

**HOW DOES CONSUMERS' SKEPTICISM AFFECT
ADVERTISING CLAIMS?**

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ABSTRACT

This research provides some empirical findings of the relationships between the antecedents as well as the outcomes variables of consumers' skepticism toward advertising. Consumer skepticism toward advertising is defined as the tendency toward disbelief of advertising claims (Obermiller and Spangenberg, 1998). The beauty product industry is used as a context of study, due to the proliferation of manipulative ad claims in the industry. For the purpose of a preliminary study, this paper will employ one product category and a fictitious brand to examine consumers' skepticism toward advertising. The fictitious brand choice and product category choice has been derived from a focus group study. Analysis has revealed that self-esteem, consumers' susceptibility to interpersonal influences to informational factors and marketplace knowledge does not have a significant relationship with consumers' skepticism toward advertising as hypothesized. However, cynicism and consumer susceptibility of interpersonal influences to normative factors are found to be strong predictors of consumers' skepticism toward advertising. Consumers' skepticism toward advertising is also found to influence inferences of manipulative intent positively; this finding empirically supports the gap in Campbell's (1995) study on inferences of manipulative intent. Inferences of manipulative intent also have significant relationships with attitude toward the advertisement and product judgment. The implications and recommendations are also discussed.

BACKGROUND

Skepticism has been studied extensively over a number of contexts including, psychology, public policy, communications, environmental claims (Mohr et al. 1998), only to name a few (Rutgers 2006). However, skepticism is a fairly new concept to the area of marketing and it has yet to be researched to a great depth. Obermiller and Spangenberg (1998) conducted an exploratory research, and they also developed the first scale to measure consumers' skepticism towards advertising claims (CSA), and proceed to validate the scale. According to Obermiller and Spangenberg (1998), CSA is the tendency toward disbelief of the informational claims of advertising. It has been established that consumers' skepticism toward advertising is a separate construct from

skepticism toward other sources of product information (e.g., direct selling, promotions, and personal selling.). The tendency to not believe any form of communications is generally a stable, learnt marketplace belief. CSA has both social and personal antecedents (Obermiller and Spangenberg 1998; Obermiller and Spangenberg 2000; Obermiller et al. 2005). Earlier researchers (Ford et al. 1990) argued that consumers tend to value information that is perceived to be useful and valid. But as advertising is associated with selling and often lean toward exaggerating, and as claims are becoming more complicated and more difficult to substantiate, consumers today are more likely to be skeptical toward advertising (Obermiller et al. 2005). Past researches has been conducted in the area of CSA towards discovering adolescent skepticism (Boush et al. 1994), the role of socialization, effects of sources of information (Obermiller and Spangenberg 2000), effect of skepticism on responses to ads (Obermiller et al. 2005) but has it yet to be applied in an industry perspective. Hence, this paper attempts to extend the study of CSA by applying into a real world by selecting the beauty product industry as a context of study. This paper is proposed as a preliminary study that focuses on the risk and involvement aspect. To operationalise that, this paper will employ the use of a fictitious brand and product in a specific category that will induce a high perceived risk.

APPLYING CSA IN AN INDUSTRY OF BEAUTY PRODUCTS CONTEXT

This paper intends to execute research focusing specifically in the beauty products industry. The beauty products industry provides the perfect environment for the study of skepticism as there is strong motivation to purchase. This particular sense of motivation stems from the general theory of possessions and the extended self. Part of a man's sense of self-fulfillment is derived through the items that he uses and he possesses (Belk 1988). And because consumers had rated that their body parts (which includes the skin), as their most important element of self (Prelinger 1959), consumers of beauty products will regard those possessions as an important aspect of their self-extension. Therefore, purchasers of beauty products tend to expect the product to provide them with results, as claimed in the ads.

On the other hand, the challenge of consumer skepticism coexists, as the claims may induce cynical suspicions. This research aims to discover how CSA affects consumers' judgement of beauty product claims which are questionable. The

preference for youthfulness does exist in the real world. Studies reported that altering facial features in the direction of youth results in higher ratings of attractiveness (Jones 1996; MacKenzie and Lutz 1989). Therefore, looking young is more important than being young. As an implication, there is a need that induces consumers to regularly search for solutions to stay young; but to what extent, is what this paper would like to discover.

HYPOTHESES DEVELOPMENT

Cynicism is defined as the suspicion of other people's motives, faithfulness, and goodwill (Kanter and Wortzel 1985). Scholars have found evidence of CSA claims (Koslow 2000), which relates to the disbelief component of cynicism. This dimension relates directly to the believability of advertising claims, in terms of both their source and their content.

