A NEW METHOD TO REDUCE TV AD AVOIDANCE:
THE EFFECTIVENESS OF INTERACTIVE PROGRAM
LOYALTY BANNERS

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ABSTRACT

This study used a sample of the general public in Australia to test whether program-related interactive banners superimposed over commercials in the break would reduce channel changing. Interaction with the banners reduced channel changes during the ad break by almost 40%, although interaction distracted viewers from optimally processing the ads. With the potential for advertising avoidance rates being driven up by DVRs, however, accepting reduced levels of advertising impact may be a necessary consequence of strategies designed to retain audiences, such as interactive loyalty banners.

INTRODUCTION

New technologies, such as the DVR, video-on-demand and IPTV advance the ways in which viewers can avoid television advertising (Brasel and Gips, 2008; Donaldson, 2005; Fass, 2005). This trend is likely to force agencies and their clients to find new ways to advertise on television (Donaldson, 2005) particularly as commercial time continues to "cost more and deliver less" (Streisand, 2004, p.46).

Interactive digital television (IDTV) is defined as "a group of technologies that gives the user the possibility to take control over their television experience enabling interactivity with the content" (Cauberghe and De Pelsmacker, 2006 p. 23). Interactive television services can also give viewers something to do during commercial breaks. For example, British Sky Broadcasting in the UK, and Open TV in the US, have pioneered interactive TV formats that allow viewers to press buttons on their remote controls to take offers of samples, brochures or to enter competitions.

This study used an experiment to test whether interactive banners superimposed over the ad break could be compelling enough to reduce channel changing and therefore increase the chances of advertisements being seen, and is the first study we know of to test the effects of these interactive program-related banners as a means of reducing advertising avoidance.

LITERATURE REVIEW AND HYPOTHESES

In their quest to engage and retain audiences during commercial breaks, advertisers have experimented with a variety of interactive approaches including the opportunity to access additional advertising-related content or enter a contest (Britton, 2007). Since viewers watch programs that they like, they may stay tuned if they are given the opportunity to interact with program-related trivia during the ad breaks. In light of the research insights outlined, we expect the following:

H1: Interaction with loyalty banners will reduce channel changing during commercial breaks.

Limited capacity theory proposes that restrictions placed on the processing resources of a message recipient determine the extent of encoding, storage, and retrieval of information (Lang, 2000). This theory implies that trying to process both banners and commercials will mean that fewer resources will be devoted to these two tasks, compared to viewers who concentrate all their available resources on processing either one. Cognitive load theory contends that our potential to process information is limited (Sweller, 1988), so that having to split attention across two tasks, such as navigating and processing interactive content, will compromise the ability to process information in interactive media (Conklin, 1987; Sweller and Chandler, 1991). Based on these underlying theoretical foundations and empirical associations between visual attention and memory (Brasel and Gips, 2008; Rosbergen, Pieters, and Wedel, 1997; Wedel and Pieters, 2000), we expect the following:

H2: The greater the percentage of commercial time interactors allocate to gazing at interactive loyalty banners, the lower the corresponding advertising recall.

The distracting effect of program or context induced interactivity on ad cognition was demonstrated in a recent study (Cauberghe and De Pelsmacker, 2008). Participants playing along with a television quiz achieved a 4.2% lower ad recall score, relative to those not playing along, and were almost 30% less likely to recall the advertised brand name immediately and 50% less likely to recall the brand after ten days. These research results lead us to expect the following:

H3: Interactive loyalty banners will be associated with reduced advertising effectiveness among viewers interacting with the banners relative to viewers not exposed to loyalty banners.

METHOD

Experimental Design

The experiment had two conditions: (1) Control (normal TV ads without interactive banners), and (2) Treatment (normal TV ads with interactive banners).

Sample

The sample comprised 248 adult television viewers representative of the general public in Australia (51% female, 49% male, age range 20 – 85 years, $M = 45.8$). The computer controlling the video feed in each viewing room randomly allocated the participants to one of the two Interactive Loyalty Banner conditions: (1) Control ($n = 83$), or (2) Treatment ($n = 165$).

Stimuli

The banner overlays were superimposed over the lower eighth of the screen during the ad breaks and were readable from a comfortable viewing distance. The text on the banners asked viewers trivia and quiz questions based on the program content. Participants could opt to use the remote control to vote on the 'correct' answer to these questions. The experiment employed five test advertisements and five filler advertisements carefully chosen to be "average" in terms of emotional response based on pre-tests.

