14251
1	MEAN	0.11076	1.99478
2	2	0.92011	0.64752
2	8	0.69828	0.68989
2	11	0.09499	0.79341
2	18	0.33315	1.23883
2	12	1.62760	0.76827
2	MEAN	0.73483	0.82758
3	3	-0.58286	-0.31847
3	6	-0.76622	-0.19947
3	23	-0.41599	-0.50181
3	27	-0.42631	-0.37411
3	25	-0.26781	-0.08520
3	16	-1.19775	-0.15516
3	4	-0.92937	0.53548
3	21	-0.74695	0.29996
3	26	-0.40905	0.35110
3	19	-1.68583	0.88639
3	MEAN	-0.74282	0.04387
4	15	-1.49276	-1.27946
4	22	-1.54274	-1.45363
4	20	-1.09115	-1.19263
4	MEAN	-1.37555	-1.30857
5	5	0.09998	-0.35920
5	24	0.08904	-0.32440
5	7	0.01330	-0.73911
5	10	0.63614	-0.42613
5	14	0.49628	-0.64712
5	30	0.83234	-0.81354
5	MEAN	0.36118	-0.55158
6	9	1.17158	-1.29604
6	13	1.76807	-0.50915
6	29	2.44168	-1.52058
6	MEAN	1.79378	-1.10859

APPENDIX B

EVALUATION OF COPY CONTENT OF CLUSTERS

The numbers correspond to the cluster number.

1. This cluster has three advertisements in it. All the advertisements are very lengthy with the least amount of picture content. All three advertisements are positive in that they mention company activities and justify their activities. One advertisement shows Mobil justifying its profits and accusing CBS of worst and unfair reporting. Sun's advertisement informs how its record profits are being put to use. International Paper Company runs an advertisement on how to improve your vocabulary. This advertisement is part of a series and the company associates these series with trying to help the society.

2. This cluster has five advertisements. An advertisement by GM says that the marketplace demand for small cars now allowed them to meet the mileage standards set by the government. Champion International Corporation, a forest products company, did not even mention anywhere in the advertisement why they are talking about personal privacy. Eaton advertisement simply makes statements on its financial successes, and the advertisement does not have any pictures. The advertisement by Mead quotes what newspapers said about its management team. Life Insurance Company's advertisement simply mentions that to control inflation tax reforms should be adopted, workers should improve their skills and individual attitude toward work are to be changed. The major drawback of these advertisements is that we would not know of the company's principal activities and thus are unable to associate the company with any particular activity. Also, these advertisements fail to substantiate their statements on the issues presented. The advertisements by Champion International Corporation and Life Insurance Company are more time consuming in understanding the issues presented.

3. This cluster has ten advertisements. The advertisements in this cluster associate the company activities with social benefits. Therefore, these are very positive oriented. An advertisement by Tenneco mentions its

investment in energy exploration in countries closer to U.S.A.; Texaco uses Bob Hope in the advertisement explaining their R&D processes to turn coal into clean burning gas, and oil exploration efforts; Mead cites their product diversity such as school supplies and forest products. The advertisement also associates the reduced cost to its status of leader in forest products. Also, some advertisements asked the consumers to help reduce the cost to the society. Examples are GM asking people to wear seat belts in cars and Chevron asking people to conserve more energy. The advertisements in the cluster are also innovative. An advertisement by Phillips discussed new inventions to make oil exploration much easier.

4. This cluster contains three short advertisements and on average it has a moderate amount of picture content. The advertisements are innovative and positive. An advertisement by Monsanto, a chemical company, mentions fighting forest fires with a chemical made by the company. It also justifies the company activities saying that to protect the rampages of nature such as fire and famine, we will have to use chemicals. The GE advertisement mentions the company's research on energy by citing an underwater farm where kelp, a kind of seaweed, is being grown. The researchers were trying to process the kelp into a gas like natural gas. The advertisement by TRW associates TV science documentary NOVA on PBS with the company in that the company provided funds for the program. All these actions and innovations of the companies go a long way in solving the society's problems and therefore are seen as being positive.

5. This cluster involves six advertisements. The pictures are of technically superior quality. Half of the advertisements dealt with controversial issues. Employers Insurance of Texas advertisement compares U.S. with U.S.S.R. and says that most people live very well here. It associates the better life to the American manufacturers. The advertisement by America's Electric Energy Companies supports nuclear energy and tries to dispel the public fear. It explains a process by which the active nuclear wastes

will be effectively removed from the environment. An advertisement by Dow Chemical says that a flock of black skimmer waterbirds takes over a parking lot in a Dow Chemical complex every spring. They associate this with their caring for cleaner environment. These advertisements are also involved in innovation. TRW uses solar energy to boil the oil in the manufacture of french fries and thus saves energy. CONOCO advertisement mentions that its employees with variety of skills are not confined to a particular activity but are allowed to switchover from one energy project to another. As seen from above, these advertisements are positive oriented even though some of them deal with controversial issues.

6. This cluster contains three advertisements. In the Pullman Incorporated advertisement, comparing squeezing the lemon with excessive rules doesn't seem to be fitting. And one has to read whole advertisement to make sense out of it. Similarly, in the Arco advertisement comparing the nation with a fat old man (in the picture) and asking the consumers to change their energy consumption habits tend not to go well. Both the advertisements have negative implications in that they see the issues from the negative perspective. The advertisement by Hoechst deals with the company name pronounciation and also mentions a wide range of company activities. However, the picture of a huge wooden horse doesn't seem to be related to what they said in the text.

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