Rosenberg (1979) suggests that self-esteem reflects a large part in people's perceptions of the way others judge or feel about them. It also affects the way individuals respond as consumers. When there are no external influences, individuals are motivated to act upon a situation in the behaviour consistent with their self-esteem. Corresponding to that, Leary and Baumeister (2000) pointed out that the self-esteem motive is to avoid loss of self-esteem and people act to maintain their current level of self-esteem. Therefore, a low self-esteem consumer is more responsive to external cues and more acceptant of information from ads; consequently, he is less skeptical.

Consumer susceptibility to interpersonal influences (CSII) has two predictors, the normative and the informational influences. Burnkrant and Cousineau (1975) defined normative influence as the tendency to conform to the expectations of others while Deutsch and Gerard (1995) defined informational influence as the tendency to accept information from others as evidence about reality. The logic of CSII is that, consumers expect others to evaluate their choice decisions, which might lead them to make choices different from the ones they would have made in the absence of public scrutiny (Belk 1988; Ratner and Khan 2002). Thus, if a consumer is susceptible to interpersonal influences, he would tend to be less skeptical of an ad.

Marketplace knowledge is defined by (Mangleburg and Bristol 1998) as an adolescent's level of knowledge of consumer related factors such as prices, stores, and shopping. Mangleburg's and Bristol's (1998) theory of marketplace knowledge also claims that the definition of marketplace knowledge holds a similar construct to adolescents as to adults. This implies that an adult's level of marketplace knowledge is the knowledge of products, prices, shopping and stores. It is expected that the level of knowledge affects the degree of CSA.

Building from the above discussion here are the hypothesized antecedents to CSA;

- H₁ Cynicism is positively related to CSA
- H₂ Self-esteem is positively related to CSA
- H₃ CSII is negatively related to CSA
- H₄ Marketplace knowledge is positively related to CSA

CSA is the core of the research, and it is defined as the tendency of disbelief toward advertising claims. On the other hand, inferences of manipulative intent (IMI) are defined as consumer inferences that the advertiser is attempting to persuade by inappropriate, unfair or manipulative means (Campbell 1995). Although Campbell (1995) did not empirically investigate the effect of perceived manipulative intent on belief in advertiser claims, it is apparent that some counter-arguing may take the form of advertising skepticism (Obermiller and Spangenberg 1998). Therefore, if a consumer is skeptical, he will infer high manipulative intent on advertisers.

Attitude toward the advertisement (A_{ad}) is defined as an inclination to respond in a favorable or unfavorable manner to an advertising stimulus during an exposure occurrence (MacKenzie and Lutz 1989). This definition of A_{ad} is consistent with Fishbein and Ajzen's (1975) definition of attitude, as A_{ad} is comprising solely an evaluative or affective response to the commercial stimulus and does not refer to cognitive or behavioral responses. Hence, when a consumer infers high IMI, he will respond unfavourably towards an ad.

Product judgement is affected by many factors that are likely to be distinctive informational and situational factors of the product (i.e.; country of origin, store image, price, brand, advertisement and many more) which influences and act as indication cues of product benefits relative to alterative offerings (Malaviya et al.

1996; de Matos and Rossi 2007; Nguyen et al. 2008). Marketers try to instill positive expectations of an experience with a product for consumers (i.e., affective expectations) in hope to establish positive feelings and judgement of the product that influences intentions to purchase the product (Handley et al. 2006).

In a logical sequence, as Aad is an evaluative and affective response and product judgement may lead to intention to purchase, Aad will have an effect on product judgement. Following the above discussion, presented are the outcome variables;

- H₅ CSA is positively related toward IMI
- H₆ IMI is negatively related to A_{ad}
- H₇ IMI is negatively related to product judgement
- H₈ A_{ad} is positively related to product judgement

SURVEY INSTRUMENT AND SAMPLE

To test the hypotheses, a three factor factorial design was employed. These were: brand (high profile, fictitious), product category (youth, body image), risk (high, low). This resulted in a 2 x 2 x 2 full factorial design with 8 different cells. As a preliminary research, only one cell will be explored in this paper. Eight controlled ads corresponding to the cells will be formulated as stimulus to advertising scepticism, but only one ad will be employed for the purpose of this study (a sample of the ad, could be found in Appendix 2, page X) A convenience sampling method was employed on undergraduate students from a large Western Australian University. Student sample provided a relatively homogenous sample in terms of life station and age, as well as being representative of general consumers (DeIVecchio 2000; Yavas 1994). The final usable sample consisted of 180 respondents. The sample was made out of 63.3% female and 36.7% male respondents. Initial testing of the scales revealed that all the scales measures are uni-dimensional with the exception of consumer susceptibility towards interpersonal influences (CSII) which is already an established two dimensional scale namely normative and informational factors. All scale measures have an acceptable range of reliabilities of 0.6 or more, which is regarded reliable by Nunnally (1967). The scales that were utilised, their sources, items and reliability are reported in Table 1.