Procedure

Participants were exposed to 22.5 minutes of television in an individual-viewing laboratory room. Participants could opt to watch any of four channels, each featuring a distinct program genre. All channel options included ten advertisements divided into two commercial breaks (pods), each with five advertisements. Depending on channel changing activity, a participant could have seen fewer than ten advertisements or more in that some advertisements could have been seen again on other channels. The programs on all four channels ended at the same time, after which viewers were asked

to indicate, using the remote control, which of the four channels they watched the most. Their answer to this question determined which program they were questioned on in the survey which they completed in an adjoining room. Upon completion of the survey, participants were asked whether they consented to being phoned back the next day (to measure day-after recall).

FINDINGS

Effects of Loyalty Banners on Channel Changes

Hypothesis 1 predicted that interaction with loyalty banners will reduce channel changing during commercial breaks. Figure 1 shows the effect of loyalty banners on the number of channel changes in total, as well as those made during the commercial breaks. Although participants who interacted with loyalty banners ("interactors") made more total channel changes, this difference was not significant ($p = .421$). During commercial breaks, interactors made fewer channel changes relative to the control and this difference was significant ($p = .004$). H1 is accepted.

Figure 1 Number of Channel Changes in Total and during Ad Breaks
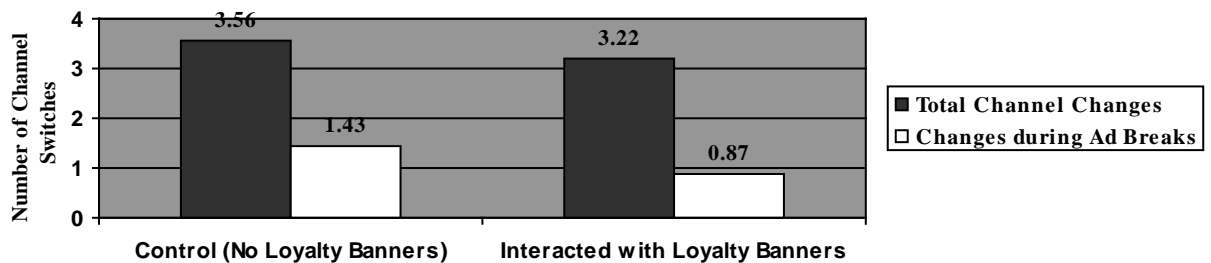
Effects of Loyalty Banners on the Percentage of Ads Seen

The critical variable for advertisers is not, however, the number of channel changes, but whether interacting with the banners increased the time spent watching each ads, and therefore maximized the exposure that advertisers pay for. To illustrate the effect of interacting with loyalty banners on the average percentage of each ad that was seen, we indexed the scores across both conditions such that if the interactors average = 100%, the Control average = 92% ($M = 104.44$ for interactors vs. $M = 95.76$ for controls: $F(1,903) = 24.03$, $p < .001$). This means that interactors watched ads for approximately 9 percent longer than the Controls ($8/92 \times 100$).

Effects of Interacting with Loyalty Banners on Eye Gaze

Hypothesis 2 predicted that the greater the percentage of commercial time interactors allocated to gazing at interactive loyalty banners, the lower the corresponding advertising recall. Results confirm that the more time spent with eyes on the banner, the less time spent with eyes on the advertisement, and consequently, the less time spent encoding and storing the advertisement and, therefore, the lower the recall rate for the advertisement shown with the banner. A similar significant negative correlation ($p = .001$) was observed for recognition. H2 is accepted.

Impact of Loyalty Banners on Advertising-Related Effects

Hypothesis 3 predicted that interactive loyalty banners would be associated with reduced advertising effectiveness among viewers interacting with the banners relative to viewers not exposed to loyalty banners. Consistent with the finding that interaction distracted viewing towards the interactive banners, and previous research showing a distraction effect of interaction, recognition and recall were significantly lower for the interactive banners condition (Figure 2; recognition and recall, both $p < .001$)