RESULTS

Multiple regression was conducted between the four antecedents namely cynicism, self esteem, CSII and marketplace knowledge and the dependent variable, CSA. The results are reflected in Table 2. Self Esteem, CSII to informational influences and marketplace knowledge recorded p -value > 0.05 , therefore, H_2 , H_{3b} , H_4 do not have a significant relationship with CSA. Cynicism and CSII to normative influences reported significant relationships with CSA. Based on the statistics it is proven that the more cynical a consumer is, the more skeptical he will be. Also the more susceptible a consumer is to his peers, where he is acceptant of their view and act in favour of them, the less skeptical he will be. To analyse the outcome variables, a series of regressions were conducted between CSA, IMI and A_{ad} and product judgement. First, CSA is regressed against IMI and a significant positive relationship is revealed. Similarly, a significant positive relationship is obtained between IMI and A_{ad} . As such, both H_5 and H_6 are accepted. Multiple regression was conducted between the two independent variables namely IMI and A_{ad} and the dependent variable product judgement. Both relationships are positive and significant. As such, both H_7 and H_8 are accepted. The results of the above set of regressions are depicted in Table 3.

ANALYSIS

The result of the findings suggests that self-esteem, CSII to informational influence and marketplace knowledge have an insignificant relationship with CSA. It can be concluded that these factors do not affect the level of skepticism of consumers, which is unexpected as prior studies (Obermiller and Spangenberg 1998) suggested that these factors do affect skepticism of consumers. The possible explanation for this result could be due to the context of study, and the specific ad employed. In this preliminary study the ad stimuli illustrates a youth restoring serum from a fictitious brand. Further tests on different types of beauty product category and the influence of background variables such as gender and age group may produce different results.

As predicated, Cynicism is proven to be a predictor of CSA. This further validates claims of Koslow (2000), who had found evidence of CSA claims relating to the disbelief component of cynicism.

The two predictors of CSII was found to have a positive relationship to advertising skepticism in previous studies though the sample is of a younger age group (Boush et al. 1994). However, based on the findings of this paper, the relationship of CSII to normative is significant and informational is insignificant in the context of matured adults. It can be concluded that older consumers have greater consumer knowledge, and are better able to analyse information in advertisements (Moschis and Churchill 1978; Moschis and Moore 1979). This could possibly be due to the fact that, matured adults have a more stable character in reference to external information (informational), therefore they do not get influenced by external sources. It is also possible that the relationship between susceptible to information of peers (normative) and skepticism is positive and significant, because today, consumers are more educated and are taught to be skeptical in the marketplace. Therefore, they indirectly pass off information that 'teaches' other consumers to be skeptical as well. Mature consumers are also familiar of how the marketplace operates and they had gain more experiences through the years. As a result, they better are able to distinguish from factual advertisements with substantial claims amongst the deceptive advertisements.

Obermiller and Spangenberg (1998) mentioned that some advertising claims may invite more skepticism than others, engaging more inferred manipulative intent. In Campbell's (1995) research on IMI, the outcome of suspected manipulative intent on belief in advertiser claims was not explored but it appears that the logic that doubts may result as skepticism (Obermiller and Spangenberg, 1998). The findings proved this assumption true. High skeptics are more likely to infer manipulative intent. It is apparent that, the more the tendency of disbelief a consumer has, the more the consumer is motivated to believe that marketers are out to deceive consumers with misleading and dishonest claims. Marketers could devise strategies to manage skepticism, through marketplace knowledge. If successful, gradually it will provide an environment where consumers feel at ease with advertisements and will reduce their suspicion of manipulative intent.

MacKenzie and Lutz (1989) defined A_{ad} as an inclination to respond in a favorable or unfavorable manner to an advertising stimulus during an exposure occurrence. IMI were found to be associated with A_{ad} . When a consumer had implied that the advertisement was intended to manipulate, it is only logical to react unfavourably towards it. In the same vein, it is predicted that the respondents reacted unfavourably

toward the youth restoring, wrinkle serum advertisement that claimed to reduce wrinkles by 60% in 15 minutes and 99% within an hour.

There are many factors that affect product judgements. These factors are likely to be distinctive information and situational factors of the product (i.e.; country of origin, store image, price, brand, advertisement and many more) which influences and act as indication cues of product benefits relative to alternative offerings (Malaviya et al. 1996; de Matos and Rossi 2007; Nguyen et al. 2008). IMI and A_{ad} are both found to have a significant and positive relationship with product judgement. As product judgement is a cognitive response, it is therefore affected by a consumer's affect; IMI and A_{ad} . As evidenced by the findings, when respondents inferred that the wrinkle serum advertisement is untrustworthy, and when their A_{ad} is unfavourable, they also instinctively deem the product as unfavourable. Therefore, marketers should plan to instill positive expectations of an experience with a product for consumers (i.e., least IMI). By doing so, consumers will potentially establish positive feelings (favourable A_{ad}) and the product (product judgement) which often congruently influence judgement toward the product; and hopefully, intentions to purchase a product (Handley et al. 2006).

CONTRIBUTIONS, IMPLICATIONS AND FUTURE DIRECTIONS

The contributions of this research to the body of knowledge will be achieved from this study thus providing useful implications for managers and policy makers. They will be aware of CSA among consumers and understand importance of factual and honest advertising to consumers in order not to suffer the consequences of deceptive advertising. The managers and policy makers would also be educated to avoid inferring high inferences of manipulative intent in their campaigns.

This study is also important for managers and advertisers with their advertising particularly with the messages involved. For example, varying the degree of claims in their advertising messages can induce varying degrees of responses of skepticism.

It was proposed that past findings may be product specific. As a result, it is suggested that the study be extended to other product category of the beauty product industry and its range of consumer involvement. For example, consumers may be less skeptical over products less perceived risk and thus likely to exercise trial. As an illustration,

these could include magnetic eye masks claiming to remove wrinkles or heat pads that claim to enhance body figures. These are just gadgets that will be employed externally, which poses none to little physical harm. However, consumers may be more skeptical and less likely to attempt riskier products. Employing the same product category as the above, these products could include injections round the eyes (youth restoring) or diet tablets for physical consumption to be ingested. These products are high risk and high involvement and may present more than physical harm, as compared to magnetic eye masks and heat pads.

A study could be replicated into various contexts, in other industries. This would validate and extend this research and further prove that product category involvement affects skepticism. This study is also important for managers and advertisers with their advertising particularly with the messages. For example, varying the degree of claims in their advertising messages can avoid varying degrees of responses of skepticism.

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Table 1
Source and α coefficients of measurement scale items

Scale Measure	Source	α	Items
Cynicism	Kanter and Wortzel 1985	0.740	6
Self Esteem	Rosenberg 1965	0.607	9
Consumer Susceptibility to Interpersonal Influence (CSII)	Normative Informational Bearden et al. 1989	0.867	7
Marketplace Knowledge	Mangleburg and Bristol 1998	0.740 0.792	4 3
Consumer Skepticism towards Advertising	Obermiller and Spangenberg 1998	0.866	9
Inferences of Manipulative Intent	Campbell 1995	0.701	3
Attitude towards the Ad	MacKenzie and Lutz 1989	0.884	4
Product Judgement	Lee and Lee 2009	0.831	4

*All items were measured on a seven-point Likert scale

Table 2
Relationship between the Antecedents and CSA

Antecedents		B-values	Std. Error	Beta	T-Value	Sig.*
Cynicism		-0.204	0.076	-0.199	-2.693	0.008*
Self- Esteem		0.009	0.104	0.006	0.083	0.934
Consumer Susceptibility toward	Normative	0.211	0.056	0.286	3.736	0.000*
Interpersonal Influences	Informational	0.048	0.062	0.060	0.786	0.433
Marketplace Knowledge		0.022	0.058	0.027	0.380	0.705
Adjusted R ²				0.099		

*Significant at p-value <0.05

Table 3
Regression Analysis

Independent Variables	Dependent Variables	Hypo-thesis	B-values	Std. Error	T-test	Beta	Adjusted R ²	Sig.*
CSA	IMI	H ₅	0.436	0.080	6.084	0.380	0.139	0.000*
IMI	A _{ad}	H ₆	0.749	0.062	12.05	0.670	0.446	0.000*
IMI	Product Judgement	H ₇	0.490	0.063	7.742	0.490	0.248	0.000*
A _{ad}	Product Judgement	H ₈	0.517	0.053	9.790	0.517	0.346	0.000*

*Significant at p-value <0.05

Appendix 1

Figure 1
Conceptual Model of Consumers' Skepticism toward Advertising