Figure 2 Recognition and Recall of Ads between Control and Banner Interactors
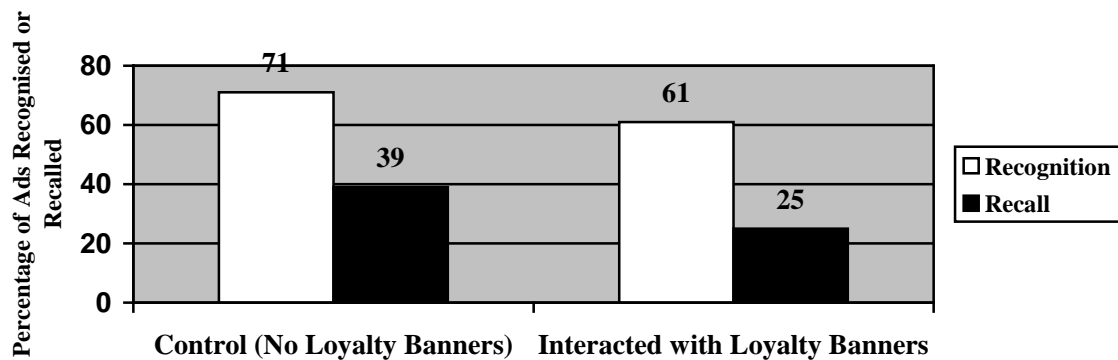

Table 1 shows the impact of loyalty banners on measures of persuasion. Again, interaction with the loyalty banners had a distracting effect. H3 is partially supported with significant effects for attitude towards the ad and message takeout (both $p < .05$). Finally, interaction with the loyalty banners significantly increased viewer tolerance for the commercial breaks ($p < .01$).

Table 1 Impact of Loyalty Banners on Advertising-Related Effects

	Mean Scores Control – No Banners	Mean Scores: Interacted with Banners	F-Value	p-Value
Attitude towards the Advertisement	5.25	5.05	1.43	.0005
Attitude towards the Brand	5.17	5.1	13.72	.096
Message Takeout	5.05	4.78	2.23	.026
Purchase Probability	42.6	40.1	.001	.125
Tolerance for Commercial Breaks	3.6	3.84	.035	.009

DISCUSSION

This is the first study we know of to test the effects of interactive program-related banners as a means of reducing avoidance. Results show that the interaction with these banners does reduce the rate of channel switching. However, in line with a recent study in which program interaction reduced advertising recall (Cauberghe and De Pelsmacker, 2008), the interaction with program-related banners during the break has a distracting effect on measures of ad memory and persuasion.

Implications for Advertisers and Networks

The results suggest that interactive loyalty banners present a clear trade-off for advertisers between reducing advertising avoidance and the diminishing advertising impact associated with distraction. In a world where advertising avoidance becomes even more prevalent, the trade-off might be justified (Brasel and Gips, 2008). If the choice is between reduced impact and no impact (due to advertising avoidance), the former becomes all the more attractive. It is possible that a slight modification of the loyalty banners format might deliver the benefits associated with reduced advertising avoidance without compromising advertising effectiveness. This modification would place interactive program content in interactive interstitials within the advertising pod, that is, on full-screen pages between full-screen ads. Such an approach might still deliver the benefits demonstrated in this study associated with reduced advertising avoidance without compromising advertising effectiveness as viewers would no

longer be required to split their attention across two messages (loyalty banner and advertising content) simultaneously.

CONCLUSION

This study demonstrates that interactive program-related loyalty banners could significantly reduce channel changes during advertising breaks by almost 40%. Compared to viewers who watch ads with great attention, as our control condition viewers did in our lab, interactive loyalty banners distract viewers from optimally processing the ads. But these viewers are not the real comparison for this study. The real comparison group is the increasing percentage of viewers who are avoiding seeing any ads at all (Brasel and Gips, 2008). With the potential for advertising avoidance rates being driven up by DVRs, accepting reduced levels of advertising impact may be a necessary consequence of strategies designed to retain audiences.

The application of these results to real in-home viewing environments has a number of limitations. First, the average interaction rate per ad, 92%, was probably higher than it would be in the real world. Secondly, the rate of channel changing has increased in the US in line with the number of channels available. Future tests of this model should employ more channel options. Field experiments, where viewers have access to many more channels, might be used to more fully test for such effects. Thirdly, this study monitors a 'single viewer' environment. This setting does not capture the group dynamics that occur among multiple viewers in the real world.

The most serious obstacle in the way of implementing interactive loyalty banners over advertising breaks is the reaction of advertisers themselves, who will resist obscuring any of their very expensive productions. If networks implement these banners, they should be carefully pre-tested to maximize their interest and entertainment value, while minimizing their cognitive load (distraction) to ensure as much attention as possible is paid to the advertisements.

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